



**SONOMA-MARIN AREA RAIL TRANSIT DISTRICT
PROPOSED BUDGET: FISCAL YEAR 2018-19**

and

Fiscal Year 2017-18 Year-End Budget

JUNE 2018



PROPOSED BUDGET: FISCAL YEAR 2018-19 and Fiscal Year 2017-18 Year-End Budget

CONTENTS

1. EXECUTIVE SUMMARY

TABLE 1: Overview of Sources and Uses for Budget

2. BUDGET REVIEW BY DEPARTMENT

- a. Table 2: Administration
- b. Table 3: Capital
- c. Table 4: Operations

3. POSITION AUTHORIZATIONS

- a. Table 5: Proposed FY 2018-19 Position Authorizations

EXECUTIVE SUMMARY

SMART's two-year budget document this year reflects a revised format showing revenues and expenditures by SMART's three Departments: Administration, Operations and Capital. This new format provides greater detail on revenues and expenditures by Department by fiscal year. There are three detailed budget tables by Department, in addition to a summary overview chart and the proposed salary schedule.

In our strategic planning process leading up to passenger service, we anticipated that the year before and right after startup would be a challenging time of balancing revenues and expenditures with a number of unknowns. In the two years prior to August 2017, we were required to fully staff and operate various facilities, conduct months of testing and continuously run trains without the benefit of any fare revenues. To counter those challenges and the uncertainties of our revenue stream, we anticipated and planned for a healthy reserve which this budget achieves. As planned, we are setting aside \$17,000,000 in Agency reserves as part of the budget. We are also showing a closing fund balance that will be available for capital maintenance and projects of \$4,985,028. In Fiscal Years 2017-18 and 2018-19, we utilize available fund balance to complete the capital project as we had planned. We are also relying on those funds for operations costs that our revenues are not yet sufficient to cover. Use of fund balance in each year is shown in summary Table 1. In our first year of passenger service, we have been able to achieve the fare revenues we modeled and are budgeting a very conservative \$3.69 million for passenger revenue in the new fiscal year. We are also anticipating significant revenues of \$6.7 million related to SB1. Funds associated with that tax allowed us to open service with more trips than we had modeled as part of the passage of Measure Q. We also are utilizing the SB1 funds to leverage the purchase of a wheel truing machine, additional wheels and spare parts necessary for service reliability.

In the event that SB1 funding is eliminated via ballot measure, we will need to revisit our service schedule, staffing and other costs in order to close the funding gap that it would create. As part of reviewing our staffing needs going forward, we have determined that additional resources will be needed to address current schedule issues as well as testing and preparing for the Larkspur extension. As a result, we are proposing the addition of 11 full time employees to the operations budget in the next year.

The budget also includes all the revenues and expenditures for all of SMART's capital projects, including the completion of the Phase 1 (IOS1) project, which includes final vehicle and signal acceptance. Significant expenditures related to the Larkspur project are reflected as are costs related to the arrival of our four new rail cars at the end of 2018.

TABLE 1 (on the following page) provides a combined, broad overview of the sources and uses in the District's budget for all departments. There are three budget columns, the first reflecting the original budget for Fiscal Year 2017-18 approved in June of 2017, the second showing the year end changes to reflect actual revenues and expenses, and the third showing the Proposed Budget for Fiscal Year 2018-19. This chart also shows funds available in SMART's Fund Balance, which is used for all purposes including capital project completion and operational needs. The Fiscal Year 2017-18 Year End Budget reflects all Board approved amendments during the Fiscal Year as well as adjustments for actual spending levels. Overall approved expenses are reduced by \$3 million due to both shifting construction schedules into the next fiscal year and cost savings. Revenues were adjusted up by \$11.8 million to reflect increased property transaction revenues and funding mix shifts in the capital projects. The proposed Fiscal Year 2018-19 budget proposal increases revenues by \$23 million and expenditures by \$35.5 million. Significant increases are related to the Larkspur extension project, increased debt service, and the addition of 11 FTE in the new fiscal year. More discussion is included in the Budget by Department sections.

