



Financial

CHAPTER 10



Financial

A major component of ensuring that the recommendations of the 2055 LRTP are advanced is the development of a finance plan to project expected revenues. Title 23 of the U.S. Code of Federal Regulations governing MPOs requires the LRTP to include “a financial plan that demonstrates how the adopted transportation plan can be implemented.” The requirement further states that “the MPO, public transportation operator(s), and State shall cooperatively develop estimates of funds that will be available to support metropolitan transportation plan implementation...” and “All necessary financial resources from public and private sources that are reasonably expected to be made available to carry out the transportation plan shall be identified.”

This chapter includes historical analysis and future funding projections for road, bridge, and trail projects and a historical analysis and future funding projections for transit projects. DMATS developed projections of future anticipated federal formula funds based on funding amounts authorized in FAST Act and on past funding levels. These projections represent a conservative estimate of federal formula funding that the region can reasonably expect over the next 30 years. In addition, DMATS projected future state and local funds based on historical trends. Combined federal, state and local funds comprise the vast majority of revenues available to maintain and operate the federal-aid transportation system in the region.

Funding Overview for Roads, Bridges, and Trails

The DMATS MPO’s transportation system improvements are funded through a combination of federal, state, and local funds. DMATS member governments and participating agencies utilize this combination of funds for demand management, operational management, and capital-intensive strategies. Federal funding for streets and highways, bicycle, and pedestrian facilities flow through DMATS.

Revenue Sources for Roads, Bridges & Trails

Several federal, state, and local funding sources provide revenues to fund the transportation system in the DMATS region. The funding sources that can be used for the projects within the region are addressed. The funding sources are broken down into federal, state and local funding sources that the DMATS members receive every year and funding sources that are based on an application process.

Surface Transportation Block Grant Program (STBG)

STBG (formerly Surface Transportation Program STP) funds represent the federal funding main resource that can be committed by DMATS to transportation improvements. The funding can be used for:

- aid public road jurisdictions with funding for road or bridge projects;
- provide funding for transit capital improvements;
- provide funding for bicycle and pedestrian facilities; and
- provide funding for transportation planning activities.

A minimum of 20 percent non-federal match is required (80 percent federal funding). Road projects must be on federal-aid roads, which includes all federal functional class routes except local and rural minor collectors (see exception under “qualifications for funding”). Bridge projects may be on any public road.

Transit capital improvement projects require adherence to approved transit procurement procedures and equipment specifications. Project candidates must be part of an approved five-year capital improvement program. Federally funded projects must comply with civil rights protection requirements

Funding Estimate: DMATS has STP funding history from 2010 to 2025. Future year of expenditure funding was based on linear regression between 2026 and 2055. (\$72.5 million – Year of Expenditure Dollars) with an annual average of \$2.4 million and growth rate of 1.26%.

National Highway Performance Program (NHPP)

The NHPP provides support for the condition and performance of the National Highway System (NHS), for the construction of new facilities on the NHS, and to ensure that investments of Federal-aid funds in highway construction are directed to support progress toward the achievement of performance targets established in a State’s asset management plan for the NHS.

NHPP projects must be on an eligible facility and support progress toward achievement of national performance goals for improving infrastructure condition, safety, mobility, or freight movement on the NHS, and be consistent with Metropolitan and Statewide planning requirements. Eligible activities include: Construction, reconstruction, resurfacing rehabilitation of NHS segments, NHS bridges and tunnels, bicycle transportation and pedestrian walkways, highway safety improvements on the NHS, and infrastructure-based ITS capital improvements, among others.

Funding Estimate: DMATS area received NHS funds from 2001 to 2025. The area received an annual average of \$17.7 million. These funds are not taken into consideration for future funding analyses as these funds are programmed and spent on DOT projects.

Primary Road Funds (PRF)

Primary Road Fund (PRF) are used by the Iowa DOT to fund statewide improvements on the Primary Road System both outside of and within cities. The funding sources for PRF are for state RUTF plus federal and miscellaneous funds.

Funding Estimate: DMATS area received PRF funds from 2010 to 2025. The area received an annual average of \$2.28 million. These funds are not taken into consideration for future funding analyses as these funds are programmed and spent on DOT projects.

STP Highway Bridge Program (STP-HBP)

While the Highway Bridge Program was eliminated in MAP 21, a portion of Iowa's STP will continue to be targeted directly to counties and dedicated specifically to county bridge projects. The STP-HBP provides for the replacement or rehabilitation of structurally deficient or functionally obsolete public roadway bridges. A portion of these funds are required to be obligated for off system bridges. The remaining funds can be used on either on system or off system bridges. The funding requires local match of 20 percent (80 percent federal funding). The bridge candidate must be classified as structurally deficient or functionally obsolete according to federal guidelines. Bridge replacement candidates must have a structure inventory and appraisal (SI&A) sufficiency rating of less than 50 and average daily traffic of at least 25 vehicles. Bridge rehabilitation candidates must have an SI&A sufficiency rating of 80 or less and average daily traffic of at least 25 vehicles. Cities are limited to \$1 million per bridge candidate (only one bridge per city per year).

The DMATS has BR funding history from 2010 to 2050. Future year of expenditure funding was based on linear regression between 2026 and 2055. (\$27.07 million – Year of Expenditure Dollars) with an annual average of \$894,000 and growth rate of 2.63%.

Transportation Alternatives Set-Aside Program (TA)

The TA Set-Aside are Federal highway and transit funds under the Surface Transportation Program (STP) for community based "nontraditional" projects designed to strengthen the cultural, aesthetic, and environmental aspects of the nation's intermodal transportation system. The TA Set-Aside Program

continues to provide funds to build pedestrian and bicycle facilities, improve access to public transportation, create safe routes to school, preserve historic transportation structures, provide environmental mitigation, and create trail projects that serve a transportation purpose while promoting safety and mobility. All projects completed using TAP funds should be verified to ensure compatibility with TAP eligibility.

Funding Estimate: The DMATS has TP/TA funding history from 2010 to 2050. Future year of expenditure funding is based on linear regression between 2026 and 2055. (\$9.6 million – Year of Expenditure Dollars) with an annual average of \$316,000 and growth rate of 4.7%.

Iowa Clean Air Attainment Program (ICAAP)

The ICAAP program was created using Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds. This program funds highway/street, transit, bicycle/pedestrian, or freight projects or programs which help maintain Iowa's clean air quality by reducing transportation-related emissions. Eligible highway/street projects must be on the federal-aid system, which includes all federal functional class routes except local and rural minor collectors. A local match of at least 20 percent is required. Eligible projects will fall into four categories:

- those which reduce emissions via traffic flow improvements and provide a direct benefit to air quality by addressing ozone, carbon monoxide, or particulate matter PM-2.5 or PM-10 (all of these pollutant emissions must be addressed, and a reduction calculation must be provided by the applicant for all types of projects listed);
- those which reduce vehicle miles of travel;
- those which reduce single-occupant vehicle trips; or
- other transportation improvement projects to improve air quality or reduce congestion.

