



## STAFF REPORT

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**DATE:** June 8, 2020  
**TO:** Sacramento Regional Transit Board of Directors  
**FROM:** Brent Bernegger, VP, Finance/CFO  
**SUBJ:** ADOPT THE FY 2021 OPERATING AND CAPITAL BUDGETS, VOTE ALLOCATIONS, AND AUTHORIZE THE FILING OF THE TRANSPORTATION DEVELOPMENT ACT CLAIM BASED ON THE ADOPTED FY 2021 BUDGET

### RECOMMENDATION

Adopt the Attached Resolutions.

### RESULT OF RECOMMENDED ACTION

Approval of this action will result in the adoption of the FY 2021 Operating, Capital Budgets, vote allocations, and authorize the filing of the Transportation Development Act (TDA) Claim based on the adopted FY 2021 Budget. The District's TDA claim includes the annual allocation to the Sacramento Area Council of Governments (SACOG) for transportation planning purposes in the amount of \$1,761,633. These funds are not included in the SacRT FY 2021 Operating Budget, as they are paid directly to SACOG.

### FISCAL IMPACT

The operating and capital budget for FY 2021 is \$200.3 million and \$195.8 million, respectively.

### DISCUSSION

The Preliminary FY 2021 Operating and Capital Budget was released for public review on April 8, 2020. As required by the Government Code, the public hearing notice was published in the Sacramento Bee. In an effort to do more expansive outreach, Staff also advertised the FY 2021 budget on the SacRT website and through various social media outlets. During this process, the public is afforded an opportunity to express opinions regarding the Preliminary Abridged FY 2021 Budget. A revised Preliminary FY 2021 Operating and Capital Budget was presented at the May 11, 2020.

Staff has received various comments on the budget from both the Public and the Board of Directors. The public comments have been attached to this Staff Report and the feedback has been incorporated into the final budget for the June 8, 2020 Board meeting. Since the FY 2021 Preliminary Budget was presented to the Board, staff has continued to refine its projections, and presents the final, balanced FY 2021 Budget for your approval.

## **Assumptions Built into the FY 2021 Budget**

The Operating Budgeting process is a tedious project that requires input from various operational staff members, economic conditions, goals and objectives by the Board, all balanced by the need to keep costs within estimated revenue projections. This year, the revenue projections were more complex as a result of the COVID 19 pandemic. As requested by the Board, the assumptions used in this budget were built on a variety of sources.

These assumptions are as follows:

- ) Service levels have been budgeted without reductions, allowing for some minor service expansions such as SmartRide.
- ) The budget will support SacRT strategic priorities such as our customers first approach to services and business optimization.
- ) CARES Act funding is being used to offset the loss of fares and sales tax based revenues.
- ) While a hiring freeze has been implemented for all non-critical positions, there have been no reductions in critical staffing levels.
- ) All merit increases will be received by employees per Collective Bargaining Agreements (CBA) .
- ) There will be no Fare rate adjustments.

## **Summary of FY 2021 Operating Budget**

Tables 1A and 1B provide summaries of the preceding two years actual results, the current year budget, and the FY 2021 budget amounts. Revenue and expenditure adjustments were incorporated since the revised preliminary budget was presented on May 8, 2020.

The changes made were as follows: Revised budgeted sales tax based revenues under the category of State & Local revenues, were increased by \$3.056M. Operating expenditures were decreased by \$1.828M, as a result of implementing organizational and efficiency changes which should provide reductions in the categories of Salaries and Benefits. Some of these planned reductions were in improvements to lower overtime, freezing some non-critical positions, offset by some increases in insurance premium costs and other miscellaneous expenses.

**Table 1A - Revenues (Thousands)**

	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020 to FY 2021</b>	
	<b>Actual</b>	<b>Actual</b>	<b>Budget*</b>	<b>Budget</b>	<b>\$ Change</b>	<b>% Change</b>
Fare Revenue	\$ 27,276	\$ 25,428	\$ 26,199	\$ 12,177	\$ (14,022)	-53.5%
Contract Services	6,420	3,731	7,686	6,380	(1,306)	-17.0%
State & Local	93,339	104,031	118,375	73,105	(45,270)	-38.2%
Federal	37,060	35,750	35,945	35,790	(155)	-0.4%
CARES Act	-	-	-	68,000	68,000	0.0%
Other	5,007	8,551	4,835	4,876	41	0.8%
<b>Total</b>	<b>\$ 169,102</b>	<b>\$ 177,492</b>	<b>\$ 193,039</b>	<b>\$ 200,328</b>	<b>\$ 7,289</b>	<b>3.8%</b>
Operating Surplus/(Deficit)	9,172	3,297		-		
<b>Operating Revenue</b>	<b>\$ 159,930</b>	<b>\$ 174,195</b>	<b>\$ 193,039</b>	<b>\$ 200,328</b>	<b>\$ 7,289</b>	<b>3.8%</b>
<i>Working Capital</i>	<i>4,000</i>	<i>-</i>				
<i>Operating Reserve Change</i>	<i>5,172</i>	<i>3,297</i>				

\* This table presents the original FY 2020 budget, which does not include approximately \$27M in CARES Act funding allocated to that year, which when combined with the \$68M allocated to FY 2021 totals approximately \$95M in available funding.

**Table 1B - Expenses (Thousands)**

	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020 to FY 2021</b>	
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>\$ Change</b>	<b>% Change</b>
Salaries & Benefits*	\$ 109,150	\$ 116,540	\$ 132,333	\$ 142,875	\$ 10,542	8.0%
Professional Services	22,331	22,776	27,009	16,502	(10,507)	-38.9%
Materials & Supplies	9,309	10,844	11,252	12,963	1,711	15.2%
Utilities	6,995	6,761	7,505	7,828	323	4.3%
Insurance & Liability	9,300	14,011	10,840	14,917	4,077	37.6%
Other	2,845	3,262	4,100	5,243	1,143	27.9%
<b>Operating Expenses</b>	<b>\$ 159,930</b>	<b>\$ 174,195</b>	<b>\$ 193,039</b>	<b>\$ 200,328</b>	<b>\$ 7,289</b>	<b>3.8%</b>

\* Salary & Benefits category for FY 2021 Budget includes 174 new positions for ADA paratransit service.

## Capital Budget

Table 2 below remains unchanged from the Capital Budget in the revised preliminary budget presented at the May 8, 2020 Board meeting. In addition to the budget request for FY 2021, there is \$593,562,185 in estimated carry forward budget authorized from previous fiscal years as detailed in Exhibit A.

Unlike the Operating Budget, the Capital Budget consists of projects that often take multiple years to complete, and in some cases take multiple years to fully fund. Funds approved for a project that are not spent in the previous fiscal year are typically carried over to the following fiscal year. Similarly, when the Board approves the budget for a large multi-year project in one fiscal year's budget the project continues to have Board-approved budget authority rolled over from year to year, less any funds that have been spent on the project. These carry forward figures were not included in the FY 2020 Preliminary Capital Budget due to the uncertainty of carry forward amounts at that point in the fiscal year. The actual amounts to be carried over from FY 2020 will be reported

to the Board as part of the five-year Capital Improvement Plan update in the fall when the books are closed on FY 2020.

**Table 2 - Summary of FY 2021 Capital Budget**

Program	Project Name	Previously Budgeted (Board-Approved)	FY21 Budget Request	Funding Additions				Board Authorized Amount
				Federal	State	Local	TBD	
<b>Equipment Program</b>								
B175	Intelligent Vehicle Network Upgrade (IVN3 to IVN5)	-	652,630	-	652,630	-	-	652,630
B176	Drive Cam	-	454,590	-	-	-	454,590	454,590
		-	1,107,220	-	652,630	-	454,590	1,107,220
<b>Facilities Program</b>								
F400	Facilities Capital Improv. And State of Good Repair	361,617	138,383	-	-	-	138,383	500,000
		361,617	138,383	-	-	-	138,383	500,000
<b>Fleet Program</b>								
B173	40-ft CNG Bus Replacement (91 Orion Buses)	21,629,000	41,871,000	-	-	-	41,871,000	63,500,000
R100	Replacement New Low-Floor LRVs (13)	68,347,200	5,752,800	-	-	-	5,752,800	74,100,000
R368	Expansion New Low-Floor LRVs (7)	-	46,500,000	-	-	-	46,500,000	46,500,000
		89,976,200	94,123,800	-	-	-	94,123,800	184,100,000
<b>Infrastructure Program</b>								
B150	Watt/I-80 On-Site Transit Center Improvements	3,511,358	6,899,422	-	-	-	6,899,422	10,410,780
R400	Light Rail System Capital Improv. and State of Good	50,000	450,000	-	-	-	450,000	500,000
B400	Bus System Capital Improv. and State of Good Repair	-	500,000	-	-	-	500,000	500,000
		3,561,358	7,849,422	-	-	-	7,849,422	11,410,780
<b>Other Program</b>								
M004	Revenue Bond, Series 2012 Payment	17,265,984	3,434,434	-	3,434,434	-	-	20,700,418
		17,265,984	3,434,434	-	3,434,434	-	-	20,700,418
<b>System Expansion</b>								
R328	Green Line Final EIS/EIR	-	1,400,000	-	-	-	1,400,000	1,400,000
R370	Sacramento Valley Station (SVS) Loop	-	87,300,000	-	-	-	87,300,000	87,300,000
		-	88,700,000	-	-	-	88,700,000	88,700,000
<b>Transit Technologies Program</b>								
B177	Trapeze OPS Web	-	251,000	-	251,000	-	-	251,000
B174	Disruption Manager Software	-	214,866	-	-	-	214,866	214,866
		-	465,866	-	251,000	-	214,866	465,866
<b>Total</b>		<b>111,165,159</b>	<b>195,819,125</b>	<b>-</b>	<b>4,338,064</b>	<b>-</b>	<b>191,481,061</b>	<b>306,984,284</b>

## Outlook for FY 2021

The future risks SacRT is facing are unprecedented and unique. The COVID-19 pandemic is having, and is expected to continue to have, significant negative impacts on several of SacRT's revenue sources, and the longer this pandemic continues, the higher the multiplier for these negative impacts will be. For example, within just the past few months, Standard and Poors, one of the rating agencies that monitor SacRT, announced that all the transit agencies that they monitor were put on negative watch as a result of the pandemic. This was done without an official review or input from each agency. To address these overall market concerns, the Federal Government reacted quickly with stimulus funding (the CARES ACT) as a result of the overwhelming support from transit agencies and others efforts to explain the seriousness of the situation. As of this writing, , transit agencies have been provided with general guidelines and vague language on the how this stimulus funding can be applied and reimbursed. Therefore, it is fiscally prudent to be cautious with the District's spending as we should be prepared for the possibility that some of the reimbursements SacRT seeks may be disallowed after the money is spent during the Federal Triennial review. It is necessary for SacRT to be conservative with spending and find ways to keep costs down during this time frame. This is a common thread that we are hearing from other transit agencies and our auditors. Therefore, we present tonight a final budget that has been balanced with revenue increases and expenditure reductions to conservatively address this

uncertainty.

The revenues presented in the budget reflect potential impacts related to COVID-19. Information regarding reductions in SacRT's fare and sales tax based (State & Local) revenues due to the COVID-19 pandemic is being updated and assessed constantly to determine the impact on SacRT, and to plan our strategic response accordingly. As part of this process, staff is forecasting significant reductions in most revenues in FY 2020-2021, as this impact has been spreading into all SacRT's revenue sources. In comparison to the original budgeted revenues in FY 2020, Fare revenues are forecast to be down \$14.0M, State & Local revenues could incur a combined loss of approximately \$45.3M, Contracted Services down \$1.3M, and Other revenues down \$0.04M, for a total forecast loss of \$60.7M in FY 2020-2021. To address these negative impacts on the public transit industry, on March 27, 2020 the President signed the 2020 CARES Act which provided \$25B in relief funding for public transit agencies across the nation. SacRT's portion of this funding is approximately \$95M, of which \$27M is being allocated to FY 2019-2020, and \$68M allocated to FY 2020-2021. These allocations are projected to fully offset the forecasted revenue losses and provide for an overall revenue increase of \$7.3M.

The General Manager/CEO is presenting a balanced budget for FY 2020-2021 tonight that maintains service levels and includes new service expansions, while addressing the pressing need to fund SacRT's operating reserve and reduce our reliance on a line of credit to pay our bills. We will continue to relentlessly pursue efficiency improvements and business optimizations and revenue opportunities in the upcoming year.

