

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
8	05/10/10	Open	Action	04/30/10

Subject: Accepting Public Comment on Proposed Fiscal Year 2011 Budget

ISSUE

Whether to accept public comment on Proposed Fiscal Year 2011 Budget

RECOMMENDED ACTION

- A. Accept Public Comment on the Proposed Fiscal Year 2011 Budget; and
- B. Motion: To Continue the Public Hearing to June 14, 2010

FISCAL IMPACT

None as a result of this action.

DISCUSSION

The Proposed Fiscal Year 2011 Budget was released for public review on April 12, 2010. The public is offered an opportunity to express opinions regarding the proposed Fiscal Year 2011 Budget (Attachment 1). As of this date, staff has received no public comments. On June 14, 2010, staff will recommend that the Board close the public hearing and adopt the Fiscal Year 2011 Budget.

Staff is still working with all departments within RT to refine the budgeted revenues and expenses at the Division level. It is a work in progress, and staff is working to trim expenses even further.

Since the Proposed FY 2011 Budget was released for the 60-day public review, the following updated information has been received on revenues and expenditures that will impact the final FY 2011 Budget .

Revenues:

- Potential decrease in projected fare revenue for FY 2010 of \$1.1 million to reflect a reduction in ridership and less than anticipated fare revenues. The reduction in FY 2010 projections reduces the base for FY 2011 projections and as a result, fare revenues for FY 2011 will also decrease by \$1.0 million, for a combined reduction in revenue of \$2.1 million.
 - Unknown factors that may affect the final fare revenue projection include potential changes in State furloughs; increases in gas price's and fluctuations in regional unemployment.
- Potential increase in Measure A revenue projection for FY 2011 of \$4,070,765, based on updated information from the Sacramento Transportation Authority (STA). STA will propose a 0% change from FY 2010 projected revenues at the May 13 STA Board meeting. The FY 2011 budget currently assumes a 14% decrease over FY 2010 revenues.

Approved:

Presented:

FINAL 5/5/10

General Manager/CEO

Chief Financial Officer

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- Potential decrease in contract revenue and corresponding increase in fare revenue related to the RT – Sacramento County Department of Human Assistance (DHA) contract and the inability to come to terms on the agreement. If the contract is not renewed, contract revenue may decline by \$2.2 million. However, the need for transportation services by the recipients of the monthly stickers which, when combined with an RT-issued ID card are the equivalent of a monthly pass, will remain. RT will likely receive as much or more in increased fare revenue from former sticker recipients who will instead pay for transit directly.
- Potential additional reductions in contract revenue from the Cities of Elk Grove and Folsom due to service reductions and requested contract revisions.

Expenditures:

- Overall projected savings from adopted service reductions may change. Service reduction savings were an estimate and since the Board adopted service changes, staff has implemented the final run cut so that actual cost savings can be evaluated and built into the FY 2011 Operating Budget. Staff expects that each run cut will result in additional efficiencies that will translate into additional cost savings as the year progresses.
- Salary and benefits is an area of continued analysis due to the costs related to the reduction in work force, including retirements; savings associated with union concessions; and operational labor/fringe benefit savings directly resulting from service reductions. While variances remain, staff continues to fine tune the labor budget details and work with all departments to finalize the position count and reduction in work force numbers. Any revisions to the proposed budget will be provided by the June 14th Board meeting.

Proposed FY 2011 Capital Budget

With regard to the Capital Budget, the total proposed budget includes all known and estimated funding sources. Staff continues to work with external agencies to finalize funding availability for ongoing and new projects. Final revisions to the proposed Capital budget, if any, will be provided by the June 14th Board meeting.



Sacramento Regional Transit District

Abridged Proposed Budget
Fiscal Year 2010-2011

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Board of Directors

Steve Miller, Chair
City of Citrus Heights

Don Nottoli, Vice Chair
County of Sacramento

Steve Cohn
City of Sacramento

Roger Dickinson
County of Sacramento

Lauren Hammond
City of Sacramento

Pat Hume
City of Elk Grove

Roberta MacGlashan
County of Sacramento

Andy Morin
City of Folsom

Bonnie Pannell
City of Sacramento

David Sander, Ph.D.
City of Rancho Cordova

Ray Tretheway
City of Sacramento

Board of Directors Alternates

Steve Detrick
City of Elk Grove

Robert McGarvey
City of Rancho Cordova

Executive Team

Mike Wiley
General Manager/CEO

Bruce Behrens
Chief Legal Counsel

Dee Brookshire
Chief Financial Officer

RoseMary Covington
Assistant General Manager of Planning and Transit System Development

