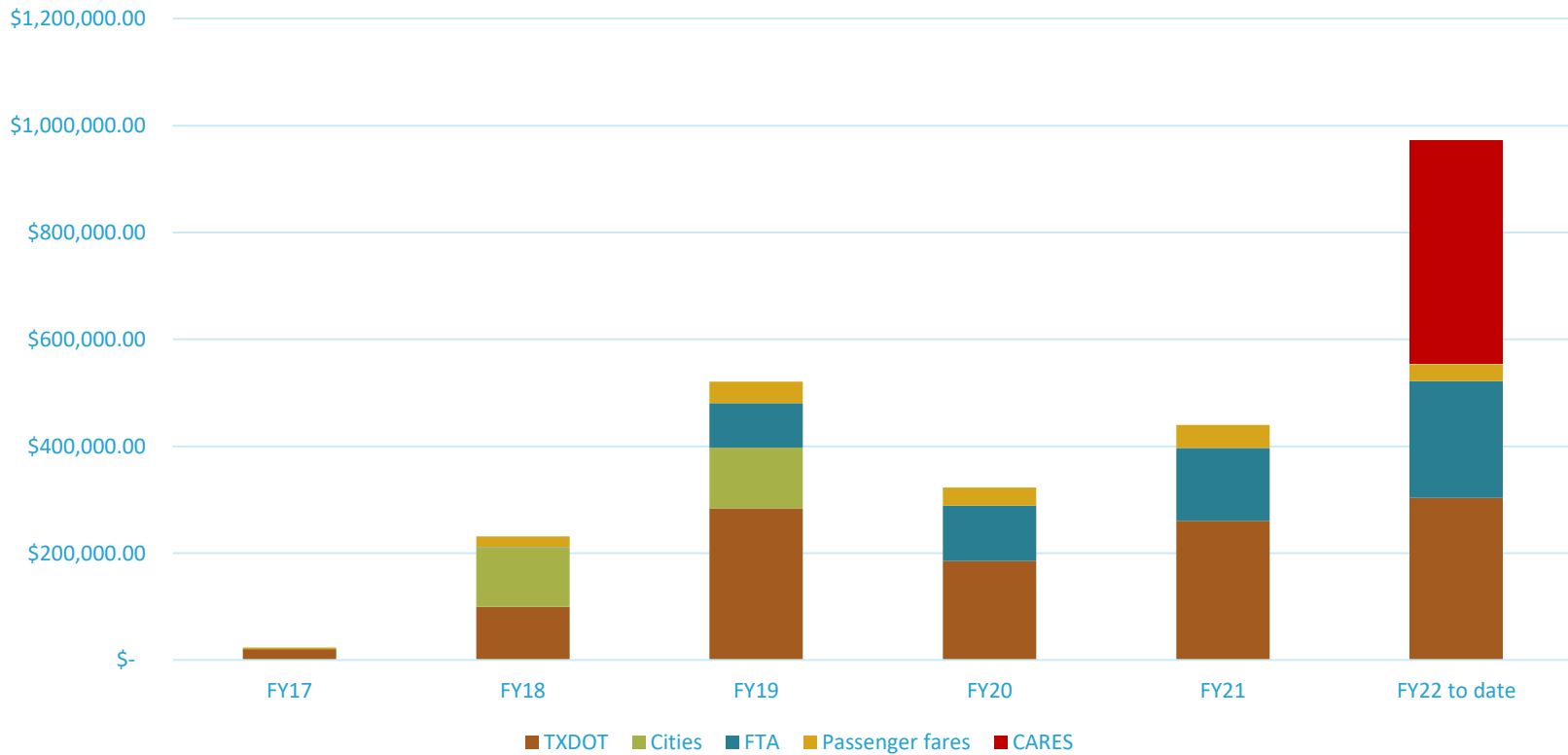


Budget Discussion: Shared Cost Allocation Plan, Additional Funding Entities

Akia Pichon, Transit Administrator

Cost of Transit Service

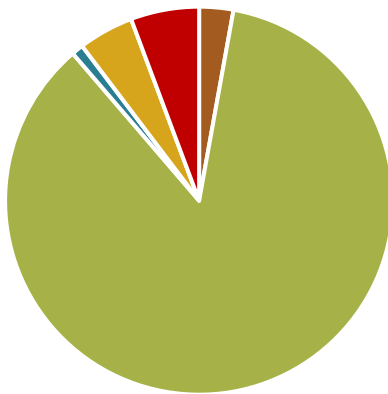


Presently, extra cost increase has been absorbed by CARES funding, however MUTD will need to find a significant funding source to replace it once those funds are extinguished.

Note: the first instance of CARES Act funds used for operational costs was for the January 2022 invoice.

Cost Allocation Plan Discussion

Trips by City



- Celina
- McKinney
- Melissa
- Princeton
- Prosper

If transit service as budgeted was paid for using **only** local dollars along actual cost of use, cities could pay:

- McKinney 86% - \$961,480
- Celina 3% - \$33,540
- Princeton 5% - \$55,900
- Prosper 6% - \$67,080
- Melissa 1% - \$11,180
- Lowry Crossing >1%

- Staff would like to consider an update to the cost allocation formula for future fiscal years.
 - Major consideration: How will the service be funded after CARES Act funds are extinguished?
 - Should local transit service match dollars be allocated along actual cost of use?
 - Under the current cost allocation plan, the cities in total would pay \$178,467.
 - Under the current cost allocation plan:
 - “The minimum local contribution for each participating jurisdiction in the MUTD will be cost of service multiplied by percentage of population of MUTD entity multiplied by 15%.”
 - Based on that formula and population estimates provided by census.gov, the cost share for MUTD cities is as follows:
 - McKinney \$120,156
 - Melissa \$10,602
 - Lowry Crossing \$1,767
 - Princeton \$12,369
 - Prosper \$19,437
 - Celina \$14,136
 - Assuming a 50/50 match between local and federal funding for operational costs, cities could be obligated to pay:
 - McKinney \$480,740 (actual cost of use 961,480)
 - Celina \$16,770 (actual cost of use 33,540)
 - Princeton \$27,950 (actual cost of use 55,900)
 - Prosper \$33,540 (actual cost of use 67,080)
 - Melissa \$5,590 (actual cost of use 11,180)
 - Lowry Crossing N/A

Potential Entities to Discuss Funding Opportunities With:

- Staff would like to discuss other agencies or entities that we can partner with for additional local match funding.
 - MCDC
 - Local McKinney businesses
- After discussion with operations team, contacting large general retailers for local match funding should wait until service is available to general public or service is expanded to employers (i.e vanpool). Staff is exploring additional alternatives with the help of the operations team.