

8.0 Financial Plan

8.1 Introduction

This TDP Annual Update represents planning efforts undertaken by MDT in 2012 to include a forecast of operational and capital needs for FY 2014 through FY 2023. The TDP financial section provides estimated costs and financial resources for MDT to maintain existing services and plan new services. It is through the development of this TDP Annual Update that MDT considers which service improvements can be achieved and when those service improvements should be implemented.

The source document that provides MDT's accounting of projected expenses and revenues is known as the Pro Forma. The Pro Forma is regularly updated through collective efforts of both MDT and the County's Management and Budget Department. The currently approved FY 2012 - 2013 Pro Forma projects MDT's expenses and revenues for thirty years, through FY 2041.

This TDP has been prepared on the basis of expenditure and revenue assumptions included within the Miami-Dade County Pro Forma capital budget as approved by Miami-Dade County Board of County Commissioners (BCC) in September 2012. This TDP Annual Update relies directly on the first ten years (FY 2014-2023) of Pro Forma projections. It is important to emphasize that the needs forecasts and applied financial assumptions as presented in this TDP Annual Update for FY 2014 through FY 2023 are subject to change correspondingly in line with the finalization of the County's Budget and Capital Operating Plan.

8.2 Operating Expenses

In FY 2014 the direct operating budget for MDT is projected to be approximately \$468 million. The primary components of the direct operating expenses are presented below to include the four transit modes and professional support.

Table 8-1: MDT Projected FY 2014 Direct Operating Expenses

| Direct Operating Expense Category | Amount |
|-----------------------------------|---------------|
| Employee Regular | \$185,230,146 |
| Part-Time Employee (COLA only) | \$6,018,269 |
| Preimum Pay | \$0 |
| Executive Benefits | \$139,768 |
| Flex Dollars | \$0 |
| Longevity Payments | \$2,098,458 |
| Salary Other | \$3,869,000 |
| Subtotal (Salary) | \$197,355,641 |
| Subtotal (Overtime) | \$24,433,946 |

Source: Transit Pro Forma FY 2012-2013

Table 8-1: MDT Projected FY 2014 Direct Operating Expenses (continued)

| Direct Operating Expense Category | Amount |
|--|----------------------|
| Social Security | \$11,987,506 |
| Retirement | \$9,094,800 |
| OT Fringe FICA and MICA | \$1,869,197 |
| OT Fringe Retirement | \$1,199,707 |
| Health Insurance | \$21,674,500 |
| Life Insurance | \$394,428 |
| Unemployment Insurance | \$161,000 |
| Workers Comp (gr 5% for 3 yr / then 3%) | \$12,405,661 |
| Other | \$2,566,000 |
| MICA Medicare | \$2,803,530 |
| Subtotal (Fringe) | \$64,156,328 |
| DIP | \$32,700 |
| Electric Services | \$9,212,635 |
| Electric Services EH-MIC | \$921,264 |
| Water and Disposal | \$1,604,668 |
| Security Expenses | \$14,822,134 |
| Janitorial Services | \$5,504,229 |
| Repair of Bus Engines | \$6,414,146 |
| Metrorail Liability | \$1,000,000 |
| Property and Fire | \$4,002,240 |
| Payouts and Claims | \$3,000,000 |
| Outside Maintenance | \$5,605,662 |
| Building Leases | \$3,053,877 |
| Copy Machine Rental | \$514,775 |
| Lease Payments | \$542,500 |
| GSA Charges | \$2,143,205 |
| Data Processing Services | \$1,309,627 |
| ITD Radio Microwave | \$839,160 |
| ETSD Funding Model | \$4,878,640 |
| Police Services | \$340,000 |
| Department Transfers | \$656,000 |
| Telecommunications | \$1,738,750 |
| Easy Card Printing | \$1,548,100 |
| Fuel and Lubricants | \$34,579,000 |
| Tires and Tubes | \$3,675,930 |
| Inventory | \$24,329,385 |
| STS Contract | \$43,397,340 |
| Airport Link (full year adj) (salay portion in salary) | \$4,040,000 |
| Other CS Line Items | \$2,328,383 |
| Subtotal | \$182,034,352 |
| GRAND TOTAL | \$467,980,266 |

Source: Transit Pro Forma FY 2012-2013

In addition to these direct operating expenses, MDT will support approximately \$79 million of other operating expenses, debt service payments, and funding of reserves in FY 2014 as detailed below.

