



AGENDA

Meeting

of the

BOARD OF DIRECTORS

of the

SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

A Public Agency

Wednesday, June 14, 2017

8:30 AM

John G. Britton Auditorium

550 Olive Street, Santa Barbara, CA 93101

1. CALL TO ORDER

2. ROLL CALL OF THE BOARD OF DIRECTORS

Dave Davis, Chair; Chuck McQuary, Vice Chair; Bill Shelor, Secretary; Olivia Rodriguez, Director; Dick Weinberg, Director; David Tabor, Director; Paula Perotte, Director

3. REPORT REGARDING POSTING OF AGENDA

CONSENT CALENDAR

4. APPROVAL OF PRIOR MINUTES-(ATTACHMENT-ACTION MAY BE TAKEN)

The Board will be asked to waive the reading of and approve the draft minutes for the meeting of May 16, 2017.

5. CASH REPORT-(ATTACHMENTS-ACTION MAY BE TAKEN)

The Board will be asked to review the cash reports of May 9, 2017 through May 22, 2017 and May 23, 2017 through June 5, 2017.

THIS CONCLUDES THE CONSENT CALENDAR

6. PUBLIC COMMENT

Members of the public may address the Board on items within jurisdiction of the Board that are not scheduled for public hearing. The time allotted per speaker will be at the discretion of the Board Chair. If you wish to address the Board under this item number, please complete and deliver to the MTD Board Clerk, a "Request to Speak" form including a description of the subject you wish to address. Additional public comment will be allowed during each agenda item, including closed session items. Please fill out the Request to Speak form and indicate the agenda item number that you wish to comment on.

7. CITY OF SB PUBLIC WORKS PRESENTATION ON INFRASTRUCTURE REPAIR AND COMMUNITY SERVICE NEEDS - (INFORMATIONAL)

The Board will receive a presentation and provide input on a possible sales tax measure on the City's unfunded infrastructure repair and community service needs.

8. DRAFT FISCAL YEAR 2016-17 OPERATING & CAPITAL BUDGET - (ATTACHMENT - ACTION MAY BE TAKEN)

Staff recommends that the Board of Directors approve the draft Operating & Capital Budget for Fiscal Year 2017-18, which begins this July 1.

9. **RENEWAL OF FLOOD INSURANCE - JULY 10, 2017 THROUGH JULY 10, 2018 - (ACTION MAY BE TAKEN)**
Staff recommends that the Board of Directors authorize renewal of the Flood Insurance coverage with Wright National Flood Insurance Company effective July 10, 2017.
10. **GENERAL MANAGER'S REPORT UPDATE - (ACTION MAY BE TAKEN)**
 - a. Professional Training Opportunities
 - b. Electric Vehicle Fleet Update
 - c. T1 Canopy Project Update
 - d. Clean Air Express Feasibility Discussions
11. **OTHER BUSINESS AND COMMITTEE REPORTS-(ACTION MAY BE TAKEN)**
The Board will report on other related public transit issues and committee meetings
12. **ADJOURNMENT**

AMERICAN WITH DISABILITIES ACT: If you need special assistance to participate in this meeting, please contact the MTD Administrative Office at 963-3364 at least **48 hours in advance** of the meeting to allow time for MTD to attempt a reasonable accommodation.



MINUTES

Meeting
of the
BOARD OF DIRECTORS
of the
SANTA BARBARA METROPOLITAN TRANSIT DISTRICT
A Public Agency
Tuesday, May 16, 2017
8:30 AM
John G. Britton Auditorium
550 Olive Street, Santa Barbara, CA 93101

1. CALL TO ORDER

Chair Davis called the meeting to order at 8:30 a.m.

2. ROLL CALL OF THE BOARD OF DIRECTORS

Chair Davis reported that all members were present with the exceptions of Director Weinberg and Director Shelor.

3. REPORT REGARDING POSTING OF AGENDA

Lilly Gomez, Office Administrator, reported that the agenda was posted on Wednesday, May 10, 2017 at MTD's Administrative office, mailed and emailed to those on the agenda list, and posted on MTD's website.

CONSENT CALENDAR

4. APPROVAL OF PRIOR MINUTES - (ATTACHMENT-ACTION MAY BE TAKEN)

Director McQuary moved to approve the draft minutes for the meeting of April 18, 2017. Director Tabor seconded the motion. The motion passed unanimously.

5. APPROVAL OF CASH REPORT - (ATTACHMENTS-ACTION MAY BE TAKEN)

Director McQuary moved to approve the cash report for the period of April 11, 2017 through April 24, 2017. Director Tabor seconded the motion. The motion passed unanimously.

THIS CONCLUDES THE CONSENT CALENDAR

6. PUBLIC COMMENT

None was made.

7. POLICY FOR DISPOSITION OF LOST OR UNCLAIMED BICYCLES (BOARD RESOLUTION NO. 2017-08)- (ATTACHMENT - ACTION MAY BE TAKEN)

Hillary Blackerby, Marketing and Community Relations Manager, created a proposed plan to improve MTD's process for the disposition of lost or unclaimed bikes left on MTD buses or at MTD facilities.

Ms. Blackerby reported that she consulted with the Santa Barbara Police Department, Santa Barbara County Sheriff's Department, University of California Police Department, Bike Index, and the Santa Barbara Bicycle Coalition to work in partnership to find the best solution for bike owners and the broader community.

Joey Juhasz-Lukomski, Operations Manager of SB Bicycle Coalition stated his excitement to begin the new partnership with SBMTD.

Director Rodriguez moved to pass Resolution No. 2017-08 to adopt a Policy for Disposition of Lost or Unclaimed Bicycles. Director Perotte seconded the motion. The motion passed unanimously.

8. FISCAL YEAR 2016-17 AUDIT ENGAGEMENT LETTER - (ATTACHMENT - ACTION MAY BE TAKEN)

Brad Davis, Assistant General Manager, advised the Board that MTD has received the annual engagement letter from McGowan Guntermann to provide professional auditing services. The purpose of the audit is to express opinions as to whether MTD's financial statements are fairly presented in conformity with U.S. generally accepted accounting principles, and to report on the fairness of the required supplementary information. McGowan Guntermann estimates that the cost to conduct the audit will be \$42,000. The cost was increased to the current level in 2010.

Director Rodriguez and Director Perotte recommended staff review the annual Audit services every five years.

Director Rodriguez moved to accept the Engagement Letter submitted by McGowan Guntermann for performing audit services for FY 2017, ending June 30. Director Perotte seconded the motion. The motion passed unanimously.

9. FINANCIAL UPDATE FOR THE 9 MONTHS ENDING MARCH 31, 2017- (ATTACHMENT- INFORMATIONAL)

Assistant Controller Thais Sayat presented the Quarterly Finance update for the 9-month period ending March 31, 2017. Ms. Sayat shared that the most significant recent trends remain the continued drop in fare revenue due to decreased ridership, and lower than anticipated projected costs associated with staffing levels. This cushioned the higher than anticipated risk-related costs encountered this quarter.

With the decreased ridership MTD is experiencing, fares as a whole continue to decrease. However, the rate of decline has slowed. Total fare revenue was down 8% last year at this time, compared to the 6% reduction reported in this quarterly update.

The decrease of \$181,000 in cash fares combined with the \$188,000 decrease in adult and youth pass sales were the main factors leading to the substantial decrease from prior year's fares. A few bulk sales occurred in the prior year, but did not occur by this quarter's end.

Total wage and fringe benefit costs for the nine-month period from July 2016 through March 2017 were under budget by 2%, and grew by 7% compared to the prior year. MTD has made progress in closing the gap of some unfilled positions, bringing actual costs closer to the wage & benefits budget as a whole. The increase in costs compared to the prior year was due to wage increases reflecting the collective bargaining agreement, service hour increases, and positions filled in passenger facilities, maintenance, and operations.

Chair Davis thanked Ms. Sayat for a great report.

10. PROPOSITION 1B – TRANSIT SECURITY GRANT FOR FISCAL YEAR 2016-17 (BOARD RESOLUTION NO. 2017-09) - (ATTACHMENT - ACTION MAY BE TAKEN)

Steve Maas, Manager of Government Relations & Compliance, recommended that the Board pass Resolution No. 2017-09 for FY 2016-17 Proposition 1B – Transit Security funding, Cal OES requires the adoption of a resolution of approval by the Board as a part of the application process. MTD has been allocated \$233,321 in Proposition 1B – Transit Security Grant Program funding for Fiscal Year 2016-17. These funds are available for eligible capital projects that provide increased protection from a security or safety threat. Staff prepared an application for these funds for a "Terminal 1 Security Upgrades" project that will enhance the security and safety of Terminal 1 through new automated bus yard gates, enhanced facility lighting, upgrades to the site's video surveillance equipment, and disaster preparedness repairs to the maintenance building roof.

Director Tabor moved to pass Resolution No. 2017-09. Director Rodriguez seconded the motion. The motion passed unanimously.

11. MTD REVISED TITLE VI PROGRAM: 2017 - 2019 - (ACTION MAY BE TAKEN)

Steve Maas, Manager of Government Relations & Compliance, recommended that the Board approve Resolution No. 2017-10 adopting the revised Title VI Program: 2017 – 2019. Mr. Maas advised the Board that staff received a letter from FTA on April 27, 2017, directing MTD to include an expanded discussion of public outreach efforts in the Title VI non-discrimination program. In response, staff has added a 23-page section to Appendix C of the Program that summarizes the outreach conducted during each of the last three years. Staff has also made various other revisions, including combining former Appendix C with Appendix B, and the addition of MTD's "Americans with Disabilities Act (ADA) & Reasonable Modification Complaint Form" to Appendix B. Mr. Maas stated that the revised Title VI Program must be submitted to FTA by May 26.

Director Rodriguez moved to approve Resolution No. 2017-10. Director Tabor seconded the motion. The motion passed unanimously.

12. QUARTERLY STAFF REPORTS - (ATTACHMENTS-INFORMATIONAL)

Planning Manager George Amoon reviewed quarterly ridership reports for the 9-month period from July 1, 2016 through March 31, 2017. Mr. Amoon reported that the recent trend of decreased ridership has not changed. Ridership decreased overall by 8.6%. On average by day type for the first nine months of the fiscal year, ridership decreased by 11% on weekdays, 10% on Saturdays and 9% on Sundays year-to-date.

Mr. Amoon stated to the board that the decrease in ridership is consistent with the majority of transit agencies statewide. As reported in recent ridership reports, the decrease in ridership is likely attributed to lower gas prices, increased vehicle registrations, decreased international student enrollment (e.g., EF -32%) and decreased SBCC enrollment in the Fall and Spring semesters (-7.1% and -7.4%). There were also 20 additional days of measurable precipitation in the third quarter of this fiscal year compared to last fiscal year, and 23 additional precipitation days year to date. Precipitation typically negatively affects ridership.

On average, there was a UCSB student ridership increase of 31% (or 1,646 UCSB student passengers) per weekday for the third quarter and an increase of 22% (or 901 UCSB student passengers) per weekday year to date. As previously stated, the increase could be partially attributed to the increase in student enrollment this school year, as well as the additional direct Line 28 service and more direct service between Line 23 and Line 11, which directly serves Isla Vista and UCSB.

SBCC ridership had a decrease of 23% per weekday and of 21% per weekday year to date. The enrollment decrease probably eases the SBCC parking situation, which might reduce the incentive for students to reach campus without an automobile. Also, construction of a new building on West Campus began shortly toward the end of the second quarter of FY 2015-16, which involved closure of the West Campus bus stop served by Line 16.

13. GENERAL MANAGER'S REPORT UPDATE-(ACTION MAY BE TAKEN)

General Manager, Jerry Estrada reported that the Budget Preparations are underway and he would like to cancel the regular scheduled Board meeting on May 30. Mr. Estrada will potentially hold two Finance & Human Resource Committees to review the draft budget.

Mr. Estrada acknowledged the planning department for working closely with UCSB staff and students to accommodate the schedule adherence brought to the Board's attention in last meeting. Mr. Estrada was very happy that staff resolved the issue quickly and efficiently, requiring fewer than 100 additional revenue hours annually.

Mr. Estrada acknowledged Capitol Projects Manager Ryan Gripp and Assistant General Manager Brad Davis for a successful diesel fuel bid. MTD had six bids offered and successfully closed the bid with a historical low price in fuel.

MTD received support from the City of Santa Barbara Downtown Parking Committee when presenting the new bus replacing the electric shuttles.

Easy Lift was commended for being selected as the Paratransit Service of the Year by the California Association for Coordinated Transportation (CalACT). Mr. Estrada expressed his gratitude and pride in having a partner with such great service.

Mr. Estrada advised the Board that the Maintenance Department is temporarily fully staffed and we have filled many of the vacant customer service positions.

Chair Davis acknowledged the staff for a great MTD Newsletter.

14. OTHER BUSINESS AND COMMITTEE REPORTS-(ACTION MAY BE TAKEN)

No other items discussed.

15. ADJOURNMENT

Director Tabor moved to adjourn the meeting at 10:36am. Director McQuary seconded the motion. The motion passed unanimously.

Santa Barbara Metropolitan Transit District
Cash Report
Board Meeting of May 30, 2017
For the Period May 9, 2017 through May 22, 2017

MONEY MARKET

Beginning Balance May 9, 2017 **\$13,322,805.53**

| | |
|------------------------------|-------------------|
| Passenger Fares | 128,126.96 |
| Accounts Receivable | 30,290.29 |
| Property Tax Revenue | 3,470.50 |
| Miscellaneous/Asset Sales | 3,113.18 |
| Advertising/Prepaid Deposits | 1,340.00 |
| Total Deposits | 166,340.93 |

| | |
|----------------------------|-----------------------|
| ACH Garn/Escrow | (1,071.20) |
| ACH Pensions Transfer | (32,320.96) |
| ACH Tax Deposit | (155,457.78) |
| Payroll Transfer | (326,128.92) |
| Operations Transfer | (761,725.70) |
| Total Disbursements | (1,276,704.56) |

Ending Balance **\$12,212,441.90**

CASH INVESTMENTS

| | |
|----------------------|----------------|
| LAIF Account | \$3,371,820.53 |
| Money Market Account | 12,212,441.90 |

Total Cash Balance **\$15,584,262.43**

SELF INSURED LIABILITY ACCOUNTS

| | |
|-------------------------|------------------|
| WC / Liability Reserves | (\$3,821,124.03) |
|-------------------------|------------------|