## Nadia Mokhov - Fwd: Budget (Auto Forward from Budget@SacRT.com)

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**From:** budget  
**To:** JJohnson@sacrt.com, JWong@sacrt.com, NMokhov@sacrt.com  
**Date:** 4/10/2020 3:54 PM  
**Subject:** Fwd: Budget (Auto Forward from Budget@SacRT.com)

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You have a new message to view in Budget@SacRT.com

>>> Jason Johnson <jjohnson@sacrt.com> 04/10/20 15:54 >>>

First public comment.

Sent from my iPhone

Begin forwarded message:

**From:** "<[rbarlew@winfirst.com](mailto:rbarlew@winfirst.com)>" <[rbarlew@winfirst.com](mailto:rbarlew@winfirst.com)>  
**Date:** April 10, 2020 at 15:33:26 PDT  
**To:** "Jason Johnson" <[JJohnson@sacrt.com](mailto:JJohnson@sacrt.com)>  
**Subject:** Budget

The Green Line is a boondoggle which will not reach the airport for decades, but will completely disrupt our neighborhood forever. The last time I checked you don't *even* have a possible source of funding to extend into North Natomas. Your own records admit that there is no grant or source of money to complete this project, but you keep using "the airport" as a publicity ploy to get support. (as if anyone wants to schlep their bags downtown in the wee hours of the morning in order to meander through 4 neighborhoods). It is false and dishonest.

We have 100 mature trees. We have 55 homes who FACE the road, or have bedrooms next to the purposed line. There is NO commercial area through which to run this. The library, community center and ONLY major park are blocked by the route, And there are no alternate routes for cars. South Natomas was never set up for light rail. We are barely north of downtown, so buses work just fine, are cheaper and flexible.

You ignored a 5000 signature petition 10 years ago to stop this. Our neighborhood is treated as expendable. One board member stated "they're all junk houses, so tear 'em down". We remember. We stopped Measure B to stop funding this, in hopes RT would take notice. We can stop the next one too.

Set up an express to the airport, and leave us alone!

Rory Barlew [rbarlew@winfirst.com](mailto:rbarlew@winfirst.com).

## Cindy Brooks

---

**From:** Mike Barnbaum <mike\_barnbaum@comcast.net>  
**Sent:** Sunday, May 10, 2020 1:37 PM  
**To:** Board Comments  
**Cc:** Brent Bernegger  
**Subject:** Board Agenda Item 5.1 - Accept Public Comment on the Sacramento Regional Transit District Preliminarily Fiscal Year 2021 Operating and Capital Budget and continue the public hearing to 5:30pm on Monday, June 8, 2020

Greetings Chair Hansen and Members of the Board:

One year ago, the outlook on public transit budgets was great, especially with the State of California boasting a surplus of over \$20 Billion. Because of COVID-19, the State of California is now projecting a \$54 Billion budget deficit. In developing the Sacramento Regional Transit District Fiscal Year 2021 budget, this is information that must not be taken lightly, which is why I want to address you today so that we can “meet this moment” in a challenging year ahead. With the leadership of CEO Henry Li, and the recently implemented “SacRT Forward” service implementation back on September 8, 2019, the Sacramento Regional Transit District is in a better position to deliver transit services to the people of the Sacramento Region. To that point, everyone must realize that budget cuts will need to be made to achieve a balanced budget, but the budget cuts being taken into consideration must protect the most vulnerable in leading to a final budget adoption on June 8th. Areas that this preliminary budget must protect are in transit service, customer service, marketing, communications, community partnerships, and all current SacRT team members. For service in particular, and to what the author, Brent Bernegger wrote, the Fiscal Year 2021 balanced budget must include, “new service expansions.” In saying that, perhaps the district can reduce and/or make cuts in areas like employee overtime, reducing and/or eliminating third party contracts that are in place today, if any, as well as reducing and eliminating travel, with the exception of the planned September 2020 “Cap-to-Cap” trip that is spearheaded by the Sacramento Metropolitan Chamber of Commerce. Efforts to gain riders, like starting them riding when they are young through “Ryde Free RT” should be preserved in this budget, with continuous efforts to work with community partnerships through the cities, Sacramento County, and perhaps SACOG to maintain this program for our youth. During the 2020 portion of the 2021 fiscal year, it will be extremely important and prudent to launch a voter education campaign about the need for approving local/regional stimulus funds through a 40-year Measure A on the Fall 2020 Ballot. In closing, we need to put more of an emphasis on working with our congressional delegation like Congresswoman Doris Matsui to pass a second COVID-19 stimulus package that provides Cities, Counties, Special Districts, and Parishes a bulk of federal dollars to get through and on the other side of this global pandemic.

Thank you very much for Public Comment on the preliminary 2021 Fiscal Year Budget.

Sincerely,

Mike Barnbaum  
Mobile/Text: (916) 390-3989

CC: Brent Bernegger, Chief Financial Officer

Sent from my iPad



## Cindy Brooks

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**From:** Brent Bernegger  
**Sent:** Monday, May 11, 2020 9:18 AM  
**To:** Mike Barnbaum; Board Comments  
**Cc:** JJohnson  
**Subject:** Re: Board Agenda Item 5.1 - Accept Public Comment on the Sacramento Regional Transit District Preliminarily Fiscal Year 2021 Operating and Capital Budget and continue the public hearing to 5:30pm on Monday, June 8, 2020

Hi Mike,

Thank you Mike for your thoughtful comments. We will continue to work with the various agencies and individuals you mentioned to help fund SacRT and make sure the safety of our employees is a top priority.

This comment will be included in the next staff report when we present the final budget and all the public comments.

Brent

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**From:** Mike Barnbaum <mike\_barnbaum@comcast.net>  
**Sent:** Sunday, May 10, 2020 1:37 PM  
**To:** Board Comments <boardcomments@sacrt.com>  
**Cc:** Brent Bernegger <BBernegger@sacrt.com>  
**Subject:** Board Agenda Item 5.1 - Accept Public Comment on the Sacramento Regional Transit District Preliminarily Fiscal Year 2021 Operating and Capital Budget and continue the public hearing to 5:30pm on Monday, June 8, 2020

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COVID-19 stimulus package that provides Cities, Counties, Special Districts, and Parishes a bulk of federal dollars to get through and on the other side of this global pandemic.

Thank you very much for Public Comment on the preliminary 2021 Fiscal Year Budget.

Sincerely,

Mike Barnbaum  
Mobile/Text: (916) 390-3989

CC: Brent Bernegger, Chief Financial Officer

Sent from my iPad

## Cindy Brooks

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**From:** Helen OConnell <17newdayrise@gmail.com>  
**Sent:** Monday, May 11, 2020 1:57 PM  
**To:** Board Comments  
**Subject:** 5 b

I feel this item should be tabled until June because of the lack of ability to get public input my name is Helen O'Connell and this is a too big of an important issue to be rushed through thank you very much stay safe

RESOLUTION NO. 20-06-0060

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

June 8, 2020

**ADOPT THE FY 2021 OPERATING AND CAPITAL BUDGETS  
AND VOTE ALLOCATIONS**

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

THAT, the Board of Directors hereby finds the level of service to be rendered in each city and county in which the Sacramento Regional Transit District will operate is commensurate with the level of tax and financial support to be derived from each such city and the County.

THAT, the Sacramento Regional Transit District's FY 2021 Operating Budget of \$200.3 million and Capital Budget of \$195.8 million as set forth in attached Exhibit A, are hereby approved.

THAT, the following voting distribution for FY 2021 as tabulated in the "Schedule of Weighted Voting Distribution" in the attached Exhibit A, is hereby approved.

Jurisdiction	Votes
County of Sacramento	37
City of Sacramento	32
City of Rancho Cordova	9
City of Citrus Heights	10
City of Elk Grove	3
City of Folsom	9
Total	100

\_\_\_\_\_  
STEVE HANSEN, Chair

A T T E S T:

HENRY LI, Secretary

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



# Sacramento Regional Transit District

Abridged Budget  
Fiscal Year 2020-2021

June 8, 2020

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Board of Directors

**Steve Hansen, Chair**  
City of Sacramento

**Steve Miller, Vice Chair**  
City of Citrus Heights

**Linda Budge**  
City of Rancho Cordova

**Jeff Harris**  
City of Sacramento

**Kerri Howell**  
City of Folsom

**Pat Hume**  
City of Elk Grove

**Rick Jennings II**  
City of Sacramento

**Patrick Kennedy**  
County of Sacramento

**Don Nottoli**  
County of Sacramento

**Jay Schenirer**  
City of Sacramento

**Phil Serna**  
County of Sacramento

Board of Directors Alternate

**Steven Detrick**  
City of Elk Grove

**Mike Kozlowski**  
City of Folsom

**David Sander**  
City of Rancho Cordova

**Jeff Slowey**  
City of Citrus Heights

## Executive Management Team

Henry Li  
General Manager/CEO

Brent Bernegger  
VP, Finance/CFO

Vacant  
VP, Operations

Laura Ham  
VP, Planning and Engineering

Lisa Hinz  
VP, Safety, Security and Customer Satisfaction

Shelly Valenton  
VP, Integrated Services and Strategic Initiatives

## Office of Management & Budget Team

Jason Johnson  
Director, Office of Management & Budget

Erik Reitz  
Grants Manager

Nadia Mokhov  
Senior Financial Analyst

Carol Cherry  
Senior Grants Analyst

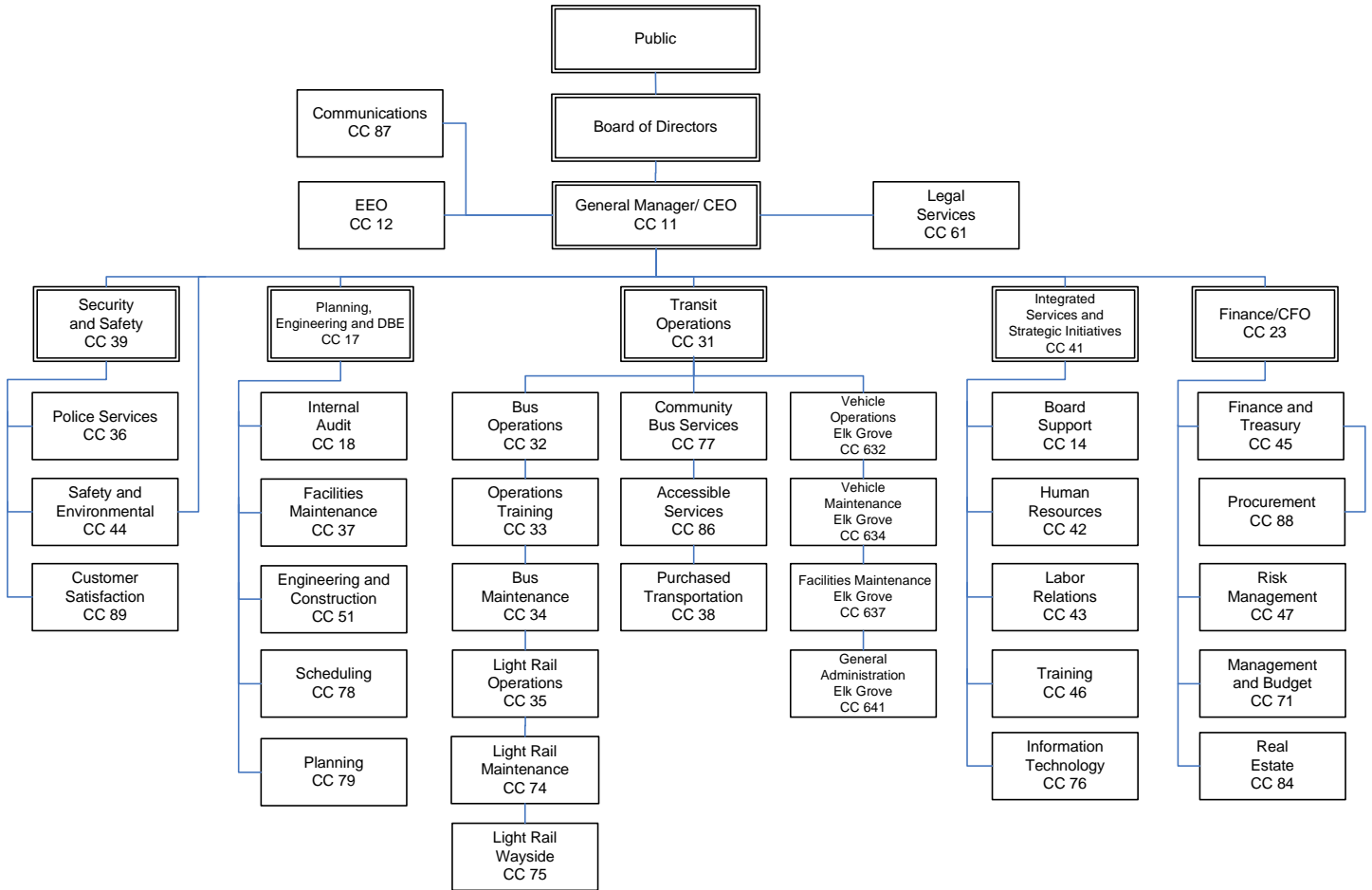
Judy Wong  
Senior Financial Analyst

Joe Paglieroni  
Senior Grants Analyst



# Organizational Structure

(Cost Center Based)



