



**Finance and Capital Committee**

**Information Item III-A**

**January 13, 2022**

**FY2023 Operating Budget Work Session**

Washington Metropolitan Area Transit Authority

## Board Action/Information Summary

☒ Action ☐ Information

MEAD Number:  
202328

Resolution:  
☐ Yes ☒ No

### TITLE:

FY2023 Operating Budget Work Session

### PRESENTATION SUMMARY:

Staff will present additional detail regarding the FY2023 Proposed Operating Budget, Fare and Service proposals and respond to Board member operating budget questions.

### PURPOSE:

Staff and Board members will discuss additional details regarding the FY2023 Proposed Operating Budget.

### DESCRIPTION:

Identification of Parties with an interest in Metro's budget:

The following list includes Metro's top non-personnel multi-year contractors through FY2022 and to date (\$500 million) as well as the Metropolitan Washington Airports Authority. Some vendors have contracts spanning through FY2023 as well.

- Kawasaki Rail Car Inc.
- Kiewit Infrastructure Company
- Hitachi Rail Washington LLC
- Potomac Yard Constructors
- New Flyer of America, Inc.
- Transdev Services, Inc.
- C3M Power Systems, LLC
- Motorola Solutions Inc.
- Kone Inc
- MV Transportation
- Diamond Transportation Service, Inc.
- First Transit, Inc.
- The Aftermarket Parts Company LLC
- DJB Contracting Inc.
- Potomac Construction Co Inc.
- Dell Marketing LP

- Cubic Transportation Systems Inc.
- Jacobs Engineering Group, Inc.
- Challenger Transportation Inc.
- Toshiba International Corporation
- Gannett Fleming Engineers and Architects

A full list of Procurement Awards is available at:

<https://www.wmata.com/business/procurement/solicitations/index.cfm#main-content>

Furthermore, Metro has labor agreements with the following collective bargaining units:

- Fraternal Order of Police/Metro Transit Police Labor Committee, Inc. (FOP)
- Office and Professional Employees International Union Local No.2, AFL- CIO (Local 2)
- Local 639, International Brotherhood of Teamsters Law Enforcement Division (Local 639)
- Local Union 689 of the Amalgamated Transit Union, AFL-CIO (Local 689)
- Local 922, International Brotherhood of Teamsters (Local 922)

### **Key Highlights:**

- On November 4, 2021, the GM/CEO presented the Proposed FY2023 Operating Budget for Board consideration. The FY2023 Operating Budget totals \$2.282 billion
- Federal relief continues to support service near pre-pandemic levels and a sum of \$715.8 million of federal relief is planned to be used during FY2023
- The proposed budget includes service adjustments and fare reductions adopted by the Board of Directors in September 2021 as well as new fare and discount initiatives to encourage ridership
- On December 9, 2021 the Board of Directors authorized Metro to conduct public hearings in January/February 2022 to solicit public input regarding the proposed budget and service changes
- As part of the public hearings, staff will develop and undertake extensive outreach (as outlined in the Board-adopted Public Participation Plan) on the proposed operating and capital budgets that will be part of the public record of the hearing
- The Board will consider the hearing and outreach findings before adopting the FY2023 Operating Budget and Title VI Equity Analysis

### **Background and History:**

On November 4, 2021, the GM/CEO presented a Proposed FY2023 Operating Budget to the Board. The Proposed FY2023 Budget continues to invest in all-day service seven days a week that prioritizes safe, reliable, and affordable transit service in support of a gradual recovery from the Pandemic.

The Proposed FY2023 Operating Budget improves Metrobus and Metrorail services and continues discount fare options to make it easier and more convenient for customers to use Metro and reduces costs with additional management actions.

### **Discussion:**

The proposed FY2023 docket includes the following items for public hearings and related public participation activities before Board of Directors deliberations and budget adoption in spring 2022:

### **FY2023 Operating Budget**

Total proposed operating budget excluding reimbursables is \$2.282 billion, an increase of \$182 million from FY2022, and \$212.2 million more than pre-pandemic levels. Specific cost drivers in FY2023 include Silver Line Phase 2 service launch, the addition of Potomac Yard Station, Cost of Living Adjustment for employees in bargaining units/Non-Represented Pay Performance, General CPI/Inflation, Additional Support Costs, and additional staffing for internal response and coordination of Washington Metrorail Safety Commission (WMSC) directed activities. In addition, Metro will implement additional management savings initiatives totaling \$5 million in FY2023.

The FY2023 subsidy adheres to the mandated three percent annual growth cap with an FY2023 capped subsidy of \$1.142.9 million. Legislative exclusions in the proposed budget total \$49.0 million and include \$3.2 million for Juneteenth Holiday, \$3.4 million for safety mandates from the WMSC, \$40.8 million for Silver Line Phase 2 launch, and \$1.5 million for the new Potomac Yard Station, for total annual operating subsidy of \$1.191.9 billion excluding debt service.

### **Service Proposals**

The FY2023 budget funds current service levels that went into effect on September 5, 2021, as well as provide funding for Silver Line Phase 2 revenue service, Potomac Yard Station opening and additional equity-based service improvements in calendar year 2022. Furthermore, service changes that were adopted by the Board on June 10, 2021 (Resolution 2021-22) are included to carryover into the next year. Those changes include the following:

### **Bus Service Improvements**

- Metrobus Frequent Service on 20 lines all day at improved frequencies of:

- 20 bus lines with 12 minutes or better service, 7am to 9pm, seven days a week
- Additional improvements
  - 16 bus lines with 20 minutes or better service, 7am to 9pm, seven days a week
  - Service restored or improved on an additional 46 bus routes

### **Rail Service Improvements**

- All six rail lines with improved all day and peak frequencies
  - 10 minutes or better peak
  - 12 minutes or better all day
  - 15 minutes or better late night
- Rail system open longer
  - Summer 2021: Extend hours to midnight, seven days a week
  - Fall 2021: Extend hours to 1 am on Friday and Saturday; Sunday opening to match Saturday

### **Fare Proposals**

#### **Carryover FY2022 fare proposals:**

Recommends continuation of the following fare changes: free rail-bus transfers (\$2 transfer discount); lower 7-Day Regional Bus Pass price (\$12 from \$15); and rail weekend \$2 flat fares as approved in September 2021. In addition, the following additional pandemic fare discounts are recommended for Board of Directors consideration:

#### **\$2 Late Night Rail Fare**

To support late-night workers and the late-night economy, Metrorail fares would be a flat \$2 for one-way trips from 9:30 pm until close. This benefits late-night workers and encourages use of the system during less busy hours. This is expected to reduce revenue by \$1.0 million.