Dan Bailey
Chief Administrative Officer/EEO Officer

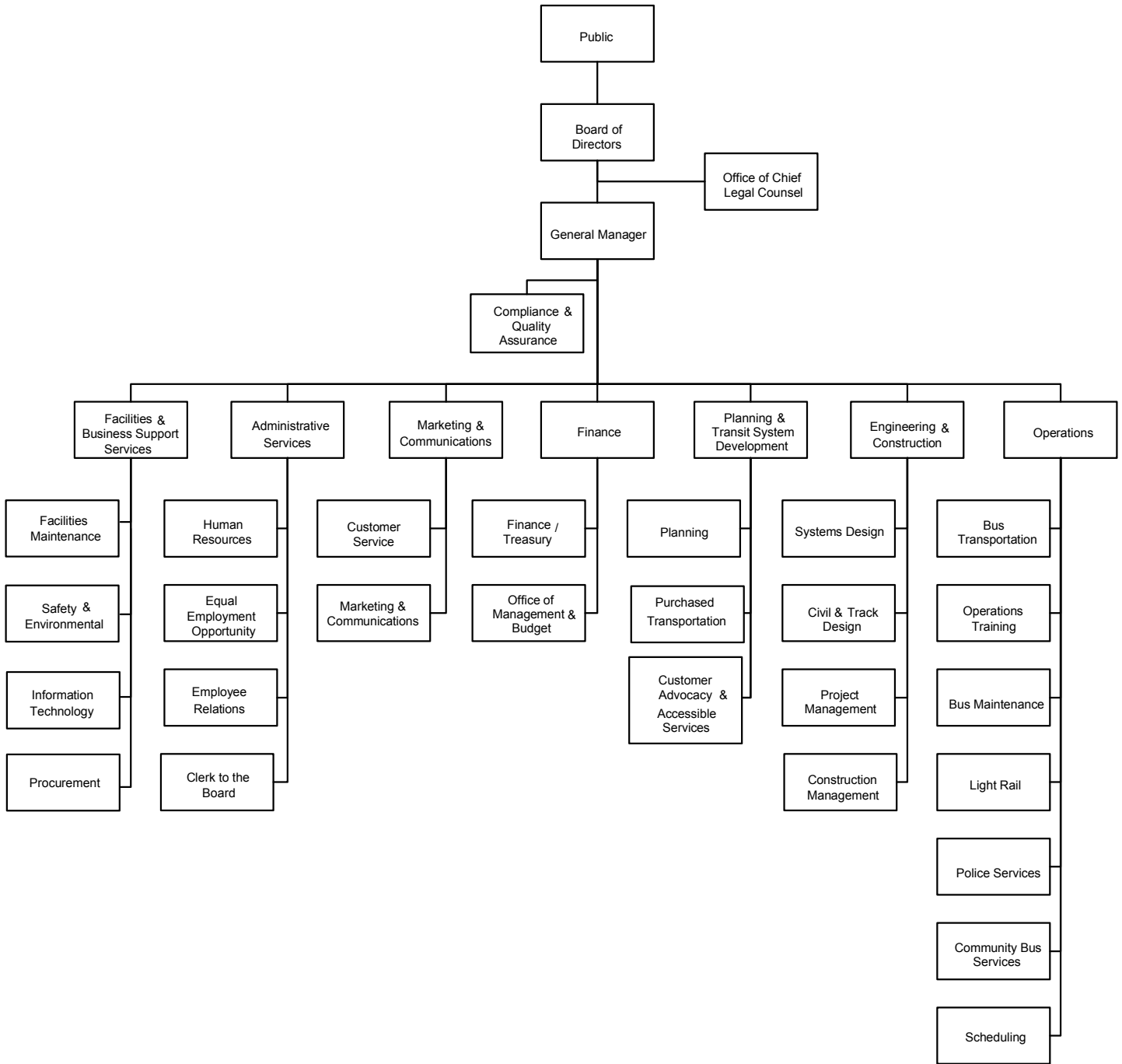
Mark Lonergan
Chief Operating Officer

Alane Masui
Assistant General Manager of Marketing and Communications

Mike Mattos
Chief of Facilities and Business Support Services

Diane Nakano
Assistant General Manager of Engineering and Construction

Organizational Structure



District Profile

Facts

Sacramento Regional Transit District	Constructs, operates, and maintains a comprehensive mass transportation system that serves 418 square miles in Sacramento County
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Bus Service	
Power	Compressed Natural Gas, Diesel, Gasoline
Routes	94
Schedule	5:04 am to 11:33 pm daily
Stops	3,500
Vehicles	216 CNG Buses; 4 CNG Replica Streetcars; 28 Shuttle Vans (9 diesel, 19 gasoline)
Annual Ridership	17,735,397

Light Rail Service	
Power	Electrical
Miles	36.89
Schedule	3:50 am to 12:50 am daily
Stops	48
Vehicles	76
Annual Ridership	17,315,017

Paratransit	
ADA Passenger Trips Provided	330,616
ADA Vehicle Revenue Miles	3,102,585
Vehicles	109

Passenger Amenities/ Customer Service	
Transfer Centers	26
Park & Ride	18
Annual Customer Service Calls	950,904
Customer Info Line	(916) 321-2877
Website	www.sacrt.com

History	
Apr 1, 1973	Began operations by acquiring the assets of Sacramento Transit Authority
1973	Completed new maintenance facility and purchased 103 new buses
1987	Opened the 18.3-mile light rail system, linking the northeastern Interstate 80 and southeastern Highway 50 corridors with Downtown Sacramento
Sep 1998	Completed the first light rail extension to Mather Field/Mills Station along the Gold Line corridor
Sep 2003	Opened the South Line, extending light rail to South Sacramento
Jun 2004	Extended light rail from Mather Field/Mills to Sunrise Boulevard
Oct 2005	Extended light rail from Sunrise Boulevard to Folsom, including four new stations
Dec 2006	Extended light rail from downtown Sacramento to Sacramento Amtrak station

Strategic Plan

Adopted by the Board of Directors in January 2004, the RT strategic plan establishes RT's commitment to become a more efficient and competitive public transportation provider in the Sacramento region.

The Strategic Plan outlines the way RT will implement the Regional Metropolitan Transportation plan and defines RT's vision and mission. These purposes require that RT align its goals with the Region's, shape activities to support the goals, responsibly manage the things that are done, commit resources, and measure performance.

RT acts as the Region's focal point for transit research and development, strategic planning and system assessment, intermodal research coordination and facilitation, and transit education and safety training. RT's programs involve multiple modes of transportation.

This plan is RT's commitment to the people of the Sacramento Region to make their lives better. RT will accomplish this through regional leadership, ethical and sound business practices, and financial sustainability. RT will continue to focus on customer service and provide safe, clean, and reliable transportation service. To prepare for future needs in the 21st Century, RT will build and continuously develop a highly skilled transportation workforce, and will increase our readiness to respond to transportation emergencies that disrupt communities and affect our customers throughout the region. RT will continue to challenge itself to meet the growing transportation needs of the Sacramento Region.

The RT's Strategic Plan summary of Mission, Vision, Values and Goals are on the following page is the result of the hard work of many of RT's employees and partners who are dedicated to leading the way to transportation excellence in the 21st Century. The plan is best seen as an evolving process, not a rigid or fixed document. This strategic plan will change as the needs of the Region change and reflect the transportation requirements of the Region.

Strategic Plan, cont.

Our Mission

To promote and enhance regional mobility and serve the public by providing quality transit services and solutions that improve the overall quality of life in the Sacramento region.

Our Vision

A coordinated regional public transportation system that delivers quality and environmentally sensitive transit services that are an indispensable part of the fabric of communities throughout the Sacramento region.

