

Regional Public Transportation Authority

FY25 Budget



Valley Metro

Regional Public Transportation Authority

PHOENIX, ARIZONA

OPERATING AND CAPITAL BUDGET

FISCAL YEAR 2025

(JULY 1, 2024 THROUGH JUNE 30, 2025)

FIVE-YEAR OPERATING FORECAST AND CAPITAL PROGRAM

FISCAL YEAR 2025 THROUGH FISCAL YEAR 2029

(JULY 1, 2024 THROUGH JUNE 30, 2029)

BOARD OF DIRECTORS



Chair
Bill Stipp
Councilmember
Goodyear



Vice Chair
OD Harris
Councilmember
Chandler



Treasurer
Jennifer Adams
Vice Mayor
Tempe



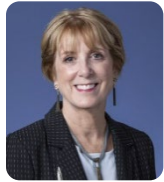
Maxine White
Vice Mayor
Avondale



Clay Goodman, PhD
Vice Mayor
Buckeye



Monica Dorcey
Councilmember
El Mirage



Peggy McMahon
Councilmember
Fountain Hills



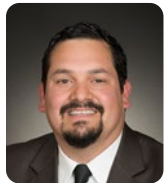
Brigette Peterson
Mayor
Gilbert



Lauren Tolmachoff
Councilmember
Glendale



Jack Sellers
Supervisor
Maricopa County



Francisco Heredia
Vice Mayor
Mesa



Jon Edwards
Councilmember
Peoria



Laura Pastor
Councilmember
Phoenix



Jeff Brown
Councilmember
Queen Creek



Kathy Littlefield
Councilmember
Scottsdale



Aly Cline
Councilmember
Surprise



Lupe Bandin
Vice Mayor
Tolleson

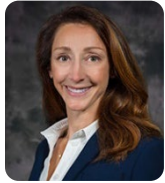


Rui Pereira
Mayor
Wickenburg



Michael LeVault
Mayor
Youngtown

EXECUTIVE MANAGEMENT TEAM



Jessica Mefford-Miller
Chief Executive Officer



Sebrina Beckstrom
Chief Auditor



Melissa Boyles
Chief of Staff



Trevor Collon
Chief Capital Development



Darren Curry
Chief Maintenance Officer



Hillary Foose
Director, Communication & Strategic Initiatives



Jim Hillyard
Interim, Chief Customer Experience Officer



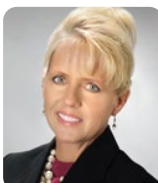
Ken Kessler
Chief Financial Officer



Penny Lynch
Director, Human Resources



Michael Pal
Chief Transportation Officer



Adrian Ruiz
Director, Safety, Security and Quality Assurance



Alexis Tameron Kinsey
Director, Government Relations



Michael Wawro
Chief Legal Officer

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Executive Summary & Annual Budget

EXECUTIVE SUMMARY



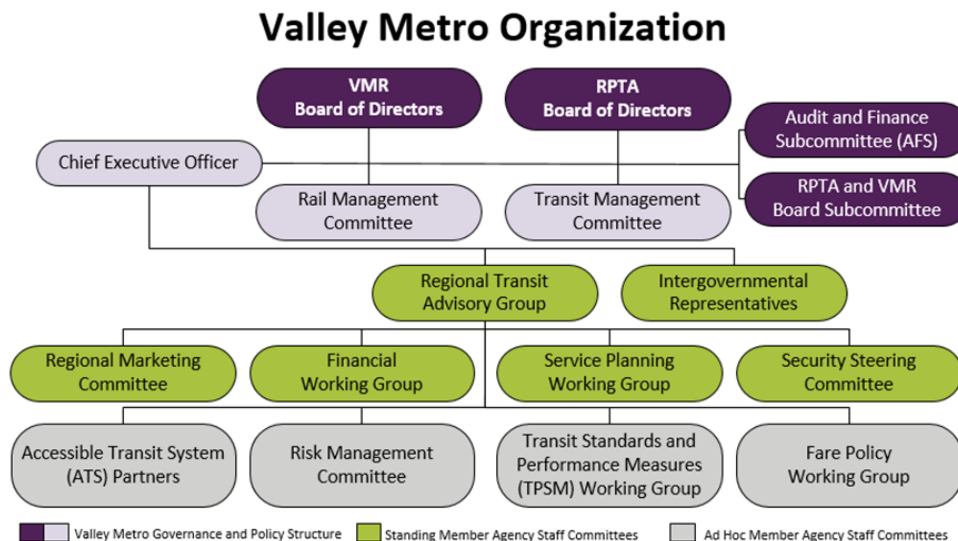
AGENCY OVERVIEW

Valley Metro is comprised of two separate legal entities, the Regional Public Transportation Authority (RPTA) and Valley Metro Rail, Inc. (VMR). The two agencies operate jointly with one Chief Executive Officer and one organizational structure. Intergovernmental agreements between the agencies define the responsibilities of each agency in meeting the overall strategic mission, vision, and goals for Valley Metro. Valley Metro is governed by two boards of directors. The RPTA Board consists of 19 public agencies that set the policy direction for all modes of transit except light rail and streetcar. The VMR Board consists of four cities that set the policy direction for light rail and streetcar high-capacity transit (HCT). The boards and the agency work to improve and regionalize the public transit system.

RPTA is the regional transit agency for Maricopa County. Created in 1985 with the passage of Proposition 300, RPTA is a political subdivision of the State of Arizona overseen by a 19-member board of elected officials. Membership is open to all municipalities in Maricopa County and to the County government. The current Valley Metro RPTA Board comprises Avondale, Buckeye, Chandler, El Mirage, Fountain Hills, Gilbert, Glendale, Goodyear, Maricopa County, Mesa, Peoria, Phoenix, Queen Creek, Scottsdale, Surprise, Tempe, Tolleson, Wickenburg, and Youngtown. With the passage of Proposition 400 in November 2004, RPTA is the recipient of the transit portion of the twenty-year countywide 0.5% sales tax fund commencing in 2006 and running through 2025. A new ballot Proposition 479 will be voted on in November 2024 to determine the future of the Public Transportation Fund (PTF) tax.

VMR was formed in 2002 to design, construct, and operate a high-capacity transit system. The current VMR Board comprises Chandler, Mesa, Phoenix, and Tempe. VMR is responsible for administration and oversight of the design, construction and operation of light rail and streetcar, and for receipt and disbursement of funds from federal, state, local, and other funding sources. The VMR Board is empowered to enter into contracts for design and construction, hire or contract for staff and undertake extensions to the system. The member cities of VMR retain power of eminent domain and ownership of real estate with agreements established for property use by VMR. The cities are responsible for providing annual funding for the light rail and streetcar projects through their annual or biannual budgets, in addition to recommending light rail corridors within their city boundaries.

The following chart depicts the policy organization for Valley Metro and the relationships to key stakeholders:



SERVICE CHARACTERISTICS

RPTA operates fixed route bus (local, express, neighborhood circulators, and rural), demand services, and vanpool services within the Phoenix Metropolitan area, excluding the rural route.

Fixed route bus usually operates an average weekday ridership of over 46,000 boardings; however, due to COVID, the average dropped to 17,000 in FY21, increased to 21,500 in FY22, and continued to increase to 25,150 in FY23. Weekday service begins approximately 3:30 a.m. and ends approximately 1:30 a.m. the following day. RPTA operates a fleet of 270 buses traveling over 18 communities in the Phoenix Metropolitan area. RPTA’s fixed route service area encompasses 683 square miles within the Phoenix Metropolitan area.

Demand services usually operates an average of 10,500 trips per week; however, the average remains lower than pre-pandemic levels at 9,500 trips per week in FY23. Paratransit service is provided, at a minimum, in all areas that are within three-quarters of a mile of local fixed-route bus routes or light rail stations. Contractors operated a fleet of approximately 300 vehicles traveling over 16,400 miles each weekday in FY23. RPTA’s paratransit service area encompasses approximately 1,000 square miles within the Phoenix Metropolitan area.

Vanpool operated with an average weekday ridership of pre-pandemic levels at 2,600 commuters. RPTA usually operates a fleet of approximately 372 vans traveling over 26,000 miles each weekday; however operating levels remain lower than pre-pandemic at 224 vans traveling over 18,400 miles each weekday in FY23. RPTA’s vanpool service area encompasses the area that the vanpool commuters live or work in Maricopa County.

FARE POLICY

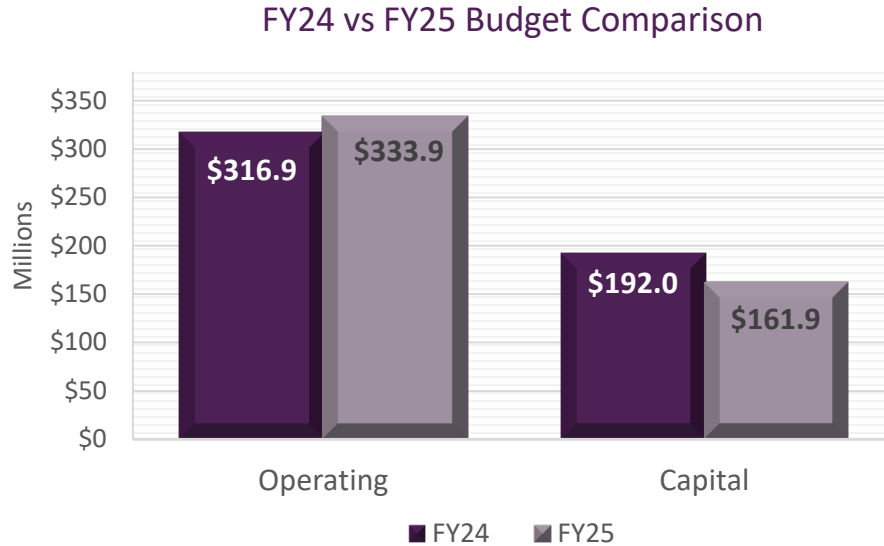
Effective October 2023, the current Regional Fare Policy is as follows:

Exact Fare Required	Cash & Smart Fare		Smart Fare Maximum Fare Charged					
	1-Ride		Daily		Weekly		Monthly	
	Full	Reduced ¹	Full	Reduced ²	Full	Reduced ²	Full	Reduced ²
Local Bus/ Light Rail	\$2	\$1	\$4	\$2	\$20	\$10	\$64	\$32
Express/RAPID	\$3.25	N/A	\$6.50	N/A		\$104		N/A
Streetcar	\$1	\$0.50	Streetcar contributes to all Smart Fare maximums.					
Daily maximum applies to transit day (3 a.m.-2:59 a.m.). Weekly/monthly maximums apply to calendar week (Mon.-Sun.) and calendar month.								
Reduced fare is available for youth ages 6-18, seniors 65+, persons with disabilities and Medicare card holders.								
¹ Cash reduced fares require showing proof of eligibility: government-issued ID, Medicare card with proof of ID, current school year ID with photo or reduced fare Copper card.								
² Reduced fare account required to access reduced Smart Fare.								

Visit Valley Metro’s website at <https://www.valleymetro.org> for details regarding the fare structure for Rural, Demand services, as well as the Vanpool program.

BUDGET OVERVIEW

The total operating and capital budget for FY25 is \$495.8 million(M), a decrease of \$13.1M from the FY24 budget.



SOURCES OF FUNDS

Operating sources of funds are \$333.9M, an increase of \$17.0M or 5% from the FY24 budget. The primary sources are detailed below:

- Public Transportation Funds (PTF), including reserves, use is forecasted at \$187.2M, up by \$7.6M from FY24 primarily due to inflation and new contracts originating in FY24.
- Federal funds for operations are increasing \$3.0M to \$15.5M due to the new Vanpool contract that includes vendor provided vehicles.
- VMR Pass-Through funding for personnel reimbursements is up \$4.6M mainly due to full year revenue operation of Northwest Phase II, COLA and Merit increases for staff, and enhancements for security and maintenance of the Rail System.

Capital sources of funds are \$161.9M, a decrease of \$30.1M or 16% from the FY24 budget. The primary sources are detailed below:

- Programmed capital PTF fund sources, including reserves, are increasing \$0.2M to \$44.0M to cover local match requirements for fleet purchases.
- Federal funding of \$23.3M is decreasing \$36.3M or 61% from FY24 mainly due to the smaller number of bus and demand service fleet replacements scheduled in FY25. In addition, federal funding for vanpool fleet is now reflected in Operating Sources since the vanpool contractor now provides the vehicles for the program.

- Total VMR Capital PTF program funds of \$94.6M are up by \$6.2M or 7% over FY24. These are pass through PTF funds for VMR’s capital construction program requirements.

	FY23 Actual	FY24 Budget	FY25 Budget	
Sources of Funds				
Operating				*Note
Public Transportation Funds	\$ 113,550,000	\$ 179,567,000	\$ 166,123,000	1
Regional Area Road Funds	5,028,000	5,063,000	5,178,000	
Member City Contributions	43,078,000	57,811,000	57,717,000	
Advertising	1,117,000	750,000	750,000	
AZ Lottery Funds	902,000	-	-	
Fares	6,666,000	8,363,000	11,036,000	2
Federal Funds	13,598,000	12,554,000	15,545,000	3
Federal Funds - Covid Relief	282,000	857,000	-	4
MAG Funds	625,000	200,000	175,000	
Other	329,000	80,000	80,000	
Carry Forward & Reserves	-	-	21,072,000	1
Sub-Total Operating	185,175,000	265,245,000	277,676,000	
Pass-Through				
Regional Area Road Funds	500,000	500,000	500,000	
AZ Lottery Funds	10,267,000	11,200,000	11,200,000	
VMR Personnel Reimbursements	30,769,000	39,956,000	44,508,000	5
Sub-Total Pass-Through	41,536,000	51,656,000	56,208,000	
Total Operating	226,711,000	316,901,000	333,884,000	
Capital				
Public Transportation Funds	30,803,000	8,248,000	125,000	6
Member City Contributions	24,000	-	-	
Federal Funds	17,704,000	59,561,000	23,252,000	7
Other	420,000	182,000	88,000	
Carry Forward & Reserves	-	35,527,000	43,833,000	6
Sub-Total Capital	48,951,000	103,518,000	67,298,000	
Pass-Through				
VMR Public Transportation Funds Program	106,955,000	88,471,000	94,624,000	8
Sub-Total Pass-Through	106,955,000	88,471,000	94,624,000	
Total Capital	155,906,000	191,989,000	161,922,000	
Total Sources of Funds	\$ 382,617,000	\$ 508,890,000	\$ 495,806,000	

* Explanations for significant changes from prior year are included in the Budget Analysis section of this document.

