

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	04/14/14	Open	Action	03/27/14

Subject: Release Fiscal Year 2015 Operating and Capital Budgets

ISSUE

Authorizing Staff to Release the Sacramento Regional Transit District Proposed FY 2015 Operating and Capital Budgets and Notice of a Public Hearing for May 12, 2014.

RECOMMENDED ACTION

Adopt Resolution 14-04-____, Authorizing Staff to Release the Sacramento Regional Transit District Proposed FY 2015 Operating and Capital Budgets and Set Notice of a Public Hearing for May 12, 2014.

FISCAL IMPACT

None as a result of this report.

DISCUSSION

We begin this FY 2015 budget presentation with projections for revenues and expenditures based on current knowledge and expectations, recognizing that several areas of uncertainty remain. This report attempts to address the potential variables and provide scenarios that will play out based on the ultimate resolution of those areas of uncertainty. The FY 2015 Operating and Capital Budgets will be updated over the next two months as conditions change until June 23rd, when the final result of all updates to both budgets will be presented to the Board for adoption.

To summarize, the primary areas of uncertainty remain: whether or not the Compressed Natural Gas (CNG) rebate is legislatively continued beyond December 31, 2013; and whether or not regional sales tax projections will hold or exceed the budgeted levels.

Budget Process and History

FY 2015 Budget discussions with RT's General Manager began in early January and non-labor cost discussions with the Executive Management Team (EMT) began in March 2013. Staff thoroughly reviewed the FY 2014 year-to-date performance in revenues and expenditures, and preliminarily developed FY 2015 projections, based on prior year trends and projected increases or decreases in expense accounts for each line item, Department, and Division at RT.

Operating Revenues are projected to be \$145.6 million in FY 2015 compared to \$142.5 million in FY 2014, for an increase of 2.2%.

Total expenses are projected to be \$146.5 million in FY 2015. This represents an increase of 3.1% over FY 2014. Expense categories over which RT has little or no control such as Salary &

Approved:

Presented:

Final 04/07/14

General Manager/CEO

Director of Office, Management and Budget

J:\FI\Issue Papers ALL\2014 Issue Papers\04-14-14 Issue Paper FY 2015 Operating and Capital Budgetv2.doc

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	04/14/14	Open	Action	03/27/14

Subject: Release Fiscal Year 2015 Operating and Capital Budgets

Benefits (primarily benefits): Paratransit - Purchased Transportation; and Bus CNG fuel costs represent a combined 2.4% of the projected 3.1% increase.

Labor expenses are projected to increase by \$2.5 million, which is a 2.7% increase over the revised FY 2014 Labor budget due to increases in three key cost categories: 1) Labor increased by \$0.9 million which related to District position salary adjustments within ranges and a full year for 13 Blue Line positions to be hired and trained for the future opening of South Line Phase 2; 2) Pension costs increased by \$1.4 million; and 3) medical costs increased by \$1.2 million. As an offset to the South Line Phase 2 positions, capital recovery and indirect costs increased by \$1.3 million over the FY 2014 Revised Budget. Capital recovery and indirect costs represents Labor expenses charged to capital projects, which, in turn, reduces the operating budget costs.

The major cost drivers in the proposed FY 2015 Operating Budget are the Labor increases noted above; an increase in Paratransit costs of \$618,000, and an increase in CNG costs of approximately \$325,000.

This report provides in-depth information on FY 2015 revenue and expense projections as well as the supplementary information upon which the annual budgets are developed. See Abridged Budget for FY 2015, *Attachment 1* to this issue paper.

Service Plan

The budget development process starts with a service plan for the year. The FY 2015 Service Plan assumes that RT will operate 528,659 annual revenue hours of bus service, 26,313 revenue hours of CBS service and 218,670 revenue vehicle hours of light rail service. The programmed level of bus and light rail service in the preliminary budget includes approximately the same level of service as FY 2014. Due to the revenue instability described elsewhere in this report, no service additions are programmed in the FY 2015 Operating Budget.

Voting System

Each year as part of the budget process, staff evaluates potential changes in the voting distribution among RT Board members. On March 12, 2007, the Board of Directors adopted the new Schedule of Weighted Voting Distribution. The schedule for all subsequent years is included in the proposed budget document and distributed to the voting agencies at least 60 days in advance of budget adoption. A detailed Proposed FY 2015 Schedule of Weighted Voting is included in the Abridged Budget (Attachment 1).

After applying the methodology for determining the revenues attributable to each jurisdiction, staff determined that no change to the voting distribution is needed for FY 2015. This schedule is subject to change with revenue changes.

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	04/14/14	Open	Action	03/27/14

Subject: Release Fiscal Year 2015 Operating and Capital Budgets

Operating Revenues

The following table includes revenue for FY 2014 Revised Budget and the FY 2015 Preliminary Budget:

Table 1
Sacramento Regional Transit District
FY 2014 - 2015 Operating Revenue

Categories	FY 2014 Amended Budget	FY 2015 Preliminary Budget	FY 2015 \$ Changes	FY 2015 % Changes
Operating Revenue				
Fare Revenue	\$ 29,385,846	\$ 29,929,043	\$ 543,197	1.8%
Contracted Services	5,416,127	5,555,542	139,415	2.6%
Other	2,920,292	2,920,292	-	0.0%
State & Local	75,271,412	77,198,028	1,926,616	2.6%
Federal	29,476,701	29,999,419	522,718	1.8%
Total Operating Revenue	\$ 142,470,378	\$ 145,602,324	\$ 3,131,946	2.2%

Fare Revenue

The FY 2015 Preliminary Budget proposes \$29.9 million in Fare revenue which represents an increase of \$0.5 million (1.8%) from the FY 2014 Revised Budget (\$29.4 million). This projected increase is due an increase in ridership and average Fare.

Contracted Services

The Contracted Services category includes contracts with the cities of Citrus Heights, Elk Grove, Folsom, Rancho Cordova, as well as Granite Park and North Natomas shuttle services. These cities and service areas contract with RT for transit services. The FY 2015 Preliminary Budget proposes \$5.6 million in Contracted Services revenue, an increase of \$0.1 million (2.6%) from the FY 2014 Revised Budget (\$5.4 million). This reflects a 3% increase in the Citrus Heights Contract TDA revenue.

Other

The Other Revenue 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 2015 Preliminary Budget proposes \$2.9 million in other revenue, which is flat compared to the FY 2014 Revised Budget (\$2.9 million). FY 2015 Preliminary Budget includes 12-months of CNG tax rebate of \$1.2 million, however this rebate expired in December 2013, staff is anticipating Federal legislation will extend the rebate to include the period January 1 to June 30 in FY 2014 and FY 2015. Staff will continue to monitor this closely over the next 60 days.

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	04/14/14	Open	Action	03/27/14

Subject: Release Fiscal Year 2015 Operating and Capital Budgets

State & Local Revenue

These funds are derived from sales taxes collected within Sacramento County by the State of California and returned to the County for transit programs based on established formulas. This category includes RT's 38.2% share of the revenues from Measure A, a local half cent sales tax initiative originally authorized by Sacramento County voters in 1988 and renewed in 2004. This Category also includes the State of California Transportation Development Act (TDA), Local Transportation Funds (LTF), and State Transit Assistance (STA) allocations. The Measure A and LTF are sales tax based revenues. Sales tax receipts county-wide were posted on March 18th and reflected February collections. RT monitors sales tax receipts closely and tracks them several different ways including month-to-month (prior year), quarter-to-quarter (prior year), and current fiscal year-to-date to prior fiscal year-to-date comparisons. We believe the cumulative fiscal year-to-date receipts over the same period last fiscal year provides the most accurate growth measurement and as of the most recent posting, receipts are 5.0% over the prior year.

Counter to all economic indicators, the Sacramento Area Council of Government's (SACOG) adopted Findings of Apportionment for FY 2015, after filtering out prior year carryover amounts, has a sales tax projection for FY 2015 that is basically flat compared to all other FY 2015 sales tax projections. The estimate of zero sales tax growth is based on projections from Sacramento County staff to use as the basis for each year's Findings of Apportionment. The SACOG Board of Directors adopted the Findings of Apportionment of LTF for FY 2015 on February 13, 2014.