Our Values

- Financial Sustainability
- Customer Service
- Regional Leadership
- Quality Workforce
- Ethical and Sound Business Practices

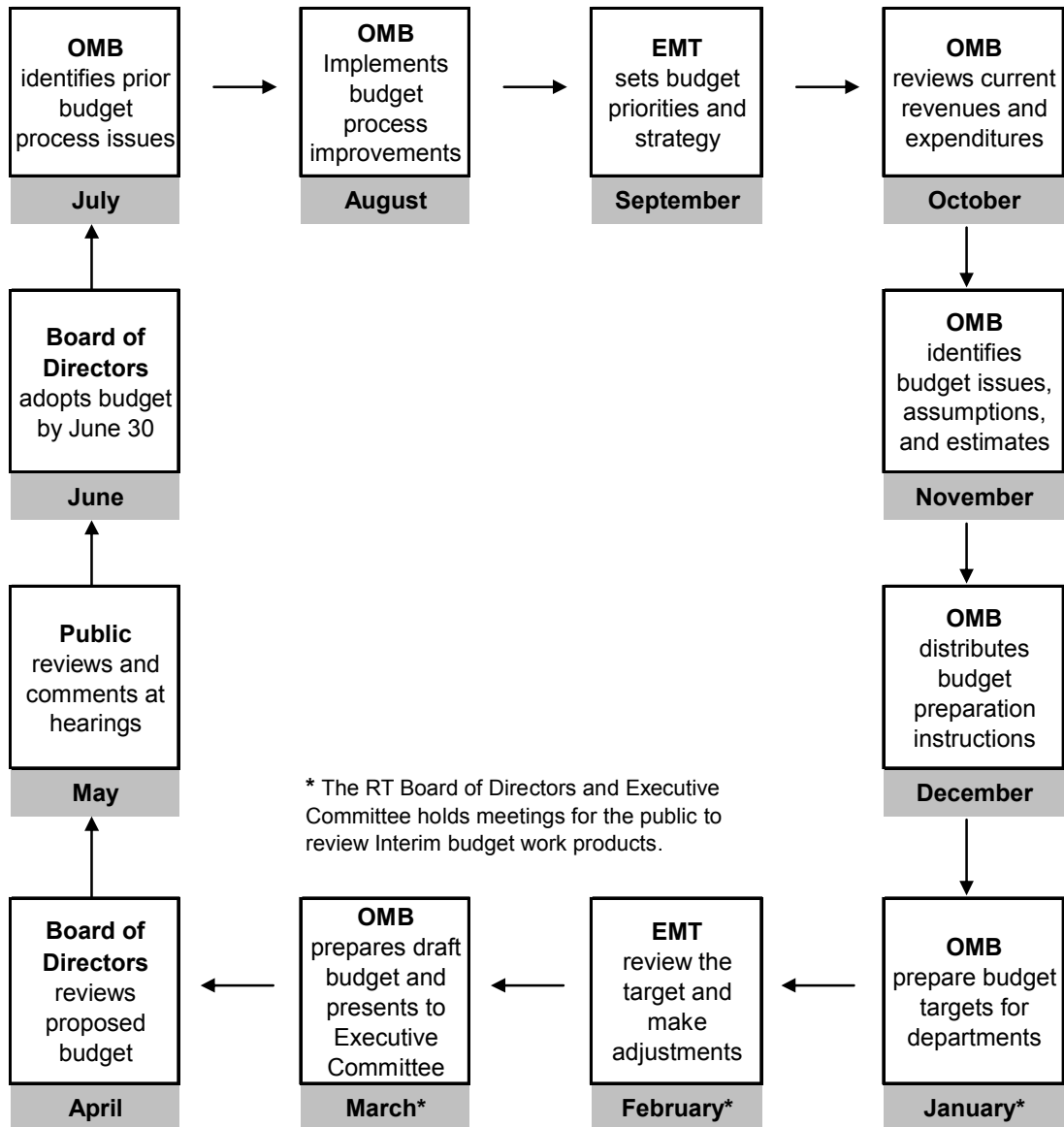
Our Goals

1. Secure the financial means to deliver our services and programs.
2. Provide total quality customer service.
3. Create a “World Class” regional transit system.
4. Be a great workplace, attract and retain a qualified, talented and committed workforce.
5. Conduct our business in a sound and ethical matter.



Budget Process

RT uses the annual budget to help measure and account for taxpayer dollars. The budget, as adopted by the Board of Directors, authorizes RT to spend funds. It details how RT allocates tax resources to expenditures and serves as a benchmark for evaluating accomplishments and assessing fiscal responsibility.



Voting System

RT is governed by an eleven-member Board of Directors. Six entities (5 cities and 1 county) make appointments to RT's Board. Eight directors are appointed by "member entities" and represent jurisdictions annexed into RT's district. Three directors are appointed by "participating entities" and represent jurisdictions that contract with RT to receive transit service.

In January 2006, the RT Board directed staff to pursue legislation to change the voting system from a one-member-one-vote system to one that provides for weighted voting based upon the financial contribution made by each entity to RT. Assembly Bill 2137 established the new weighted voting system.

The system creates 100 voting shares. RT allocates the shares to jurisdictions and their members as follows:

- Five shares to each annexed jurisdiction
- Remaining shares to all jurisdictions based on financial contribution of Transit Development Act funds, funds through contracts, other local funds, and federal funds

On March 12, 2007, the RT Board of Directors adopted the new Schedule of Weighted Voting Distribution for the remainder of FY 2007. For all subsequent years, the Schedule is to be included in the proposed budget document and distributed to voting entities at least 60 days in advance of budget adoption. A summary of the tabulated vote shares adopted for FY 2010 and for FY 2011 is shown in the table below. A detailed FY 2011 Schedule of Weighted Voting is shown on the next page.

Vote Shares By Jurisdiction

Jurisdiction	Status	Shares - FY 2010 Budget	Shares – FY 2011 Proposed
County of Sacramento	Annex	42	42
City of Sacramento	Annex	36	36
City of Rancho Cordova	Annex	9	9
City of Citrus Heights	Contract	6	5
City of Elk Grove	Contract	4	5
City of Folsom	Contract	3	3
Total		100	100

Voting System, cont.