Net operating costs of new transit services are eligible for up to three years (at 80 percent federal/20 percent local participation); however, an application must be submitted for each year's funding is requested

Funding Estimate: The DMATS has ICAAP funding history from 2010 to 2025. The area received an annual average of \$419,000. These funds are not taken into consideration for future funding analyses as these funds are grant based.

State Recreational Trail Program

The State Recreational Trail Program provides funding for public recreational trails. A minimum of 25% match is required for this funding. Volunteer services and other state grants are not eligible as matching funds. Proposed projects must be part of a local, area-wide, regional, or statewide trail plan. Successful applications must be maintained as a public facility for a minimum of 20 years.

Funding Estimate: The DMATS area received Scenic Byway funding in 2013. These funds are not taken into consideration for future funding analyses as these funds are grant based.

Carbon Reduction Program

The Carbon Reduction Program (CRP) is a new program created by the Infrastructure Investment and Jobs Act. The purpose of the program is to reduce carbon dioxide emissions from on-road highway sources. Funding for the program is split into two main categories: Statewide (35%) and Areas based on population (65%). DMATS Carbon Reduction Strategy will be tailored based on the context and population density.

Funding Estimate: The DMATS area received CRP funding from 2023 to 2025, with an annual average of \$196,550. These funds are not considered in future funding analyses, as there is uncertainty about their continuation in the new Transportation Bill.

BUILD Grants

The Better Utilizing Investments to Leverage Development, or BUILD Transportation Discretionary Grant program, provides a unique opportunity for the DOT to invest in road, rail, transit and port projects that promise to achieve national objectives. Previously known as Transportation Investment Generating Economic Recovery, or TIGER Discretionary Grants, Congress has dedicated nearly \$7.9 billion for eleven rounds of National Infrastructure Investments to fund projects that have a significant local or regional impact.

Dubuque County received \$ 5.45 million in BUILD 2019 for NW Arterial / John Deere Improvements.

RAISE Grants

Rebuilding American Infrastructure with Sustainability and Equity (RAISE) is a continuation of the BUILD grant, providing \$1.5 billion per year from FY 2022 through FY 2026. However, the program name changed back to BUILD in FY 2025.

The City of Dubuque received \$25 million in RAISE 24 program for the North End, Point, and Washington Neighborhood Rail Overpass and Complete Streets Improvements.

None of the grant programs are taken into consideration for future funding analysis, as the funding is not continuous.

Historical Revenue Analysis for Roads Bridges, and Trails

Figure 10.1 presents the historical funds received by the Iowa portion of DMATS for streets, highways, and bridges from FY 2011 to FY 2025. The table includes only the funding sources that will be used for future analysis; additional data can be found in Appendix D. A growth rate has been calculated for each funding source using the linear regression method. This growth rate will be used to project future funding for the area.

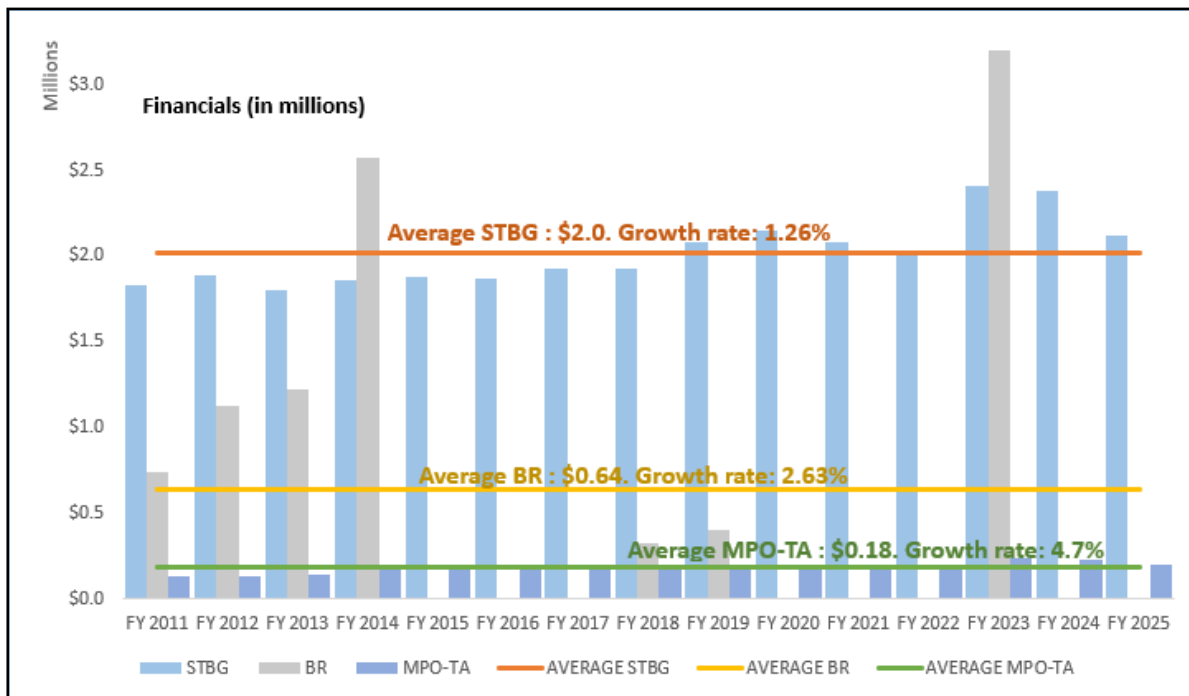


FIGURE 10.1

Historic Revenue analysis for Street, Highways & Bridges on Iowa side

Source: IADOT

DMATS Non-Federal Funds

In addition to federal funds, there are a number of local and regional funding sources that are used for operating and maintaining the region's transportation system. These include:

Cities:

- Road Use Tax Funds (RUTF)
- Other Road Monies Receipts
- Receipts, Debt Service

Dubuque County:

- Property Tax
- RUTF
- TJ Revenue
- FM Extension
- Time -21
- Misc. Receipts
- Farm to Market
- Local Option Sales Tax
- RISE

Non-federal funds can be utilized for the construction of both federal and non-federal aid routes, as well as for system maintenance and preservation. These funds may also be allocated for other local uses. However, determining the exact amount a community spends on these routes in a given year can be challenging.

