



May 28, 2021

City of Meridian
33 East Broadway Ave.
Meridian, ID 83642

Attention: Todd Lavoie, Chief Financial Officer

SUBJECT: Valley Regional Transit FY2022 Funding Request

Dear Mr. Lavoie,

The following table outlines funding requests for the **City of Meridian** for **FY2022**. Page two provides a description each type of funding request.

This information has been updated since our presentation to the Meridian City Council last month because the directly generated revenue forecasts were lowered. The effects of COVID-19 have been more long lasting than we anticipated requiring us to reduce our directly generated revenue assumptions for FY2022 by approximately \$471,000 In Ada County. We distributed this shortfall among our funding partners per the Cost Allocation Model, resulting in an increase of approximately \$18,000 for the Meridian Service Assessment compared to what was presented in May. This change was presented at the June Executive Board meeting and the attached supplemental document provides more detail on this issue.

Until our budgets are complete, the information provided is based on preliminary budget proposals. Through the budget process, requests may vary in response to changes in projected expenses, revenue assumptions, and further discussions with your staff and elected officials.

Type	Amount
General Assessment (<i>calculated by regional share of the population</i>)	\$ 67,052
Service Assessment (<i>calculated by share of miles serving your jurisdiction</i>)	\$ 367,531
Capital Assessment (<i>calculated by share of miles serving your jurisdiction</i>)	\$ 9,068
Special Assessment (<i>Negotiated</i>)	\$ 170,000
Total Request	\$ 613,651

Description of funding types in the request tables.

- **General Assessments** support regional overhead expenses (administration, finance, communications, etc.)
- **Service Assessments** support service operations and associated paratransit, preventive maintenance, planning and administration.
- **Capital Assessments** support capital procurement, design or construction projects for asset maintenance or enhancements
- **Special Assessments** are requested to support activities, programs or projects outside of the typical assessments (specialized transportation programs, planning projects, etc.)

Financial Assumptions

Through the Coronavirus Aid, Relief & Economic Security Act (CARES), Coronavirus Response and Relief Supplemental (CRSSA), and American Rescue Plan Act (ARPA), the Federal Government has provided resources to Valley Regional Transit (VRT) and other transit agencies across the country to mitigate the financial disruptions of the COVID-19 crisis. The VRT Board is committed to making sure existing and future resources are used in alignment with the strategic direction and priorities adopted by the VRT Board of Directors:

- **Direct Response:** fund existing administration, operations and respond to the direct impacts of the crisis, including health, sanitation, marketing, and loss of revenue
- **Resiliency:** invest in systems and infrastructure that secures the safety of the traveling public and ensure the agency can respond and recover to disruptions
- **Strategic Direction:** continue as much as possible the strategic investments identified in local and regional plans

VRT has used the local cost allocation model to determine the local contributions necessary to maintain existing and planned services in FY2022. For comparison a *Baseline* request has been provided which assumes typical revenue streams, as well as a *Proposed* request which leverages federal relief funding. This allows VRT to remain transparent in our allocation process, and work toward sustainable funding levels.

Type	Baseline	Proposed
General Assessment	\$ 67,052	\$ 67,052
Service Assessment	\$ 486,683	\$ 367,531
Capital Assessment	\$ 9,068	\$ 9,068
Special Assessment	\$ 170,000	\$ 170,000
Total Request	\$ 732,803	\$ 613,651

The attached supplemental document provides supporting data for the funding request.

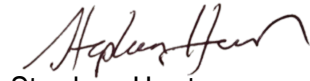
- **Fixed Route & Special Services Summary** describes the services the requested contributions will support.
- **FY2022 Preliminary Budget Summary** outlines projected expenses, revenue sources, and local contribution requests both before and after the change in forecasted directly generated revenues.

- **Ridership Review** outlines ridership trends of supported services.

Should you have any questions or require additional information please feel free to contact me at (208) 258-2701 or shunt@valleyregionaltransit.org.

Thank you for your continued support of Valley Regional Transit.

Sincerely,



Stephen Hunt
Development Director
Valley Regional Transit

Cc:

Councilman Luke Cavener – VRT Board Member - lcavener@meridiancity.org
Miranda Carson – Associate Planner, City of Meridian - mcarterson@meridiancity.org
Jill Reyes – VRT Programming Planner – jreyes@valleyregionaltransit.org
Jason Jedry – VRT Controller – jjedry@valleyregionaltransit.org