#### **Discount Monthly Passes**

Monthly pass products would be discounted to make the price more attractive to workers who are now commuting to their physical offices less than five days per week. The discount will reduce the price range from \$72-\$216 to \$64-\$192 depending on the distance selected and reduce revenue by \$1.7 million.

#### **Discount 7-Day Unlimited Passes**

The 7-Day unlimited pass would be discounted to make its pricing attractive to workers who may not be travelling on consecutive days. The 50 percent

discount from \$58 to \$29 provides significant value to riders who may be riding three or more days during the 7-day pass validity. The impact on revenue will be a decrease of \$0.3 million for a six-month promotion.

### **Add Value Bonus**

The add value bonus rewards customers when they add funds to their SmartTrip<sup>®</sup> card, and was developed as a way to attract riders with irregular work schedules. For every \$25 placed on a SmartTrip<sup>®</sup> card, an additional \$5 will be added to the card. The revenue loss is estimated at \$7.9 million for a six-month promotion.

### **Public Engagement Activities**

Metro will conduct extensive public engagement effort in January and February 2022 to gain feedback regarding the proposed FY2023 budget.

Responsive to the Board of Directors' Equity Framework, Metro will incorporate accessibility to reach a broader audience, including minority, low-income, limited-English speaking communities. These efforts will include advertising in non-English newspapers, targeted digital advertising, deploying multi-lingual street teams to rail and bus locations, and producing stakeholder toolkits so that community partners can help expand Metro's reach. An informational website and survey will be mobile-accessible, and Quick Response (QR) codes will be used on signs to help connect customers directly to these resources. Feedback gathered during the public comment period will be provided to the Board for consideration in March 2022.

## **FUNDING IMPACT:**

This is an information item only that provides additional detail regarding the Proposed FY2023 Operating Budget.

## **TIMELINE:**

<b>Previous Actions</b>	October 2021 – Revenue and Ridership Outlook  November 2021 – GM/CEO Proposed FY2023 Operating Budget
<b>Anticipated actions after presentation</b>	January-February 2022 – Budget deliberations, public outreach and public comment period  March 2022 – Planned Board adoption of the FY2023 Budget and FY2023-2028 Capital Program

April 2022 – Submit Federal grant applications
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July 2022 – Fiscal Year 2023 begins
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**RECOMMENDATION:**

Information item only.

# GM/CEO's FY2023 Proposed Budget

## Operating Budget Work Session

Finance and Capital Committee

January 13, 2022





# Purpose

- Provide additional details regarding FY2023 Proposed Operating Budget, Fare and Service Adjustments
- Respond to Board members and jurisdictional questions on the FY2023 Proposed Operating Budget

# Operating Budget Environment

- COVID-19 pandemic continues to impact the region
- Ridership recovery assumed at 53% of pre-pandemic levels trending towards 75% long-term recovery
- As ridership gradually returns, future operating revenue outlook remains weak
- Proposes service enhancements and fare discounts to encourage ridership
- Federal relief funding will provide partial support in FY2024

## FY2023 Initiatives

### *Service Improvements*

Improved frequencies on Metrorail and Metrobus as initiated in September 2021



### *Discounted Fares to Support Recovery*

Continue to improve and discount fare options to make it easier and more convenient for customers to use Metro



### *Continue Management Efficiencies*

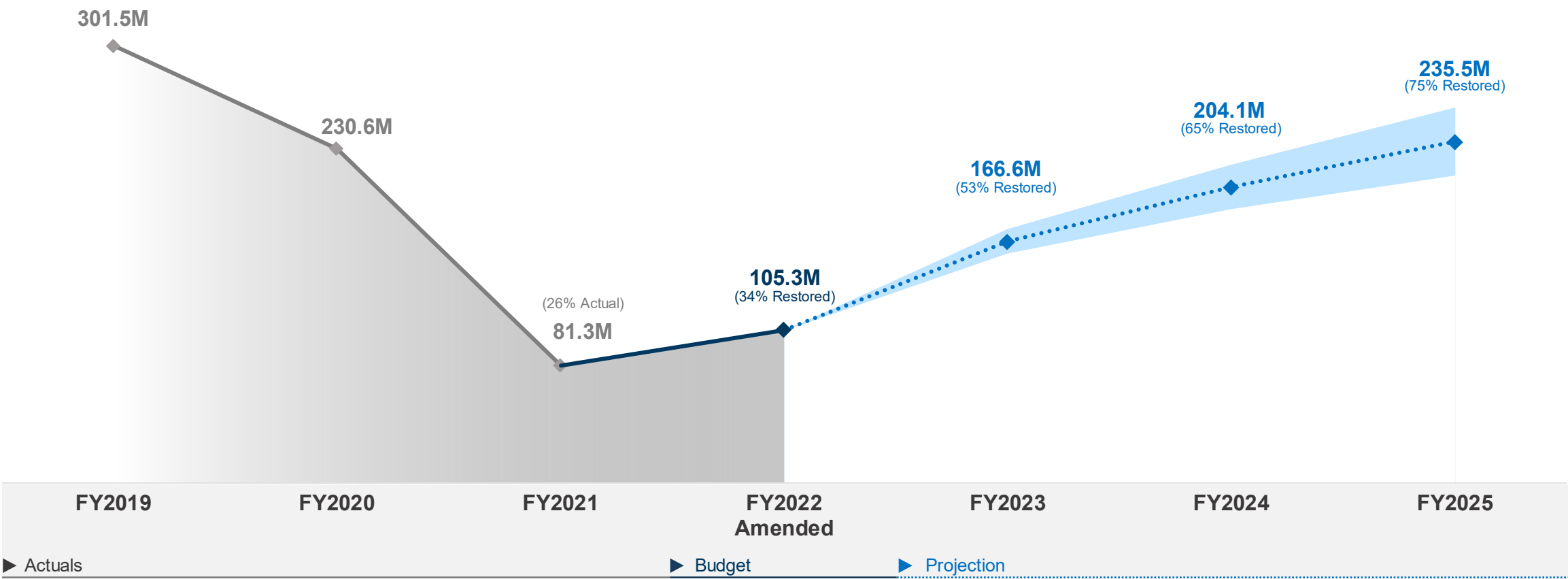
Implement additional management initiatives to reduce growing operating cost across Metro