Code Section:								
102205(b)(6)	<u>FY 10 Federal Funds Available in the Sacramento MSA</u>	36,450,593						
102205(b)(7)	<u>Allocation of Federal Funds to jurisdictions other than RT</u>	5,326,248						
102205(b)(8)	<u>FY 10 Federal Funds Available for use in RT Service Area:</u>	31,124,345						
	Jurisdiction Specific Values							
		<u>City of Sacramento</u>	<u>County of Sacramento</u>	<u>Rancho Cordova</u>	<u>Citrus Heights</u>	<u>Folsom</u>	<u>Elk Grove</u>	<u>Totals:</u>
102205(b)(10)	<u>Population:**</u>	481,097	565,309	61,817	87,565	71,018	141,430	1,408,236
	<u>Proportionate Population:</u>	34.16%	40.14%	4.39%	6.22%	5.04%	10.04%	100.00%
	<u>Member:</u>	Yes	Yes	Yes	No	No	No	
102100.2, 102100.3	<u>Seats on the Board:</u>	4	3	1	1	1	1	11
102105.1(d)(2)(D)	<u>Federal Funds Attributed to Entity (Total Federal Funding x Share of Population):</u>	10,633,039	12,494,264	1,366,258	1,935,331	1,569,615	3,125,837	31,124,345
102105.1(d)(2)(A), 102205(b)(3)	<u>FY 11 State TDA Funds Made Available to RT:</u>	12,351,110	13,962,557	1,587,015	0	0	0	27,900,682
102105.1(d)(2)(B), 102205(b)(4)	<u>FY 11 Funds Provided Under Contract:</u>	0	0	0	1,680,698	971,400	596,633	3,248,731
102105.1(d)(2)(C), 102205(b)(5)	<u>FY 11 Other Local Funds</u>	0	0	0	0	0	0	0
102105.1(d)(2)	<u>Total Financial Contribution:</u>	22,984,149	26,456,821	2,953,273	3,616,029	2,541,015	3,722,470	62,273,758
102105.1(d)(2)	<u>Proportionate Financial Contribution:</u>	36.91%	42.48%	4.74%	5.81%	4.08%	5.98%	100.00%
	Voting Calculation							
		<u>City of Sacramento</u>	<u>County of Sacramento</u>	<u>Rancho Cordova</u>	<u>Citrus Heights</u>	<u>Folsom</u>	<u>Elk Grove</u>	<u>Totals:</u>
102105.1(d)(1)	<u>Incentive Shares (5 for member jurisdictions)</u>		5	5	5	0	0	15
102105.1(d)(2)	<u>Financial Contribution Shares (Proportionate Financial Share x Remainder of 100 shares):</u>	31.3720	36.1120	4.0310	4.9357	3.4683	5.0810	85.0000
102105.1(d)(3)	<u>Total Shares:</u>	36.3720	41.1120	9.0310	4.9357	3.4683	5.0810	100.0000
102105.1(d)(4)(i)	<u>Shares After Rounding:</u>	36	41	9	5	3	5	99
102105.1(d)(4)(i), 102105.1(d)(4)(ii)	<u>Share Adjustment (To Ensure 100 Shares):</u>	36	42	9	5	3	5	100
102105.1(d)(7)	<u>Distribution of Shares Among Members (Assuming All Members Present to Vote):***</u>							
	Member 1	9	14	9	5	3	5	
	Member 2	9	14	9	5	3	5	
	Member 3	9	14	N/A	N/A	N/A	N/A	
	Member 4	9	N/A	N/A	N/A	N/A	N/A	
	Member 5	N/A	N/A	N/A	N/A	N/A	N/A	
	<u>Total Votes:</u>	36	42	9	5	3	5	100

* In addition to the funding sources set forth below, RT projects following funds for operating purposes: \$22,922,104 - Measure A

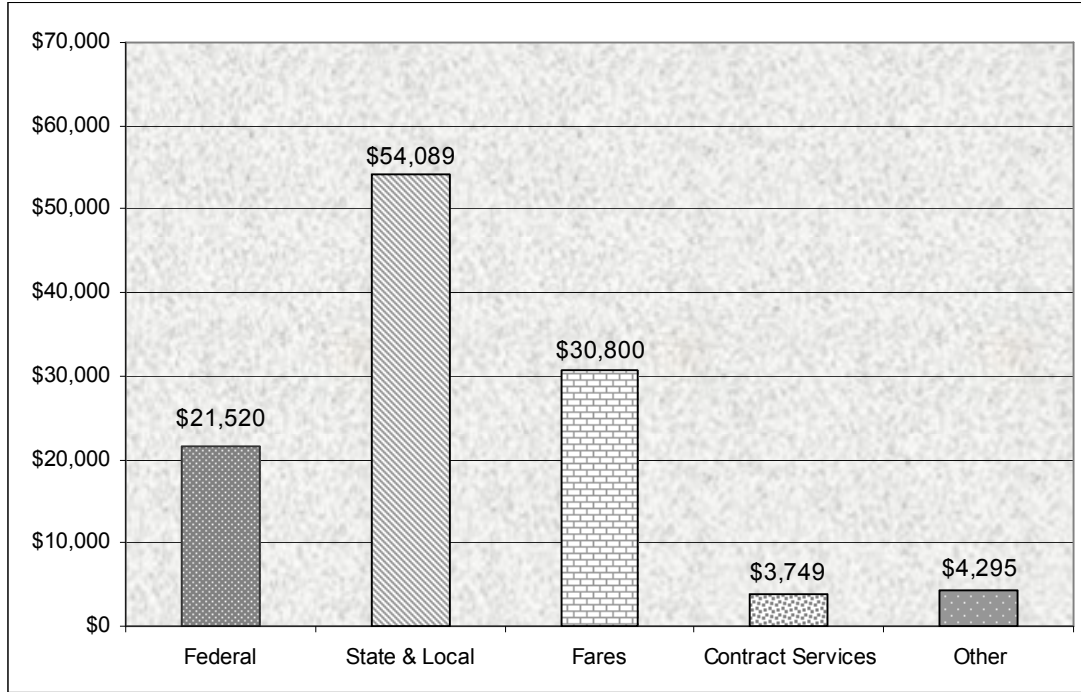
** Population as measured by the population statistics used by SACOG to allocate TDA funds for the same fiscal year for which the budget is adopted.

*** If, in any vote allocation, any member would have more than 15 votes, that jurisdiction will be given an additional seat and the votes will be reallocated to the larger number of members.

Revenues

Operating Revenue by Funding Source

(Dollars in Thousands)



	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget	FY 2010 Projected	FY 2011 Proposed	FY 2010 to FY 2011 Variance	FY 2010 to FY 2011 Percent
Federal	\$ 21,426	\$ 30,309	\$ 31,716	\$ 31,214	\$ 21,520	\$ (9,694)	(31.1%)
State & Local	84,558	70,725	56,394	51,418	54,089	2,671	5.2%
Fares	29,866	32,571	41,000	33,072	30,800	(2,272)	(6.9%)
Contract Services	4,732	4,311	3,773	3,570	3,749	179	5.0%
Other	12,294	3,409	4,146	3,849	4,295	446	11.6%
Revenue	152,876	141,325	137,029	123,123	114,453	(8,670)	(7.0%)
Carryover (Surplus)	-	-	3,770	5,883	-	(5,883)	(100.0%)
Total Revenue	\$ 152,876	\$ 141,325	\$ 140,799	\$ 129,006	\$ 114,453	\$ (14,553)	(11.3%)

Revenue cont.