Table 8-2: MDT Projected FY 2014 Other Operating Expenses

| Direct Operating Expense Category | Amount (000s) |
|-----------------------------------|------------------|
| Municipal Contribution | \$ 41,818 |
| New Municipal Contribution | \$ 6,273 |
| CITT Staff | \$ 2,360 |
| SFRTA Contribution | \$ 4,235 |
| Public Works Support | \$ 3,227 |
| Pre existing Debt | \$ 7,439 |
| Rezoning Bonds | \$ 1,425 |
| Bus Leasing Payment | \$ 5,435 |
| PTP Debt Service | \$ 7,439 |
| TOTAL | \$ 79,651 |

Source: Transit Pro Forma FY 2012-2013

In FY 2014, MDT is projected to spend approximately \$548 million for the operation of the transit system and support of MDT's other local and regional responsibilities.

8.2.1 Projected Operating Expenses

The 2012 opening of Airport Link has resulted in a 10 percent (10%) increase in Metrorail service and MDT is projecting an additional increase in service levels for Metrobus based upon the Recommended Service Plan for existing and new Metrobus service. MDT is projecting no increase in service levels for Metromover between FY 2014 – FY 2023. The key inflation assumptions that drive the cost projections, as included in the Pro Forma, are summarized below.

Table 8-3: MDT Operating Expense Inflation Assumptions

| Expense Item | Annual Inflation Rate |
|--------------------------|--|
| Labor Increase- Merit | 2.4% 2014 and thereafter |
| Labor Increase-COLA | 0% (2012-2014) 2% (2015 and after) |
| Health Insurance | 5% (2012-2016) 3.5% (2017 and after) |
| Major Support Line Items | 1.8% (2014) 2.0% (2015) 2.2% (2016) 2.5% 2017 and thereafter |
| Inventory | 1% |
| Fuel | 1.8% (2014) 2% (2015) 2.2% (2016) 2.5% 2017 and thereafter |

Source: Transit Pro Forma FY 2012-2013

8.2.2 Operating Revenues

Miami-Dade Transit's operations are supported by a range of federal, state, local, and directly-generated revenue streams. Table 8-4 shows the projected agency operating revenues for FY 2014 by major category.

Table 8-4: MDT Projected FY 2014 Operating Revenues

| Operating Revenue Category | Amount (000s) |
|---------------------------------|-------------------|
| Fare Revenues | \$ 117,486 |
| Other Operating Revenues | \$ 38,987 |
| Federal Grant Funds Used for PM | \$ 62,226 |
| State Block Grant | \$ 20,837 |
| Other State Operating Support | \$ 8,056 |
| PTP Surtax | \$ 209,090 |
| County General Funds | \$ 167,868 |
| Local Option Gas Tax | \$ 25,948 |
| Federal Grants (JARC) | \$ 2,060 |
| Interest, Reimbursement & Other | \$ 7,453 |
| TOTAL | \$ 660,011 |

Source: Transit Pro Forma FY 2012-2013

8.2.3 Projected Operating Revenues

Future revenue growth is projected to fluctuate with a low level of tax revenue growth resulting from the existing state of the economy. However, in years without any major policy changes, total available funding for MDT is expected to grow at slightly over three percent (3%) annually. In addition, MDT does foresee two separate major policy actions related to funding during FY 2014 – FY 2023 to include:

- **Regular programmed fare increases:** The Pro Forma projects a 25 cent increase in the base fare (from its current level of \$2.00 to \$2.25) in 2014, with another 25 cent increase levied in 2018 and in 2021. These increases have the effect of increasing the overall revenue growth rate in those years. These programmed fare increases which occur every four years is determined by policies approved by the Miami-Dade County Board of County Commissioners that authorize MDT to implement regular fare increases to keep pace with inflation.
- **Additional local funding:** In 2014, MDT anticipates receipt of two additional local funding sources to support operations -- the local option gas tax (LOGT) and County General Funds. Miami-Dade County currently imposes three of the five cents allowed under the fuel tax, and Pro Forma assumes that the other two cents will be approved, levied, and collected for MDT's use in 2014. The value of those additional two cents from the LOGT is approximately \$13 million annually. The second source is additional County General Funds, which is estimated at approximately \$19.3 million in the first year.