TABLE 1:

BUDGET REPORT: SUMMARY OF ALL SOURCES AND USES

	FY 2017-18	FY 2017-18	FY 2018-19
	APPROVED BUDGET	YEAR END ACTUALS & ESTIMATES	PROPOSED BUDGET
Budget Sources			
Fund Balance	\$ 58,116,705	\$ 58,116,705	\$ 29,222,015
Sales/Use Taxes	37,011,973	37,011,973	38,122,332
Interest and Lease Earnings	689,088	1,278,415	742,000
Miscellaneous Revenues	50,000	1,803,692	930,000
Fare & Parking Revenue	2,950,000	3,135,000	3,690,000
State Grants	4,321,096	5,000,963	16,980,939
Charges For Services	30,000	58,800	45,000
Federal Funds	8,157,643	7,018,714	24,535,682
Other Governments/ Misc.	1,805,000	4,225,647	5,857,019
Measure M	285,000	285,000	228,000
MTC - RM2	4,073,222	11,339,246	3,211,740
Total All Sources	\$ 59,373,023	\$ 71,157,451	\$ 94,342,712
Budget Uses			
Salaries & Benefits	18,866,052	19,949,307	21,040,490
Services & Supplies	14,552,241	13,586,513	17,024,605
Debt Service/ Other Charges	14,204,100	14,217,685	16,095,850
Equipment, Buildings & Improvements	1,329,919	742,882	3,018,417
Capital Projects	37,225,320	34,838,934	61,723,666
Equipment Replacement Allocation	525,000	525,000	525,000
Operating Contingency	600,000	-	-
Capital Salary Transfer	(1,208,467)	(808,180)	(848,329)
Total All Uses	\$ 86,094,165	\$ 83,052,141	\$ 118,579,699
Use of Fund Balance	(26,721,143)	(11,894,690)	(24,236,987)
Deposit to Agency Reserve	(17,000,000)	(17,000,000)	
Remaining Fund Balance (Capital Reserve)	\$ 14,395,562	\$ 29,222,015	\$ 4,985,028
Remaining Agency Reserve	\$ 17,000,000	\$ 17,000,000	\$ 17,000,000

BUDGETS BY DEPARTMENT

Each Department has its own Section and Table that provide information on that Department's Fiscal Year 2017-18 Original budget, Revisions for Year End, and the Proposed Fiscal Year 2018-19 budget.

Administration Budget:

Spending on the Administration budget is relatively flat with some reductions in costs during the current fiscal year that are invested in the new budget year for anticipated needs. Those include the filling of currently vacant positions and scheduled step increases, crucial IT upgrades and professional services related to ridership, transit planning and other new functions of an operating transit system. One unavoidable cost increase of \$1.9 million in the Fiscal Year 2018-19 budget is the scheduled Debt Service increase related to the 2011 bond sale. Below is an overview, further detail can be found in **Table 2** on the following page.

Fiscal Year 2017-18 Final Budget Report:

Revenues: Overall revenues are adjusted down to match expenditures for the year. Miscellaneous revenues increased significantly due to property transactions in Petaluma that resulted in unanticipated one-time revenue of \$1.69 million. We have also added revenue from advertising which was not included in our original budget but is anticipated to be \$138,845 for the year. Although we are seeing increases in sales tax revenues following the fire, we are not reflecting those increases in our year end numbers, as they may not reflect an ongoing trend. We will report back to you as part of our annual audit on the final revenue amounts.

Expenditures: Expenditures are reduced by \$990,750 to reflect savings in consulting for Information Technology, legal and insurance coverage.

Fiscal Year 2018-19 Proposed Budget:

Revenues: Ongoing sales tax revenue is projected to increase by 3% over originally budgeted amounts from the prior year. Allocation of sales tax to Administration is increased in the new budget to match expenses. Total increase in all revenue allocated to Administration is \$2.7 million.

Expenditures: Expenses for the new Fiscal Year are increased by \$2.7 million in the proposed budget primarily due to a \$1.9 million increase in Debt Service. There are also a number of IT server and software replacement needs that the District must implement this year, which increases both the computer budget and the professional service budget for specialized programming and security related to the new systems. There is also an increase in professional services costs that are tied to consultants needed for ridership and other analysis required to meet FTA reporting guidelines, work in preparation for a new strategic plan in 2019, and actuarial analysis needed for retiree cost planning.

Please reference **Table 2** (next page) for other details on changes.