RT's proposed LTF revenue for FY 2015 is \$35.0 million which is a 5.0% increase over the FY 2014 Revised Budget and is consistent with the preliminary projections for FY 2015 growth in revenue. Each one percent change in LTF sales tax growth over the current projection would generate approximately \$350,000 in increased revenue. The FY 2015 Preliminary Budget also includes \$1.3 million in prior year LTF funds, which is the difference between RT's projected LTF revenue for FY 2014 and the FY 2014 Findings of Apportionments adopted by SACOG. RT staff will continue to work with SACOG to determine how best to work with Sacramento County to ensure that the LTF Findings of Apportionment are more closely aligned with actual Sacramento County sales tax receipts.

STA funding is currently projected for FY 2015 at \$373 million Statewide, which is the same level as in the Governor's proposed FY 2015 State Budget released in January. This Statewide level is projected to be approximately 6.6% less than FY 2014 levels. RT is projecting \$9.0 million of STA funding in FY 2015 which is \$0.6 million less than FY 2015 Revised Budget (\$9.6) million. This may change as projections at the state level become more certain. Staff is monitoring the State budget closely along with projections of diesel fuel sales for FY 2014 and FY 2015.

The FY 2015 preliminary revenue projections reflect a transfer of STA funds to capital in the amount of \$3.7 million for the annual Revenue Bond payment.

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	04/14/14	Open	Action	03/27/14

Subject: Release Fiscal Year 2015 Operating and Capital Budgets

Federal Revenue

Federal revenues include all formula-based allocations to RT from the federal government. Each year, Congress authorizes an appropriation and the FTA allocates the dollars to the region. RT can use the funds for operating, planning, or capital purposes, subject to specific regulations. The FY 2015 Preliminary Budget proposes \$30.0 million in federal revenue, which represents an increase of \$0.5 million (1.8%) from the FY 2014 Revised Budget of \$29.5 million.

Federal revenue from the Section 5307 Urbanized Area Formula grant is projected at \$19.4 million for FY 2015. The current FY 2015 estimate is based on SACOG’s – Transit Coordinating Committee recommended funding level for the Sacramento Urbanized Area for FY 2014, which includes \$24.6 million for the Region, and \$19.2 million for RT’s portion. The FY 2015 proposed budget includes a 1% increase over current year amount of \$19.2 million for RT in FY 2014.

The Section 5337 Formula funds “State of Good Repair” program (a new program under MAP 21), is projected at \$10.1 million in FY 2015, which is a 1% increase over current year amount of \$10.0 million for FY 2014.

Job Access Reverse Commute (JARC) revenue is projected at \$500,000 for FY 2015, which is a decrease of \$9,000 compared to the FY 2014 Revised Budget. RT staff is currently applying for 5307 formula “JARC type projects” for the FY 2015 year, through the SACOG’s discretionary grant process. If RT’s grant application is not approved and awarded, we will need to reduce this Federal revenue source for FY 2015, staff expects the results of the grant applications known by SACOG in early May 2014.

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	04/14/14	Open	Action	03/27/14

Subject: Release Fiscal Year 2015 Operating and Capital Budgets

Operating Expenditures

Table 2 compares operating expenses in the FY 2014 Revised Operating Budget and the proposed FY 2015 Preliminary Operating budget:

Table 2
Sacramento Regional Transit District
FY 2014 and FY 2015 Operating Expenses

Categories	FY 2014 Amended Budget	FY 2015 Preliminary Budget	FY 2015 \$ Changes	FY 2015 % Changes
Operating Expenses				
Salaries & Benefits	\$ 91,537,633	\$ 93,997,146	2,459,513	2.7%
Professional Services	25,212,421	25,909,397	696,976	2.8%
Materials & Supplies	9,530,650	9,856,500	325,850	3.4%
Utilities	5,773,500	5,872,900	99,400	1.7%
Casualty & Liability	8,160,942	9,159,820	998,878	12.2%
Other	2,255,232	2,123,595	(131,637)	-5.8%
Total Operating Expenses	\$ 142,470,378	\$ 146,919,358	\$ 4,448,980	3.1%

Salaries & Benefits includes: payroll and benefits for all positions authorized by the Board. It accounts for wages, overtime, pension, dental, medical, FICA, vision, and all other RT-paid employee benefits.

- The FY 2015 Preliminary Budget proposes \$94.0 million for salaries and benefits, an increase of \$2.5 million (2.7%) from the FY 2014 Revised Budget of (\$91.5 million).
- The FY 2015 Preliminary Budget includes 1002 Board authorized positions and 1012 funded or partially funded positions, the same number of positions as the FY 2014 Revised Budget.
- Labor increased by \$0.9 million (1.7%) from the FY 2014 Revised Budget projections (\$52.8 million), which is related to District position salary adjustments within ranges and a full year for 13 Blue Line positions to be hired and trained for the future opening of South Line Phase 2 project in September 2015.
- Fringe Benefits increased by \$2.8 million (6.4%) over the FY 2014 Revised Budget projections (\$44.3 million). This increase reflects a \$1.4 million (8.5%) increase in pension costs, and a \$1.2 million (9.8%) increase in medical costs.

Professional Services includes: Purchased Transportation (Paratransit) to comply with the Americans with Disabilities Act (ADA), transit security, equipment maintenance, facilities maintenance, legal services, and services provided by outside consultants.

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	04/14/14	Open	Action	03/27/14

Subject: Release Fiscal Year 2015 Operating and Capital Budgets

- The FY 2015 Preliminary Budget proposes \$26.0 million for Professional Services, an increase of \$0.7 million (2.8%) from the FY 2014 Revised Budget of \$25.2 million.
- This reflects an increase in Purchased Transportation of \$0.62 million, based on projected increase in demand and ridership.
- This also includes small increases in various departments.

Materials & Supplies includes: fuel, bus and light rail parts, small maintenance tools and equipment, cleaning supplies, printing materials, and general office supplies.

- The FY 2015 Preliminary Budget proposes \$9.9 million for materials and supplies, a decrease of (\$0.3) million (3.4%) from the FY 2014 Revised Budget of \$9.5 million.
- This reflects an increase in CNG fuel costs due to the new Cap and Trade taxes on carbon fuels; the tax is projected to be approximately 17% on CNG fuels.

Utilities includes: electricity, water, gas, refuse, and telephone for bus, light rail, and administrative facilities.

- The FY 2015 Preliminary Budget proposes \$5.9 million for Utilities, an increase of (\$0.1) million (1.7%) from the FY 2014 Revised Budget (\$5.8 million).
- This reflects an increase in traction power costs and general facility electric costs.

Insurance & Liability 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 2015 Preliminary Budget proposes \$9.2 million for casualty and liability insurance, an increase of \$1.0 million (12.2%) from the FY 2014 Revised Budget (\$8.2 million).
- This reflects an increase in the projected claims reserves for Property and Liability for FY 2015, per RT’s most recent actuary report completed in February 2014. This amount is more than the FY 2014 revised budget amount for Property and Liability by approximately \$1.4 million.
- Also, this reflects a reduction in the projected claims reserve for Workers’ Compensation for FY 2015, per RT’s most recent actuary report completed in February 2014. This amount is less than the FY 2014 revised amount for Workers’ Compensation by approximately \$0.4 million.
- The net result of these two items above is a \$1.0 million increase in Insurance and Liability costs in FY 2015, over the FY 2014 revised budget.

Other 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.

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	04/14/14	Open	Action	03/27/14

Subject: Release Fiscal Year 2015 Operating and Capital Budgets

- The FY 2015 Preliminary Budget proposes \$2.1 million for other expenditures, a decrease of \$0.1 million (5.8%) from the FY 2014 Revised Budget (\$2.2 million).
- This includes a decrease in interest expense of \$125,000 in FY 2015 due to the temporary resolution of the Federal Section 13(c) issue, which required RT to incur additional interest expense in FY 2014, that is not expected in FY 2015.

Positions

The FY 2015 Budget proposes personnel strength of 1002 Board authorized positions that includes 1012 fully or partially funded positions. This is the same number of positions in the FY 2014 Revised Budget. The abridged budget document contains a summary of all positions by Division.