Working Capital **\$11,763,138.40**

Santa Barbara Metropolitan Transit District
Accounts Payable

| Check # | Date | Company | Description | Amount | Voids |
|---------|-----------|--------------------------------|---------------------------------|-----------|-------|
| 115014 | 4/6/2017 | GOLETA VALLEY COMMUNITY CE | HALL RENTAL/DEPOSIT | 100.00 | V |
| 115177 | 5/5/2017 | GIBBS INTERNATIONAL INC | BUS PARTS | 0.00 | V |
| 115226 | 5/12/2017 | ASBURY ENVIRONMENTAL | WASTE OIL RECYCLER | 120.00 | |
| 115227 | 5/12/2017 | B2B PRINTING SERVICES INC. | OFFICE SUPPLIES | 128.81 | |
| 115228 | 5/12/2017 | BLACK GOLD INDUSTRIES, CORP | HAZMAT DISPOSAL | 994.75 | |
| 115229 | 5/12/2017 | BROWN & BROWN/WHILT FATCH | EARTHQUAKE INSURANCE | 13,193.60 | |
| 115230 | 5/12/2017 | CALIFORNIA ELECTRIC SUPPLY, I | SHOP/B&G SUPPLIES | 804.86 | |
| 115231 | 5/12/2017 | CITY OF CARPINTERIA | ELECTRIC CHARGING STATION | 684.92 | |
| 115232 | 5/12/2017 | CELTIS VENTURES, INC. | MARKETING SERVICES | 918.65 | |
| 115233 | 5/12/2017 | CLEVER DEVICES LTD | AIM CONTRACT INSTALLMENT | 11,405.31 | |
| 115234 | 5/12/2017 | CINTAS CORPORATION | FIRST AID SUPPLIES | 1,120.41 | |
| 115235 | 5/12/2017 | COX COMMUNICATIONS, CORP. | INTERNET & CABLE TV | 372.51 | |
| 115236 | 5/12/2017 | CUMMINS PACIFIC, LLC | BUS PARTS & REPAIRS | 11,266.54 | |
| 115237 | 5/12/2017 | DAVID DAVIS JR. | DIRECTOR FEES | 180.00 | |
| 115238 | 5/12/2017 | DENMUN OFFICE SOLUTIONS DB | IT CONTRACT SERVICES | 3,655.00 | |
| 115239 | 5/12/2017 | DOWNTOWN ORGANIZATION, INC | TC MAINTENANCE | 450.00 | |
| 115240 | 5/12/2017 | EASY LIFT TRANSPORTATION, INC | ADA SUBSIDY | 70,925.00 | |
| 115241 | 5/12/2017 | ELECTRONIC DATA MAGNETICS, I | BUS PASSES | 1,458.94 | |
| 115242 | 5/12/2017 | STATE OF CALIFORNIA | PAYROLL RELATED | 1,371.85 | |
| 115243 | 5/12/2017 | FRONTIER CALIFORNIA INC. | TELEPHONES | 94.99 | |
| 115244 | 5/12/2017 | GENFARE, A DIVISION OF SPX COR | FAREBOX REPAIRS & PARTS | 173.93 | |
| 115245 | 5/12/2017 | GILLIG LLC | BUS PARTS | 6,327.92 | |
| 115246 | 5/12/2017 | GOODYEAR TIRE & RUBBER CO | LEASED TIRES | 12,851.81 | |
| 115247 | 5/12/2017 | GRAINGER, INC. | SHOP/B&G SUPPLIES | 91.49 | |
| 115248 | 5/12/2017 | GRAYBAR ELECTRIC COMPANY, I | REPAIRS & SUPPLIES T1 BLDG/GRDS | 78.59 | |
| 115249 | 5/12/2017 | GUARDIAN-APPLETON (DENTAL I | DENTAL INSURANCE | 4,306.77 | |
| 115250 | 5/12/2017 | GUARDIAN-APPLETON (LIFE INS) | LIFE INSURANCE | 602.38 | |
| 115251 | 5/12/2017 | H.G. MAKELIM CO., INC. | BUS PARTS | 1,696.09 | |
| 115252 | 5/12/2017 | HOME IMPROVEMENT CTR. | SHOP/B&G SUPPLIES | 210.26 | |
| 115253 | 5/12/2017 | INTELLICORP RECORD INC. | PRE-EMPLOYMENT CHECK | 284.11 | |
| 115254 | 5/12/2017 | JANICARE DBA | JANITORIAL SERVICES | 3,976.48 | |
| 115255 | 5/12/2017 | LABOR ALLIANCE MANAGED TRU | DENTAL INSURANCE | 10,218.00 | |
| 115256 | 5/12/2017 | LMA ARCHITECTS, CORP. | ARCHITECTURAL SERVICES | 1,203.37 | |
| 115257 | 5/12/2017 | MANSFIELD OIL CO.- GAINESVILL | DIESEL FUEL | 17,411.99 | |
| 115258 | 5/12/2017 | MC CORMIX CORP. (GAS) | FUEL-SERVICE VEHICLES | 2,149.89 | |
| 115259 | 5/12/2017 | MEDICAL EYE SERVICES, INC. | VISION INSURANCE | 390.40 | |
| 115260 | 5/12/2017 | CHUCK MCQUARY | DIRECTOR FEES | 180.00 | |
| 115261 | 5/12/2017 | MIKE CUEVAS GARDENING SERVI | LANDSCAPE MAINTENANCE SERVICE | 695.00 | |

| Check # | Date | Company | Description | Amount | Voids |
|---------|-----------|-------------------------------|--------------------------------|------------|-------|
| 115262 | 5/12/2017 | KENNETH B. MILLS | PROCUREMENT SERVICES | 2,860.00 | |
| 115263 | 5/12/2017 | NEWEGG, INC | IT EQUIPMENT & SUPPLIES | 1,599.28 | |
| 115264 | 5/12/2017 | ANN BRADY OTTIERI | PAYROLL RELATED | 277.00 | |
| 115265 | 5/12/2017 | PAULA A. PEROTTE | DIRECTOR FEES | 120.00 | |
| 115266 | 5/12/2017 | OLIVIA RODRIGUEZ | DIRECTOR FEES | 120.00 | |
| 115267 | 5/12/2017 | SAFEGUARD DBA | OFFICE SUPPLIES | 86.97 | |
| 115268 | 5/12/2017 | SB COUNTY FEDERAL CREDIT UNI | PAYROLL DEDUCTION | 760.00 | |
| 115269 | 5/12/2017 | SPECIAL DISTRICT RISK MGMT | MEDICAL HEALTH INSURANCE | 44,734.00 | |
| 115270 | 5/12/2017 | SMITTY'S TOWING SERVICE D | TOWING SERVICES | 250.00 | |
| 115271 | 5/12/2017 | SANTA BARBARA SHERIFF'S DEPT | PAYROLL RELATED | 612.29 | |
| 115272 | 5/12/2017 | WILLIAM JOHN SHELOR | DIRECTOR FEES | 180.00 | |
| 115273 | 5/12/2017 | SO. CAL. EDISON CO. | UTILITIES | 7,316.31 | |
| 115274 | 5/12/2017 | SOFTCHOICE CORP, INC. | COMPUTER SOFTWARE | 979.18 | |
| 115275 | 5/12/2017 | STAPLES CONTRACT & COMMERC | OFFICE SUPPLIES | 886.00 | |
| 115276 | 5/12/2017 | STEWART'S DE-ROOTING & PLUM | PLUMBING REPAIRS | 1,235.89 | |
| 115277 | 5/12/2017 | DAVID T. TABOR | DIRECTOR FEES | 120.00 | |
| 115278 | 5/12/2017 | TEAMSTERS MISC SECURITY TRU | UNION MEDICAL INSURANCE | 207,871.00 | |
| 115279 | 5/12/2017 | TEAMSTERS PENSION TRUST | UNION PENSION | 94,241.53 | |
| 115280 | 5/12/2017 | TEAMSTERS UNION LOCAL NO. 18 | UNION DUES | 10,800.69 | |
| 115281 | 5/12/2017 | VALLEY POWER SYSTEMS, INC. | BUS PARTS | 1,615.04 | |
| 115282 | 5/12/2017 | VALLEY POWER SYSTEMS, INC. | BUS PARTS | 1,750.46 | |
| 115283 | 5/12/2017 | VERIZON WIRELESS | WIRELESS PHONES & AIM CELLULAR | 2,095.30 | |
| 115284 | 5/12/2017 | RICHARD WEINBERG | DIRECTOR FEES | 60.00 | |
| 115285 | 5/18/2017 | ABC BUS COMPANIES INC | BUS PARTS | 193.35 | |
| 115286 | 5/18/2017 | AMERICAN MOVING PARTS, LLC | BUS PARTS | 325.94 | |
| 115287 | 5/18/2017 | B2B PRINTING SERVICES INC. | OFFICE SUPPLIES | 486.49 | |
| 115288 | 5/18/2017 | BIG BRAND TIRES, BRANDCO BILL | SERVICE VEHICLE MAINTENANCE | 472.18 | |
| 115289 | 5/18/2017 | CARQUEST AUTO PARTS | BUS PARTS & SUPPLIES | 131.03 | |
| 115290 | 5/18/2017 | CITY OF SANTA BARBARA | SUPERSTOPS - PERMIT FEES | 160.00 | |
| 115291 | 5/18/2017 | CENTRAL COAST CIRCULATION, L | BUS BOOK DISTRIBUTION | 575.00 | |
| 115292 | 5/18/2017 | COMPRESSED AIR OF CALIFORNIA | BUS PARTS | 707.89 | |
| 115293 | 5/18/2017 | CLEVER DEVICES LTD | AIM CONTRACT INSTALLMENT | 43,185.79 | |
| 115294 | 5/18/2017 | CIO SOLUTIONS, LP | IT SERVICES | 2,175.00 | |
| 115295 | 5/18/2017 | COAST TRUCK PARTS | BUS PARTS | 152.19 | |
| 115296 | 5/18/2017 | CUMMINS PACIFIC, LLC | BUS PARTS & REPAIRS | 7,063.65 | |
| 115297 | 5/18/2017 | DEPARTMENT OF MOTOR VEHICL | VEHICLE REGISTRATION | 410.00 | |
| 115298 | 5/18/2017 | FRANK SCHIPPER CONSTRUCTION | T1 CANOPY PROJECT | 70,870.31 | |
| 115299 | 5/18/2017 | FRONTIER CALIFORNIA INC. | TELEPHONES | 1,138.24 | |
| 115300 | 5/18/2017 | GIBBS INTERNATIONAL INC | BUS PARTS | 1,332.17 | |
| 115301 | 5/18/2017 | GILLIG LLC | BUS PARTS | 6,098.90 | |
| 115302 | 5/18/2017 | GOODYEAR TIRE & RUBBER CO | LEASED TIRES | 1,182.90 | |

| Check # | Date | Company | Description | Amount | Voids |
|---------|-----------|--------------------------------|-------------------------------|---|---------------------|
| 115303 | 5/18/2017 | GRAINGER, INC. | SHOP/B&G SUPPLIES | 68.41 | |
| 115304 | 5/18/2017 | HOME IMPROVEMENT CTR. | SHOP/B&G SUPPLIES | 33.42 | |
| 115305 | 5/18/2017 | MANSFIELD OIL CO.- GAINESVILL | DIESEL FUEL | 33,326.09 | |
| 115306 | 5/18/2017 | MC CORMIX CORP. (OIL) | LUBRICANTS | 2,539.52 | |
| 115307 | 5/18/2017 | MARCELO PACHECO | TOOL ALLOWANCE | 1,100.00 | |
| 115308 | 5/18/2017 | WILLIAM MORRIS | PER DIEM | 87.03 | |
| 115309 | 5/18/2017 | NEWEGG, INC | IT EQUIPMENT & SUPPLIES | 165.38 | |
| 115310 | 5/18/2017 | NU-COOL REDI GREEN, INC | COOLANTS & SHOP SUPPLIES | 320.29 | |
| 115311 | 5/18/2017 | PREVOST CAR INC.- CREDIT DEPT. | BUS PARTS | 566.44 | |
| 115312 | 5/18/2017 | PORT SUPPLY DBA | BUS PARTS | 93.68 | |
| 115313 | 5/18/2017 | REPUBLIC ELEVATOR, INC | ELEVATOR MAINTENANCE | 158.58 | |
| 115314 | 5/18/2017 | ROGERS, SHEFFIELD & CAMPBELL | LEGAL COUNSEL | 3,099.97 | |
| 115315 | 5/18/2017 | SANTA BARBARA NEWS PRESS | PUBLIC NOTICES/EMPLOYMENT ADS | 249.94 | |
| 115316 | 5/18/2017 | SILVAS OIL CO., INC. | LUBRICANTS | 454.26 | |
| 115317 | 5/18/2017 | SM TIRE, CORP. | BUS TIRE MOUNTING | 511.00 | |
| 115318 | 5/18/2017 | SOFTCHOICE CORP, INC. | COMPUTER SOFTWARE | 7,172.36 | |
| 115319 | 5/18/2017 | SOUTHWEST LIFT & EQUIPMENT, I | LIFT REPAIRS & SUPPLIES | 220.54 | |
| 115320 | 5/18/2017 | STAPLES CONTRACT & COMMERC | OFFICE SUPPLIES | 1,654.49 | |
| 115321 | 5/18/2017 | STAPLES CREDIT PLAN | OFFICE & COMPUTER SUPPLIES | 387.78 | |
| 115322 | 5/18/2017 | THE MEDCENTER | MEDICAL EXAMS | 132.00 | |
| 115323 | 5/18/2017 | TANK TEAM INC. | TANK TESTS | 123.00 | |
| 115324 | 5/18/2017 | J.C. M. AND ASSOCIATES INC. | UNIFORMS | 739.81 | |
| 115325 | 5/18/2017 | VALLEY POWER SYSTEMS, INC. | BUS PARTS | 6,621.04 | |
| 115326 | 5/18/2017 | VENTURA COUNTY STAR DBA | PUBLIC NOTICE ADS | 1,423.08 | |
| 115327 | 5/18/2017 | WAXIE SANITARY SUPPLY DBA | JANITORIAL SUPPLIES | 1,167.50 | |
| 115328 | 5/18/2017 | YELLOW (YRC) TRANSPORTATION | FREIGHT CHARGES | 183.50 | |
| | | | | 761,825.70 | |
| | | | | Current Cash Report Voided Checks: | 0.00 |
| | | | | Prior Cash Report Voided Checks: | 100.00 |
| | | | | Grand Total: | \$761,725.70 |

Santa Barbara Metropolitan Transit District
Cash Receipts of Accounts Receivable

| Date | Company | Description | Amount |
|---|-------------------------------------|-------------------------|--------------------|
| 5/9/2017 | ASTI Holding Company, LLC | Overpass Property Lease | 14,877.69 |
| 5/9/2017 | True Media LLC | Advertising on Buses | 1,533.60 |
| 5/9/2017 | UCSB Bookstore | Passes/Passport Sales | 4,825.00 |
| 5/15/2017 | City of SB - Downtown Parking | City of SB My Ride | 2,418.00 |
| 5/15/2017 | KCSB - FM | Advertising on Buses | 498.00 |
| 5/16/2017 | City of SB Creeks Division | Advertising on Buses | 300.00 |
| 5/16/2017 | Godzilla Graphics | Advertising on Buses | 4,428.00 |
| 5/22/2017 | City of SB-Environmental Services D | Advertising on Buses | 1,410.00 |
| Total Accounts Receivable Paid During Period | | | \$30,290.29 |

Santa Barbara Metropolitan Transit District
Cash Report
Board Meeting of June 13, 2017
For the Period May 23, 2017 through June 5, 2017

MONEY MARKET

Beginning Balance May 23, 2017 **\$12,212,441.90**

| | |
|------------------------------|------------|
| SB-325 (LTF) | 699,907.06 |
| Accounts Receivable | 289,623.54 |
| Measure "A" | 167,938.68 |
| Passenger Fares | 108,967.17 |
| UCSB Fares | 98,737.60 |
| Advertising/Prepaid Deposits | 98,737.60 |
| LCTOP Transfers | 15,833.33 |
| Miscellaneous/Asset Sales | 36.21 |

Total Deposits **1,479,781.19**

| | |
|-----------------------|--------------|
| ACH Garn/Escrow | (905.05) |
| ACH Pensions Transfer | (32,259.51) |
| ACH Tax Deposit | (154,120.05) |
| Payroll Transfer | (337,335.83) |
| Operations Transfer | (525,210.71) |

Total Disbursements **(1,049,831.15)**

Ending Balance **\$12,642,391.94**

CASH INVESTMENTS

| | |
|----------------------|----------------|
| LAIF Account | \$3,371,820.53 |
| Money Market Account | 12,642,391.94 |

Total Cash Balance **\$16,014,212.47**

SELF INSURED LIABILITY ACCOUNTS

| | |
|-------------------------|------------------|
| WC / Liability Reserves | (\$3,821,124.03) |
|-------------------------|------------------|