Federal Funding

This category includes formula-based allocations to RT from the federal government. Each year Congress authorizes the appropriation and the Federal Transit Administration allocates the dollars to RT. RT can use the funds for operating, planning, and capital, subject to specific regulations.

- The FY 2011 Budget proposes \$21.5 million in federal funding, a decrease of \$9.7 million (-31.1%) from the FY 2010 Projected Budget (\$31.2 million).
- This reflects a decrease in Federal Stimulus Funding (ARRA) of \$7.2 million and a decrease in Section 5307 Urbanized Area Formula of \$2.5 million.
- Federal stimulus funds received in FY 2009 and in FY 2010 are not projected for FY 2011. This will result in a \$7.2 million reduction in FY 2011.
- Section 5307 Urbanized Area Formula funds will also decline by \$2.5 million.

State and Local Funding

This category includes formula-based allocations to RT from state and local government sales taxes. RT receives funding from the California Transportation Development Act Local Transportation Fund (TDA-LTF), the Transportation Development Act State Transit Assistance Program (TDA-STA), and Sacramento County Measure A.

- The FY 2011 Budget proposes \$54.1 million in state and local funding revenue, an increase of \$2.7 million (5.2%) from the FY 2010 Projected Budget (\$51.4 million).
- This reflects a decrease in Measure A revenue of \$3.7 million, a decrease in the LTF funding of \$4.7 million, and an increase in STA revenue of \$11.1 million.
- The Sacramento Transportation Authority (STA) Board will consider reducing the Measure A allocation by 14% in FY 2011. This will result a \$3.7 million reduction in FY 2011.
- Based on Sacramento Area Council of Governments (SACOG) projection for sales tax revenue, the FY 2010 projected receipts were reduced by 10%, bringing the total year-to-year reduction in LTF to 18.8%. The additional impact in dollars is estimated to be a decline by \$2.6 million in FY 2010, with a subsequent decline of 14% in FY 2011 estimated at \$3.9 million, for an additional two-year decline of \$6.5 million from LTF alone.
- As a result of Governor Schwarzenegger's approval of gas tax swap legislation (AB X8 6 and AB X8 9), State Transit Assistance (STA) funding increased by 11.4 million in FY 2011.

Fares

This category includes rider monies deposited in the fare box and the sale of tickets and passes.

- The FY 2011 Budget proposes \$30.8 million in fare revenue, a decrease of \$2.3 million (-6.9%) from the FY 2010 Projected Budget (\$33.1 million).
- This reflects a decrease in cash farebox revenue and prepaid sales of \$2.3 million due to service cuts of approximately 22% and also as result of the reduction in ridership.

Revenues, cont.

- RT ridership and fare revenue have been adversely affected by the downturn in the economy, along with state furloughs and high unemployment. Fare revenue is projected to be approximately \$7.5 million below the FY 2010 adopted budget.

Contract Services

This category includes contracts with the cities of Citrus Heights, Elk Grove, and Folsom. These cities purchase RT transit services.

- The FY 2011 Budget proposes \$3.7 million in Contracted Services revenue, an increase of \$0.2 million (5.0%) from the FY 2010 Projected Budget (\$3.6 million).
- This reflects an increase in Folsom contract revenue of \$0.5 million due to a change in billing methodology. Operating expenses in the same amount offset this increase elsewhere in this budget.
- In addition, there is a decrease in the Citrus Heights contract of \$0.3 million due to a reduction in LTF funding in FY 2011.

Other

This category includes investment income, commercial real estate leases, advertising income, bus book sales, fare evasion fines, promotional item sales, photo identification activities and parking revenue.

- The FY 2011 Budget proposes \$4.3 million in other revenue, a increase of \$0.4 million (11.6%) from the FY 2010 Projected Budget (\$3.7 million).
- An increase in Investment income of \$0.1 million.
- An increase in Park & Ride Parking revenue of \$0.4 million.
- A decrease in Miscellaneous income of \$0.1 million.

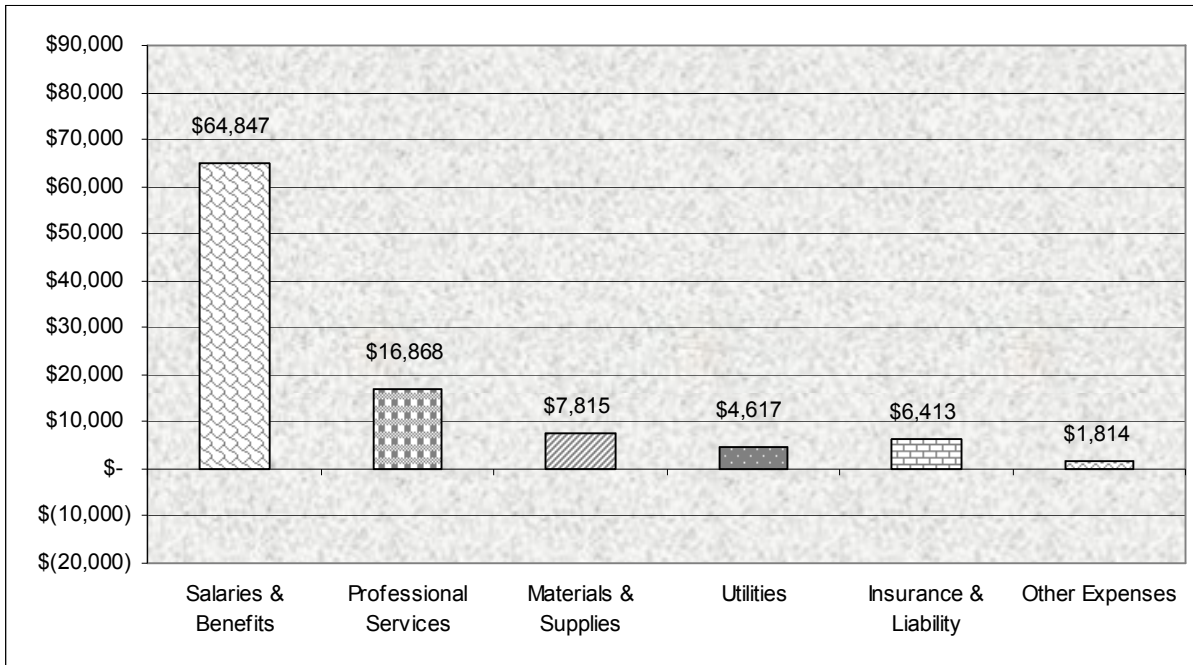
Carryover

This category includes carryover surpluses from year to year. There is a carryover surplus of \$5.9 million in FY 2010.

