

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
8	08/11/14	Open	Action	07/30/14

Subject: Approving Amendments to FY 2014 Operating and Capital Budgets and FY 2015 Capital Budget

## ISSUE

Whether or not to approve the amendments to the FY 2014 Capital and Operating Budgets and FY 2015 Capital Budget.

## RECOMMENDED ACTION

Adopt Resolution 14-08-\_\_\_\_, Approving Amendments to the FY 2014 Capital and Operating Budgets and FY 2015 Capital Budget.

## FISCAL IMPACT

The proposed changes increase the FY 2014 Capital Budget revenues by \$866,276 and formally document the increase in FY 2014 Operating Budget revenues of \$866,276 that was included in previous FY 2014 projections. In addition, proposed changes increase the FY 2015 Capital Budget by \$2,397,706.

## DISCUSSION

RT's annual budgeting process includes Board adoption of budgets that reflect RT's expected funding allocation at the time of preparation. Periodically, changes to the availability of funding require revisions to the project budgets after the operating and capital budgets are adopted. Staff has identified a necessary revision. The complete list of proposed changes is detailed in Exhibit A to the Resolution.

The primary purpose of this issue paper is to receive Board approval to revise the Operating Budget and Capital Budget for one project, the Revenue Bond 2012 Debt Service Project.

## BACKGROUND

### **Capital to Operating Transfer:**

In FY 2013 State Transit Assistance funding (STA) of \$866,276 remained unspent on the Certificate of Participation debt service project that was paid off with the Revenue Bonds issued in November 2012. This unspent funding was transferred from the Certificate of Participation project to the Revenue Bonds Debt Service project in FY 2014 to pay for FY 2014 Revenue Bond debt service payments. As a result of this, there is \$866,276 of FY 2014 STA funding that is available for Operations in FY 2014.

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Approved:

Presented:

Final 08/05/14

General Manager/CEO

Director of Office, Management and Budget

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This \$866,276 transfer was included in the RT year-end operating budget projections presented to the Board on June 23<sup>rd</sup>, as part of the General Manager’s Financial update for FY 2014 year-end.

**Capital Project to Capital Project Transfer:**

The Bus Lot Hardening Capital Project (#B133) has \$128,000 of State Proposition 1B Transit Security funds. Staff is proposing to transfer this \$128,000 to the Emergency Generator Project (#H021), which is an underfunded critical project that RT needs to complete. The Governor’s Office of Emergency Services (Cal OES), the grantor agency, has already approved this transfer.

**New Capital Funding**

The State of California FY 2015 Budget includes a new appropriation of Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) funds. RT’s Compressed Natural Gas (CNG) Bus Replacement Project (#B139) is now programmed to include \$2,397,706 of these PTMISEA funds to help fund RT’s current project to replace 96 buses which need to be completed by January 2017. These funds were not previously included in RT’s 2015 Capital Budget.

Staff recommends Board approval for the proposed Capital and Operating Budget changes as provided in Exhibit A.

RESOLUTION NO. 14-08-\_\_\_\_\_

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

August 11, 2014

**APPROVING AMENDMENTS TO THE FY 2014 CAPITAL AND OPERATING  
BUDGETS AND FY 2015 CAPITAL BUDGET**

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

THAT, the Fiscal Year 2014 Capital and Operating Budgets are amended as  
outlined in Exhibit A.

THAT, the Fiscal Year 2015 Capital Budget is amended as outlined in Exhibit A.

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PHILLIP R. SERNA, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary

**EXHIBIT A**

**REVISIONS TO THE FY 2014 CAPITAL AND OPERATING BUDGETS  
AND FY 2015 CAPITAL BUDGET**

<u>Funding Source</u>	<u>Project #</u>	<u>Project Name</u>	<u>Funding Changes Increase (Decrease)</u>	<u>Description of Change</u>
<b>FY 2014 CAPITAL BUDGET CHANGES:</b>				
PTMISEA Transit Security funding	B133	Bus Lot Hardening	\$ (128,000)	Transfer excess revenue to Project H021
PTMISEA Transit Security funding	H021	Emergency Generator	128,000	Transfer revenue from Project B133 - additional funds required.
FY 2014 State Transit Assistance	M004	Revenue Bonds 2012 Debt Service	<u>(866,276)</u>	Transfer revenue from Capital to Operating.
Total FY 2014 Capital Budget Changes			<u>\$ (866,276)</u>	
<b>FY 2014 OPERATING BUDGET CHANGES:</b>				
FY 2014 State Transit Assistance	n/a	Operating revenue	<u>\$ 866,276</u>	Transfer revenue to Operating from Capital (M004).
Total FY 2014 Operating Budget Changes			<u>\$ 866,276</u>	
<b>FY 2015 CAPITAL BUDGET CHANGES:</b>				
PTMISEA State Funding	B139	40' Bus Replacement	<u>\$ 2,397,706</u>	Add new revenue.
Total FY 2015 Capital Budget Changes			<u>\$ 2,397,706</u>	