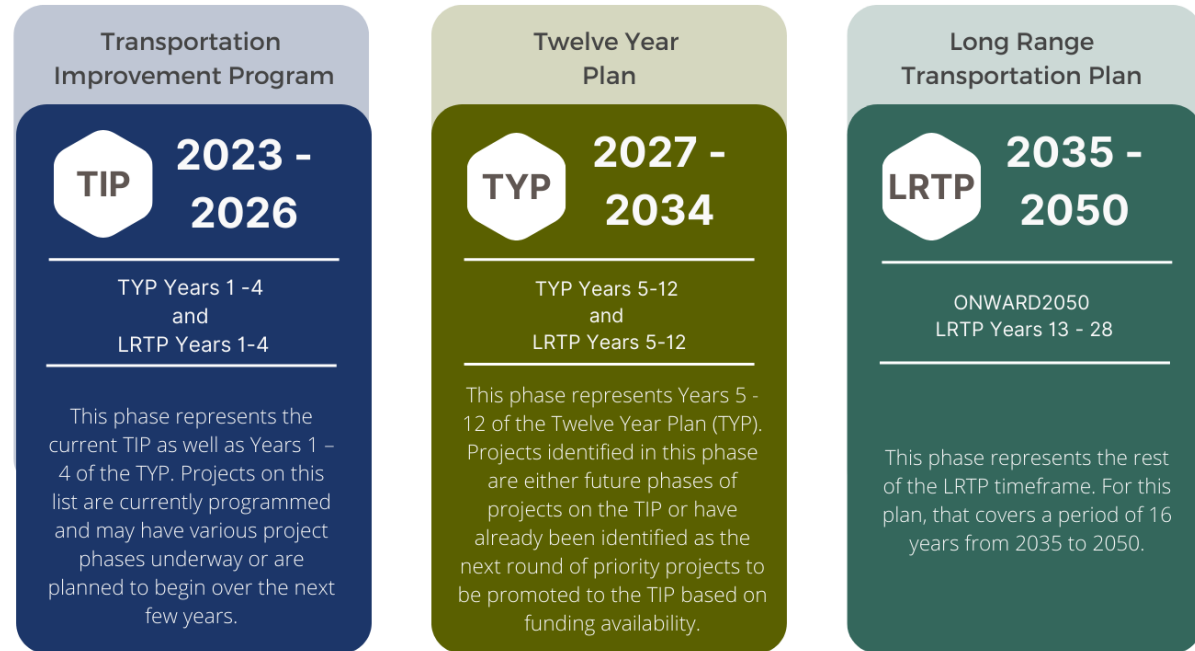


CHAPTER 8 - FINANCIAL GUIDANCE

OVERVIEW

With the policies, strategies and action items needed to guide future funding and implementation decisions identified, the next key component of ONWARD2050 is the financial plan. This plan demonstrates the level of projected funding for Adams County over the length of the plan. The financial plan also provides an illustration of how each of the respective levels of government have a role in the provision of funding and implementation of highway, transit, and other modes. It also demonstrates that the priorities of the LRTP can be implemented while assuring that fiscal constraint is achieved. This assessment involves identifying current and/or projected funding levels across three different phases.

Funding Phases



FUNDING SOURCES

Transportation funding typically comes from one of three sources, Federal funds, State Funds or Local Funds. Occasionally, projects are

identified and programmed with private sector funding via the *Public and Private Partnerships (P3) for Transportation Act (Act 88 of 2012)*. However, *P3* projects are typically identified, programmed, and implemented at a statewide or regional level.

Federal

Federal funds are typically provided through multi-year infrastructure bills authorized by Congress.

