



Preliminary FY2017 Operating Budget

Citizens Advisory Committee
May 18, 2016
Agenda Item # 8

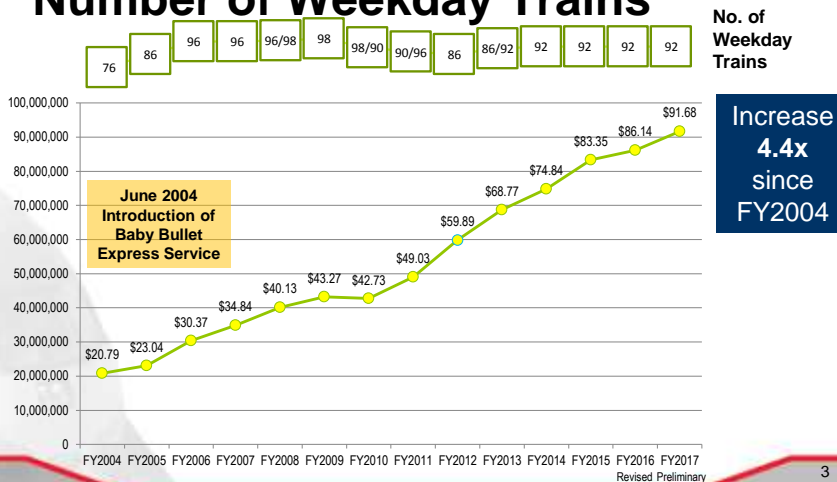


Overview

- Farebox Revenues
- FY2017 Operating Revenue and Expenses
- Member Contributions
- Continuing Structural Deficit
- Next Steps



Farebox Revenues and Number of Weekday Trains

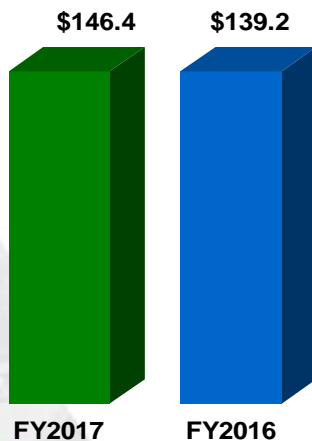


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Revenue Increase (Decrease)

(in millions)



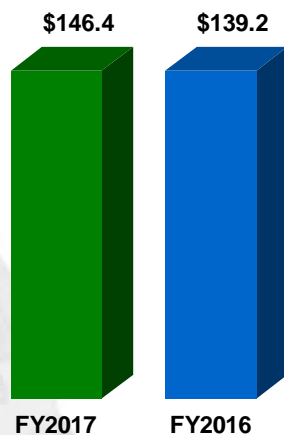
Fares	\$5.5
Parking	0.2
Shuttles	(0.1)
AB434, TA & Grants	(2.0)
Member Agencies	1.3
Use of Reserves	2.3
Total	\$7.2

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Expense Increase (Decrease)

(in millions)



Rail Op Service, PTC & Other Extra Work	\$5.4
Security Services	0.4
Fuel	(2.9)
Insurance	0.6
Facilities & Equip Maint.	0.4
Utilities	0.2
Administrative	3.1
Total	\$7.2

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Service Investment

New Equipment

- Third Bike Car added to Bombardier trains
- Additional maintenance personnel needed for increased fleet size
- Budgeting for additional railcars in FY 2017

CBOSS/PTC

- Operation and Maintenance will be initiated in FY2017

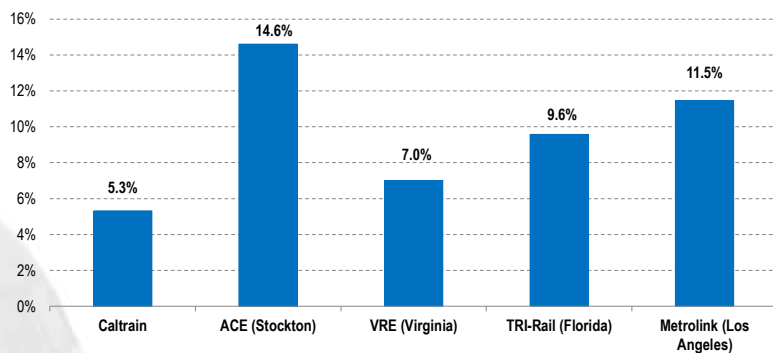
Special Service Demands

- Rising demand for special event service
- Approximate cost per each special service train = \$2,000

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Total Administration Cost / Total Operating Expenses Percentage



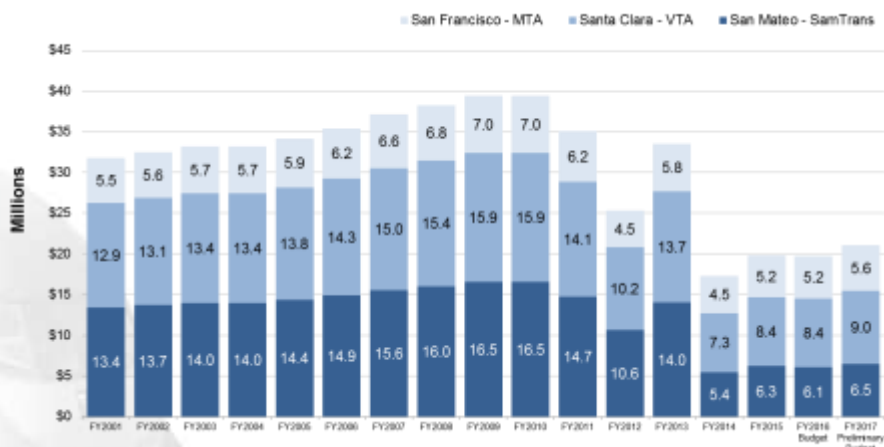
Source: FY2014 NTD Reports

The Total Administration Cost includes Wages and Benefits only comparison across these agencies.

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Member Contributions



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Reserves Used to Balance Budgets

\$Millions		
	Budget	Actuals
Actual Reserve Bal: 6/2011		16.8
Use of Reserves: (Deficit)/ Surplus		
FY 2012	(9.0)	2.2
FY 2013	-	10.7
FY 2014	(13.4)	1.1
FY 2015	(12.8)	3.2
FY 2016	(18.7)	- (Projected)
FY 2017	(18.7)	(18.7) (Projected)
Projected Reserve Bal: 6/2017		15.3

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Caltrain's Structural Deficit

- Deficit has historically been covered by Members
- Starting in 2011, ROW repayments bolstered Member contributions
- ROW repayment funding has been exhausted
- Prior Year savings cannot support current deficit
- Dedicated Funding and/or increased Member contributions is essential

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Reducing the Structural Deficit

- Increase member agency contributions to historical levels (short term)
- Comprehensive Fare Study Findings
- Obtain new, dedicated funding source (long term)

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Next Steps

Near Term

- June Board meeting: FY2017 Budget approval

Long Term

- Continue discussions with member agencies and funding partners on funding options
- Review Fare Study Findings, proposed actions
- Continue to work with stakeholders, and Metropolitan Transportation Commission's (MTC) to develop strategies for new revenue sources including a dedicated, permanent funding source

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Questions?