The anticipated available revenues and costs for implementing the Long-Range Transportation Plan (LRTP) for 2055 are developed using various reports, including City Street finance reports, County secondary road operation and maintenance reports, and funding reports from the Iowa Department of Transportation (Iowa DOT). Staff members used these calculations to project future funding for the Dubuque Metropolitan Area Transportation Study (DMATS) by establishing an average and a future growth rate.

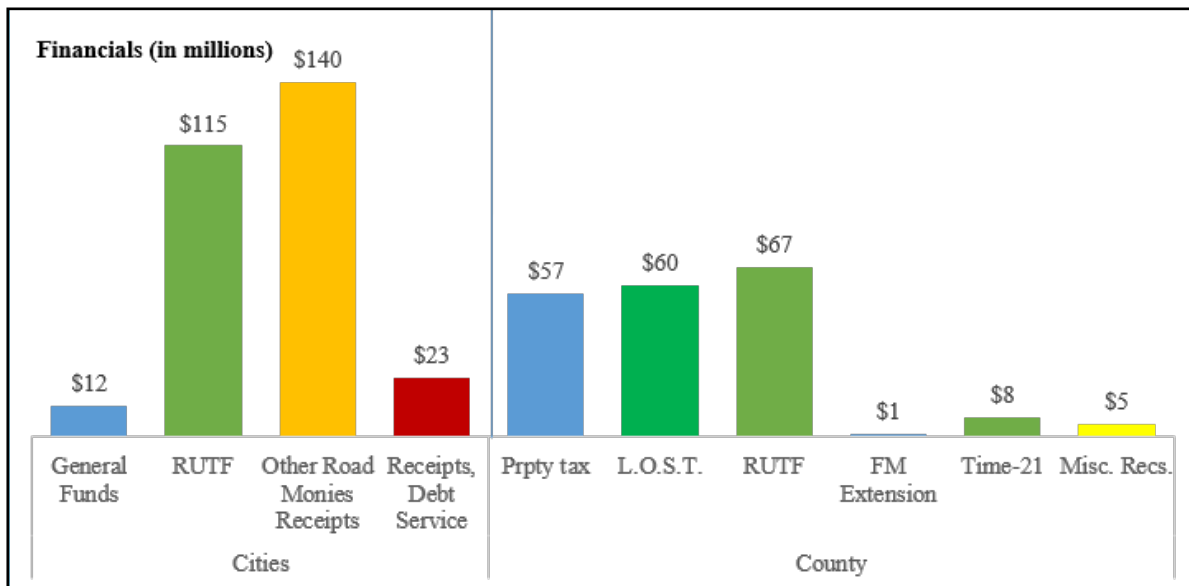
The following sections provide an overview of the revenues and expenditures of all DMATS members on the Iowa side. Detailed information regarding each member's past revenues and expenditure can be found in Appendix D.

Figure 10.2 illustrates the historical funds received by the Iowa portion of DMATS members from non-federal funding sources between FY 2011 and FY 2025. This figure includes only those funding sources that will be considered for future analysis; additional data is available in Appendix D. Table 10.1 outlines the growth rate and the average annual amount calculated for each funding source using the linear regression method. This growth rate will be applied to project future funding for the area.

TABLE 10.1 Growth rate and Average annual Historic Revenue for nonfederal funds on Iowa side.

	FUNDING SOURCE	AVERAGE ANNUAL	% GROWTH
Cities	General Fund	\$3,093,000	1.00%
	Road Use Tax Funds	\$7,677,000	1.00%
	Other Road Monies Receipts (LOST, Benefits, TIF Etc.)	\$9,353,000	1.00%
	Receipts, Debt Service	\$1,558,000	1.00%
County	Property tax	\$3,794,000	1.00%
	Local Option Sales Tax (L.O.S.T.)	\$4,015,000	1.00%
	Road Use Tax Funds	\$4,500,000	1.00%
	FM Extension	\$97,000	1.00%
	Time-21	\$513,000	1.00%
	Misc. Recs.	\$358,000	1.00%

Source: IADOT

**FIGURE 10.2**

Historic Revenue analysis for nonfederal funds on Iowa side.

Overall Historical Funds Spent on Federal Aid System Within DMATS

DMATS members allocate substantial funds for the construction, reconstruction, and engineering of the federal aid system. Key components of maintenance activities include pavement preservation, bridge maintenance, shoulder and ditch work, snow and ice control, and vegetation management. The primary operational activities encompass traffic control and signage, Intelligent Transportation Systems, roadway lighting and safety device maintenance, incident and emergency response coordination, and work zone management with temporary traffic control.

Table 10.2 below illustrates the amounts spent on maintenance and operations by DMATS members from FY 2010 to 2024. The growth rate for each member is calculated based on revenue growth from 2010 to 2024. On average, DMATS members spent \$5.8 million annually on maintenance and \$6.7 million annually on operations. The revenue growth for the City of Dubuque and Dubuque County is considered in establishing an average growth rate for future projects, as they represent the majority of the federal aid system. DMATS prefers to take a conservative approach when projecting future revenues and recommends using an annual growth rate of 5% for upcoming years. Figure 10.3 provides the average annual operations and maintenance costs for cities and counties. The growth rate and average annual figures are used to project future operations and maintenance costs for the region. Figure 10.4 is Swiss Valley Interchange on US 20 constructed by Iowa DOT to address safety at Swiss Valley as part of operations

Table 10.2 Average maintenance and operation costs, along with growth rates, categorized by city and county

	EXPENSES	AVERAGE ANNUAL	% GROWTH
CITY	Maintenance	\$4,184,800	5.00%
	Operations	\$2,430,000	5.00%
COUNTY	Maintenance	\$3,138,400	5.00%
	Operations	\$4,086,000	5.00%