There have been six such bills since 1991:

- Intermodal Surface Transportation Efficiency Act (ISTEA) – 1991-1997
- Transportation Equity Act for the 21st Century (TEA-21) – 1998-2003
- Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) – 2005-2009
- Moving Ahead for Progress in the 21st Century Act (MAP-21) – 2012-2013
- Fixing America's Surface Transportation Act (FAST Act) – 2016-2021
- Infrastructure Investment and Jobs Act (BIL) – 2022-2026

While the exact source of funding varies from bill to bill, the primary source is the federal gas tax. These funds are usually provided to State DOTs and MPOs through a variety of funding categories, each

State

State funds for transportation are primarily sourced from the state gas tax, with significantly smaller portions coming from driver and vehicle fees. Unlike federal funds, which typically require reauthorization from Congress every 5-6 years, state funding is largely allocated through the annual state budgeting process. However, since 2000 Pennsylvania has passed Act 44 of 2007 and Act 89 of 2013 which increased the level of state transportation funds. While state transportation funds can come from several different programs, the most common sources for ACTPO's TIP/TYP/LRTP are from the following categories:

covering a specific area of the transportation network. ACTPO typically receives direct allocations from four categories of federal funds:

- National Highway Performance Program (NHPP) – Funds for facilities located on the National Highway System (NHS)
 - Surface Transportation Block Grant Program (STP) – Funds for projects that preserve and improve the conditions and performance on any Federal-Aid highway, bridge and tunnel projects on any public road, pedestrian and bicycle infrastructure, and transit capital projects, including intercity bus terminals.
 - Highway Safety Improvement Program (HSIP) – Funds with the purpose of achieving a reduction in fatalities and serious injuries on all public roads, including local public roads.
 - Off-System Bridge (BOF) – Funds for bridges that are located off the Federal-Aid Network and are at least 20 feet in length. These funds can be used for bridge replacement, rehabilitation, and maintenance projects.
-
- Bridge Funds (Appropriation 183/185) – Funds used for the rehabilitation, reconstruction, and replacement of state and/or local bridges.
 - Highway Funds (Appropriation 581) – Funds used for highway projects on the State highway system.
 - Maintenance Funds (Appropriation 409) – These funds are maintenance funds allocated to PennDOT County Maintenance Offices. Projects using these funds are selected by PennDOT and, in Adams County, are usually oriented towards pavement resurfacing work.

Local

Local funds typically include county or municipal funds that are being used as the local matching share for a project, typically a local bridge. Occasionally, this may also include private funds that are

part of a statewide competitive grant funding program such as the Transportation Alternatives (TA) or Multimodal Transportation Fund (MTF) programs.

Other

In the past Adams County (either ACTPO or a municipality) has received funding from federal or state sources that now fall outside the normal TIP/ LRTP process. In some cases, policy changes at the federal or state level means that Adams County is either no longer eligible to use these funds or must compete for them on a statewide competitive basis. Federal funds that fall under this category include:

- Transportation Alternatives Set-Aside (TA) Program – These funds can be used for projects to build pedestrian and bicycle facilities, create safe routes to school, preserve historic transportation structures, provide environmental mitigation, and develop multi-use trails. Projects in Adams County are eligible for these funds available from a Statewide competitive pot.
- Congestion Mitigation Air Quality (CMAQ) – Funding designed to reduce traffic congestion and improve air quality, particularly in areas of the country that do not attain national air quality standards. Adams County is no longer eligible to receive CMAQ funds.

At the State level, the following sources of statewide competitive funding are available for eligible projects:

- Multimodal Transportation Fund (MTF) – A competitive funding program that provides financial assistance to municipalities, councils of governments, businesses, economic development organizations, public transportation agencies, rail freight, passenger rail, and ports to improve transportation assets that enhance communities, pedestrian safety, and transit revitalization. Funding is available from both PennDOT and the Department of Community and Economic Development (DCED)
- PennDOT Automated Red Light Enforcement Program (ARLE) – A program that provides opportunities to improve safety and reduce congestion. Eligible projects are wide ranging when considering highway safety or mobility.
- Green Light – Go – A competitive state grant program designed to improve the mobility, safety, efficiency, and operation of existing traffic signals located in the Commonwealth of Pennsylvania.

FINANCIAL PLAN

The financial plan component for ONWARD2050 has three steps. **Step 1** involves the development of a methodology and scenarios to

funds will be allocated towards various components of the transportation network in future years of the LRTP. Finally, **Step 3**

Year of Expenditure Method

Traditionally recognized way for LRTP funding to be projected. It involves using the funding levels for each funding category of the current TYP and applying an anticipated rate of inflation, known as Year of Expenditure (YOE), of 3% per year from Year 13 through the target year of the LRTP.