USES OF FUNDS

Operating uses of funds are \$333.9M, an increase of \$17.0M or 5% from the FY24 budget. The primary uses are detailed below:

- Fixed Route operations costs are increasing by \$8.1M or 5% in FY25, primarily due to full year operating impacts of new bus contracts and reduced service in the West Valley, as well as increased fuel costs.
- Demand service costs are increasing by \$2.1M to \$56.9M in FY25. The increase is a result of increased provider costs and ADA service provided by City of Phoenix.

Capital uses of funds are \$161.9M, a decrease of \$30.1M or 16% from the FY24 budget. The primary uses are detailed below:

- Regional Fleet planned purchases are \$18.1M, a decrease of \$45.9M from the FY24 budget.
- VMR Capital Pass-Through expenses of \$94.6M are up by \$6.2M or 7% over FY24. These are pass through PTF funds for VMR’s capital construction programs.

	FY23 Actual	FY24 Budget	FY25 Budget	
Uses of Funds				
Operating				*Note
Fixed Route Operations	\$ 115,701,000	\$ 174,449,000	\$ 182,500,000	9
Demand Service	45,072,000	54,858,000	56,944,000	10
Vanpool Operations	779,000	2,535,000	4,625,000	11
Commute Solutions	1,360,000	1,539,000	1,564,000	
Planning	3,536,000	4,426,000	4,330,000	
Regional Services	15,165,000	22,069,000	22,298,000	
Administration and Finance	3,562,000	5,369,000	5,415,000	
Sub-Total Operating	185,175,000	265,245,000	277,676,000	
Pass-Through				
AZ Lottery Funds Disbursements	10,267,000	11,200,000	11,200,000	
Valley Metro Rail	30,769,000	39,956,000	44,508,000	12
VMR RARF Disbursements	500,000	500,000	500,000	
Sub-Total Pass-Through	41,536,000	51,656,000	56,208,000	
Total Operating	226,711,000	316,901,000	333,884,000	
Capital				
Regional Fleet	16,534,000	64,064,000	18,149,000	13
Regional Facilities and Administration	1,025,000	1,380,000	6,153,000	14
Other Regional Projects	4,413,000	5,474,000	8,400,000	15
Debt Service	22,329,000	22,854,000	22,284,000	16
Member Agency Disbursement	4,650,000	9,746,000	12,312,000	17
Sub-Total Capital	48,951,000	103,518,000	67,298,000	
Pass-Through				
Valley Metro Rail	106,955,000	66,803,000	71,589,000	
VMR PTF Capital Reserve	-	21,668,000	23,035,000	
Sub-Total Pass-Through	106,955,000	88,471,000	94,624,000	18
Total Capital	155,906,000	191,989,000	161,922,000	
Total Uses of Funds	\$ 382,617,000	\$ 508,890,000	\$ 495,806,000	

* Explanations for significant changes from prior year are included in the Budget Analysis section of this document.

BUDGET ANALYSIS

The following is an analysis of the major changes in the FY25 Budget versus the FY24 Budget. The number in the "Note" column corresponds to the "Note" column in the "Sources of Funds" and "Uses of Funds" tables.

	Note	Analysis Comment - Sources of Funds
OPERATING	1	Public transportation funds, including reserves, are currently programmed at \$187.2M, a 4% increase or \$7.6M over FY24 primarily due to inflation and contractual obligations.
	2	Fare revenues are anticipated to increase from \$8.4M to \$11.0M in FY25 based on gradual increasing ridership since the pandemic and the new vanpool contract.
	3	Federal funds for operations is increasing \$3.0M to \$15.5M due to new vanpool operating contract that includes vendor provided vehicles.
	4	There is no Covid-relief funding remaining.
	5	Pass-through expenses paid by VMR are up \$4.6M or 11% over FY24. This is due to full year revenue operation of Northwest Phase II, COLA and Merit increases for staff, and enhancements for Security and Maintenance of the Rail System.
CAPITAL	6	Public transportation funds, along with carry forwards & reserves, are increasing \$0.2M to a total of \$44.0M in FY25. The increase is primarily due to more PTF being used in operations for inflation and on-going contractual commitments. With less PTF available for capital projects, more reserves are needed.
	7	Federal funding for capital activities is decreasing \$36.3M in FY25 due to reduced number of capital fleet replacements. Federal funding is the primary source of capital fleet purchases (typically 80% of cost).
	8	Capital pass through PTF is up \$6.2M to \$94.6M in FY25 due to the increased amount of VMR capital construction activities, systemwide improvements, and state of good repair projects.

Note Analysis Comment - Uses of Funds	
O P E R A T I N G	<p>9 Fixed route bus service levels are planned to decrease approximately 323,000 miles due to circulator service reductions in the West Valley. The Phoenix operated service purchased with PTF funds is planned to decrease 700,000 miles. Overall the fixed route operations increase of \$8.1M, or 5%, primarily reflects contractual rate increases for service providers.</p>
	<p>10 Demand service operations are increasing \$2.1M or 4% up from FY24. This is primarily due to the increased contractor costs on both Paratransit and RideChoice programs, as well as the City of Phoenix ADA service which is reimbursed with PTF.</p>
	<p>11 vanpool operations are increasing \$2.1M to \$4.6M. Costs are increasing due to the structure change of the contract which now includes charges for the fleet vehicles.</p>
	<p>12 Valley Metro Rail staff costs of \$44.5M are up by \$4.6M or 11% over FY24 due to full year revenue operation of Northwest Phase II, COLA and merit increases for staff, and enhancements for security and maintenance of the rail system.</p>
C A P I T A L	<p>13 Regional fleet purchases are decreasing by \$45.9M to \$18.1M in FY25. 20 standard buses are scheduled for FY25. Local PTF match for member city bus purchases are included in this budget.</p>
	<p>14 Regional facilities needs are increasing \$4.8M to \$6.2M in FY25 mostly due to infrastructure for battery electric charging stations and consulting oversight for the Town of Gilbert's Park and Ride and Avondale's transit center.</p>
	<p>15 Other regional projects are increasing \$2.6M from FY24 due to increased focus on State of Good Repair tasks such as engine and transmission overhauls.</p>
	<p>16 Debt service scheduled payments are down slightly, \$0.6M, to \$22.3M for FY25.</p>
	<p>17 Member agency disbursements of \$12.3M are up \$2.6M over FY24. These include local matching funds for Scottsdale and Gilbert bus stop improvements, Glendale Park and Ride, the Phoenix fare collection system modernization program, and bus and paratransit vehicle purchases.</p>
	<p>18 Capital pass through funds allocated to VMR are \$94.6M in FY25. \$71.6M is for planned capital construction needs. These needs do not exceed the annual PTF allocation and will add \$23.0M to the reserve fund.</p>

STAFFING OVERVIEW

RPTA and VMR budgets are developed with a unified staff plan, with department managers planning the level of effort required to meet the bus and rail activities. For FY25, there are 517 employees budgeted: 175 Full Time Equivalent (FTE) positions are budgeted to RPTA activities and 342 FTEs to VMR activities. Staffing levels are reviewed on an annual basis to fulfill work requirements for the coming year. Salary and fringe benefit compensation levels are measured against comparable regional agencies, member cities, and peer transit agencies located in the western U.S.

FY25 COMPENSATION AND FRINGE BENEFIT ASSUMPTIONS

Total compensation budget is based on a 3.5% merit increase and a 2.5% Cost of Living Adjustment (COLA) for all agency staff. For staff salary changes, merit increases are based on employee performance. The COLA is recommended based on continued inflation, which according to the Consumer Price Index (CPI) in the Phoenix metropolitan area, reached 2.7% growth over a 12-month period (January 2023 compared to January 2024). The fringe benefits plan, including Arizona State Retirement System and health insurance, is anticipated to increase around 9%.

FY25 STAFFING NEEDS

Valley Metro and our partners are committed to delivering an excellent customer experience across the system now and into the future. Thirty key positions have been added to the FY25 budget in order to best serve our customers by improving and maintaining the system for upcoming new service related to the opening of the South Central Extension and the transition of regional fare revenue administration from City of Phoenix to Valley Metro.

RPTA only

- Manager, Fare Administration and Programs
- Fare Programs Coordinator (2)

VMR only

- Assistant Rail Manager (2)
- Cleaning Services Coordinator
- Communications Systems Technician (2)
- Customer Experience Coordinator (2)
- Lead Fare Revenue Technician
- Pressure Washer (3)
- Public Information Specialist
- Rail Safety Specialist II (2)
- Rail Vehicle Electro-Mechanical Tech (3)
- Rail Vehicle Mechanic
- SCADA Specialist (2)
- Signal Systems Technician (2)
- Track Maintainer (2)
- Traction Power Systems Technician (3)

Agency	FY24 Budget	FY25 Changes	FY25 Budget
RPTA	174.3	0.4	174.7
VMR	312.7	29.6	342.3
Total Agency	487.0	30.0	517.0

FIVE-YEAR OVERVIEW

Valley Metro RPTA has the primary responsibility of implementing the operating and capital components of the transit element identified in the 20-year Regional Transportation Plan (RTP). The operating component includes the expansion of regional fixed route services, high-capacity transit alternatives, vanpools, and demand services throughout the region. The capital component of the transit element of the RTP includes fleet replacement and expansion as well as the development of new park-and-rides, transit centers, passenger facilities, and maintenance and operations facilities over the life of the plan. Construction of the light rail alignment and extensions has been designated to Valley Metro Rail by Valley Metro RPTA and expenditures are shown as VMR capital funding in the capital forecast. These sources and uses of funds are summarized as follows:

SOURCES OF FUNDS

	5 Year Total
Five-Year Sources of Funds (\$,000)	
Operating	
Advertising	\$ 4,582
Public Transportation Funds	945,471
Regional Area Road Funds	27,178
Member City Contributions	316,272
VMR Reimbursements	250,179
AZ Lottery Funds	56,000
Federal Funds	80,735
Federal Funds - COVID Relief	-
Carry Forwards & Reserves	21,072
Fares	62,879
MAG Funds	875
Other	11,144
Total Operating	1,776,388
Capital	
Public Transportation Funds	70,356
Federal Funds	142,338
Other	531
Carry Forward & Reserves	47,326
VMR Public Transportation Funds Program	180,785
VMR Public Transportation Funds Reserve	96,592
Total Capital	537,928
Total Sources of Funds	\$ 2,314,316

USES OF FUNDS

	5 Year Total
Five-Year Uses of Funds (\$,000)	
Operating	
Fixed Route Operations	\$ 968,919
Demand Service Operations	303,428
Vanpool Operations	25,834
Planning	22,533
Commute Solutions	8,139
Regional Services and Administration	115,772
Administration and Finance	23,476
Operating Contingency	2,500
Pass-through Disbursements	305,787
Total Operating	1,776,388
Capital	
Regional Fleet	132,347
Regional Facilities	13,315
Other Regional Projects	30,771
Member Agency Disbursements	39,590
Debt Service	44,528
Rail Program Disbursements	226,309
VMR Reserve for Future Use	51,068
Total Capital	537,928
Total Uses of Funds	\$ 2,314,316

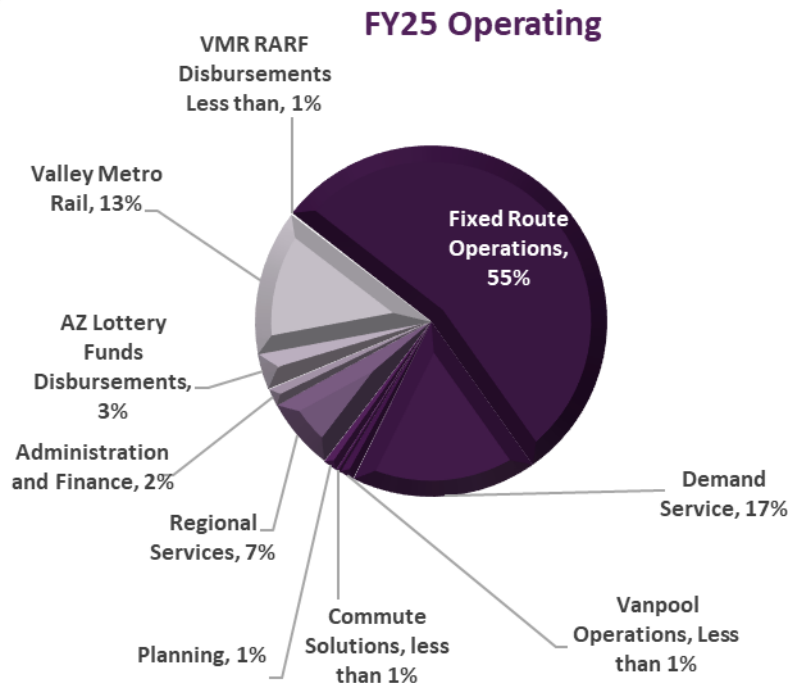
OPERATING BUDGET



OPERATING OVERVIEW

The total operating budget for FY25 is \$333.9M, up \$17.0M or 5% from FY24.

	FY23 Actual	FY24 Budget	FY25 Budget
Operating Overview			
Operating			
Fixed Route Operations	\$ 115,701,000	\$ 174,449,000	\$ 182,500,000
Demand Service Operations	45,072,000	54,858,000	56,944,000
Vanpool Operations	779,000	2,535,000	4,625,000
Commute Solutions	1,360,000	1,539,000	1,564,000
Planning	3,536,000	4,426,000	4,330,000
Regional Services	15,165,000	22,069,000	22,298,000
Administration and Finance	3,562,000	5,369,000	5,415,000
Total Operating	185,175,000	265,245,000	277,676,000
Pass-Through			
AZ Lottery Funds Disbursements	10,267,000	11,200,000	11,200,000
Valley Metro Rail	30,819,000	39,956,000	44,508,000
VMR RARF Disbursements	500,000	500,000	500,000
Total Pass-Through	41,586,000	51,656,000	56,208,000
Total Operating Overview	\$ 226,761,000	\$316,901,000	\$333,884,000



FIXED ROUTE OPERATIONS

RPTA will provide approximately 12.6 million miles of service in FY25. Total miles planned to be delivered are about 323,000 or 3% less than FY24 mostly due to reduction of Circulator services in the West Valley. RPTA Fixed Route Bus Operations includes local, circulator, and express service provided by Keolis in the East Valley to Chandler, Gila River Indian Community, Mesa, Phoenix, Scottsdale, and Tempe. Express services are provided by National Express in the West Valley to Avondale, Buckeye, El Mirage, Glendale, Goodyear, Peoria, and Surprise. Additional service is provided by National Express (via RTA of Pima County) for the Gila Bend Connector between Desert Sky Transit Center in Phoenix and Gila Bend.