TABLE 2 :				
ADMINISTRATION BUDGET				
Original, Year End FY 2017-18 and Proposed FY 2018-19				
DESCRIPTION	FY 2017-18 APPROVED BUDGET	FY 2017-18 YEAR-END ACTUALS & ESTIMATES	FY 2018-19 PROPOSED BUDGET	EXPLANATION OF SIGNIFICANT CHANGES
REVENUES:				
Sales/Use Taxes				
State Sales Tax Collection	\$ 890,253	\$ 890,253	\$ 934,766	Increase in state collection costs
Sales Tax withheld by Trustee	14,204,100	14,204,100	16,095,850	Debt schedule increase
Sales Tax Allocation to Administration	10,818,194	7,484,425	9,673,217	**Amount changes to balance revenue with expense
Total Sales/Use Taxes	25,912,547	22,578,778	26,703,833	**See notes below
Use of Money/Property				
Interest Earnings	295,000	745,482	295,000	Increase due to higher than anticipated fund balance
Advertising Revenue		138,845	145,000	New train and platform advertising
Rent - Real Estate	394,088	394,088	302,000	Reduction tied to lease termination
Total Use of Money/Property	689,088	1,278,415	742,000	
Charges for Services				
Other Charges - Fees, Reimbursements	-	65,992	30,000	Application fees, and insurance reimbursements
Total Charges for Services	-	65,992	30,000	
Miscellaneous Revenues				
Sale - Lease/Purchase	-	1,687,700	850,000	FY18 - sale of easments and license; FY19 TAM pathway agreement
Miscellaneous Revenue	50,000	50,000	50,000	
Total Miscellaneous Revenues	50,000	1,737,700	900,000	
TOTAL REVENUES	\$ 26,651,635	\$ 25,660,885	\$ 28,375,833	
EXPENDITURES:				
ADMINISTRATION				
Salaries and Benefits				
Employee Salaries	\$ 4,103,790	\$ 4,161,474	\$ 4,251,813	
Employee Benefits	1,205,496	1,211,905	1,163,690	
Total Salaries and Benefits	5,309,286	5,373,379	5,415,504	Step adjustments, benefit cost increases, filling of vacant positions
Services and Supplies				
Communications	46,700	52,800	53,200	
Insurance	2,677,667	2,388,965	2,128,000	Reduction in set aside needed for Self Insured Retention
Maintenance-Facilities	17,530	17,045	18,950	
Miscellaneous Expense	43,600	49,100	55,100	
Office Expense	123,030	100,965	122,560	Savings in current year; copier leases, other costs slightly decreased
Postage, Printing, Periodicals	35,500	39,000	47,000	
Accounting/ Payroll Services	86,000	76,000	90,000	Increase in auditing costs due to additional federal funds
Professional Services	908,534	625,330	1,079,500	Software upgrade, ridership analysis, security screenings, advocacy
Agency Extra Help	100,000	8,000	100,000	Short term leave coverage as needed
State Administrative Fee	890,253	890,253	934,766	State fee increases
Legal Services	525,000	390,576	475,000	As-needed legal expertise/ support; reflects outside counsel savings
Rents/Leases	741,194	750,617	774,024	
Computer Software and Hardware	318,701	273,396	361,110	Equipment replacements, software upgrade, ongoing license fees
Public Outreach	312,000	197,235	303,200	Increased outreach for Larkspur extension
Training, Travel and Memberships	189,800	88,670	147,350	Ongoing training of new and existing staff
Mileage Expense	37,740	36,870	36,520	
Total Services and Supplies	\$ 7,053,249	\$ 5,984,821	\$ 6,726,279	
Other Charges and Payments				
Bond Principal, Interest	14,204,100	14,204,100	16,095,850	Debt service scheduled increase
Settlements	-	13,585	-	
Total Other Charges	14,204,100	14,217,685	16,095,850	
Buildings & Capital Improvements (Capital Assets)				
Equipment	85,000	85,000	138,200	Computer servers hardware replacements
Total Buildings and Capital Improvements	85,000	85,000	138,200	
Contingencies				
Operating Contingencies	-	-	-	
Total Contingencies				
TOTAL ADMINISTRATION EXPENDITURES	\$ 26,651,635	\$ 25,660,885	\$ 28,375,833	

**The entire amount of Sales Tax is realized and shown on Table 1. The amount allocated to Administration changes depending on year-end revenues and expenses. For Fiscal Year-End 2017-18, only \$22,578,778 was needed to balance. For Fiscal Year 2018-19 we are assuming a 3% increase in sales tax and budgeting \$26,703,833 for Administration in order to balance.

