

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

samTrans

The background of the slide is a blue-tinted image. On the right side, there is a close-up of the front of a white bus with a red and blue stripe. The bus has a wheelchair accessibility symbol, the number "295", and "MENLO CALIF" on the top. Below the windshield, it says "samTrans" and "644". On the left side, there is a faint map of the San Mateo Peninsula with various locations labeled, including "San Mateo", "Redwood Shopping Center", and "San Bruno".

Proposed FY2021 Operating and Capital Budgets

**Board of Directors
September 2, 2020
Finance Agenda Item # 3**

Changes from August Board Meeting (\$ in millions)

<u>Sources of Funds</u>	FY2021 Preliminary Budget	FY2021 Proposed Budget	Changes
CARES ACT Funding	\$ 41.4	\$ 25.5	\$ (15.9)
District Sales Tax	84.8	80.0	(4.8)
Measure W	42.4	40.0	(2.4)
Operating Grants & Pass Thru	3.3	3.9	0.6
SMCTA Measure A	11.2	10.6	(0.6)
Change in Revenues	\$ 183.1	\$ 160.0	\$ (23.1)

Change in Revenues Reflect:

- Further uncertainties in economy
- Duration of Shelter-in-Place
- Unemployment benefit reductions

<u>Uses of Funds</u>	FY2021 Preliminary Budget	FY2021 Proposed Budget	Changes
Motor Bus	\$ 119.0	\$ 119.4	\$ 0.4
Contract Urban Bus (CUB)	26.6	26.7	0.1
A.D. Programs	19.0	19.1	0.1
Caltrain	9.2	8.9	(0.3)
Pass through & Other	0.5	0.6	0.1
Capital Allocation	48.0	24.9	(23.1)
Change in Expenditures	\$ 222.3	\$ 199.6	\$ (22.7)

Change in Expenditures Reflect:

- Increased Insurance premiums
- Updated Caltrains Member Contribution
- Adjustment to Reserves for Future Capital

FY21 Proposed Budget Outlook

Sources of Funds	FY2020 Forecast	FY2021 Proposed Budget	Variance
Passenger Fares	\$ 11.9	\$ 5.3	(6.6)
* Local TDA and STA Funds	56.8	45.1	(11.7)
Pass through to Other Agencies	0.3	0.6	0.3
CARES ACT Funds	2.8	25.5	22.7
Operating Grants	2.8	3.3	0.5
** SMCTA Measure A	12.7	10.6	(2.1)
** AB434, TA Funded Shuttles & Other	0.4	0.5	0.1
District Sales Tax	91.6	80.0	(11.6)
Measure W Sales Tax	44.1	40.0	(4.1)
Investment Income, Interest, & Other	11.8	10.5	(1.3)
JPB, TA, JPA & SamTrans Cap W&B	35.7	32.0	(3.7)
Total Revenue	\$ 270.9	\$ 253.4	\$ (17.5)

Use of Funds	FY2020 Forecast	FY2021 Proposed Budget	Variance
Motor Bus	\$ 118.1	\$ 119.4	\$ 1.3
Contract Urban Bus (CUB)	26.2	26.7	0.5
A.D.A. Programs	18.1	19.1	1.0
Caltrain	9.2	8.9	(0.3)
Multi-Modal Programs	2.7	2.7	(0.0)
Pass through & Other	0.4	0.6	0.2
JPB, SMCTA, JPA, SAMTRA Capital	35.7	32.0	(3.7)
Reserves for Capital Allocation	10.9	24.9	14.0
Debt Service	19.4	19.1	(0.3)
Total Expenditures *	\$ 240.7	\$ 253.4	\$ 12.7

* Reflects change to FY2020 Forecast for CARES ACT Funding drawdowns

** Reflects changes to FY2020 Forecast expected Sales Tax Revenues

Key Assumptions

- **Fare collection resumes starting Q2 FY2021; but ridership is assumed to be significantly lower than Pre-COVID levels through all of FY2021**
- **0% salary increase for non-represented employees**
- **0% wage increase for all represented employees**
- **Bus Operator vacancies for open positions assumed in Q1;**
- **Suspension of the Express Bus Service in Q2 through Q4 resulted in bus operating vacancy savings**
- **Hiring freeze on current open administrative positions**
- **Various other expense reductions as a result of COVID**