	FY23 Actual	FY24 Budget	FY25 Budget
Fixed Route Operations			
Operation Services			
Transit Services	\$ 94,987,000	\$ 150,339,000	\$ 157,747,000
Contractual Services	3,815,000	5,086,000	4,852,000
Fuel & Lubricants	9,454,000	9,749,000	10,059,000
PTF Disbursements	148,000	75,000	75,000
Total Operation Services	108,404,000	165,249,000	172,733,000
Facility Maintenance			
Contractual Services	2,749,000	3,660,000	3,268,000
Utilities	837,000	874,000	897,000
Other	65,000	75,000	81,000
Total Facility Maintenance	3,651,000	4,609,000	4,246,000
Administrative Support			
Personnel	1,532,000	2,234,000	2,722,000
Advertising	-	5,000	-
Computers & Software	-	-	300,000
Contractual Services	709,000	480,000	211,000
Fuel & Lubricants	18,000	12,000	25,000
Insurance	128,000	114,000	132,000
Non-Revenue Vehicles	-	-	32,000
Site Improvements	105,000	8,000	100,000
Supplies	33,000	10,000	11,000
Travel & Meetings	2,000	8,000	8,000
Other	37,000	105,000	55,000
Allocated Indirect Costs	1,082,000	1,615,000	1,925,000
Total Administrative Support	3,646,000	4,591,000	5,521,000
Total Fixed Route Operations	\$ 115,701,000	\$ 174,449,000	\$ 182,500,000
Full Time Equivalents	13.2	15.7	16.8
Service Miles-RPTA Operated	12,059,000	12,913,000	12,590,000
Service Miles-COP Operated	1,933,000	4,994,000	4,300,000
Boardings-RPTA only	6,821,000	7,470,000	8,435,000
Boardings-COP	1,215,000	1,207,000	1,238,000

Operations services includes purchased transportation, fuel, and other directly related expenses that support bus operations. Costs are forecasted to increase 5% in FY25 with contractor and fuel costs being the major drivers.

Facility maintenance includes costs related to maintaining and operating the Mesa Bus Operations and Maintenance Facility (MBOM) and the Tempe Bus Operations and Maintenance Facility (TBOM). Although Tempe owns the TBOM, RPTA is billed for its share of the expenses directly related to bus operations and maintenance facility services. Total costs are forecasted to decrease by 8% or \$0.4M, primarily due to asphalt lot repairs completed in FY24 and lower Tempe facility maintenance.

Administrative support is planned to increase \$0.8M to \$5.5M due to increases for new maintenance personnel, allocated indirect costs, and software for fuel management.



DEMAND SERVICE OPERATIONS

RPTA will provide approximately 651,000 trips in FY25, which is a 14% increase from the planned trips to be delivered in FY24. RPTA’s Paratransit program provides door-to-door transportation to people with disabilities, seniors aged 65 and above, and other qualified individuals. The program covers the East and West Valleys individually, as well as regional trips traversing the valley. RPTA currently contracts for service with MJM providing administrative brokerage services for the reservation and scheduling functions, and MTM Transit for the delivery of the ADA Paratransit trips, using Valley Metro owned vehicles. RPTA currently contracts for RideChoice service with MJM, who subcontracts with qualified Ride Share, taxi, and van providers offering an alternative transportation program for qualified customers. This service is generally less costly than paratransit and is offered 24 hours a day and seven days a week.

	FY23 Actual	FY24 Budget	FY25 Budget
Demand Service			
Operation Services			
Transit Services	\$ 22,164,000	\$ 28,279,000	\$ 28,018,000
Fuel & Lubricants	1,357,000	2,267,000	1,921,000
PTF Disbursements	20,030,000	21,974,000	22,832,000
Total Operation Services	43,551,000	52,520,000	52,771,000
Administrative Support			
Personnel	662,000	1,102,000	1,237,000
Computers & Software	-	164,000	-
Contractual Services	290,000	100,000	1,731,000
Equipment	-	21,000	-
Insurance	51,000	44,000	62,000
Leases/Rent	-	-	215,000
Supplies	5,000	-	-
Other	18,000	111,000	58,000
Allocated Indirect Costs	495,000	796,000	870,000
Total Administrative Support	1,521,000	2,338,000	4,173,000
Total Demand Services	\$ 45,072,000	\$ 54,858,000	\$ 56,944,000
Full Time Equivalents	7.1	8.4	8.8
Trips	487,000	572,000	651,000

Total demand services costs for FY25 are increasing by \$2.1M or 4% from FY24 to \$56.9M. One-time setup costs realized in FY24 no longer reflected in FY25 results in decreased contractor costs even though more service is planned to be delivered. Administrative contractual services include \$1.6M for a demand response service management system (scheduling and dispatch software) for implementation in FY25.

VANPOOL OPERATIONS

Vans are now provided by the vendor for vanpool services for commuters who live and/or work in Maricopa County. The vendor provides full services under the new contract that started January 2024. The program serves commuter groups of 6 to 15 people by providing a fully insured and maintained agency-owned van for which the passengers pay a monthly fare based on mileage, number of riders, and type of van. Costs within the vanpool budget also include Valley Metro administrative oversight. Vanpool participants fund operational expenses and some of the capital cost (vans). Federal funding is available to fund a portion of the cost of the vendor supplied vans.

	FY23 Actual	FY24 Budget	FY25 Budget
Vanpool Operations			
Operation Services			
Transit Services	\$ 462,000	\$ 2,164,000	\$ 4,267,000
Total Operation Services	462,000	2,164,000	4,267,000
Personnel			
Personnel	139,000	160,000	148,000
Advertising	27,000	25,000	25,000
Contractual Services	6,000	6,000	6,000
Insurance	33,000	29,000	39,000
Supplies	5,000	25,000	26,000
Travel & Meetings	3,000	3,000	3,000
Other	3,000	7,000	7,000
Allocated Indirect Costs	101,000	116,000	104,000
Total Administrative Support	317,000	371,000	358,000
Total Vanpool Operations	\$ 779,000	\$ 2,535,000	\$ 4,625,000
Full Time Equivalents	1.3	1.3	1.3
Active Vanpools	285	241	226

The FY25 budget increases 82% or \$2.1M over FY24 due to the annualization of the new contract that went into effect January 2024 and the costs to fully transition to contractor owned and supplied vehicles. Approximately 226 vehicles are planned to be operated during FY25. The FY25 program goal is to meet demand and maintain the number of active vanpools.

Vanpool Cost and Environmental Savings*



*In Fiscal Year 2023

PLANNING

RPTA’s planning team coordinates regional planning activities with MAG and the City of Phoenix and provides planning support to member cities as needed. This includes establishment and tracking of work assignments, priorities, project schedules, and budgets.

	FY23 Actual	FY24 Budget	FY25 Budget
Planning			
Systems Development			
Personnel	\$ 826,000	\$ 887,000	\$ 934,000
Travel & Meetings	-	-	23,000
Supplies	11,000	-	2,000
Other	-	-	15,000
Contractual Services	1,516,000	1,421,000	1,537,000
Allocated Indirect Costs	586,000	639,000	659,000
Total Systems Development	2,939,000	2,947,000	3,170,000
Corridor & Facility			
Personnel	84,000	161,000	135,000
Contractual Services	19,000	612,000	450,000
Allocated Indirect Costs	63,000	117,000	95,000
Total Corridor & Facility	166,000	890,000	680,000
Administrative Support			
Personnel	235,000	240,000	262,000
Travel & Meetings	14,000	24,000	5,000
Supplies	-	3,000	3,000
Other	14,000	25,000	25,000
Contractual Services	-	125,000	-
Allocated Indirect Costs	168,000	172,000	185,000
Administrative Support Total	431,000	589,000	480,000
Total Planning	\$ 3,536,000	\$ 4,426,000	\$ 4,330,000
Full Time Equivalents	9.2	9.2	9.0

The System Development section is responsible for transit system planning in support of MAG, transit planning studies, service planning, fleet planning, grant applications, GIS administration, producing reports such as the Short Range Transit Program (SRTP), transit surveys and research. Costs are increasing \$0.2M for FY25. Planned projects and initiatives in the contractual services in the Systems & Development section include a bus system comprehensive operational analysis and Automatic Passenger Count (APC) validation.

The Corridor & Facility Development section is responsible for transit corridor planning, facility development, environmental studies and monitoring, sustainability planning, Environmental Justice/Title VI compliance, Transit Oriented Development facilitation, and support of member agencies. Projects and initiatives for FY25 include consulting fees for site selection of a multi-use facility study in the West Valley (vanpool/paratransit, electrified fleet), and various transit reliability and quality of life improvement studies. Corridor & Facility’s costs are decreasing \$0.2M in FY25.

COMMUTE SOLUTIONS

Commute Solutions manages the Regional Transportation Demand Management (TDM) Program, which provides commute options to the general public and valley employers. Programs within this category include the Trip Reduction Program, Clean Air Campaign (CAC), and the CAC Awards and Luncheon. Other services provided include a computerized matching system for carpooling, vanpooling, transit, and bicycle partner opportunities as well as the marketing and promotion of alternative transportation modes. Valley Metro meets with employers, facilitates program setup, participates in employer events, transportation fairs, and webinars. Promotional kits are also provided to encourage employee participation in efforts to reduce vehicle miles traveled and drive-alone commuting. Funding for these programs is a combination of federal and state funds.

	FY23 Actual	FY24 Budget	FY25 Budget
Commute Solutions			
Administrative Support			
Personnel	\$ 614,000	\$ 698,000	\$ 706,000
Advertising	36,000	39,000	60,000
Contractual Services	134,000	142,000	143,000
Supplies	38,000	36,000	39,000
Travel & Meetings	2,000	7,000	13,000
Other	87,000	113,000	106,000
Allocated Indirect Costs	449,000	504,000	497,000
Total Commute Solutions	\$ 1,360,000	\$ 1,539,000	\$ 1,564,000

Full Time Equivalents	5.8	5.8	5.7
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REGIONAL SERVICES

The Regional Services program provides coordinated general program support and administration on behalf of the region in the areas of marketing, customer call center service, mobility services, ridership reporting, community outreach and many other functions. Beginning in FY24, regional fare collection and distribution functions will move to Valley Metro from the City of Phoenix.

	FY23 Actual	FY24 Budget	FY25 Budget
Regional Services			
Mobility Center Operations			
Personnel	\$ 366,000	\$ 348,000	\$ 324,000
Advertising	1,000	2,000	2,000
Transit Services	1,600,000	1,812,000	1,939,000
Contractual Services	293,000	104,000	124,000
Fuel & Lubricants	36,000	60,000	92,000
Insurance	4,000	4,000	5,000
Leases/Rent	705,000	703,000	796,000
Non-Revenue Vehicles	32,000	-	-
Site Improvements	2,000	1,000	5,000
Supplies	247,000	296,000	294,000
Travel & Meetings	1,000	3,000	4,000
Other	78,000	104,000	127,000
Allocated Indirect Costs	269,000	251,000	229,000
Total Mobility Center Operations	3,634,000	3,688,000	3,941,000
Call Center Operations			
Personnel	1,963,000	3,236,000	2,810,000
Contractual Services	2,419,000	2,375,000	2,799,000
Leases/Rent	53,000	54,000	51,000
Site Improvements	1,000	1,000	3,000
Supplies	8,000	28,000	13,000
Travel & Meetings	1,000	1,000	2,000
Other	120,000	77,000	46,000
Allocated Indirect Costs	1,655,000	2,314,000	2,189,000
Total Call Center Operations	6,220,000	8,086,000	7,913,000
Administrative Support			
Personnel	1,630,000	2,043,000	2,131,000
Advertising	406,000	551,000	736,000
Computers & Software	2,000	4,000	4,000
Transit Services	1,000	55,000	20,000
Contractual Services	1,715,000	5,749,000	5,636,000
Equipment	1,000	-	-
Fuel & Lubricants	-	-	1,000
Non-Revenue Vehicles	33,000	-	-
Supplies	86,000	52,000	50,000
Transit Books	8,000	10,000	-
Travel & Meetings	33,000	56,000	78,000
Other	229,000	300,000	282,000
Allocated Indirect Costs	1,167,000	1,475,000	1,506,000
Total Administrative Support	5,311,000	10,295,000	10,444,000
Total Regional Services	\$ 15,165,000	\$ 22,069,000	\$ 22,298,000
Full Time Equivalents	80.4	75.4	71.4

The regional services budget is \$22.3M for FY25, a \$0.2M or 1% increase from FY24. The call center operations are showing a \$0.2M decrease for the planned combined demand services call center support staff. Mobility Center costs are increasing \$0.3M due to contractual rent and provider costs. The administrative support costs are increasing \$0.1M due to planned increases in advertising expenses for bus services.



ADMINISTRATION AND FINANCE

Administration and Finance provides the Board of Directors and the Authority’s other divisions support in the areas of finance, accounting, budgeting, procurement, data management, office management, financial reporting, and information technology.

	FY23 Actual	FY24 Budget	FY25 Budget
Administration and Finance			
Administrative Support			
Personnel	\$ 1,588,000	\$ 1,943,000	\$ 2,060,000
Advertising	2,000	6,000	3,000
Contractual Services	264,000	646,000	508,000
Leases/Rent	-	9,000	9,000
Site Improvements	9,000	84,000	177,000
Supplies	14,000	222,000	30,000
Travel & Meetings	85,000	97,000	116,000
Other	424,000	459,000	558,000
Contingency	-	500,000	500,000
Allocated Indirect Costs	1,176,000	1,403,000	1,454,000
Total Administrative Support	3,562,000	5,369,000	5,415,000
Total Administration & Finance	\$ 3,562,000	\$ 5,369,000	\$ 5,415,000
Full Time Equivalents	11.6	11.5	11.6



PASS-THROUGH OPERATING

The Pass-Through Operating items consist of funding received that are passed through to other member cities and VMR. RPTA serves the human resource and payroll needs of both RPTA and VMR. All VMR payroll costs are reimbursed by VMR to RPTA. The AZ Lottery Funds received and distributed to cities and Maricopa County are designated to support public transportation projects. The annual Regional Area Road Fund (RARF) disbursement to Valley Metro Rail is for \$0.5M. The AZ Lottery Funds RPTA receives in FY25 are planned to remain the same as FY24.

	FY23 Actual	FY24 Budget	FY25 Budget
Pass-Through			
AZ Lottery Funds Disbursements			
AZ Lottery Disbursements	\$ 10,267,000	\$ 11,200,000	\$ 11,200,000
Total AZ Lottery Funds Disbursement	10,267,000	11,200,000	11,200,000
VMR RARF Disbursements			
RARF Disbursements	500,000	500,000	500,000
Total VMR RARF Disbursements	500,000	500,000	500,000
Valley Metro Rail			
Personnel	28,434,000	36,655,000	40,918,000
Allocated Indirect Costs	2,385,000	3,301,000	3,590,000
Total Valley Metro Rail	30,819,000	39,956,000	44,508,000
Total Pass-Through	\$ 41,586,000	\$ 51,656,000	\$ 56,208,000
Full Time Equivalents	0.0	0.0	0.0

The FY25 budget for pass-through expenses is \$4.6M higher than FY24, primarily due to a full year of revenue operations for Northwest Phase II, COLA and merit increases for staff, and enhancements for security and maintenance of the rail system.