Pros: Consistent, reliable and repeatable formula

Cons: Assumes steady and consistent decision-making on funding sources at the state and federal level

Historical TIP Expenditures Method

Takes a more real-world approach to projecting future LRTP funding. It involves calculating the average allocation and expenditure data over a specific timeframe from past Adams County TIP's, then applying that average across the entire time frame of the LRTP.

Pros: Uses actual historical expenditure data on projects within Adams County instead of policy assumptions

Cons: Assumes past expenditures will continue at the same rate in the future

project future transportation funding level for Adams County through 2050. **Step 2** is the process of prioritizing how those projected

demonstrates how the LRTP will be fiscally constrained within the projections done in Steps 1 and 2.

Step 1: Funding Scenario Methodology

As part of Step 1, Adams County developed two methodologies to project future funding levels.

Next, seven different financial projection scenarios were developed. Three scenarios used the Year of Expenditure Method and four used the Historical TIP Expenditures Method.

Year of Expenditure Method Scenarios

- 2023-2034 TYP Allocation (pre-Bipartisan Infrastructure Law)
- 2023-2034 TYP Allocation (post-Bipartisan Infrastructure Law)
- 2023-2026 TIP Allocation

Historical TIP Expenditures Method Scenarios

- 1999 – 2021 (ACTPO’s full time as an RPO/MPO)
- 2005 – 2021 (SAFETEA-LU and on)
- 2008 – 2021 (Act 44 and on)
- 2014 – 2021 (Act 89 and on)

These seven scenarios were then narrowed down to a final three representing a Low/ Mid/ High range of potential funding.

LOW-RANGE	MID-RANGE	HIGH-RANGE
2023-2034 TYP Allocation (pre-Bipartisan Infrastructure Law)	1999 – 2021 Historical TIP Expenditures (ACTPO’s full time as an RPO/MPO)	2023-2034 TYP Allocation (post-Bipartisan Infrastructure Law)

PROJECTING FUTURE REVENUES

The specific financial projections for each scenario are broken down into three separate components that combine to cover the entire LRTP timeline.

These include:

- TIP (2023-2026) – Based on the adopted 2023 – 2026 Adams County TIP, which also serves as Year 1 through 4 of the TYP. The 2023-2026 Adams County TIP & TYP are included in Appendix H.
- TYP (2027 to 2034) – Based on the 2nd four years and 3rd four years of the 2023-2026 TIP, which also serve as Years 5 through 12 of the LRTP.
- LRTP (2035 to 2050) – Projected using the funding scenarios described earlier.

PLAN PHASE	LOW-RANGE (\$000S)	MID-RANGE (\$000S)	HIGH-RANGE (\$000S)
TIP (2023 – 2026)	\$56,495	\$56,495	\$56,495
TYP (2027 – 2034)	\$78,049	\$78,049	\$78,049
LRTP (2035 – 2050)	\$177,636	\$217,229	\$265,728
Total	\$312,180	\$351,773	\$400,272

After carefully reviewing each of the options, the **Mid-Range scenario**, based on 1999–2021 Historical TIP Expenditures, was selected as the preferred financial projection for ONWARD2050. As a result, the allocation of future funding and prioritization of projects will be fiscally constrained within the projected Mid-Range option of **\$351,773,000**.

409 MAINTENANCE FUNDS

Additionally, a projection was done for State 409 Maintenance Funds in Adams County over the entire LRTP timeline. While these funds are not controlled or programmed by ACTPO, these funds to impact Adams County's required Federal Performance Measures targets, particularly the pavement and bridge condition focused PM-2 targets.

Based on 409 funds expenditure data from 2014-2022 provided by PennDOT, Adams County 409 Maintenance Funds are projected as follows over the lifespan of the LRTP. Note that this projection was based solely on projects that were 100% located within Adams County. Projects using 409 Funds that were part of a District 8-wide project were not included when projecting these funds.

409 MAINTENANCE FUNDS (\$000S)	
Years Covered by LRTP	28
Average Funds per Year	\$2,054
Projected 409 Funds	\$57,512

TRANSIT

Since at least 2011, with the merger of the Adams County Transit Authority and the York County Transportation Authority (also known as rabbittransit) to form the York Adams Transportation Authority (YATA), all transit funding has been administered through the Transportation Improvement Program (TIP) and long range transportation plan financial planning document of the York Area Metropolitan Planning Organization (YAMPO).