Expenses

Operating Expenses by Expense Category

(Dollars in Thousands)



	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget	FY 2010 Projected	FY 2011 Proposed	FY 2010 to FY 2011 Variance	FY 2010 to FY 2011 Percent
Salaries & Benefits	\$ 92,720	\$ 89,845	\$ 89,866	\$ 92,116	\$ 64,847	\$ (27,269)	(29.6%)
Professional Services	25,071	25,643	23,378	22,091	16,868	(5,223)	(23.6%)
Materials & Supplies	10,817	9,848	9,162	9,092	7,815	(1,277)	(14.0%)
Utilities	5,550	5,545	5,574	5,432	4,617	(815)	(15.0%)
Insurance & Liability	11,159	7,104	10,363	10,363	6,413	(3,950)	(38.1%)
Other Expenses	2,132	2,054	2,462	1,991	1,814	(177)	(8.9%)
Expense	\$ 147,449	\$ 140,039	\$ 140,805	\$ 141,085	\$ 102,374	\$ (38,711)	(27.4%)

Estimated Shortfall at June 30, 2010

(12,079)

Carryover Expense FY 2011

12,079

Total Expenses

\$ 129,006 \$ 114,453

Expenses, cont.

Salaries & Benefits

This category includes payroll and benefits for all positions authorized by the Board of Directors. It accounts for wages, overtime, pension, dental, medical, FICA, vision and all other RT-paid employee benefits.

- The FY 2011 Budget proposes \$64.8 million for salaries and benefits, a decrease of \$27.3 million (-29.6%) from the FY 2010 Projected Budget (\$92.1 million).
- This proposed budget decrease in salaries and benefits of \$27.3 million includes the following: management and administrative layoffs of \$9.3 million, labor reductions in the Operations Division due to service cuts of \$9.5 million, and Labor union concessions of \$8.5 million.
- In addition, the District has implemented the following labor cost reductions: an 18-month salary freeze, a hiring freeze, eliminating unfilled positions, 21% service reduction, and the elimination of all contract, temporary, and intern positions.

Professional Services

This category includes: purchased transportation (Paratransit) to comply with the Americans with Disabilities Act (ADA), transit security, equipment maintenance, facilities maintenance, attorney fees, and services provided by outside consultants.

- The FY 2011 Budget proposes \$16.9 million for Professional Services, a decrease of \$5.2 million (-23.6%) from the FY 2010 Projected Budget (\$22.1 million).
- This reflects a decrease in Security Services of \$0.9 million, a decrease in purchased transportation (Paratransit) of \$3.5 million and a decrease in consultants/outside services of \$0.8 million.

Materials and Supplies

This category includes fuel, bus and light rail parts, small maintenance tools and equipment, cleaning supplies, printing materials, and general office supplies.

- The FY 2011 Budget proposes \$7.8 million for materials and supplies, a decrease of \$1.3 million (-14.0%) from the FY 2010 Projected Budget (\$9.1million).
- This reflects a decrease in office supplies, ticket printing and other supplies of \$0.1 million. In addition, other costs associated with the service reduction including Fuel, CNG, Consumables, Tires, and Parts are decreased by about \$1.2 million.

Utilities

This category includes electricity, water, gas, refuse, and telephone for bus, light rail, and administrative facilities.

- The FY 2011 Budget proposes \$4.6 million for Utilities, a decrease of \$0.8 million (-15.0%) from the FY 2010 Projected Budget (\$5.4 million).
- This reflects a decrease in Light Rail Traction costs of \$0.8 million.

Expenses, cont.

Insurance and Liability

This category includes: premiums, claims, and attorney fees related to personal liability insurance, property damage insurance, worker's compensation claims, and commercial insurance for amounts in excess of self-insured amounts.

- The FY 2011 Budget proposes \$6.4 million for casualty and liability insurance, a decrease of \$4.0 million (-38.1%) from the FY 2010 Projected Budget (\$10.4 million).
- This reflects a decrease in PLPD accrual of \$1.6 million and a decrease in the workers comp accrual of \$2.4 million due to a reduction in work force of approximately 200 employees.

Other

This category includes, but is not limited to, travel and training, seminars, dues and subscriptions, awards and ceremonies, building leases, equipment leases, taxes, freight, advertising, legal notices, and bad debt.

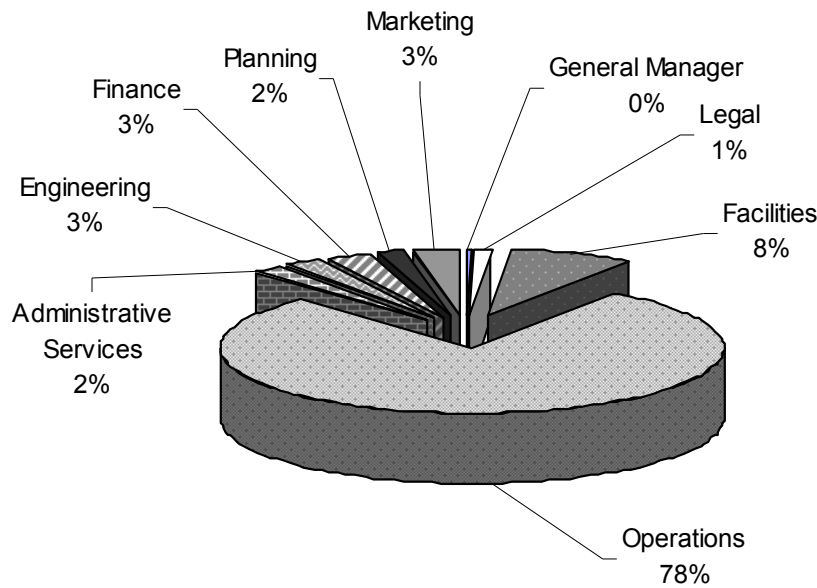
- The FY 2011 Budget proposes \$1.8 million for other expenditures, a decrease of \$0.2 million (-8.9%) from the FY 2010 Projected Budget (\$2.0 million).
- This reflects a decrease in Dues and Subscriptions, Events and Sponsorship, travel expenses, Awards and Ceremonies and the Employee Assistance Program.