# Ridership, Fares and Revenues



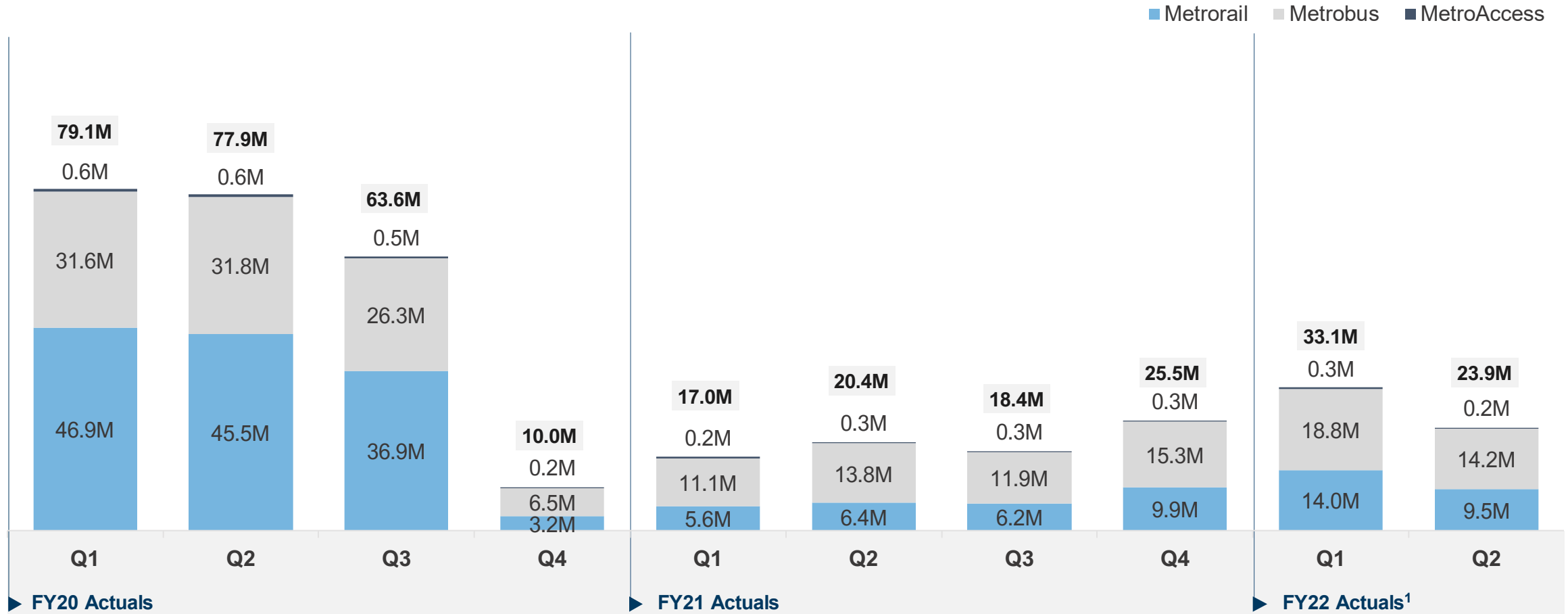
# Gradual Ridership Rebound Brings Back More Riders in FY2023



Notes: Percentage restored based on FY2021 original budget of 313.9M



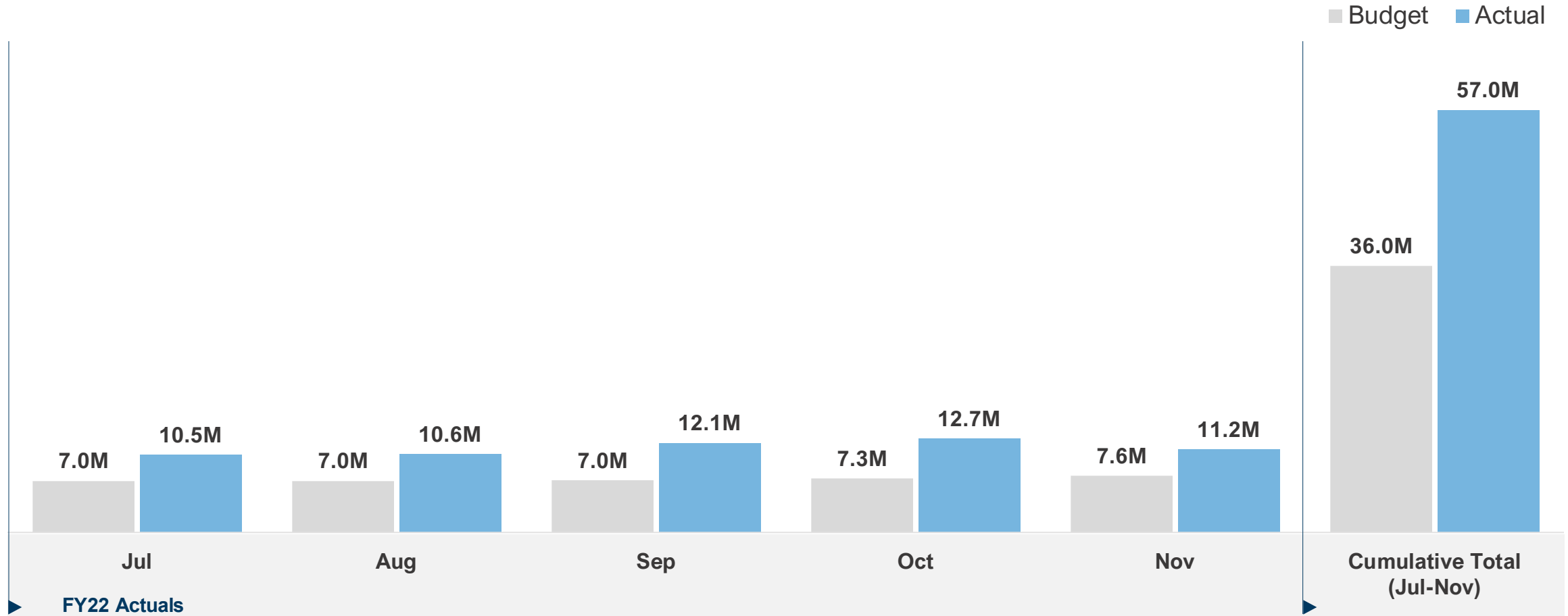
# Quarterly Ridership Performance by Mode



