










November 2024 Revenue and Ridership Forecast Update

Washington State Ferries

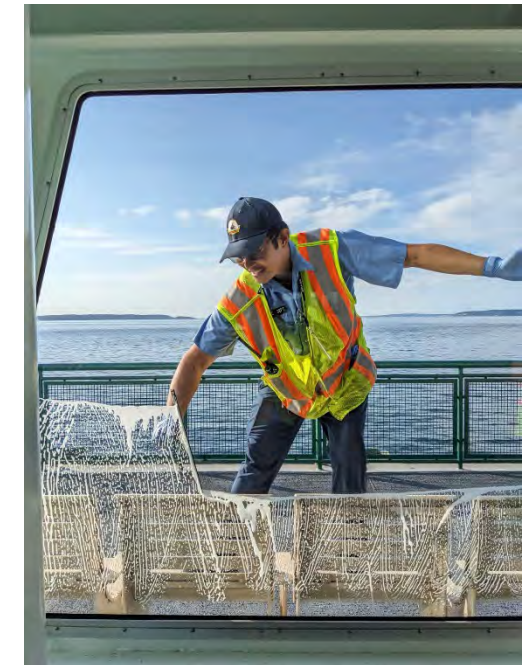
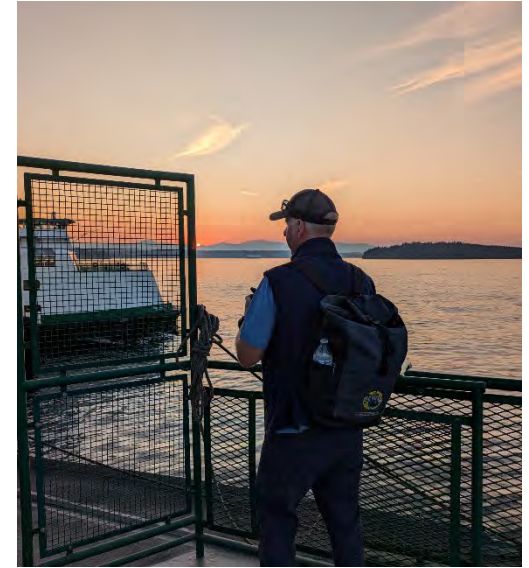
Todd Lamphere, Senior Director of Finance, Administrative, and Employee Services - WSDOT Ferries Division
Washington State Transportation Commission Meeting
December 11, 2024

BY THE NUMBERS

Highlights and accomplishments from Jan. 1 – Oct. 31, 2024

-  16,302,819 total riders
-  7,668,112 drivers (with vehicle)
-  8,634,707 vehicle & walk-on passengers
-  119,367 trips completed
-  636,797 service miles
-  98.80% trip reliability*
-  63 Lifesaving events
-  1,950 medical priority loads
-  277 whales spotted

**reliability for the month of October*



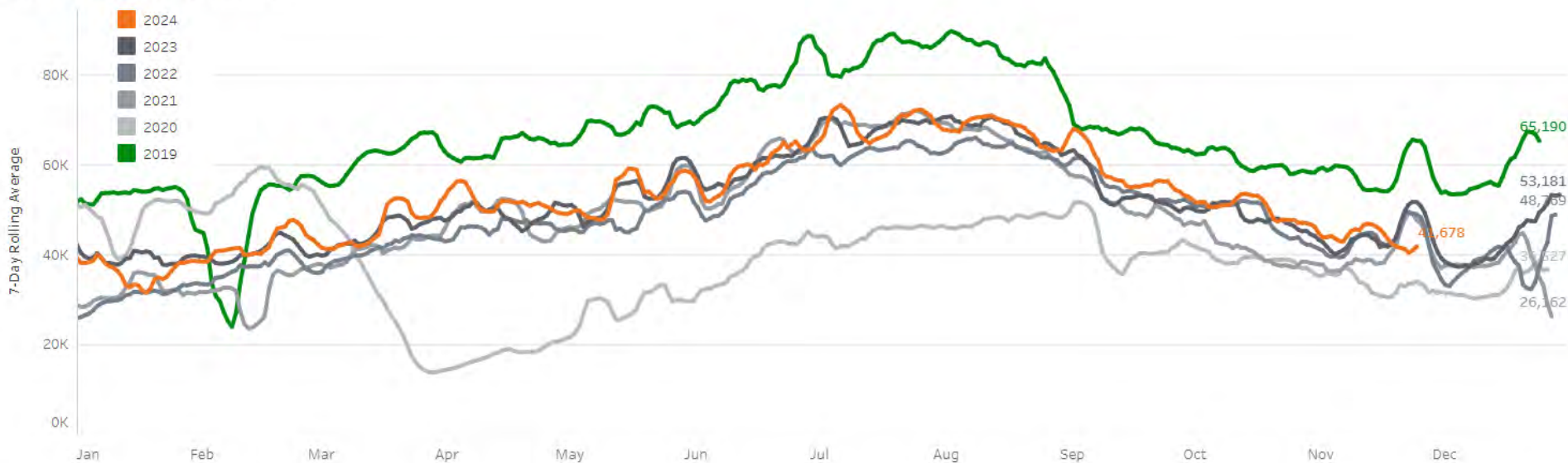
November 2024 Ferry Ridership and Revenue Highlights

