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**McHenry County Council of Mayors**

 **2021 Budget Presentation**

**Mary Donner, Presenter**

**Thursday, November 19, 2020**

**9:00 am**

**Introduction**

Good morning, Chairman Mack, members and staff. I will present the 2021 budget and update the condition of Pace during this unprecedented time.

**Pace Accomplishments: Handling the COVID-19 Pandemic**

In March, because of the pandemic, Pace established three core principles moving forward. We recognized our responsibility to operate safely, serve a critical public need, and communicate transparently. Our priority has been and will continue to be the safety of our passengers and personnel.

Pace service provides crucial transportation for many essential workers traveling to and from their places of employment.

As with our sister agencies, Pace buses are deep cleaned and sanitized daily along with high touch areas which are cleaned throughout the day.

We installed vinyl barriers outside of the driver's cockpit and the drivers were provided with personal protective equipment. Hand sanitizer dispensers are also provided on all fixed routes buses.

Operators and passengers alike are required to wear masks while onboard. Reminders are posted inside every vehicle.

Finally, we list employee and contractor COVID occurrences on our website at **pacebus.com** which includes position, location, date notified, and last day worked.

**Other Pace Accomplishments**

We are also proud of other accomplishments - We launched a new website this past year which enhances communication with our customers and stakeholders and allows us to develop new web-based tools to enhance customers’ experience.

Our forthcoming strategic vision plan, *Driving Innovation*, is being updated to account for our present crisis, but will still guide us toward the future with robust, dynamic public transportation in Northeastern Illinois. Despite this year’s setbacks, we are on the road to a brighter future.

**Onto the Pace 2021 Budget**

**The 2021 Suburban Service** budget of $239 million is balanced, with expenses equaling available funding. This budget proposes no fare increases, even though next year’s public funding to Pace is decreasing due to a projected decline in sales tax from the impact of the pandemic.

Pace achieves a balanced budget through administrative expense reductions, the continuation of 2020’s service reductions and receipt of CARES Act funding from the Federal Transit Administration to cover an anticipated revenue shortfall.

**The Regional ADA Paratransit** Operating Budget is also balanced to available funding without the need for a fare increase.

Pace provides Paratransit service for the whole six-county area including the city of Chicago and its Taxi Access Program. This service delivery is contracted through private operators. Operating expenses in 2021 are projected at $175 million and paratransit ridership is expected to increase 19% over 2020, with Pace providing over 2.5 million trips.

**The 2021 Capital Program** is estimated at a robust $106 million. Much of that funding comes from the multi-year $228 million **Rebuild Illinois** package. Thanks to the Illinois General Assembly in 2019, legislation allows Pace to fund a variety of capital infrastructure projects over the next few years.

**For 2021**, we will use capital funds on the purchase of compressed natural gas buses, community transit and On Demand vehicles, a farebox system replacement, construction of new garages in Wheeling and Plainfield along with shelters, bus tracker signs and Pulse Dempster Line preparation.

**Proposed Route Discontinuations and Service Reductions**

Because of the COVID-19 pandemic, Pace has been forced to confront historic and enormous changes this past year, including our ongoing region wide service suspensions on 73 routes and scheduled modifications on 25 routes which have been in place since May. The 2021 budget proposes to continue those suspensions and reductions. Upon availability of funding and return of commuter demand, Pace may re-evaluate and possibly reinstate some service.

Having said that, within McHenry County, no routes were affected.

**Activity in McHenry County**

Locally, As the Randall Road corridor project continues to evolve, Pace will be working with the DOT to provide shelters along the stretch of new roadway.

With the board members vote at the County Board meeting, MCRide can expand in 2021, providing service to the general public throughout the county.

And finally,

McHenry County DOT and Pace are coordinating efforts to bring transit more in line with the needs outlined in the county’s 2018 transit plan using new concepts learned in our updated *Driving Innovation* strategic plan. There is a detailed outline of our *Driving Innovation* initiative in the Proposed Budget, Appendix “E”.

Thank you and now I will answer any questions you may have.