The critical funding growth assumptions that drive the Pro Forma results are also outlined below.

Table 8-5: MDT Operating Revenue Growth Assumptions

| Revenue Item | Annual Growth Rate |
|--|--------------------------------|
| PTP Surtax | 2014-2016: 3.0% 2017+: 4.5% |
| General Funds (Maintenance of Effort) | 3.50% |
| Fare Revenue (Trip Growth) | 2014+: 1% |
| State Block Grant and Transp. Disadv. Funds | 2014+: 2% |
| Federal Funds | 2014 - 2017: 5% 2018+: 2.5% |
| Local Option Gas Tax | 2014: 1.5% and after: 0.5% |

Source: Transit Pro Forma FY 2012-2013

8.2.4 Summary of Operating Budget

The operating budget, as presented in the 2012 Pro Forma for the ten-year period from FY 2014 to FY 2023, is balanced. This means that projected operating expenses are covered by the forecasted revenues from various local and non-local sources. This operating budget is achieved by a combination of cost efficiencies and service restructuring in Metrobus; an avoidance of any major service expansion except for the Airport Link and aggressive use of available local funding sources (LOGT and general funds). However, this operating budget is based upon the budgetary assumptions that were applied within the FY 2012 - 2013 Pro Forma. These assumptions are subject to change resulting in a different budgetary outcome than presented in this TDP due to the volatility in gas prices and pressure from the public to reduce the tax roll which would have impacts to the general fund share MDT receives and the availability of federal and state grants.

Table 8-6: MDT Operating Budget (FY 2014 - FY 2023) (\$000s)