CC = Cost Center



## District Overview

### District Profile

#### Facts

Sacramento Regional Transit District (SacRT)	Constructs, operates, and maintains a comprehensive mass transportation system that serves 367 square miles in Sacramento County
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Bus Service	
Power	CNG, Diesel, Gasoline, Electric
Routes	63
Schedule	4:59 am to 11:15 pm daily
Stops	3,100+
Vehicles	192 - 40' CNG Buses 47 - Electric, Gasoline shuttles and Diesel small buses
Annual Ridership	10,500,000

Light Rail Service	
Power	Electrical
Miles	44.9
Schedule	3:49 am to 12:59 am daily
Stops	52
Vehicles	97
Annual Ridership	10,400,000

Paratransit	
ADA Passenger Trips Provided	282,909
ADA Vehicle Revenue Miles	3,427,446
Vehicles	101

Passenger Amenities/ Customer Service	
Transfer Centers	32
Park & Ride	22
Annual Customer Service Calls	118,961
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
Jun 2012	Opened the Green Line, connecting downtown Sacramento to the River District
September 2015	Extended light rail from Meadowview to Cosumnes River College
February 2018	Started Microtransit/SmaRT Ride services
January 2019	Annexed Citrus Heights and Folsom services
July 2019	Started Elk Grove services under contract
June 2020	Started SacRT GO paratransit service

## Strategic Plan

Last Adopted by the Board of Directors in January 2015, SacRT's Strategic Plan reaffirms SacRT's commitment to improve access in the Sacramento region by providing fiscally responsible transit service. SacRT is in the process of updating its strategic plan, and will bring it to the Board of Directors separately for approval.

The Strategic Plan outlines the way SacRT will navigate challenges and explore opportunities as it seeks to connect people to resources with consideration and support of regional goals.

SacRT's Strategic Plan requires SacRT to shape activities to support identified Values and Goals, responsibly manage all agency actions and commitment of resources, and measure performance.

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

This plan is SacRT's commitment to the people of the Sacramento Region. SacRT will accomplish this through regional leadership and by providing quality service in a respectful and sustainable manner. SacRT will continue to focus on customer service and provide safe, clean, and reliable transportation service. To prepare for future needs in the 21st Century, SacRT will build and continuously develop a highly skilled transportation workforce. SacRT will continue to challenge itself to meet the growing transportation needs of the Sacramento Region.

The SacRT Strategic Plan's Mission, Vision, Values, and Goals are listed on the following page. The plan is best seen as an evolving process, not a rigid or fixed document. This plan will change as the needs of the Region change and will reflect the transportation requirements of the Region.

## Strategic Plan (continued)

## Mission Statement

The purpose of the Sacramento Regional Transit District is to promote and improve access in the Sacramento region by providing safe, reliable, and fiscally responsible transit service that links people to resources and opportunities.

## Vision Statement

The Sacramento Regional Transit District strives to connect people to resources and opportunities while stimulating livable communities and supporting economic development by providing an efficient and fiscally sustainable transit system that attracts and serves riders by offering an appealing transportation choice.

## Values

- J Quality Service & Innovation: SacRT is committed to providing safe, reliable, and cost efficient public transit services, and initiating innovative technologies to improve service effectiveness.
- J Customer Service: SacRT places customers first by providing quality transit services and amenities with convenient and easily understood access at an affordable price.
- J Respect & Professionalism: SacRT is committed to treating its customers and employees with dignity and respect, recognizing the importance and value of each individual.
- J Fiscal Responsibility: SacRT is committed to the pursuit of efficient use of resources and of secure and stable funding sources.
- J Integrity & Accountability: SacRT acknowledges its responsibility for actions and performance with an uncompromising commitment to truth, honesty and high ethical standards. SacRT is committed to compliance with regulatory requirements and industry standards and efforts to improve upon existing practices.
- J Quality, Diverse & Positive Work Force: SacRT is committed to increasing employee effectiveness and satisfaction through effective communication, teamwork, appropriate resource availability, appreciation of varied abilities, and professional development opportunities.
- J Regional Leadership & Coordination: SacRT is committed to work with area stakeholders to create a “world class” transit system that supports livable communities and related efforts.
- J Health and Safety: SacRT is committed to achieve an optimal level of safety for our employees, customers and the general public by minimizing risk of injury and property loss and promoting a sound safety culture throughout the organization.
- J Sustainability: SacRT is committed to environmentally sensitive services and practices.

## Goals

Fundamental Goals

- J Ensure Financial Stability
- J Meet or Exceed Expectations for Safe & Quality Service in a Cost-Effective Manner
- J Operate in an Ethical Manner
- J Invest in the Attraction, Development & Retention of a Quality Workforce

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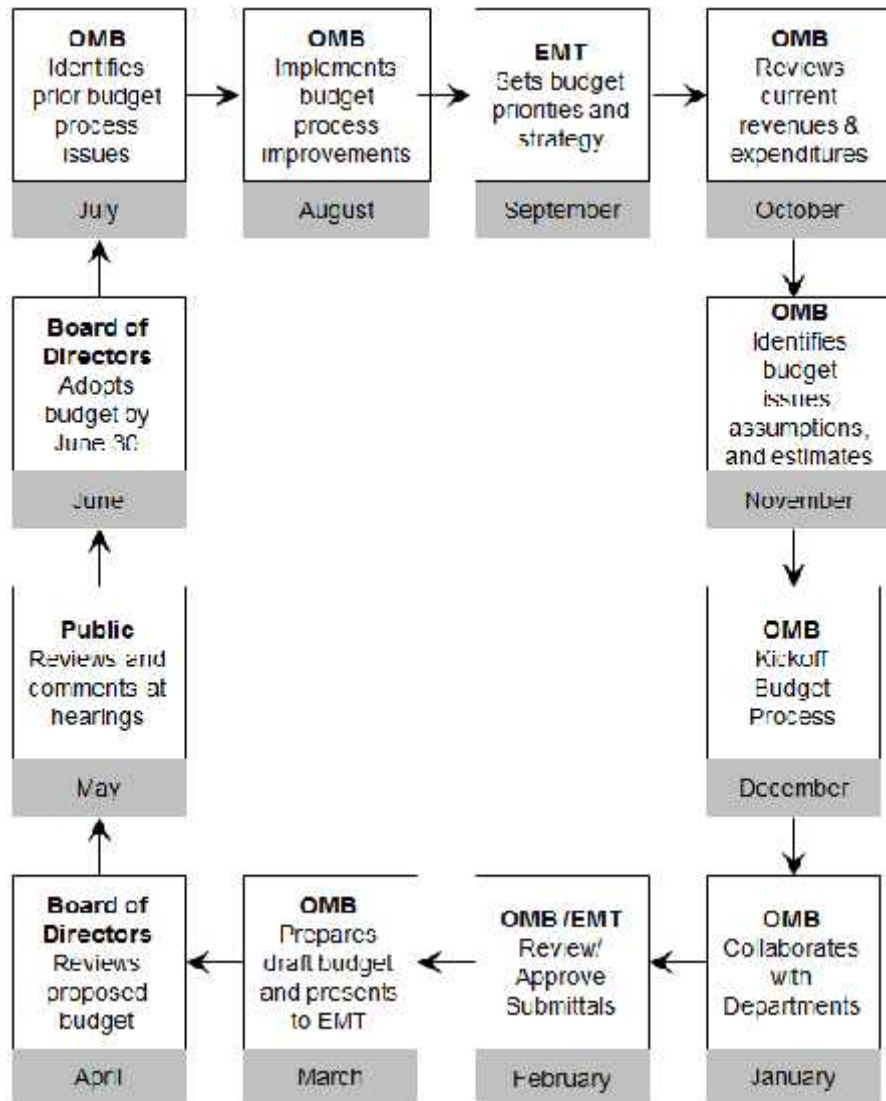
Strategic Plan (continued)

Growth Goals

- ) Improve Access Within and Between Communities in the Sacramento Region in a Cost-Effective Manner
- ) Increase Transit Market Share in the Sacramento Region
- ) Adjust to Legislative & Regulatory Changes and to Stakeholder & Community Initiatives, and Support Complementary Efforts

### Budget Process

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



### Voting System

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

In January 2006, the SacRT 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 SacRT. Assembly Bill 2137 established the new weighted voting system.

The system creates 100 voting shares. SacRT 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 SacRT 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 budget document and distributed to voting entities at least 60 days in advance of budget adoption. A summary of the tabulated vote shares effective for FY 2020 and for the FY 2021 Abridged Budget is shown in the table below. A detailed FY 2021 Schedule of Weighted Voting is shown on the next page.

#### Vote Shares by Jurisdiction

<b>Jurisdiction</b>	<b>Status</b>	<b>Shares - FY 2020 Budget</b>	<b>Shares – FY 2021 Budget</b>
County of Sacramento	Annex	37	37
City of Sacramento	Annex	32	32
City of Rancho Cordova	Annex	9	9
City of Citrus Heights	Annex	10	10
City of Elk Grove	Contract	3	3
City of Folsom	Annex	9	9
<b>Total</b>		<b>100</b>	<b>100</b>



### Voting System (continued)

Fiscal Year 2021 Schedule of Weighted Voting Distribution

Base Values\*

**Federal Financial Information**

Code Section:		
102205(b)(6)	FY 20 Federal Funds Available in the Sacramento MSA <sup>1</sup>	39,734,676
102205(b)(7)	Allocation of Federal Funds to jurisdictions other than RT	4,654,362
102205(b)(8)	FY 20 Federal Funds Available for use in RT Service Area:	35,080,314

1. Federal Funds are draft only and subject to change based on SACOG's approval of the apportionments prior to final budget adoption.

**Jurisdiction Specific Values**

	City of Sacramento	County of Sacramento	Rancho Cordova	Citrus Heights	Folsom	Elk Grove	Totals:
102205(b)(10) Population:**	508,172	594,216	74,471	88,095	79,835	174,025	1,518,814
Proportionate Population:	33.46%	39.12%	4.90%	5.80%	5.26%	11.46%	100%
Member:	Yes	Yes	Yes	Yes	Yes	No	
102100.2, 102100.3	4	3	1	1	1	1	11
102105.1(d)(2)(D) Federal Funds Attributed to Entity (Total Federal Funding x Share of Population):	11,737,873	13,723,419	1,718,935	2,034,658	1,845,225	4,020,204	35,080,314
102105.1(d)(2)(A), 102205(b)(3) FY 21 State TDA Funds Made Available to RT:	25,595,823	28,288,616	3,752,020	4,438,350	4,068,403	0	66,143,212
102105.1(d)(2)(B), 102205(b)(4) FY 20 Funds Provided Under Contract:	115,000	-	450,000	0	0	350,000	915,000
102105.1(d)(2)(C), 102205(b)(5) FY 20 Other Local Funds	0	0	0	0	0	0	0
102105.1(d)(2) Total Financial Contribution:	37,448,696	42,012,035	5,920,955	6,473,008	5,913,628	4,370,204	102,138,526
102105.1(d)(2) Proportionate Financial Contribution:	36.66%	41.13%	5.80%	6.34%	5.79%	4.28%	100%

**Voting Calculation**

	City of Sacramento	County of Sacramento	Rancho Cordova	Citrus Heights	Folsom	Elk Grove	Totals:
102105.1(d)(1) Incentive Shares (5 for member jurisdictions)		5	5	5	5	0	25
102105.1(d)(2) Financial Contribution Shares (Proportionate Financial Share x Remainder of 100 shares):	27.4950	30.8475	4.3500	4.7550	4.3425	3.2100	75
102105.1(d)(3) Total Shares:	32.4950	35.8475	9.3500	9.7550	9.3425	3.2100	100
102105.1(d)(4)(i) Shares After Rounding:	32	36	9	10	9	3	99
102105.1(d)(4)(i), 102105.1(d)(4)(ii) Share Adjustment (To Ensure 100 Shares):	32	37	9	10	9	3	100
102105.1(d)(7) Distribution of Shares Among Members (Assuming All Members Present to Vote):***							
Member 1	8	13	9	10	9	3	
Member 2	8	12	N/A	N/A	N/A	N/A	
Member 3	8	12	N/A	N/A	N/A	N/A	
Member 4	8	N/A	N/A	N/A	N/A	N/A	
Member 5	N/A	N/A	N/A	N/A	N/A	N/A	
Total Votes:	32	37	9	10	9	3	100

\* In addition to the funding identified above, RT projects the following funds for operating purposes: \$52,587,997 - 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.  
Due to the unavailability of sufficient information regarding the potential impacts of COVID-19 on revenues, reductions were not factored into the calculation of voting distribution for FY 2021.