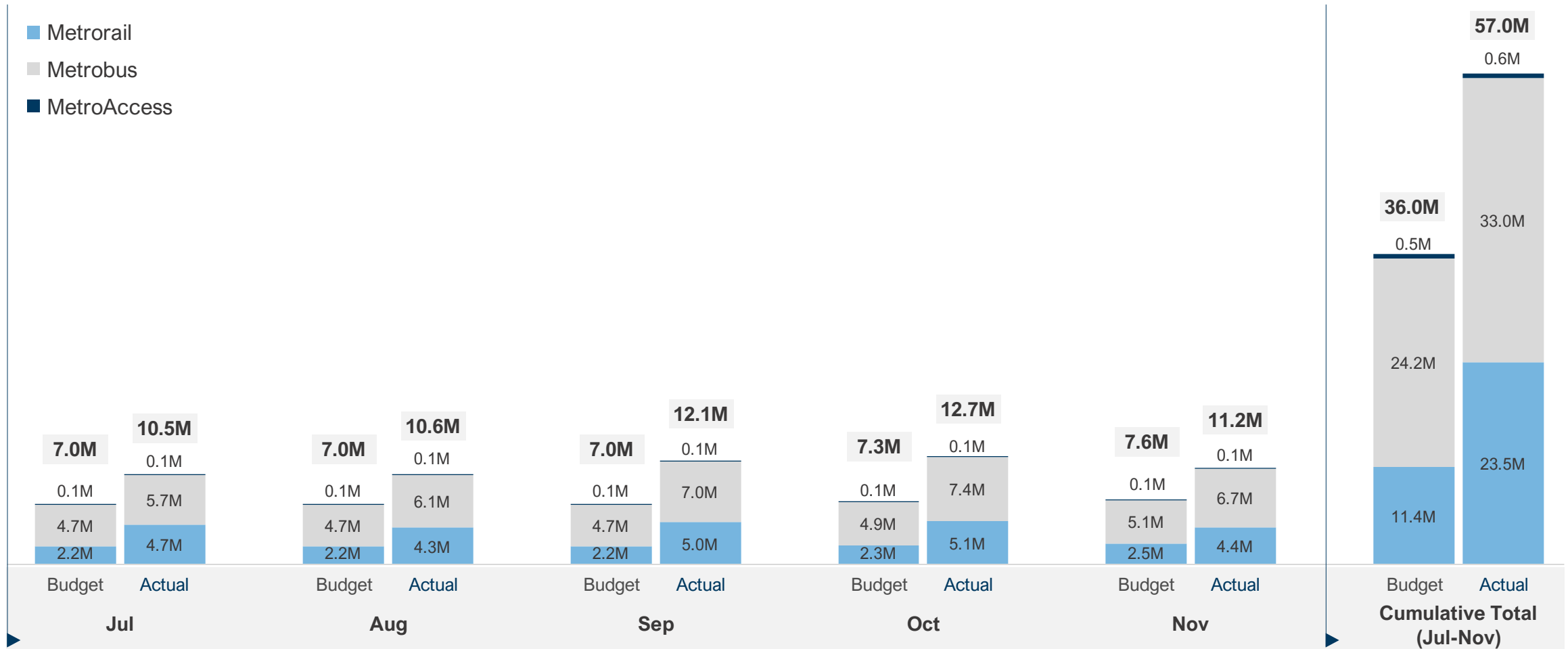
1. FY22 Q2 only includes October and November actual ridership.

2. Chart totals may not add due to independent rounding

# Actual Ridership is exceeding Budget by 58%



# Modal Ridership Slowly Trending toward Pre-Covid Levels



Note: Chart totals may not add due to independent rounding



# Fare Initiatives and Discounts Recommended for FY2023

		Benefitting Trips	Projected FY2023 Revenue Impact
	<i>\$ and trips in millions</i>		
FY2022 September Fare Changes	Weekend Rail \$2 Flat Fare	12.2	(\$4.3)
	\$2 Bus-Rail Transfer Discount	7.5	(\$7.4)
	\$12 7-Day Regional Bus Pass	5.9	(\$0.6)
	<b>TOTAL</b>	<b>25.6</b>	<b>(\$12.3)</b>
FY2023 Pandemic Fare Initiatives	Late Night Rail \$2 Flat Fare	3.2	(\$1.0)
	Discount Monthly Passes		(\$1.7)
	Discount 7-Day Unlimited Pass <sup>1</sup>		(\$0.3)
	Add Value Bonus <sup>1</sup>	21.1	(\$7.9)
	<b>TOTAL</b>	<b>24.2</b>	<b>(\$10.9)</b>
	<small>1. Estimate is for six months only</small>		

# \$2 Late Night Rail Fares

## \$2 one-way late-night rail fares

- One-way trips after 9:30 pm would cost \$2, 7 days a week
- Lower fares to support late-night workers and economy
- Encourages ridership during less busy hours

Customer  
Focused



Simple and  
Convenient



Equitable



Seamless



Drives  
Ridership



**\$2.00-\$3.85**

Current

Late Night Fare

**\$2**

Concept

**\$1.0M**

Potential Revenue Impact<sup>1</sup>

1. Excludes revenue from potential induced demand

# Discount Monthly Passes

## Update trip multiples on monthly passes to reflect market changes/telework

- Reduction from 36 trip multiple to 32 trips – approximate 4-day workweek equivalent
- Example: \$2 fare level monthly pass reduced from \$72 to \$64 (11% cheaper)
- Likely encourages additional sales and ridership

Customer Focused



Simple and Convenient



Equitable



Seamless



Drives Ridership



**\$72-\$216**  
(multiples of 36 trips)

**\$64-\$192**  
(multiples of 32 trips)

Current

Concept

Monthly Pass Price

**\$1.7M**

Potential Revenue Impact<sup>1</sup>

1. Excludes revenue from potential induced demand

# Discount 7-Day Unlimited Passes

## Offer 50% discount on 7-Day unlimited passes

- Appeal to riders and potential riders with irregular work weeks, teleworking schedules
- Likely induces additional trips
- Option to offer for limited period, e.g., 6 months



**Customer Focused**



**Simple and Convenient**



**Equitable**



**Seamless**



**Drives Ridership**



**\$58**

**Current**

Pass Price

**\$29**

(50% off)

**Concept**

**\$0.3**

6-Month Sale Duration

Potential Revenue Impact<sup>1,2</sup>

1. Excludes revenue from potential induced demand

2. Assumes a 50% price discount offering for 6-month period



# Add Value Bonus

## Add bonus funds to SmarTrip® cards when customers add value

- Bonuses could be tiered or tied to certain thresholds; e.g., customers receive an additional \$5 when adding \$25 to SmarTrip® cards
- May induce ridership, appeal to riders with irregular travel schedules
- Could be offered for a limited period or tied to use of auto-reload