Working Capital **\$12,193,088.44**

Santa Barbara Metropolitan Transit District
Accounts Payable

| Check # | Date | Company | Description | Amount | Voids |
|---------|-----------|--------------------------------|--------------------------------|------------|-------|
| 115329 | 5/26/2017 | APPLEONE EMPLOYMENT SERVIC | CONTRACT EMPLOYMENT | 1,562.37 | |
| 115330 | 5/26/2017 | JOSE BAUTISTA | AD MOUNTING/DISMOUNTING | 544.00 | |
| 115331 | 5/26/2017 | COX COMMUNICATIONS, CORP. | INTERNET & CABLE TV | 118.58 | |
| 115332 | 5/26/2017 | FEDEX dba | FREIGHT CHARGES | 140.83 | |
| 115333 | 5/26/2017 | STATE OF CALIFORNIA | PAYROLL RELATED | 1,499.41 | |
| 115334 | 5/26/2017 | FRONTIER CALIFORNIA INC. | TELEPHONES | 827.02 | |
| 115335 | 5/26/2017 | GENFARE, A DIVISION OF SPX COR | FAST FARE INSTALLMENT | 252,712.78 | |
| 115336 | 5/26/2017 | MANSFIELD OIL CO.- GAINESVILL | DIESEL FUEL | 16,672.71 | |
| 115337 | 5/26/2017 | MC CORMIX CORP. (OIL) | LUBRICANTS | 1,802.32 | |
| 115338 | 5/26/2017 | NATIONAL DRIVE | PAYROLL DEDUCTION | 64.00 | |
| 115339 | 5/26/2017 | NATIVE ELECTRICAL CONSTRUCT | CHARGING INFRASTRUCTURE IMPRO | 38,882.08 | |
| 115340 | 5/26/2017 | ANN BRADY OTTIERI | PAYROLL RELATED | 277.00 | |
| 115341 | 5/26/2017 | SB COUNTY FEDERAL CREDIT UNI | PAYROLL DEDUCTION | 760.00 | |
| 115342 | 5/26/2017 | SANTA BARBARA SHERIFF'S DEPT | PAYROLL RELATED | 529.89 | |
| 115343 | 5/26/2017 | SO. CAL. EDISON CO. | UTILITIES | 3,468.27 | |
| 115344 | 5/26/2017 | THE GAS COMPANY DBA | UTILITIES | 216.86 | |
| 115345 | 5/26/2017 | TEAMSTERS UNION LOCAL NO. 18 | UNION DUES | 1,236.87 | |
| 115346 | 5/26/2017 | UNITED WAY OF SB | PAYROLL DEDUCTION | 68.00 | |
| 115347 | 5/26/2017 | VERIZON WIRELESS | WIRELESS PHONES & AIM CELLULAR | 691.01 | |
| 115348 | 5/26/2017 | YACO SCHOLARSHIP FUND | PAYROLL DEDUCTION | 98.00 | |
| 115349 | 6/1/2017 | ABC BUS COMPANIES INC | BUS PARTS | 1,793.93 | |
| 115350 | 6/1/2017 | HENRY ANDREWS | RETIREE HEALTH REIMBURSEMENT | 266.06 | |
| 115351 | 6/1/2017 | APPLEONE EMPLOYMENT SERVIC | CONTRACT EMPLOYMENT | 889.60 | |
| 115352 | 6/1/2017 | ASBURY ENVIRONMENTAL | WASTE OIL RECYCLER | 120.00 | |
| 115353 | 6/1/2017 | BIG BRAND TIRES, BRANDCO BILL | SERVICE VEHICLE MAINTENANCE | 1,263.36 | |
| 115354 | 6/1/2017 | BUENA TOOL, INC. | SHOP/B&G SUPPLIES | 149.99 | |
| 115355 | 6/1/2017 | ROBERT BURNHAM | RETIREE HEALTH REIMBURSEMENT | 285.00 | |
| 115356 | 6/1/2017 | BUYNAK, FAUVER, ARCHBALD&S | LEGAL COUNSEL | 38,086.50 | |
| 115357 | 6/1/2017 | CALIFORNIA ELECTRIC SUPPLY, I | SHOP/B&G SUPPLIES | 180.20 | |
| 115358 | 6/1/2017 | GILBERT CALLES | RETIREE HEALTH REIMBURSEMENT | 184.00 | |
| 115359 | 6/1/2017 | CARQUEST AUTO PARTS | BUS PARTS & SUPPLIES | 191.14 | |
| 115360 | 6/1/2017 | CITY OF CARPINTERIA | ELECTRIC CHARGING STATION | 692.43 | |
| 115361 | 6/1/2017 | CELTIS VENTURES, INC. | MARKETING SERVICES | 1,092.50 | |
| 115362 | 6/1/2017 | CIO SOLUTIONS, LP | IT SERVICES | 1,050.00 | |
| 115363 | 6/1/2017 | COAST TRUCK PARTS | BUS PARTS | 95.39 | |
| 115364 | 6/1/2017 | CUMMINS PACIFIC, LLC | BUS PARTS & REPAIRS | 2,833.94 | |
| 115365 | 6/1/2017 | COUNTY OF S.B.PUBLIC WORKS D | WASTE DISPOSAL | 78.00 | |
| 115366 | 6/1/2017 | DAVID DAVIS JR. | DIRECTOR FEES | 120.00 | |

| Check # | Date | Company | Description | Amount | Voids |
|---------|----------|--------------------------------|---------------------------------|-----------|-------|
| 115367 | 6/1/2017 | DIESEL MARINE ELECTRIC, INC. | BUS PARTS | 360.96 | |
| 115368 | 6/1/2017 | DOCUPRODUCTS CORPORATION | COPIER MAINTENANCE/SUPPLIES | 185.29 | |
| 115369 | 6/1/2017 | DOWNTOWN ORGANIZATION, INC. | TC MAINTENANCE | 450.00 | |
| 115370 | 6/1/2017 | EBUS, INC. | BUS PARTS | 23,061.95 | |
| 115371 | 6/1/2017 | FAST UNDERCAR | EV BUS PARTS | 13.49 | |
| 115372 | 6/1/2017 | FEDERAL HOSE MANUFACTURING | BUS PARTS & SUPPLIES | 448.07 | |
| 115373 | 6/1/2017 | FREEDOM SIGNS | LETTERING DECALS | 1,173.00 | |
| 115374 | 6/1/2017 | MELVIN FOUNTAIN | RETIREE HEALTH REIMBURSEMENT | 92.00 | |
| 115375 | 6/1/2017 | GENFARE, A DIVISION OF SPX COR | FAST FARE INSTALLMENT | 530.98 | |
| 115376 | 6/1/2017 | GIBBS INTERNATIONAL INC | BUS PARTS | 1,821.26 | |
| 115377 | 6/1/2017 | GILLIG LLC | BUS PARTS | 5,511.02 | |
| 115378 | 6/1/2017 | GARY GLEASON | RETIREE HEALTH REIMBURSEMENT | 247.95 | |
| 115379 | 6/1/2017 | GRAYPHICS DIGITAL IMAGING D | PRINTING SERVICES | 66.27 | |
| 115380 | 6/1/2017 | GRAINGER, INC. | SHOP/B&G SUPPLIES | 33.63 | |
| 115381 | 6/1/2017 | JIM HAGGERTY | RETIREE HEALTH REIMBURSEMENT | 493.12 | |
| 115382 | 6/1/2017 | ALI HABIBI | RETIREE HEALTH REIMBURSEMENT | 237.08 | |
| 115383 | 6/1/2017 | HAYNES SALES DBA | B&G REPAIRS & SUPPLIES | 1,618.28 | |
| 115384 | 6/1/2017 | H.G. MAKELIM CO., INC. | BUS PARTS | 8,664.21 | |
| 115385 | 6/1/2017 | HIGH IMPACT INC. | FORKLIFT SAFETY TRAINING | 200.00 | |
| 115386 | 6/1/2017 | HOME IMPROVEMENT CTR. | SHOP/B&G SUPPLIES | 409.15 | |
| 115387 | 6/1/2017 | HR AUTOGLASS DBA | BUS PARTS/REPAIRS | 465.00 | |
| 115388 | 6/1/2017 | INTERSTATE BATTERY OF SIERRA | EV ACCESSORY BATTERIES | 865.78 | |
| 115389 | 6/1/2017 | JAY DANIEL ROBERTSON | RETIREE HEALTH REIMBURSEMENT | 342.64 | |
| 115390 | 6/1/2017 | JANICARE DBA | JANITORIAL SERVICES | 75.00 | |
| 115391 | 6/1/2017 | JANEK CORP | BUS PARTS | 1,346.88 | |
| 115392 | 6/1/2017 | LOUIS JONES | DEDUCTIONS WITHHELD IN ERROR 8/ | 506.70 | |
| 115393 | 6/1/2017 | KLIPPEL TOOL REPAIR DBA | COMPRESSORS MAINT/BUS PARTS | 600.00 | |
| 115394 | 6/1/2017 | LAWSON PRODUCTS INC | SHOP SUPPLIES | 214.40 | |
| 115395 | 6/1/2017 | LIFELOC TECHNOLOGIES, INC. | BREATH ANALYZER TRAINING | 240.00 | |
| 115396 | 6/1/2017 | LORI'S MOBILE NOTARY&FINGER | MOBILE NOTARY | 225.00 | |
| 115397 | 6/1/2017 | LUBRICATION ENGINEERS, INC. | LUBRICANTS | 357.52 | |
| 115398 | 6/1/2017 | ROBERT H. LURIE | REIMBURSEMENT | 30.00 | |
| 115399 | 6/1/2017 | LOUIS MANDEVILLE | RETIREE HEALTH REIMBURSEMENT | 250.16 | |
| 115400 | 6/1/2017 | MANSFIELD OIL CO.- GAINESVILL | DIESEL FUEL | 17,142.10 | |
| 115401 | 6/1/2017 | MC CORMIX CORP. (OIL) | LUBRICANTS | 1,822.32 | |
| 115402 | 6/1/2017 | MC CORMIX CORP. (GAS) | FUEL-SERVICE VEHICLES | 2,265.51 | |
| 115403 | 6/1/2017 | MEDICAL EYE SERVICES, INC. | VISION INSURANCE | 390.40 | |
| 115404 | 6/1/2017 | CHUCK MCQUARY | DIRECTOR FEES | 120.00 | |
| 115405 | 6/1/2017 | MOHAWK MFG. AND SUPPLY CO. | BUS PARTS | 131.39 | |
| 115406 | 6/1/2017 | NATIONAL INTERSTATE INS INC. | LIABILITY INSURANCE | 23,003.89 | |
| 115407 | 6/1/2017 | NU-COOL REDI GREEN, INC | COOLANTS & SHOP SUPPLIES | 846.11 | |

| Check # | Date | Company | Description | Amount | Voids |
|---------|----------|--------------------------------|------------------------------|-----------|-------|
| 115408 | 6/1/2017 | PREVOST CAR INC.- CREDIT DEPT. | BUS PARTS | 1,341.64 | |
| 115409 | 6/1/2017 | CARLOS ORNELAS | RETIREE HEALTH REIMBURSEMENT | 90.00 | |
| 115410 | 6/1/2017 | PAULA A. PEROTTE | DIRECTOR FEES | 120.00 | |
| 115411 | 6/1/2017 | PETTY CASH - ALEXANDER, NANC | MISC. PURCHASES | 241.57 | |
| 115412 | 6/1/2017 | PETTY CASH - GOMEZ, LILLY | MISC. PURCHASES | 325.31 | |
| 115413 | 6/1/2017 | PACIFIC MATERIALS LABORATOR | CANOPY WELDING INSPECTIONS | 6,455.00 | |
| 115414 | 6/1/2017 | CAREY POINDEXTER | RETIREE HEALTH REIMBURSEMENT | 282.34 | |
| 115415 | 6/1/2017 | POWERSTRIDE BATTERY CO. | EV BATTERIES | 296.70 | |
| 115416 | 6/1/2017 | OLIVIA RODRIGUEZ | DIRECTOR FEES | 180.00 | |
| 115417 | 6/1/2017 | AL ROMERO SR. | RETIREE HEALTH REIMBURSEMENT | 184.00 | |
| 115418 | 6/1/2017 | SANTA BARBARA FASTENERS, INC | SHOP SUPPLIES | 442.97 | |
| 115419 | 6/1/2017 | SB LOCKSMITHS, INC. | B&G REPAIR & SUPPLIES | 53.73 | |
| 115420 | 6/1/2017 | SILVAS OIL CO., INC. | LUBRICANTS | 338.80 | |
| 115421 | 6/1/2017 | SMITTY'S TOWING SERVICE | D TOWING SERVICES | 64.00 | |
| 115422 | 6/1/2017 | WILLIAM JOHN SHELOR | DIRECTOR FEES | 60.00 | |
| 115423 | 6/1/2017 | SM TIRE, CORP. | BUS TIRE MOUNTING | 105.50 | |
| 115424 | 6/1/2017 | SMART & FINAL | OFFICE/MEETING SUPPLIES | 26.98 | |
| 115425 | 6/1/2017 | SOFTCHOICE CORP, INC. | PC REPLACEMENTS | 16,040.70 | |
| 115426 | 6/1/2017 | SOAP MAN DISTRIBUTIN DBA | CLEANING SUPPLIES | 53.34 | |
| 115427 | 6/1/2017 | STAPLES CONTRACT & COMMERC | OFFICE SUPPLIES | 1,576.00 | |
| 115428 | 6/1/2017 | STEWART'S DE-ROOTING & PLUM | PLUMBING REPAIRS | 575.00 | |
| 115429 | 6/1/2017 | SB CITY OF-REFUSE/WATER | UTILITIES | 2,182.29 | |
| 115430 | 6/1/2017 | SB COUNTY-AUDITOR/CONTROLL | LAFCO BUDGET PRO RATA SHARE | 8,991.00 | |
| 115431 | 6/1/2017 | SUN COAST RENTALS, CORP | EQUIPMENT RENTAL | 369.10 | |
| 115432 | 6/1/2017 | THE MEDCENTER | MEDICAL EXAMS | 2,176.00 | |
| 115433 | 6/1/2017 | THE TOLL ROADS VIOLATION DEP | MISCELLANEOUS EXPENSE | 6.10 | |
| 115434 | 6/1/2017 | DAVID T. TABOR | DIRECTOR FEES | 180.00 | |
| 115435 | 6/1/2017 | J.C. M. AND ASSOCIATES INC. | UNIFORMS | 1,326.94 | |
| 115436 | 6/1/2017 | U.S. BANK CORP. PAYMENT SYSTE | MISC. CC PURCHASES | 4,190.92 | |
| 115437 | 6/1/2017 | NICKOLAS G. URIBE SR. | RETIREE HEALTH REIMBURSEMENT | 570.00 | |
| 115438 | 6/1/2017 | VALLEY POWER SYSTEMS, INC. | BUS PARTS | 5,513.59 | |
| 115439 | 6/1/2017 | JOHN J. VASQUEZ | RETIREE HEALTH REIMBURSEMENT | 568.51 | |
| 115440 | 6/1/2017 | VISIT SANTA BARBARA | MEMBERSHIP DUES | 475.00 | |
| 115441 | 6/1/2017 | WAXIE SANITARY SUPPLY | DBA JANITORIAL SUPPLIES | 1,108.87 | |
| 115442 | 6/1/2017 | RICHARD WEINBERG | DIRECTOR FEES | 60.00 | |
| 115443 | 6/1/2017 | ALEXANDER YOUNG | RETIREE HEALTH REIMBURSEMENT | 236.26 | |

| Check # | Date | Company | Description | Amount | Voids |
|---------|------|---------|------------------------------------|--------------|-------|
| | | | | 525,210.71 | |
| | | | Current Cash Report Voided Checks: | 0.00 | |
| | | | Prior Cash Report Voided Checks: | 0.00 | |
| | | | Grand Total: | \$525,210.71 | |

Santa Barbara Metropolitan Transit District
Cash Receipts of Accounts Receivable

| Date | Company | Description | Amount |
|---|------------------------------------|--|---------------------|
| 5/9/2017 | Montecito Bank & Trust | Advertising on Buses | 3,124.00 |
| 5/12/2017 | Santa Barbara City College | Advertising on Buses | 3,260.00 |
| 5/12/2017 | Santa Barbara City College | Advertising on Buses | 500.00 |
| 5/23/2017 | SB School District | Passes/Token Sales | 2,300.00 |
| 5/24/2017 | MacDonald Media | Advertising on Buses | 16,383.60 |
| 5/24/2017 | MacDonald Media | Advertising on Buses | 16,383.60 |
| 5/25/2017 | County of Santa Barbara | Passes/Token Sales | 572.00 |
| 5/26/2017 | Department of Rehabilitation | Passes/Passports Sales | 944.00 |
| 5/30/2017 | UCSB - Contract Fares | Contract Fares Spring Qtr '17 | 98,737.60 |
| 5/31/2017 | CoreGen Insurance | Advertising on Buses | 166.00 |
| 5/31/2017 | Santa Barbara Airport | Advertising on Buses | 1,760.00 |
| 6/1/2017 | City of S.B. Waterfront Department | Waterfront Shuttle-Cruise Ship 5/18/17 | 3,313.04 |
| 6/1/2017 | City of SB - (Downtown Shuttle) | Downtown Shuttle May '17 | 92,022.25 |
| 6/1/2017 | MacDonald Media | Advertising on Buses | 16,383.60 |
| 6/1/2017 | MacDonald Media | Advertising on Buses | 16,383.60 |
| 6/2/2017 | ASTI Holding Company, LLC | Overpass Property Lease Jun '17 | 16,070.25 |
| 6/2/2017 | SB County Public Health (BA) | Advertising on Buses | 660.00 |
| 6/2/2017 | SB County Public Health (BA) | Advertising on Buses | 660.00 |
| Total Accounts Receivable Paid During Period | | | \$289,623.54 |



BOARD OF DIRECTORS REPORT

MEETING DATE: JUNE 14, 2017 **AGENDA ITEM #:** 8

TYPE: ACTION

PREPARED BY: BRAD DAVIS _____
Signature

REVIEWED BY: GENERAL MANAGER _____
Signature

SUBJECT: **Draft Fiscal Year 2016-17 Operating & Capital Budget**

RECOMMENDATION:

Staff recommends that the Board of Directors approve the draft Operating & Capital Budget for Fiscal Year 2017-18, which begins this July 1.