Summary Recap of FY 2015 Preliminary Operating Budget

Table 3 provides a summary of the FY 2014 Revised Budget and the FY 2015 Preliminary Operating Budget. Revenue assumptions are based on current estimates from Federal, State and Local sources:

Table 3
Sacramento Regional Transit District
FY 2015 Operating Revenues and Expense Summary

Categories	FY 2014 Amended Budget	FY 2015 Preliminary Budget
<u>Operating Revenue</u>		
Fare Revenue	\$ 29,385,846	\$ 29,929,043
Contracted Services	5,416,127	5,555,542
Other	2,920,292	2,920,292
State & Local	75,271,412	77,198,028
Federal	29,476,701	29,999,419
Total Operating Revenue	\$ 142,470,378	\$ 145,602,324
<u>Operating Expenses</u>		
Salaries & Benefits	\$ 91,537,633	\$ 93,997,146
Professional Services	25,212,421	25,909,397
Materials & Supplies	9,530,650	9,856,500
Utilities	5,773,500	5,872,900
Casualty & Liability	8,160,942	9,159,820
Other	2,255,232	2,123,595
Total Operating Expenses	\$ 142,470,378	\$ 146,919,358
Potential Use of Reserve	\$ -	\$ (1,317,034)
Cumulative Reserve	\$ 7,904,358	\$ 6,587,324

- Cumulative Reserve includes \$7.9 of Reserves as of June 2013.

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	04/14/14	Open	Action	03/27/14

Subject: Release Fiscal Year 2015 Operating and Capital Budgets

The preliminary FY 2015 Budget includes total Revenues of \$145.6 million and total expenses of \$146.9 million which nets to expenses exceeding revenues by \$1.3 million. Staff is proposing the potential use \$1.3 million of RT's current reserves projected to be \$7.9 million at the end of FY 2014 to cover this shortfall. Staff will continue to fine tune expense projections and closely monitor all revenue sources over the next two months. Staff will bring back a final FY 2015 Budget for Board approval in June 2014, that may still include the use of reserves to balance the budget.

Risk Analysis

One area of continuing concern is the CNG tax rebate, which is included in the FY 2015 Preliminary Operating Budget (\$1.2 million). If no congressional action is taken to continue the rebate, which expired in December 2013, staff will consider adjusting this revenue item in the FY 2015 Budget over the 60 day review period or in the Revised Operating Budget for FY 2015, which will be in February 2015 to take it out of the revenue projections for the period July 2014 to June 2015, which totals \$1,200,000.

An additional area of exposure exists with regard to the sales tax projections assumed in the FY 2015 Preliminary Operating Budget. Growth in Measure A and LTF in FY 2015 is based on a projection of 5.0%, which is the same as the STA's preliminary estimates for FY 2015 for Measure A sales tax growth. Staff is currently projecting sales tax growth for FY 2014 over FY 2013 year to be 5%, which is the cumulative growth rate in FY 2014 over prior year from July 2013 to March 2014 (3/4) of FY 2014. Staff will continue to monitor sales tax closely.

The full impact of on-going current labor negotiations for many labor groups has not been reflected in the current Salary & Benefits numbers for FY 2015; the impact of these final negotiations and contracts could increase Salary & Benefits above current budgeted amounts in FY 2015.

Capital Improvement Plan (CIP)

In March 2013, the Board adopted a comprehensive 5-Year CIP, which represents the District's efforts to strategically plan and prioritize capital projects from FY 2013 to FY 2017. The CIP is reviewed, updated, and reissued in its entirety on an annual basis, as one year drops and a new year is added. As part of the annual budget process, the current year (FY 2014) proposed Capital Budget will become the first year of the next 5-Year CIP for FY 2014 to FY 2018, which will be updated in the Spring of 2014.

Capital Budget

The Abridged Budget document includes a comprehensive list of proposed capital projects for new funding authorization and a complete list of all current capital projects forecasted to have expenditures in FY 2015. The FY 2015 Capital Budget projects \$15.3 million of new funding for capital projects; \$7.6 million in Federal, \$5.5 million in State funding and \$2.2 million in local funding. The largest funding category is System Expansion (\$8.0 million). The key project represented is the Sacramento-West Sacramento Downtown Riverfront Streetcar Starter Line (\$5.6 million).

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	04/14/14	Open	Action	03/27/14

Subject: Release Fiscal Year 2015 Operating and Capital Budgets

In addition, the Fleet funding category includes (\$1.6 million). The key project in this category is the Paratransit Vehicle Replacement project (\$1.6 million).

Looking Ahead

The FY 2015 preliminary budget goal is to have a steady state budget, which is balanced with the potential use of \$1.3 million in operating reserves and no increase in service restoration. Staff will continue to work diligently to confirm and modify plans with the Federal and State budget constraints. This will include closely monitoring actual results with fare revenue projections, and sales tax growth projections throughout FY 2015.

BUDGET SCHEDULE:

- 5/12/14 Public Hearing accepting Public Comment on Proposed FY 2015 Budgets and Continue Public Hearing to June 23, 2014
- 6/23/14 Continue Public Hearing to accept Public Comment on the Proposed FY 2015 Operating and Capital Budgets, and Adopt the FY 2015 Operating and Capital Budgets

Public Hearing Process:

Pursuant to Section 102205(c) and (d) of RT's Enabling Act, the proposed budget must be submitted to each voting entity represented on the Board not less than 60 days prior to its adoption, and the Board must adopt the budget at a public hearing that is advertised in a newspaper of general circulation 15 days prior to the hearing. Staff is requesting Board authorization to release the FY 2015 Budget on April 14, 2014. In addition to the hearing required by RT's Enabling Act when the budget is adopted, staff recommends that the Board set a budget hearing prior to the adoption of the budget in order to obtain public comments earlier in the budget development process. Staff recommends that a hearing on the preliminary budget be conducted at RT's regular Board meeting beginning at 6:00 p.m. on May 12, 2014. The public hearing will be advertised in a newspaper of general circulation, on RT's website www.sacrt.com, and in an RT news release.

In addition to the foregoing, RT's Standard Operating Procedure FI-SOP-03-001 contains notification procedures required by FTA regulations pertaining to a grant recipient's program of projects (capital projects). Since RT adopts a combined operating and capital budget, RT must comply with the FTA's notification requirements pertaining to RT's program of projects. Pursuant to FI-SOP-03-001, the preliminary capital budget must be released for at least a 30-day review period before action is taken by the Board of Directors. The notice of availability for the preliminary capital budget will be distributed via first-class mail to incorporated cities within the District, the County of Sacramento, neighboring cities adjacent to the District, interested special districts within the District, public transit operators, and private transportation providers. The notice will also be

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
14	04/14/14	Open	Action	03/27/14

Subject: Release Fiscal Year 2015 Operating and Capital Budgets

published in a newspaper of general circulation and minority-focused newspapers, as well as on mini-posters for display inside bus and light rail vehicles.

Staff Recommendation:

Staff recommends that the Board authorize staff to release the Sacramento Regional Transit District Proposed FY 2015 Operating and Capital Budgets for a sixty day review and set notice of a Public Hearing for May 12, 2014.