| Operating Revenues | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Total |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------------------|
| Fare Revenues | \$117,486 | \$118,661 | \$119,848 | \$121,046 | \$133,113 | \$134,444 | \$135,789 | \$148,099 | \$149,580 | \$151,076 | \$ 1,329,142 |
| Other Operating Revenues | \$8,105 | \$8,186 | \$8,268 | \$8,351 | \$8,434 | \$8,519 | \$8,604 | \$8,690 | \$8,777 | \$8,865 | \$ 84,799 |
| Federal Grant Funds Used for PM | \$62,226 | \$62,848 | \$63,477 | \$64,177 | \$64,752 | \$66,371 | \$68,030 | \$69,731 | \$71,474 | \$73,261 | \$ 666,347 |
| State Block Grant | \$20,837 | \$21,253 | \$21,678 | \$22,112 | \$22,554 | \$23,005 | \$23,465 | \$23,935 | \$24,413 | \$24,902 | \$ 228,155 |
| Other State Operating Support | \$8,056 | \$8,166 | \$8,279 | \$8,393 | \$8,510 | \$8,629 | \$8,751 | \$8,875 | \$9,001 | \$9,131 | \$ 85,791 |
| PTP Surtax | \$209,090 | \$215,363 | \$221,824 | \$231,806 | \$242,237 | \$253,138 | \$264,529 | \$276,433 | \$288,872 | \$301,871 | \$ 2,505,161 |
| County General Funds | \$167,868 | \$173,744 | \$179,825 | \$186,119 | \$192,633 | \$199,375 | \$206,353 | \$213,576 | \$221,051 | \$228,787 | \$ 1,969,331 |
| Additional Local Revenue or Service Cut | \$30,882 | \$31,032 | \$32,118 | \$33,242 | \$34,405 | \$35,610 | \$36,856 | \$38,146 | \$39,481 | \$40,863 | \$ 352,635 |
| Local Option Gas Tax | \$25,948 | \$29,541 | \$29,769 | \$29,999 | \$30,231 | \$30,382 | \$30,534 | \$30,686 | \$30,840 | \$30,994 | \$ 298,924 |
| Federal Grants | \$2,060 | \$2,060 | \$2,060 | \$2,060 | \$2,060 | \$2,060 | \$2,060 | \$2,060 | \$2,060 | \$2,060 | \$ 20,600 |
| Interest, Reimbursements & Other | \$7,453 | \$7,750 | \$8,061 | \$8,420 | \$8,796 | \$9,190 | \$9,604 | \$10,038 | \$10,492 | \$10,969 | \$ 90,772 |
| Total Revenues | \$660,011 | \$678,605 | \$695,206 | \$715,724 | \$747,725 | \$770,722 | \$794,574 | \$830,267 | \$856,042 | \$882,778 | \$ 7,631,656 |
| Operating Expenses | | | | | | | | | | | |
| MDT Operating Expenses | \$467,980 | \$487,006 | \$501,638 | \$516,826 | \$532,596 | \$548,971 | \$565,976 | \$583,938 | \$602,279 | \$621,328 | \$ 5,428,538 |
| SFRTA Contribution | \$4,235 | \$4,235 | \$4,235 | \$4,235 | \$4,235 | \$4,235 | \$4,235 | \$4,235 | \$4,235 | \$4,235 | \$ 42,350 |
| PTP Debt Service | \$77,842 | \$94,920 | \$111,729 | \$138,123 | \$147,710 | \$155,703 | \$155,700 | \$163,694 | \$163,694 | \$171,892 | \$ 171,905 |
| Municipal Contribution | \$48,091 | \$49,533 | \$51,019 | \$53,315 | \$55,714 | \$58,222 | \$60,842 | \$63,579 | \$66,441 | \$69,430 | \$ 576,187 |
| PWD Project Management (Pay Go) | \$3,227 | \$3,324 | \$3,424 | \$2,527 | \$2,602 | \$2,680 | \$2,761 | \$2,844 | \$2,929 | \$3,017 | \$ 29,334 |
| CITT Staff | \$2,360 | \$2,360 | \$2,360 | \$2,431 | \$2,504 | \$2,579 | \$2,656 | \$2,736 | \$2,818 | \$2,903 | \$ 25,706 |
| Pre Existing Debt Service | \$7,439 | \$2,494 | \$2,494 | \$2,494 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$ 14,921 |
| Other (Bus Leasing Payment/Rezoning Bonds) | \$15,409 | \$9,577 | \$12,294 | \$15,012 | \$15,012 | \$15,012 | \$15,012 | \$15,012 | \$15,012 | \$12,294 | \$ 139,645 |
| Total Expenses | \$626,583 | \$653,449 | \$689,194 | \$734,963 | \$760,374 | \$787,402 | \$807,181 | \$836,039 | \$857,407 | \$885,099 | \$7,637,689 |
| Annual Operating Surplus/(Deficit) | 33,428 | 25,156 | 6,013 | (19,238) | (12,648) | (16,680) | (12,607) | (5,771) | (1,365) | (2,320) | |
| Cumulative Operating Surplus/(Deficit) | 43,168 | 68,323 | 74,336 | 55,098 | 42,450 | 25,770 | 13,163 | 7,392 | 6,027 | 3,707 | |

Source: Transit Pro Forma FY 2012-2013 and RFRO (Working). *Total values presented may vary due to rounding.

8.3 Capital Expenditures and Funding Sources

8.3.1 Planned Capital Expenditures

Miami-Dade Transit’s planned capital expenditures for the period FY 2014 to FY 2023 are divided into two groups: 1.) Those projects which will be financed with PTP-backed debt; and, 2.) Those projects which will be paid for on a “cash” basis with funding from various sources. For large capital projects or ongoing projects during FY 2014 – FY 2023 (such as bus acquisition and replacement), these may be funded by a combination of debt proceeds and cash. A summary of the two groups of projects is provided below.