DISCUSSION:

Staff will present the proposed budget to the Board for its review and consideration of approval. The draft budget was previously reviewed by the Finance Committee at its meeting last May 26.

Attachment: Draft Fiscal Year 2017-18 Operating & Capital Budget



OPERATING & CAPITAL BUDGET

FISCAL YEAR 2017-2018



Santa Barbara Metropolitan Transit District

550 Olive Street ♦ Santa Barbara, CA 93101

Office: (805) 963-3364 ♦ Information: (805) 963-3366

Website: www.sbmtd.gov

June 14, 2017

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Message from the General Manager

The public transit industry is challenged with declining ridership and Santa Barbara Metropolitan Transit District (MTD) is no exception. Despite the fact that we remain one of the top performing small public transit systems in the State, the decline in ridership from our peak eight years ago is significant.

Discussing factors beyond our control that have played a role in the decline is fine, but if doing so pacifies us into inaction then it becomes a hindrance to reversing the trend. It is important that we continue to reassess our system and services to ensure we are doing all we can to meet the current transit needs of our community.

In that vein, MTD's Board of Directors plans to conduct evening board meetings in Carpinteria, Goleta and Santa Barbara in an attempt to provide the community with greater opportunity to participate in the District's planning processes. Furthermore, staff will be conducting focus group surveys of its customers and the general public to better understand areas in which we can improve.

A bright spot has been the sharp increase in UCSB student ridership as the new Line 28, serving the campus, has been a huge success. Additionally, Lines 23 & 25 were connected to Lines 6 & 11 to travel beyond the Camino Real Marketplace to UCSB and downtown Santa Barbara, and ridership has increased. Consolidation of feeder routes (Lines 8 & 9) in Goleta and the unincorporated eastern Goleta Valley into the Line 7 to improve service along Calle Real and to County facilities have been received positively by the public.

These Lines stand in contrast to the overall decline in ridership and are an example of how targeted service enhancements can work, particularly in a university setting, if the end result is frequent and efficient public transit service.

The proposed budget includes funding for expenditures and activities to further MTD's commitment to modernize its buses, payment technology, and passenger information systems. Furthermore, equipment to improve schedule adherence, automate bus stop announcements and on board cameras have been installed on all of MTD's diesel-powered buses. Use of these technologies will assist the agency in its goal to improve the safety, security, convenience and reliability of its services to the public.

Despite the budgeted use of operating reserves, the agency remains financially stable. However, the projected structural imbalance in the operating budget will need to be addressed. A change to MTD's fare policy resulting in increased fares and/or a reduction in service level may be required in the near future. The recent passage of SB 1 Road Repair and Accountability Act of 2017 by the State of California offers the possibility of some financial relief, but uncertainty regarding future federal assistance and the State's Cap-and-Trade program leave management guarded.

Nonetheless, this budget includes an increase in service levels to a historic high for MTD! We are committed to listen and learn from our customers, employees and the general public to deliver the transit service needed to remain a Small Transit Intensive Community.

*Jerry Estrada
General Manager*

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Santa Barbara Metropolitan Transit District

Operating & Capital Budget

Fiscal Year 2017-2018

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Executive Summary

The operating budget for the Santa Barbara Metropolitan Transit District (MTD) for the 2017-2018 fiscal year is \$25.6 million. With total operating revenue anticipated at \$25.1 million, the use of \$455,000 in reserves is required to fill the funding gap. MTD has sufficient operating reserves to cover the shortfall and still meet the targeted cash reserves levels. While the five-year budget projection indicates rising future deficits that can be met by reserves, it would bring reserve balances below policy goals. MTD is preparing contingency plans to alleviate these potential future fiscal imbalances.

| Operating Budget (\$ thousands) | | | | | |
|------------------------------------|--------------------|--------------------|----------|----------------------|----------|
| | FY 17-18 Budget | FY 16-17 Budget | Var % | FY 16-17 Estimate | Var % |
| <u>Revenue</u> | | | | | |
| Fare Revenue | \$7,078 | \$7,224 | -2% | \$7,265 | -3% |
| LTF Sale Tax Revenue | 7,771 | 7,460 | 4% | 7,611 | 2% |
| FTA Operating Assistance | 5,082 | 5,082 | 0% | 5,082 | 0% |
| Measure A Sale Tax Revenue | 2,014 | 2,014 | 0% | 2,014 | 0% |
| State & Local Operating | 1,210 | 1,414 | -14% | 1,277 | -5% |
| Property Tax Revenue | 1,156 | 1,111 | 4% | 1,133 | 2% |
| Non-Transportation Income | 836 | 846 | -1% | 801 | 4% |
| | <u>\$25,148</u> | <u>\$25,151</u> | 0% | <u>\$25,183</u> | 0% |
| <u>Expenses</u> | | | | | |
| Route Operations | \$15,785 | \$15,336 | 3% | \$15,377 | 3% |
| Vehicle Maintenance | 5,253 | 5,277 | 0% | 5,096 | 3% |
| Passenger Accommodations | 1,621 | 1,594 | 2% | 1,434 | 13% |
| General Overhead | 2,943 | 2,818 | 4% | 2,784 | 6% |
| | <u>\$25,603</u> | <u>\$25,025</u> | 2% | <u>\$24,690</u> | 4% |
| Net Surplus/(Deficit) | <u>(\$455)</u> | <u>\$126</u> | | <u>\$493</u> | |

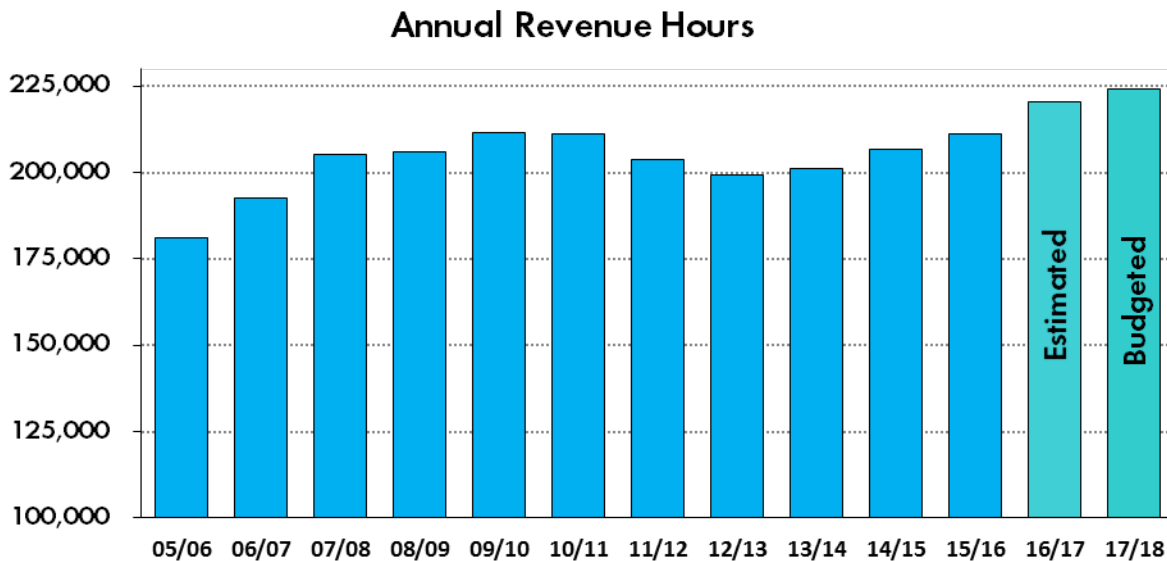
The more prominent matters and events affecting MTD finances in FY17-18 and the future include:

- ◆ Growth in the level of transit service
- ◆ No change in overall operating revenue
- ◆ Continuance of the ridership and fare revenue decline
- ◆ New Teamsters collective bargaining agreement
- ◆ Continued fleet fuel costs below long-term averages
- ◆ Increase in marketing activities and customer service enhancements

The cumulative effect of these and other factors is an operating budget that is 2% more than the approved FY16-17 budget. However, costs are expected to come in under budget in FY16-17 that results in a 4% increase relative to projected FY16-17 costs.

Transit Service Level

The service level has been approved to increase by 1.5% to 224,431 revenue hours in the new fiscal year. This follows service expansions in recent years for a 10% cumulative rise in service hours since FY12-13. The FY12-13 service level was the low point following service reductions implemented because of reduced revenue and subsidies stemming from the Great Recession. At over 224,000 revenue hours in FY17-18, MTD will surpass its previous service level high.



The changes in the schedule are geared towards improving schedule adherence. The increase in hours attributable to the calendar are largely offset by the service reduction to Lines 1 and 2.

| <u>Change Description</u> | <u>Hours</u> | <u>%</u> | <u>Change</u> |
|--|--------------|----------|---------------|
| Approved FY 2016-17 service level | 221,119 | | |
| Service improvements | 3,218 | 1.5% | |
| Lines 1/2 AM peak hour service reduction | -1,483 | -0.7% | |
| FY16-17 service change timing adjustment | 1,577 | 0.7% | |
| Net FY 2017-18 changes | 3,312 | 1.5% | |
| Approved FY 2017-18 Service Level | 224,431 | | |

Key elements of the service enhancements including the following:

Lines 6/11/23/25 – Time has been added to trips for each day of the week to improve on-time performance. Due to a slope failure on Cathedral Oaks Road, Line 25 is currently on a detour for up to two years using Bradford Drive and Calle Real in a one-way counter clockwise direction. There is also a minor re-route of the Line 23.

Lines 1/2 – AM peak service will revert from 10-minute frequency to 15-minute frequency during weekdays. The enhancement to 10-minute frequency began in December 2015 and was funded by a Cap-and-Trade Low Carbon Transit Operations Program (LCTOP) grant. With a substantial decrease in LCTOP support, it is no longer sufficient to support the improvement.

Lines 12x/24x – Frequency on these lines has varied between 35-minutes and 1 hour. The schedule changes will reduce frequency from 30 minutes to 35 minutes and from 1 hour to 1 hour and 10 minutes. While this will result in the removal of some trips, it will improve schedule reliability that is particularly important to UCSB students arriving for class on time.

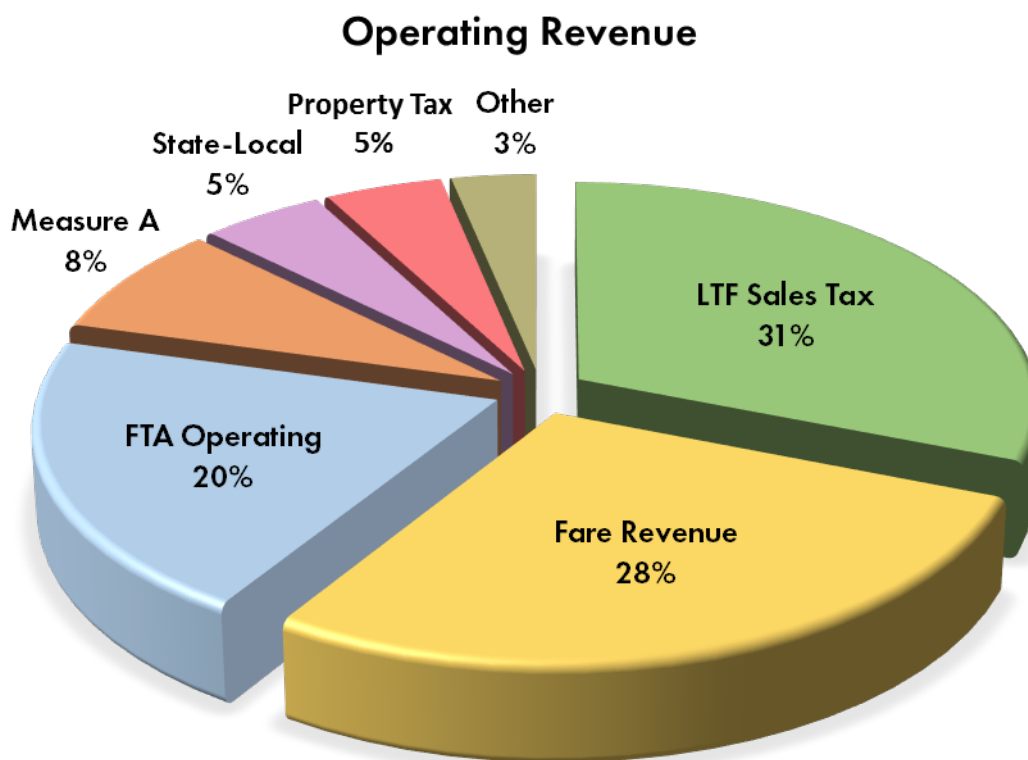
Lines 20/21x – Time has been reallocated within trips and some time has been added to improve on-time performance for each day of the week.

Line 28 – A full year of Line 28 will increase annual service by just over 900 hours. The line, funded by UCSB, was added last August to provide service between Camino Real Marketplace and UCSB in order to offset the impact of the 1,000-bed San Joaquin student housing project.

Operating Budget

Operating Revenue

Overall revenue supporting MTD operations is budgeted at \$25,147,876 for FY17-18, which is nearly unchanged from the FY16-17 budget. Fare revenue, TDA-LTF sales tax revenue, federal operating assistance, and Measure A sales tax revenue provide the bulk of MTD's funding and account for 87% of annual operating revenue. These and other MTD funding sources are discussed below.