## SacRT Major Goals and Objectives in FY 2021\*

Operational Excellence - SacRT is dedicated to providing innovative mobility solutions and developing and implementing programs that provide best in class service that puts customers first. As public transportation service continues to evolve, SacRT is committed to providing the highest standards in transportation by implementing industry best practices and ensuring operational excellence for our customers.

1. SacRT will leverage funding and staff resources to accelerate the achievement of priority goals and initiatives to achieve operational excellence.
2. Develop and implement policies that will increase customers per revenue hour across our system and improve on-time performance of service delivery in line with peer agency standards.
3. Implement industry innovations and identify operational efficiencies to reduce operating cost per vehicle revenue hour.
4. Continue repair and replacement policies of vehicle fleet to reduce in-service failures to improve service across the system.
5. Reduce preventable accidents to improve rider safety, system performance, and fiscal responsibility.
6. Continue to improve vehicle cleanliness, provide exceptional security, and maintain vehicles in a state of good repair to meet customer expectations.
7. Deliver outstanding trip experiences for all users of the transportation system.

Community Value – SacRT is committed to expanding regional partnerships and providing excellent public transit service to promote SacRT as our region's premier public transit agency. SacRT will continue to promote programs and incentive options that will encourage more people to try transit, build our ridership, demonstrate our value as a community partner, and educate the public about the benefits of transit and how local funding is important to create a world class public transit system.

1. Enhance our community through increased mobility options and access to opportunities and jobs. Incorporate system enhancements that increase the percentage of jobs easily accessible by public transit.
2. Demonstrate SacRT's contribution to meeting our region's Air Quality and Congestion Relief goals and pursue opportunities and partnerships to further meet our greenhouse gas reduction goals.
3. Provide opportunities for increased economic activities within and around station areas and service routes.
4. Continue to develop our relationships with transit oriented development (TOD) partners and examine various surplus properties to determine if they qualify for projects that would encourage transit use and potentially increase our ridership.
5. Strengthen community pride for SacRT through ongoing successful stakeholder interactions.

Customer Satisfaction - Ensuring that SacRT customers have access to high quality mobility options that they actively and increasingly use is a priority for SacRT. We want to ensure that our system provides customers with mobility options that get them where they want to go, when they want to go there.

1. Continue to develop marketing strategies and campaigns to improve outreach efforts and meaningful engagements with customers.
2. Implement policy initiatives that will improve our customer perception of strategic metrics such as on-time performance and cleanliness.
3. Conduct a comprehensive customer satisfaction survey of active transit riders to establish a baseline for our satisfaction goals and identify areas for service improvement.

## SacRT Major Goals and Objectives in FY 2021 (continued)

4. Develop and implement innovative technology solutions that increase our ability to provide customers with accurate and timely system information.
5. Actively engage in promotion of our security enhancement efforts across the district to highlight the incredible work our security and safety teams perform on a daily basis.

Employee Engagement – SacRT is dedicated to providing a positive and collaborative workplace that enables us to build a strong workforce of highly satisfied and performing individuals. We recognize that the work our employees do every day, in every single position, has a potentially significant impact on the quality of life in the Sacramento region. Our employees are foundational to our success and we are committed to hiring the best people and supporting them throughout their careers at SacRT.

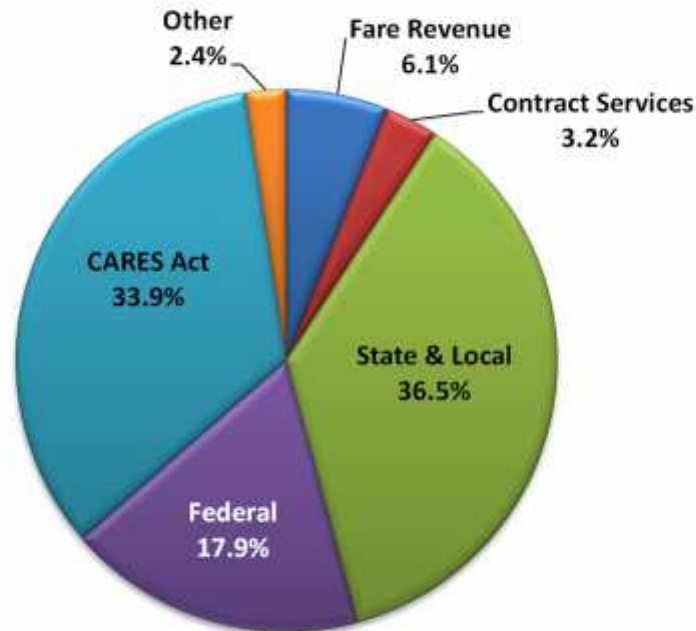
1. Create an environment that fosters and promotes workplace safety, operational performance excellence and high employee morale.
2. Invest in programs and initiatives that support employee growth and success.
3. Develop a meaningful vision and direction for SacRT that empowers employees to understand their role in advancing SacRT's operational success through performance excellence.
4. Cultivate a work place that inspires our team to recommend SacRT as a great place to work.
5. Maintain and encourage open communication with our employees which improves productivity, increases morale, promotes new ideas and increases performance that benefits the entire system.
6. Maintain and foster a strong safety culture to ensure the wellbeing of SacRT's employees and customers.
7. Remain diligent in implementing policies and providing management that support the safe operation of its buses and trains and the timely investment in maintaining a state of good repair for its operations infrastructure.

\* These draft goals and objectives are based upon a strategic plan that is currently being developed by SacRT. A final version of that plan will be presented separately for approval by the Board of Directors when complete.

## Operating Budget Summary

### Revenues

#### FY 2021 Operating Revenue by Funding Source



(Dollars in Thousands)

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget*	FY 2021 Budget	FY 2020 to FY 2021 \$ Change	FY 2020 to FY 2021 % Change
Fare Revenue	\$ 27,276	\$ 25,428	\$ 26,199	\$ 12,177	\$ (14,022)	-53.5%
Contract Services	6,420	3,731	7,686	6,380	(1,306)	-17.0%
State & Local	93,339	104,031	118,375	73,105	(45,270)	-38.2%
Federal	37,060	35,750	35,945	35,790	(155)	-0.4%
CARES Act	-	-	-	68,000	68,000	0.0%
Other	5,007	8,551	4,835	4,876	41	0.8%
<b>Total</b>	<b>\$ 169,102</b>	<b>\$ 177,492</b>	<b>\$ 193,039</b>	<b>\$ 200,328</b>	<b>\$ 7,289</b>	<b>3.8%</b>
Operating Surplus/(Deficit)	9,172	3,297	-	-	-	-
<b>Operating Revenue</b>	<b>\$ 159,930</b>	<b>\$ 174,195</b>	<b>\$ 193,039</b>	<b>\$ 200,328</b>	<b>\$ 7,289</b>	<b>3.8%</b>
<i>Working Capital</i>	<i>4,000</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Operating Reserve Change</i>	<i>5,172</i>	<i>3,297</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>

\* This table presents the original FY 2020 budget, which does not include approximately \$27M in CARES Act funding allocated to that year, which when combined with the \$68M allocated to FY 2021 totals approximately \$95M in available funding.

## Revenues (continued)

### COVID-19 Impacts

The values in the Revenues table on page 15, and the summaries below, reflect potential impacts related to COVID-19. Information regarding reductions in SacRT's fare and sales tax based (State & Local) revenues due to the COVID-19 pandemic is being updated and assessed constantly to determine the impact on SacRT, and to plan our strategic response accordingly. As part of this process, staff is forecasting significant reductions in most revenues in FY 2020-2021, and while this impact has been spreading into all our revenue sources, Fare and State & Local revenues comprise the majority of the losses. On March 27, 2020 the President signed the 2020 CARES Act which provided \$25B in COVID-19 relief funding for public transit agencies across the nation. SacRT's portion of this funding is approximately \$95M, of which \$27M is being allocated to FY 2019-2020, and \$68M allocated to FY 2020-2021. As shown in the table, these allocations are currently projected to fully offset the forecasted revenue losses and provide enough funding to increase the operating budget by approximately \$7.3M. Please note that the table provides the net change between the original FY 2019-2020 Budget and the FY 2020-2021 Budget based upon the expected COVID-19 impacts, however, it does not capture the revenue increases that would have been realized if the COVID-19 pandemic had not occurred. Absent COVID-19, total revenues would have been sufficient to balance the budget without any CARES Act funding. Staff will provide budget updates to the Board and the public throughout the year as better information and more accurate projections become available.

### Fare Revenue

This category includes the revenues from carrying passengers. This is money paid by the transit riders to use transit services, but also includes special transit fares from Los Rios Community College District (Los Rios) and California State University, Sacramento (CSUS) Student pass programs.

The FY 2021 Budget proposes \$12.2 million in Fare Revenue, a reduction of \$14.0 million (53.5%) from the FY 2020 Adopted Budget of \$26.2 million.

) This Fare Revenue reduction reflects COVID-19 impact on ridership drop.

### Contracted Services

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

The FY 2021 Budget proposes \$6.4 million in Contracted Services revenue, a reduction of \$1.3 million (17.0%) from the FY 2020 Adopted Budget of \$7.7 million.

) This reflects a reduction in Elk Grove, Rancho Cordova and North Natomas contracted services due to COVID-19 pandemic.

) This also reflects a reduced level of new UC Davis Causeway Connection service compared to what was planned originally.

## Revenues (continued)

## State &amp; Local

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

The FY 2021 Budget proposes \$73.1 million in state and local funding revenue, a reduction of \$45.3 million (38.2%) from the FY 2020 Adopted Budget of \$118.4 million.

- ) This budget reflects an estimated 40.8% reduction in Sales tax based revenues, Measure A and TDA-LTF.
- ) This budget includes \$1.8 million in LCTOP Cap & Trade funding, which is 48.4% reduction compared to FY 2020 Adopted budget.
- ) This budget also includes Measure A and TDA-LTF for Paratransit service.

## Federal

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

The FY 2021 Budget proposes \$35.8 million in federal funding, a reduction of \$0.15 million (0.4%) from the FY 2020 Adopted Budget of \$35.9 million.

- ) This budget includes \$1.1 million in Job Access/Reverse Commute funding, which is the same level of funding as in FY 2020.
- ) Section 5307 Urbanized Area federal funding is projected to increase \$0.2 million (0.9%) compared to last year.
- ) Section 5337 State of Good Repair funding is projected to decrease \$1.05 million (7.9%) compared to last year.
- ) This budget includes \$0.7 million in Congestion Mitigation and Air Quality Improvement funds (CMAQ) for Causeway Connection new service to UC Davis.

## CARES Act

The Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act, is a law to address the economic fallout of the 2020 coronavirus pandemic in the United States.

This budget includes CARES Act grant revenue in the amount of \$68 million to offset revenue losses and expenditures incurred due to the impacts of COVID-19.

## Revenues (continued)

## Other

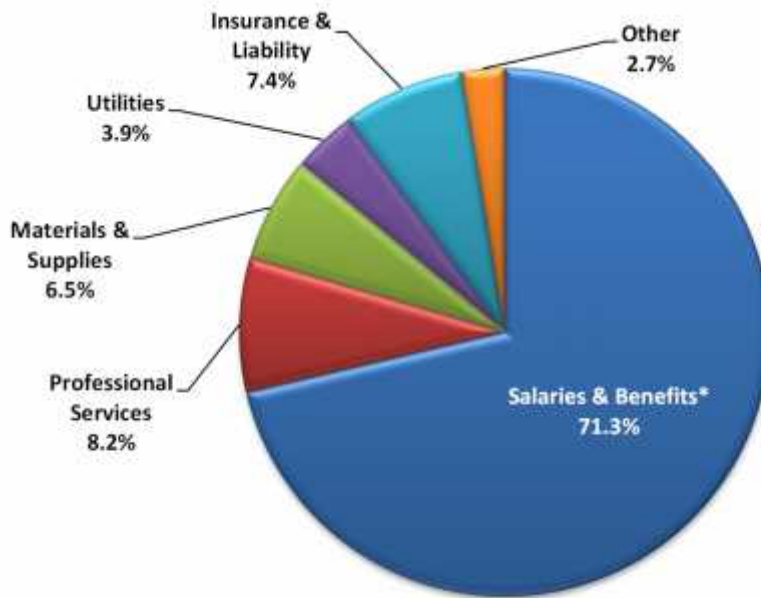
This category includes investment income, commercial real estate leases, advertising income, bus book sales, fare evasion fines, promotional item sales, photo identification activities, and parking revenue.