Source: IADOT

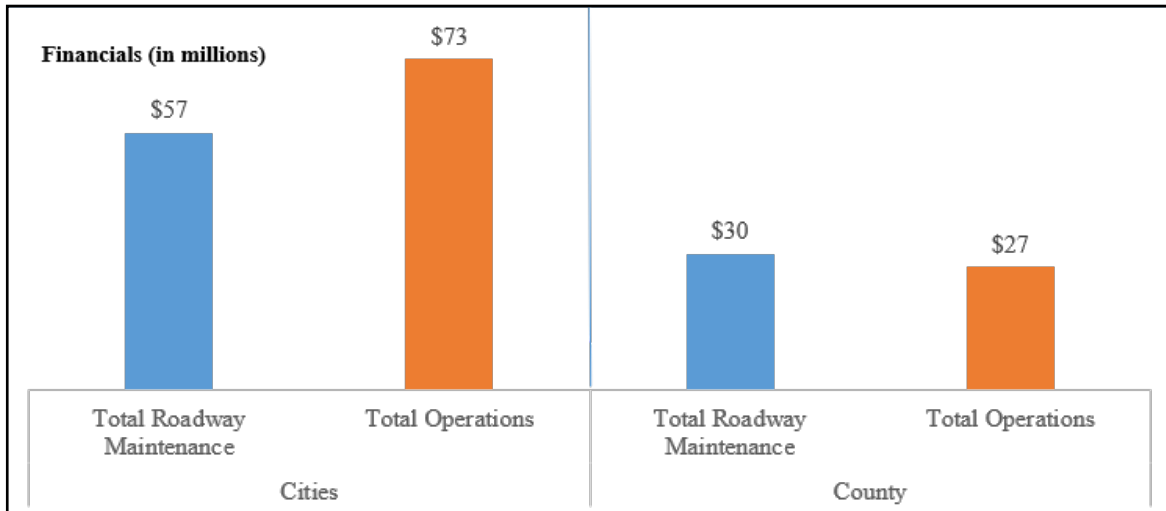


FIGURE 10.3

Total amounts spent on maintenance and operations by DMATS members from FY 2010 to 2024

Source: IADOT



FIGURE 10.4

Swiss Valley Interchange - US 20

Source: IADOT

Future Funding Analysis for Roads, Bridges, and Trails

The financial estimates for DMATS LRTP are based on an economic climate that is neither stable nor predictable. The revenue projections for the long-range plan are estimated at a planning level, differing from the programmatic level used in the Transportation Improvement Program (TIP). DMATS regularly reviews and adjusts its financial projections to reflect future economic trends. Staff will revise the plan's revenue estimates once there is more clarity regarding the new federal transportation bill and/or state revenues.

This analysis has several inherent limitations:

- The projections cover a 30-year period, during which significant changes in travel behavior and transportation finance may occur.
- The financial estimates rely on future funding projections rather than project-specific estimates, as seen in the TIP's programmatic approach.
- Funding from federal, state, and local sources is aggregated and compared against the overall expenditures identified in the plan.
- Local revenue projections are based on historical trends and anticipated percentage growth, but they may not fully account for potential private-sector funding that could support transportation improvements.
- Federal funding projections carry a high degree of uncertainty due to changes in the federal transportation budget and deficit-reduction policies; these funds are predominantly administered on a statewide basis.
- Ongoing maintenance costs were estimated by surveying state and local governments about their current expenditures. However, maintenance needs will be more accurately assessed once region-wide pavement and bridge management and condition rating systems are implemented.
- Test cost estimates for many highway capacity projects may contain significant errors because of the long-range nature of the plan, the lack of detailed cost estimates based on actual design improvements, and the simplified methodologies used to develop these estimates.

Procedure for Future Projections.

Transportation revenues are primarily generated through taxes and typically reflect the conditions of the regional economy, leading to fluctuations from year to year. The financial estimates for the DMATS 2055 LRTP are based on current information. Over the 30-year period covered by the DMATS 2055 LRTP, it is anticipated that there will be variations in the annual transportation revenues available to the region. However, due to the uncertainty involved, accurately predicting this variation is difficult, necessitating a conservative approach to the gross-level forecasts required for demonstrating fiscal constraint.

**FIGURE 10.6**

US 20 Bridge between Century Dr and Menards Ct. on US 20

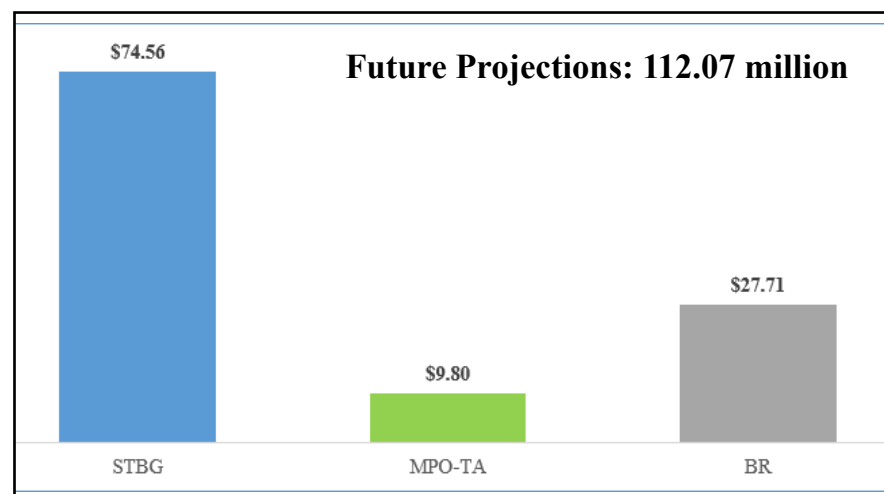
Source : IADOT

These forecasts assume a constant growth in potential revenues across all sources of funding. Future growth rates are estimated based on a historical analysis of past funding years. Additionally, the forecasts incorporate a constant rate of inflation, derived from historical data from cities, county, IADOT, WIDOT, ILDOT, and other sources. Projections are calculated using a linear regression method, taking annual growth rates and average annual funding as inputs. This analysis covers a 30-year period from 2025 to 2055.

In summary, DMATS anticipates \$112,067,000 in federal funds and \$1.309 billion in local funds over this period.

Future Federal Funds

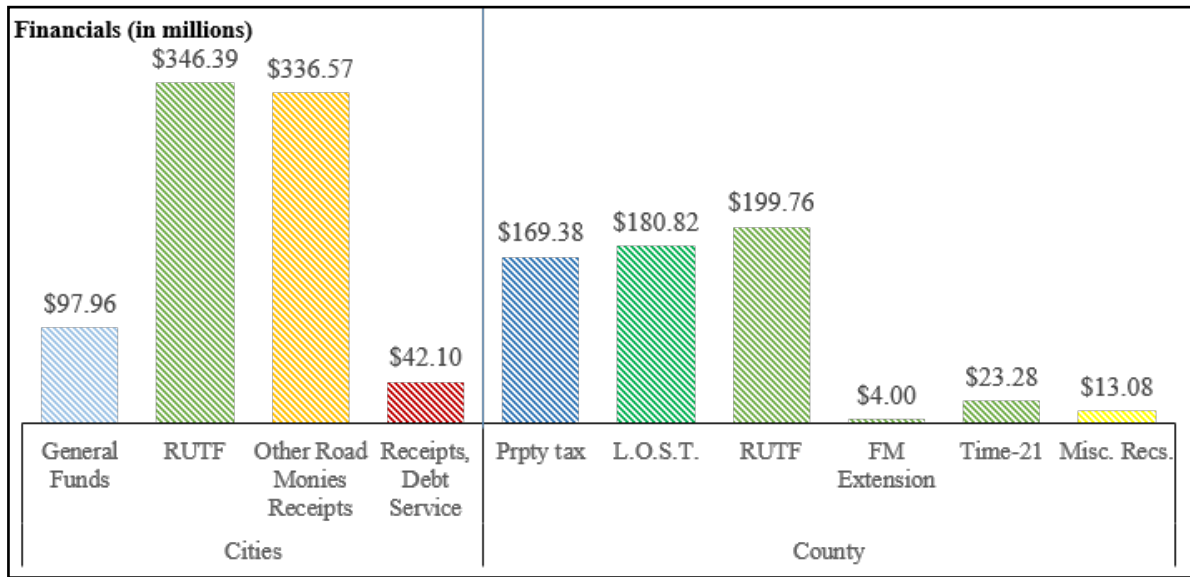
Figure 10.5 provides future federal funds for DMATS region using information from historical trends from Figures 10.1. Figure 10.6 shows the US Highway 20 bridge between Century Drive and Menards Ct on US 20 is programmed for repaving in the summer of 2027.