Current Ridership

- Current ridership from January 2024 through November 2024 continues to lag behind pre-pandemic levels
 - For CY 2023, ridership averaged 78% of pre-pandemic levels, with passenger fare riders at 72% and vehicles/drivers at 85%
 - Through November 25 of CY 2024:
 - Ridership is at 80% of pre-pandemic levels, with passengers at 59% and vehicles/drivers at 86%
 - Ridership has increased by 2% as compared to 2023 levels, with passengers increasing by 5% and vehicles/drivers increasing by 0.2%

Total Ridership by Year | Route: All



Current year ridership is through November 25, 2024



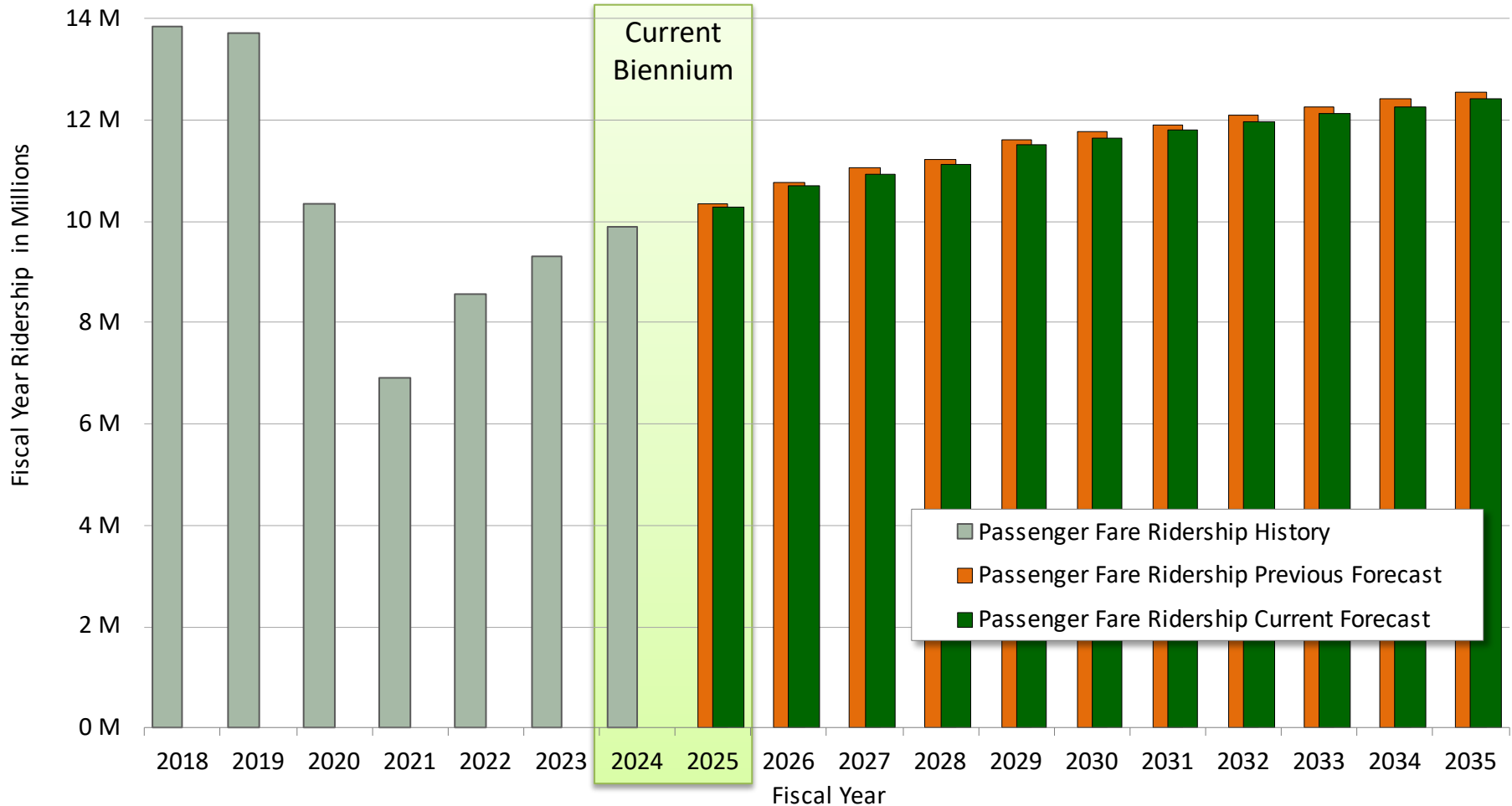
^ Note: This graph compares preliminary ridership data for 2024 to the same weekday in 2019-2023 using the average of the last 7 days. Total ridership is estimated based on fares collected. Hover over the lines to see total riders, vehicles, and walk-on counts for each day.