Table 8-7: Planned MDT Capital Expenditures FY 2014-2023

| PTP Debt Financed Capital Projects | Total Cost FY14-FY23 (000s) |
|---|--------------------------------|
| Lehman Yard Rehab and Expansion Phase 1 | \$ 1,232 |
| Bus Enhancements | \$ 16,542 |
| Bus Tracker System/Computer Aided Dispatch | \$ 6,179 |
| Infrastructure Renewal Plan (IRP) | \$ 62,500 |
| Capital Expansion Reserve | \$ 10,957 |
| Kendall Enhanced Bus | \$ 998 |
| Rail Vehicle Replacement | \$ 290,729 |
| Lehman Test Track for Metrorail | \$ 2,714 |
| Track and Guideway Rehab Subset | \$ 12,985 |
| Northeast Transit Hub Enhancements | \$ 666 |
| Pedestrian Overpass at University | \$ 425 |
| SUBTOTAL | \$ 405,927 |
| Non-PTP Debt Financed Capital Projects | Total Cost FY14-FY23 (000s) |
| Kendall Enhanced Bus Service | \$ 998 |
| Metrorail Bike Path (M-PATH) | \$ 160 |
| Metromover Fiber Replacement | \$ 441 |
| Mover Video Project | \$ 96 |
| NW 7th Ave and NW 62nd St Passenger Activity Center | \$ 749 |
| Kendall Drive Signalization | \$ 696 |
| Park and Ride lot Quail Roost Drive | \$ 1,400 |
| Park and Ride lot SW 344th Street | \$ 91 |
| Northeast Transit Hub Enhancements | \$ 666 |
| Pedestrian Overpass at University | \$ 820 |
| Security and Safety Equipment | \$ 3,123 |
| SUBTOTAL | \$ 532,439 |
| TOTAL | \$ 938,366 |

Source: Transit Pro Forma FY 2012-2013

Table 8-7: Planned MDT Capital Expenditures FY 2014-2023 (continued)

| Non-PTP Debt Financed Capital Projects | Total Cost FY14-FY23 (000s) |
|---|--------------------------------|
| Kendall Enhanced Bus Service | \$ 998 |
| Metorail Bike Path (M-PATH) | \$ 160 |
| Metromover Fiber Replacement | \$ 441 |
| Mover Video Project | \$ 96 |
| NW 7th Ave and NW 62nd St Passenger Activity Center | \$ 749 |
| Kendall Drive Signalization | \$ 696 |
| Park and Ride lot Quail Roost Drive | \$ 1,400 |
| Park and Ride lot SW 344th Street | \$ 91 |
| Northeast Transit Hub Enhancements | \$ 666 |
| Pedestrian Overpass at University | \$ 820 |
| Security and Safety Equipment | \$ 3,123 |
| SUBTOTAL | \$ 532,439 |
| | |
| TOTAL | \$ 938,366 |

Source: Transit Pro Forma FY 2012-2013

Many of the listed projects, such as the vehicle replacements (for bus, rail, and peplemover) and the guideway rehabilitation, will greatly improve the quality and longevity of the existing MDT transit system. However, most of the projects in Table 8-7 are scheduled for completion on or before 2018. After 2018, the capital program consists only of scheduled bus acquisitions and the Infrastructure Renewal Program (IRP), which is the agency's long-term projection of future rehabilitation and replacement needs throughout the MDT system.

8.3.2 Capital Funding Sources

As noted, MDT's capital projects between FY 2014 – FY 2023 will either be debt-financed or funded on a pay-as-you-go basis. The debt financing is backed by the PTP surtax revenues, as projected in the previous financial section. The "cash"-funded projects will be supported by a combination of funding sources, which are shown in Table 8-8. All of these funding sources for pay-as-you-go capital will be concluded by 2019.

