



FY2013 Preliminary Operating Budget

Board of Directors
May 3, 2012

Overview

- **Caltrain Fiscal Crisis**
- **FY2013 Preliminary Operating Budget**
- **Service Proposal**

Caltrain's Fiscal Crisis

Caltrain's fiscal crisis has not been solved, just delayed

FY2013 budget delays it one more year

- **Balanced**
- **No fare increases, no service cuts**
- **Possible service increase**
- **Tight, frugal budget**

Caltrain's Fiscal Crisis

FY2014 budget still faces a significant deficit

- **One-time funding runs out**
- **Facing drastic service cuts, fare increases**

Solving the Fiscal Crisis

Cannot be solved by service increases or fare hikes

Caltrain service is more in demand than ever before

- **Historic ridership**
- **More than half take Caltrain to avoid traffic**
- **Historic-level revenues**
- **50 percent-plus farebox ratio**

Solving the Fiscal Crisis

Modernizing Caltrain

- Limited capacity to run more trains, carry more customers
- Solve about half the problem

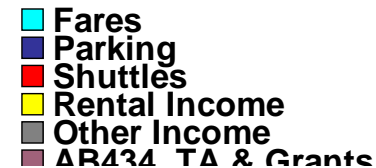
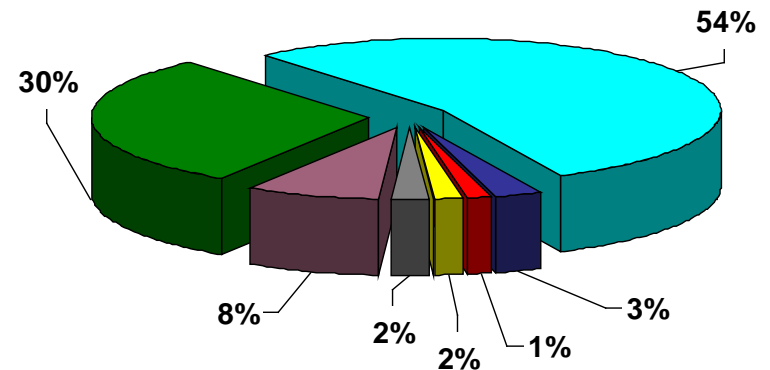
Permanent, dedicated source of revenue

- Caltrain has no tax base
- Exploring a full range of options: tax increases, partnerships, creative solutions
- Support from Silicon Valley Leadership Group, Friends of Caltrain, San Mateo County Transportation Task Force

92 Trains: Total Preliminary Revenues

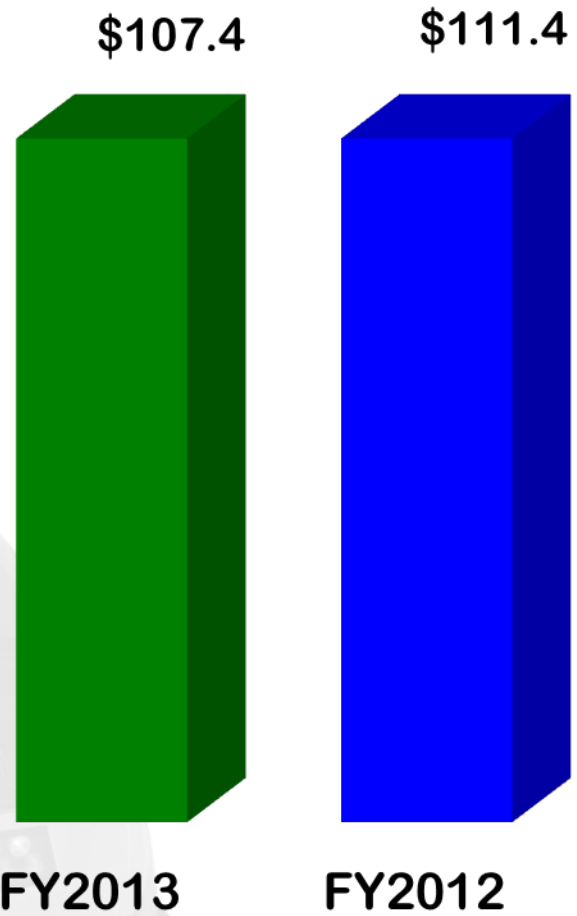
(in millions)