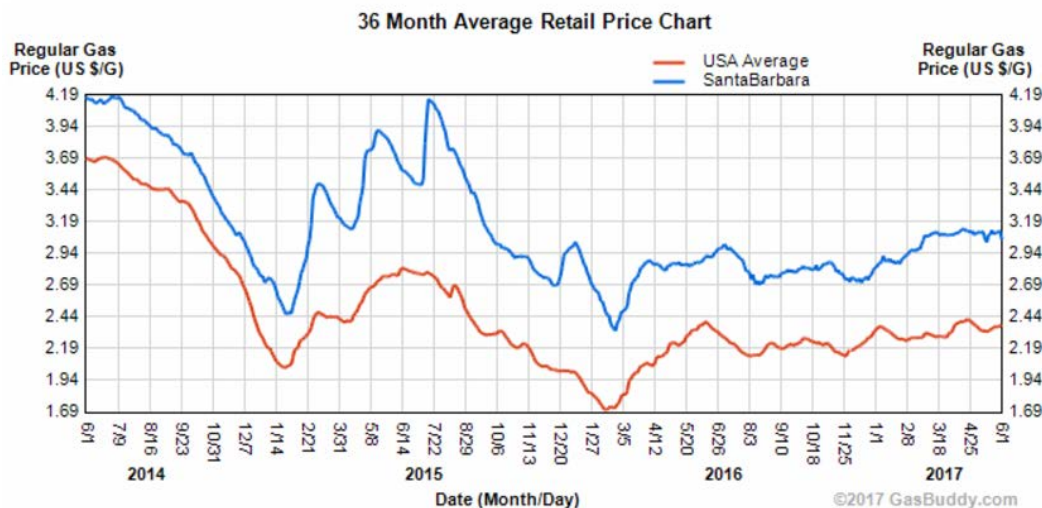
Fare Revenue – Total budgeted fare revenue of \$7.1 million is 2% less than both FY16-17 budget and 3% less than projected fares for FY16-17. In dollar terms, this is a \$186,000 reduction. The decrease stems from a projected continuation of the decline in cash and pass fares. Contract fares are expected to be essentially unchanged from FY16-17. After plateauing in FY13-14, cash and pass fare revenue has been in decline since. The largest drop of 14% occurred in FY15-16. The projected decrease for FY16-17 is 7%. The assumption, for next year is a 4% decrease. The cumulative reduction in collected fares since the FY12-13 peak would be \$1.3 million by FY17-18 year-end.

| Fare Revenue by Category | | | | | |
|--------------------------|--------------------|----------------------|----------|--------------------|----------|
| (\$ thousands) | | | | | |
| | Budget FY 17-18 | Estimate FY 16-17 | % Var | Actual FY 15-16 | % Var |
| Cash Fares | \$2,075 | \$2,161 | -4% | \$2,342 | -8% |
| Pass Fares | 1,880 | 1,958 | -4% | 2,097 | -7% |
| Contract Fares | 3,123 | 3,145 | -1% | 3,124 | 1% |
| | <u>\$7,078</u> | <u>\$7,265</u> | -3% | <u>\$7,562</u> | -4% |

A hopeful sign is that the projected 7% decline for FY16-17 cash and pass sales is about half the rate of the prior year decrease. Nonetheless, there remains a lack of certainty as to the basis of the ridership reduction making it a challenge to predict its future path. As has been reported in the past, the suspected reasons include:

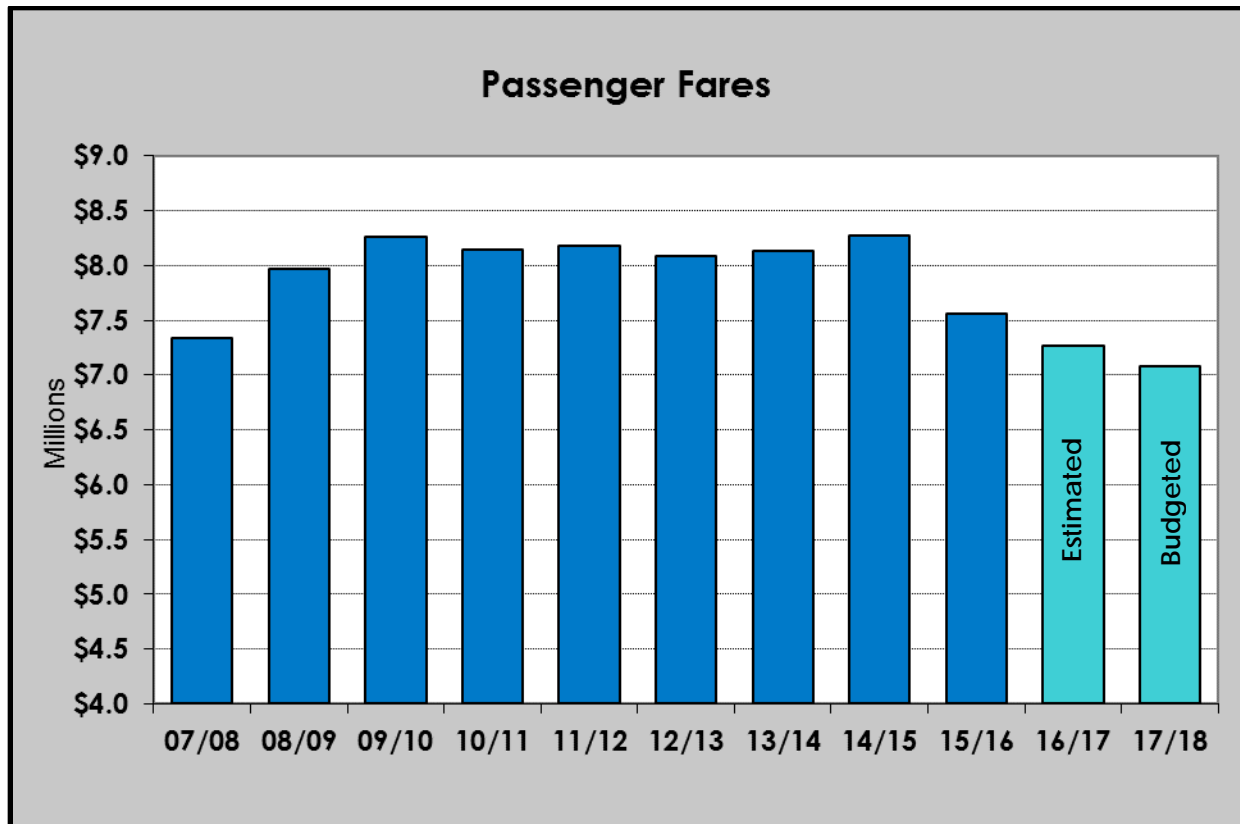
- ◆ Reduced gasoline prices lessening the relative price of using a personal vehicle
- ◆ Increase in personal vehicle use as the result of changes in driver's license requirements
- ◆ Migration to alternative transportation modes (e.g., Uber, bicycling, etc.)
- ◆ Strength of the dollar affecting the level of international students visiting the South Coast

The price of gasoline is likely the key factor in the ridership decrease. The below chart showing retail gas prices correlates well with MTD's fare revenue loss with the maximum drop occurring in FY15-16. The shift away from mass transit is a nation-wide occurrence, which lends additional credence to gas prices being the leading cause. Up to this point, the increase in oil prices since the late 2015 minimum has perhaps slowed, but not reversed the downward ridership trend.



Contract fare revenue comes primarily from three sources: the City of Santa Barbara for the Downtown-Waterfront Shuttle (DWS); UC Santa Barbara (UCSB); and Santa Barbara City College (SBCC). MTD and the City of Santa Barbara expect to renew the DWS contract for five years effective with the new fiscal year. For FY17-18, revenue of \$1.1 million is a slight decrease of the expected FY16-17 amount. This is due to a small reduction in DWS service hours agreed to in the new contract. The contract is subject to an annual CPI adjustment.

Both UCSB and SBCC contract fares are based on a fixed fee per student. UCSB enrollment (and ridership) has been steadily increasing in recent years while SBCC has been experiencing the opposite pattern. Thus, contract fare revenue for the schools has been facing a similar pattern. In discussions with the institutions, the same is expected in FY17-18. SBCC revenue is budgeted at \$845,000, a 4% decrease. Of note, this compares to a 5.5% decrease in FY16-17—when the fee was raised by a dollar. For UCSB, projected fares of just over \$1 million represent a 1.3% rise.



Federal Operating Assistance – Section 5307 Federal Transit Administration (FTA) formula operating assistance of approximately \$5.1 million is budgeted for fiscal year 2017-18. Such amount is unchanged from FY16-17 as well as FY15-16. Although the 2015 FAST Act federal transportation bill calls for 2% annual increases, the full budget for FY16-17—only recently solidified—holds spending to prior year levels. It is too early in the federal budget cycle to project next year’s amount with any certainty. Therefore, FY17-18 assumes static formula 5307 formula assistance.

LTF Sales Tax Revenue – Local Transportation Fund (LTF) sales tax revenue, MTD’s largest source of operating revenue, is budgeted at \$7.8 million for next year. This estimate is from the Santa Barbara County Auditor-Controller and used by the Santa Barbara County Association of Governments (SBCAG) for the LTF claim submittal. The amount represents a 4% increase over MTD’s current year budget. LTF has shown strong growth in the second half of this fiscal year and is projected to come in over budget. The maximum receipts for the year are limited to the initial claim amount of \$7.6 million and any residual above this amount will be received in a separate allocation in FY17-18.

Measure A Operating Assistance – Measure A operating assistance for MTD is budgeted at just over \$2 million for FY17-18. This estimate, determined by SBCAG, is virtually unchanged from the current year budget. Funded by the 2008 voter-approved ¼ percent increase in local sales tax, MTD’s Measure A operating revenue is projected by SBCAG to grow by 4.6% in FY18-19.

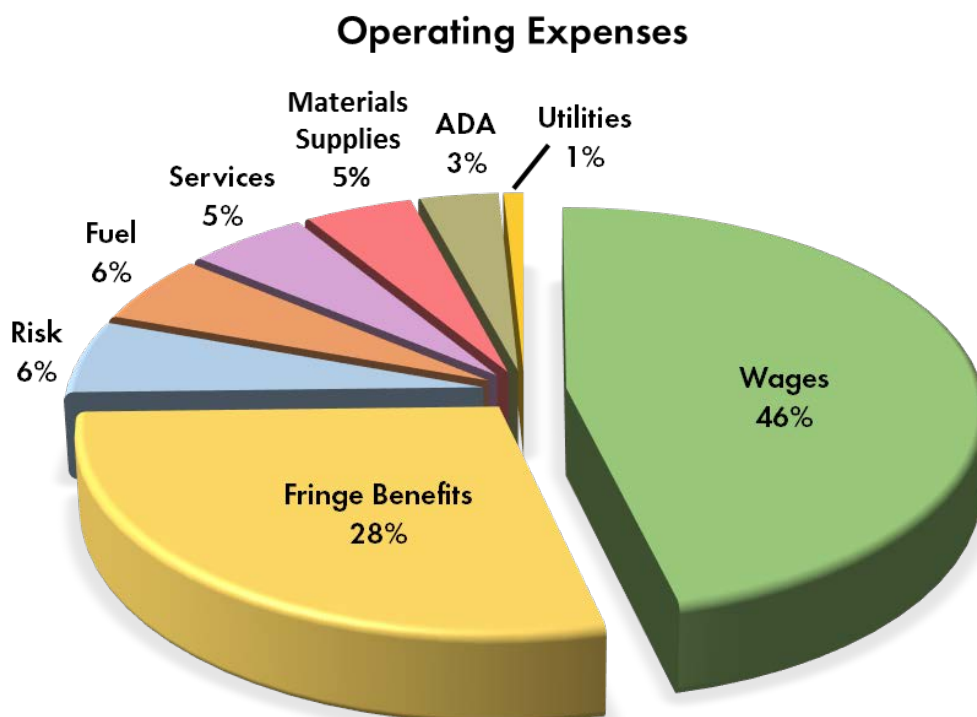
State & Local Operating Assistance – State and local assistance includes revenue sources dedicated to specific service enhancements. Current state and local operating assistance in FY17-18 is \$1.2 million. The majority of the budgeted amount represents continued UCSB support for the Line 28 and expanded service hours for the Lines 12x/24x (UCSB is also contributing \$107,000 to a capital equipment sinking fund for the Line 28, which is not included as operating income). The remaining \$50,000 is from the State Low-Carbon Transit Operations Program (LCTOP) and is allocated to enhanced marketing activities. Due to poor results in the California carbon credit auctions, LCTOP funding has fallen significantly and MTD's local allocation is no longer able to support the operating cost of 10 minute headways for Lines 1 and 2 AM peak service begun in late 2015.

Property Tax Revenue – Property tax is on track for 3.5% growth in FY16-17, exceeding the budgeted 2% increase. This compares to 6.5% growth in FY15-16. This trend coincides with a slowdown in the growth of a median home price in the South Coast, which rose by 2.7% in calendar year 2016 and 3.6% in the prior year. Based on this trend, property tax is estimated to increase by 2% in FY17-18.

Non-Transportation Income – Income from bus advertisements of \$550,000 is predicted for FY17-18. After steadily growing since FY08-09, projected receipts of \$558,000 for FY16-17 are well below the \$600,000 budget and just under the FY15-16 level. With some ad contracts not being renewed upon expiration, efforts to rent available space are ongoing. MTD's lease of its Overpass facility will provide \$193,000 in FY17-18. The lease expires in 2020. The current tenant retains right of first refusal for up to an additional five-year term with the lease to be renegotiated to the then market rate.

Operating Expenses

For the 2017-18 fiscal year, operating expenses are budgeted at \$25,602,765. This amount is 2.3% more than the FY16-17 budget and 3.7% above projections for FY16-17. The growth in outlays is mainly driven by the increase in MTD's revenue hours. Not unexpectedly, the service level is the driving factor in MTD operating costs affecting more than 80% of the operating budget through wages, benefits, fuel and risk-related costs. Salient changes and trends in expenditures are discussed below.



Wages & Benefits – The wages and fringe benefits budget for FY17-18 is \$19 million, representing 75% of the operating budget. Employee costs are 5% above projected wages and benefits in FY16-17. Personnel and benefit changes affecting outlays for MTD's workforce include:

- ◆ The revenue hours increase of 1.7%, which amounts to 5,300 additional driver pay hours
- ◆ Wage and benefit expense growth in line with projected cost of living adjustments
- ◆ The addition of 20 hours per week for increased dispatch and supervisory services
- ◆ A potential mid-year budget revision related to the recent maintenance manager vacancy
- ◆ The assumption of full employment of all existing and new positions throughout the year

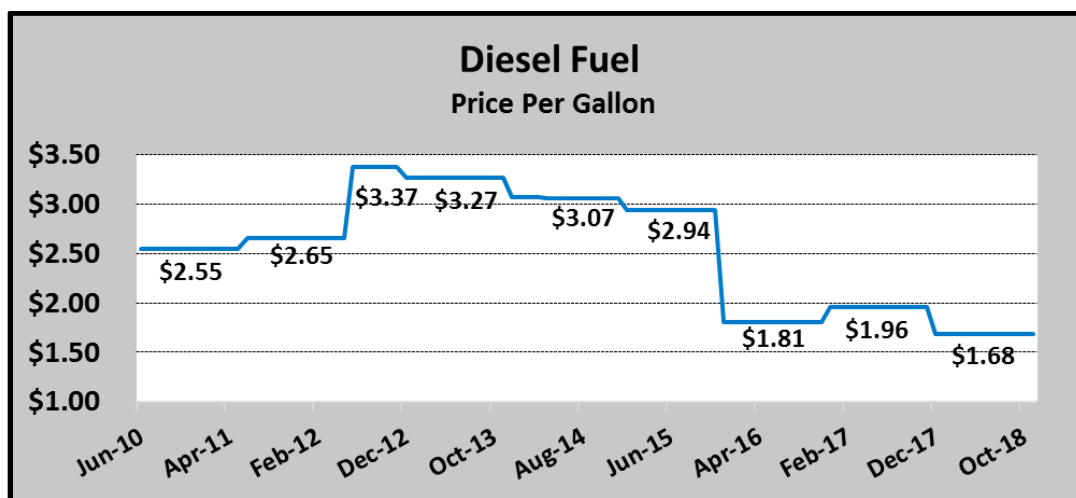
| Fringe Benefits | | | | | |
|-------------------------|----------------------------|-------------------------------|----------------------------|----------------------------|----------------------------|
| (\$ thousands) | | | | | |
| | FY 17-18 Budget | Estimated FY 16-17 | Actual FY 15-16 | Actual FY 14-15 | Actual FY 13-14 |
| Health Insurance | \$2,974 | \$2,787 | \$2,682 | \$2,509 | \$2,249 |
| Payroll Taxes | 1,086 | \$1,028 | \$946 | \$939 | \$919 |
| Paid Leave | 1,700 | 1,626 | 1,625 | 1,565 | 1,495 |
| Uniforms & Tools | 72 | 71 | 48 | 69 | 47 |
| Retirement Contribution | 1,439 | 1,332 | 1,304 | 1,344 | 1,277 |
| | \$7,271 | \$6,843 | \$6,606 | \$6,426 | \$5,987 |

Personnel – The ability to attain and maintain full employment remains a difficult challenge for MTD and the entire South Coast because of the relatively high cost of housing. This continues to be an impediment in achieving the ideal number of drivers, which leads to increased overtime affecting both costs and employee satisfaction. FY16-17 did see the filling of several vacancies including a marketing manager, a mechanic, and a customer service representative. Still to be filled are the night-shift shop supervisor and a part time accounting clerk. The unexpected departure of the manager of maintenance in early 2017 left a key executive management vacancy. As a temporary measure, the interim maintenance manager, MTD's shop superintendent, is being assisted with the hire of a retired maintenance manager on a part-time basis.