RPTA INDIRECT COST POOLS

SHARED AGENCY (1015)

The Shared Agency Indirect Cost pool includes general and administrative costs, directly related to both Valley Metro Rail, Inc. (VMR) and the Regional Public Transportation Authority (RPTA). Costs within this budget are directly allocable to direct labor charged by all staff (both VMR and RPTA) in each project budget. Costs within this budget are primarily related to human resources and payroll functions.

RPTA AGENCY (1016)

The RPTA Agency Indirect Cost pool includes general and administrative costs directly related to the RPTA. Costs are directly allocable to direct labor charged by RPTA staff in each project budget. Costs within this budget include rent, leased equipment, computer software, equipment, software maintenance, offsite hosting, and personnel costs for information technology, accounting, and procurement.

	FY23 Actual	FY24 Budget	FY25 Budget
Indirect Cost Pools			
Indirect Cost Pool 1015 - Shared Agency			
Personnel	\$ 2,406,000	\$ 3,220,000	\$ 3,286,000
Advertising	-	70,000	70,000
Computers & Software	4,000	-	-
Contractual Services	519,000	775,000	1,027,000
Insurance	11,000	18,000	18,000
Supplies	15,000	1,000	16,000
Travel & Meetings	4,000	5,000	8,000
Other	287,000	387,000	376,000
Total 1015 - Shared Agency	3,246,000	4,476,000	4,801,000
Indirect Cost Pool 1016- RPTA Agency			
Personnel	2,141,000	3,385,000	3,436,000
Advertising	0	1,000	0
Computers & Software	176,000	437,000	713,000
Equipment	4,000	0	9,000
Contractual Services	2,569,000	2,885,000	2,777,000
Fuel & Lubricants	20,000	15,000	21,000
Insurance	103,000	100,000	110,000
Leases/Rent	1,016,000	1,038,000	1,084,000
Supplies	96,000	102,000	101,000
Travel & Meetings	1,000	1,000	9,000
Utilities	0	0	0
Other	217,000	286,000	288,000
Total 1016 - RPTA Agency	6,343,000	8,250,000	8,548,000
Total Indirect Cost Pools	\$ 9,589,000	\$ 12,726,000	\$ 13,349,000
Full Time Equivalents	42.8	46.9	46.9

Shared Agency 1015 Indirect Cost pool is increasing \$0.3M.

RPTA agency 1016 Indirect Cost pool is increasing \$0.3M, primarily due to replacement computer hardware and ongoing agency ERP system maintenance costs.

The table below shows the amount of Indirect costs allocated to each project.

	FY23 Actual	FY24 Budget	FY25 Budget
Indirect Cost Pools			
Administration and Finance	\$ 1,176,000	\$ 1,403,000	\$ 1,454,000
Commute Solutions	449,000	504,000	497,000
Demand Service	495,000	796,000	870,000
Fixed Route Operations	1,082,000	1,615,000	1,925,000
Planning	817,000	928,000	939,000
Regional Facilities and Administration	2,000	22,000	50,000
Regional Services	3,082,000	4,041,000	3,920,000
Valley Metro Rail	2,385,000	3,301,000	3,590,000
Vanpool Operations	101,000	116,000	104,000
Total Indirect Cost Pool by Project	\$ 9,589,000	\$ 12,726,000	\$ 13,349,000
Full Time Equivalent	42.8	42.8	46.9

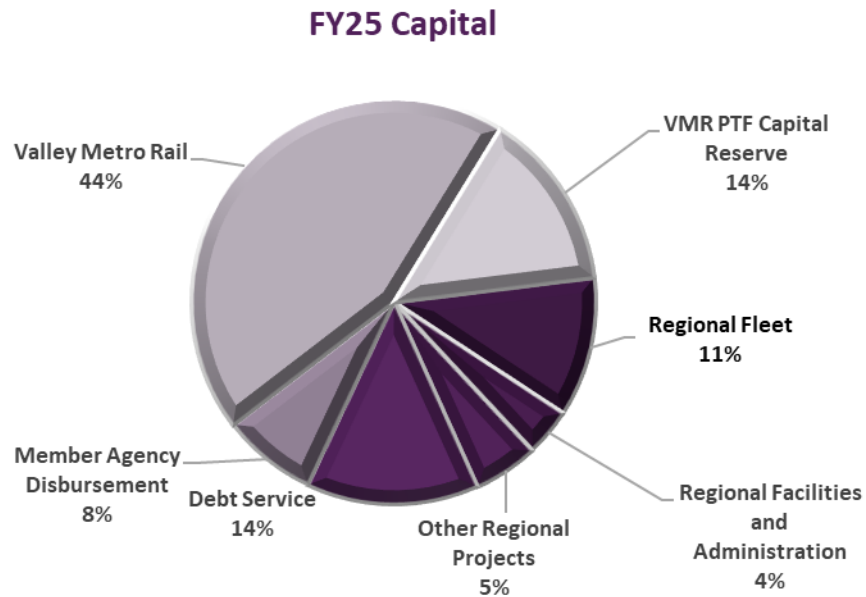
CAPITAL BUDGET



CAPITAL OVERVIEW

The total capital budget for FY25 is \$161.9M, down by \$30.1M or 16% from FY24.

	FY23 Actual	FY24 Budget	FY25 Budget
Capital Overview			
Capital			
Regional Fleet	\$ 16,534,000	\$ 64,064,000	\$ 18,149,000
Regional Facilities and Administration	1,025,000	1,380,000	6,153,000
Other Regional Projects	4,413,000	5,474,000	8,400,000
Debt Service	22,329,000	22,854,000	22,284,000
Member Agency Disbursement	4,650,000	9,746,000	12,312,000
Total Capital	48,951,000	103,518,000	67,298,000
Pass-Through			
Rail Program Disbursements	106,955,000	66,803,000	71,589,000
VMR PTF Capital Reserve	-	21,668,000	23,035,000
Total Pass-Through	106,955,000	88,471,000	94,624,000
Total Capital Overview	\$ 155,906,000	\$ 191,989,000	\$ 161,922,000



REGIONAL FLEET

Regional Fleet includes purchases of buses, paratransit, and vanpool vehicles as replacement or expansion vehicles to meet the needs of the Short Range Transit Plan. Purchases include RPTA-owned vehicles and the local match disbursements for member city bus purchases. Vanpool vehicle purchases are funded with 100% FHWA-STP funds.

	FY23 Actual	FY24 Budget	FY25 Budget
Regional Fleet			
Bus			
Fleet	\$ 10,142,000	\$ 58,243,000	\$ 14,800,000
Travel & Meetings	-	3,000	-
Other	8,000	49,000	22,000
Total Bus	10,150,000	58,295,000	14,822,000
Paratransit			
Contractual Services	1,207,000	-	-
Fleet	5,161,000	-	3,219,000
Other	16,000	-	20,000
Total Paratransit	6,384,000	-	3,239,000
Vanpool			
Fleet	-	5,695,000	-
Other	-	6,000	-
Total Vanpool	-	5,701,000	-
Other			
Contractual Services	-	68,000	88,000
Total Other	-	68,000	88,000
Total Regional Fleet	\$ 16,534,000	\$ 64,064,000	\$ 18,149,000
Full Time Equivalent	0.0	0.0	0.0

The FY25 budget of \$18.1M is decreasing by 72% due to less planned vehicle replacements. The budget is based on best estimates of fleet delivery, while actual receipt of the vehicles will depend on on-going supply chain issues.

REGIONAL FACILITIES AND ADMINISTRATION

The Regional Facilities and Administration capital program include the Valley Metro Mesa Bus Operations and Maintenance (MBOM) and the Valley Metro Tempe Bus Operations and Maintenance (TBOM) facilities upgrades, IT infrastructure improvements, and passenger facilities such as transit centers and park-and-rides.

	FY23 Actual	FY24 Budget	FY25 Budget
Regional Facilities and Administration			
Maintenance Facilities			
Personnel	\$ 2,000	\$ 2,000	\$ -
Contractual Services	22,000	-	75,000
Equipment	219,000	740,000	1,580,000
Site Improvements	-	-	600,000
Allocated Indirect Costs	2,000	2,000	-
Total Maintenance Facilities	245,000	744,000	2,255,000
Passenger Facilities			
Personnel	-	28,000	69,000
Contractual Services	254,000	-	3,050,000
Allocated Indirect Costs	-	20,000	50,000
Total Passenger Facilities	254,000	48,000	3,169,000
IT Infrastructure			
Computers & Software	480,000	46,000	25,000
Contractual Services	28,000	542,000	437,000
Equipment	18,000	-	267,000
Total IT Infrastructure	526,000	588,000	729,000
Total Regional Facilities and Admin	\$ 1,025,000	\$ 1,380,000	\$ 6,153,000
Full Time Equivalentents	0.2	0.2	0.0

The FY25 budget for this program is \$6.2M, which is an increase of \$4.8M over FY24. The maintenance facilities expenses include roofing repairs and building control updates to the Mesa Bus Operations & Maintenance facility. \$1.5M is included for battery electric charging stations and infrastructure. Passenger facilities include a Gilbert Park and Ride (\$1.7M) and an Avondale Transit Center. (\$0.6M) The contractual services costs in IT consist of Dell, Cisco, Microsoft, and other support agreements.

OTHER REGIONAL PROJECTS

The other regional capital program includes State of Good Repair (SOGR) bus fleet rebuilds of engines and transmissions as well as fare collection system components.

	FY23 Actual	FY24 Budget	FY25 Budget
Other Regional Projects			
Fare Collection Systems			
Contractual Services	\$ 236,000	\$ 300,000	\$ 400,000
Equipment	3,557,000	4,000,000	4,000,000
Total Fare Collection Systems	3,793,000	4,300,000	4,400,000
State of Good Repair			
Equipment	620,000	1,174,000	4,000,000
Total State of Good Repair	620,000	1,174,000	4,000,000
Total Other Regional Projects	\$ 4,413,000	\$ 5,474,000	\$ 8,400,000
Full Time Equivalents	0.0	0.0	0.0

The FY25 budget for other regional projects has increased by \$2.9M to \$8.4M. The Fare Collection System Modernization (FCSM) project continues in FY25, including cash farebox replacements in regional buses. The SOGR planned expenses are greater than the FY24 plan due to more aggressive timing of scheduled transmission and engine overhaul completions.

MEMBER AGENCY DISBURSEMENTS

Member agency disbursements in the capital program are mostly related to the Public Transportation Fund (PTF) money distributed to member cities for the local match (typically 15% - 20%) of their bus and demand services vehicle purchases as well as their park-and-ride projects.

	FY23 Actual	FY24 Budget	FY25 Budget
Member Agency Disbursement			
Bus			
PTF Disbursements	\$ 3,376,000	\$ 3,854,000	\$ 3,196,000
Bus Total	3,376,000	3,854,000	3,196,000
Fare Collection Systems			
PTF Disbursements	626,000	697,000	697,000
Total Fare Collection Systems	626,000	697,000	697,000
Paratransit			
PTF Disbursements	-	750,000	605,000
Total Paratransit	-	750,000	605,000
Passenger Facilities			
PTF Disbursements	321,000	4,445,000	7,814,000
Total Passenger Facilities	321,000	4,445,000	7,814,000
Vehicle Management/Communications			
PTF Disbursements	327,000	-	-
Total Vehicle Management/Communications	327,000	-	-
Total Member Agency Disbursements	\$ 4,650,000	\$ 9,746,000	\$12,312,000
Full Time Equivalents	0.0	0.0	0.0

The FY25 budget for member agency disbursements is increasing \$2.6M over FY24 levels based on city partner PTF needs. Passenger facilities include Scottsdale and Gilbert bus shelters and a Glendale Park-and-Ride.

DEBT SERVICE

Debt service is the cash that is required to cover the repayment of interest and principal on a debt related to RPTA’s PTF Bond Program. Revenue bonds are specifically used for payment or reimbursement of the costs of capital projects in the Regional Transportation Plan (RTP). Debt service amounts for both RPTA and VMR are included in the RPTA budget.

	FY23 Actual	FY24 Budget	FY25 Budget
Debt Service			
Administration			
Principal	\$ 18,630,000	\$ 20,155,000	\$ 20,635,000
Interest	3,699,000	2,699,000	1,649,000
Total Administration	22,329,000	22,854,000	22,284,000
Total Debt Service	\$ 22,329,000	\$ 22,854,000	\$ 22,284,000
Full Time Equivalents	0.0	0.0	0.0

Total combined debt service for FY25 is \$22.3M, which includes VMR’s debt service of \$18.2M and RPTA’s debt service of \$4.1M.

PASS-THROUGH CAPITAL

The Pass-Through Capital Program relates to the requirements needed by VMR to support capital construction projects and systemwide improvements.

	FY23 Actual	FY24 Budget	FY25 Budget
Pass-Through			
VMR Public Transportation Funds Program			
Rail Program Disbursements	\$ 77,564,000	\$ 66,803,000	\$ 71,589,000
VMR Reserve for Future Use	-	21,668,000	23,035,000
Total VMR Public Transportation Funds Program	77,564,000	88,471,000	94,624,000
VMR Public Transportation Funds Reserve			
Rail Program Disbursements	29,391,000	-	-
Total VMR Public Transportation Funds Reserve	29,391,000	-	-
Total Pass-Through	\$ 106,955,000	\$ 88,471,000	\$ 94,624,000
Full Time Equivalents	0.0	0.0	0.0

VMR’s PTF needs for FY25 increased by \$6.2M to \$94.6M as planned for capital construction projects.