Table 8-8: Projected "Cash" Revenue Sources for Capital Projects, FY 2014-2023

| Capital Funding Source | Total Amount (000s) |
|--|---------------------|
| FTA Section 5307/5309 Formula Grant | \$ 333,102 |
| FTA Section 5309 Discretionary Grant | \$ 4,558 |
| FDOT Funds | \$ 13,384 |
| BCC GOB Future Financing | \$ 160 |
| Lease Financing-County Bonds/Debt | \$ 100,000 |
| PTP Bond Program | \$ 405,927 |
| Capital Improvement Local Option Gas Tax | \$ 81,147 |
| Operating Revenue | \$ 88 |
| TOTAL | \$ 938,366 |

Source: Miami-Dade Transit Capital Book, F2 Report

8.3.3 Summary of Capital Plan

The capital budget is presented in the FY 2012 – FY 2013 Pro Forma for the ten-year period from FY 2014 to FY 2023. All projected capital expenditures could be funded with either PTP surtax debt proceeds or on a pay-as-you-go basis depending on the availability of funds. This capital budget is achieved by aggressive borrowing against the PTP surtax (ultimately requiring the inclusion of additional LOGT and general funds in MDT's budget, as described above, to guarantee debt coverage).

This capital budget is based upon the budgetary assumptions applied within the FY 2012 – 2013 Pro Forma and these assumptions are subject to change correspondingly in line with the finalization of the County's Budget and Capital Operating Plan resulting in a different budgetary outcome than presented in this TDP.

Table 8-9: MDT Capital Budget (FY 2014 - FY 2023) (\$000s)

| Capital Revenues | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | TOTAL |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------|-------------|-------------|-------------|-------------------|
| FTA Section 5307/5309 Formula Grant | \$ 68,528 | \$ 66,031 | \$ 65,517 | \$ 66,193 | \$ 66,833 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 333,102 |
| FTA Section 5309 Discretionary Grant | \$ 4,002 | \$ 407 | \$ 149 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,558 |
| FDOT Funds | \$ 11,773 | \$ 1,611 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 13,384 |
| Building Better Communities (BBC) | \$ 160 | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 160 |
| Lease Financing | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 100,000 |
| PTP Bond Program | \$ 84,385 | \$ 99,002 | \$ 122,717 | \$ 72,105 | \$ 15,768 | \$ 11,950 | \$ - | \$ - | \$ - | \$ - | \$ 405,927 |
| Local Option Gas Tax | \$ 16,168 | \$ 16,003 | \$ 16,163 | \$ 16,325 | \$ 16,488 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 81,147 |
| Operating Revenue | \$ 88 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 88 |
| Total Capital Project Revenues | \$ 205,104 | \$ 203,054 | \$ 224,546 | \$ 174,623 | \$ 119,089 | \$ 11,950 | \$ - | \$ - | \$ - | \$ - | \$ 938,366 |
| PTP Debt-Financed Projects | | | | | | | | | | | |
| Lehman Yard Rehab and Expansion Phase 1 | \$ 1,232 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,232 |
| Bus Enhancements | \$ 10,020 | \$ 952 | \$ 680 | \$ 2,850 | \$ 2,040 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 16,542 |
| Bus Tracker System/Computer Aided Dispatch | \$ 6,179 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,179 |
| Infrastructure Renewal Plan (IRP) | \$ 12,500 | \$ 12,500 | \$ 12,500 | \$ 12,500 | \$ 12,500 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 62,500 |
| Capital Expansion Reserve | \$ 4,847 | \$ 3,356 | \$ 1,979 | \$ 245 | \$ 530 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 10,957 |
| Kendall Enhanced Bus Service | \$ 339 | \$ 659 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 998 |
| Rail Vehicle Replacement | \$ 39,552 | \$ 75,986 | \$ 106,033 | \$ 56,510 | \$ 698 | \$ 11,950 | \$ - | \$ - | \$ - | \$ - | \$ 290,729 |
| Lehman Center Test Track for Metrorail | \$ 2,714 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,714 |
| Track and Guideway Rehab Subset | \$ 5,911 | \$ 5,549 | \$ 1,525 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 12,985 |
| Northeast Transit Hub Enhancements | \$ 666 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 666 |
| Pedestrian Overpass at University | \$ 425 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 425 |
| Total PTP Debt-Financed Project Expenditures | \$ 84,385 | \$ 99,002 | \$ 122,717 | \$ 72,105 | \$ 15,768 | \$ 11,950 | \$ - | \$ - | \$ - | \$ - | \$ 405,927 |