Risk-Related Costs – At \$1.4 million, liability and workers' compensation costs are budgeted to come in 16% less than FY16-17. The reduction is mostly related to above average costs in FY16-17 for liability defense services and workers' compensation claim reserves. Enhanced oversight of risk-related costs is beginning to pay off with a reduction in claims. Given the difficulty in predicting claim-related events, anticipated costs are assumed to revert to the average level over the last several years.

| Risk-Related Costs | | | | | |
|---------------------------|----------------------------|-------------------------------|----------------------------|----------------------------|----------------------------|
| (\$ thousands) | | | | | |
| | FY 17-18 Budget | Estimated FY 16-17 | FY 15-16 Actual | FY 14-15 Actual | FY 13-14 Actual |
| Workers' Compensation | \$505 | \$627 | \$470 | \$195 | \$753 |
| Insurance | 362 | 348 | 339 | 324 | 325 |
| Legal & Other Services | 378 | 649 | 412 | 429 | 269 |
| Liability Claims | 150 | 38 | 300 | 295 | 76 |
| | \$1,395 | \$1,662 | \$1,521 | \$1,242 | \$1,424 |

Fuel, Power & Lubricants – Diesel fuel expenditures of about \$1.3 million in FY17-18 will be down 3%. The reduction is reflective of an 8% increase in FY16-17 which runs through this November; and a 14% decrease in the price this coming December. The current \$1.96 price per gallon will decrease to \$1.68 in December 2017 under the terms of a new one-year fuel contract. Note that these prices do not take into account state and federal taxes and fees.



Marketing Services – With the hiring of a marketing firm and a new marketing manager in the last six months, enhanced promotional and public outreach activities are on the rise. The rebranding of MTD is in process as are preparation of the upcoming introduction of real-time passenger information to the public. Improvements to MTD’s social media presence, including a redesign of MTD’s website, are other near-term undertakings. With a full year of marketing activities in FY17-18, related outlays will increase by 17% over the previous budget. As most anticipated marketing activities did not take place in FY16-17, the new budget represents about a 50% increase from estimated costs for the year.

Capital Budget

The capital budget for FY17-18 is \$17.9 million. It is comprised of equal parts new projects and those previously budgeted or underway. The majority of the capital expenditures are for replacement buses or bus improvements with several large purchases slated for the year. Passenger facility improvements, including the Transit Center renovation and bus stop shelter refurbishments, make up close to 20% of the budget. The remaining \$1.4 million covers a variety of projects or allowances for facility and equipment improvements. Available funding for the capital projects and improvements, provided from various federal and state sources, are sufficient to cover the capital budget.

Capital Projects

Bus Replacements & Improvements – Bus acquisitions for FY17-18 include 10 conventional 40-foot buses, four battery-electric 40-foot buses; and 14 30-foot battery-electric buses. The 40-foot revenue vehicles are replacements for the remaining 1998 Nova fleet. Given the lead-time for bus orders, delivery will actually take place in FY18-19. The 30-foot buses will replace the 14 remaining 22-foot electric shuttles. Production delays have pushed delivery of the BYD vehicles into next fiscal year. Given previous uncertainty in number of required smaller electric buses, six of the 14 are being acquired through a capital lease. The decision and means to exercise the buyout option of the lease will be brought to the Board in FY17-18.

| Capital Projects by Category | | | |
|------------------------------------|--------------------|----------------------|----------------|
| (\$ thousands) | | | |
| | FY 17-18 Budget | Carryover Funding | New Funding |
| Revenue Vehicle Purchases | \$12,429 | \$6,954 | \$5,475 |
| Intelligent Transportation Systems | 300 | 4,135 | (3,835) |
| Passenger Facilities | 3,000 | 2,480 | 520 |
| Operating Facilities | 483 | 1,268 | (785) |
| Revenue Vehicle Improvements | 950 | 425 | 525 |
| Information Systems | 375 | 185 | 190 |
| Other Equipment | 325 | 275 | 50 |
| Total Capital Projects | <u>\$17,862</u> | <u>\$15,722</u> | <u>\$2,140</u> |

Two significant bus improvement projects will take place next fiscal year: the replacement of several hybrid bus battery packs, now more than 10 years old and the refurbishing of the Nova flooring necessary to carry the fleet through the next 18 months. The remainder of the improvements are major vehicle component replacements including the continued state-mandated replacement of hybrid bus engines upon attaining 170,000 miles.

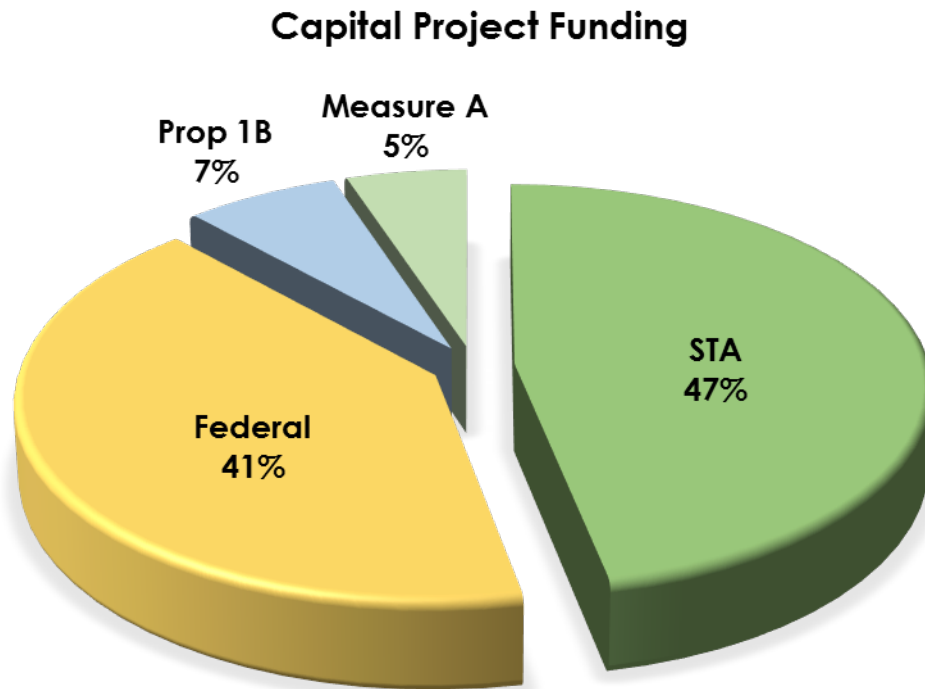
Passenger & Operating Facilities – With continued challenges in finalizing the Transit Center renovation construction drawings, construction work will be carried forward into FY17-18. In the current year, there have been considerable civil engineering efforts concerning California storm water mitigation requirements for the driveway. The capital budget includes an additional \$500,000 as a contingency for the project. Scheduled upgrades and replacements of MTD's wooden bus stop shelters will similarly be delayed until FY17-18. Additional bus stops, including some for Line 28, have been added to the project as well. With design work completed for the earthquake retrofitting of the Olive Terminal shop structure, the structural modifications are scheduled for FY17-18.

Intelligent Transportation Systems – The AIM real-time passenger information is currently in the testing phase with introduction to the public anticipated for late summer. This is the last major feature of the multifaceted ITS system, which also includes the use of real-time bus location data for improved vehicle monitoring and on-time performance; onboard video recording; automated audio and visual bus stop announcements; automated passenger counting by bus stop; and live vehicle systems status monitoring to reduce road calls. The FY16-17 capital budget was revised to include the replacement of all of MTD's fareboxes with current Genfare models with advanced fare media features. MTD is now positioned to introduce smart cards to students attending SBCC and UCSB in FY17-18. Smart cards are a contactless proximity device for boarding validation and ridership recording. Significant progress has been made in testing and working through technical, proprietary, and student privacy details of the project. It has been a collaborative effort between Genfare, the schools, and Vaquero Systems, MTD's technical consultant for the project.

Information Systems & Other Equipment – FY17-18 will also include replacement of the fuel island wireless vehicle mileage and fuel consumption data system. The data capturing and monitoring system, now 15 years old, is at the end of its useful life. The budget also provides for the continued modernization of MTD's IT systems with upgrades to network servers, switches, etc. An allowance is also included for software to improve service plan scenarios comparison and analysis capabilities.

Capital Revenue

For the funding of capital projects in FY17-18, MTD will make use of its traditional sources: federal funds, both formula and discretionary; State Transit Assistance funds; the Measure A Capital Program; and the last of the Prop 1B bond funds. All capital funds for the fiscal year are presently secured.



Federal Formula Funds – The FTA Section 5339(a) capital formula program was initiated under the MAP 21 transportation funding bill in 2013 and provides roughly \$400,000 per year. Due to delays concerning the designated recipient of the funds for small urban areas, MTD was only recently allocated its apportionments for fiscal years 2014 through 2016. The FTA has approved a grant to use the \$1.25 million for the three years as part of the funding for the new 30-foot electric buses. FY16-17 5339(a) funds have not yet been allocated, although the appropriation was recently approved in this year's federal budget. The expected \$387,000 has been allotted to several smaller capital projects in FY17-18. Any allocation of federal 5339(a) funds in FY17-18 would typically be late in the year with insufficient time for use until the following fiscal year.

Federal Discretionary Funds – The FTA 5339(b) discretionary grant of \$5.7 million awarded earlier this year will cover the majority of the cost for replacement of the remaining 1998 Nova fleet. MTD is seeking approval from the FTA to reallocate \$1.4 million in old CMAQ grant funds towards four of the BYD 30-foot electric buses. The ability to do so is subject to an FTA review of the contract that MTD intends to "piggyback" off of for the BYD purchase. While optimistic about the outcome, the CMAQ funds are not included in the budget as capital funding at this time.

Measure A Capital Program – In FY17-18, the budget calls for the full use of MTD's Measure A capital allocation of \$934,000 for the year. The funds will cover the cost of the bus improvements indicated in the capital projects section. Although already allocated to MTD, Measure A capital funds are provided on a reimbursement basis. SBCAG holds the funds with the County Auditor-Controller.

Prop 1B Program – MTD will be using the remaining \$960,000 in Prop 1B PTMISEA to assist in funding the TC renovation. While state Prop 1B program has come to an end, there may be an additional

year of allocation for residual and unspent balances. The Prop 1B transit security program has similarly ended. MTD recently received a final \$233,000 allocation from unspent balances. MTD intends to use the funds for Olive Terminal safety enhancements including motorized gates, improved lighting, and additional security cameras. The Prop 1B program has been a key source of capital revenue since 2008 providing more than \$17 million. The FTA Section 5339(a) capital program is making up a portion of the loss. Funding expected to be provided under the recently passed SB1 is another potential source of additional capital funds.

State Transit Assistance – TDA State Transit Assistance (STA) is typically used by MTD as the source for any capital funding needs not covered through all other capital revenue sources. With the relatively large capital outlays in the FY17-18 budget, MTD will use nearly \$8.4 million in STA. The majority of the funds will assist with the upcoming bus acquisitions and the Transit Center renovation.

Forecast, Reserves & Fund Balances

Five-Year Forecast

The following table provides the five-year operating budget forecast through FY 21-22. Also included in the table is the effect of the budget projections on MTD's unrestricted net position.

| Five-Year Financial Forecast | | | | | |
|--|-------------------|---------------------|---------------------|---------------------|---------------------|
| (\$ thousands) | | | | | |
| | FY17-18 Budget | FY18-19 Forecast | FY19-20 Forecast | FY20-21 Forecast | FY21-22 Forecast |
| OPERATING REVENUE | | | | | |
| Passenger Fares | \$7,078 | \$7,078 | \$7,149 | \$7,256 | \$7,401 |
| FTA Operating Assistance | 5,082 | \$5,082 | \$5,082 | \$5,082 | \$5,082 |
| Property Tax Revenue | 1,156 | 1,179 | 1,179 | 1,190 | 1,214 |
| Local Operating Assistance | 1,210 | 1,246 | 1,285 | 1,327 | 1,371 |
| Measure A | 2,014 | 2,106 | 1,987 | 2,058 | 2,144 |
| Non-Transportation Income | 836 | 853 | 870 | 888 | 905 |
| Sales Tax Revenue (TDA - LTF) | 7,771 | 7,927 | 7,927 | 8,006 | 8,166 |
| Total Operating Revenue | \$25,148 | \$25,470 | \$25,478 | \$25,807 | \$26,283 |
| OPERATING EXPENSE | | | | | |
| Route Operations | \$15,785 | \$16,178 | \$16,621 | \$17,083 | \$17,564 |
| Vehicle Maintenance | 5,253 | 5,492 | 5,756 | 6,040 | 6,346 |
| Passenger Accommodations | 1,621 | 1,664 | 1,712 | 1,763 | 1,816 |
| General Overhead | 2,943 | 3,017 | 3,099 | 3,185 | 3,274 |
| Total Operating Expense | \$25,603 | \$26,350 | \$27,188 | \$28,070 | \$29,000 |
| Operating Surplus/(Deficit) | (\$455) | (\$880) | (\$1,710) | (\$2,263) | (\$2,717) |
| Change in Net Position (Reserves) | | | | | |
| Unrestricted Net Position (BOY) | \$11,216 | \$10,661 | \$9,681 | \$7,872 | \$5,508 |
| Change from Operating Activities | (455) | (880) | (1,710) | (2,263) | (2,717) |
| OPEB Unfunded Liability Increase | (100) | (100) | (100) | (100) | (100) |
| Unrestricted Net Position (EOY) | \$10,661 | \$9,681 | \$7,872 | \$5,508 | \$2,692 |

Key assumptions in the projection include the following:

- ◆ The service hours and fare structure remain at the FY17-18 levels throughout the period.
- ◆ Passenger fares stabilize in FY18-19 and rise to 2% growth by the last year of the projection.
- ◆ FTA formula assistance is held to the FY16-17 amount due to uncertainty with federal funding.
- ◆ Property tax and TDA sales tax revenues level off in FY19-20 and begin rising thereafter.
- ◆ Most other revenue sources grow at 2% per year, although Measure A varies per SBCAG.
- ◆ Health insurance costs escalate between 6% and 8% each year.
- ◆ Diesel fuel prices are projected to grow by 10% annually.
- ◆ Most other operating expenses increase at 2% to 3% per year.
- ◆ The OPEB trust is prefunded at \$100,000 each fiscal year.

The five-year forecast indicates a growing operating deficit each year with the shortfall in the final year reaching \$2.7 million. This outcome would erode MTD's unrestricted net position from a starting point of \$11.2 million in FY17-18 down to \$2.8 million by the end of FY20-21. Conservative assumptions are used in the projection, as is financially prudent. However, such forecasts become less reliable in later years. In the past, the projected growing deficits did not come to fruition through either changing conditions or proactive measures by MTD. In recent years, a reduction in annual health insurance growth, declining fuel prices and a lack of full employment have turned expected deficits into surpluses. During the Great Recession, the large drop in sales tax revenue necessitated preemptive service level reductions to avoid deficits. Nevertheless, the projection assumptions are not unrealistic and are reasonably possible. Of significant concern is the continued decline in ridership and the resultant fare revenue reduction. Thought to be a short-term aberration, it is now going on three years. Fortunately, the previously mentioned reasons as well as continued growth in sales tax and state and local operating assistance, have made up the difference. Nonetheless, MTD is developing contingency plans to safeguard against the potential large deficits in the near future.