Carryover

This category includes carryover deficits from year to year. There is an estimated shortfall of \$12.1 million in FY 2010 carried to FY 2011 as part of the 18 Month Re-Balancing plan.

Positions

The Fiscal Year 2011 Budget proposes 1,204 Board authorized positions, no change from the Fiscal Year 2010 Adopted Budget (1,204 positions). Out of 1,204 authorized positions, 1,068 positions are currently filled and 868 positions are funded in the Proposed Fiscal Year 2011 Budget.



Division	FY 2008 Budget	FY 2009 Budget	FY 2010 Budget	FY 2010 Filled	FY 2011 Funded
General Manager	7	6	6	2	2
Legal	10	10	10	9	9
Facilities	94	95	95	89	69
Operations	934	933	905	816	683
Administrative Services	33	30	30	24	18
Engineering	46	44	44	31	22
Finance	32	32	32	28	23
Planning	43	43	42	35	16
Marketing	36	40	40	34	26
Total	1,235	1,233	1,204	1,068	868

Capital Improvement Plan

This following table represents the Capital Budget spending plan for the FY 2011 Operating Budget for the projects listed. The full five-year CIP will be adopted by a separate Board action and will cover capital funding priorities between fiscal year 2011 and 2015, and beyond to 2041.

The FY 2011 Budget includes projects focused on the following capital priorities:

System Expansion:

- South Sacramento Phase 2 light rail extension
- Green Line to the River District (GL-1)

Fleet Program:

- UTDC Light Rail Vehicle Retrofit

Infrastructure Program:

- Light Rail Crossing Enhancements

Facilities Program:

- Bus Maintenance Facility #2 (Phase 1)

Transit Technologies Program:

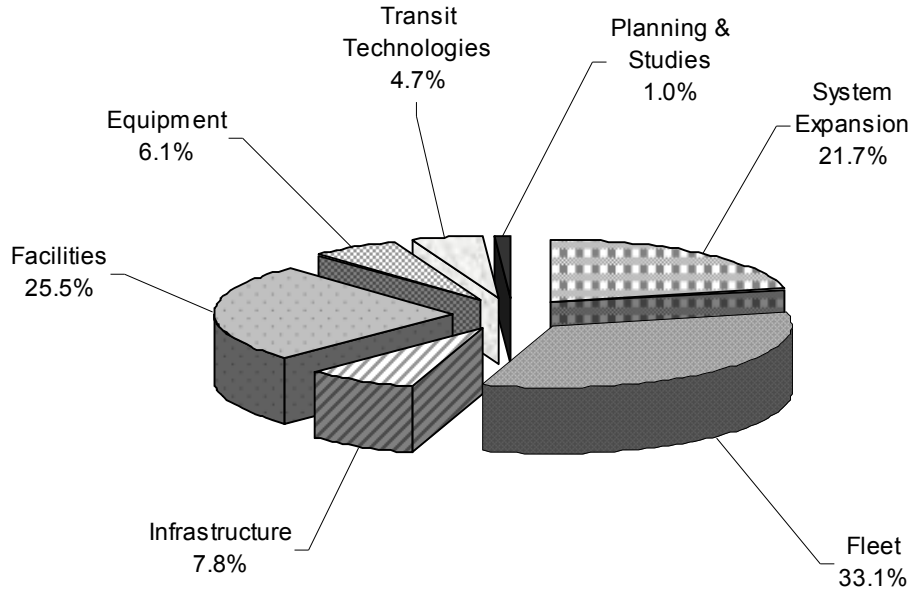
- Light Rail Station Video Surveillance and Recording System

Impact of Capital Improvements on Operating Budget

Capital projects approved in the current year budget impact future operating and capital budgets as follows:

1. Capital projects completed in the current year will require ongoing maintenance and, in case of new service lines, additional and ongoing operating costs.
2. Capital projects that are not completed in the current year will require additional capital funding that may require balancing operating funding to meet fiscal constraints.
3. Capital projects that are not completed in the current year will affect future years' budgets with increased operating costs in the year of completion. Future ongoing operating and maintenance costs are projected using current year baseline dollars.

Capital Improvements by Category



(in Thousands)

Category	FY 2011	
	Proposed	
System Expansion	\$ 5,284	21.7%
Fleet	8,063	33.1%
Infrastructure	1,897	7.8%
Facilities	6,200	25.5%
Equipment	1,495	6.1%
Transit Technologies	1,150	4.7%
Planning & Studies	250	1.0%
Total	\$ 24,339	100.0%

Capital Improvement FY 2011 Funding Additions

Program	Project Name	Tier	Funded Through FY 2010	FY 2011 Budget Funding	Future Funding Additions	Total Project Cost Through FY 2010
System Expansion Programs						
410	South Sacramento Phase 2 Light Rail Extension	I	\$ 55,234,122	\$ 5,284,338	\$ 209,481,540	\$ 270,000,000
	System Expansion Total		55,234,122	5,284,338	209,481,540	270,000,000
Fleet Programs						
R085	UTDC Retrofit	I	18,069,728	5,251,331	-	23,321,059
P005	Paratransit Vehicle Replacement	I	3,290,685	2,811,331	93,460,541	99,562,557
	Fleet Program Total		21,360,413	8,062,662	93,460,541	122,883,616
Infrastructure Programs						
4017	Bus Stop Improvement Program	I	286,883	627,000	4,414,922	5,328,805
B017	Citrus Heights Bus Stop Improvements	I	-	1,270,000	230,000	1,500,000
	Infrastructure Program Total		286,883	1,897,000	4,644,922	6,828,805
Facilities Programs						
715	Bus Maintenance Facility #2 (Phase 1)	I	21,045,567	6,200,000	-	27,245,567
	Facilities Program Total		21,045,567	6,200,000	-	27,245,567
Equipment Programs						
G225	Non-Revenue Vehicle Replacement		728,940	995,000	22,261,060	23,985,000
	Equipment Program Total		728,940	995,000	22,261,060	23,985,000
Transit Technologies Programs						
G240	Additional Fare Vending Machines/Spares	I	50,000	1,150,000	-	1,200,000
	Transit Technologies Program Total		50,000	1,150,000	-	1,200,000
Planning / Studies						
0580	TMP Downtown Network Implementation Study	I	281,408	250,000	-	531,408
	Planning / Studies Total		281,408	250,000	-	531,408
Total			\$ 98,987,333	\$ 23,839,000	\$ 329,848,063	\$ 452,674,396

* All project expenditures are subject to available funding.

