

The logo for samTrans, featuring the text "samTrans" in a bold, black, sans-serif font. Below the text are two horizontal bars: a red bar on top and a blue bar on the bottom. The entire logo is enclosed in a white rectangular box with a thin black border.

samTrans

Preliminary FY2020 Operating and Capital Budgets

**Board of Directors
May 1, 2019
Finance Agenda Item #5**

- **Rolled forward FY2019 “Baseline” budget**
 - Excludes FY2019 special / one-time projects

- **Reviewed by**
 - **Cost Center Managers**
 - **Chief Operating Officer**
 - **Executive Team**



Challenges



- **Increasing Baseline service costs**
- **Debt service**
- **Decline in farebox recovery**
- **Grant revenues are not keeping up**
- **Increased dependence on volatile sales tax**



Measure W Related Budget Outcomes



Mobility Improvement:

- Comprehensive Operational Analysis (COA)
- Zero Emissions Bus Implementation Plan (ZEB)
- Express Bus Service
- Shuttles Service Study

Organizational Capacity - Staffing

- New Bus Operators for improved service:
- Create additional organizational bandwidth



Measure W Related Budget Outcomes

samTrans

Deferred Investments:

- Paratransit Scheduling Software Upgrade
- Expanding Marketing Strategy Opportunities

Capital Investment / Debt financing opportunities

Key Assumptions



- Wage increase of 3% effective July 1st for all represented employees
- Salary increase of 3% for non-represented employees
- Increased costs for OPEB and CalPERS unfunded liabilities
- Contracted Urban Bus Service (CUB)

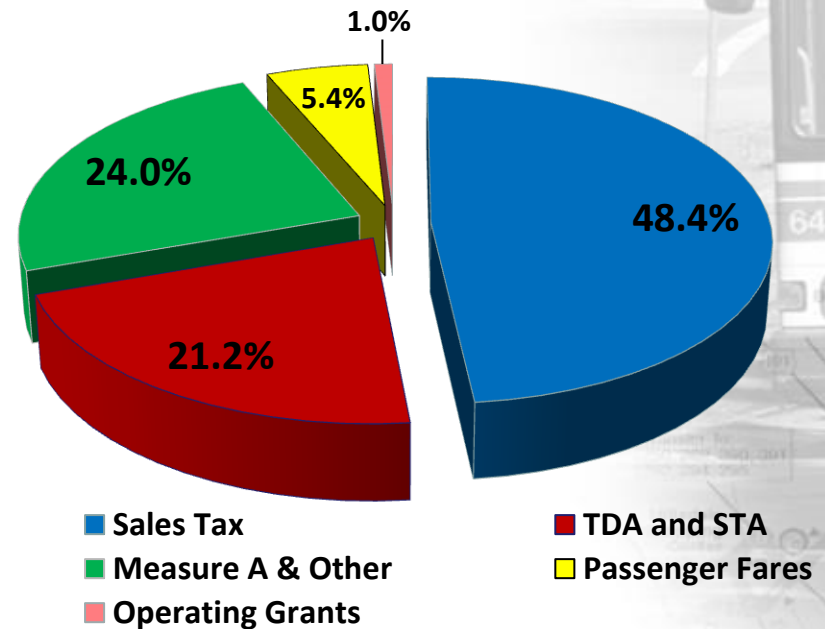
FY20 Operating Revenue

\$ in Millions

samTrans

FY2020 Preliminary Revenues

Passenger Fares	\$ 15.3
Local TDA and STA Funds	59.9
Pass through to Other Agencies	0.3
Operating Grants	2.7
SMCTA Measure A	12.8
SM County Measure K & Other	1.3
District Sales Tax	91.0
Measure W Sales Tax	45.5
Investment Income, Interest, & Other	11.9
Due From JPB, TA & SamTrans Cap W&B	41.5
	<u>\$ 282.2</u>



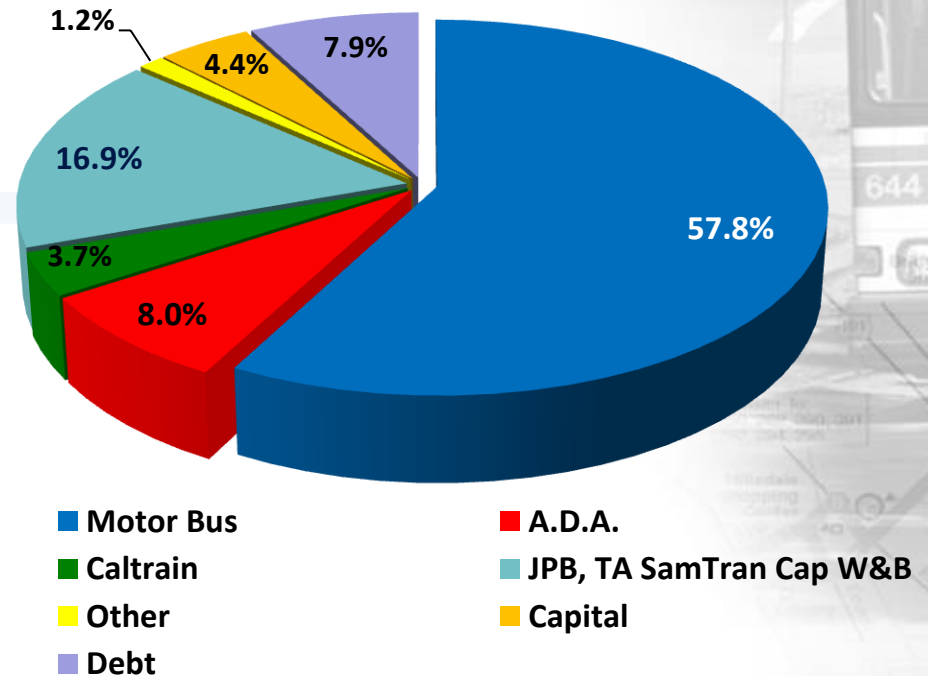
FY20 Operating Expense

\$ in Millions

samTrans

FY2020 Prelim Operating Expense

Motor Bus	\$ 117.1
Contract Urban Bus (CUB)	25.2
A.D.A. Programs	19.7
Caltrain	9.2
Multi-Modal Programs	2.7
JPB, TA SamTran Cap W&B	41.5
Pass throughs & Other	0.4
Capital	10.9
Debt	19.4
	<hr/>
	\$ 246.1