Sacramento Regional Transit District

**Abridged Budget
Fiscal Year 2014-2015**

Table of Contents

Board of Directors	3
Executive Team	4
Organizational Structure	5
District Overview	
District Profile	6
Strategic Plan	7
Budget Process	9
Voting System	10
Operating Budget Summary	
Revenues	12
Expenses	15
Positions	19
Capital Improvement Plan	20
Capital Improvements By Category	21
Capital Improvement Funding Additions	22
Capital Project 2015 Expenditure Plan	23

Board of Directors

Phillip Serna, Chair
County of Sacramento

Jay Schenirer, Vice Chair
City of Sacramento

Don Nottoli
County of Sacramento

Roberta MacGlashan
County of Sacramento

Steve Cohn
City of Sacramento

Steve Hansen
City of Sacramento

Bonnie Pannell
City of Sacramento

Pat Hume
City of Elk Grove

Linda Budge
City of Rancho Cordova

Steve Miller
City of Citrus Heights

Andy Morin
City of Folsom

Board of Directors Alternates

Steve Detrick
City of Elk Grove

David Sander
City of Rancho Cordova

Susan Frost
City of Citrus Heights

Executive Team

Mike Wiley
General Manager/CEO

Bruce Behrens
Chief Counsel

Dan Bailey
Chief Administrative Officer

Dee Brookshire
Chief Financial Officer

RoseMary Covington
Assistant General Manager of Planning and Transit System Development

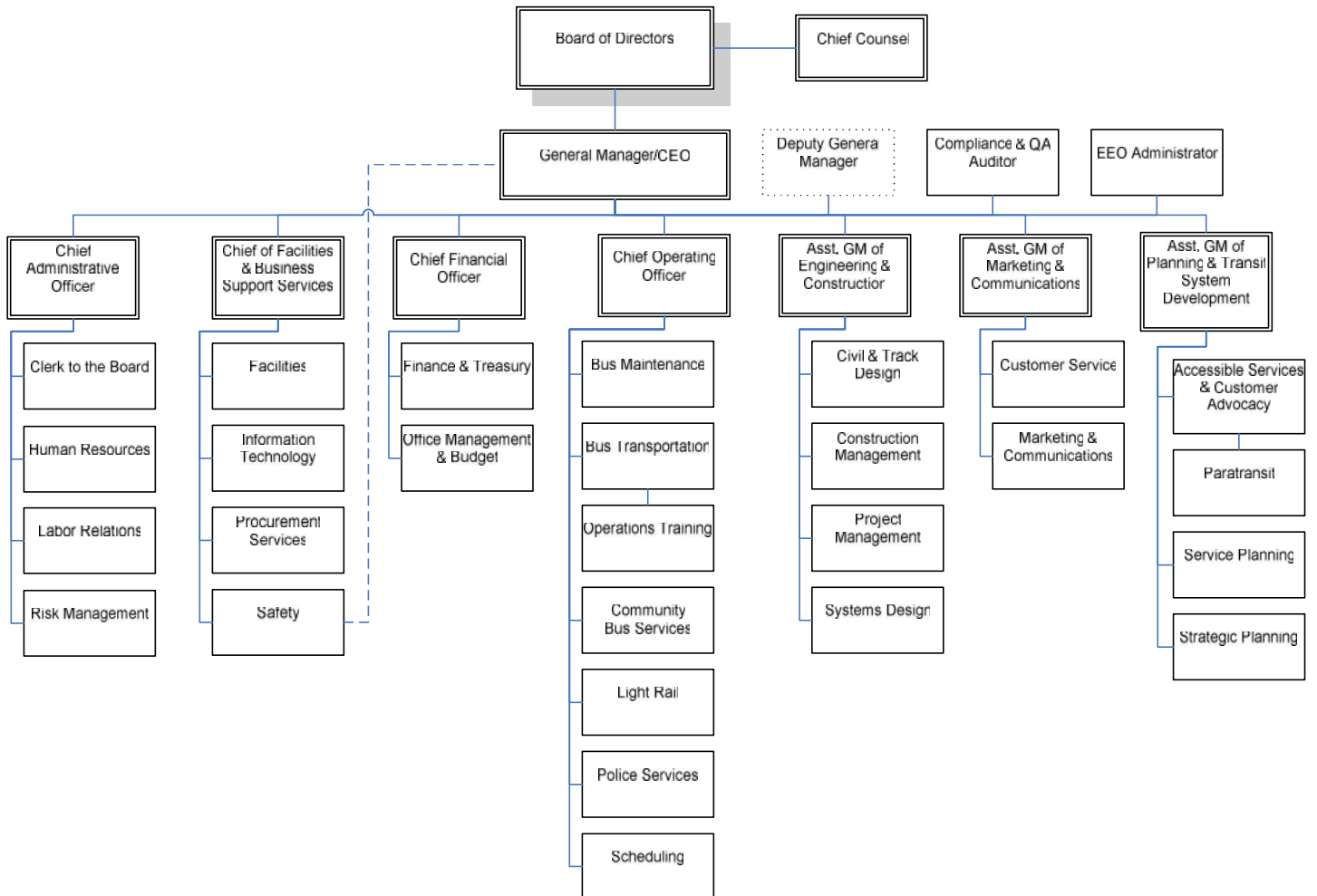
Mark Lonergan
Chief Operating Officer

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

<i>Sacramento Regional Transit District</i>	Constructs, operates, and maintains a comprehensive mass transportation system that serves 418 square miles in Sacramento County
--	--

<i>Bus Service</i>	
Power	Compressed Natural Gas, Diesel, Gasoline
Routes	65
Schedule	4:38 am to 9:46 pm daily
Stops	3,500
Vehicles *	212 CNG buses; 4 CNG replica "trolleys"; 14 shuttle vans; 3 29' diesel buses
Annual Ridership	13,784,179

<i>Light Rail Service</i>	
Power	Electrical
Miles	36.89
Schedule	3:50 am to 10:38 pm daily
Stops	48
Vehicles	76
Annual Ridership	13,513,471

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

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

* Total Fleet

<i>History</i>	
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
Jun 2012	Opened the Green Line, connecting downtown Sacramento to the River District

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 and 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. The strategic plan is currently under review and will be updated in the near future.

RT is currently in the process of updating the Strategic Plan, and the goal is to have the update completed and approved by the RT Board in June 2014.

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

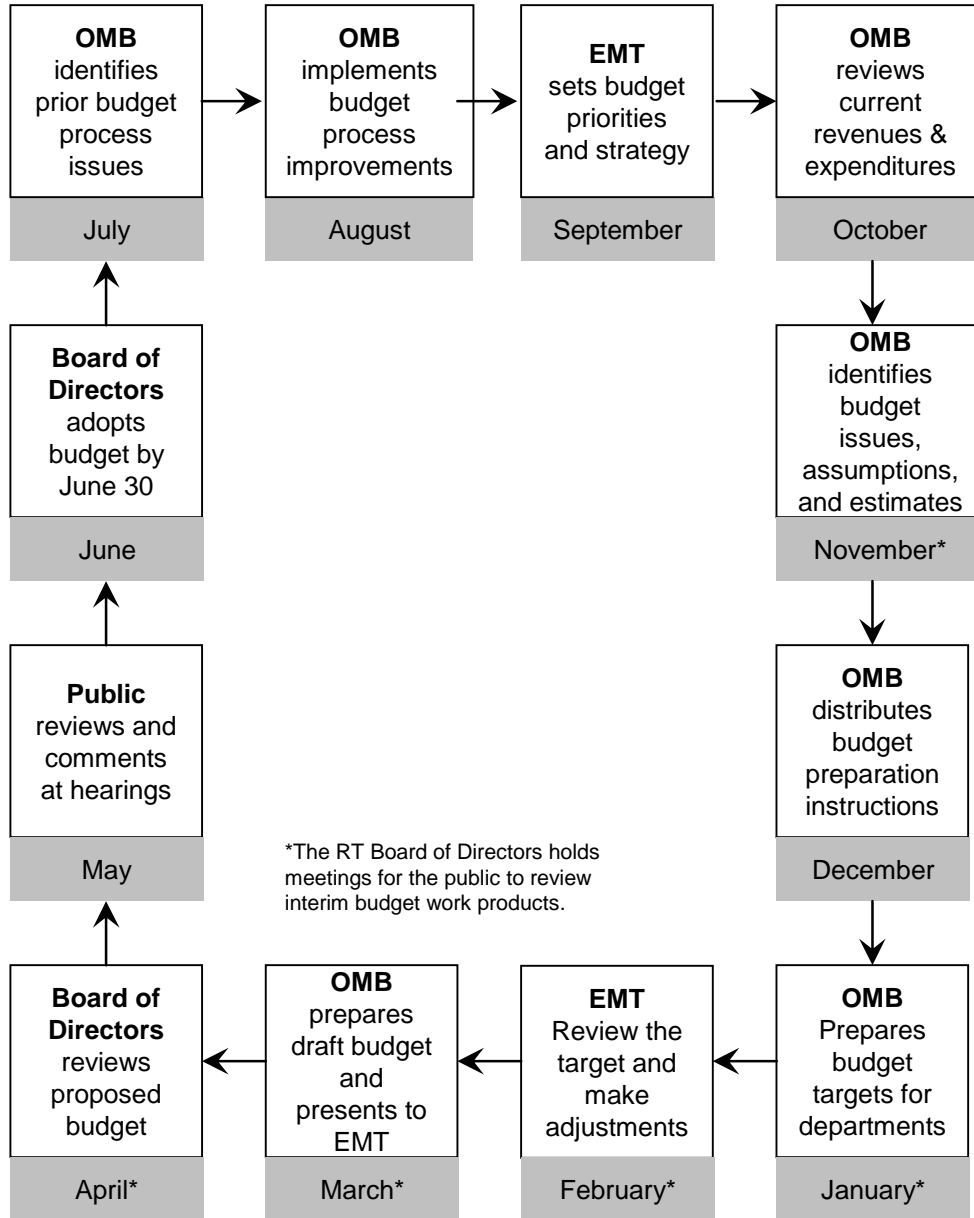
Our Goals

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 2014 Budget and for FY 2015 preliminary Abridged Budget is shown in the table below. A detailed FY 2015 Schedule of Weighted Voting is shown on the next page.