The FY 2021 Budget includes \$4.9 million in other revenue, which is an increase of less than \$0.1 million (0.8%) from the FY 2020 Adopted Budget of \$4.8 million.

- ) This includes \$0.6 million in ECOS settlement revenue for Folsom late night service.
- ) This includes \$0.3 million in Investment income.
- ) This includes \$1.5 million for the sale of Low Carbon Credits through the State Cap and Trade program, which is a reduction of \$0.2 million over the FY 2020 Adopted Budget.
- ) This reflects a reduction of \$0.1 million in Advertising revenue.
- ) This reflects an increase of \$0.4 million in Miscellaneous Income due to SacRT receiving CNG tax rebate for July through December 2020.

Expenses

FY 2021 Operating Expenses by Expense Category



(Dollars in Thousands)

	FY 2018 Actual	FY 2019 Actual	FY 2020 Budget	FY 2021 Budget	FY 2020 to FY 2021 \$ Change	FY 2020 to FY 2021 % Change
Salaries & Benefits*	\$ 109,150	\$ 116,540	\$ 132,333	\$ 142,875	\$ 10,542	8.0%
Professional Services	22,331	22,776	27,009	16,502	(10,507)	-38.9%
Materials & Supplies	9,309	10,844	11,252	12,963	1,711	15.2%
Utilities	6,995	6,761	7,505	7,828	323	4.3%
Insurance & Liability	9,300	14,011	10,840	14,917	4,077	37.6%
Other	2,845	3,262	4,100	5,243	1,143	27.9%
<b>Operating Expenses</b>	<b>\$ 159,930</b>	<b>\$ 174,195</b>	<b>\$ 193,039</b>	<b>\$ 200,328</b>	<b>\$ 7,289</b>	<b>3.8%</b>

\* Salaries & Benefits category for FY 2021 Budget includes 174 new positions for ADA paratransit service.

## Expenses (continued)

### 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 SacRT-paid employee benefits.

The FY 2021 Budget proposes \$142.87 million for salaries and benefits, an increase of \$10.54 million (8.0%) from the FY 2020 Adopted Budget of \$132.33 million.

- J The Fiscal Year 2021 Budget includes 1,423 funded positions, which is an increase of 166 funded positions from the Fiscal Year 2020 Adopted Budget of 1,257 funded positions. See Positions section on page 22 for details.
- J Straight time pay, overtime and personal service contract costs increased by \$5.6 million (7.5%) from the FY 2020 Adopted Budget of \$74.9 million. This reflects various District position salary adjustments and the cost of additional positions for SacRT new Paratransit service.
- J Fringe Benefit costs increased by \$4.9 million (8.2%) from the FY 2020 Adopted Budget of \$59.5 million. This reflects an increase of \$0.5 million in FICA costs, \$0.2 million in pension costs, \$3.2 million in medical, dental, life and vision costs, and \$0.8 million in vacation and sick leave accrual, etc.
- J Capital recovery and indirect savings are about the same as compared to the FY 2020 Adopted Budget. This represents labor charged to capital projects and other initiatives such as the Connect Card Consortium which results in a reduction in costs.

### Professional Services

This category includes purchased transportation (ADA 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 2021 Budget proposes \$16.5 million for Professional Services, a reduction of \$10.5 million (38.9%) from the FY 2020 Adopted Budget of \$27.0 million.

- J This reflects a \$10.4 million reduction in ADA Paratransit cost due to elimination Paratransit Inc. contract and moving the cost to Salaries & Benefits category.
- J This reflects a \$0.2 million reduction in Outside services.
- J This reflects a \$0.7 million reduction in Media Advertising.
- J This reflects a \$0.5 million increase in Information Technology cost.
- J This reflects the FY 2021 portion of multi-year contracts for professional services.

### 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 2021 Budget proposes \$12.96 million for materials and supplies, an increase of \$1.71 million (15.2%) from the FY 2020 Adopted Budget of \$11.25 million.



## Expenses (continued)

- ) This budget reflects an increase of \$2.2 million in Gasoline cost due to paratransit vehicles fueling needs.
- ) This budget reflects a reduction of \$0.4 million in CNG cost based on lower CNG cost.

## Utilities

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

The FY 2021 Budget proposes \$7.8 million for Utilities, an increase of \$0.3 million (4.3%) from the FY 2020 Adopted Budget of \$7.5 million.

- ) This budget includes \$0.5 million in electricity cost for electric bus charging.
- ) This budget reflects an increase of \$0.1 million in telephone cost.
- ) This budget reflects a reduction of \$0.3 million in traction power.

## Insurance &amp; Liability

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

The FY 2021 Budget proposes \$14.9 million for Insurance & Liability, an increase of approximately \$4.1 million (37.6%) from the FY 2020 Adopted Budget of \$10.8 million.

- ) This reflects an increase of \$0.3 million in the projected claims reserves for Property and Liability for FY 2021 related to new service.
- ) This also reflects an increase of \$0.7 million in the projected claims reserves for Workers' Compensation for FY 2021.
- ) The budget includes an increase in Excess Liability by \$2.4 million due to market condition and new Paratransit service.
- ) This also reflects the updated FY 2021 insurance premium costs, which increased due to challenging market conditions and fewer carrier options.

## Other

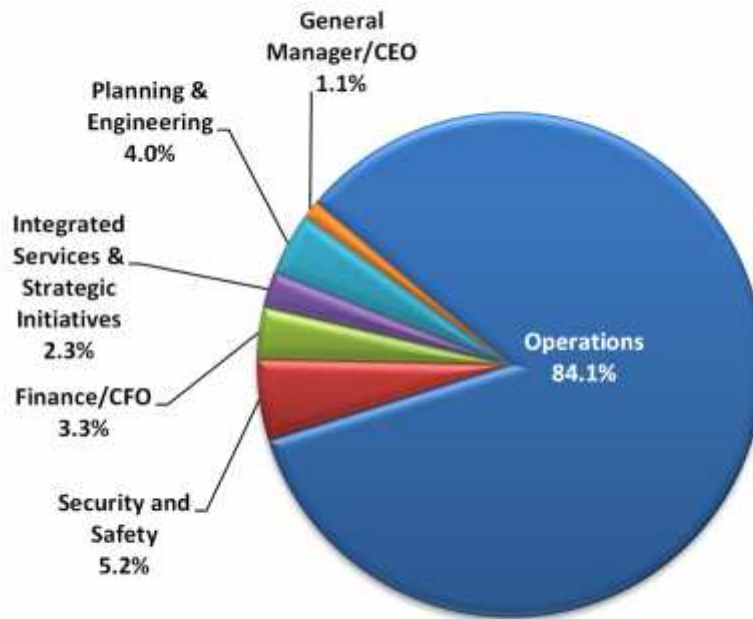
This category includes but is not limited to travel and training, seminars, dues and subscriptions, awards and ceremonies, building leases, equipment leases, taxes, freight, advertising, legal notices, and banking fees.

The FY 2021 Budget proposes \$5.2 million for other expenditures, an increase of \$1.1 million (27.9%) from the FY 2020 Adopted Budget of \$4.1 million.

- ) The budget includes \$2.0 million in Contingency for unforeseen expenditures that may happen throughout the year.
- ) This includes \$0.75 million in Connect Card fees, which is SacRT's portion of running the Connect Card Regional Service Center. This is a \$0.1 million reduction in cost compared to FY 2020 Adopted Budget. It should be noted that most of these costs are recovered via cost recovery in the salary and benefits section.
- ) Variances in other accounts make up the remaining difference.

Positions

FY 2021 Positions by Division



Division	FY 2018 Funded	FY 2019 Funded	FY 2020 Funded	FY 2021 Funded	FY 2020 to FY 2021
General Manager/CEO	7	26	19	16	-3
Office of the Chief Counsel	11	0	0	0	0
Planning & Engineering	20	28	22	57	35
Operations	792	937	1063	1196	133
Integrated Services & Strategic Initiatives	25	0	55	33	-22
Engineering & Facilities	46	48	0	0	0
Finance/CFO	39	48	45	47	2
Communications & Partnerships	28	30	0	0	0
Security, Safety and Customer Satisfaction	70	73	53	74	21
<b>Total</b>	<b>1,038</b>	<b>1,190</b>	<b>1,257</b>	<b>1,423</b>	<b>166</b>

## Positions (continued)

From FY 2020 to FY 2021, SacRT had a net increase of 166 funded positions. The changes reflected in the FY 2021 Proposed budget are as follows:

General Manager/CEO Division had a net decrease of 3 funded positions. The position change is as follows:

- ) Added 1 Senior Community Relations Officer.
- ) Unfunded 1 Deputy Director, Legal Services/Legal Counsel.
- ) Transferred 2 Senior Attorneys to Risk and Procurement and 1 Legal Secretary to Risk.
- ) Reallocated and upgraded from Director, Legal Services/Legal Counsel to General Counsel.

Planning and Engineering Division had a net increase of 35 funded positions. The position change is as follows:

- ) Transferred 1 AVP, Planning, Scheduling and Assessment to Operations Division.
- ) Reallocated 1 Assistant Planner to Planner.
- ) As result of GM reorg for FY 2021, 38 in Facilities were moved from Operations to Planning and Engineering Division.
- ) Funded 1 Administrative Technician.
- ) Unfunded 3 positions: 1 Facilities Maintenance Mechanic, 1 Schedule Analyst I and 1 Senior Strategic Planner.

Operations Division had a net increase of 133 funded positions. The position changes are as follows:

- ) Added and funded 178 positions: 174 Paratransit positions, 1 Mechanic A, 1 Mechanic A Body/Fender, 1 Mechanic B and 1 Community Bus Services (CBS) Dispatcher.
- ) Created 1 AVP, Light Rail Operations and reallocated funding from VP, Operations. Added funding for VP, Operations.
- ) Moved 38 Facilities to Planning and Engineering Division.
- ) Unfunded 9 positions: 1 AVP, Innovative and Contract Services, 5 Transportation Supervisors, 2 Lineworker Technician – HLC, and 1 Reservationist part-time (Elk Grove).
- ) Transferred 1 AVP, Planning, Scheduling and Assessment and reclassified to AVP, Bus Operations from Planning and Engineering division.

Integrated Services and Strategic Initiatives Division had a net decrease of 22 positions. The position changes are as follows:

- ) Added and funded 4 positions: 1 Sr. Manager, Strategic Projects and Performance, 1 Administrative Assistant I, 1 Manager, Labor Relations and 1 Sr. Manager, Cybersecurity and IT Project Management.
- ) Unfunded 4 positions: 1 Administrative Technician in HR, 1 Sr. Labor Relations Analyst, 1 IT Technician I and 1 Network Operations Technician.
- ) Transferred 21 in Customer Satisfaction to Security, Safety and Customer Satisfaction division.
- ) Transferred 1 Manager, Pension and Retiree Services to Finance division.
- ) Upgraded 3 positions: Director, Labor Relations to AVP, Human Resources and Labor Relations; Manager, Human Resources to Sr. Manager, Human Resources and Director, Information Technology/CIO to AVP, Technology, Innovation and Performance Monitoring.

## Positions (continued)

Finance/Chief Financial Officer (CFO) Division had a net increase of 2 funded positions. The position changes are as follows:

- ) Added and funded 2 positions: 1 Retirement Services Analyst I, and 1 Sr. Procurement Analyst.
- ) Unfunded 5 positions: 1 Fare Prepayment Clerk, 1 Route Checker, 1 Capital and Project Control Budget Analyst, 1 Manager, Capital and Project Control and 1 Procurement Analyst II.
- ) Transferred 2 from Human Resources: 1 Manager, Pension and Retiree Services and 1 Retirement Services Analyst I.
- ) Transferred 3 from Legal in GM division: 1 Legal Secretary, 2 Senior Attorneys (1 in Risk and 1 in Procurement).
- ) Upgraded 2 positions: Director, Finance to AVP, Finance and Treasury and Manager, Electronic Fare & Collection Systems to Sr. Manager, Revenue and Analytics.