**Customer Focused**



**Simple and Convenient**



**Equitable**



**Seamless**



**Drives Ridership**



**\$25**

Current

SmarTrip® Value Added

**\$25 + \$5**

(Bonus funds added)

Concept

**\$7.9M**

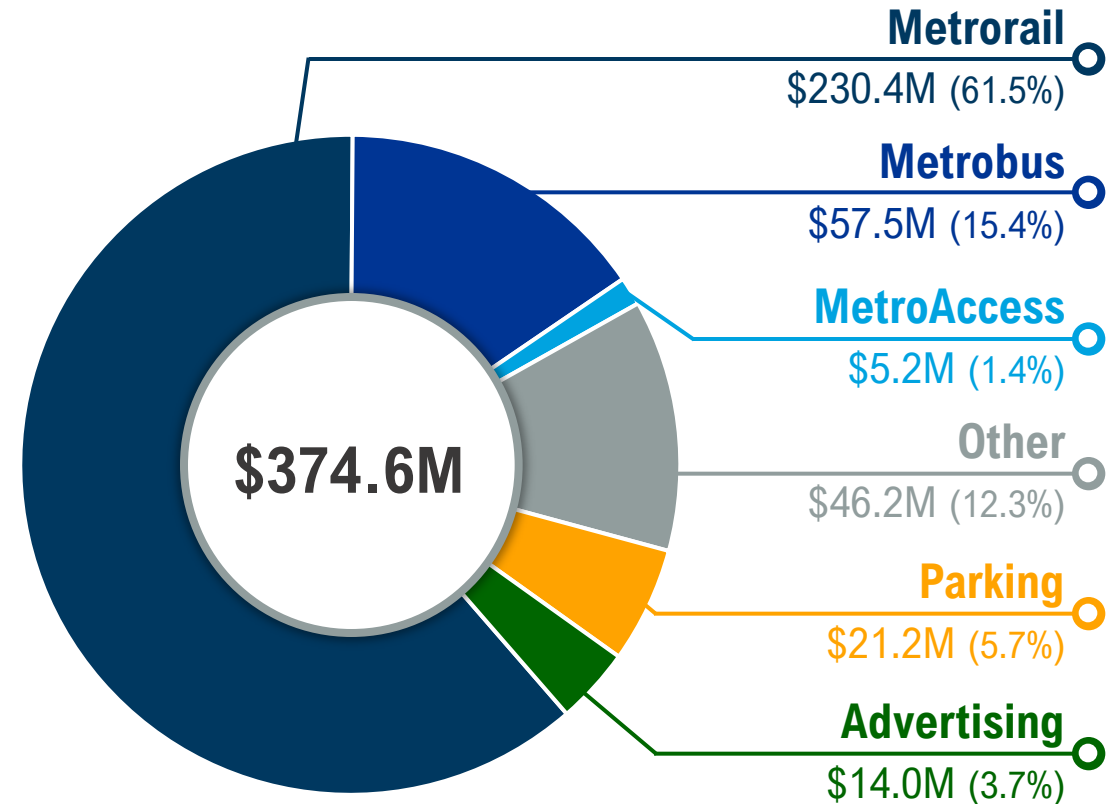
Potential Revenue Impact<sup>1,2,3</sup>

1. Excludes revenue from potential induced demand  
3. Estimate is for 6 months only

2. Assumes bonus impacts Stored Value riders (Full Fare, Disabled, Senior), excludes Pass and SmartBenefits® riders

# Projected Revenues Remain Below Pre-pandemic Level

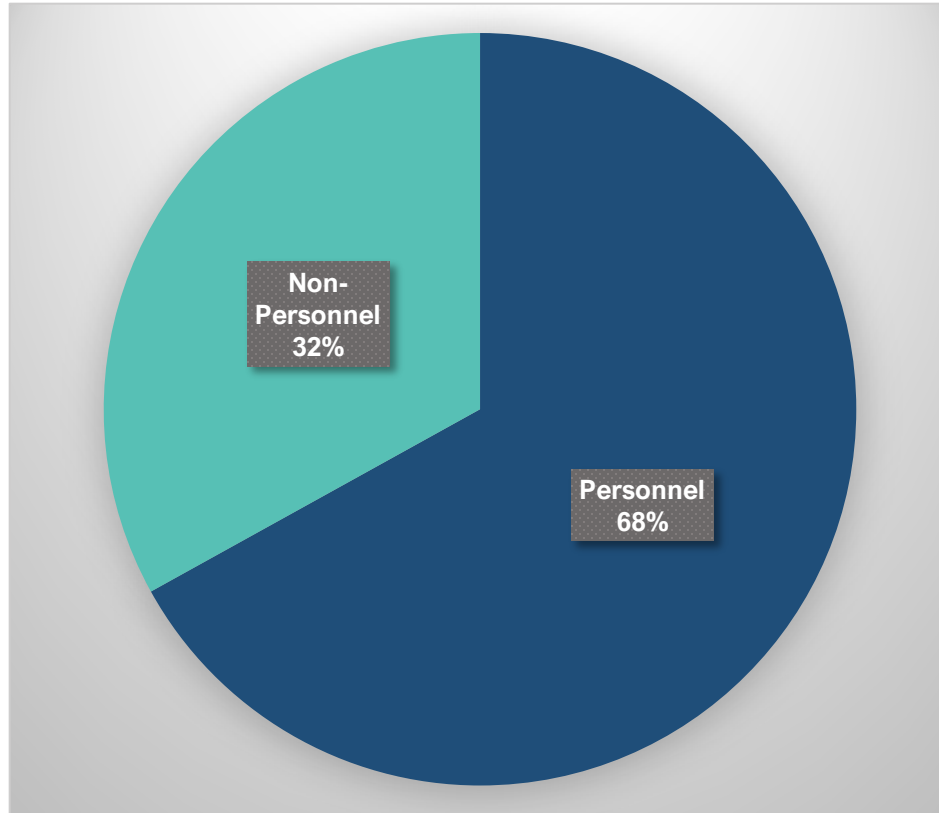
Passenger and Non-Passenger Revenue				
	FY2021 Original Pre-Pandemic	FY2021 Actual	FY2022 Budget	FY2023 Proposed 53% Restored
<i>\$ in millions</i>				
Passenger Revenue	\$677.8	\$102.0	\$159.5	\$293.1
Non-Passenger Revenue	\$146.0	\$64.5	\$68.4	\$81.5
<b>Total</b>	<b>\$823.7</b>	<b>\$166.6</b>	<b>\$227.9</b>	<b>\$374.6</b>