Vote Shares By Jurisdiction

Jurisdiction	Status	Shares - FY 2014 Budget	Shares – FY 2015 Proposed
County of Sacramento	Annex	42	42
City of Sacramento	Annex	37	37
City of Rancho Cordova	Annex	9	9
City of Citrus Heights	Contract	5	5
City of Elk Grove	Contract	4	4
City of Folsom	Contract	3	3
Total		100	100



Voting System, cont.

Fiscal Year 2015 Schedule of Weighted Voting Distribution
Base Values*

Federal Financial Information

Code Section:		
102205(b)(6)	<u>FY 14 Federal Funds Available in the Sacramento MSA</u>	35,165,861
102205(b)(7)	<u>Allocation of Federal Funds to jurisdictions other than RT</u>	3,149,160
102205(b)(8)	<u>FY 14 Federal Funds Available for use in RT Service Area:</u>	32,016,701

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>	473,509	564,657	66,927	84,345	72,294	159,074	1,420,806
	<u>Proportionate Population:</u>	33.33%	39.74%	4.71%	5.94%	5.09%	11.20%	100.00%
	<u>Member:</u>	Yes	Yes	Yes	No	No	No	
102100.2, 102100.3		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>	10,670,138	12,724,084	1,508,145	1,900,646	1,629,086	3,584,602	32,016,701
102105.1(d)(2)(A), 102205(b)(3)	<u>FY 15 State TDA Funds Made Available to RT:</u>	17,429,891	19,812,477	2,463,586	0	0	0	39,705,954
102105.1(d)(2)(B), 102205(b)(4)	<u>FY 15 Funds Provided Under Contract:</u>	0	0	0	2,980,243	1,551,850	288,034	4,820,127
102105.1(d)(2)(C), 102205(b)(5)	<u>FY 15 Other Local Funds</u>	0	0	0	0	0	0	0
102105.1(d)(2)	<u>Total Financial Contribution:</u>	28,100,029	32,536,561	3,971,731	4,880,889	3,180,936	3,872,636	76,542,782
102105.1(d)(2)	<u>Proportionate Financial Contribution:</u>	36.71%	42.51%	5.19%	6.38%	4.16%	5.06%	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	0	15
102105.1(d)(2)	<u>Financial Contribution Shares (Proportionate Financial Share x Remainder of 100 shares):</u>	31.2048	36.1315	4.4106	5.4202	3.5324	4.3005	85.0000
102105.1(d)(3)	<u>Total Shares:</u>	36.2048	41.1315	9.4106	5.4202	3.5324	4.3005	100.0000
102105.1(d)(4)(i)	<u>Shares After Rounding:</u>	36	41	9	5	3	4	98
102105.1(d)(4)(i), 102105.1(d)(4)(ii)	<u>Share Adjustment (To Ensure 100 Shares):</u>	37	42	9	5	3	4	100
102105.1(d)(7)	<u>Distribution of Shares Among Members (Assuming All Members Present to Vote):***</u>							
	Member 1	10	14	9	5	3	4	
	Member 2	9	14	N/A	N/A	N/A	N/A	
	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>	37	42	9	5	3	4	100

* In addition to the funding identified above, RT projects the following funds for operating purposes: \$35,831,238 - Measure A

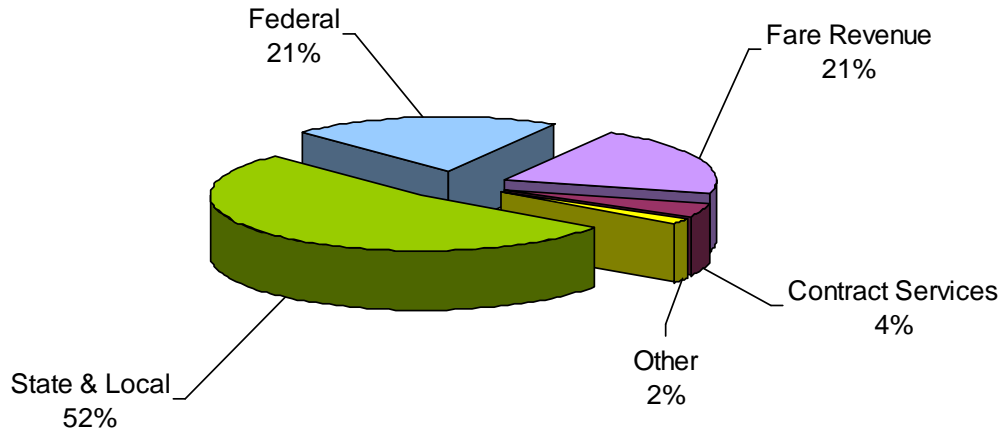
** Population as measured by the population statistics used by SACOG to allocate TDA funds for the same fiscal year for which the budget is adopted.

*** 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 2012 Actual	FY 2013 Actual	FY 2014 Budget	FY 2015 Budget	FY 2015 to FY 2014 Amount	Percent
Fare Revenue	\$ 28,964	\$ 29,759	\$ 29,386	\$ 29,929	\$ 543	1.8%
Contract Services	5,245	5,607	5,416	5,556	140	2.6%
Other	2,592	3,443	2,920	2,920	-	0.0%
State & Local	69,132	71,275	75,271	77,198	1,927	2.6%
Federal	24,453	28,970	29,477	29,999	522	1.8%
Carryover	-	-	-	-	-	-
Total	\$ 130,386	\$ 139,054	\$ 142,470	\$ 145,602	\$ 3,132	2.2%
Potential Reserve	\$ (5,636)	\$ (2,667)	0			
Potential Use of Reserves				\$ 1,317		
Operating Revenue	\$ 124,750	\$ 136,387	\$ 142,470	\$ 146,919	\$ 3,132	2.2%

Revenue cont.

Fare Revenue

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

- The FY 2015 Preliminary Budget proposes \$29.9 million in Fare revenue, an increase of \$0.5 million (1.8%) from the FY 2014 Revised Budget (\$29.4 million).
- This reflects a slight increase in Fare Revenue due to a projected increase in ridership and average fare.

Contracted Services

This category includes contracts with the cities of Citrus Heights, Elk Grove, Folsom, Rancho Cordova, as well as Granite Park and North Natomas shuttle services. These cities and service areas purchase RT transit services.

- The FY 2015 Preliminary Budget proposes \$5.6 million in Contracted Services revenue, an increase of \$0.1 million (2.6%) from the FY 2014 Revised Budget (\$5.4 million).
- This reflects a 3% increase Citrus Heights contract funding.

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 2015 Preliminary Budget proposes \$2.9 million in other revenue, which is flat compared to the FY 2014 Revised Budget (\$2.9 million).