Challenges

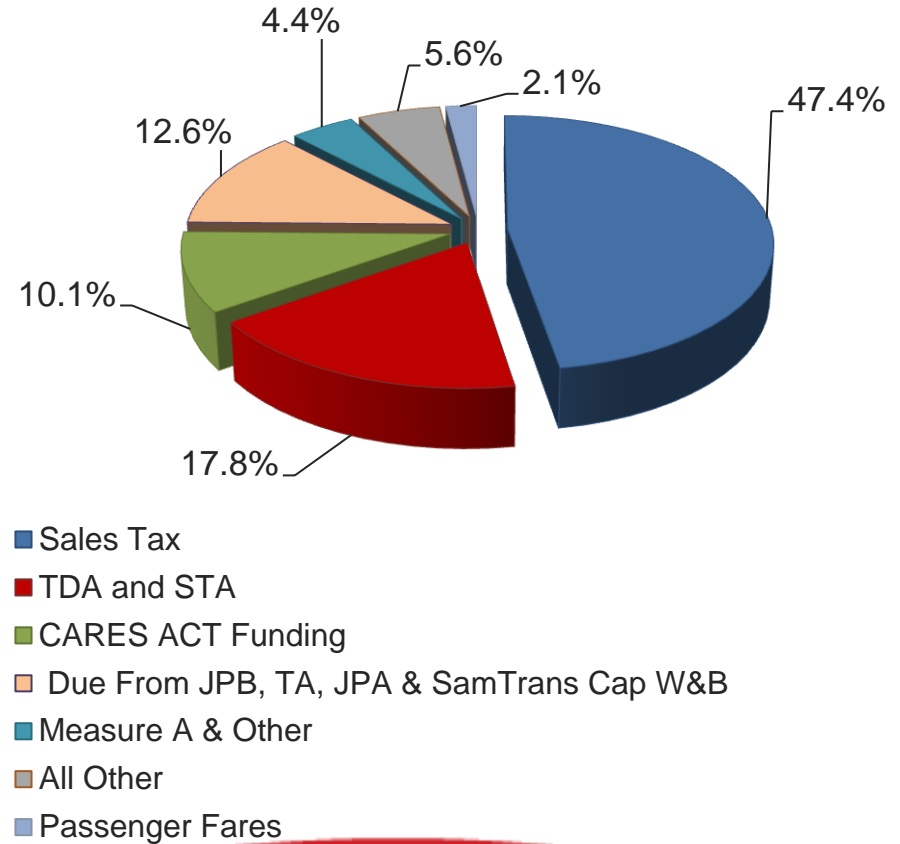
Recent increases in COVID cases puts State and County strategies for “re-opening” on hold

- **Schools are uncertain about their in classroom instruction**
- **Delayed reopening and reversals of openings for certain non-essential businesses**
- **Social Distancing, vital for COVID prevention, requires additional flexibility and more vehicles that utilize less capacity**
- **End of pandemic is uncertain**

FY21 Proposed Revenues

FY2021 Sources of Funds

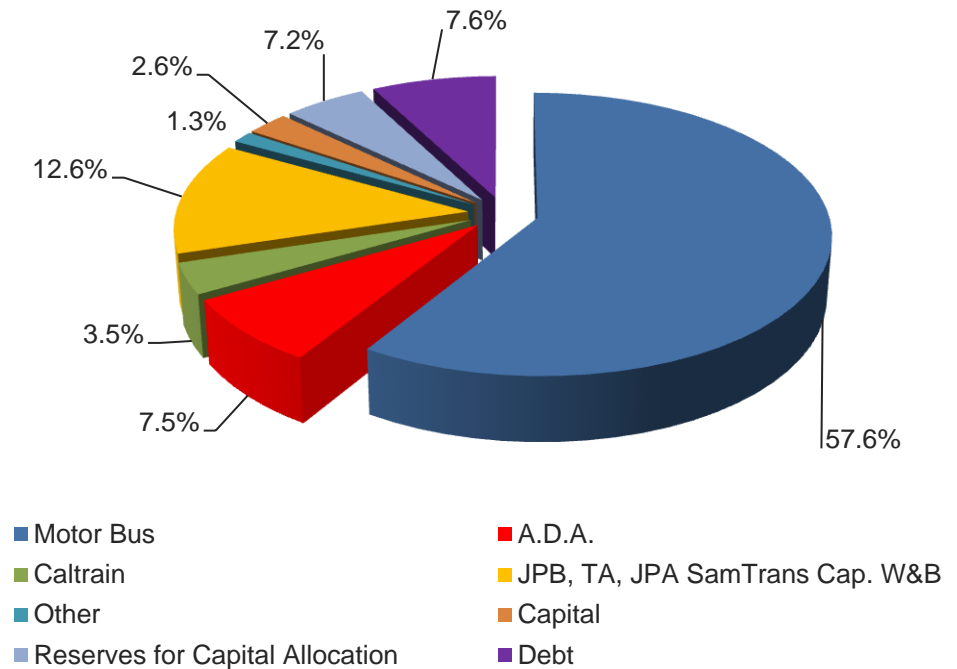
Passenger Fares	\$ 5.3
Local TDA and STA Funds	45.1
Pass through to Other Agencies	0.6
CARES ACT Funding	25.5
Operating Grants	3.3
SMCTA Measure A	10.6
AB434, TA Funded Shuttles & Other	0.5
District Sales Tax	80.0
Measure W Sales Tax	40.0
Investment Income, Interest, & Other	10.4
Due From JPB, TA, JPA & SamTrans Cap W&B	32.0
	\$ 253.3