# Operating Expenses



# Personnel Cost Makes Up Majority of Metro's Operating Budget



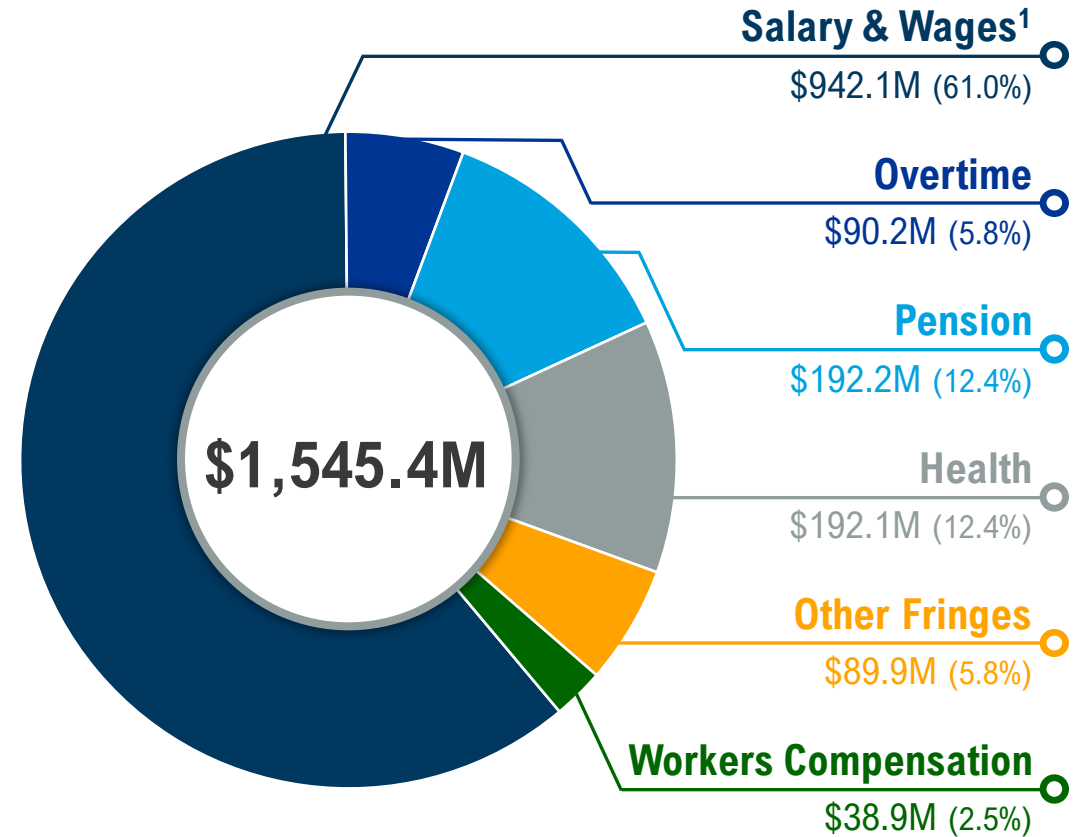
Operating Budget		
	FY2023	
\$ in millions	Proposed	Percent
Personnel	\$1,545.4	67.7%
Services	\$416.9	18.3%
Energy & Utilities	\$130.6	5.7%
Materials & Supplies	\$125.3	5.5%
Casualty & Liability	\$43.6	1.9%
Leases & Rental	\$11.0	0.5%
Miscellaneous	\$9.5	0.4%
<b>Total Expenses</b>	<b>\$2,282.3</b>	<b>100%</b>

*Note: Chart and table totals may not add due to independent rounding*



# Personnel Cost Components Include...

Personnel Expenses				
	FY2021 Original Pre-Pandemic	FY2021 Actual	FY2022 Budget	FY2023 Proposed
\$ in millions				
Salary & Wages	\$825.5	\$807.4	\$843.2	\$942.1
Overtime	\$90.6	\$54.4	\$86.1	\$90.2
Pension	\$173.3	\$215.8	\$187.2	\$192.2
Health	\$187.1	\$194.2	\$185.2	\$192.1
Other Fringes	\$79.9	(\$4.0)	\$81.0	\$89.9
Workers Compensation	\$31.5	\$36.5	\$31.6	\$38.9
<b>Total</b>	<b>\$1,387.9</b>	<b>\$1,304.4</b>	<b>\$1,414.2</b>	<b>\$1,545.4</b>



1. Salary and Wages includes Capital Cost Allocation

Note: Chart and table totals may not add due to independent rounding

# Operating Costs and Subsidy Drivers Detail

- Collective Bargaining Agreement cost increases tied to CPI-W
- Silver Line Phase 2 service and Potomac Yard Station operations
- CPI/Inflation on materials and supplies
- Additional IT and cyber security enhancements
- Restored position from Voluntary Separation Program
- Additional Safety/WMSC resources
- Efficiency improvements

Operating Expense and Subsidy Drivers		Total
<b>Contractually Obligated</b>		<b>\$55.60</b>
Union COLA	\$25.00	
Union CPI – incremental for potential CPI increase	\$22.40	
NRP Pay for Performance	\$8.20	
<b>New Service and Facilities</b>		<b>\$47.70</b>
Incremental Silver Line Phase 2	\$45.80	
Potomac Yard	\$1.90	
<b>CPI/Inflation</b>		
Inflation – general increases to goods and services	\$36.30	<b>\$39.60</b>
Pension – impact of CPI increase to pension funding	\$3.30	
<b>Additional Support Costs</b>		<b>\$20.80</b>
Cybersecurity resources	\$20.00	
Annualized FY22 Bus & Rail Service Cost	\$0.80	
<b>VSP/Position Restoration</b>		<b>\$23.40</b>
Vacant/frozen positions related to service restoration	<b>\$20.00</b>	
<b>Safety Mandates</b>		
21 new positions - WMSC safety mandates	<b>\$3.40</b>	
<b>Management Efficiencies</b>		<b>(\$5.00)</b>
TBD	<b>(\$5.00)</b>	
<b>Total</b>		<b>\$182.10</b>

# Additional Resources Needed in Response to WMSC Requirements

- Dedicated support and delivery functions for CCTV Access Protocol
- Supports SMS implementation. Provides technical support for rail investigation team.
- WMSC directed changes to incident response management and training processes for first responders.
- Additional positions is needed within SAFE/OEM to provide 24/7 coverage at ROCC and to train first responders across DC, MD and VA.