Capital Budget:

The Year-End Report for the Fiscal Year 2017-18 Capital Department shows Revenues of \$24.3 million and Expenses of \$36.4 million. In the proposed Fiscal Year 2018-19 budget, Revenues are anticipated to be \$44.1 million and expenses are projected to be \$63.3 million. In each fiscal year, as planned for at the start of the Phase 1 project, SMART's reserved sales tax funds in its fund balance are available and used to pay for any project expenses not covered by grants.

Fiscal Year 2017-18 Final Budget Report:

Revenues: Overall revenues have been increased \$8.6 million to reflect actual receipts. There were a number of shifts in construction schedules and funding during the year that combined to make this change. Principally among them are increases in Bridge Toll funding for Larkspur, which are tied to expenditures on that project. The shift of the Anderson Drive project to the current fiscal year is tied to revenues from the City of San Rafael that were added in the current year as well. Other funds are related to construction of the SOMO Village Pathway in Rohnert Park that were not included in the original budget proposal.

Expenditures: There are a number of shifts between the two fiscal years that result in an overall reduction of \$1.2 million in Fiscal Year 2017-18 spending on Capital. The largest shifts were payments to the vehicle manufacturer which shifted out of the current year budget and led to a significant \$4 million reduction. That was offset by an increase in cooperative work primarily related to Anderson Drive and utility work paid for by the City of San Rafael of \$3.8 million.

Fiscal Year 2018-19 Proposed Budget:

Revenues: Revenues for the next budget are increased by \$19.8 million over the current year to match increased capital project activity funded by grant revenue. The State of California is funding SMART's four new rail cars as well as construction of the Payran Pathway in Petaluma. Federal funds are related to the Larkspur project and include funds from three different federal sources. Cooperative agreements and MTC funding are all related to the Larkspur extension. The City of San Rafael is providing funding for the pathway adjacent to the rail extension in Larkspur.

Expenditures: Overall expenses are projected to increase \$26.9 million with significant costs associated with the Larkspur rail extension project and pathway and SMART's four new rail cars. We are also budgeting for remaining costs of the Phase 1 project, including final acceptance of our first 14 car sets and contract closeouts of all Civil and Systems related contracts.

TABLE 3, on the next page, provides further breakdown and additional details.

TABLE 3:

CAPITAL BUDGET

Original, Year End FY 2017-18 and Proposed FY 2018-19

DESCRIPTION	FY 2017-18 APPROVED BUDGET	FY 2017-18 YEAR-END ACTUALS & ESTIMATES	FY 2018-19 PROPOSED BUDGET	EXPLANATION OF SIGNIFICANT CHANGES
REVENUES:				
Intergovernmental Revenues				
State - Grant Funds	\$ 1,321,096	\$ 1,398,151	\$ 10,261,000	Additional Rail Sets, EEMP Pathway, Payran pathway
Federal - Grant Funds	8,157,643	7,018,714	24,535,682	Larkspur Extension Project ongoing
Other Governments	1,805,000	4,225,647	5,857,019	Anderson Dr., San Rafael path, Open Space Pathway, others
Measure M - Sonoma County	285,000	285,000	228,000	Sonoma Pathway Project - Payran to Southpoint design
MTC - Bridge Tolls	4,073,222	11,339,246	3,211,740	7th car set final funding, Larkspur extension
Total Intergovernmental Revenues	15,641,961	24,266,758	44,093,441	
Miscellaneous Revenues				
Miscellaneous Revenue	-	467,486	-	SOMO Village Pathway
Total Miscellaneous Revenues	-	-	-	
TOTAL REVENUES	\$ 15,641,961	\$ 24,266,758	\$ 44,093,441	
USE OF FUND BALANCE	\$ 21,911,004	\$ 12,112,499	\$ 19,161,163	
EXPENDITURES:				
CAPITAL				
Salaries and Benefits				
Employee Salaries	\$ 919,013	\$ 1,043,662	\$ 1,093,864	
Employee Benefits	289,454	303,304	320,017	
Total Salaries and Benefits	1,208,467	1,346,966	1,413,881	Step adjustments, benefit cost increases, filling of vacant positions
Services and Supplies				
Postage, Printing, Periodicals	5,000	5,000	5,000	
Professional Services - Project	243,000	934,536	885,740	Bridge mngmt., environmental maint., ADA, as-needed engineering
Computer Software and Hardware	12,645	-	12,645	Shift of cost to new budget for project equipment
Memberships	2,000	2,000	2,000	
Training, Travel	5,000	5,000	5,000	
Permits/Fees	50,000	50,000	50,000	
Mileage Expense	10,000	5,000	5,000	
Total Services and Supplies	327,645	1,001,536	965,385	
Other Charges and Payments				
Other Governments	110,000	3,878,781	1,100,000	Cooperative work: Anderson Drive, City of San Rafael
Total Other Charges	110,000	3,878,781	1,100,000	
Buildings & Capital Improvements (Capital Assets)				
Land	2,754,000	2,019,000	-	Land purchase for Larkspur extension complete
Buildings & Improvements	-	184,980	-	Final close-out of Operations and Maintenance Facility
Capital Equipment - Work in Progress	9,203,450	5,029,152	19,134,836	Railcar final acceptance and new 7th and 8th Set payments
Infrastructure	25,157,870	23,727,022	41,488,830	Larkspur Extension; Novato, San Rafael, Cotati and other pathway work
Total Buildings and Capital Improvements	37,115,320	30,960,153	60,623,666	
Interfund Transfers				
Salaries and Benefits Transfer - Capital	(1,208,467)	(808,180)	(848,329)	
Total Interfund Transfer	(1,208,467)	(808,180)	(848,329)	Adjustment based on salaries charged to projects
TOTAL CAPITAL EXPENDITURES	\$ 37,552,965	\$ 36,379,257	\$ 63,254,604	