**Figure 10.5:** Future Federal funds for DMATS region

Source: IADOT

Future Local Revenues

Figure 10.7 presents projected local funding for the DMATS region, based on historical trends illustrated in Figures 10.2 and 10.3. Figure 10.8 details the ELM Street Improvement, a significant component of the B2E2 Project in the City of Dubuque, which represents a major enhancement funded by local resources.

**FIGURE 10.7**

Future Local funds for DMATS region

Source: IADOT

**FIGURE 10.8**

ELM Street Improvements B2E2 Project - City of Dubuque

Source: City of Dubuque

Expenditure

The total expenditures with DMATS region is expected to be \$699 million. the expenditures included regular maintenance & operations of the system with administrative costs. Figure 10.9 provides future local funds for DMATS region using information from historical trends from Figure 10.5 & growth rates from 10.7

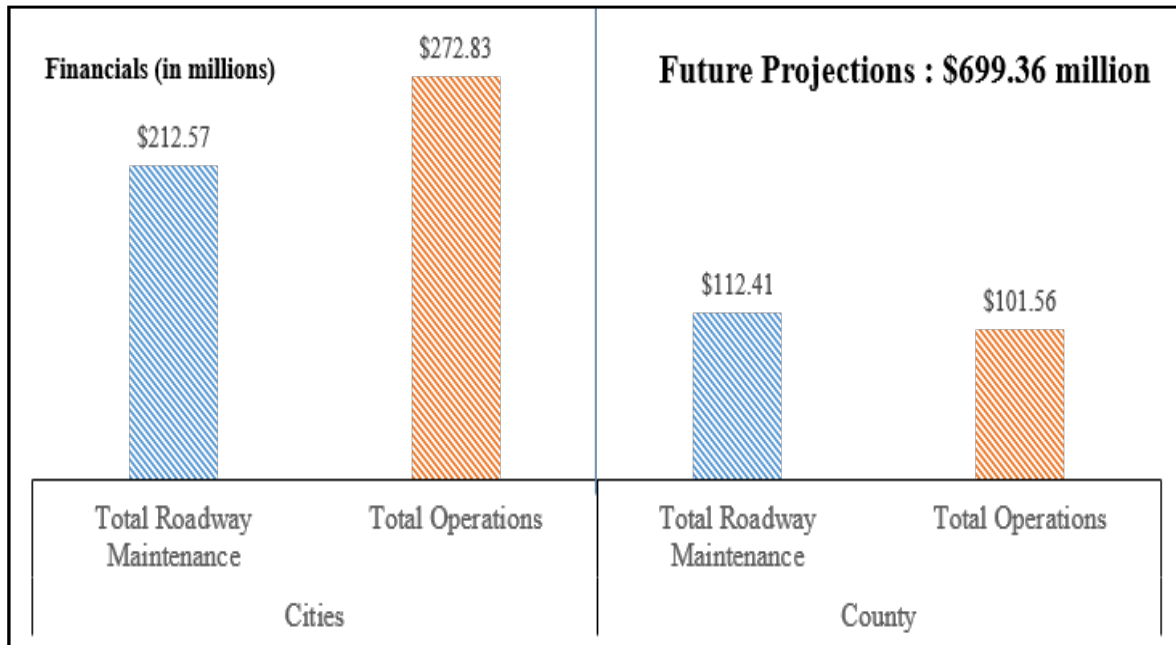


FIGURE 10.9

Future Expenditures for DMATS region

Source: DMATS

Revenues Available to Implement LRTP projects

DMATS region will have \$722 million to implement DMATS project that have been prioritized within the region for next 30 year. Figure 10.10 provides revenues and expenditure for DMATS region and the funds available to implement long range plan projects.

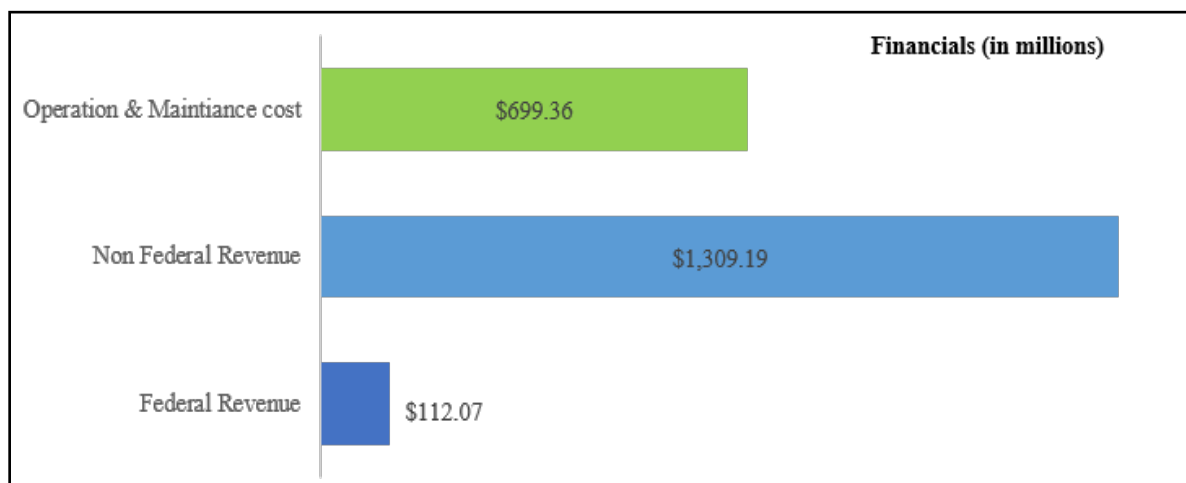


FIGURE 10.10

Revenues Available to implement LRTP projects

Source: DMATS

Funding Overview for Transit

Transit systems in the DMATS area are funded through a combination of federal, state, and local sources. The Jule and RTA utilize these funds for both operational and capital strategies. Federal funding for transit programs and capital projects is managed through DMATS.