FY21 Proposed Expense

FY2021 Uses of Funds

Motor Bus	\$	119.4
Contract Urban Bus (CUB)		26.7
A.D.A. Programs		19.1
Caltrain		8.9
Multi-Modal Programs		2.7
JPB, TA, JPA SamTrans Cap. W&B		32.0
Pass throughs & Other		0.6
Capital		6.6
Reserves for Future Capital Allocation		18.3
Debt		19.1
	\$	253.4



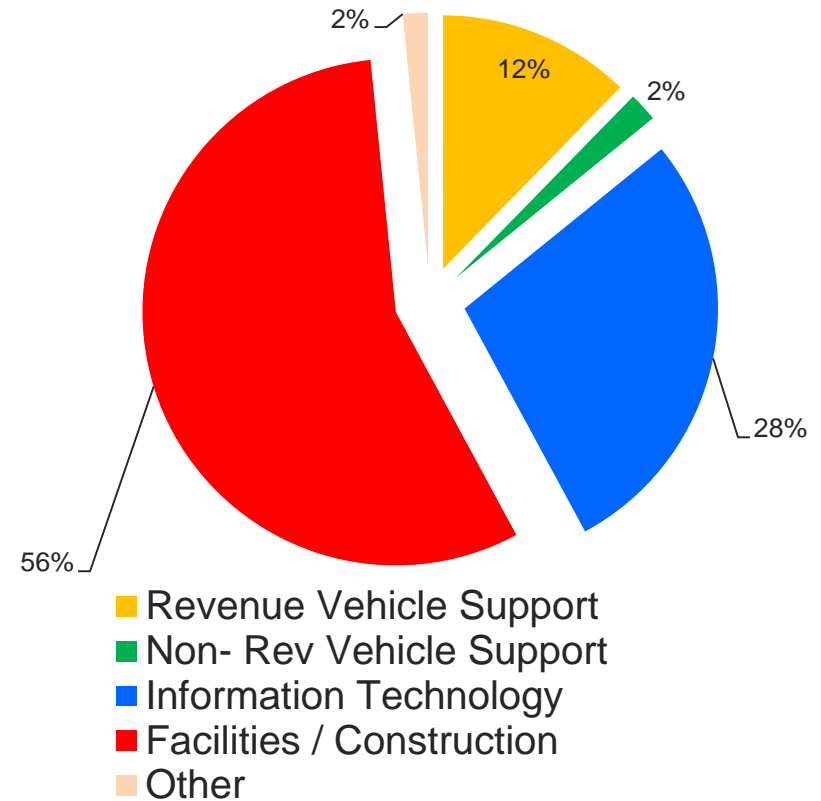
FY21 Capital Projects Priorities

- **Maintains District's existing service and infrastructure network**
- **Ensures vehicles and facilities are maintained in a state of good repair**
- **Funding from FY2021 District Sales Tax and Measure W**
- **Investments in:**
 - **Infrastructure**
 - **Information Technology**

FY21 Capital Projects Priorities

FY2021 Amended Capital Budget

			<u>Share</u>
Revenue Vehicle Support	\$	0.8	12%
Non- Rev Vehicle Support		0.1	2%
Information Technology		1.8	28%
Facilities / Construction		3.5	56%
Other		0.1	2%
\$		6.3	100%



FY21 Budget Capital Projects

- **REVENUE VEHICLE SUPPORT:**

- Major Bus Components: \$540,525

- Maintenance Support Equipment : \$230,800

- **NON-REVENUE VEHICLE SUPPORT:**

- Replace Non- Revenue Vehicles Service Support: \$116,500

- **INFORMATION TECHNOLOGY:**

- Automating Daily Dispatch, Bid, Scheduling & Hastus in the Cloud:
\$1,750,424

FY21 Budget Capital Projects

- **FACILITIES / CONSTRUCTION:**

- Facilities Smaller Projects: \$1,130,000
- South Base Switchgear Replacement: \$1,000,000
- North Base Bus Washer Replacement: \$395,000
- North Base 200 Operations Building Replacement (Planning): \$1,000,000

- **CONTINGENCY: \$150,000**

- **TOTAL FY2021 REQUESTED AMENDMENT: \$6,313,249**

- **TOTAL FY2021 AMENDED CAPITAL BUDGET: \$11,898,522**

Long-term Capital Considerations

▪ Numerous items that will require substantial capital investment over next several years:

- Implementation of zero-emission bus operations (rolling stock and infrastructure)
- North Base Operations Building replacement
- South Base Asphalt
- Central Administration Building
- Unfunded Liabilities (Pension, Retiree Health Care)
- Technology

Next Steps

- **Continue to monitoring current economic environment and update FY2021 Adopted Budget if necessary**
- **September 2nd Board Meeting: Present for Adoption the FY2021 Budget**