Key factors driving the November 2024 ferry ridership forecasts

- Recent ridership performance lagging slightly below forecast**
 - Actual ridership through October (first four months of FY 2025) was 2.6% below prior forecasts, with passenger fares 3.7% below forecast and vehicle/driver fares 1.1% below forecast.
 - Total ridership in these four months is 1.7% higher than the same period last year, with passenger fares growing by 2.4% and vehicle/driver fares growing by 0.9%.
 - Overall, current ridership is approaching 81% of pre-pandemic levels and is projected to reach 95% by the end of the forecast horizon (FY 2035).
- The November Forecast economic variables, combined with ongoing service reliability issues, contribute to lower ridership demand over the forecast horizon**
 - Continued reduced service levels on some routes, combined with unplanned service disruptions due to staff attrition and vessel availability challenges, are expected to contribute to lower ridership demand at least until the delivery of new vessels begins in 2028.
 - Ridership forecasts are 1.0% lower for FY 2025 and 0.5% lower for the 2023-25 biennium vs. September

Economic & Demographic Factors Impacting Latest Ridership Forecasts	
 Higher Ridership Demand	 Lower Ridership Demand
Lower real gas prices through FY 2025	Higher real gas prices after FY 2026
Slightly higher real personal income	Slightly lower employment projections
	Slightly lower inflation = slightly higher real fares
	Ongoing service reliability issues and vessel constraints