State & Local

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 2014 Preliminary Budget proposes \$77.2 million in state and local funding revenue, an increase of \$1.9 million (2.6%) from the FY 2014 Revised Budget of \$75.2 million.
- This reflects a 5.0% increase in sales tax growth estimates for Measure A and LTF revenues over the FY 2014 Revised Budget, as projected by the Sacramento Transportation Authority preliminary budget projections.
- This includes a reduction to the State Transit Assistance Revenue of \$0.6 million compared to the FY 2014 revised budget, the projected State wide allocation for this funding source is projected to be lower than FY 2014 projections.
- This also reflects a transfer of STA funds to capital in the amount of \$3.7 million for Revenue Bond payment for FY 2015, which is a reduction in transfer to capital of \$0.2 million.
- This includes \$1.3 million in prior year LTF funds.

Revenues, cont.

Federal

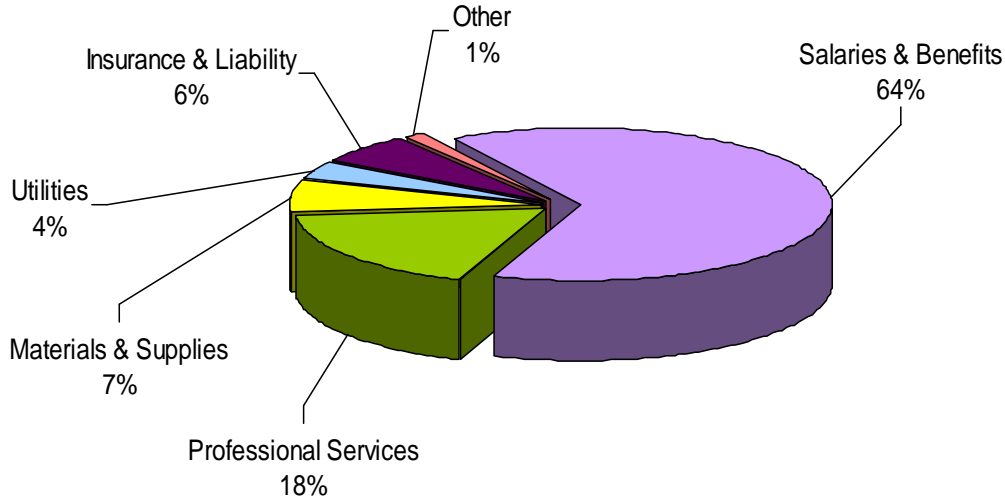
This category includes formula-based allocations to RT from the federal government. Each year Congress authorizes the appropriation and the Federal Transit Administration allocates the dollars to the region. RT can use the funds for operating, planning, and capital, subject to specific regulations.

- The FY 2015 Preliminary Budget proposes \$30.0 million in federal funding, an increase of \$0.5 million (1.8%) from the FY 2014 Revised Budget of \$29.5 million.
- Section 5307 Urbanized Area federal funding is projected to increase by \$0.2 million due to higher allocation to Region and RT.
- Section 5337 State of Good Repair funding is projected to increase by \$0.1 million due to higher allocation to the Region. There no transfer to Capital of \$240,000 in FY 2015, compared to FY 2014 year.

Expenses

Operating Expenses by Expense Category

(Dollars in Thousands)



	FY 2012 Actual	FY 2013 Actual	FY 2014 Budget	FY 2015 Budget	FY 2015 to FY 2014	
					Amount	Percent
Salaries & Benefits	\$ 81,751	\$ 87,715	\$ 91,538	\$ 93,997	\$ 2,460	2.7%
Professional Services	20,165	23,647	25,212	25,909	697	2.8%
Materials & Supplies	9,119	9,692	9,531	9,856	325	3.4%
Utilities	5,587	5,639	5,774	5,873	100	1.7%
Insurance & Liability	6,353	7,910	8,161	9,160	999	12.2%
Other	1,774	1,784	2,255	2,124	(131)	-5.8%
Operating Expenses	\$ 124,750	\$ 136,387	\$ 142,470	\$ 146,919	\$ 4,449	3.1%

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 2015 Preliminary Budget proposes \$94.0 million for salaries and benefits, an increase of \$2.5 million (2.7%) from the FY 2014 Revised Budget (\$91.5 million).
- Labor increased by \$0.9 million (1.7%) from the FY 2014 Revised Budget (\$52.8 million). Which is related to the full annual funding in the amount of \$0.8 million for 13 Blue line positions and other various District position salary adjustments within their ranges.
- Fringe Benefits increased by \$2.8 million (6.4%) from the FY 2014 Revised Budget (\$44.3 million). This reflects a \$1.4 million (8.5%) increase in pension costs and a \$1.2 million (9.8%) increase in Medical costs. Capital recovery and indirect costs have increased by \$1.3 million over FY 2014 Revised Budget. This represents labor charged to capital projects, which reduces the operating budget labor costs.
- The Fiscal Year 2015 Preliminary Budget includes 1012 Funded positions, the same number of positions as the Fiscal Year 2014 Revised Budget of 1012 fully or partially funded positions.

Professional Services

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

- The FY 2015 Preliminary Budget proposes \$25.9 million for Professional Services, an increase of \$0.7 million (2.8%) from the FY 2014 Revised Budget of \$25.2 million.
- This reflects an increase in Purchased Transportation of \$0.6 million, based on increase demand and ridership.
- This also includes small increases in various departments.

Materials & 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 2015 Preliminary Budget proposes \$9.8 million for materials and supplies, a decrease of (\$0.3) million (3.4%) from the FY 2014 Revised Budget of \$9.5 million.
- This reflects a projected increase to CNG fuel costs due to the new Cap and Trade taxes on carbon fuels. This tax is projected to be approximately 17% on CNG fuels.

Expenses, cont.

Utilities

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

- The FY 2015 Preliminary Budget proposes \$5.9 million for Utilities, an increase of (\$0.1) million (1.7%) from the FY 2014 Revised Budget (\$5.8 million).
- This reflects an increase in traction power costs and general facility electric costs.

Insurance & 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 2015 Preliminary Budget proposes \$9.2 million for Insurance & Liability, an increase of \$1.0 million (12.2%) from the FY 2014 Revised Budget (\$8.2 million).
- This reflects an increase in the projected claims reserves for Property and Liability for FY 2015, per RT's most recent actuary report completed in February 2014, this amount is more than the FY 2014 revised amount for claims liability by approximately \$1.4 million.
- Also, reflects a reduction in the projected claims reserves for Workers' Compensation for FY 2015, per RT's most recent actuary report completed in February 2014, this amount is less than the FY 2014 revised amount for claims liability by approximately \$0.4 million.
- Net result of these two items above net to the \$1.0 million increase in Insurance & Liability costs in FY 2015.