WMSC Safety Mandates					
	Org	Dept	Job Title	Positions	Amount
FY22	COO	RAIL	Assistant Supt Power Desk CNTL	5	744,159
			Power Desk Controller	15	1,936,649
			Superintendent Power Desk CNTL	1	165,884
	IBOP	IT	Infrastructure INTG Engineer	2	332,328
	SAFE	BRFS	Investigations Program Special	1	125,620
	FY22 Subtotal			24	\$3,304,639
FY23	SAFE	ADM	Assistant Project Manager	3	428,013
			Operating Practices Spec RWP	2	317,868
			Planning & Exercising Specialist	2	317,868
			Prevention & Mitigation Specialist	1	158,934
			Response & Recovery Coordination Specialist	4	635,736
			Safety Data Analyst	1	142,671
			Safety Officer	2	285,342
			Senior Planning & Exercising Specialist	2	381,183
			Senior Prevention & Mitigation Specialist	1	190,592
			Senior Response & Recovery Coordination Specialist	3	571,775
	FY23 Subtotal			21	\$3,429,982
Grand Total				45	\$6,734,621

# Silver Line Phase 2 Operating Budget

	FY2021		FY2022	FY2023		
\$ in M	Base	Exclusions	Base Adjustments	Base	Exclusions	Total
Revenue	\$0.0	\$5.2	\$0.6	\$5.8	\$4.9	\$10.7
Expense	\$0.0	\$83.6	(\$5.8)	\$77.8	\$45.8	\$123.5
Subsidy	\$0.0	\$78.4	(\$6.5)	\$72.0	\$40.8	\$112.8

# VSP Position Restoration

- During FY2021, WMATA implemented a voluntary separation program (VSP) to save \$20 million by freezing non-safety positions across WMATA.
- WMATA restored most bus and rail services for FY2022 that increased service to near pre-pandemic levels.
- Restoring most these positions is necessary to support FY2023 proposed service levels as well as planned operations of Silver Line Phase 2 and Potomac Yard.

# Operating Subsidies and Federal Relief



**Safety**



**Reliability**



**Affordability**



# Preliminary Subsidy Allocation

(\$ in Millions)	FY2022 Base	FY2023 Capped	Change %	Legislative Exclusions	FY2023 Total Subsidy	Total Change %	Debt Service	Jurisdictional Operating Subsidy
<b>District of Columbia</b>	<b>\$398,594,820</b>	<b>\$410,552,664</b>	<b>3.0%</b>	<b>\$16,157,015</b>	<b>\$426,709,679</b>	<b>7.1%</b>	<b>\$33,284,167</b>	<b>\$459,993,846</b>
Montgomery County	\$179,137,083	\$174,764,926	(2.4%)	\$8,541,288	\$183,306,214	2.3%	\$15,414,850	\$198,721,064
Prince George's County	\$244,031,514	\$261,098,729	7.0%	\$7,716,791	\$268,815,520	10.2%	\$15,814,275	\$284,629,795
<b>Maryland Subtotal</b>	<b>\$423,168,597</b>	<b>\$435,863,655</b>	<b>3.0%</b>	<b>\$16,258,080</b>	<b>\$452,121,735</b>	<b>6.8%</b>	<b>\$31,229,125</b>	<b>\$483,350,860</b>
City of Alexandria	\$46,253,495	\$48,361,741	4.6%	\$2,437,634	\$50,799,376	9.8%	\$1,776,390	\$52,575,766
Arlington County	\$76,852,215	\$75,084,961	(2.3%)	\$4,526,094	\$79,611,055	3.6%	\$0	\$79,611,055
City of Fairfax	\$2,757,882	\$2,758,825	0.0%	\$147,536	\$2,906,361	5.4%	\$111,549	\$3,017,910
Fairfax County	\$152,786,728	\$155,215,960	1.6%	\$7,889,631	\$163,105,592	6.8%	\$5,617,993	\$168,723,585
City of Falls Church	\$3,092,718	\$3,486,220	12.7%	\$124,445	\$3,610,665	16.7%	\$176,276	\$3,786,941
Loudoun County	\$6,145,867	\$11,617,864	89.0%	\$1,413,232	\$13,031,096	112.0%	\$0	\$13,031,096
<b>Virginia Subtotal</b>	<b>\$287,888,905</b>	<b>\$296,525,572</b>	<b>3.0%</b>	<b>\$16,538,573</b>	<b>\$313,064,145</b>	<b>8.7%</b>	<b>\$7,682,208</b>	<b>\$320,746,353</b>
<b>Total Contribution</b>	<b>\$1,109,652,321</b>	<b>\$1,142,941,891</b>	<b>3.0%</b>	<b>\$48,953,668</b>	<b>\$1,191,895,559</b>	<b>7.4%</b>	<b>\$72,195,500</b>	<b>\$1,264,091,059</b>

1. FY2022 Base reflects April 22, 2021 Board approved subsidy

2. Metrobus Subsidy allocation based on September 2021 Schedule/GeoDistribution file

3. Legislative Exclusions include \$3.2M for Juneteenth Holiday, \$3.4M for WMSC safety mandates, \$40.8M for Silver Line Phase 2, \$1.5M for Potomac Yard

# Federal Relief Funding

		FY2020 Actual	FY2021 Actual	FY2022 Budget	FY2023 Proposed	FY2024 Plan	BALANCE
<i>\$ in Millions</i>	<b>FUNDING</b>						
CARES	\$767.7	\$221.0	\$546.7	\$0.0	\$0.0	\$0.0	\$0.0
CRSSAA	\$625.1	\$0.0	\$53.9	\$571.2	\$0.0	\$0.0	\$0.0
ARPA	\$1,058.5	\$0.0	\$0.0	\$191.4	\$715.8	\$151.3	\$0.0
<b>Total</b>	<b>\$2,451.2</b>	<b>\$221.0</b>	<b>\$600.5</b>	<b>\$762.6</b>	<b>\$715.8</b>	<b>\$151.3</b>	<b>\$0.0</b>

*Note: Reflects net amounts to WMATA and excludes jurisdictional credits in FY2021 and FY2022*

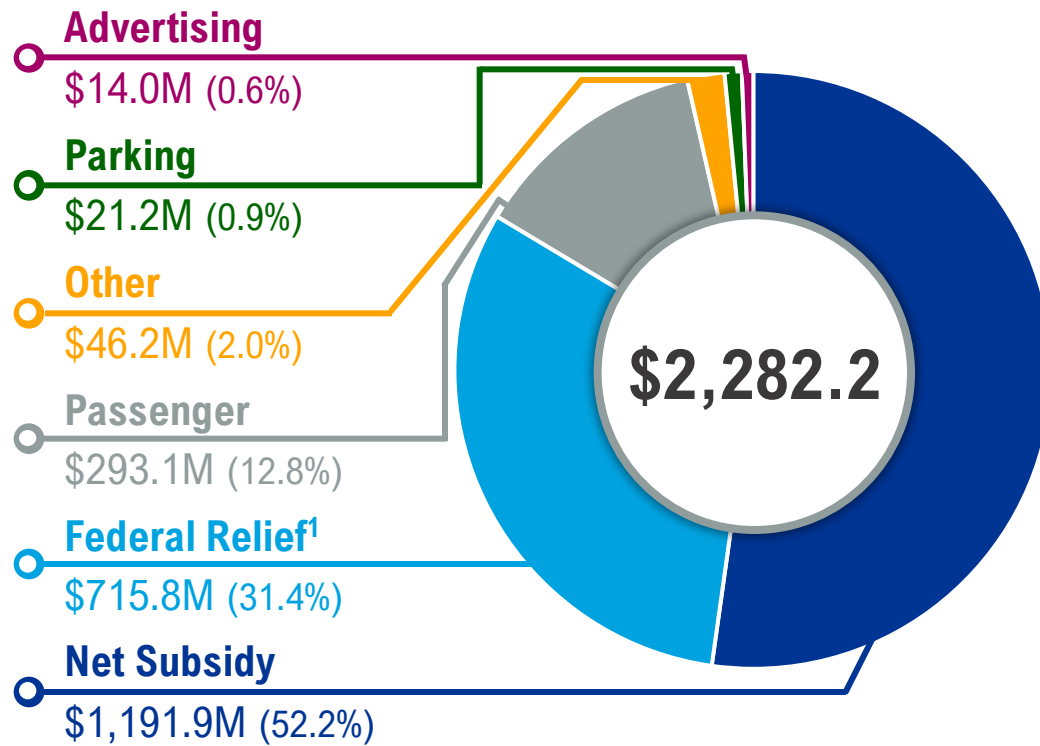


# Federal Relief Funds of \$716M to Balance Budget

Operating Deficit and Funding Gap					
	FY2021 Original Pre-Pandemic	FY2021 Actual	FY2022 Budget	FY2023 Proposed	FY2024 Scenario
<i>\$ in millions</i>					
Passenger Revenue	\$677.8	\$102.0	\$159.5	\$293.1	\$377.5
Non-Passenger	\$146.0	\$64.5	\$68.4	\$81.5	\$87.8
Total Revenue	\$823.7	\$166.6	\$227.9	\$374.6	\$465.3
Expenses	\$2,070.0	\$1,880.3	\$2,100.2	\$2,282.2	\$2,363.6
<b>Operating Deficit</b>	<b>(\$1,246.3)</b>	<b>(\$1,713.7)</b>	<b>(\$1,872.2)</b>	<b>(\$1,907.7)</b>	<b>(\$1,898.2)</b>
Subsidy	\$1,246.3	\$1,009.1	\$1,109.7	\$1,191.9	\$1,227.7
Federal Relief	\$0.0	\$704.7	\$762.6	\$715.8	\$151.3
<b>Funding Gap</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>(\$519.3)</b>

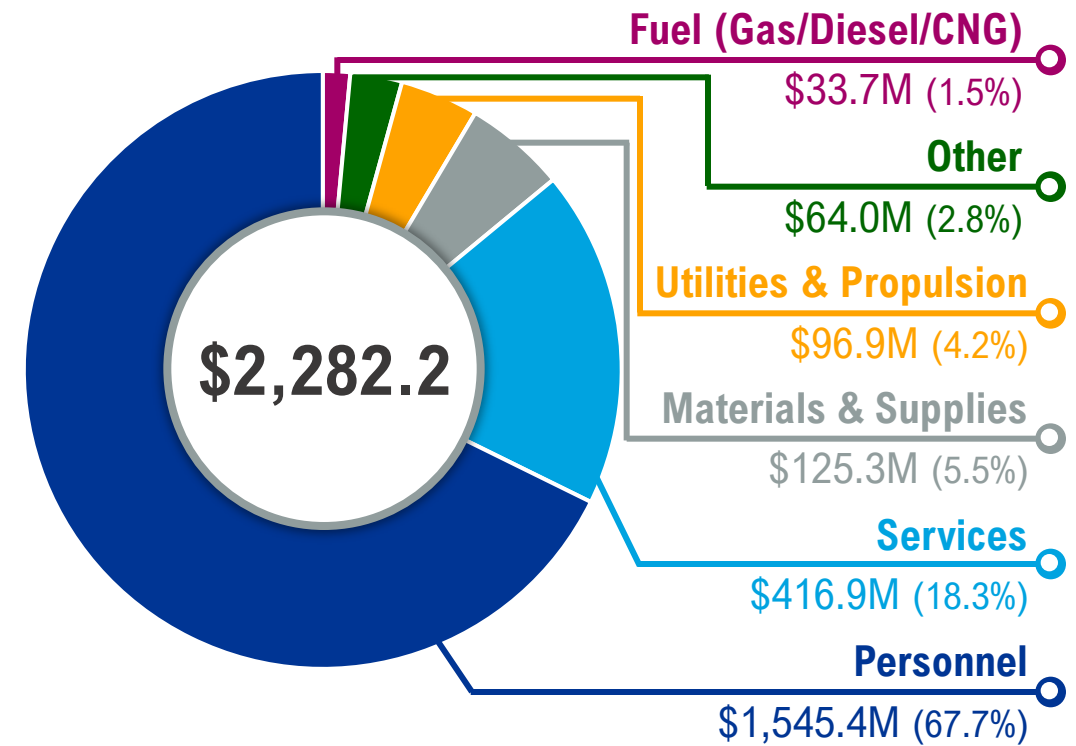
# Sources and Uses of Funds

## Sources of Funds



1. Includes ARPA

## Uses of Funds



# Risks and Considerations

- Covid-19 Variants and Long-Term Vaccine Effectiveness
- In-Person vs Remote Work Trends
- Silver Line Phase 2 acceptance and readiness
- Inflation/CPI
- Federal uncertainty, potential shutdown and changes to federal funding
- Growing operating and maintenance costs associated with completed capital projects
- Additional WMSC operating and maintenance requirements