Source: Miami-Dade Transit Capital Book, F2 (revenue) and F5 (expense) Reports

Table 8-9: MDT Capital Budget (FY 2014 - FY 2023) (\$000s) (Continued)

| Other Funding Sources Financed Projects | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | TOTAL |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|-------------|-------------|-------------|-------------|-------------------|
| ADA Improvements & Equipment | \$ 278 | \$ 292 | \$ 307 | \$ 307 | \$ 307 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,491 |
| Busway ADA Improvements | \$ 646 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 646 |
| Graphics and Signage Upgrade | \$ 538 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 538 |
| Bus and Bus Facilities | \$ 2,002 | \$ 107 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,109 |
| Bus Enhancements | \$ 11,720 | \$ 952 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 12,672 |
| Facilities and Equipment Rehabilitation | \$ 278 | \$ 292 | \$ 307 | \$ 307 | \$ 307 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,491 |
| Transit Operations System (TOS) Replacement | \$ 1,984 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,984 |
| Electronic Signage Info Systems/WIFI Implementation | \$ 88 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 88 |
| Bus Replacement | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 100,000 |
| Bus Tools and Equipment | \$ 278 | \$ 292 | \$ 307 | \$ 307 | \$ 307 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,491 |
| Passenger Amenities and Transit Enhancements | \$ 479 | \$ 484 | \$ 489 | \$ 494 | \$ 499 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,445 |
| Capitalization Preventative Maintenance | \$ 78,071 | \$ 78,851 | \$ 79,640 | \$ 80,442 | \$ 81,240 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 398,244 |
| Kendall Enhanced Bus Service | \$ 339 | \$ 659 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 998 |
| Metorail Bike Path (M-PATH) | \$ 160 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 160 |
| Metromover Fiber Replacement | \$ 441 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 441 |
| Mover Video Project | \$ 96 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 96 |
| NW 7th Ave and NW 62nd St Passenger Activity Center | \$ 300 | \$ 300 | \$ 149 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 749 |
| Kendall Drive Signalization | \$ 696 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 696 |
| Park and Ride lot Quail Roost Drive | \$ 177 | \$ 1,223 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,400 |
| Park and Ride lot SW 344th Street | \$ 91 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 91 |
| Northeast Transit Hub Enhancements | \$ 666 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 666 |
| Pedestrian Overpass at University | \$ 820 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 820 |
| Security and Safety Equipment | \$ 571 | \$ 600 | \$ 630 | \$ 661 | \$ 661 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,123 |
| Total Other Funding Financed Projects | \$ 120,719 | \$ 104,052 | \$ 101,829 | \$ 102,518 | \$ 103,321 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 532,439 |
| Total Project Expenditures | \$ 205,104 | \$ 203,054 | \$ 224,546 | \$ 174,623 | \$ 119,089 | \$ 11,950 | \$ - | \$ - | \$ - | \$ - | \$ 938,366 |
| Capital Funding Surplus/(Deficit) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Source: Miami-Dade Transit Capital Book, F2 (revenue) and F5 (expense) Reports

8.4 Unfunded Needs for New Service Initiatives

MDT FY 2014 – FY 2023 TDP Annual Update is based upon initiatives as identified by MDT that are currently unfunded, which represent important areas of need to include:

- Bus route improvements, including modifications to existing routes and the introduction of new routes, which have both a capital cost component and an operating cost component;
- Additional Capital Improvement Program (CIP) projects that represent selective improvements to the existing transit network as identified under the Infrastructure Renewal Program.

The estimated capital and operating costs to support these service expansion and capital investment initiatives between FY 2014 – FY 2023 are included. These unfunded project costs are presented in year-of-expenditure (YOE) dollars, according to the planned implementation schedules and inflation assumptions.

8.4.1 Bus Route Improvements

MDT has identified a number of service improvements to existing routes as well as the implementation of additional new routes based upon the availability of funding. The projected YOE costs of implementing these services are presented in Table 8-10. For all these replacement vehicles, a 20 percent (20%) vehicle spare ratio is assumed. Bus capital costs are assumed to be \$650,000 per 40-foot diesel/electric hybrid vehicle, \$950,000 per 60-foot diesel/electric hybrid vehicle, and \$800,000 per 40-foot diesel/electric hybrid commuter coach vehicle in 2013 dollars.