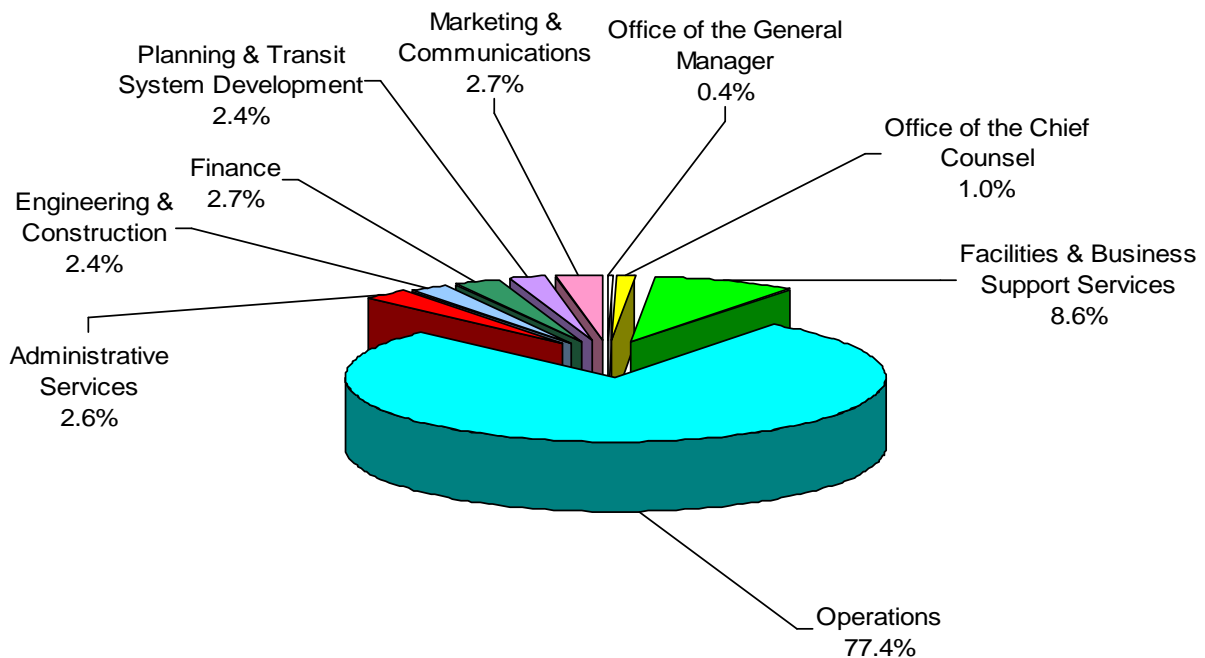
Other

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 2015 Preliminary Budget proposes \$2.1 million for other expenditures, a decrease of \$0.1 million (5.8%) from the FY 2014 Revised Budget (\$2.2 million).
- This includes an decrease in interest expense of \$125,000 in FY 2015 due to the temporary resolution of the Federal 13c issue, which required RT to incur additional interest expense in FY 2014, that is not expected in FY 2015.

Positions

The Fiscal Year 2015 Preliminary Budget includes 1002 Board authorized positions that includes 1012 fully or partially funded positions which has no change in positions from the Fiscal Year 2014 Revised Budget of 1012 funded positions.



Division	FY 2011 Funded	FY 2012 Funded	FY 2013 Funded	FY 2014 Funded	FY 2015 Authorized	FY 2015 Funded
Office of the General Manager	3	3	4	4	4	4
Office of the Chief Counsel	10	10	10	10	10	10
Facilities & Business Support Services	73	74	82	87	87	87
Operations	719	720	775	783	773	783
Administrative Services	21	21	25	26	26	26
Engineering & Construction	24	21	22	24	24	24
Finance	25	26	27	27	27	27
Planning & Transit System Development	21	21	25	24	24	24
Marketing & Communications	26	25	27	27	27	27
Total	922	921	997	1,012	1,002	1,012

FY 2015 Position Information

Operations Division

Operations Training Department

In a continued effort to keep highly trained operators on our system, 10 Operator training positions are added to the FY 2015 budget to alleviate the continued attrition of our operators. This allows our staff the time needed to train new employees to become qualified Operators prior to being placed in full-time operations. These training positions are part of the mix of Authorized Operator positions therefore not added as additional Authorized positions.

Capital Improvement Plan

The following tables represent the Capital Budget spending plan for the FY 2015 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 years 2014 through 2018, and beyond to 2044.

The FY 2015 Budget includes projects focused on the following capital priorities:

System Expansion program:

- Blue Line to Cosumnes River College
- Green Line Draft & Final EIS/R for "Sacramento Intermodal Facility" Segment
- Green Line Draft Environmental Clearance and Project Development
- Sacramento-West Sacramento Streetcar Starter Line

Fleet Program:

- UTDC Light Rail Vehicle Retrofit
- 40' CNG Bus Procurement

Facilities Program:

- Bus Maintenance Facility #2 (Phase 1)

Transit Technologies Program:

- Light Rail Station Video Surveillance and Recording System
- Connect Card (various projects)

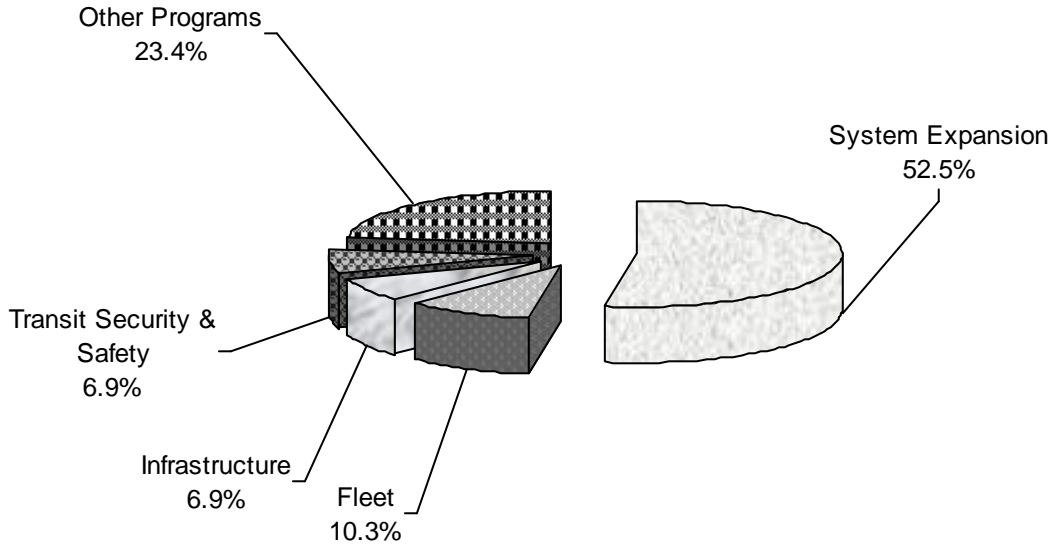
Impact of Capital Improvements on Operating Budget

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 with operating funding if additional capital funds are not available.
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

FY 2015 Funding Additions by Category



(Dollars in Thousands)

Category	FY 2015 Proposed	
System Expansion	\$ 8,028	52.5%
Fleet	1,571	10.3%
Infrastructure	1,062	6.9%
Transit Security & Safety	1,063	6.9%
Other Programs	3,582	23.4%
Total	\$ 15,306	100%

Capital Improvement FY 2015 Funding Additions

Program	Project Name	Tier	Funded Through FY 2014	FY 2015 Budget Funding	Future Funding Additions	Total Project Funding Through FY 2045
System Expansion Programs						
R321	Green Line Draft & Final EIS/R for SITF Segment	0	\$ 3,252,000	\$ 110,000	\$ 142,000	\$ 3,504,000
R327	Green Line SITF HSR Connectivity Improvements (Final Design & Construc	I	-	770,000	56,094,000	56,864,000
R055	Light Rail Station at Dos Rios	II	-	1,000,000	7,000,000	8,000,000
R135	Light Rail Station at Horn	II	100,000	500,000	3,168,000	3,768,000
S010	Sacramento-West Sacramento Streetcar Starter Line	I	1,634,780	5,647,803	-	7,282,583
System Expansion Total			4,986,780	8,027,803	66,404,000	79,418,583
Fleet Programs						
P007	Paratransit Vehicle Replacement - CNG" project	0	-	1,571,200	-	1,571,200
Fleet Program Total			-	1,571,200	-	1,571,200
Infrastructure Programs						
M002	University/65th Street Transit Center Relocation	I	357,647	1,061,531	3,040,822	4,460,000
Infrastructure Program Total			357,647	1,061,531	3,040,822	4,460,000
Transit Security & Safety						
T028	LR Digital Messaging Control System	0	-	103,250	-	103,250
T025	Surveillance and Security Facilities Enhancement	0	-	252,000	-	252,000
T029	Upgrade Bus Fleet Digital Video Recorders	0	-	342,987	-	342,987
T024	Upgrade Data Back Up Systems	0	-	104,320	-	104,320
T027	Video Surveillance System Upgrade	0	-	115,920	-	115,920
T026	WiFi Security Systems Enhancement	0	-	144,350	-	144,350
Transit Security & Safety Total			-	1,062,827	-	1,062,827
Other Programs						
M004	Revenue Bond, Series 2012 Payment	I	5,042,435	3,582,256	146,382,139	155,006,830
Other Programs Total			5,042,435	3,582,256	146,382,139	155,006,830
Total			\$ 10,386,862	\$ 15,305,617	\$ 215,826,961	\$ 241,519,440

* All project expenditures are subject to available funding.