Capital Project 2011 Expenditure Plan

Program	Project Name	Tier	Expended Through FY 2010	FY 2011 Budget Expenditures	Future Expenditures	Total Project Cost through FY 2040
System Expansion Programs						
230	Northeast Corridor Enhancements (Phase 1)	I	\$ 23,654,047	\$ 3,033,380	\$ 7,812,573	\$ 34,500,000
F	Amtrak/Folsom Light Rail Extension	I	267,749,722	-	793,063	268,542,785
410	South Sacramento Phase 2 Light Rail Extension	I	10,181,546	12,070,000	247,748,454	270,000,000
402	Green Line Light Rail Extension		13,962,929	1,000,000	746,711,063	761,673,992
404	Green Line to the River District (GL-1)		7,994,621	29,537,046	6,349,215	43,880,882
008	Swanston Pedestrian Bridge	I	95,362	-	856,435	951,797
System Expansion Total			323,638,227	45,640,426	1,010,270,803	1,379,549,456
Fleet Programs						
771	Paratransit Vehicle Replacement (Up to 50)	0	4,546,575	449,890	-	4,996,465
660	Siemens LRV Retrofit Communication Kits	0	3,300,248	2,753	1,090	3,304,091
B005	CNG Bus Replacement (91 in 2008)	0	38,911,703	94,879	1,660,733	40,667,315
R085	UTDC Retrofit	I	5,582	2,100,000	11,494,418	13,600,000
651	Siemens Light Rail Vehicle Mid-Life Overhaul	I	7,134,501	2,811,911	-	9,946,412
B040	Neighborhood Ride Vehicle Replacement	I	1,444,692	633,717	8,811,591	10,890,000
B041	Neighborhood Ride Vehicle - Hybrid		4,173	727,344	808,074	1,539,591
P005	Paratransit Vehicle Replacement	I	904,858	3,397,310	292,997,832	297,300,000
R110	Siemens E & H Ramp Replacement	0	-	660,000	660,000	1,320,000
Fleet Program Total			56,252,332	10,877,804	316,433,738	383,563,874
Transit Oriented Development						
TD02	TOD Development 65th Street Station Reconfiguration	0	679,502	498	-	680,000
Transit Oriented Development Total			679,502	498	-	680,000
Infrastructure Programs						
4018	OCS/Substation Upgrades	0	79,541	4,459	-	84,000
990	Watt Avenue Grade Separation	0	2,307,495	-	236,565	2,544,060
R245	Downtown LR Station Enhancements	0	322,519	201,000	97,739	621,258
0534	13th & 16th St. LR Station Improvements	I	456,767	566,216	62,965	1,085,948
0578	Traction Power Upgrades	I	299,483	591,668	-	891,151
4017	Bus Stop Improvement Program	I	286,303	180,000	4,862,502	5,328,805
G035	Fiber/50-Fig Installation, Maintenance, & Repair	0	155,351	177,379	144,680	477,410
R280	Amtrak-Folsom Limited Stop Service	I	120,050	2,695,329	1,084,621	3,900,000
R010	Light Rail Crossing Enhancements	I	147,814	124,008	3,228,178	3,500,000
G236	West Citrus Overcrossing OCS Pole Relocation Phase 1	0	23,550	426,450	-	450,000
R071	A019 Instrument House Improvements	0	4,669	43,286	-	47,955
R170	K Street Streetscape Improvements	0	99,618	382	-	100,000
B017	Citrus Heights Bus Stop Improvements	II	-	300,000	1,200,000	1,500,000
Infrastructure Program Total			4,303,160	5,310,177	10,917,250	20,530,587
Facilities Programs						
1	G145	New Headquarters Building	0	-	-	-
4005	Butterfield/Mather Mills LR Station Rehabilitation	0	57,822	76,667	-	134,489
TE07	Transit Enhancements	0	174,886	45,375	-	220,261
4007	ADA Transition Plan Improvements	I	178,392	101,191	5,508,417	5,788,000
4011	Facilities Maintenance & Improvements	I	2,035,335	79,096	19,461,689	21,576,120
645	Major Light Rail Station Enhancements	I	5,175,602	74,389	43,334,291	48,584,282
715	Bus Maintenance Facility #2 (Phase 1)	I	14,157,601	5,552,700	5,505,632	25,215,933
F010	Parking Lot Pilot Program	0	70,000	140,000	-	210,000
Facilities Program Total			21,849,638	6,069,418	73,810,029	101,729,085
Equipment Programs						
G225	Non-Revenue Vehicle Replacement	I	727,097	3,840	23,254,063	23,985,000
Equipment Program Total			727,097	3,840	23,254,063	23,985,000

Capital Project 2011 Expenditure Plan (cont.)

Program	Project Name	Tier	Expended Through FY 2010	FY 2011 Budget Expenditures	Future Expenditures	Total Project Cost through FY 2040
Transit Technologies Programs						
964	Trapeze Implementation (TEAMS)	0	1,498,204	566,008	552,506	2,616,718
2	G155	I	-	-	-	-
	G240	I	-	850,000	350,000	1,200,000
	G045	I	708,985	719,615	130,099	1,558,699
	G105	I	-	386,000	1,158,887	1,544,887
	H010	II	608,756	432	1,794	610,982
	Transit Technologies Program Total		2,815,945	2,522,055	2,193,286	7,531,286
Transit Security & Safety						
	R020	I	-	375,000	-	375,000
	R165	I	64,028	155,972	-	220,000
	Transit Security & Safety Total		64,028	530,972	-	595,000
Planning / Studies						
	0580	I	144	281,264	-	281,408
	PD09	I	25,088	17,986	-	43,074
	Planning / Studies Total		25,232	299,250	-	324,482
Other Programs						
	OPE2	0	195,856	22,014	-	217,870
	OPE3	0	-	42,706	-	42,706
	4024	I	350,604	28,424	3,105,972	3,485,000
	4025	I	313,816	9,903	1,899,970	2,223,689
	G230	I	6,238,706	2,082,282	14,701,537	23,022,525
	Other Program Total		7,098,982	2,185,329	19,707,479	28,991,790
Total			\$ 417,454,143	\$ 74,204,269	\$ 1,455,822,148	\$ 1,947,480,560

1 G145 New Headquarters Building: Trade-for-value only with no net expense to RT. Total estimated cost is \$14,100,000.

2 G155 Farebox Collection / Smart Media Implementation: To be fully funded by SACOG

* All project expenditures are subject to available funding.