Revenue Sources for Transit

The Federal Transit Administration (FTA) and Iowa Department of Transportation (Iowa DOT) provide funding to Iowa's Metropolitan Planning Organizations (MPOs), Regional Planning Agencies (RPAs), and public transit providers to support public transit operations.

Metropolitan Planning Program (Section 5305d)

The FTA provides funding to support planning activities in metropolitan areas. Iowa DOT is the direct recipient of 5303 funds and allocates these funds to MPOs based on a formula: one-third equally distributed among all MPOs, one-third based on the based on each MPO's share of the total statewide urbanized area population according to the most recent decennial Census, and the last one-third based on each MPO's share of that population from the prior decennial Census. Iowa DOT administers 5303 funds jointly with Planning "PL" funds, available through the Federal Highway Administration (FHWA), as part of a Consolidated Planning Grant. Both the 5305 and PL funds can be used for any MPO costs related to intermodal transportation planning activities in the urbanized area.

Funding Estimate: The DMATS area has received \$33,830 in Section 5305 funding each year from 2010 to 2024. This funding has a growth rate of 4.4%. Urbanized Area Formula Program (Section 5307).

Urbanized Area Formula Program (Section 5307)

This program supports urban transit systems serving communities with a population of over 50,000. The FTA allocates funding based on a combination of population, population density, and performance factors, including passenger miles of service provided.

Funding Estimate: Jule Transit received \$19.6 million in Section 5307 funding from 2010 to 2024, averaging \$1.5 million annually. A 3% annual growth rate has been used for future projections

Capital Investment Program (Section 5309/5339)

Section 5309 is a discretionary funding source that supports transit capital needs that exceed the support provided by federal formula programs. This program has been replaced by Section 5339, which is designed to replace, rehabilitate, and purchase buses and related equipment, as well as to construct bus-related facilities.

Funding Estimate: Local transit systems received \$9.1 million in Section 5309/5339 funding from 2010 to 2024, averaging \$646,000 annually. A 3% annual growth rate has been used for future projections.

Special Needs Program (Section 5310)

Section 5310 funds transit services for the elderly and individuals with disabilities. The FTA allocates these funds to Iowa based on the number of elderly individuals or persons with disabilities relative to those in other states.

Funding Estimate: Local transit systems received \$1.63 million in Section 5310 funding from 2010 to 2024, averaging \$133,000 annually. A 3% annual growth rate has been used for future projections.

Surface Transportation Block Grant Program (STBG)

As previously noted, STP (Surface Transportation Program) funds may be allocated for transit capital projects.

Funding Estimate: Local transit systems received \$3.1 million in STP funding from 2010 to 2020. Future estimates for these funds are not available as they are based on applications.

Congestion Mitigation/Air Quality (CMAQ)

CMAQ and ICAAP funds can also be used for projects that STP funds may support, including transit capital projects.

Funding Estimate: Jule Transit received ICAAP funding totaling \$1.4 million from 2010 to 2024. Future estimates for these funds are not available since they are grant-based.

Public Transit Infrastructure Grant (PTI)

The Iowa DOT provides this program to fund the vertical infrastructure needs of public transit agencies. Vertical infrastructure is defined by Iowa DOT as buildings and facilities, excluding vehicles. Projects might include new construction, reconstruction, or remodeling.

Funding Estimate: The RTA and Jule systems received a total of \$767,500 in PTI funding from 2010 to 2024. Future estimates for these funds are not available as they are grant-based.

State Transit Assistance (STA)

All public transit systems in Iowa are eligible for STA funding, which is derived from four percent of the fees collected on new vehicle registrations and accessory equipment sales.

Funding Estimate: Local transit systems have a history of STA funding from 2010 to 2024. Future expenditure funding was projected through linear regression between 2010 and 2055, totaling \$18.38 million (in year of expenditure dollars) with an annual average of \$606,000. An annual growth rate of 1% was used for future projections.

STA Special Projects

Each year, up to \$300,000 of the total STA funds is allocated for "special projects." These can include grants to individual systems to support transit services developed in collaboration with human service agencies, as well as statewide projects aimed at improving public transit in Iowa through technical training for transit system personnel or statewide marketing campaigns etc.

Funding Estimate: Local transit systems did not receive STA Special Project funding from 2010 to 2024. Future estimates for these funds are not available as they are grant-based.

Transit Levy

Iowa law allows municipalities to levy up to 95 cents per \$1,000 of assessed taxable property to support public transit systems. Most larger communities in Iowa levy support for their urban transit systems, while some smaller communities utilize this authority to fund services contracted from their designated regional transit system.

Funding Estimate: The RTA does not receive transit levy funding; however, Jule Transit receives an annual transit levy from the City of Dubuque. From 2010 to 2024, Jule received \$19.36 million, with an average annual funding of \$1.38 million. A 3% annual growth rate was used for future projections.

Fares

Passenger fees represent one of the most common sources of local support for transit systems. This includes funds collected from onboard fareboxes, prepaid fares from ticket or pass sales, and fares billed to passengers afterward. Figure 10.11 provides Jule operations in the City of Dubuque.

Funding Estimate: On average, local transit systems received \$280,000 annually from fares. The systems experienced a negative annual growth rate in fares. A 0% annual growth rate was used for future projections.

Miscellaneous

These funds are generated locally and currently have a larger balance than fare and advertising revenues because they are sourced from local grants and other revenues.

Funding Estimate: On average, local transit systems received \$412,000 in miscellaneous funds. These systems experienced positive annual growth in both advertising and miscellaneous funds. For future projections, staff have applied an annual growth rate of 4%.



FIGURE 10.11

Jule Transit Vehicle in the City of Dubuque

Source: Jule

Historical Analysis of Transit Revenue, Operations & Maintenance Cost

Figure 10.12 shows the historical funds received and the operation and maintenance costs for the Jule and RTA 8 from 2010 to 2024. This analysis also provides information on federal and state grant funds, which will not be included in future analyses. A growth rate has been assigned to each funding source using the linear regression method. This growth rate will be used to project future funding for the area.