Operating & Capital Reserves

The forecast indicates the ability of MTD to fully fund operating reserves in FY17-18 and FY18-19 to the target levels established in the Cash Reserves Policy. Such ability diminishes rapidly in the out years of the projection. Of course, the lack of capacity to fund reserves is directly attributable to the projected deficits. As such, any resolution to funding deficits will equally alleviate reserve shortfalls.

| Projected Reserve Balances | | | | | |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|
| (\$ thousands) | | | | | |
| <i>RESERVE FUNDS</i> | FY17/18 | FY18/19 | FY19/20 | FY20/21 | FY21/22 |
| Working Capital | \$5,082 | \$5,082 | \$5,082 | \$5,082 | \$2,692 |
| Emergency | 2,560 | 2,635 | 2,719 | 427 | 0 |
| Appropriated | 512 | 527 | 71 | 0 | 0 |
| Capital | 0 | 0 | 0 | 0 | 0 |
| Reserves Projected Balance | \$8,154 | \$8,244 | \$7,872 | \$5,508 | \$2,692 |
| Targeted Reserves Shortfall | \$0 | \$0 | \$473 | \$2,942 | \$5,870 |

Deficit Reduction Options

In the event of persistent and increasing funding gaps, MTD has at its disposal two primary means of resolving the shortfalls: a reduction in the service level and/or a fare increase. While there are many areas in which outlays can be scaled back, the service level and fares are at the heart of what MTD controls and have the greatest effect on the operating budget. In the following examples, basic assumptions have been used to provide preliminary estimates the effectiveness of the actions.

Service Level Reduction – Two scenarios have been provided for reducing costs through service cuts: a 5% and a 10% service reduction. In calculating the savings for the 5% scale back, a direct marginal cost per hour has been used (i.e., those costs that change directly as a result of revenue hour changes such as driver wage and fuel). With relatively small service hour changes, costs for supervision, maintenance and administration are generally unaffected. For the 10% reduction, a higher operating rate per hour has been used because it is then possible to scale back on non-driver positions, services, supplies, overhead, etc.

| Hours Reduction | Cost Decrease |
|-----------------|---------------|
| 5% | ➡ \$560,000 |
| 10% | ➡ \$1,345,000 |

Fare Increase – Three fare increase scenarios are shown below that provide a rough guide to the additional revenue that could be generated. Assumptions include the full fare rising from the current \$1.75 to either \$2.00 or \$2.25; and pass prices increasing either the same percentage as the full fare or such that the price per ride is 75% of the full, senior or mobility fare. These assumptions are used as examples only and are not recommendations which would require a much higher level of analysis.

| Scenario 1 | Current | New |
|-------------------------------|-------------------------|--------|
| Adult Cash Fare | \$1.75 | \$2.00 |
| Senior & Mobility Cash Fare | \$0.85 | \$1.00 |
| Passes | full fare change (+14%) | |
| Additional Fare Revenue Range | \$344,000 to \$440,000 | |

| Scenario 2 | Current | New |
|-------------------------------|------------------------|--------|
| Adult Cash Fare | \$1.75 | \$2.00 |
| Senior & Mobility Cash Fare | \$0.85 | \$1.00 |
| Passes | 75% of cash fare | |
| Additional Fare Revenue Range | \$576,000 to \$758,000 | |

| Scenario 3 | Current | New |
|-------------------------------|-------------------------|--------|
| Adult Cash Fare | \$1.75 | \$2.25 |
| Senior & Mobility Cash Fare | \$0.85 | \$1.00 |
| Passes | full fare change (+29%) | |
| Additional Fare Revenue Range | \$592,000 to \$746,000 | |

A range of generated fare revenue is necessary to account for different anticipated ridership reactions to the fare increase. As with any service, increasing the price reduces the demand or, in this case, passenger trips. There are many empirical studies of the effect of price changes on ridership for mass transit. MTD has assumed typical demand reduction figures.¹

¹ The fare projection assumes that ridership would decrease between 0.3% and 0.4% for each 1% increase in fares.

Capital Fund Balances

The following table presents the status and balance of MTD's various capital funding sources. The FY17-18 capital budget will result in a large reduction in the available capital funds. If all capital projects are completed, the capital funding balance would be \$2.1 million compared to \$11.5 million at the start of the year. While this would reduce capital funds to levels much lower than in recent years, this is not considered a matter of concern for several reasons. Ten of the Nova replacement buses will not be received or paid for until well into FY18-19, reducing outlays by \$5 million. By next fiscal year, MTD will have been allocated additional STA, Measure A and, likely, FTA Section 5339(a) capital funds, adding an additional \$3 million to the funding balance. More importantly, it would also represent the completion of a backlog of projects that the funds are meant for. While not in the budget, Senate Bill 1 may provide sizable additional STA funds. With the first of the new taxes and fees becoming effective later this year, MTD does not expect to receive the SB1 funds before 2019.

| Capital Fund Balances (\$ thousands) | | |
|---|--------------------|-----------------------|
| | FY 17-18 Budget | FY 16-17 Estimated |
| <u>State Transit Assistance</u> | | |
| Beginning Balance | \$8,844 | \$9,112 |
| Additions | 1,250 | 1,242 |
| Outlays | 8,364 | 1,509 |
| Ending Balance | \$1,730 | \$8,844 |
| <u>Federal</u> | | |
| Beginning Balance | \$1,689 | \$151 |
| Additions | 6,071 | 1,634 |
| Outlays | 7,370 | 96 |
| Ending Balance | \$390 | \$1,689 |
| <u>Prop 1B</u> | | |
| Beginning Balance | \$961 | \$3,097 |
| Additions | 233 | 330 |
| Outlays | 1,194 | 2,465 |
| Ending Balance | \$0 | \$961 |
| <u>Measure A</u> | | |
| Beginning Balance | \$0 | \$690 |
| Additions | 933,821 | 934 |
| Outlays | 933,821 | 1,624 |
| Ending Balance | \$0 | \$0 |
| <u>Total Capital Funds</u> | | |
| Beginning Balance | \$11,495 | \$13,049 |
| Additions | 8,488 | 4,140 |
| Outlays | 17,862 | 5,695 |
| Capital Funds Total | \$2,120 | \$11,495 |

Retirement Benefit Obligations

Employees are eligible for pension and health benefits upon retirement if established criteria are met. A description of these benefits and MTD's associated obligations and liabilities follows.

Pension

Represented Employees – MTD makes monthly contributions to the Western Conference of Teamsters Pension Trust for employees covered by collective bargaining agreement (CBA) with the Teamsters. The contribution amount is established as part of the CBA negotiation process. It is a defined benefit plan with retirement payments based on a formula set by the Pension Trust. Based on the most recent actuarial certification, the multi-employer trust is 90% funded which is considered very good financial condition. MTD does not record the unfunded liability on its books.

Staff & Management – A 401(k) plan was established in 1985 for all employees not subject to the CBA (MTD had previously been part of CalPERS). MTD makes an ongoing contribution on the employee's behalf. As a fully-funded defined contribution plan, there is no unfunded retirement benefit liability.

Other Post-Employment Benefits

MTD provides post-employment health benefits in the form of a monthly reimbursement towards retirees' personal health insurance premiums for eligible union and staff retirees and their spouses of up to \$285 per month. Eligibility for the benefit requires that an employee be at least 65 years of age at the time of retirement and have worked a minimum of 20 years at MTD.

| OPEB Liability Balance | | | |
|-------------------------------|------------------------|-------------------|------------------|
| Fiscal Year | Expense Accrual | Prefunding | Liability |
| 2008-09 | \$880,000 | | \$880,000 |
| 2009-10 | \$924,000 | | \$1,804,000 |
| 2010-11 | \$1,021,000 | | \$2,825,000 |
| 2011-12 | \$816,000 | | \$3,641,000 |
| 2012-13 | (\$1,049,000) | | \$2,592,000 |
| 2013-14 | \$151,000 | | \$2,743,000 |
| 2014-15 | \$149,000 | | \$2,892,000 |
| 2015-16 | \$190,000 | | \$3,082,000 |
| 2016-17 | \$100,000 | (\$1,000,000) | \$2,182,000 |
| 2017-18 | \$100,000 | (\$100,000) | \$2,182,000 |

Government accounting standards require measuring the present value of anticipated future Other Post-Employment Benefits (OPEB) payouts for the health benefit and record it as a liability in its financial statements. At the end of FY15-16, this liability stood at \$3.1 million. MTD has not previously set aside funds to cover the cost of this future liability. OPEB cash outlays have been limited to the amount of actual reimbursements made to retirees for the benefit. Recently, the Board established a policy to set up an irrevocable trust with CalPERS to prefund the future OPEB liability. Per the policy, the trust will be allocated \$1 million in FY16-17 to begin the prefunding.

A major benefit of prefunding is that the nature of the trust allows for improved investment returns that reduce future OPEB costs. Following an updated actuarial valuation of the OPEB liability, a recommendation will be brought to the Board concerning future year prefunding contributions. For estimation purposes, the five-year projection assumes prefunding \$100,000 annually.

Detailed Budget Tables

Operating Revenue Summary Fiscal Year 2017-18

| | FY 17-18 Budget | FY 16-17 Budget | Budget Change | Percent Change | FY 16-17 Estimate |
|------------------------------------|---------------------|---------------------|--------------------|-------------------|----------------------|
| <i>FAREBOX REVENUE</i> | | | | | |
| Cash Fares & Tokens | \$2,075,016 | \$2,105,972 | (\$30,956) | -1% | \$2,161,476 |
| Adult Passes | 1,067,143 | 1,129,932 | (62,789) | -6% | 1,111,608 |
| Youth Passes | 502,314 | 528,515 | (26,201) | -5% | 523,244 |
| Senior Passes | 162,387 | 162,555 | (168) | 0% | 169,153 |
| Mobility Passes | 143,670 | 148,808 | (5,138) | -3% | 149,656 |
| Day Passes | 4,332 | 4,658 | (326) | -7% | 4,512 |
| Downtown-Waterfront Shuttle | 1,096,278 | 1,089,303 | 6,975 | 1% | 1,100,848 |
| UCSB Contract Fares | 1,037,135 | 1,013,519 | 23,615 | 2% | 1,023,825 |
| SBCC Contract Fares | 844,961 | 885,612 | (40,651) | -5% | 880,168 |
| Special Event Fares & Amtrak | 110,000 | 120,000 | (10,000) | -8% | 108,632 |
| City My Ride Program | 35,000 | 35,000 | 0 | 0% | 31,452 |
| <i>Subtotal</i> | <u>\$7,078,236</u> | <u>\$7,223,874</u> | <u>(\$145,638)</u> | -2% | <u>\$7,264,574</u> |
| <i>NON-TRANSPORTATION INCOME</i> | | | | | |
| Advertising on Buses | \$550,000 | \$600,000 | (\$50,000) | -8% | 557,745 |
| Interest on Investments | 67,910 | 22,910 | 45,000 | 196% | 24,224 |
| Lease & Other Income | 218,486 | 223,270 | (4,784) | -2% | 219,186 |
| <i>Subtotal</i> | <u>\$836,396</u> | <u>\$846,180</u> | <u>(\$9,784)</u> | -1% | <u>\$801,155</u> |
| <i>GRANTS & SUBSIDIES</i> | | | | | |
| TDA Sales Tax Revenue | \$7,771,309 | \$7,460,309 | \$311,000 | 4% | \$7,611,094 |
| FTA Formula Assistance | 5,081,813 | 5,081,813 | 0 | 0% | 5,081,813 |
| Property Tax Revenue | 1,155,536 | 1,110,665 | 44,871 | 4% | 1,132,878 |
| Measure A | 2,014,211 | 2,014,368 | (157) | 0% | 2,014,368 |
| State & Local Operating Assistance | 1,210,376 | 1,413,778 | (203,402) | -14% | 1,276,642 |
| <i>Subtotal</i> | <u>\$17,233,245</u> | <u>\$17,080,933</u> | <u>\$152,312</u> | 1% | <u>\$17,116,795</u> |
| <i>Total Operating Revenue</i> | <u>\$25,147,876</u> | <u>\$25,150,987</u> | <u>(\$3,110)</u> | 0% | <u>\$25,182,524</u> |

Operating Expense Summary Fiscal Year 2017-18

| | FY 17-18 Budget | FY 16-17 Budget | Budget Change | Percent Change | FY 16-17 Estimate |
|---------------------------------|----------------------------|----------------------------|-------------------------|-------------------|----------------------------|
| <i>ROUTE OPERATIONS</i> | | | | | |
| Drivers | \$11,729,256 | \$11,564,989 | \$164,268 | 1% | \$11,252,209 |
| Dispatch & Supervision | 789,377 | 658,731 | 130,645 | 20% | 595,650 |
| Hiring & Training | 305,457 | 325,282 | (19,825) | -6% | 371,036 |
| Risk & Safety | 2,092,305 | 1,935,808 | 156,497 | 8% | 2,306,638 |
| Transportation Subsidies | 869,058 | 851,100 | 17,958 | 2% | 851,100 |
| <i>Subtotal</i> | <u>\$15,785,453</u> | <u>\$15,335,910</u> | <u>\$449,543</u> | 3% | <u>\$15,376,632</u> |
| <i>VEHICLE MAINTENANCE</i> | | | | | |
| Mechanics | \$1,269,331 | \$1,191,370 | \$77,962 | 7% | \$1,091,481 |
| Cleaners & Fuelers | 817,215 | 818,360 | (1,145) | 0% | 835,746 |
| Supervision | 576,516 | 601,616 | (25,100) | -4% | 567,888 |
| Vehicle Consumables | 1,665,892 | 1,765,873 | (99,981) | -6% | 1,694,527 |
| Bus Parts & Supplies | 819,000 | 765,924 | 53,076 | 7% | 811,169 |
| Vendor Services | 57,500 | 60,000 | (2,500) | -4% | 23,035 |
| Risk & Safety | 47,850 | 73,500 | (25,650) | -35% | 72,259 |
| <i>Subtotal</i> | <u>\$5,253,304</u> | <u>\$5,276,642</u> | <u>(\$23,338)</u> | 0% | <u>\$5,096,104</u> |
| <i>PASSENGER ACCOMMODATIONS</i> | | | | | |
| Passenger Facilities | \$532,848 | \$601,296 | (\$68,448) | -11% | \$552,429 |
| Transit Development | 388,762 | 328,152 | 60,610 | 18% | 329,547 |
| Promotion & Information | 443,520 | 377,807 | 65,712 | 17% | 299,205 |
| Fare Revenue Collection | 255,846 | 287,133 | (31,287) | -11% | 252,396 |
| <i>Subtotal</i> | <u>\$1,620,975</u> | <u>\$1,594,388</u> | <u>\$26,587</u> | 2% | <u>\$1,433,577</u> |
| <i>GENERAL OVERHEAD</i> | | | | | |
| Finance | \$605,017 | \$556,750 | \$48,267 | 9% | \$556,630 |
| Personnel | 169,454 | 166,672 | 2,782 | 2% | 165,978 |
| Utilities & Communication | 219,501 | 227,000 | (7,499) | -3% | 216,783 |
| Operating Facilities | 340,709 | 339,010 | 1,699 | 1% | 322,723 |
| District Administration | 1,608,353 | 1,528,909 | 79,443 | 5% | 1,521,439 |
| <i>Subtotal</i> | <u>\$2,943,033</u> | <u>\$2,818,342</u> | <u>\$124,691</u> | 4% | <u>\$2,783,553</u> |
| <i>Total Operating Cost</i> | <u><u>\$25,602,765</u></u> | <u><u>\$25,025,283</u></u> | <u><u>\$577,483</u></u> | 2% | <u><u>\$24,689,866</u></u> |