Capital Project 2015 Expenditure Plan

Program	Project Name	Tier	Expended Through FY 2014	FY 2015 Budget Expenditures	Future Expenditures	Total Project Cost through FY 2015
System Expansion Programs						
410	Blue Line to Cosumnes River College	0	\$ 136,242,698	\$ 113,757,302	\$ 20,000,000	\$ 270,000,000
R321	Green Line Draft & Final EIS/R for SITF Segment	0	175,200	2,572,700	756,100	3,504,000
R322	Green Line Draft Environmental Clearance and Project Development	0	237,707	2,643,696	627,754	3,509,156
R327	Green Line SITF HSR Connectivity Improvements (Final Design & Construction)	I	-	2,973,572	53,890,428	56,864,000
R055	Light Rail Station at Dos Rios	II	-	500,000	7,500,000	8,000,000
R135	Light Rail Station at Horn	II	-	600,000	3,168,000	3,768,000
R323	Retrofit Light Rail Vehicle (LRV) Hoist	0	2,727	5,045	25,228	33,000
S010	Sacramento-West Sacramento Streetcar Starter Line		100,000	1,534,780	5,647,803	7,282,583
System Expansion Total			136,758,332	124,587,095	91,615,313	352,960,739
Fleet Programs						
B139	40' CNG Bus Procurement	I	78,622	18,163,679	48,275,234	66,517,534
R001	CAF/Siemens Light Rail Vehicle Painting/Exterior Work	0	-	635,000	360,000	995,000
R320	Light Rail Bucket & Platform Trucks	0	339,160	5,154	93,320	437,633
B142	Neighborhood Ride Vehicle Replacement (CNG) - 14 Vehicles	0	-	2,534,000	-	2,534,000
G225	Non-Revenue Vehicle Replacement	I	1,417,139	1,006,374	38,513,807	40,937,319
R110	Siemens E & H Ramp Replacement	0	4,428	500,000	815,572	1,320,000
651	Siemens Light Rail Vehicle Mid-Life Overhaul	0	7,305,950	500,000	2,140,462	9,946,412
R085	UTDC Light Rail Vehicle Retrofit and Mid Life Refurbishment	I	9,435,027	8,600,000	15,115,518	33,150,545
Fleet Program Total			18,580,325	31,944,207	105,313,912	155,838,443
Infrastructure Programs						
R280	Amtrak-Folsom Limited Stop Service	I	379,917	56,506	13,663,577	14,100,000
4017	Bus Stop Improvement Program	I	286,378	180,000	4,862,427	5,328,805
R332	Metro LR Maint Building Concrete Repair and Structural Analysis	II	-	310,000	-	310,000
A006	Natoma Overhead Widening Project	II	452	50,000	143,299	193,750
G238	Repairs per Biennial Bridge Inspection	I	83,420	55,000	1,630,752	1,769,172
Infrastructure Program Total			750,167	651,506	20,300,055	21,701,727
Facilities Programs						
F017	2011 ADA Audit Repairs	II	-	10,000	20,000	30,000
R313	29th Street Light Rail Station Enhancements	0	245	93,500	186,756	280,500
4007	ADA Transition Plan Improvements	I	354,705	200,000	5,233,295	5,788,000
F014	Bike Racks	0	152	373,733	-	373,885
715	Bus Maintenance Facility #2 (Phase 1&2)	I	21,291,147	1,500,000	32,611,601	55,402,748
4011	Facilities Maintenance & Improvements	I	2,727,304	100,000	18,748,817	21,576,120
F015	Facilities New Freedom Tasks-Add Mini-Hi's to Light Rail Stations	I	744	363,974	260,282	625,000
B134	Fulton Ave. Bus Shelters	0	-	42,359	127,076	169,435
R319	Light Rail Station Rehab Project	0	21,144	137,856	-	159,000
645	Major Light Rail Station Enhancements	I	5,184,474	100,000	29,900,000	35,184,474
F018	Rancho Cordova Landscaping	I	117	112,500	112,383	225,000
F019	Rancho Cordova Utility Building Enhancements	I	99	112,500	112,401	225,000
R175	Watt Avenue Station Improvements	0	240,045	8,800	63,656	312,500
Facilities Program Total			29,820,175	3,155,222	87,376,266	120,351,662
Equipment Program						
B143	Fare Box Replacements	0	-	946,215	2,855,176	3,801,391
N001	Replacement of Police Vehicle Mobile Data Computer Terminals	II	-	135,296	-	135,296
B020	Shop Equipment - Bus	I	90,574	125,000	3,375,067	3,590,640
Equipment Program Total			90,574	1,206,511	6,230,243	7,527,327

Capital Project 2015 Expenditure Plan Cont.

Program	Project Name	Tier	Expended Through FY 2014	FY 2015 Budget Expenditures	Future Expenditures	Total Project Cost through FY 2045
Transit Technologies Programs						
T017	Audio Light Rail Passenger Information Signs	0	135,746	100,000	1,150,505	1,386,250
T004	Connect Card Light Rail Platform Preparations	0	950,285	35,968	616,747	1,603,000
T021	Connect Card-- Mobile Access Routers	0	642,895	157,105	-	800,000
G035	Fiber/50-Fig Installation, Maintenance, & Repair	0	205,488	25,000	246,923	477,410
T022	Handheld Smart Card Reader	0	-	58,000	58,000	116,000
T031	Smart Phone Ticketing	II	-	229,167	45,833	275,000
A004	Transportation Security Enterprises (TSE) Demo Project	0	22,059	9,486	28,455	60,000
964	Trapeze Implementation (TEAMS)	I	1,625,955	538,857	-	2,164,812
Transit Technologies Program Total			3,582,427	1,153,583	2,146,462	6,882,472
Transit Security & Safety						
T011	Anti-Terrorism Directed Patrols	0	349,923	27,503	7,486	384,912
T018	Building Access System Upgrade	0	-	111,507	-	111,507
T008	Completion Fiber Optics Communications Backbone	0	181,219	139,300	97,381	417,900
T005	CPUC General Order 172 - LRV Camera	0	-	140,000	165,482	305,482
T009	Data Center Redundancy & Reliability	0	35,806	17,903	-	53,709
H021	Enhancement of Emergency Power Generation	0	208,706	155,218	194,077	558,000
T010	Light Rail Facility Hardening	0	-	94,880	75,904	170,784
T006	LRV System AVL Equipment	0	368	177,922	222,735	401,025
T020	Operations Computer Systems Upgrades	0	-	205,000	-	205,000
T007	Rail Infrastructure Hardening, Surveillance and Monitoring #2	0	138,648	87,506	90,846	317,000
T012	RT - Emergency Preparedness Drills	0	24,367	3,941	-	28,308
T013	RT - Staff Security Training - Overtime/Backfill	0	26,832	4,999	33,148	64,979
T019	Video Surveillance System Enhancement	0	-	145,000	-	145,000
Transit Security & Safety Total			965,869	1,310,679	887,059	3,163,606
Planning/Studies Program						
A008	Regional Bike Share System	II	-	100,000	90,000	190,000
A001	Watt Ave/Hwy 50 Plan Review	0	85,000	5,000	-	90,000
Planning/Studies Program Total			85,000	105,000	90,000	280,000
Other Programs						
4024	General Construction Management Support Services	II	368,675	25,000	3,091,326	3,485,000
4025	General Engineering Support Services	II	316,874	7,937	1,898,878	2,223,689
M004	Revenue Bond, Series 2012 Payment	I	5,042,435	3,582,256	146,382,139	155,006,830
Other Program Total			5,727,984	3,615,193	151,372,343	160,715,519
Total			\$ 196,360,850	\$ 167,728,996	\$ 465,331,650	\$ 829,421,495

* All project expenditures are subject to available funding.

RESOLUTION NO. 14-04-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

April 14, 2014

AUTHORIZING STAFF TO RELEASE THE SACRAMENTO REGIONAL TRANSIT DISTRICT PROPOSED FY 2015 OPERATING AND CAPITAL BUDGETS AND SET NOTICE OF A PUBLIC HEARING FOR MAY 12, 2014

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the General Manager/CEO or his designee is hereby authorized to release the proposed Operating and Capital Budgets for FY 2015, including the information described in paragraphs (3) to (10) of Public Utilities Code Section 102205(b) and a draft apportionment of votes, and notice a public hearing for said budgets to be held on May 12, 2014.

PHILLIP R. SERNA, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary