

2024 LONG RANGE PLAN UPDATE FINANCIAL ANALYSIS OVERVIEW

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Outline

- Federal Requirement
- Objectives and Methodology
- Revenues and Expenditures from previous (2022) analysis
- 2024 Plan Update Analysis
- Local Inputs
- Next Steps



Federal Requirement

Federal planning regulations (§450.324(f)(11)) require:

- A financial plan that demonstrates how the adopted long-range plan can be implemented
- The forecast revenues which are reasonably expected to be available must cover the estimated costs of adequately maintaining and operating and of expanding the highway and transit system in the region
- All revenue and cost estimates are in year of expenditure (YOE) dollars



Objectives for the 2024 Update Financial Analysis

The analysis will use the framework of previous analyses. The 2024 Update analysis will cover the period 2025 to 2050

- The Financial Analysis should demonstrate that the forecast revenues are reasonably expected to be available to implement the long-range plan through 2050.
- Should demonstrate the region's commitment to maintaining a State of Good Repair by fully-funding projects required to keep highways and public transportation systems in Good Repair.
- Should provide for operations and maintenance of the existing transportation system.
- Should provide for focused capacity expansion to address forecasted growth in the region's population and economy.

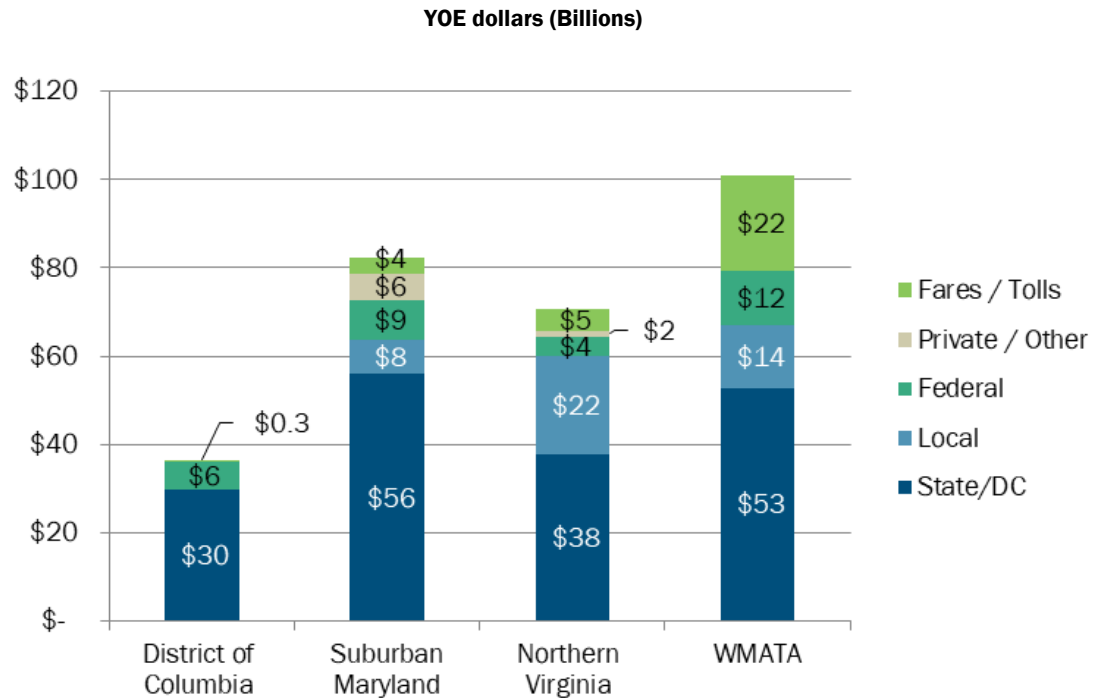
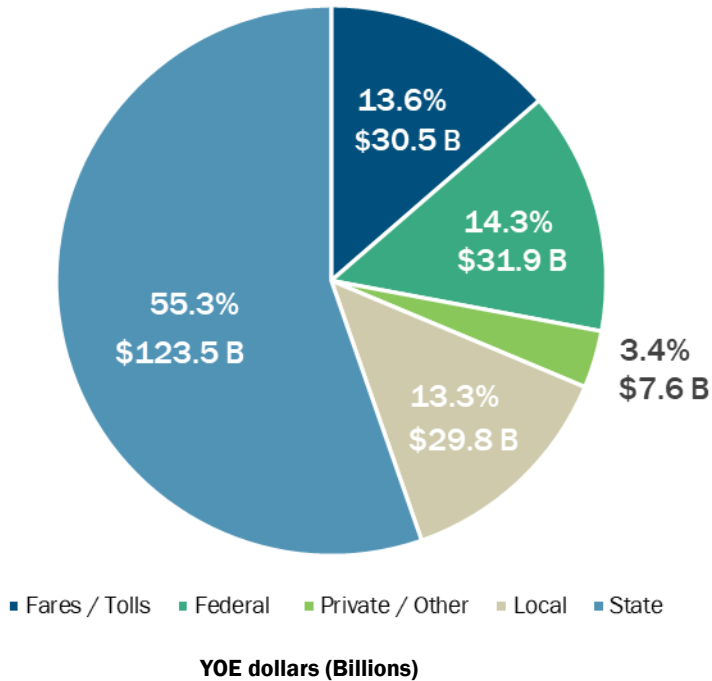


Methodology

- For the near-term years, agencies use revenue and expenditure budgets from Capital Improvement Programs (CIPs), the approved TIP and other approved budget documents
- For long-term years:
 - Revenues are estimated from extrapolation of past trends as well as assumptions about future increases (beyond current legislation and appropriations)
 - Expenditures are developed from project costs in the LRTP project database as well as extrapolated costs for maintenance and operations
- Estimated inflation rates are applied to convert estimates of revenues and expenditures to year of expenditure (YOE) dollars



2022 Update - Revenues

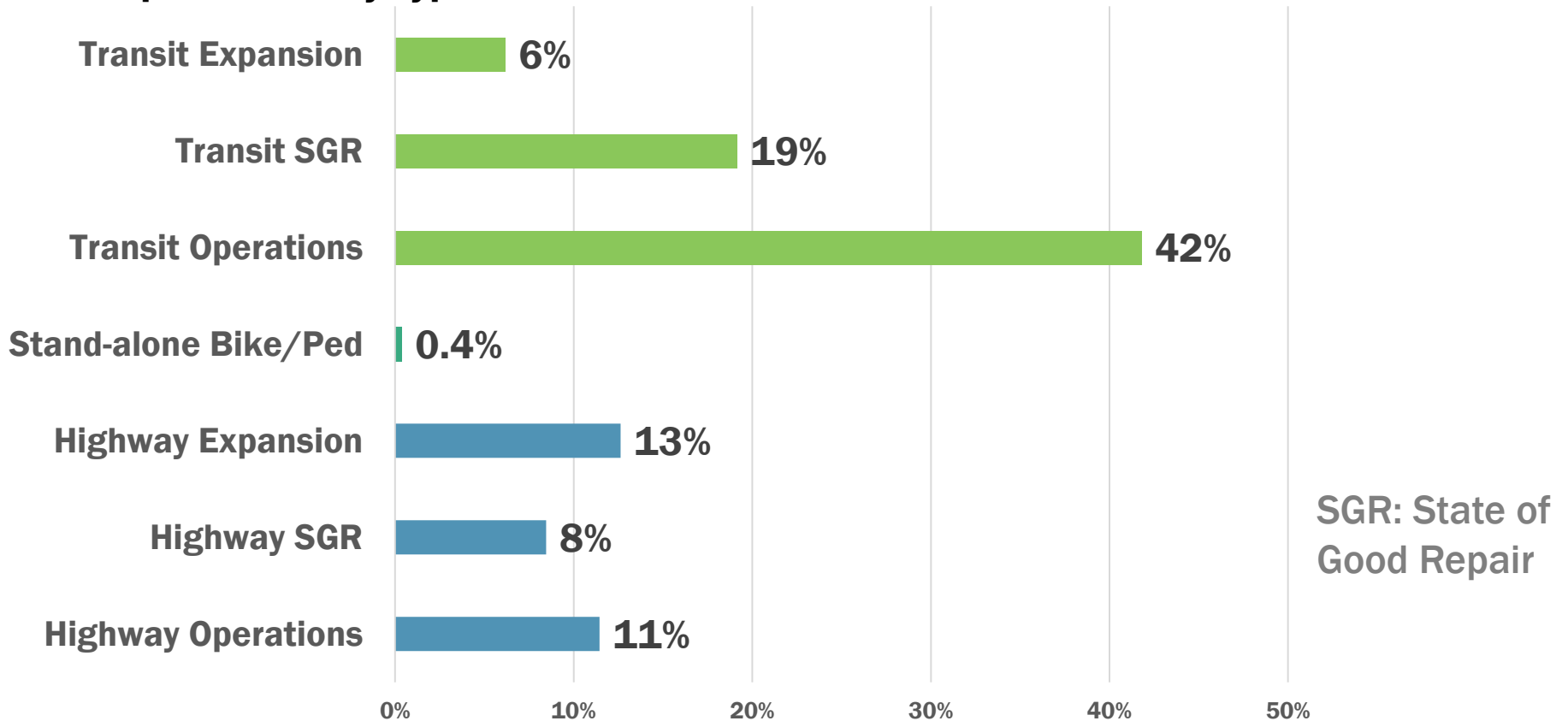


Total (2023-2045) = \$223.3 Billion



2022 Update - Expenditures

Expenditures by Type and Mode



Total (2023-2045) = \$223.3 Billion



2024 Update

Period of analysis: 2025 – 2050 (twenty-six years)

- Five more “out” years > new projects?
- Continuing impacts of pandemic on travel demand, especially commute / peak period
- Increased federal funds through BIL/IIJA and IRA
- Increased inflation and construction costs
- Climate adaptation and changes in vehicle power (electrification)

Scope of Work

Revenue & Expenditure Determination

Revenues projected through 2050 by category:

Federal, State, Local, Private+Other, Fares+Tolls

Expenditures projected through 2050 by category:

Operations, State of Good Repair, Expansion

Validation of all project costs in TIS submittals > InfoTrak database project cost review



Local Inputs

The financial analysis needs revenue and expenditure inputs from local jurisdictions, transit agencies, and other transportation organizations. Typically, information is provided via a spreadsheet.

Maryland Counties

- Individually forecast revenues from federal, state, and local sources, based on recent years and near-term projections.
- Forecast expenditures for highway and transit projects and O&M costs, including local transit and bike & pedestrian expenditures.

Virginia Jurisdictions and Agencies

- Similar to above with added factor of support for WMATA operating & capital needs.



Next Steps

Financial Analysis next steps

- State DOTs and WMATA are already working to provide preliminary figures
- Local high-level inputs – requested by March 31
- Coordinate with ZBB process and technical inputs to Project InfoTrack database – April through June
- Review & Reconciliation– July and August
- Preliminary Results – September 2023



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