Fares	\$60.3
Parking	3.3
Shuttles	1.4
Rental Income	1.9
Other Income	2.5
AB434, TA & Grants	8.5
Member Agencies	<u>33.5</u>
Total Revenue	\$111.4





Revenue Increase (Decrease) (in millions)



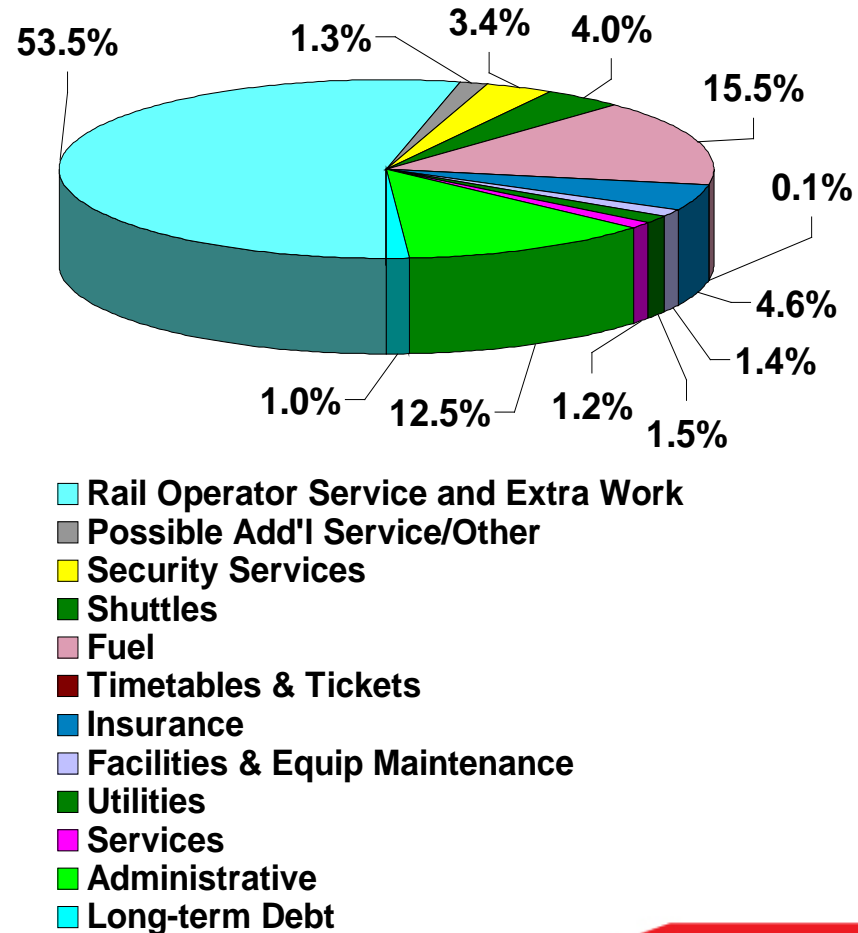
Fares	6.3
Parking Revenue	0.3
Shuttles	0.2
Rental Income	0.2
Other Income	(0.4)
AB434, TA Funding & Grants	(1.8)
Member Agencies	8.2
Other Sources	<u>(9.0)</u>
Total	(4.0)