Five-Year Operating Forecast & Capital Program

FISCAL YEAR 2025 – FISCAL YEAR 2029

SUMMARY OVERVIEW

FISCAL YEAR 2025 – FISCAL YEAR 2029

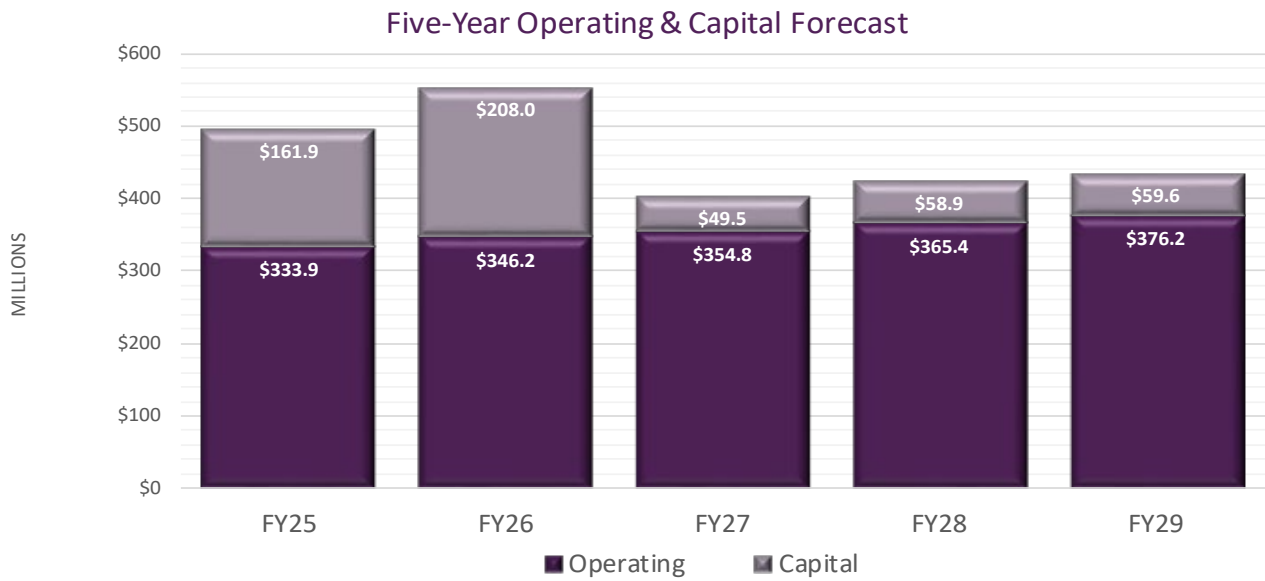


FIVE-YEAR OVERVIEW

Valley Metro RPTA has the primary responsibility of implementing the operating and capital components of the transit element identified in the 20-year Regional Transportation Plan (RTP). The operating component includes the expansion of regional fixed route services, High-Capacity Transit (HCT) alternatives, vanpools, and demand services throughout the region. The capital component of the transit element of the RTP includes fleet replacement and expansion as well as the development of new park-and-rides, transit centers, passenger facilities, and maintenance and operations facilities over the life of the plan. Construction of the light rail RTP components have been designated to VMR by Valley Metro RPTA and expenditures are shown as VMR Capital Funding in the Operating Forecast.

FIVE-YEAR FORECAST

The total operating and capital forecast for the five-year period of FY25-FY29 is \$2.3B.



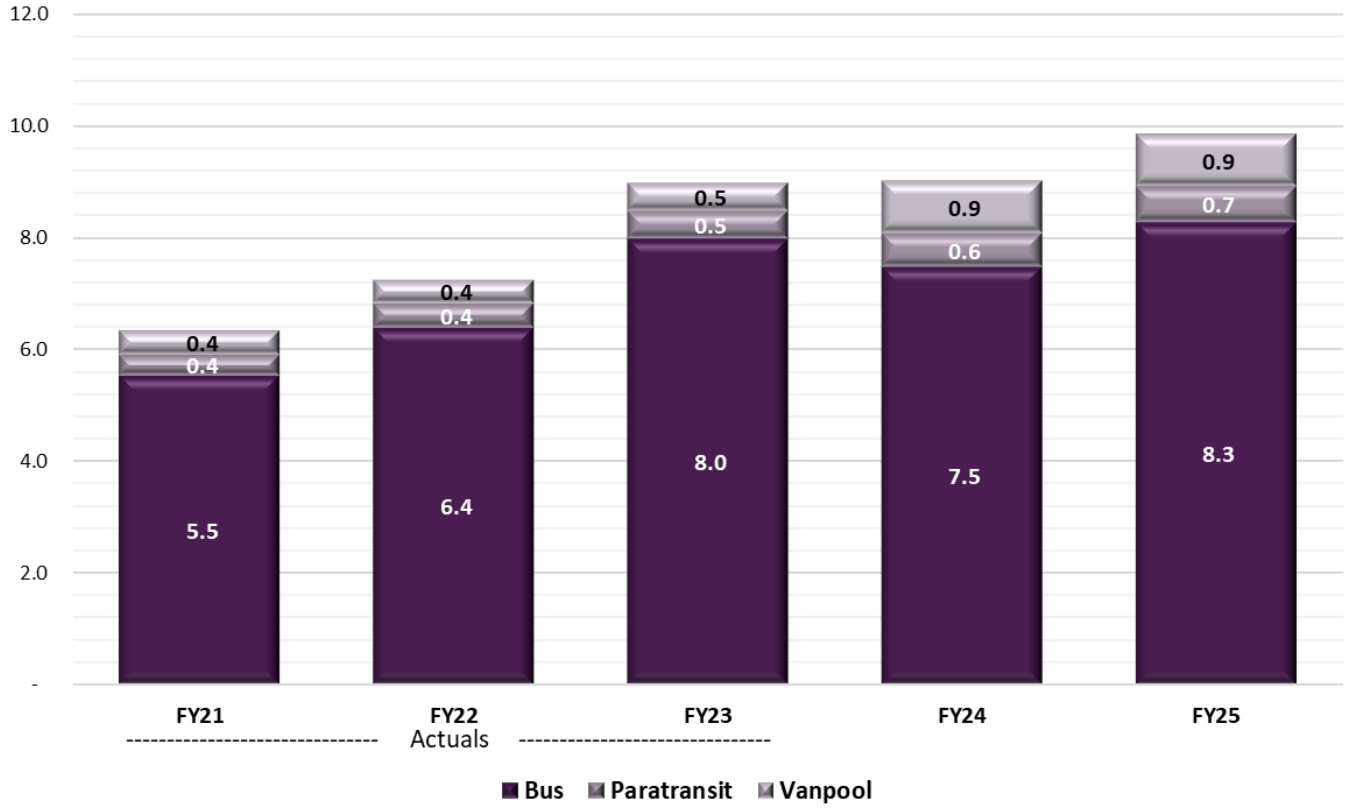
USES OF FUNDS

	FY25	FY26	FY27	FY28	FY29	Total
Five-Year Uses of Funds (\$,000)						
Operating						
Fixed Route Operations	\$ 182,500	\$ 187,976	\$ 193,615	\$ 199,423	\$ 205,405	\$ 968,919
Demand Service Operations	56,944	58,907	60,092	62,536	64,949	303,428
Vanpool Operations	4,625	5,070	5,222	5,378	5,540	25,834
Planning	4,330	4,417	4,505	4,595	4,687	22,533
Commute Solutions	1,564	1,595	1,627	1,660	1,693	8,139
Regional Services and Administration	22,298	22,696	23,113	23,589	24,075	115,772
Administration and Finance	4,915	4,503	4,593	4,685	4,779	23,476
Operating Contingency	500	500	500	500	500	2,500
Pass-through Disbursements	56,208	60,528	61,493	63,002	64,556	305,787
Total Operating	333,884	346,192	354,760	365,369	376,183	1,776,388
Capital						
Regional Fleet	18,149	20,750	28,757	31,934	32,757	132,347
Regional Facilities	6,153	2,004	2,026	2,056	1,076	13,315
Other Regional Projects	8,400	5,974	5,305	5,464	5,628	30,771
Member Agency Disbursements	12,312	5,650	3,423	8,969	9,236	39,590
Debt Service	22,284	22,244	-	-	-	44,528
Rail Program Disbursements	71,589	151,386	1,391	1,302	641	226,309
VMR Reserve for Future Use	23,035	-	8,608	9,147	10,278	51,068
Total Capital	161,922	208,008	49,510	58,872	59,616	537,928
Total Uses of Funds	\$ 495,806	\$ 554,200	\$ 404,270	\$ 424,241	\$ 435,799	\$ 2,314,316

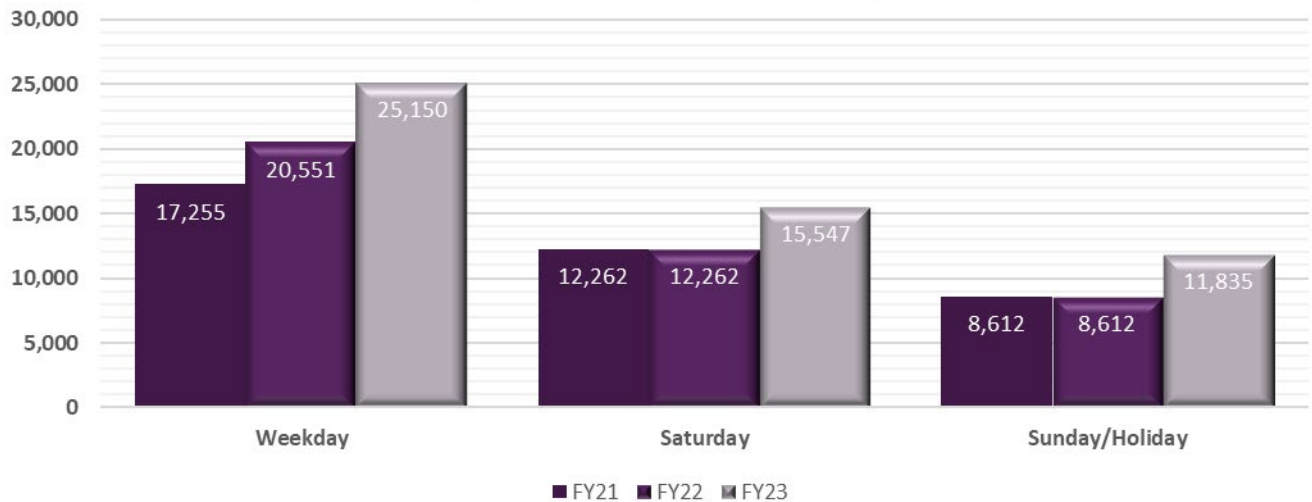


RIDERSHIP

Annual Ridership (Millions)



Fixed Route Bus - Average Daily Boardings



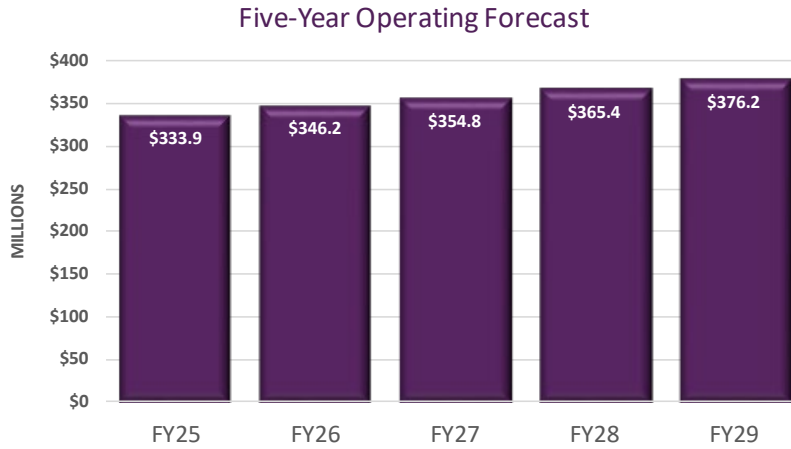
OPERATING FORECAST

FISCAL YEAR 2025 – FISCAL YEAR 2029



OPERATING OVERVIEW

The total operating forecast for the five-year period of FY25-FY29 is \$1.8B.



FIVE-YEAR OPERATING ASSUMPTIONS

For the RPTA Five-Year Operating Forecast, the operations revenues and expenditures are based on current costs with an annual inflation escalation of 3% for the remaining four years. The exceptions are noted as follows:

- The Public Transportation Fund (PTF) grows by approximately 4-5% annually and Prop 479 is approved by voters in November 2024.
- Fixed route service SRTP changes as of February 2024.
- Fixed route total fare revenue is planned to increase based on a number of factors including increased ridership of 11% in FY25, 2.5% in FY26 and 1.7% increases in FY27 through FY29, a 5% increase in average fare revenue for FY26 and FY27 and slight increases in average fare revenue for FY28 and FY29.
- Demand service trips are forecasted to increase 2% annually.
- Planning, Administration, Commute Solutions, and Regional Service costs have been escalated by two percent (2%) annually for the last four years of the forecast.

SOURCES AND USES OF FUNDS

	FY25	FY26	FY27	FY28	FY29	Total
Sources of Funds (\$,000)						
Public Transportation Funds (ADOT)	\$ 260,872	\$ 159,474	\$ 285,680	\$ 298,540	\$ 311,970	\$ 1,316,536
Prop 400 Extension*	-	113,910	-	-	-	113,910
Less: Debt Service RPTA & VMR	(22,284)	(22,244)	-	-	-	(44,528)
Less: VMR Capital Funding (current)	(94,624)	(54,794)	(9,999)	(10,449)	(10,919)	(180,785)
Net PTF Available for Operations	143,964	196,345	275,681	288,091	301,051	1,205,133
Operating						
Advertising	750	825	908	999	1,100	4,582
Regional Area Road Funds	5,178	5,256	5,335	5,415	5,496	26,678
Member City Contributions	57,717	61,519	63,050	65,734	68,252	316,272
Federal Funds	15,545	15,840	16,141	16,448	16,761	80,735
Federal Funds - COVID Relief	-	-	-	-	-	-
Carry Forward & Reserves	21,072	-	-	-	-	21,072
Fares	11,036	11,842	12,702	13,324	13,976	62,879
MAG Funds	175	175	175	175	175	875
Other	80	1,133	2,207	3,303	4,421	11,144
Subtotal Operating	111,553	96,590	100,519	105,397	110,179	524,237
Total Sources of Funds	255,517	292,935	376,200	393,488	411,230	1,729,370
Uses of Funds (\$,000)						
Operating						
Fixed Route Operations	182,500	187,976	193,615	199,423	205,405	968,919
Demand Service Operations	56,944	58,907	60,092	62,536	64,949	303,428
Vanpool Operations	4,625	5,070	5,222	5,378	5,540	25,834
Planning	4,330	4,417	4,505	4,595	4,687	22,533
Commute Solutions	1,564	1,595	1,627	1,660	1,693	8,139
Regional Services and Administration	22,298	22,696	23,113	23,589	24,075	115,772
Administration and Finance	4,915	4,503	4,593	4,685	4,779	23,476
Operating Contingency	500	500	500	500	500	2,500
Total Operating	277,676	285,664	293,267	302,367	311,627	1,470,601
Total Uses	277,676	285,664	293,267	302,367	311,627	1,470,601
Excess/(deficiency) of revenues over expenditures - operations	(22,159)	7,271	82,933	91,121	99,603	258,769
Less: Bus Capital Funding	(21,674)	(10,597)	(9,457)	(15,540)	(15,886)	(73,154)
Undesignated fund balance, July 1	102,460	58,627	55,301	128,778	204,359	102,460
Excess/(deficiency)	(43,833)	(3,326)	73,476	75,581	83,717	185,615
Undesignated fund balance, June 30	58,627	55,301	128,778	204,359	288,076	288,076
Reconciliation to Annual Operating Budget (\$,000)						
Total Uses (Above)	277,676	285,664	293,267	302,367	311,627	1,470,601
VMR Staffing	44,508	48,828	50,293	51,802	53,356	248,786
VMR RARF Distribution	500	500	-	-	-	1,000
AZ Lottery Disbursements	11,200	11,200	11,200	11,200	11,200	56,000
Total Operating Budget	\$ 333,884	\$ 346,192	\$ 354,760	\$ 365,369	\$ 376,183	\$ 1,776,388

* Assumes Prop 400 Extension (Prop 479) is approved by voters in Nov 2024 and takes effect on January 1, 2026.