Operations Budget:

In the Year End 2017-18 Budget Report, we are projecting very little change in expenses for Operations. Most of the changes shown are tied to Board-approved changes throughout the year or reflect expenditure shifts between categories. As part of start-up and new operations, the ongoing cost of certain activities is still being developed. We have been able to capture savings and utilize those savings in areas with additional costs that we had not anticipated. Given the number of new activities we have implemented in the last 18 months during our start up and passenger service, we were very successful in anticipating overall expenses for the year.

A number of changes are proposed in the new Fiscal Year 2018-19 budget which are tied to new staff and capital equipment needed in order to continue our excellent service record and ensure continued reliability in the coming years. Because we were able to successfully negotiate three labor contracts during the Fiscal Year, we are reflecting no significant increases for those contracts because we had no cost-of-living increases through the end of Fiscal Year 2018-19. Further details are provided below. Finally, as mentioned in the Executive Summary we are setting aside an Agency Reserve of \$17 million to protect against unknowns in revenue and expense, an amount we think is prudent for the District at this time.

Fiscal Year 2017-18 Final Budget Report:

Revenues: Overall revenues are projected to be \$21.2 million. We have increased our anticipated Fare and Parking revenue slightly to reflect actual experience in the past 6 months. Anticipated State revenue was increased by \$602,812 as a result of new revenues related to SB1, including increased State Transit Assistance funding. Sales tax revenue available for Operations increased by \$3.3 million due to additional overall revenue increases freeing up more funds in the current year.

Expenditures: Overall expenditures are reduced in the final budget report by \$877,567. Salaries and benefits increases that were approved by the Board during the fiscal year are reflected in an increase of \$880,663 in that category. Categories that required additional funds during the year included Revenue Vehicle Maintenance, which required an additional \$184,845 in order to fund wheel truing activities and to purchase spare parts needed to maintain our passenger vehicles, Maintenance of both Railway and Signals required a combined increase of \$274,509 in order to fund switch, signal, crossing and track resurfacing needed in order to keep the system in good repair. These increases were offset by savings in fuel and professional services. We have also eliminated the appropriated Operating Contingency of \$600,000, which is no longer needed due to the fact that we have a year of cost experience on which to budget and we have set aside a prudent Agency Reserve.

Fiscal Year 2018-19 Proposed Budget:

Revenues: Revenues for Fiscal Year 2018-19 total \$21.9 million. This includes the allocation of Sales Tax to Operations, State grant funding for maintenance equipment and capital purchases related to operations, fare and parking revenues, as well as other charges related to the right-of-way. The budget reflects a significant increase of \$3.1 million in state funding, which is tied to the SB1 Diesel Fuel Tax.