FY20 Preliminary Budget

\$ in Millions



SOURCES OF FUNDS	FY20 Prelim Budget
Fares	\$15.3
TDA & STA Funds	59.9
Other Op Income	17.4
District Sales Tax	91.0
Measure W	45.5
Other Income	11.5
Total Revenue *	\$240.6

USES OF FUNDS	FY20 Prelim Budget
District Motor Bus	\$111.4
Pension / OPEB Funding	5.8
Total Contracted Bus	25.2
Total ADA	19.7
Other Expenditures	12.1
Debt Service	19.4
Capital Allocation	10.9
Total Expenditures *	\$204.5
Surplus/(Deficit)	\$36.1

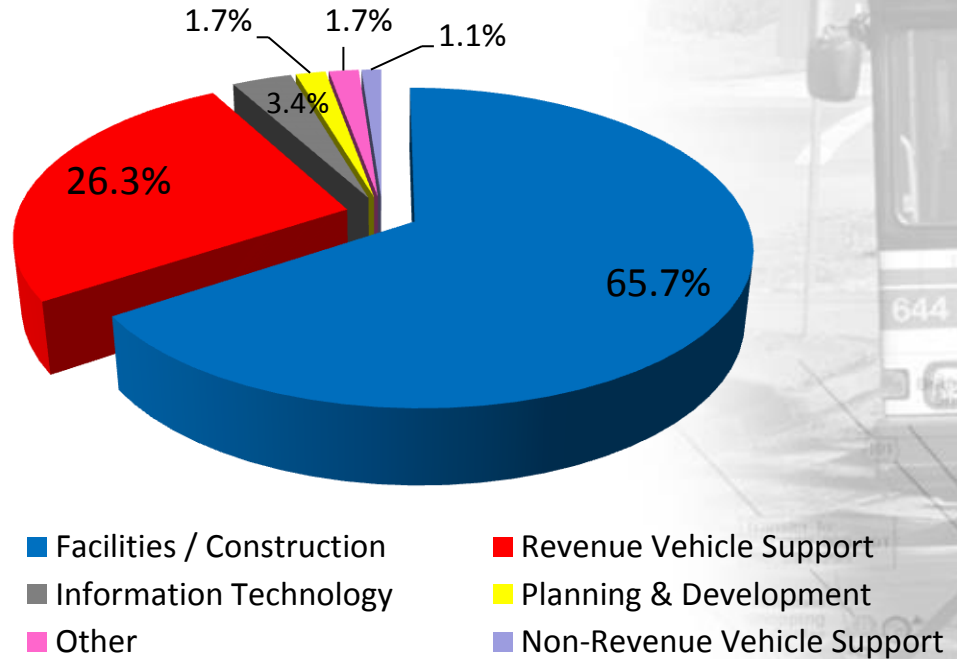
*Excludes JPB, TA & SamTrans Capital Wage & Benefits \$41.5 Million

- **Maintains District's existing service and infrastructure network**
- **Ensures vehicles and facilities are maintained in a state of good repair**
- **Investments in:**
 - **Infrastructure**
 - **Safety & Security**
 - **Information Technology**

FY20 Capital Investment \$ in Millions



<u>FY2020 Capital Investment</u>	<u>Amount</u>
Facilities / Construction	\$ 9.5
Revenue Vehicle Support	3.8
Information Technology	0.5
Planning & Development	0.3
Other	0.3
Non-Revenue Vehicle Support	0.2
\$	14.5



FY2020 Budget Capital Projects



REVENUE VEHICLE SUPPORT:

- Revenue Vehicle Support \$3.4 million
- Major Bus Components: \$0.6 million
- Replacement of Revenue Paratransit Vans: \$1.0 million
- Replacement of Paratransit Cutaways : \$1.7 million
- Maintenance Support Equipment: \$0.1million

NON REVENUE VEHICLE SUPPORT: \$0.2 million

INFORMATION TECHNOLOGY:

- Spear System Improvement: \$0.2 million
- Intranet Solution Replacement: \$0.4 million

PLANNING / DEVELOPMENT: \$0.3 million

SAFETY AND SECURITY:

- CCTV Network Improvements: \$0.2 million



FY2020 Budget Capital Projects



FACILITIES / CONSTRUCTION:

- Facilities Smaller Projects: \$1.1 million
- Central Building Refresh & Roof Repair: \$2.6 million
- Central Building Planning: \$0.8 million
- North and South Base Facilities Improvement and Rehab: \$3.4 million

FACILITIES / CONSTRUCTION – Measure W:

- 60' Aerial Lift Apparatus: \$0.7 million
- ADA Study & Phase 1 Retrofits: \$1.2 million
- North & South Base Exterior Painting: \$1.1 million

CONTINGENCY \$0.3 Million



June 2019

- Based on input from the Board, finalize FY20 Budgets for adoption

Summer / Fall 2019

- Operating reserve policy
- Revenue stabilization fund
- Development of CalPERS / OPEB funding strategy