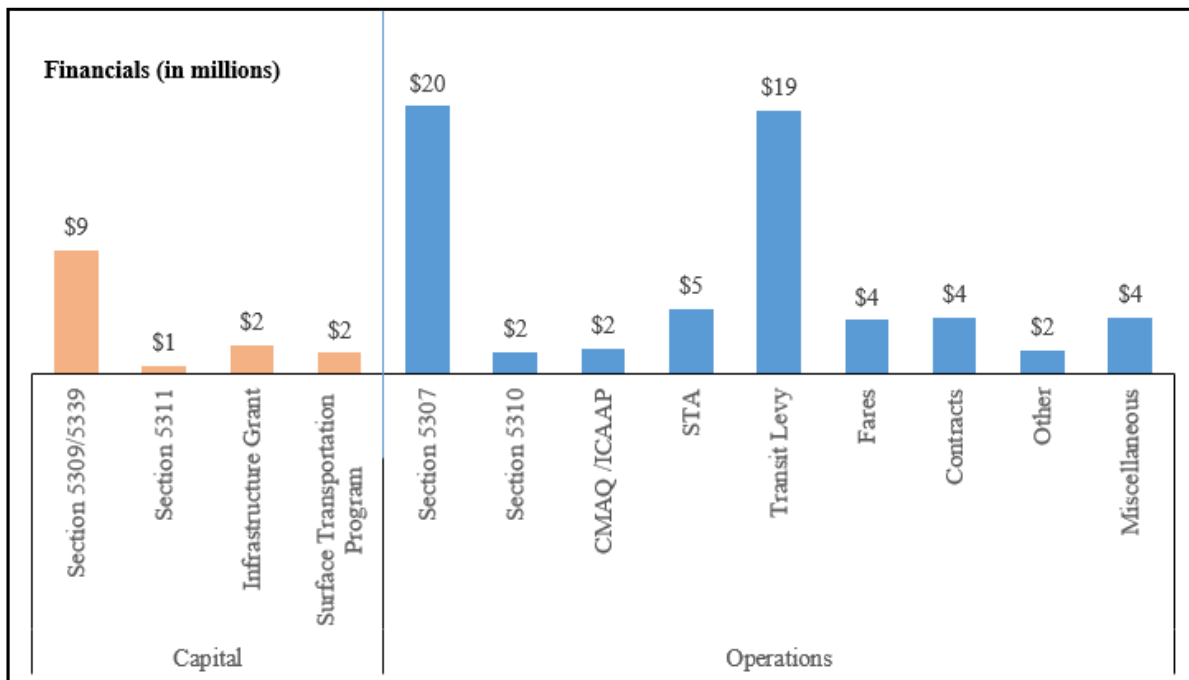


Figure 10.12

Historic Funds Received by The Jule and RTA

Source: Jule & RTA

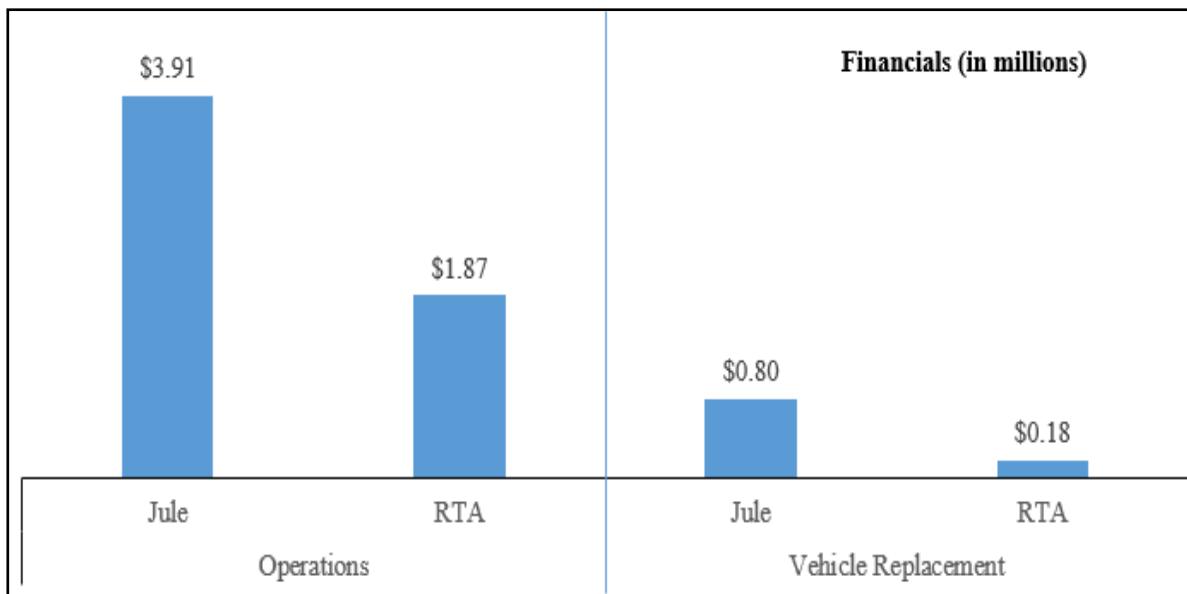
Figure 10.14 shows the average annual operating and maintenance costs for Jule and RTA 8, calculated using O&M expenses from 2010 to 2024. The staff assumed that each transit system would need to replace at least one vehicle each year to keep the fleet in good condition. They based the overall costs on the expense of replacing recent vehicles. Figure 10.13 provides RTA operations in the DMATS area.