These funds will be used to purchase a wheel truing machine and install it at our Rail Operations Facility, as well as to purchase additional wheel axles, track maintenance equipment, and spare parts for our passenger vehicles, signals and track. Fund balance will be allocated to Operations of \$5 million in order to balance anticipated expenditures, leaving a closing fund balance of \$4.99 million. Significant one-time investments in equipment account for more than half of this imbalance, including \$2.8 million associated with a wheel truing machine, axle replacements and track resurfacing equipment.

Expenditures: Operations costs are anticipated to increase \$5.9 million in the next fiscal year, primarily in three categories. First, salaries and benefits costs are increasing by \$982,144. This reflects both a full year of salary increases tied to labor contract increases, as well as the addition of 11 new full-time employees, including four Engineer Conductors, three Laborers, one Facilities Maintenance Technician, two Vehicle Maintenance Technicians, and one Administrative Assistant. As discussed in the Executive Summary, we are recommending that additional resources be provided to address current schedule issues as well as prepare for the Larkspur extension. In addition, the arrival of four new cars at the end of 2018 will require an increase in labor and supplies that would not be supported by current levels of resources. Second, capital facilities and equipment investments, which are partly funded through state grants, account for an increase of \$2.2 million. These additions are crucial to ensure timely maintenance of our passenger vehicles in order to keep our exemplary on-time-performance, as well as equipment needed to maintain 43-miles of track, stations, signals and facilities. Fuel costs are increased \$480,711 in order to accommodate the four new rail cars, which will need extensive testing before being placed in service. There are a number of professional services that support passenger amenities, such as passenger WiFi service and maintenance, Clipper machine maintenance and servicing, customer service via Golden Gate Bridge staff, emergency bus bridge support, servicing of security cameras and other rail network systems, and a number of other professional services that will require an increase next fiscal year of \$609,532.

TABLE 4, on the next page details the Operations Department budget.

TABLE 4:

OPERATIONS BUDGET

Original, Year End FY 2017-18 and Proposed FY 2018-19

DESCRIPTION	FY 2017-18	FY 2017-18	FY 2018-19	EXPLANATION OF SIGNIFICANT CHANGES
	APPROVED BUDGET	YEAR-END ACTUALS & ESTIMATES	PROPOSED BUDGET	
REVENUES:				
Sales/Use Taxes				
Sales/Use Taxes	\$ 11,099,426	\$ 14,433,195	\$ 11,418,499	
Total Sales/Use Taxes	11,099,426	14,433,195	11,418,499	**Allocated from total revenue as available
Intergovernmental Revenues				
State - Grant Funds	3,000,000	3,602,812	6,709,939	State Commuter Rail/STA Funding
Total Intergovernmental Revenues	3,000,000	3,602,812	6,719,939	
Charges for Services				
Fare Revenue	2,925,000	3,100,000	3,640,000	Conservative projection with minimal increase
Parking Revenue	25,000	35,000	50,000	Increases based on actual receipts and projections
Other Charges - Fees, Reimbursements	30,000	58,800	45,000	Changes due to reimbursements received; ongoing dispatch fee
Total Charges for Services	2,980,000	3,193,800	3,735,000	
TOTAL REVENUES	\$ 17,079,426	\$ 21,229,807	\$ 21,873,438	
USE OF FUND BALANCE:	\$ 4,810,139	\$ (217,809)	\$ 5,075,824	
EXPENDITURES:				
OPERATIONS				
Salaries and Benefits				
Employee Salaries	\$ 9,516,920	\$ 10,324,758	\$ 10,991,152	
Employee Benefits	2,831,379	2,904,203	3,219,954	
Total Salaries and Benefits	12,348,298	13,228,961	14,211,105	New FTE additions, benefit cost increases, filling of vacant positions
Services and Supplies				
Uniform Expense	230,064	162,000	225,978	Uniform/boot costs tied to employee counts and usage
Communications	191,007	185,296	233,515	Cost of call boxes, cellular for AVL and WiFi, and equipment replacement
Maintenance-Equipment	188,000	113,941	235,000	On-call maintenance and equipment repair
Maintenance-Radios	128,675	128,675	144,108	Radio site licenses and support
Maintenance-Revenue Vehicles	274,169	459,014	1,026,097	Increased need for wheels and other train spare parts
Maintenance-Railway	397,165	407,050	904,615	Track resurfacing, right-of-way maintenance and repairs
Maintenance of Signals	128,320	392,945	358,200	Gate repair, flagging, signal equipment
Maintenance-Buildings/Facilities	240,660	267,565	277,960	Station & facility cleaning, bike lockers, HVAC and electrical
Maintenance - Pathway	42,500	7,000	42,500	Increase in pathway maintenance costs projected ongoing
Printing Services	5,000	-	-	
Office Expense	155,000	117,500	138,000	Projections based on actual expense, employee counts
Agency Extra Help	100,000	100,000	125,000	As-needed assistance during leaves
Rents/Leases - Equipment	77,880	110,000	123,420	Specialty equipment needed for right-of-way maintenance
Minor Equipment	227,800	237,553	260,915	Signage, tools, and cleaning supplies for DMUs and right-of-way
Computer Software and Hardware	214,754	198,215	240,159	Ongoing software needs and computer replacements
Training, Travel and Memberships	254,300	119,680	179,725	Professional training for PTC, signal and track regulations
Fuel and Lubricants	1,423,607	1,012,293	1,493,004	Increase in fuel prices and additional mileage for testing
Miscellaneous	65,000	60,000	60,000	
Professional Services	2,403,538	1,981,163	2,590,695	WiFi, network support, customer service, and fare machine maintenance
Utilities	423,910	540,266	674,050	Cost for signals, bridges, facilities, and rail operations center
Total Services and Supplies	7,171,347	6,600,155	9,332,941	
Buildings & Capital Improvements (Capital Assets)				
Buildings & Improvements	15,000	-	-	
Vehicles, Equipment	1,229,919	657,882	2,880,217	Wheel truing machine, axle replacements, and track maintenance equip.
Software/ Intangible Assets	-	-	-	
Total Buildings and Capital Improvements	1,244,919	657,882	2,880,217	
Equipment Replacement				
Annual Allocation	525,000	525,000	525,000	Allocation for future equipment replacement schedule
	525,000	525,000	525,000	
Contingencies				
Operating Contingencies	600,000	-	-	Replaced by creation of Agency reserve
Total Contingencies	600,000	-	-	
TOTAL OPERATIONS EXPENDITURES	\$ 21,889,565	\$ 21,011,998	\$ 26,949,263	

**The entire amount of Sales Tax is realized and shown on Table 1. The amount allocated to Operations changes depending on year-end revenues and expenses.

Position Authorizations

On the next two pages in **Table 5** are the proposed Position Authorizations necessary for the Fiscal Year 2018-19 budget. As discussed in the Operations budget section, we are adding 11 new positions. In Administration, we adjusted one salary by 5% based on a survey of comparable positions, adjusted one title to match job duties assigned and shifted our Safety and Compliance Officer to Administration from Operations. These changes proposed from the current fiscal year are noted to the side of the changes.

TABLE 5:

Fiscal Year 2018-19 : Proposed Position Authorization

Position	FTE	Salary Range Annual		Salary Range: Hourly		CHANGE
		Low	High	Low	High	
ADMINISTRATIVE POSITIONS						
Accountant	1	70,304	85,467	33.80	41.09	
Accounting and Payroll Assistant	1	51,002	62,005	24.52	29.81	
Administrative Analyst/ Contracts	1	77,605	94,328	37.31	45.35	
Administrative Assistant	2	46,218	56,181	22.22	27.01	
Assistant Planner*	1	66,934	81,349	32.18	39.11	
Assistant General Counsel	1	133,598	162,386	64.23	78.07	
Chief of Police	1	158,808	193,024	76.35	92.80	
Chief Financial Officer	1	213,574	259,626	102.68	124.82	
Clerk of the Board	1	70,304	85,467	33.80	41.09	
Code Compliance Officer	2.5	52,270	63,544	25.13	30.55	
Communications and Marketing Manager	1	130,354	158,434	62.67	76.17	Adjusted Range
Community Outreach Coordinator	1	68,598	83,387	32.98	40.09	
Community Outreach Specialist	1	106,974	130,042	51.43	62.52	
Deputy General Manager	1	234,624	285,168	112.80	137.10	
Fiscal Manager	1	121,056	147,118	58.20	70.73	
General Counsel	1	213,574	259,626	102.68	124.82	
General Manager	1	-	302,474	-	145.42	
Human Resources Manager	1	118,082	143,541	56.77	69.01	
Human Resources Principal Analyst	1	106,974	130,042	51.43	62.52	
Information Systems Specialist	1	118,082	143,541	56.77	69.01	
Information Systems Technician	1	70,306	85,458	33.80	41.09	
Legal Administrative Assistant	1	63,690	77,418	30.62	37.22	
Payroll Technician	1	51,002	62,005	24.52	29.81	
Procurement Coordinator	1	99,341	120,744	47.76	58.05	
Programming and Grants Manager	1	130,354	158,434	62.67	76.17	
Real Estate Officer	1	73,861	89,794	35.51	43.17	
Real Estate Manager	1	147,451	179,254	70.89	86.18	
Human Resources Technician	1	63,690	77,418	30.62	37.22	Title Change
Safety & Compliance Officer	1	121,056	147,118	58.20	70.73	Shift From Operations
Senior Administrative Analyst	1	87,797	106,725	42.21	51.31	
Senior Planner	1	92,248	112,133	44.35	53.91	
Supervising Accountant	1	85,654	104,125	41.18	50.06	

Subtotal Administrative Full Time Equivalents (FTE)

34.5

Table 5 : Continued on Next Page (Page 1 of 2)

TABLE 5:

Fiscal Year 2018-19 : Proposed Position Authorization

Position	FTE	Salary Range Annual		Salary Range: Hourly		CHANGE
		Low	High	Low	High	
CAPITAL POSITIONS						
Assistant Engineer *	5	83,574	101,587	40.18	48.84	
Associate Engineer*	1	99,341	120,744	47.76	58.05	
Chief Engineer	1	175,282	213,075	84.27	102.44	
Deputy Project Manager *	1	175,282	213,075	84.27	102.44	
Junior Engineer *	1	73,861	89,794	35.51	43.17	
Manager Train Control Systems	1	175,282	213,075	84.27	102.44	
Project Extra hires *		Up to amount	50,000			
Construction Engineer *	1	109,658	133,286	52.72	64.08	

Subtotal Capital Full Time Equivalents (FTE)

11

OPERATIONS POSITIONS						
Administrative Assistant	1	46,218	56,181	22.22	27.01	Added One
Administrative Services Manager	1	83,574	101,587	40.18	48.84	
Assistant Superintendent of Transportation	1	101,837	123,760	48.96	59.50	
Bridge Tender*	2.5	-	58,531	-	28.14	
Controller /Supervisor	10	89,565	108,867	43.06	52.34	
Conductor**	11	66,123	77,792	31.79	37.40	
Engineer-Conductor**	29	79,498	93,517	38.22	44.96	Added Four
Extra Hires Operations		Up to amount	350,000			Revised Amount
Facilities Maintenance Supervisor	1	92,248	112,133	44.35	53.91	
Facilities Maintenance Technician	3	-	73,070	-	35.13	Added One
Laborers	10	-	53,206	-	28.14	Added Three
Operations Manager	1	175,282	213,075	84.27	102.44	
Parts Clerk	2	57,699	70,138	27.74	33.72	
Railroad Information Systems Specialist	1	104,374	126,859	50.18	60.99	
Signal Supervisor	2	99,341	120,744	47.76	58.05	
Signal Technician	9	-	100,734	-	48.43	
Superintendent of Vehicle Maintenance	1	121,056	147,118	58.20	70.73	
Superintendent of Transportation	1	121,056	147,118	58.20	70.73	
Superintendent Signals and Way	1	121,056	147,118	58.20	70.73	
Track Maintainer	5	-	76,794	-	36.92	
Track Maintenance Supervisor	2	91,790	111,592	44.13	53.65	
Vehicle Maintenance Supervisor	4	94,536	114,941	45.45	55.26	
Vehicle Maintenance Technician	12	-	93,558	-	44.98	Added Two

Subtotal Operations Full Time Equivalents (FTE)**

99.5 **See footnote

TOTAL ALL SMART DEPARTMENTS**145**

* Denotes Limited-Term Position Dependent on Project need

** Engineer/Conductor may be filled by Conductors, Total FTE for both positions combined is 29