92 Trains: Total Preliminary Expenses

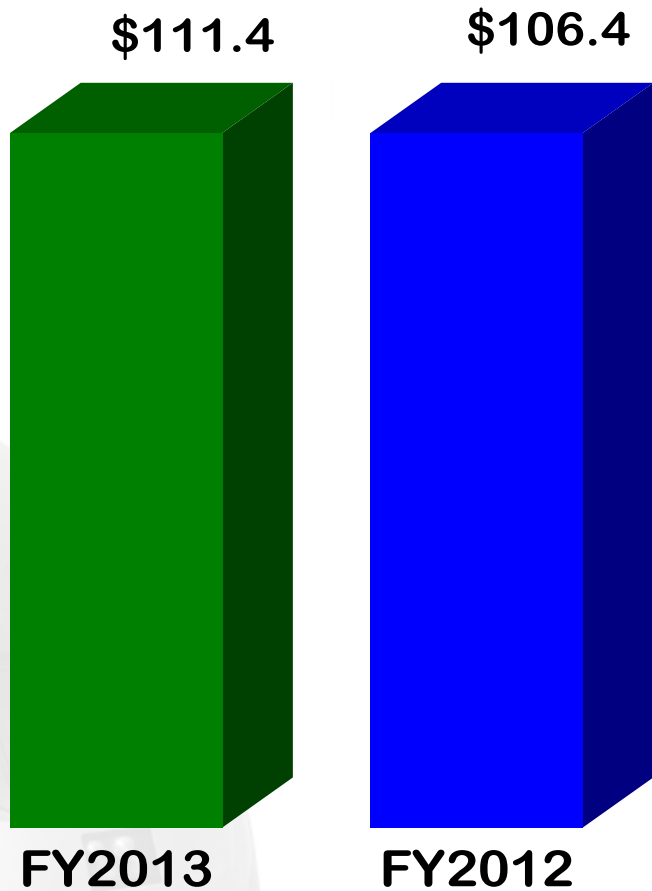
(in millions)

Rail Op Service & Extra Work	\$59.7
Possible Add'l Service/Other	1.5
Security Services	3.8
Shuttles	4.4
Fuel	17.2
Timetables & Tickets	0.1
Insurance	5.1
Facilities & Equip Maint.	1.6
Utilities	1.7
Maint & Services- Bldg & Other	1.3
Administrative	13.9
Long-term Debt	<u>1.1</u>
Total Expenses	\$111.4





Expense Increase (Decrease) (in millions)



Rail Operator Service and Extra Work	\$0.8
Possible Additional Service/Other	1.5
Security Services	(0.3)
Operator Contr. Transition Costs	(4.7)
Shuttles	1.4
Fuel	2.1
Insurance	0.2
Facilities & Equip Maintenance	0.5
Utilities	0.1
Maint & Services – Bldg & Other	0.1
Administrative	<u>3.3</u>
Total	\$5.0



92 Trains: Preliminary Projection

(in millions)

FY2013

Revenue	\$111.4
Expenses	<u>(111.4)</u>
Surplus/(Deficit)	0.0

Member Contributions

The San Mateo County Transit District has engaged in discussions with member agencies, funding partners and MTC on funding options. The District's contribution of \$14.0 million is made up of:

- \$5.2 million from the SMCTA**
- \$6.7 million in funds received from repayment of its investment in the Caltrain right of way**
- \$2.1 million through a swap of capital funds for operating funds**



Member Contributions

	<u>San Francisco</u>	<u>San Mateo</u>	<u>Santa Clara</u>	<u>Total</u>
92 Trains				
FY2013 preliminary				
Operating				
Contribution	\$5,800,000	\$14,000,000*	\$13,700,000	\$33,500,000

* SMCTA contribution projected at \$5.2M (based on latest sales tax projection of \$65M)

Staff Service Proposal

- **February count data used to develop potential service scenario that:**
 - **Positively impacts the greatest numbers of customers**
 - **Balances fiscal constraints with continued growing demand for service**
 - **Determines if peak service can be added where demand exists**
- **September 1, 2012 estimated soonest service date**
 - **Implementation of service proposal timed to allow TASI transition to occur prior to service increase**

Staff Service Proposal (cont.)

- **Service proposal comprised of:**
 - **Increase from 86 to 92 weekday trains**
 - **Restoration of 4 midday/shoulder peak trains**
 - **Addition of 2 PM peak Limited trains as capacity allows**
 - **Potential for strategic additional stops to existing service to expand frequency and alleviate pressure on oversubscribed trains**
 - **Addition of service will provide additional onboard bike capacity**

Staff Service Proposal Cost

- **Increase in train service**
 - **Will impact fuel budget by \$720,000**
 - **Estimated to require an additional crew at approx. \$365,000**

Proposed Public Outreach Process

- **Increase in service precludes need for full public hearing process**
- **5/16: Present proposal to CAC**
- **5/17: Circulate proposal via web for public comment**
- **5/30: Present proposal at public meeting in San Carlos**
- **6/7: Presentation of staff recommendation to Board for approval**
- **Fall 2012: Implementation**

Questions?