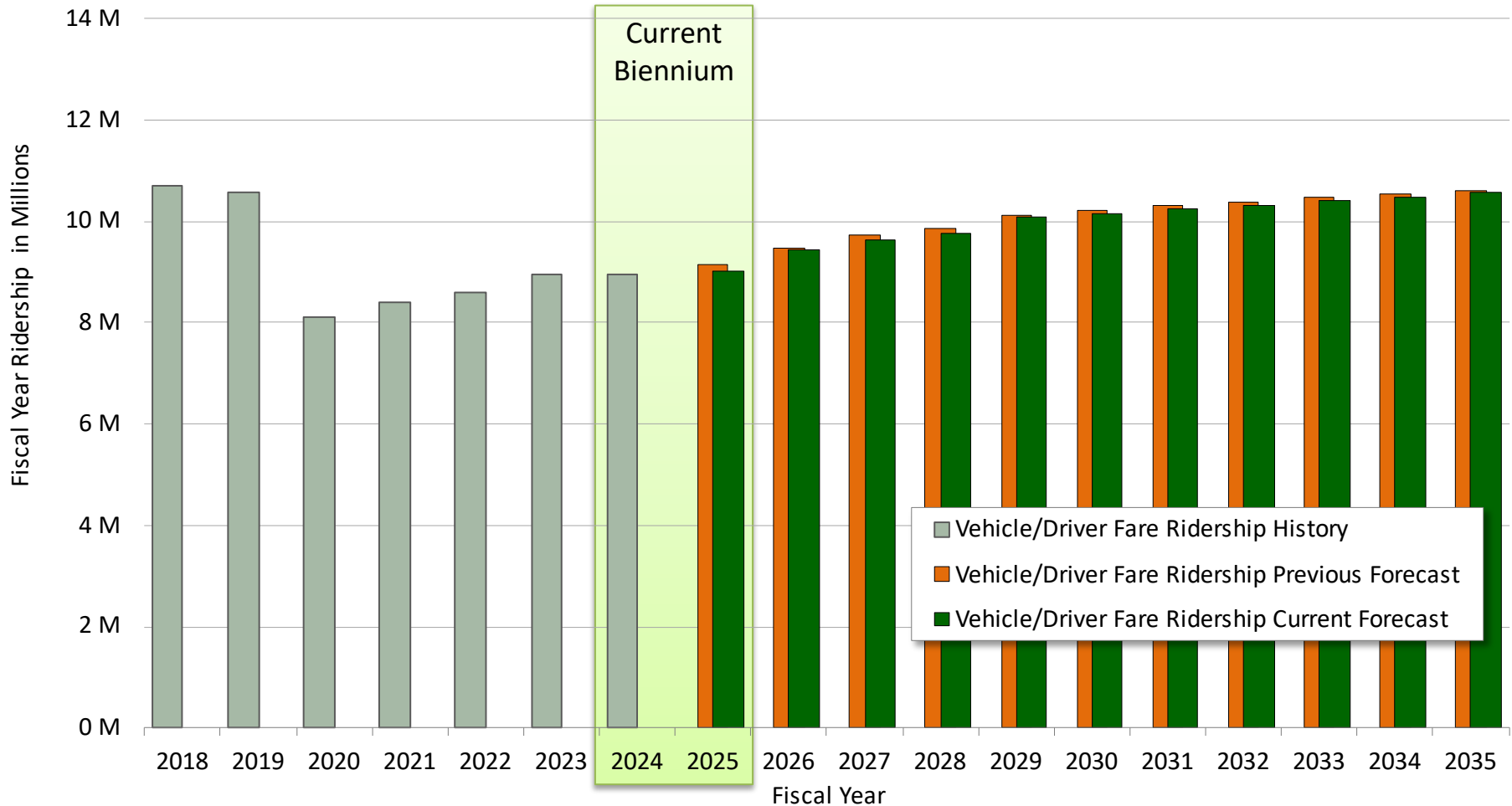
Ferry Passenger Ridership Forecast Comparison | November vs. September



November 2024 Forecast | passenger fare ridership changes:

- FY 2025 — Annual growth +3.7% ↓ 0.8% from September forecast
- FY 2026 — Annual growth +4.1% ↓ 0.7% from September forecast

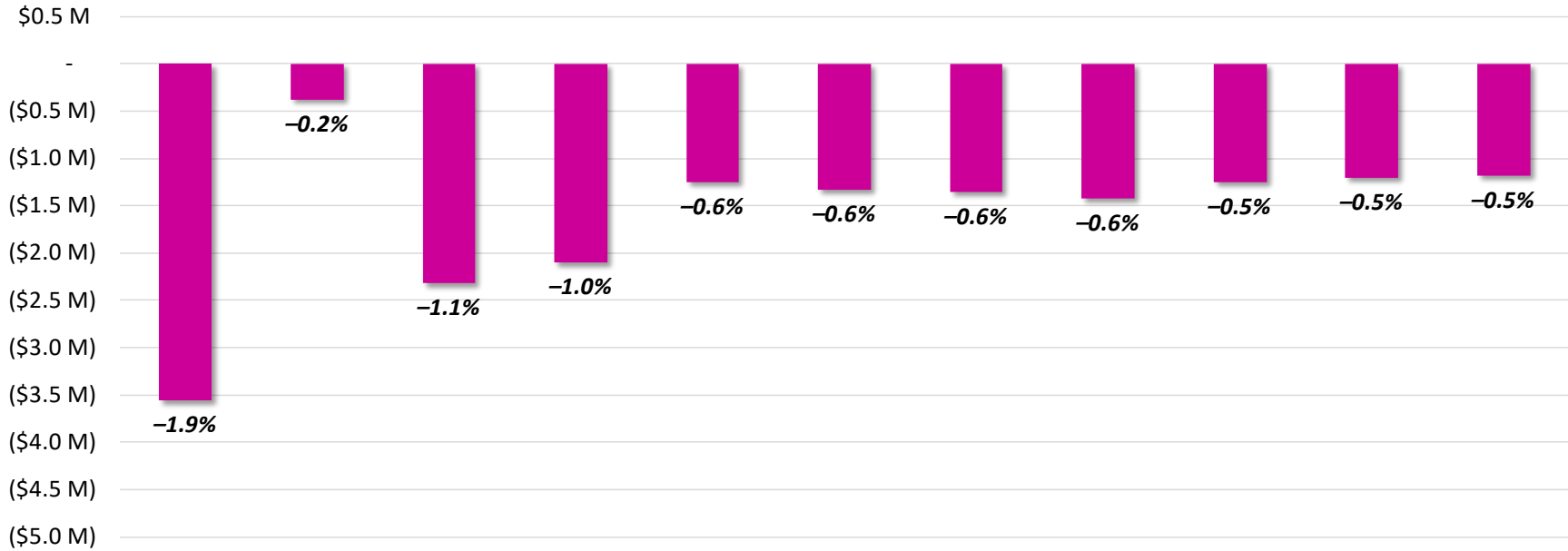
Ferry Vehicle/Driver Ridership Forecast Comparison | November vs. September