YATA eventually grew to become the Central Pennsylvania Transportation Authority (CPTA) with a 10-county service area, including Adams County. The YAMPO TIP and long range plan continue to be the administrative channel for all transit funding for the entire service area. The 2023-2026 YAMPO Transit TIP has the transit funding, along with the required documentation for the CPTA service area, and YAMPO's GOYORK 2045 MTP (June 2021), along with the accompanying Capital Improvement Plan (CIP), is the long range planning document for the CPTA. The 2023-2026 Transit TIP and Transit Project Narrative, along with the YAMPO GOYORK 2045 MTP CIP are included as Appendix G.

The CPTA actively coordinates with all five planning partners and actively participates as voting members on the technical and/or policy boards of all five metropolitan planning organizations in the CPTA service area. If requested, copies of the entire Transit TIP document collection were given to planning partners to be included with their 2023-2026 TIP packets.



Step 2: Future Allocation Breakdown

Step 2 of the Financial Plan involved prioritizing how the projected future revenues will be allocated towards various components of the transportation network in future years. A key component of this step in the planning process was the public outreach survey. This survey was designed in a way that the results could be used to prioritize future improvement scenarios.

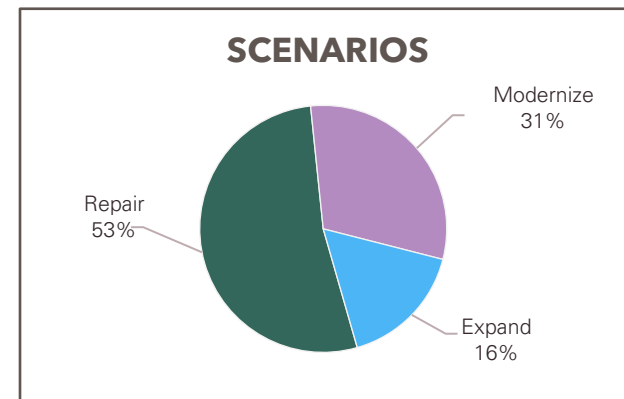
The three previously identified scenarios:

- Repair Existing System – In this scenario, funds will be allocated to repair the existing transportation infrastructure, including pavement, bridges, traffic signals and signage, as well as repair or replace existing safety measures.
- Expand Transportation System – In this scenario, funds will be allocated to add additional services, facilities, and infrastructure to the transportation system in the county, including bicycle and pedestrian facilities, transit service, new road connections and installation of new safety measures.
- Modernize the Transportation System – In this scenario, funds will be allocated to implement new technology and adapting to emerging trends and future needs, including alternative fuels infrastructure, connected and autonomous vehicle technology, freight, Intelligent Transportation System (ITS) and other new safety technologies.

Respondents were asked to rank the scenarios, as well as prioritize specific elements of the transportation network within each scenario, based on their preferences. The responses to specific survey questions were then used to develop an allocation breakdown for the projected level of future L RTP funding. This involved three steps.

ORDER THE SCENARIOS

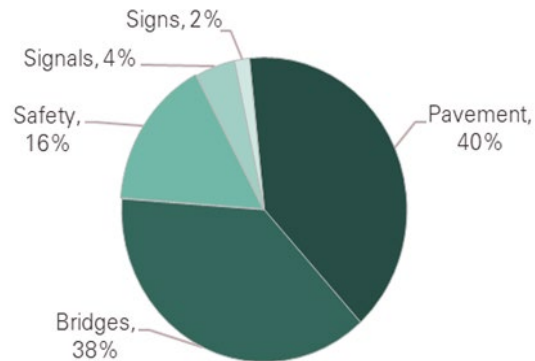
First, the preferred order of the three improvement scenarios was identified. The percentage of responses ranking each scenario the #1 priority was used to allocate future revenues into three separate funding pots, based on the three scenarios: Repair, Modernize, and Expand.