Security, Safety and Customer Satisfaction Division had a net increase of 22 funded positions:

- ) Added and funded 6 positions: 1 Customer Advocate I, 3 Customer Service Representatives, 1 Customer Service Supervisor and 1 Treasury Clerk.
- ) Unfunded 5 positions: 2 Manager, Police Services, 2 Transit Fare Inspectors, 1 Transportation Supervisor – Police Services.
- ) Transferred 21 Customer Satisfaction from Integrated Services and Strategic Initiatives division.



## Capital Improvement Plan

### Project Overview

The following tables and chart represent the Capital Budget as it pertains to the FY 2021 Budget for the projects listed. The full five-year Capital Improvement Program (CIP) will be adopted by a separate Board action and will cover capital funding priorities between fiscal years 2021 through 2025, and beyond to 2051.

The amounts contained in the FY 2021 Budget only pertain to items where anticipated funding sources have been identified and are programmed for FY 2021, or where SacRT has applied for, or intends to apply for, competitive grant funds for the project, and grant funds will be available in FY 2021 if awarded.

The FY 2021 Capital Budget includes projects focused on the following priority programs:

#### Equipment Program

B175 Intelligent Vehicle Network Upgrade (IVN3 to IVN5)

B176 Drive Cam

#### Facilities Program

F400 Facilities Capital Improvements and State of Good Repair

#### Fleet Program

B173 40-ft CNG Bus Replacement (91 Orion Buses)

R100 Replacement New Low-Floor LRVs

R368 Expansion New Low-Floor LRVs

#### Infrastructure Program

B150 Watt/I-80 On-Site Transit Center Improvements

R400 Light Rail System Capital Improvements and State of Good Repair

B400 Bus System Capital Improvements and State of Good Repair

#### Other Program

M004 Revenue Bond, Series 2012 Payment

#### System Expansion

R328 Green Line Final EIS/EIR

R370 Sacramento Valley Station (SVS) Loop

#### Transit Technologies Program

B177 Trapeze OPS Web

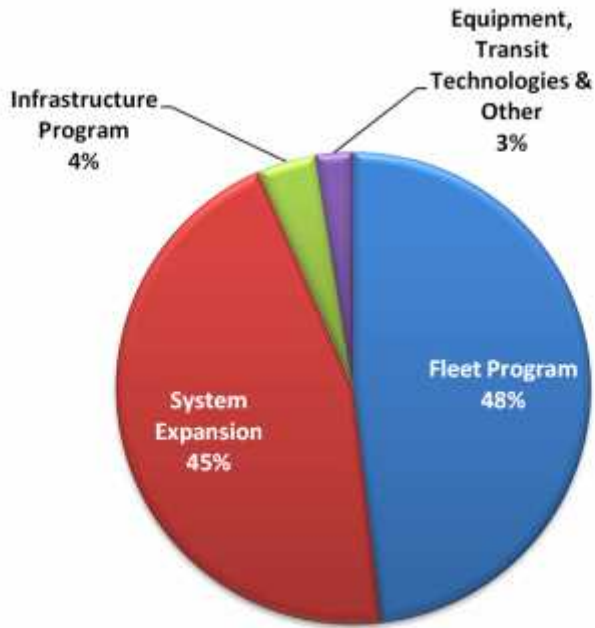
B174 Disruption Manager Software

## Impact of Capital Improvements on the Operating Budget

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

1. Capital projects completed in the current year will require on-going maintenance and, in case of new services, additional and on-going 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 on-going operating and maintenance costs are projected using current year baseline dollars.

Capital Improvements by Category



Program	FY 2021 Budget	
	Request (\$ in Thousands)	% of Total Request
Fleet Program	\$ 94,124	48%
System Expansion	88,700	45%
Infrastructure Program	7,850	4%
Other Program	3,434	2%
Equipment Program	1,107	1%
Transit Technologies	466	<1%
Facilities Program	138	<1%
<b>Grand Total</b>	<b>\$ 195,819</b>	<b>100%</b>

### Capital Improvement Revenues

ID	Project Name	Previously Budgeted (Board-Approved)	Carryforward	FY21 Budget Request	Funding Additions				Board Authorized Amount
					Federal	State	Local	TBD	
<b>Equipment Program</b>									
B143	Fare Box Replacements	3,707,357	28	-	-	-	-	-	3,707,357
B175	Intelligent Vehicle Network Upgrade (IVN3 to IVN5)	-	-	652,630	-	652,630	-	-	652,630
B176	Drive Cam	-	-	454,590	-	-	-	454,590	454,590
G135	Server Replacement	80,000	192	-	-	-	-	-	80,000
M009	Radio Communications System Upgrade	2,143,123	187,978	-	-	-	-	-	2,143,123
R324	Light Rail Portable Jacking System	175,000	52,596	-	-	-	-	-	175,000
R343	Whiting In-Floor Hoist Inspection and Repair	244,817	142,653	-	-	-	-	-	244,817
R344	Enhanced Employee Protection Warning System	968,404	2,622	-	-	-	-	-	968,404
R362	Light Rail Wheel Truing Machine Procurement	3,400,000	3,400,000	-	-	-	-	-	3,400,000
R363	Tamper Refurbishment	89,880	89,822	-	-	-	-	-	89,880
		<u>10,808,581</u>	<u>3,875,891</u>	<u>1,107,220</u>	<u>-</u>	<u>652,630</u>	<u>-</u>	<u>454,590</u>	<u>11,915,801</u>
<b>Facilities Program</b>									
715	Bus Maintenance Facility 2 (Phase 1 & 2)	25,404,772	1,262,605	-	-	-	-	-	25,404,772
B144	BMF1 CNG Fueling Facility Upgrades	4,285,684	3,860,955	-	-	-	-	-	4,285,684
B147	Bus Maintenance Management Software Program	414,500	392,961	-	-	-	-	-	414,500
B151	Above Ground Gas Tank	2,000,000	2,000,000	-	-	-	-	-	2,000,000
F019	Instrument House and Signal Case Wraps	261,388	3,006	-	-	-	-	-	261,388
F020	HVAC Replacements - Admin & Maint Buildings	95,325	72,533	-	-	-	-	-	95,325
F021	Facilities Maintenance & Improvements	457,379	238,224	-	-	-	-	-	457,379
F025	Bell Building Relocation/1225 R Lobby Expansion	452,673	11,195	-	-	-	-	-	452,673
F026	Engineering Building Mold Remediation	97,500	13,690	-	-	-	-	-	97,500
F028	Administrative Equipment Optimization	700,000	700,000	-	-	-	-	-	700,000
F029	1225 R Street Roof Replacement	450,000	433,599	-	-	-	-	-	450,000
F030	Admin Building Lobby Remodel	200,000	149,398	-	-	-	-	-	200,000
F031	R Street Operation & Security Build Out	150,000	89,903	-	-	-	-	-	150,000
F400	Facilities Capital Improv. And State of Good Repair	361,617	-	138,383	-	-	-	138,383	500,000
R350	TPSS A1 / A055 RC Relocation	5,307,958	451,554	-	-	-	-	-	5,307,958
		<u>40,638,796</u>	<u>9,679,623</u>	<u>138,383</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>138,383</u>	<u>40,777,179</u>



Capital Improvement Revenues (continued)

ID	Project Name	Previously Budgeted (Board-Approved)	Carryforward	FY21 Budget Request	Funding Additions				Board Authorized Amount
					Federal	State	Local	TBD	
Fleet Program									
Deviated Fixed Route Bus									
B142	Neighborhood Ride Vehicle Replacements	2,814,203	138,435	-	-	-	-	-	2,814,203
Fixed Route Bus									
B162	UC Davis/Med Center 12 ZEB Procurement	12,310,000	2,652,691	-	-	-	-	-	12,310,000
B164	Airport Service Expansion ZEBs (10 40' ZEBs & chargers)	9,926,957	9,926,957	-	-	-	-	-	9,926,957
B170	CNG Tank Replacements - 2006 Orion Buses	370,000	370,000	-	-	-	-	-	370,000
B173	40' CNG Bus Replacement	21,629,000	21,629,000	41,871,000	-	-	-	41,871,000	63,500,000
Light Rail									
651	Siemens Light Rail Vehicle Mid-Life Overhaul	9,946,412	729,916	-	-	-	-	-	9,946,412
R001	CAF/Siemens LR Vehicle Painting/Exterior Work	995,000	463,336	-	-	-	-	-	995,000
R085	UTDC Light Rail Vehicle Retrofit - 14 vehicles	25,628,676	153,296	-	-	-	-	-	25,628,676
R086	UTDC Light Rail Vehicle Retrofit - 7 Vehicles	8,034,000	139,743	-	-	-	-	-	8,034,000
R100	Replacement New Low-Floor LRVs (13)	68,347,200	68,347,200	5,752,800	-	-	-	5,752,800	74,100,000
R115	Replacement New Low-Floor LRVs (13)	79,852,800	79,852,800	-	-	-	-	-	79,852,800
R125	CAF Fleet Mid-Life Component Overhaul	106,230,277	106,230,277	-	-	-	-	-	106,230,277
R353	UTDC LRV Fleet Improvement	5,604,817	3,245,740	-	-	-	-	-	5,604,817
R366	Gold Line Service Expansion Light Rail Vehicles	57,000,000	56,942,553	-	-	-	-	-	57,000,000
R368	Light Rail Vehicles: Green Line 15 Min SVS to T9 (7 Exp)	-	-	46,500,000	-	-	-	46,500,000	46,500,000
Microtransit (SmaRT Ride)									
B149	Microtransit - 12 Gasoline Cutaways	1,980,000	135,138	-	-	-	-	-	1,980,000
B155	Microtransit: 6 Zero Emission Vehicles & Chargers	1,655,760	815,562	-	-	-	-	-	1,655,760
B157	Franklin Microtransit 3 ZEB Procurement	730,393	730,393	-	-	-	-	-	730,393
B159	Microtransit: 20 Zero Emission Vehicles & Chargers	5,519,200	5,519,200	-	-	-	-	-	5,519,200
Non-Revenue Vehicles									
B141	Non-Revenue Vehicles	4,727,425	702,695	-	-	-	-	-	4,727,425
G225	Non-Revenue Police Vehicle Replacement	2,227,042	146,515	-	-	-	-	-	2,227,042
North Natomas									
B152	North Natomas Flyer Bus Procurement	1,175,000	3,046	-	-	-	-	-	1,175,000
Paratransit									
P009	Paratransit Vehicle Replacement (approx. 40+)	7,297,205	2,630,533	-	-	-	-	-	7,297,205
		<u>434,001,367</u>	<u>361,505,026</u>	<u>94,123,800</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,123,800</u>	<u>528,125,167</u>

Capital Improvement Revenues (continued)