Figure 10.13

RTA Vehicle - DMATS Area

Source: RTA

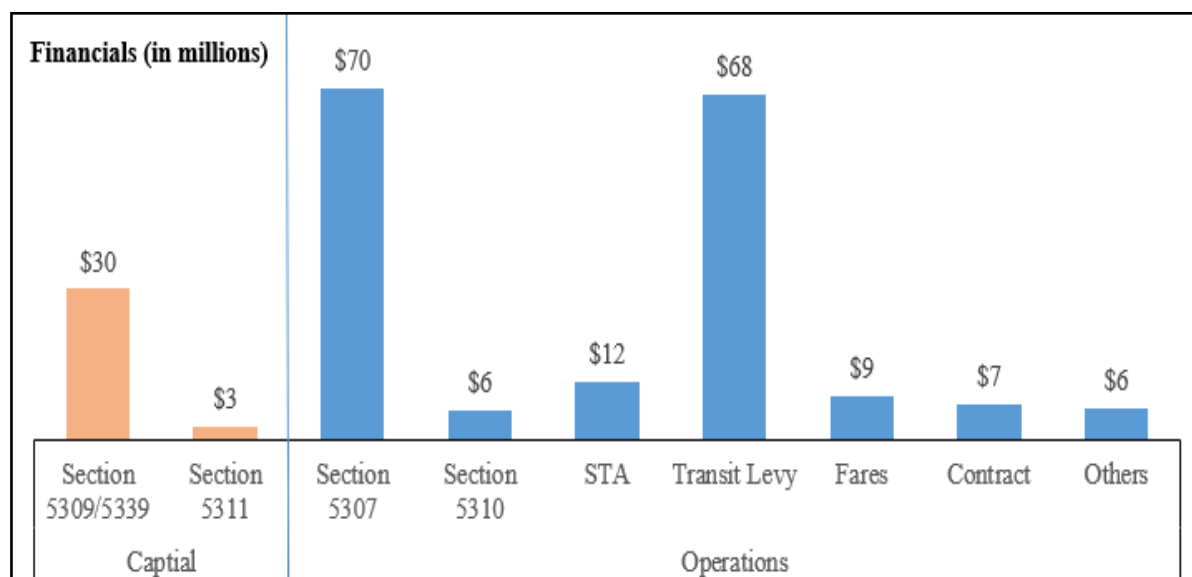
**FIGURE 10.14**

Average Annual Operating and Maintenance costs for July and RTA

Source: DMATS

Future Funding Analysis for Transit

DMATS allocated one-third of the RTA revenues, along with the operating and maintenance costs, for future projections. This allocation is based on one-third of the revenue miles generated within the DMATS region. Figure 10.15 illustrates the projected funding for the transit system, while Figure 10.16 displays the anticipated operations and maintenance costs for local transit systems. A growth rate has been assigned to each funding source using a linear regression method. This growth rate is then used to forecast future funding for the area. The transit system staff has decided to implement a 3% annual growth rate for operations and maintenance costs.

**FIGURE 10.15**

Future projections of funds received by the Jule and RTA

Source: DMATS

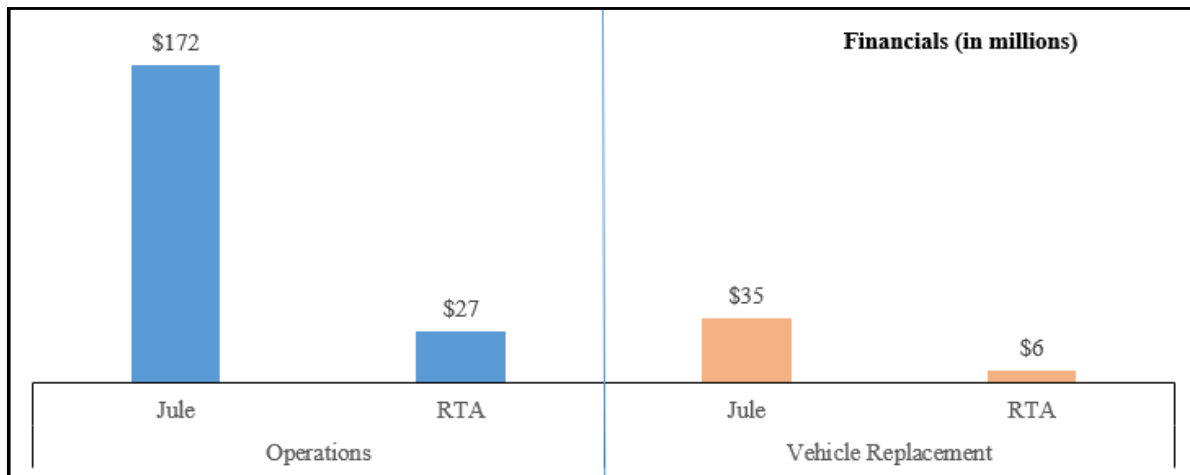


FIGURE: 10.16

Future Operations and Maintenance costs for transit systems

Source: DMATS

To determine the funding available for project implementation, future O&M costs are subtracted from anticipated federal and local funding sources. Figure 10.16 illustrates the comparison between future O&M costs and revenues for local transit systems. Overall, these systems require \$241 million for O&M costs, while projected revenues amount to \$202 million from 2025 to 2055. As a result, there will be a deficit of \$39 million over the next 30 years. Figure 10.17: Comparisons between revenue and cost for transit systems.

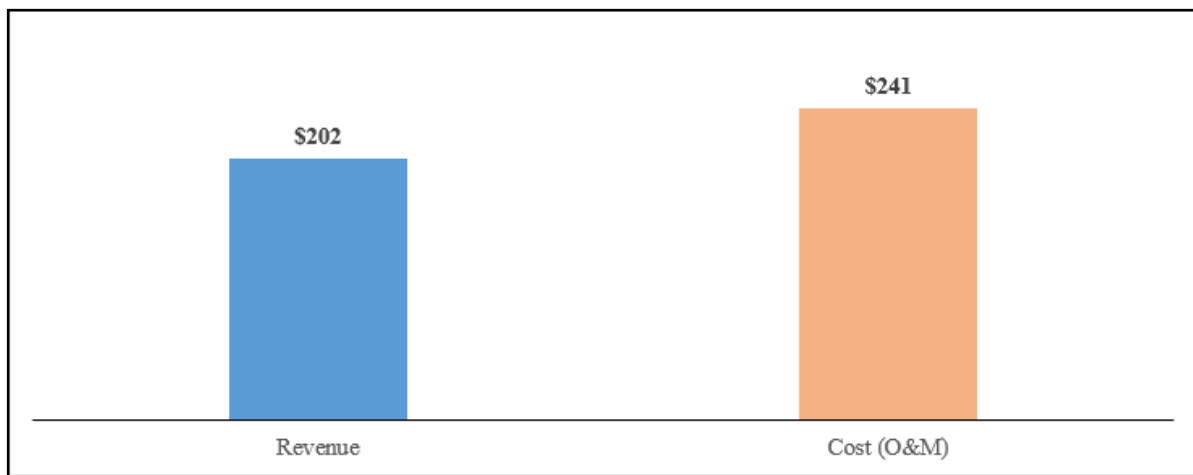


Figure: 10.17

Comparisons between revenue and cost for transit systems

Source: DMATS

Conclusion

The DMATS region will have \$722 million available for spending on roads, bridges, and trails over the next 30 years. However, local transit systems will not receive any additional funds for improvements. Transit systems are encouraged to secure funding through grant programs for capital improvement projects.

The financial analysis does not specifically address other transportation modes, such as bicycles, pedestrians, and goods movement. Although the LRTP 2055 identifies specific projects in these areas, there are no dedicated funding sources for project development, except for Transportation Alternative dollars allocated for trails, which will be insufficient.

Projects will compete for the same funding sources listed in this analysis, particularly federal highway funds. Additionally, improvements for bikeways and pedestrians may be included in other highway or transit projects.