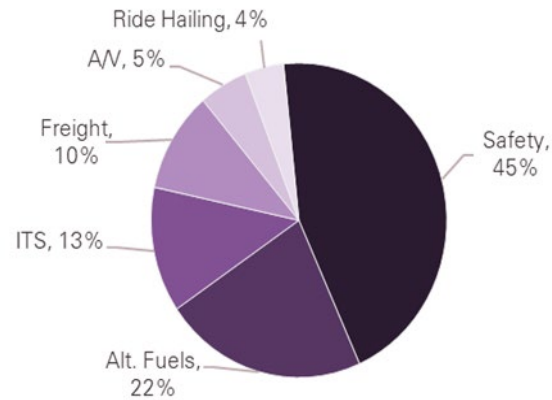
PRIORITIZE ELEMENTS OF THE NETWORK

Second, the survey results prioritizing specific elements of the transportation network within each improvement scenario were applied to the overall projected funding for each of the Repair, Modernize, Expand scenarios. This step further separated the projected ONWARD2050 funding from three funding pots into fifteen different system components. Detailed funding charts are in Appendix I.

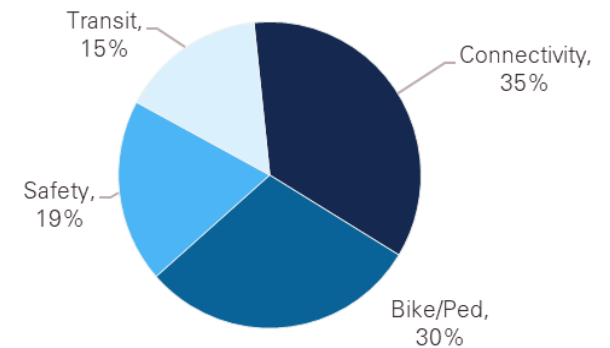
SCENARIO PRIORITIES: REPAIR



SCENARIO PRIORITIES: MODERNIZE



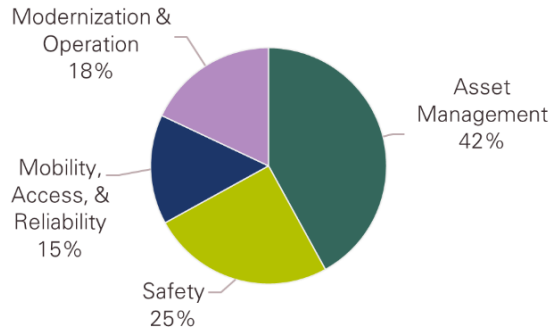
SCENARIO PRIORITIES: EXPAND



CONSOLIDATE THE CATEGORIES

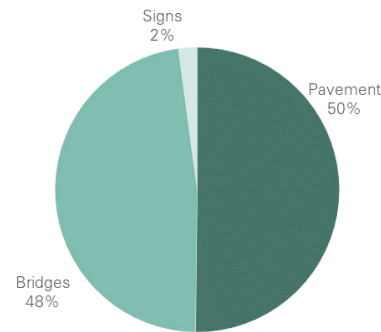
Finally, those fifteen different elements were consolidated into four categories: **Asset Management**; **Safety**; **Mobility, Access and Reliability** and; **Modernization and Operation** based on the Future Strategies identified in Chapter 7. The original fifteen system components were also further consolidated into twelve funding classes within those four overall categories.

ALLOCATION BREAKDOWN

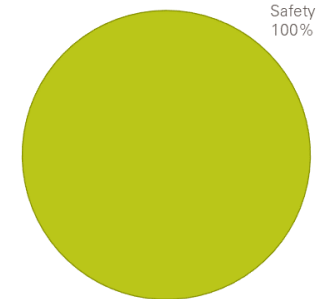


ALLOCATION BREAKDOWN	
Funding Classes	% Overall Allocation
Safety	25%
Pavement	21%
Bridges	20%
Alternative Fuels	7%
Connectivity	6%
Active Transportation (Bike/ Ped)	5%
ITS	4%
Transit	4%
Freight/Rail	3%
Connected/ Autonomous Vehicles	2%
Signals	2%
Signs	1%