CAPITAL PROGRAM

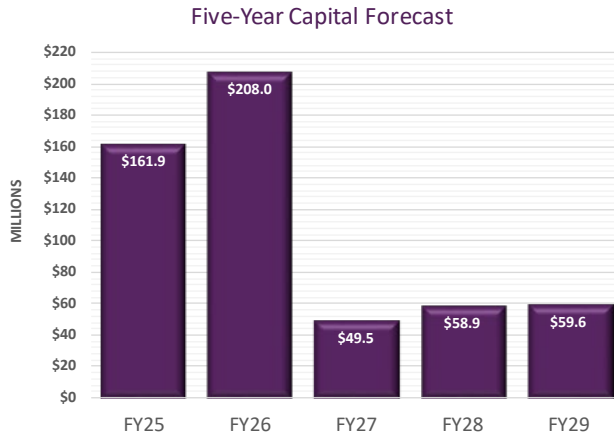
FISCAL YEAR 2025 – FISCAL YEAR 2029



CAPITAL OVERVIEW

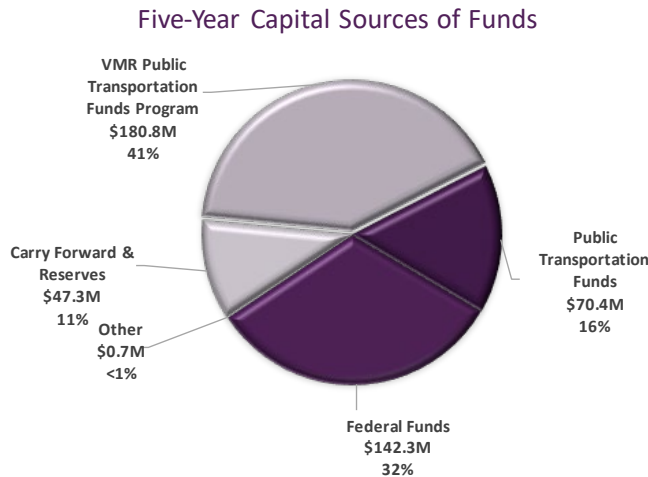
The total capital forecast for the five year period of FY25 – FY29 is \$537.9M.

	FY25	FY26	FY27	FY28	FY29	Total
Capital (\$,000)						
Uses of Funds						
Regional Fleet	18,149	20,750	28,757	31,934	32,757	132,347
Regional Facilities	6,153	2,004	2,026	2,056	1,076	13,315
Other Regional Projects	8,400	5,974	5,305	5,464	5,628	30,771
Member Agency Disbursements	12,312	5,650	3,423	8,969	9,236	39,590
Debt Service	22,284	22,244	-	-	-	44,528
Rail Program Disbursements	71,589	151,386	1,391	1,302	641	226,309
VMR Reserve for Future Use	23,035	-	8,608	9,147	10,278	51,068
Total Uses of Funds	\$ 161,922	\$ 208,008	\$ 49,510	\$ 58,872	\$ 59,616	\$ 537,928



FIVE-YEAR CAPITAL ASSUMPTIONS

In the RPTA Five-Year Capital Forecast, bus and paratransit fleet purchases, as well as passenger and maintenance facilities’ construction and improvements, are programmed to align with the Short Range Transit Plan. Also included are long range forecasting of debt service payments and pass-through Rail Program Disbursements.



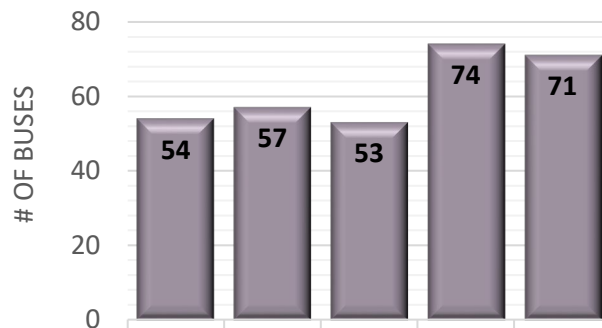
REGIONAL FLEET

SOURCES AND USES OF FUNDS

	FY25	FY26	FY27	FY28	FY29	Total
Regional Fleet (\$,000)						
Sources of Funds						
Federal Funds	\$ 15,352	\$ 17,557	\$ 24,343	\$ 27,042	\$ 27,748	\$ 112,042
Public Transportation Funds	-	2,964	4,297	4,772	4,898	16,931
Other	88	95	117	120	111	531
Carry Forward & Reserves	2,709	134	-	-	-	2,843
Total Sources of Funds	18,149	20,750	28,757	31,934	32,757	132,347
Uses of Funds						
Bus	14,822	17,186	26,728	29,846	28,855	117,437
Paratransit	3,239	3,469	1,912	1,968	3,791	14,379
Other	88	95	117	120	111	531
Total Uses of Funds	\$ 18,149	\$ 20,750	\$ 28,757	\$ 31,934	\$ 32,757	\$ 132,347

Following is a graph illustrating anticipated fleet requirements to operate planned service over the next five years. The bus fleet purchases chart legend shows the member agency purchases by year.

Five-Year Bus Fleet Purchases



	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>	<u>FY28</u>	<u>FY29</u>
RPTA	0	4	32	32	29
Phoenix	29	24	20	40	40
Peoria	0	0	0	0	0
Glendale	0	5	1	2	2
Tempe	20	20	0	0	0
Scottsdale	5	4	0	0	0
Total	54	57	53	74	71

REGIONAL FACILITIES AND ADMINISTRATION

SOURCES AND USES OF FUNDS

	FY25	FY26	FY27	FY28	FY29	Total
Regional Facilities and Administration (\$,000)						
Sources of Funds						
Federal Funds	\$ 1,500	\$ 1,350	\$ 1,350	\$ 1,350	\$ 450	\$ 6,000
Carry Forward & Reserves	4,528	32	-	-	-	4,560
Public Transportation Funds	125	622	676	706	626	2,755
Total Sources of Funds	6,153	2,004	2,026	2,056	1,076	13,315
Uses of Funds						
IT Infrastructure	729	504	526	556	576	2,891
Maintenance Facilities	2,255	1,500	1,500	1,500	500	7,255
Passenger Facilities	3,169	-	-	-	-	3,169
Total Uses of Funds	\$ 6,153	\$ 2,004	\$ 2,026	\$ 2,056	\$ 1,076	\$ 13,315

FY25 Regional Facilities and Administration projects include capital projects at the Valley Metro Mesa Bus Operations and Maintenance (MBOM) and the Valley Metro Tempe Bus Operations and Maintenance (TBOM) facilities. Passenger facilities include transit centers, park-and-rides and bus stop improvements.

- IT infrastructure in FY25-F29 include planned infrastructure improvements.
- The FY25 facility projects planned are building controls updates and roofing repairs to the MBOM, and battery electric charging stations and infrastructure for planned zero emissions fleet.
- Passenger facilities include a Gilbert park and ride and an Avondale transit center.



OTHER REGIONAL PROJECTS

SOURCES AND USES OF FUNDS

	FY25	FY26	FY27	FY28	FY29	Total
Other Regional Projects (\$,000)						
Sources of Funds						
Federal Funds	\$ 6,400	\$ 4,779	\$ 4,244	\$ 4,371	\$ 4,502	\$ 24,296
Public Transportation Funds	-	1,195	1,061	1,093	1,126	4,475
Carry Forward & Reserves	2,000	-	-	-	-	2,000
Total Sources of Funds	8,400	5,974	5,305	5,464	5,628	30,771
Uses of Funds						
Fare Collection Systems	4,400	-	-	-	-	4,400
State of Good Repair	4,000	5,974	5,305	5,464	5,628	26,371
Total Uses of Funds	\$ 8,400	\$ 5,974	\$ 5,305	\$ 5,464	\$ 5,628	\$ 30,771

The main projects reported here are State of Good Repair (SOGR) expenses and the Regional Fare Collection System Modernization (FCSM) project.

- State of Good Repair expenses include bus engine and transmission rebuilds, with timing determined by scheduled maintenance intervals and component surveys.
- The Phoenix-managed Fare Collection System Modernization project began its phased project in FY21. FY25 includes \$4.4M for bus fareboxes and consultant support.



MEMBER AGENCY DISBURSEMENTS

SOURCES AND USES OF FUNDS

	FY25	FY26	FY27	FY28	FY29	Total
Member Agency Disbursements (\$,000)						
Sources of Funds						
Carry Forward & Reserves	\$ 12,312	\$ 3,327	\$ -	\$ -	\$ -	\$ 15,639
Public Transportation Funds	-	2,323	3,423	8,969	9,236	23,951
Total Sources of Funds	12,312	5,650	3,423	8,969	9,236	39,590
Uses of Funds						
Bus	3,196	3,198	2,675	8,150	8,392	25,611
Fare Collection Systems	697	-	-	-	-	697
Paratransit	605	919	748	819	844	3,935
Passenger Facilities	7,814	1,533	-	-	-	9,347
Total Uses of Funds	\$ 12,312	\$ 5,650	\$ 3,423	\$ 8,969	\$ 9,236	\$ 39,590

This five-year schedule shows the planned PTF disbursements for the local match of our member agencies' capital purchases.

- Bus uses of funds consists of the PTF local match portion for member city bus service fleet purchases.
- Other uses of funds consist of the local match portion of the member agency disbursements for purchasing demand service (paratransit) vehicles and electric accessible micro transit vehicles, the fare collection modernization project, and partner city bus shelters and park and rides.



DEBT SERVICE

SOURCES AND USES OF FUNDS

The table below shows the current debt service schedule.

	FY25	FY26	FY27	FY28	FY29	Total
Debt Service (\$,000)						
Sources of Funds						
Carry Forward & Reserves	\$ 22,284	\$ -	\$ -	\$ -	\$ -	\$ 22,284
Public Transportation Funds	-	22,244	-	-	-	22,244
Total Sources of Funds	22,284	22,244	-	-	-	44,528
Uses of Funds						
Principal	20,635	21,685	-	-	-	42,320
Interest	1,649	559	-	-	-	2,208
Total Uses of Funds	\$ 22,284	\$ 22,244	\$ -	\$ -	\$ -	\$ 44,528

PASS-THROUGH CAPITAL

SOURCES AND USES OF FUNDS

	FY25	FY26	FY27	FY28	FY29	Total
Pass-Through (\$,000)						
Sources of Funds						
VMR PTF Program	\$ 94,624	\$ 54,794	\$ 9,999	\$ 10,449	\$ 10,919	\$ 180,785
VMR PTF Reserve		96,592				96,592
Total Sources of Funds	94,624	151,386	9,999	10,449	10,919	277,377
Uses of Funds						
Rail Program Disbursements	71,589	151,386	1,391	1,302	641	\$ 226,309
VMR Reserve for Future Use	23,035	-	8,608	9,147	10,278	51,068
Total Uses of Funds	\$ 94,624	\$ 151,386	\$ 9,999	\$ 10,449	\$ 10,919	\$ 277,377

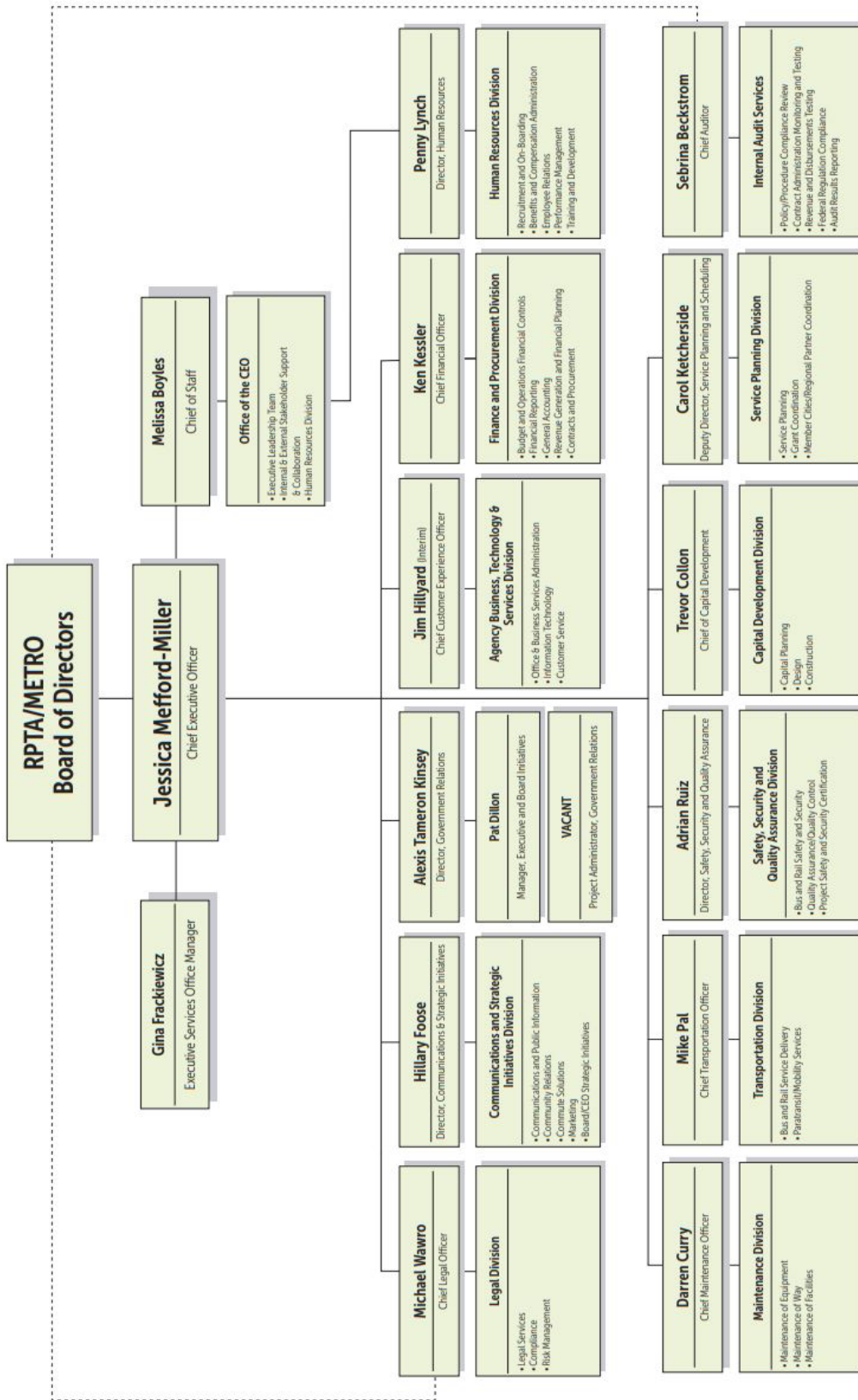
The table above shows the five-year program for VMR’s PTF needs to meet their capital construction schedule.