ID	Project Name	Previously Budgeted (Board-Approved)	Carryforward	FY21 Budget Request	Funding Additions				Board Authorized Amount
					Federal	State	Local	TBD	
Infrastructure Program									
835	30th & R/29th & R Street Pedestrian Traffic Signals	225,000	193,523	-	-	-	-	-	225,000
B150	Watt I-80 Transit Center Improvements	3,511,358	3,498,399	6,899,422	-	-	-	6,899,422	10,410,780
B153	BMF1 Ground Well Monitoring	153,683	69,373	-	-	-	-	-	153,683
B165	Electric Bus Charging Infrastructure	7,000,000	6,898,320	-	-	-	-	-	7,000,000
B171	Citrus Heights Bus Stop Improvements	200,000	200,000	-	-	-	-	-	200,000
B400	Bus System Capital Improv. and State of Good Repair	-	-	500,000	-	-	-	500,000	500,000
G237	Across the Top System Modification	360,135	36,060	-	-	-	-	-	360,135
G238	Biennial Bridge Inspections / Repairs	251,873	22,337	-	-	-	-	-	251,873
R010	Light Rail Crossing Enhancements	1,236,612	603,095	-	-	-	-	-	1,236,612
R314	Light Rail Station Low Floor Vehicle Conversion	86,250,000	85,700,957	-	-	-	-	-	86,250,000
R347	Watt I-80 Elevator Replacement	990,000	964,844	-	-	-	-	-	990,000
R354	Fare Vending Machine (FVM) Enhancements	9,076,000	5,456,681	-	-	-	-	-	9,076,000
R357	Dynamic Message Signs (NEC/Blue Line)	500,000	158,109	-	-	-	-	-	500,000
R364	Bidwell Instrument House Replacement	500,000	476,000	-	-	-	-	-	500,000
R400	Light Rail State of Good Repair Maintenance	50,000	50,000	450,000	-	-	-	450,000	500,000
		<u>110,304,661</u>	<u>104,327,698</u>	<u>7,849,422</u>	-	-	-	<u>7,849,422</u>	<u>118,154,083</u>
Other Program									
A007	Easton Development Grade Crossing	50,000	28,063	-	-	-	-	-	50,000
A009	Folsom Streetscape	75,000	16,968	-	-	-	-	-	75,000
A015	Brighton Overhead Design Services	262,209	184,654	-	-	-	-	-	262,209
A016	Caltrans Route 160 N. Sac. Seismic Retrofit	50,000	46,086	-	-	-	-	-	50,000
A019	Camellia City Viaduct Overhead Structures	334,400	201,602	-	-	-	-	-	334,400
M011	Cemo Circle Environmental	861,000	99,329	-	-	-	-	-	861,000
M004	OPERATING Revenue Bond, Series 2012 Payment	17,265,984	689,551	3,434,434	-	3,434,434	-	-	20,700,418
Subrecipient Projects									
Q060	City of Folsom Preventive Maintenance	160,575	160,575	-	-	-	-	-	160,575
Q061	Yolobus Causeway Connection Ops	1,500,000	1,500,000	-	-	-	-	-	1,500,000
Q062	FY20 5307/5339 El Dorado Transit PM Commuter Routes	339,296	339,296	-	-	-	-	-	339,296
Q063	El Dorado Transit COVID-19 Related Activities	950,866	950,866	-	-	-	-	-	950,866
Q064	Paratransit, Inc. COVID-19 Related Activities	4,000,000	4,000,000	-	-	-	-	-	4,000,000
Q055	FY18 Section 5307 El Dorado Transit Urban Bus Repl	196,253	196,253	-	-	-	-	-	196,253
		<u>26,045,583</u>	<u>8,413,243</u>	<u>3,434,434</u>	-	<u>3,434,434</u>	-	-	<u>29,480,017</u>

Capital Improvement Revenues (continued)

ID	Project Name	Previously Budgeted (Board-Approved)	Carryforward	FY21 Budget Request	Funding Additions				Board Authorized Amount
					Federal	State	Local	TBD	
<b>Planning/Studies</b>									
M008	Transit Action (Long-Range) Plan Update	200,000	200,000	-	-	-	-	-	200,000
M012	Bus Route Optimization Study	800,000	437,059	-	-	-	-	-	800,000
M015	Capital Region High Capacity Bus Corridor Study	300,000	201,653	-	-	-	-	-	300,000
M016	Zero Emission Fleet Conversion Plan	242,000	241,844	-	-	-	-	-	242,000
M017	Network Integration Planning Project	250,000	250,000	-	-	-	-	-	250,000
R345	CPID - Station Planning	350,000	19,066	-	-	-	-	-	350,000
		<u>2,142,000</u>	<u>1,349,622</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,142,000</u>
<b>System Expansion</b>									
404	Green Line to the River District (GL-1)	49,762,000	187,709	-	-	-	-	-	49,762,000
410	South Sacramento Corridor Phase 2 LR Extension	270,000,000	7,749,693	-	-	-	-	-	270,000,000
B161	Expansion Services Startup Costs	1,110,000	322,106	-	-	-	-	-	1,110,000
B168	SacRT Forward (Implement Route Optimization)	1,200,000	450,106	-	-	-	-	-	1,200,000
P011	Paratransit Service Start Up	2,000,000	856,135	-	-	-	-	-	2,000,000
R055	Dos Rios Light Rail Station	19,600,000	18,162,011	-	-	-	-	-	19,600,000
R135	Hom Light Rail Station	5,868,242	5,327,975	-	-	-	-	-	5,868,242
R280	Folsom Limited Stop Service	466,903	8,198	-	-	-	-	-	466,903
R322	Green Line Draft EIS / EIR	4,584,292	561,552	-	-	-	-	-	4,584,292
R327	Sacramento Valley Station Loop Design/Construct.	1,264,000	1,236,642	-	-	-	-	-	1,264,000
R328	Green Line Final EIS/EIR	-	-	1,400,000	-	-	-	1,400,000	1,400,000
R359	LR Modernization 15 Min Service to Folsom (Side Track)	67,300,000	66,739,685	-	-	-	-	-	67,300,000
R370	Sacramento Valley Station (SVS) Loop	-	-	87,300,000	-	-	-	87,300,000	87,300,000
		<u>423,155,437</u>	<u>101,601,812</u>	<u>88,700,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>88,700,000</u>	<u>511,855,437</u>
<b>Transit Security &amp; Safety</b>									
T018	Building Access Upgrades	144,904	75,765	-	-	-	-	-	144,904
T025	Surveillance and Security Facilities Enhancements	266,127	28,019	-	-	-	-	-	266,127
T036	Upgrade Safety/Security/Comm. Infrastructure	396,680	396,680	-	-	-	-	-	396,680
T043	Emergency Drills	65,430	27,681	-	-	-	-	-	65,430
T054	Upgrade Security/Systems/Comm. Infrastructure	417,900	(2,741)	-	-	-	-	-	417,900
T056	Emergency Preparedness Exercises Project	67,199	31,258	-	-	-	-	-	67,199
T057	Anti-Terrorism Directed Surge Patrols	70,823	24,509	-	-	-	-	-	70,823
T060	Anti-Terrorism Directed Surge Patrols (Overtime Patrols)	74,986	74,986	-	-	-	-	-	74,986
T064	Anti-Terrorism Directed Surge Patrols (Overtime Patrols)	231,014	231,014	-	-	-	-	-	231,014
T065	Cybersecurity Assessment	400,125	400,125	-	-	-	-	-	400,125
		<u>2,135,188</u>	<u>1,287,296</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,135,188</u>

Capital Improvement Revenues (continued)

ID	Project Name	Previously Budgeted (Board-Approved)	Carryforward	FY21 Budget Request	Funding Additions				Board Authorized Amount
					Federal	State	Local	TBD	
Transit Technologies Program									
B154	Real Time Bus Arrival Signs	128,784	25,232	-	-	-	-	-	128,784
B169	Microtransit Scheduling Software	192,000	158,767	-	-	-	-	-	192,000
B174	Disruption Manager Software	-	-	214,866	-	-	-	214,866	214,866
B177	Trapeze OPS Web	-	-	251,000	-	251,000	-	-	251,000
G035	Fiber/50-Fig Installation, Maintenance, & Repair	330,368	64,220	-	-	-	-	-	330,368
R355	Automatic Passenger Counters for LRT	1,310,000	24,856	-	-	-	-	-	1,310,000
T022	Handheld Smart Card Reader	118,726	29,149	-	-	-	-	-	118,726
T041	Upgrade for Connect Card	35,000	35,000	-	-	-	-	-	35,000
T046	Connect Card Implementation-Consultant (Part 2)	118,000	20,836	-	-	-	-	-	118,000
T051	Telephone System Replacement	319,447	785	-	-	-	-	-	319,447
T052	Track Warrant Controlled Access System	195,168	78,758	-	-	-	-	-	195,168
T058	Bus / Rail Real Time Arrival Information (GTFS Feed)	84,717	84,717	-	-	-	-	-	84,717
T059	Farebox-FVM-Zip Pass Integration	650,000	649,800	-	-	-	-	-	650,000
T062	Data Center UPS Runtime Increase	350,000	349,854	-	-	-	-	-	350,000
		<u>3,832,210</u>	<u>1,521,974</u>	<u>465,866</u>	<u>-</u>	<u>251,000</u>	<u>-</u>	<u>214,866</u>	<u>4,298,076</u>
									-
Total		<u>1,053,063,823</u>	<u>593,562,185</u>	<u>195,819,125</u>	<u>-</u>	<u>4,338,064</u>	<u>-</u>	<u>191,481,061</u>	<u>1,248,882,948</u>

## Capital Project Funding Addition Descriptions

## Equipment Program

- B175 Intelligent Vehicle Network Upgrade (IVN3 to IVN5) – Upgrade the Intelligent Vehicle Network (IVN) from IVN3 to IVN5. There are 110 buses that are equipped with IVN 3 equipment that is at the end of its useful life and needs to be replaced. The IVN device is the brains of the bus and is a rugged onboard computer specifically designed to manage transportation applications, collect and transmit data in real-time.
- B176 Drive Cam – Purchase the Lytx Video Platform that will increase visibility, improve safety, track vehicles, and streamline fleet compliance through the use of an integrated tracking and on board video solution for 220 40-foot buses and 175 smaller cutaway buses. This solution will capture critical incidents with cloud-connected, continually recorded video and quickly find the clips needed to understand what really happened within minutes of a flagged incident or accident. It will allow SacRT to proactively manage the fleet and provides tools to change driver behavior, prevent collisions, and reduce claims.

## Fleet Program

- B173 40-ft CNG Bus Replacement (91 Orion Buses) – Increase budget by the amount needed to replace 60, or approximately two-thirds, of the 91 Model Year 2008 CNG 40-foot buses with new CNG buses. The first 31 buses were budgeted for replacement in FY20, and any unused budget authority will be carried forward at the end of the fiscal year. With this budget addition, there will be adequate capital budget authority to replace all 91 of the 2008 Orion CNG buses that are either beyond—or nearly beyond—their 12-year, 500,000-mile useful life.
- R100 Replacement New Low-Floor LRVs – Increase the budget to reflect the cost estimate to replace thirteen (13) additional LRVs with new, low-floor LRVs using a future Siemens S700 option order. SacRT has applied for several competitive grants for new low-floor LRVs (California State Transportation Agency's 2020 Transit and Intercity Rail Capital Program; Strategic Growth Council's 2020 Affordable Housing and Sustainable Communities Program), and intends to apply for LRVs from several upcoming competitive grant programs as well (California Transportation Commission's 2020 Solutions for Congested Corridors Program; U.S. Department of Transportation's 2020 Better Utilizing Investments to Leverage Development Program, SACOG's Regional Funding Program).
- R368 Expansion New Low-Floor LRVs – Increase the budget to reflect the estimated cost to purchase seven expansion LRVs that are needed to enable Green Line frequency enhancements as part of the Sacramento Valley Station (SVS) Loop project. These LRVs will enable increased service frequencies from 30 minutes to 15 minutes between Sacramento Valley Station and Township 9 station. This is the escalated cost estimate that was included in SacRT's 2020 Transit and Intercity Rail Capital Program (TIRCP) application for the SVS Loop project.

## Infrastructure Program

- B150 Watt/I-80 On-Site Transit Center Improvements – Enhance the Watt/I-80 Transit Center including strategies to improve visibility, natural surveillance, and regular positive activity, such as redesigning stairwell and elevator structures to be more open and accessible, adding lighting, constructing a well-defined plaza area, removing and restricting access to hiding spaces, and investing in further site maintenance. The existing budget authority is adequate to do a portion of the work, but this budget addition will provide adequate budget authority to implement the full on-site improvements that were included in the design concept that was adopted by the SacRT Board at its April 9, 2018 meeting. SacRT will be pursuing competitive grant funds for these improvements.

## Capital Project Funding Addition Descriptions (continued)

- R400 Light Rail System Capital Improvements and State of Good Repair – Make general light rail system capital improvements to keep the light rail system in a state of good repair. Scope includes things such as wayside related repairs and upgrades, light rail equipment repair/replacement, etc.
- B400 Bus System Capital Improvements and State of Good Repair – Make general bus system capital improvements to keep the bus system in a state of good repair. Scope includes things such as bus stop related repairs, bus equipment repair/replacement, etc.

## Other Program

- M004 Revenue Bond, Series 2012 Payment – Annual payment for Revenue Bond issuance from FY 2013 to FY 2042.

## Facilities Program

- F400 Facilities Capital Improvements and State of Good Repair – Make general facilities improvements to keep SacRT's facilities, including administrative buildings and bus maintenance facilities, in a state of good repair. Scope includes such things as safety improvements, building repairs, etc.

## System Expansion

- R328 Green Line Final EIS/EIR – Complete the Green Line to the Airport Final Environmental Impact Statement (EIS)/Environmental Impact Report (EIR) to clear the project environmentally. This is the next phase to progress the Green Line to the Airport Light Rail Extension.
- R370 Sacramento Valley Station (SVS) Loop – Construct 1.55 miles of new light rail track from the Sacramento Valley Station (SVS) to North B Street and construct two light rail stations. The project will include double-tracking on 7<sup>th</sup> Street which will enable 15 minute service on the Green Line between downtown/SVS and Township 9 station, which can currently only accommodate 30 minute service. This budget amount is the escalated cost estimate that was included in SacRT's 2020 Transit and Intercity Rail Capital Program (TIRCP) application for the SVS Loop project.