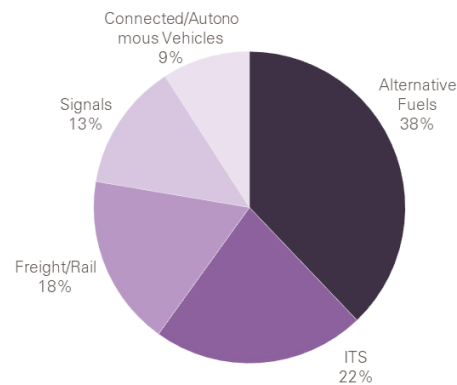
ASSET MANAGEMENT



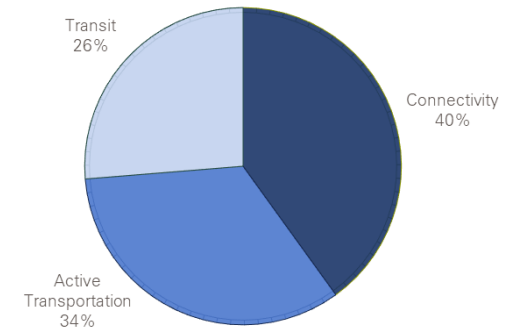
SAFETY



MODERNIZATION AND OPERATION



MOBILITY, ACCESS AND RELIABILITY



Step 3: Fiscal Constraint

The third and final step of the LRTP financial plan is demonstrating that implementation can be accomplished while being fiscally constrained within the projections of Step 1 and the sector allocation breakdowns of Step 2.

The TIP (Years 1-4 of the LRTP) is required to be fiscally constrained based on financial guidance provided by PennDOT using the currently available figures from Federal and State funding sources. The TYP (Years 5-12 of the LRTP) are also constrained based on similar guidance. These years (1 through 12) are where specific funds are allocated to projects and represent the culmination of the LRTP to TIP to construction implementation process.

However, in Year 13 and beyond of the LRTP, fiscal resources are based more on projections than currently available figures from those Federal and State funding sources. Further, the constantly changing nature of the transportation system makes assigning projected, potential resources to possible projects nothing more than an educated guess.

Further, the full range of transportation needs in Adams County cannot be addressed through a single plan or implementation strategy and ONWARD2050 does not try to do so. Rather it provides a framework to align short-term implementation decisions with long-range priorities and performance measure targets that improve pavement and bridge conditions, address safety concerns and support the safe and efficient movement of people and goods.

The overall needs of the transportation network far exceed to projected revenues. The Cost Projections chart shows that under ideal circumstances asset management costs alone would exceed \$1.8 billion through 2050. Given that disparity, the LRTP needs to establish methods to prioritize projects from across a range of modes and network components to maintain some balance. Otherwise, focusing too heavily on one component of the network risks seeing multiple other components fall behind.

Fiscal constraint – Ensuring that the cost of LRTP investments do not exceed the reasonably expected funding projected to be available.

COST PROJECTIONS			
HIGHWAYS			
Concrete	High Level B.	Low Level B.	Total
\$13,664,555	\$503,769,983	\$362,782,964	\$880,217,502
STATE BRIDGES			
Poor	Fair	Good	Total
\$143,288,394	\$305,538,431	\$72,433,052	\$521,259,877
LOCAL BRIDGES			
Poor	Fair	Good	Total
\$17,356,113	\$69,299,353	4,696,042	\$91,351,508
PROJECTED CONSTRUCTION COSTS			
Per Year		Overall	
\$53,315,317		\$1,492,828,887	
PROJECTED PRE-CONSTRUCTION COSTS			
Per Year		Overall	
\$13,328,829		\$373,207,222	
PROJECTED TOTAL COSTS			
Per Year		Overall	
\$66,644,147		\$1,866,036,109	

ONWARD2050 achieves this balance between transportation network needs and financial reality by not attempting to assign specific amounts to specific projects in a specific year of the LRTP

beyond those years covered by the TIP and TYP. Instead, a two part process has been developed to guide future project prioritization decisions:

PROJECT PRIORITIZATION CRITERIA

Ranking criteria, as detailed in Chapter 9, for Pavement, Bridges, Safety, Connectivity, Active Transportation, Transit, and Modernization and Operations have been developed to help identify candidate projects that meet long-term priorities and adopted performance measure targets, while also addressing multiple network components.

ALLOCATION PRIORITIES

Rather than assign specific amounts to specific projects in a specific year, ONWARD0250 establishes broad overall allocation targets for future projects being promoted from the LRTP to the TYP/TIP. These allocation priority targets were developed from the methodology used in Step 2: Future Allocation Breakdown section above.

The targets are presented in terms of what portion of every dollar of transportation funding should be spent on specific areas of the transportation network.

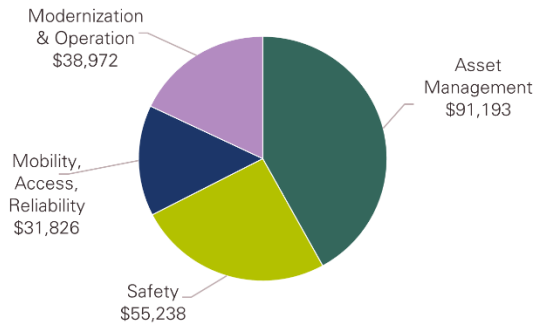
Ultimately, fiscal constraint is achieved through the development of the TIP/TYP. The allocation targets will be used as a guide for ensuring that TIP/TYP projects are allocated according to these targets. This does not mean that viable, high priority projects will be held back because programming would exceed those allocation targets. There will be funding and project development cycles where certain components of the system are moving faster than others. However, the long-term goal is that future transportation system investments amounts mirror these targets over the lifespan of the LRTP.



L RTP (2035 – 2050) ALLOCATION BREAKDOWN

The TIP (2023-2026) and TYP portions of ONWARD2050 are already fiscally constrained, at \$56,495,000 and \$78,049,000 respectively, through their adoption processes. The future revenues for the L RTP portion (2035-2050) are projected at \$217,229,000, or \$13.577M per year. As noted previously, these funds are not assigned to specific projects. ONWARD2050 establishes broad overall allocation targets for future projects being promoted from the L RTP to the TYP/TIP. The previous page depicts a breakdown of these targets as a portion of each dollar received. In order to demonstrate fiscal constraint for the L RTP years, the projected 2035-2050 allocation target of \$217,229 would breakdown as follows:

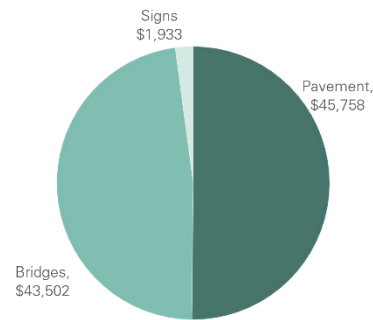
ALLOCATION BREAKDOWN



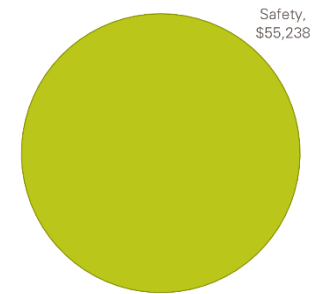
L RTP ALLOCATION BREAKDOWN

Funding Classes	Target Allocation (\$000s)
Safety	\$55,238
Pavement	\$45,758
Bridges	\$43,502
Alternative Fuels	\$14,760
Connectivity	\$12,742
Active Transportation (Bike/ Ped)	\$10,720
ITS	\$8,594
Transit	\$8,364
Freight/Rail	\$6,913
Connected/ Autonomous Vehicles	\$3,550
Signals	\$5,156
Signs	\$1,933

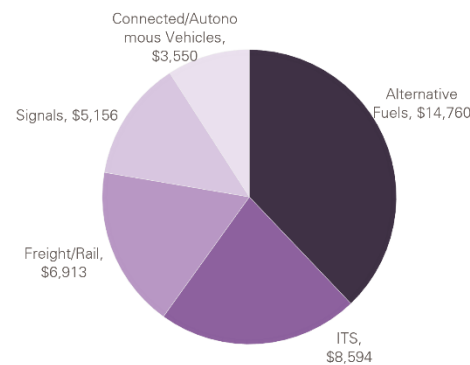
ASSET MANAGEMENT



SAFETY



MODERNIZATION AND OPERATION



MOBILITY, ACCESS AND RELIABILITY