November 2024 Forecast | vehicle/driver fare ridership changes:



- FY 2025 — Annual growth +0.7% ↓ 1.3% from September forecast
- FY 2026 — Annual growth +4.7% ↓ 0.2% from September forecast

Change in Ferry Farebox Revenue Forecast Comparison | November vs. September



	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035
Nov '24 Forecast	\$187.01 M	\$201.01 M	\$205.04 M	\$208.08 M	\$215.44 M	\$217.90 M	\$221.73 M	\$224.05 M	\$226.26 M	\$228.11 M	\$229.77 M
Forecast Change	(\$3.55 M)	(\$0.38 M)	(\$2.32 M)	(\$2.10 M)	(\$1.26 M)	(\$1.33 M)	(\$1.35 M)	(\$1.42 M)	(\$1.25 M)	(\$1.20 M)	(\$1.19 M)
Forecast % Change	-1.9%	-0.2%	-1.1%	-1.0%	-0.6%	-0.6%	-0.6%	-0.6%	-0.5%	-0.5%	-0.5%

November 2024 Baseline Forecast | changes in ferry farebox revenues:

- FY 2025 —  \$3.55 M (1.9%) from September forecast
- FY 2026 —  \$0.38 M (0.2%) from September forecast

Summary: November Forecast vs. Prior September Forecast

Ferry Farebox Revenue

- 2023-25 Biennium: \$365.66 M  \$3.55 M (1.0%) from September
- 2025-27 Biennium: \$406.05 M  \$2.70 M (0.7%) from September

Reasons for the Revisions

- Net dampening impacts of the economic projections and recent actual performance
- Continued uncertainty around service levels due to staff attrition and vessel availability challenges

Ferry Miscellaneous Revenue

- 2023-25 Biennium: \$8.83 M  \$0.38 M (4.2%) from September
- 2025-27 Biennium: \$12.31 M  \$0.58 M (4.9%) from September

Reasons for the Revisions

- Higher expectations for terminal concessions and advertising revenues starting in FY 2026 more than offset slight decreases in other miscellaneous revenue sources that are linked to the ridership projections

Fare Revenues Comparison

Initial 2023-25 Biennial Budget

- Provided **\$740 million** to WSF Operations
 - \$418 million of this funding was assumed to come from Ferry Fare Revenue
 - \$13 million of the \$418 million is for the Capital/Vessel Surcharge
- This represents a 56% farebox recovery rate

2024 Supplemental Budget

- Provides **\$770 million** to WSF Operations
 - \$372 million of this funding is assumed to come from Ferry Revenue (farebox and non-farebox)
 - \$12 million of the \$372 million is for the Capital/Vessel Surcharge
- This represents a 48% farebox recovery rate

November Forecast vs. Fare Revenue Target

The 2024 Supplemental Budget assumes **\$371.6 million** to come from Ferry Revenue (farebox and non-farebox) for the 2023-25 Biennium.

The November Forecast projects **\$374.5 million** in Ferry revenues (farebox and non-farebox) in the 2023-25 biennium.

This is **\$2.9 million** above the farebox revenue target.

	2024 Supplemental Fare Revenue Target	November 2024 Forecast	Difference
Ferry Farebox Revenues	\$363,558,000 ¹	\$365,660,000 ¹	\$2,102,000 ¹
Ferry Non-Farebox Revenues	\$8,016,000	\$8,828,000	\$812,000
2023-25 Biennium Ferry Revenues	\$371,574,000 ¹	\$374,488,000 ¹	\$2,914,000 ¹

¹ - Amounts include farebox revenue inclusive of capital surcharge, and non-farebox revenue.

QUESTIONS?

For additional information regarding the September 2024 Revenue and Ridership Forecasts Update, please contact:

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