8.4.2 Total Unfunded Needs

MDT's total unfunded needs between FY 2014 – FY 2023 – covering bus service improvements, capital investment in priority travel corridors, and CIP projects – is \$926 million in YOE dollars (Table 8-11).

Table 8-10: Proposed Bus Route Improvements (Unfunded)

| Year | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | TOTAL |
|------------------------------|----------------------|---------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| Existing Routes | | | | | | | | | | | |
| Operating Costs | \$ 8,298,577 | \$ 7,615,468 | \$ 8,635,468 | \$ 7,142,468 | \$ 6,242,468 | \$ 9,153,472 | \$ 7,131,468 | \$ 9,072,468 | \$ 9,072,468 | \$ 9,072,468 | \$ 81,436,793 |
| Capital Costs | \$ 13,300,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 13,300,000 |
| Total | \$ 21,598,577 | \$ 7,615,468 | \$ 8,635,468 | \$ 7,142,468 | \$ 6,242,468 | \$ 9,153,472 | \$ 7,131,468 | \$ 9,072,468 | \$ 9,072,468 | \$ 9,072,468 | \$ 94,736,793 |
| New Routes | | | | | | | | | | | |
| Operating Costs | \$ 5,557,440 | \$ 6,642,440 | \$ 7,826,440 | \$13,466,440 | \$ 17,066,440 | \$ 17,066,440 | \$ 21,209,440 | \$ 24,509,440 | \$ 25,496,440 | \$ 25,496,440 | \$ 164,337,400 |
| Capital Costs | \$ 7,200,000 | \$ 5,200,000 | \$ 6,400,000 | \$ 5,700,000 | \$ 11,400,000 | \$ - | \$ 15,600,000 | \$ - | \$ 4,800,000 | \$ - | \$ 56,300,000 |
| Total | \$ 12,757,440 | \$11,842,440 | \$ 14,226,440 | \$19,166,440 | \$ 28,466,440 | \$ 17,066,440 | \$ 36,809,440 | \$ 24,509,440 | \$ 30,296,440 | \$ 25,496,440 | \$ 220,637,400 |
| Total Operating Costs | \$ 13,856,017 | \$14,257,908 | \$ 16,461,908 | \$20,608,908 | \$ 23,308,908 | \$ 26,219,912 | \$ 28,340,908 | \$ 33,581,908 | \$ 34,568,908 | \$ 34,568,908 | \$ 245,774,193 |
| Total Capital Costs | \$ 20,500,000 | \$ 5,200,000 | \$ 6,400,000 | \$ 5,700,000 | \$ 11,400,000 | \$ - | \$ 15,600,000 | \$ - | \$ 4,800,000 | \$ - | \$ 69,600,000 |
| TOTAL | \$ 34,356,017 | \$19,457,908 | \$ 22,861,908 | \$26,308,908 | \$ 34,708,908 | \$ 26,219,912 | \$ 43,940,908 | \$ 33,581,908 | \$ 39,368,908 | \$ 34,568,908 | \$ 315,374,193 |

Source: Miami-Dade Transit, 2013; YOE capital costs assume a 0% annual cost inflation rate; YOE operating costs assume a 3.5% annual cost inflation rate. Note: Totals may vary due to rounding.

Table 8-11: Total Unfunded Needs, FY2014-2023

| Service Improvement Category | Total Funding Required FY 13-22 |
|-------------------------------|---------------------------------|
| Bus Improvements (Operating)* | \$ 245,774,193 |
| Bus Improvements (Capital)** | \$ 69,600,000 |
| CIP Projects (Capital)*** | \$ 611,005,080 |
| TOTAL UNFUNDED NEEDS | \$ 926,379,273 |

Source: Miami-Dade Transit, 2013

* Sum of cumulative totals from Tables 7-2 and 7-4

** Incremental totals by year from Tables 7-2 and 7-4 minus funded capital bus improvements (including spares)

***Total Estimated Cost YOE from Table 7-9 minus Total Infrastructure Renewal Plan (IRP) from Table 7-1