## Transit Technologies Program

- B177 Trapeze OPS Web – Purchase Trapeze OPS Web, an integrated operations management software solution that streamlines many frequently performed operational tasks, including: bidding, dispatching, timekeeping, workforce management and yard management.
- B174 Disruption Manager Software – Purchase Disruption Manager software to allow the agency to quickly react to service disruptions that occur due to inclement weather, traffic or road conditions and/or vehicle maintenance issues. SacRT will be able to quickly make service changes to manage issues and all changes will be immediately reflected on affected vehicles in real-time. The same information can also be provided to real-time passenger information systems. This ensures that both operators and passengers get the updated information in real-time.

RESOLUTION NO. 20-06-0061

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

June 8, 2020

**AUTHORIZING THE FILING OF THE FY 2021 TRANSPORTATION DEVELOPMENT ACT CLAIM BASED ON THE ADOPTED BUDGET**

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

THAT, the Board of Directors hereby authorizes the General Manager/CEO to file a claim with the Sacramento Area Council of Governments (SACOG) for Transportation Development Act funds in the amount not to exceed SACOG's funding apportionments for SacRT for FY 2021 and, from said amount, SacRT may claim \$1,761,633 on behalf of SACOG for transportation planning purposes.

\_\_\_\_\_  
STEVE HANSEN, Chair

A T T E S T:

HENRY LI, Secretary

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

# FY 2021 Budget Briefing



# FY 2021 Budget Assumptions

- **Services are budgeted without reductions**
  - **Minor service expansions such as SmartRide**
- **The budget will support SacRT strategic priorities**
  - **Customers first**
  - **Business optimization**
- **CARES Act funding used to offset loss of fares and sales tax based revenues**
- **No reductions to staffing levels**
  - **Merit increases received per CBA's**
- **No fare rate adjustments**

# FY 2021 Budget Changes from Revised to Final

(\$ in thousands)

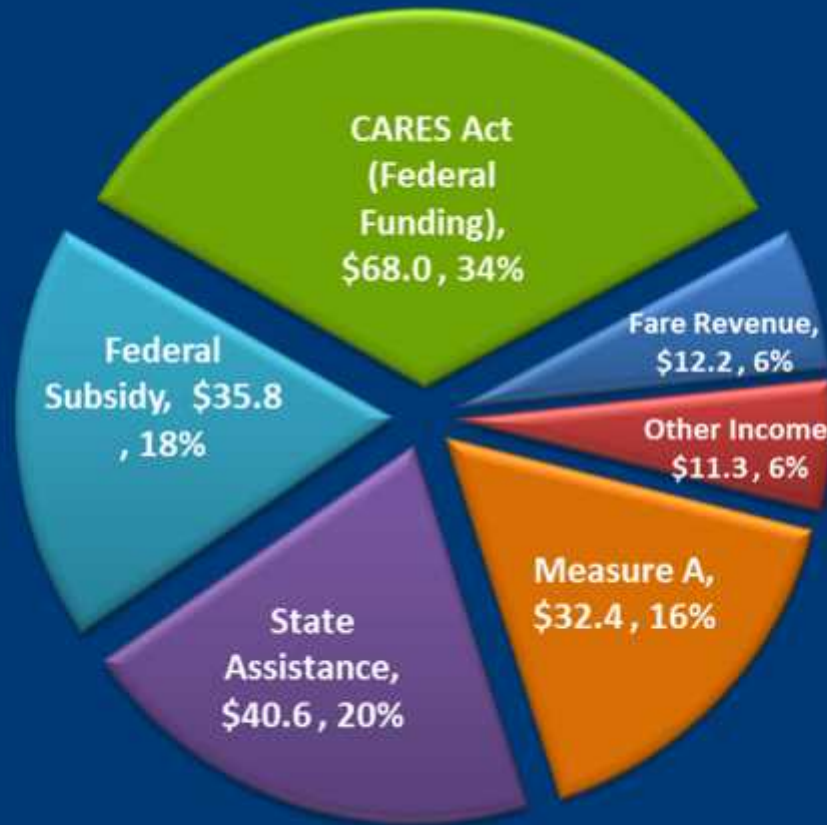
<u>Revenue Source</u>	<u>May Revised</u>	<u>June Final</u>	<u>Revised to Final</u>
Fare Revenues	\$ 12,177	\$ 12,177	\$ -
Contracted Services	\$ 6,380	\$ 6,380	\$ -
Other RT Revenues	\$ 4,876	\$ 4,876	\$ -
State and Local	\$ 70,049	\$ 73,105	\$ 3,056
Federal	\$ 35,790	\$ 35,790	\$ -
CARES Act	\$ 68,000	\$ 68,000	\$ -
<b>Total Revenues</b>	<b>\$ 197,272</b>	<b>\$ 200,328</b>	<b>\$ 3,056</b>
<u>Expenditures</u>			
Salaries & Benefits	\$ 148,251	\$ 142,875	\$ (5,376)
Professional Services	\$ 16,392	\$ 16,502	\$ 110
Materials & Supplies	\$ 12,675	\$ 12,963	\$ 288
Utilities	\$ 7,808	\$ 7,828	\$ 20
Insurance & Liability	\$ 13,408	\$ 14,917	\$ 1,509
Other	\$ 3,623	\$ 5,243	\$ 1,620
<b>Total Expenditures</b>	<b>\$ 202,156</b>	<b>\$ 200,328</b>	<b>\$ (1,828)</b>
<b>Difference</b>	<b>\$ (4,884)</b>	<b>\$ -</b>	<b>\$ 4,884</b>

# FY 2021 Operating and Capital Budgets

- **Operating Budget - \$200.3M**
  - **80% Operations 20% Admin Support**
- **Capital Budget – \$195.8M**
  - **Highlighted Projects – FY 2021**
    - **Light Rail Modernization**
    - **CNG/Electric Bus Replacements**
    - **Sacramento Valley Station (SVS) Loop**

# Where the Dollars Come From (\$ Millions)

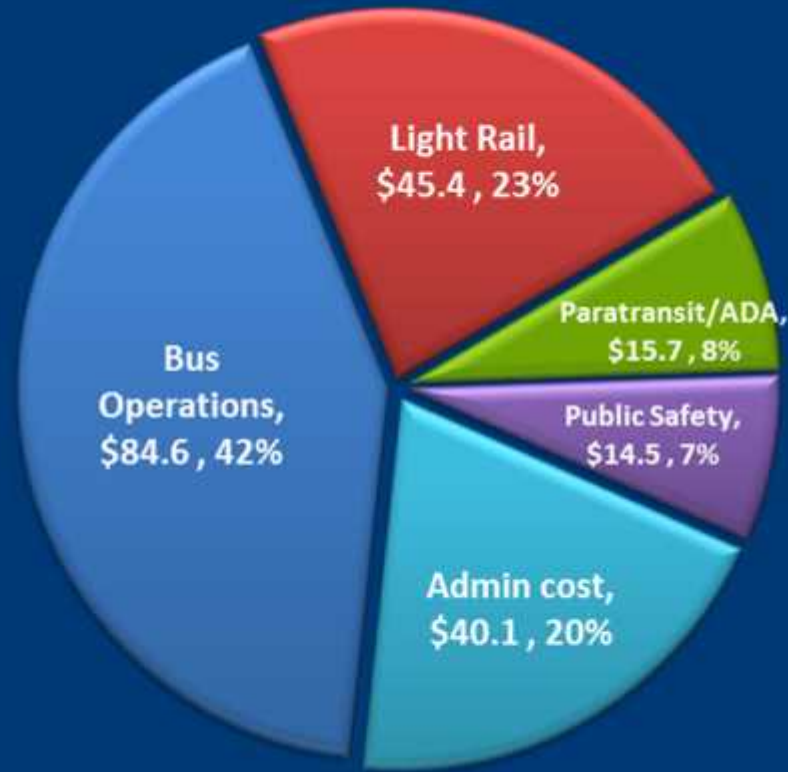
(Total FY 21 Operating Revenue is \$200.3M)



Total Federal Funding for FY 21 is \$103.8M

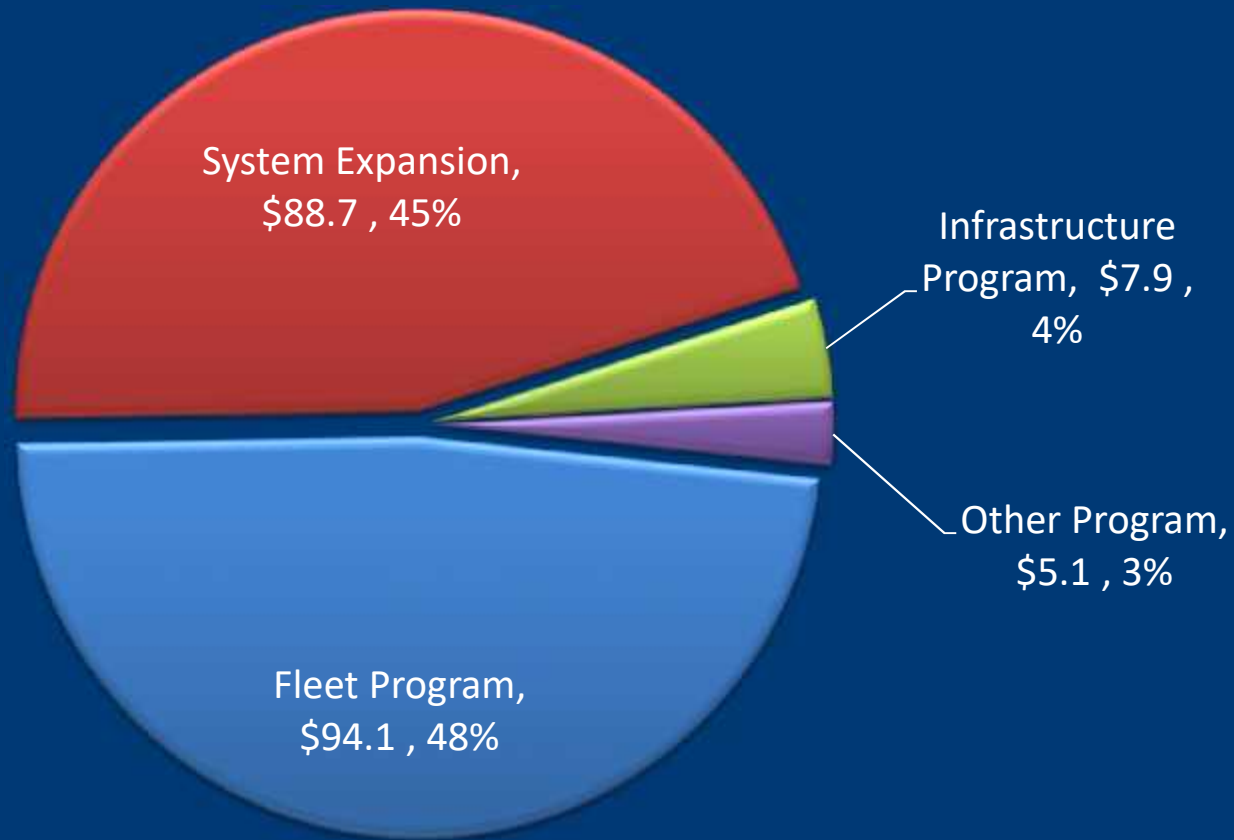
# Service Delivery Breakdown (\$ Millions)

(Total FY 21 Operating Expenditure is \$200.3M)



# FY 2021 Capital Budget (\$ Millions)

(Total FY 21 Capital Budget is \$195.8M)



# Reserves (in thousands)



Note - reserve requirements do not reflect the impact of SacRT's current Line of Credit.

# Outlook

- **Urgent funding need - State of Good Repair**
- **COVID-19 Impacts Unknown**
  - **Cost reduction options**
- **Unable to eliminate Line of Credit**
- **Grant Funding**
  - **Increasing at the State/Local level**
  - **Flat at the Federal level**



# FY 2021 Budget Schedule

**April 8, 2020**

Release of the Preliminary FY 2021 Operating and Capital budgets, 60-day public review begins

**May 11, 2020**

Public Hearing receiving public comment

**June 8, 2020**

FY 2021 Operating and Capital Budget hearing for adoption by the Board of Directors