Other

STAFFING



ORGANIZATION CHART



POSITIONS, PAY GRADES AND EFFORT

Position Title	Pay Range	FTE Effort		
		RPTA	VMR	Total
II	\$ 32,419 - \$ 48,628			
Cleaner		0.00	4.00	4.00
III	\$ 36,021 - \$ 54,032			
Clerk		0.00	4.00	4.00
Customer Support Agent I		21.00	0.00	21.00
Pressure Washer		0.00	3.00	3.00
IV	\$ 40,024 - \$ 60,036			
Customer Support Agent II		16.00	0.00	16.00
Lead Document Control Clerk		0.50	0.50	1.00
MOW Materials Handler		0.00	1.00	1.00
V	\$ 44,025 - \$ 66,038			
Accounting Technician		3.15	0.85	4.00
Administrative Assistant II		5.85	7.15	13.00
Lead Customer Support Agent		7.00	0.00	7.00
Lead Stockroom Clerk		0.00	1.00	1.00
VI	\$ 48,428 - \$ 72,642			
Technician		1.00	0.00	1.00
Track Maintainer		0.00	14.00	14.00
VII	\$ 53,271 - \$ 79,907			
Administrative Assistant III		0.95	1.05	2.00
Assistant		0.85	0.15	1.00
Business Liason		1.35	1.65	3.00
Coordinator		0.00	15.00	15.00
Program Representative		4.50	0.50	5.00
Specialist		3.85	5.15	9.00
Technician		0.25	1.75	2.00
VIII	\$ 58,599 - \$ 87,898			
Coordinator		1.75	7.25	9.00
Graphics Designer		2.10	0.90	3.00
Maintenance Planner/Scheduler		0.00	2.00	2.00
Specialist		0.80	4.20	5.00
Technician		0.00	1.00	1.00
Lead Fare Revenue Technician		0.20	0.80	1.00

Position Title	Pay Range	FTE Effort		
		RPTA	VMR	Total
IX	\$ 64,458 - \$ 96,686			
Accountant II		6.30	1.70	8.00
Administrator		0.80	1.20	2.00
Analyst		2.00	2.00	4.00
Construction Inspector		0.00	2.00	2.00
Coordinator		11.45	12.55	24.00
Developer		1.00	0.00	1.00
Human Resources Generalist		1.00	0.00	1.00
Planner I		1.15	0.85	2.00
Specialist		1.00	5.00	6.00
Supervisor		4.00	0.00	4.00
Public Information Officer		0.50	1.50	2.00
X	\$ 70,904 - \$ 106,356			
Administrator		2.65	6.35	9.00
Analyst		0.40	0.60	1.00
Coordinator		0.70	0.30	1.00
Community Relations Lead		0.00	1.00	1.00
Manager		0.20	0.80	1.00
Specialist		4.30	4.70	9.00
Supervisor		5.45	13.55	19.00
Internal Auditor II		0.50	0.50	1.00
XI	\$ 77,994 - \$ 116,991			
Accountant III		2.50	0.50	3.00
Administrator		1.50	3.50	5.00
Analyst		4.90	2.10	7.00
Engineer		0.50	0.50	1.00
Labor Compliance Officer		0.10	0.90	1.00
Planner III		1.40	1.60	3.00
Principal Planner		0.20	0.80	1.00
Project Manager		1.00	1.00	2.00
Senior Environmental Planner		0.10	0.90	1.00
Senior Internal Auditor		0.50	0.50	1.00
Specialist		1.00	0.00	1.00
Sr. Human Resources Generalist		2.00	0.00	2.00
Superintendent		4.00	0.00	4.00
Supervisor		1.50	0.50	2.00
Technical Trainer		0.00	3.00	3.00

Position Title	Pay Range	FTE Effort		
		RPTA	VMR	Total
XII	\$ 85,793 - \$ 128,689			
Analyst		0.50	0.50	1.00
Assistant Manager		0.00	4.00	4.00
Assistant Superintendent		0.00	2.00	2.00
Auditor		0.50	0.50	1.00
Deputy Chief		0.85	0.15	1.00
Engineer		0.20	0.80	1.00
Manager		11.50	11.50	23.00
Office Manager		0.50	0.50	1.00
Program Manager		0.15	1.85	2.00
Senior GIS Administrator		0.65	0.35	1.00
XIII	\$ 94,373 - \$ 141,559			
Analyst		1.00	0.00	1.00
Engineer		0.00	4.00	4.00
Lead Engineer		1.50	1.50	3.00
Lead Application Developer		0.60	0.40	1.00
Manager		5.92	5.08	11.00
SCADA System Administrator		0.00	2.00	2.00
Senior Business Manager		0.40	0.60	1.00
XIV	\$ 106,906 - \$ 160,359			
Chief Officer		0.50	0.50	1.00
Engineer		0.25	5.75	6.00
Manager		3.35	3.65	7.00
Project Controls Manager		0.00	1.00	1.00
Superintendent		0.00	1.00	1.00
XV	\$ 119,113 - \$ 178,670			
Chief Auditor		0.50	0.50	1.00
Controller		1.00	0.00	1.00
Director		0.30	0.70	1.00
Engineer		0.50	0.50	1.00
Manager		0.15	1.85	2.00
Project Manager		0.00	1.00	1.00
XVI	\$ 130,650 - \$ 195,974			
Assistant General Counsel		0.50	0.50	1.00
Deputy Chief		0.00	1.00	1.00
Deputy Director		0.45	2.55	3.00
XVII	\$ 146,850 - \$ 220,275			
Chief Officer		0.50	0.50	1.00
Deputy Chief		1.00	1.00	2.00
Director		1.95	2.05	4.00
Senior Project Manager		0.00	1.00	1.00

Position Title	Pay Range	FTE Effort		
		RPTA	VMR	Total
XVII	\$ 161,095 - \$ 241,642			
Chief Officer		1.00	1.00	2.00
Chief Capital Development		0.20	0.80	1.00
Chief of Staff		0.50	0.50	1.00
XIX	\$ 176,721 - \$ 265,081			
Chief Officer		1.61	0.39	2.00
C	\$ 42,551 - \$ 63,827			
Rail Vehicle Inspector		0.00	22.00	22.00
E	\$ 52,164 - \$ 65,206			
Mechanic		0.00	31.00	31.00
Rail Vehicle Lead Inspector/Cleaner		0.00	2.00	2.00
H	\$ 57,000 - \$ 85,500			
Technician		0.00	26.00	26.00
J	\$ 60,693 - \$ 91,040			
Mechanic		0.00	1.00	1.00
Technician		0.00	24.00	24.00
K	\$ 62,860 - \$ 94,290			
Technician		0.00	25.00	25.00
NC	Negotiated Compensation			
Chief Officer		0.50	0.50	1.00
	FY25 FTEs	174.73	342.27	517.00
	FY24 FTEs	174.31	312.69	487.00
	Change	0.42	29.58	30.00

APPENDICES



BUDGET DEVELOPMENT

The adopted operating and capital budget have been prepared with the goal of delivering a fiscally prudent, balanced budget using carry forwards, reserves, and bond proceeds as necessary. The budget was developed in compliance with Board of Directors’ adopted budget, financial, and Transit Life Cycle Program (TLCP) policies.

RPTA’s continuing goal is to provide the highest quality services to our member communities in the most cost-effective manner. The budget process is a key piece of the strategy to achieve these results in a coordinated manner and to make fiscally responsible decisions that will ultimately produce a premier transit system in Maricopa County.

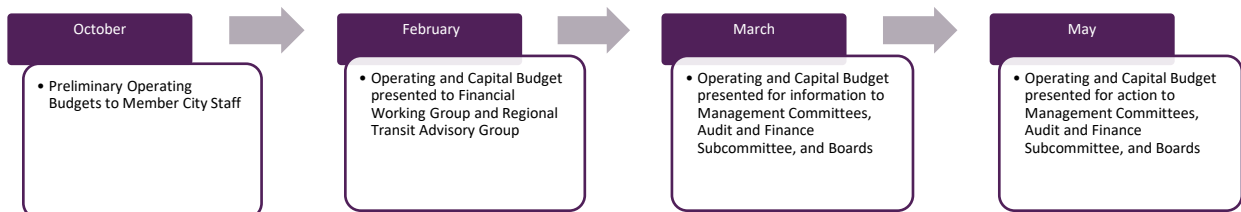
The budget process serves two principal purposes. Within the agency, development of the budget provides a forum for joint planning of objectives and tasks, with a managerial and board review of programs. It sets the expectations for performance in the coming year(s). For the agency’s members and partner agencies, the budget reports on the status of projects and services and details the agency’s operational objectives, capital improvements, and funding plans.

The annual budget is prepared on a modified accrual basis and adopted by the Board of Directors each fiscal year. The legal level of budgetary control is the total annual appropriated budget. With respect to the Capital Budgets, project contingency accounting is used to control expenditures within available project funding limits. With respect to the Operating Budget, encumbrance accounting is not used, and all appropriations lapse at the end of the year. Prior to final adoption, a proposed budget is presented to the Board of Directors for review and public comment is received. Final adoption must be on or before June 30th of each year.

RPTA also develops a Five-Year Operating Forecast and Capital Program as part of the annual budget process. The five-year budget focuses on the capital improvements that are planned to occur within the planning horizon and includes:

- projected costs of fixed route bus and demand service
- projected amounts paid by each member city to RPTA
- vehicle inventory to deliver the planned service safely and efficiently
- projected revenues to be received from federal funds or other funding sources

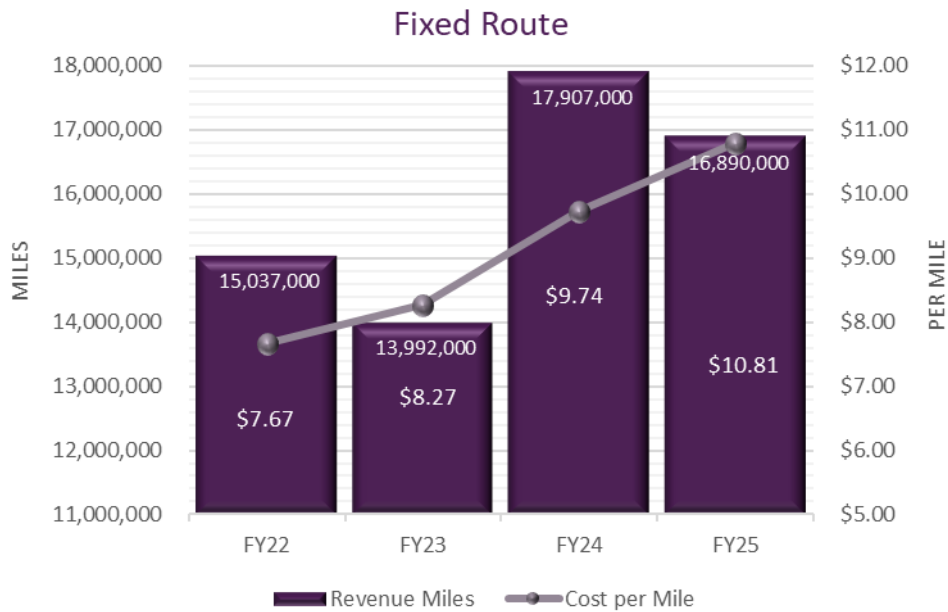
The internal process is a collaborative and iterative one, with the agency’s senior management providing strategic direction and critical review, managers and project managers preparing resource proposals, and financial staff (including the Financial Working Group and the Audit and Finance Subcommittee) providing feedback and technical support for the process. A review by the Regional Transit Advisory Group and Transit Management Committee will precede drafting of the proposed budget. Once the proposed annual budget and five-year capital plan have been published, the RPTA Board provides final review and adoption.

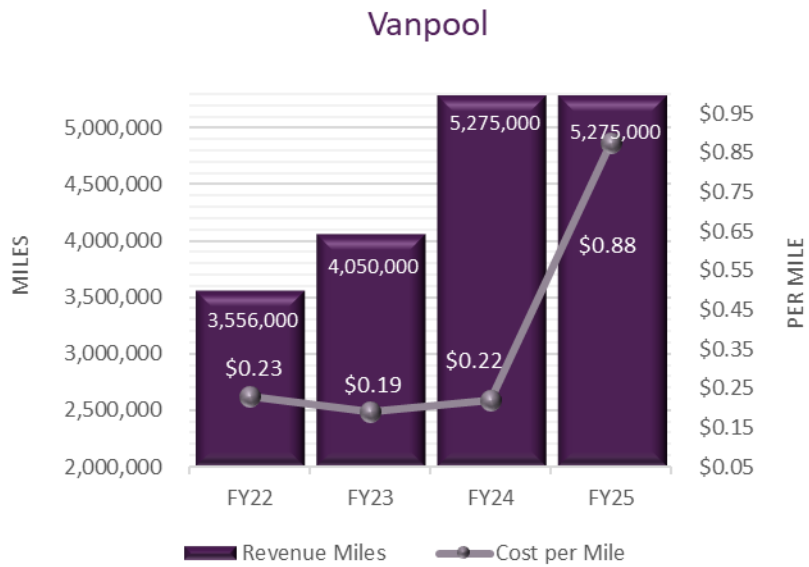
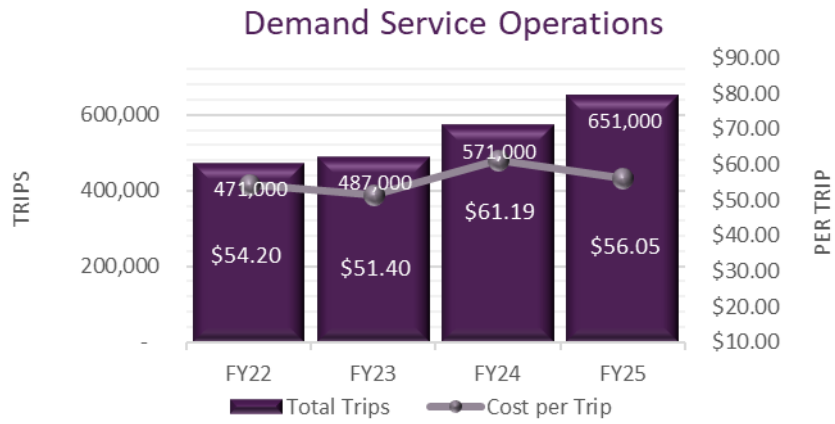


SERVICE METRICS

Below are the service metrics for the three different operation modes showing historical data from FY22 and FY23 as well as the forecast for FY24 and FY25.

	FY22 Actuals	FY23 Actuals	FY24 Budget	FY25 Budget
Service Metrics				
Fixed Route Operations				
Total Revenue Miles	15,037,000	13,992,000	17,907,000	16,890,000
Total Annual Cost/Budget	\$ 115,260,000	\$ 115,701,000	\$ 174,449,000	\$ 182,500,000
Cost per Mile	\$ 7.67	\$ 8.27	\$ 9.74	\$ 10.81
Demand Service Operations				
Total Revenue Trips	471,000	487,000	571,000	651,000
Total Annual Cost/Budget	\$ 25,556,000	\$ 25,038,000	\$ 34,941,000	\$ 36,490,000
Cost per Trip	\$ 54.20	\$ 51.40	\$ 61.19	\$ 56.05
Vanpool Operations				
Total Revenue Miles	3,556,000	4,050,000	5,275,000	5,275,000
Total Annual Cost/Budget	\$ 823,000	\$ 773,000	\$ 1,152,000	\$ 4,625,000
Cost per Mile	\$ 0.23	\$ 0.19	\$ 0.22	\$ 0.88





Note: FY25 Vanpool operations contract structure was changed to include vendor provided vehicles.

STAFFING TRENDS

Staffing needs are assessed each year based on the level of activities and fulfillment of work requirements for the coming year. The table below summarizes staff positions by each agency for the last three fiscal years and the current budget year.

	FY22	FY23	FY24	FY25
Staff Positions by Agency				
Agency				
RPTA	169	173	174	175
VMR	282	291	313	342
Total	451	464	487	517
<i>Change from prior year</i>	<i>8</i>	<i>13</i>	<i>23</i>	<i>30</i>

FY22

- Increased VMR positions (2) to support transit safety and rail operations
- Increased two total administrative support staff in IT and cleaning maintenance
- Increased RPTA positions (2) to support bus safety and transportation services
- Froze 11 vacant positions in various areas in operations and administrative support

FY23

- Increased five VMR positions to support rail operations and maintenance
- Increased one RPTA position to support bus safety
- Increased five administrative support staff positions

FY24

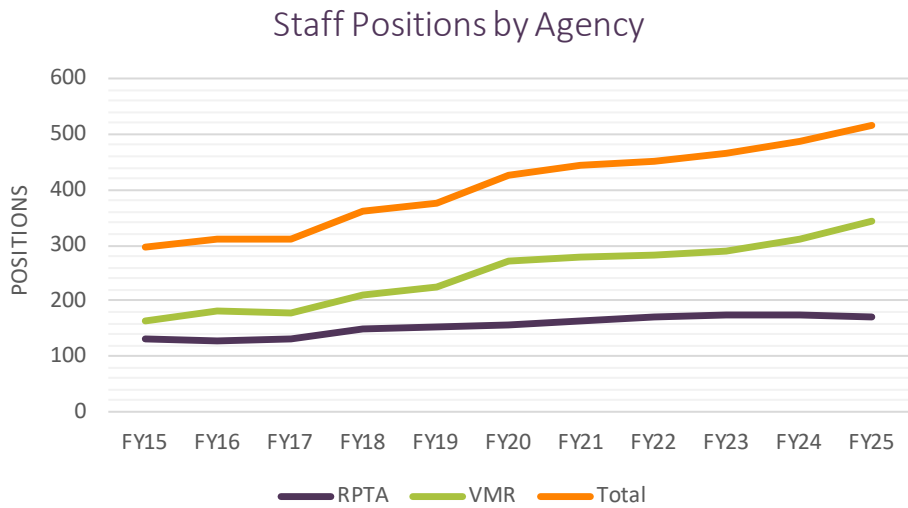
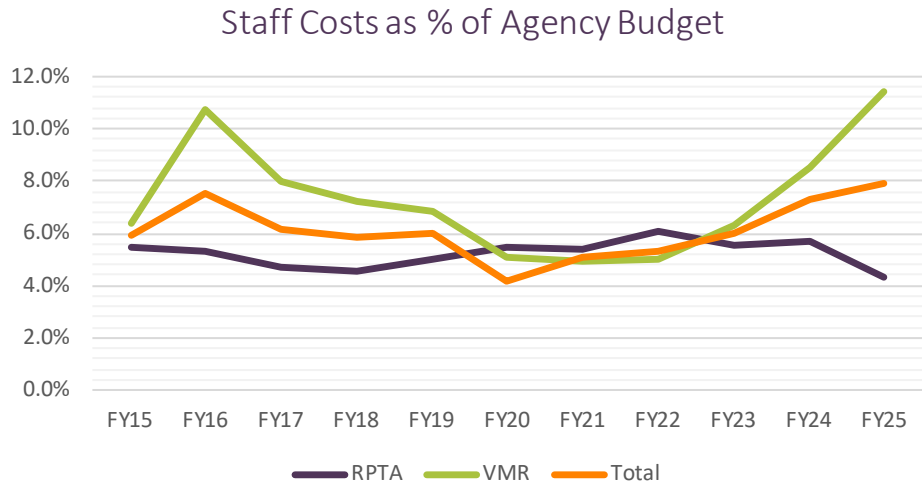
- Increased 26 VMR positions to support increased alignment coverage
- Increased one RPTA position to support fare revenue distribution previously performed by Phoenix
- Increased one shared Agency position to support fleet management

FY25

- Increased 29 VMR positions to support increased coverage for current and future alignment
- Increased 1 RPTA position

LONG TERM TRENDS

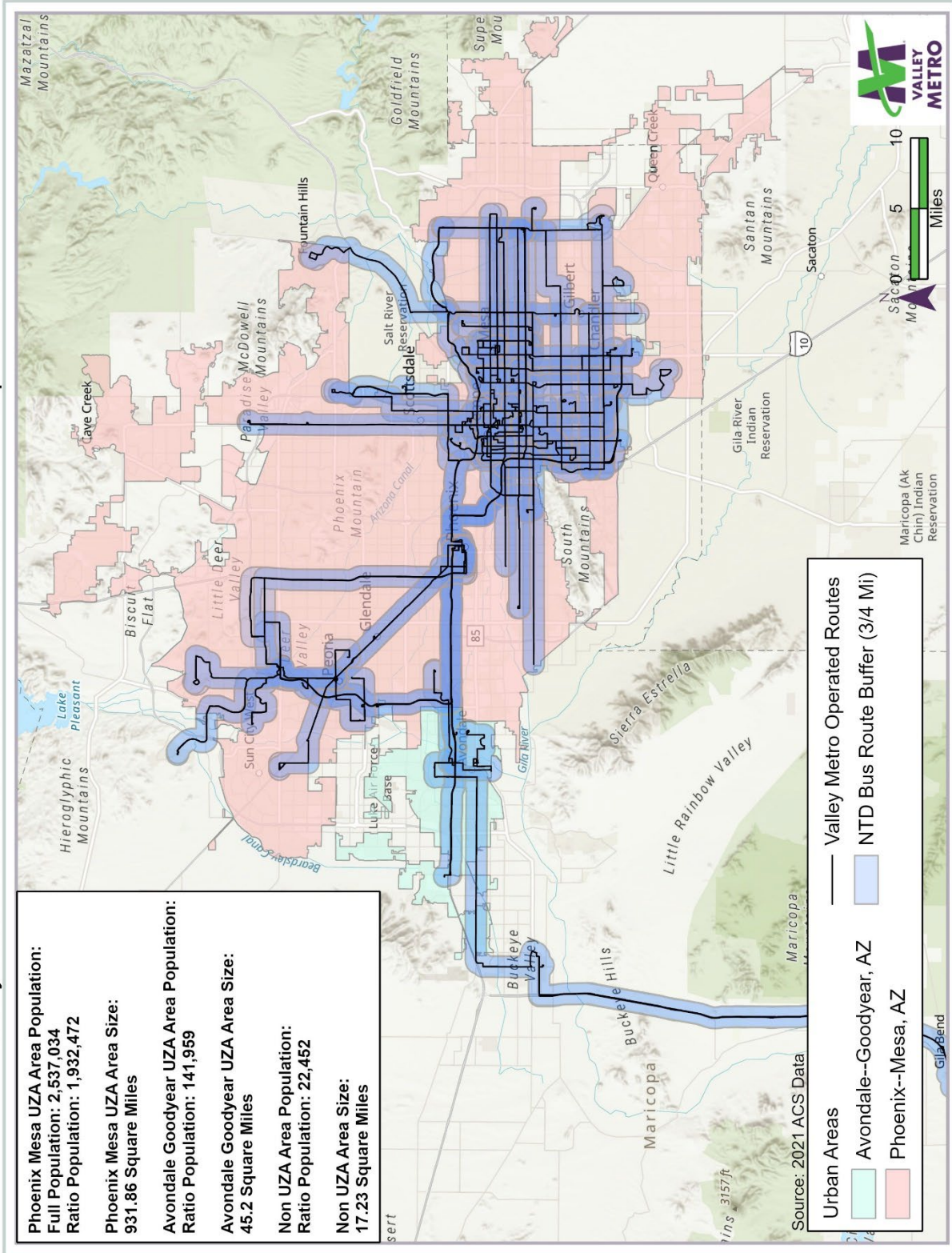
The following chart shows personnel costs as a percentage of the overall annual operating and capital budgets for the previous nine fiscal years. The long-term trend shows that the combined agencies staffing is consistently in the range of four to seven percent of the total budget.



SERVICE AREAS

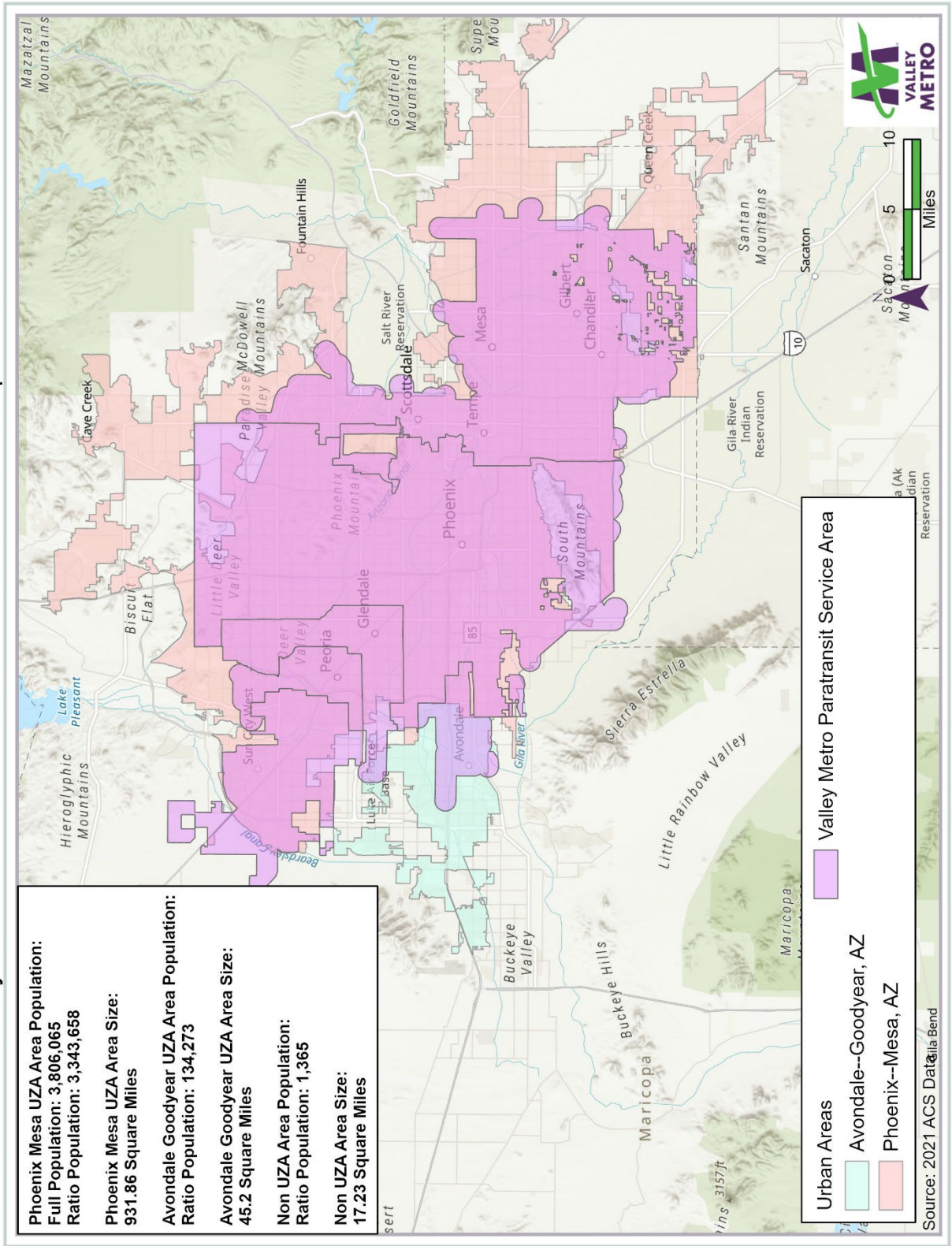
FIXED ROUTE

Valley Metro Bus Route and UZA Service Area Population - 2023



DEMAND SERVICE

Valley Metro Paratransit and UZA Service Area Population - 2023



GLOSSARY OF TERMS AND ACRONYMS

TERM / ACRONYM	DEFINITION
ADA	Americans with Disabilities Act
ADEQ	Arizona Department of Environmental Quality
ADOT	Arizona Department of Transportation
ARPA	American Rescue Plan Act of 2021
CAC	Clean Air Campaign
CARES Act	Coronavirus Aid, Relief and Economic Security Act
CMAQ	Congestion Mitigation Air Quality Improvement Funds
COVID	Coronavirus disease
CRRSAA	Coronavirus Response and Relief Supplemental Appropriations Act of 2021
CS	Customer Service
FHWA	Federal Highway Administration
FTA	Federal Transit Administration
HCT	High-Capacity Transit
IT	Information Technology
MAG	Maricopa Association of Governments
MBOM	Mesa Bus Operations and Maintenance
PTF	Public Transportation Fund
RARF	Regional Area Road Fund
RS	Regional Services
RTP	Regional Transportation Plan
SOGR	State of Good Repair
S RTP	Short Range Transit Plan
STBGP	Surface Transportation Block Grant Program
TBOM	Tempe Bus Operations and Maintenance
TDM	Transportation Demand Management
TLCP	Transit Life Cycle Program
TRP	Travel Reduction Program
TSR	Transit Service Reimbursement
V MR	Valley Metro Rail



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