**Route Operations
Fiscal Year 2017-18**

| | FY 17-18 Budget | FY 16-17 Budget | Budget Change | Percent Change | FY 16-17 Estimate |
|---------------------------------------|---------------------|---------------------|-------------------|-------------------|----------------------|
| <i>DRIVERS</i> | | | | | |
| Scheduled | \$6,791,024 | \$6,612,398 | \$178,626 | 3% | \$6,441,216 |
| Scheduled Overtime | 316,079 | 334,336 | (18,257) | -5% | 388,119 |
| Unscheduled Pay | 258,532 | 341,430 | (82,899) | -24% | 303,157 |
| Driver Lite Duty | 7,853 | 7,521 | 333 | 4% | 8,790 |
| FICA | 640,412 | 633,042 | 7,370 | 1% | 614,329 |
| Pension | 941,216 | 927,885 | 13,332 | 1% | 871,160 |
| Health | 1,707,326 | 1,660,881 | 46,445 | 3% | 1,626,264 |
| Sick Pay | 199,355 | 167,293 | 32,062 | 19% | 201,040 |
| Vacation Pay | 524,999 | 531,027 | (6,028) | -1% | 478,963 |
| Holiday Pay | 247,379 | 253,344 | (5,965) | -2% | 225,973 |
| Other Paid Leave | 26,178 | 27,708 | (1,531) | -6% | 25,525 |
| Unemployment Insurance | 33,904 | 33,124 | 780 | 2% | 34,976 |
| Uniforms | 35,000 | 35,000 | 0 | 0% | 32,696 |
| <i>Drivers Subtotal</i> | <u>\$11,729,256</u> | <u>\$11,564,989</u> | <u>\$164,268</u> | 1% | <u>\$11,252,209</u> |
| <i>DISPATCH & SUPERVISION</i> | | | | | |
| Supervisors | \$323,915 | \$223,947 | \$99,968 | 45% | \$196,345 |
| Staff | 172,224 | 170,880 | 1,344 | 1% | 169,444 |
| FICA | 43,495 | 36,119 | 7,376 | 20% | 33,144 |
| Pension | 38,053 | 37,470 | 583 | 2% | 40,093 |
| Health | 137,658 | 111,748 | 25,910 | 23% | 88,371 |
| Sick Pay | 7,370 | 4,177 | 3,193 | 76% | 6,309 |
| Vacation Pay | 34,000 | 31,766 | 2,234 | 7% | 35,241 |
| Holiday Pay | 19,350 | 17,037 | 2,313 | 14% | 14,269 |
| Other Paid Leave | 11,708 | 24,336 | (12,627) | -52% | 11,003 |
| Unemployment Insurance | 1,603 | 1,252 | 352 | 28% | 1,431 |
| | <u>\$789,377</u> | <u>\$658,731</u> | <u>\$130,645</u> | 20% | <u>\$595,650</u> |
| <i>HIRING & TRAINING</i> | | | | | |
| Staff | \$35,252 | \$47,421 | (\$12,169) | -26% | \$36,387 |
| Student Drivers | 36,905 | 36,606 | 299 | 1% | 113,376 |
| Existing Drivers/Supers | 128,894 | 135,204 | (6,310) | -5% | 116,105 |
| FICA | 16,246 | 17,606 | (1,360) | -8% | 13,316 |
| Pension | 10,731 | 10,478 | 253 | 2% | 10,511 |
| Health | 24,348 | 23,832 | 515 | 2% | 25,232 |
| Sick Pay | 1,961 | 2,261 | (300) | -13% | 1,980 |
| Vacation Pay | 5,290 | 4,542 | 747 | 16% | 7,436 |
| Holiday Pay | 3,345 | 3,415 | (70) | -2% | 3,804 |
| Other Paid Leave | 713 | 694 | 18 | 3% | 1,124 |
| Unemployment Insurance | 113 | 112 | 1 | 1% | 780 |
| Medical Exams & License Fees | 25,600 | 27,050 | (1,450) | -5% | 33,077 |
| Employment Advertising | 6,000 | 6,000 | 0 | 0% | 6,773 |
| Training, Travel & Meetings | 10,060 | 10,060 | 0 | 0% | 1,134 |
| <i>Hiring & Training Subtotal</i> | <u>\$305,457</u> | <u>\$325,282</u> | <u>(\$19,825)</u> | -6% | <u>\$371,036</u> |

**Route Operations
Fiscal Year 2017-18**

| | FY 17-18 Budget | FY 16-17 Budget | Budget Change | Percent Change | FY 16-17 Estimate |
|--|----------------------------|----------------------------|-------------------------|-------------------|----------------------------|
| <i>RISK & SAFETY</i> | | | | | |
| Wages & Benefits | | | | | |
| Staff | \$147,331 | \$139,281 | \$8,050 | 6% | \$141,885 |
| Supervisors | 304,753 | 298,796 | 5,957 | 2% | 281,299 |
| Driver Accident Pay | 1,832 | 1,755 | 78 | 4% | 2,015 |
| FICA | 40,871 | 38,445 | 2,426 | 6% | 39,807 |
| Pension | 49,398 | 48,598 | 799 | 2% | 47,385 |
| Health | 96,778 | 94,293 | 2,485 | 3% | 89,247 |
| Sick Pay | 5,623 | 6,159 | (535) | -9% | 7,495 |
| Vacation Pay | 34,018 | 33,274 | 744 | 2% | 39,900 |
| Holiday Pay | 16,428 | 18,095 | (1,667) | -9% | 15,904 |
| Other Paid Leave | 24,273 | 5,184 | 19,089 | 368% | 27,189 |
| Unemployment Insurance | 1,459 | 1,445 | 14 | 1% | 1,808 |
| Wages & Benefits Subtotal | <u>\$722,764</u> | <u>\$685,324</u> | <u>\$37,440</u> | 5% | <u>\$693,934</u> |
| Public Liability | | | | | |
| Professional Services | \$112,585 | \$250,000 | (\$137,415) | -55% | \$350,000 |
| Insurance | 270,138 | 264,733 | 5,405 | 2% | 264,233 |
| Current Year Incident Payouts | 50,000 | 75,000 | (25,000) | -33% | 13,061 |
| Current Year Incident Reserves | 100,000 | 150,000 | (50,000) | -33% | 20,000 |
| Prior Years Incident Payouts | 125,000 | 200,000 | (75,000) | -38% | 190,355 |
| Change in Prior Years Reserves | (125,000) | (145,000) | 20,000 | -14% | (185,000) |
| Public Liability Subtotal | <u>\$532,723</u> | <u>\$794,734</u> | <u>(\$262,011)</u> | -33% | <u>\$652,649</u> |
| Workers' Compensation | | | | | |
| Professional Services | \$251,745 | \$225,000 | \$26,745 | 12% | \$279,880 |
| Insurance | 87,400 | 80,750 | 6,650 | 8% | 76,649 |
| Current Year Incident Payouts | 125,000 | 100,000 | 25,000 | 25% | 31,040 |
| Current Year Incident Reserves | 300,000 | 300,000 | 0 | 0% | 575,005 |
| Prior Years Incident Payouts | 350,000 | 300,000 | 50,000 | 17% | 475,000 |
| Change in Prior Years Reserves | (300,000) | (575,000) | 275,000 | -48% | (500,000) |
| Miscellaneous Risk & Safety | 22,673 | 25,000 | (2,327) | -9% | 22,480 |
| Workers' Compensation Subtotal | <u>\$836,818</u> | <u>\$455,750</u> | <u>\$381,068</u> | 84% | <u>\$960,055</u> |
| <i>Risk & Safety Subtotal</i> | <u>\$2,092,305</u> | <u>\$1,935,808</u> | <u>\$156,497</u> | 8% | <u>\$2,306,638</u> |
| <i>TRANSPORTATION SUBSIDIES</i> | | | | | |
| ADA Paratransit Service | <u>\$869,058</u> | <u>\$851,100</u> | <u>\$17,958</u> | 2% | <u>\$851,100</u> |
| <i>Transportation Subsidies Subtotal</i> | <u>\$869,058</u> | <u>\$851,100</u> | <u>\$17,958</u> | 2% | <u>\$851,100</u> |
| TOTAL ROUTE OPERATIONS | <u><u>\$15,785,453</u></u> | <u><u>\$15,335,910</u></u> | <u><u>\$449,543</u></u> | 3% | <u><u>\$15,376,632</u></u> |

Vehicle Maintenance Detail**Fiscal Year 2017-18**

| | FY 17-18 Budget | FY 16-17 Budget | Percent Change | Percent Change | FY 16-17 Estimate |
|--|--------------------|--------------------|-------------------|-------------------|----------------------|
| MECHANICS | | | | | |
| Mechanics | \$729,534 | \$666,661 | \$62,872 | 9% | \$646,751 |
| Mechanic Labor Capitalization | (29,955) | (30,208) | 253 | -1% | (20,045) |
| Mechanics-OT | 36,962 | 37,182 | (219) | -1% | 40,243 |
| FICA | 71,803 | 66,934 | 4,869 | 7% | 59,171 |
| Pension | 91,393 | 86,408 | 4,986 | 6% | 78,035 |
| Health | 164,251 | 160,077 | 4,174 | 3% | 149,681 |
| Sick Pay | 23,711 | 19,436 | 4,276 | 22% | 22,897 |
| Vacation Pay | 116,938 | 116,491 | 447 | 0% | 51,980 |
| Holiday Pay | 29,955 | 33,668 | (3,713) | -11% | 26,820 |
| Other Paid Leave | 1,498 | 1,510 | (13) | -1% | 4,219 |
| Unemployment Insurance | 2,941 | 2,912 | 29 | 1% | 2,546 |
| Uniforms | 16,000 | 16,000 | 0 | 0% | 15,984 |
| Tool Allowance | 14,300 | 14,300 | 0 | 0% | 13,200 |
| <i>Mechanics Subtotal</i> | <u>\$1,269,331</u> | <u>\$1,191,370</u> | <u>\$77,962</u> | 7% | <u>\$1,091,481</u> |
| CLEANERS & FUELERS | | | | | |
| Service Workers | \$457,799 | \$452,108 | \$5,691 | 1% | \$463,793 |
| FICA | 40,000 | 39,775 | 225 | 1% | 39,336 |
| Pension | 73,364 | 72,279 | 1,085 | 2% | 71,867 |
| Health | 168,458 | 173,100 | (4,641) | -3% | 180,053 |
| Sick Pay | 10,707 | 10,494 | 212 | 2% | 17,615 |
| Vacation Pay | 32,072 | 31,435 | 637 | 2% | 28,283 |
| Holiday Pay | 20,292 | 23,928 | (3,636) | -15% | 17,654 |
| Other Paid Leave | 2,012 | 1,972 | 40 | 2% | 479 |
| Unemployment Insurance | 2,743 | 2,940 | (197) | -7% | 2,342 |
| Uniforms | 6,552 | 7,098 | (546) | -8% | 8,752 |
| Medical Exams & License Fees | 3,216 | 3,230 | (14) | 0% | 5,572 |
| <i>Cleaners & Fuelers Subtotal</i> | <u>\$817,215</u> | <u>\$818,360</u> | <u>(\$1,145)</u> | 0% | <u>\$835,746</u> |
| SUPERVISION | | | | | |
| Staff | \$351,793 | \$360,204 | (\$8,411) | -2% | \$345,549 |
| FICA | 29,691 | 30,761 | (1,070) | -3% | 30,531 |
| Pension | 38,812 | 38,983 | (171) | 0% | 34,701 |
| Health | 102,862 | 112,520 | (9,658) | -9% | 97,937 |
| Sick Pay | 3,678 | 3,759 | (81) | -2% | 4,803 |
| Vacation Pay | 19,546 | 20,353 | (807) | -4% | 24,869 |
| Holiday Pay | 12,586 | 16,492 | (3,906) | -24% | 13,228 |
| Other Paid Leave | 2,517 | 3,298 | (781) | -24% | 9,036 |
| Unemployment Insurance | 905 | 1,120 | (215) | -19% | 1,596 |
| Training, Travel & Meetings | 14,125 | 14,125 | 0 | 0% | 5,637 |
| <i>Supervision Subtotal</i> | <u>\$576,516</u> | <u>\$601,616</u> | <u>(\$25,100)</u> | -4% | <u>\$567,888</u> |
| VEHICLE CONSUMABLES | | | | | |
| Bus Fuel | \$1,307,192 | \$1,385,173 | (\$77,981) | -6% | \$1,349,872 |
| Oil & Lubricants | 115,000 | 125,000 | (10,000) | | \$113,877 |
| Electric Vehicle Power | 72,000 | 84,000 | (12,000) | -14% | 61,551 |
| Tire Lease | 161,700 | 161,700 | 0 | 0% | 159,853 |
| Tire Mounting | 10,000 | 10,000 | 0 | 0% | 9,373 |
| <i>Vehicle Consumables Subtotal</i> | <u>\$1,665,892</u> | <u>\$1,765,873</u> | <u>(\$99,981)</u> | -6% | <u>\$1,694,527</u> |

Vehicle Maintenance Detail Fiscal Year 2017-18

| | <u>FY 17-18 Budget</u> | <u>FY 16-17 Budget</u> | <u>Percent Change</u> | <u>Percent Change</u> | <u>FY 2015-16 Estimated</u> |
|---|----------------------------|----------------------------|---------------------------|---------------------------|---------------------------------|
| <i>VEHICLE PARTS & SUPPLIES</i> | | | | | |
| Bus Parts Issued | \$725,000 | \$669,924 | \$55,076 | 8% | \$725,551 |
| Shop Supplies | 70,000 | 70,000 | 0 | 0% | 64,367 |
| Bus Servicing Supplies | 10,000 | 12,000 | (2,000) | -17% | 7,745 |
| Hazmat Disposal & Compliance | 14,000 | 14,000 | 0 | 0% | 13,507 |
| <i>Vehicle Part & Supplies Subtotal</i> | <u>\$819,000</u> | <u>\$765,924</u> | <u>\$53,076</u> | 7% | <u>\$811,169</u> |
| <i>VENDOR BUS REPAIRS</i> | | | | | |
| Vandalism Repairs | \$5,000 | \$7,500 | (\$2,500) | -33% | \$2,463 |
| Accident Damage Repairs | 5,000 | 7,500 | (2,500) | -33% | 856 |
| Accident Claim Collections | (2,500) | (5,000) | 2,500 | -50% | (19,588) |
| Other Vendor Repairs | 50,000 | 50,000 | 0 | 0% | 39,304 |
| <i>Vendor Bus Repairs Subtotal</i> | <u>\$57,500</u> | <u>\$60,000</u> | <u>(\$2,500)</u> | -4% | <u>\$23,035</u> |
| <i>RISK & SAFETY</i> | | | | | |
| Workers' Comp Services | \$13,250 | \$15,000 | (\$1,750) | -12% | \$19,003 |
| Workers' Comp Insurance | 4,600 | 8,500 | (3,900) | -46% | 7,591 |
| Current Year Incident Payouts | 10,000 | 15,000 | (5,000) | -33% | 5,000 |
| Current Year Incident Reserves | 20,000 | 25,000 | (5,000) | -20% | 2,500 |
| Prior Years Incident Payouts | 150,000 | 15,000 | 135,000 | 900% | 17,395 |
| Change in Prior Years Reserves | (150,000) | (5,000) | (145,000) | 2900% | 20,771 |
| <i>Risk & Safety Subtotal</i> | <u>\$47,850</u> | <u>\$73,500</u> | <u>(\$25,650)</u> | -35% | <u>\$72,259</u> |
| TOTAL VEHICLE MAINTENANCE | <u>\$5,253,304</u> | <u>\$5,276,642</u> | <u>(\$23,338)</u> | 0% | <u>\$5,096,104</u> |

Passenger Accommodations Detail Fiscal Year 2017-18

| | FY 17-18 Budget | FY 16-17 Budget | Budget Change | Percent Change | FY 16-17 Estimate |
|--------------------------------------|--------------------|--------------------|-------------------|-------------------|----------------------|
| <i>PASSENGER FACILITIES</i> | | | | | |
| <i>Wages & Benefits</i> | | | | | |
| Supervisors | \$126,542 | \$186,493 | (\$59,951) | -32% | \$169,799 |
| TC Advisors | 122,571 | 101,898 | 20,673 | 20% | 91,296 |
| Staff | 39,808 | 40,525 | (717) | -2% | 41,847 |
| FICA | 24,591 | 28,050 | (3,459) | -12% | 25,992 |
| Pension | 26,491 | 26,194 | 296 | 1% | 19,944 |
| Health | 114,695 | 108,468 | 6,227 | 6% | 90,399 |
| Sick Pay | 3,824 | 3,968 | (144) | -4% | 10,328 |
| Vacation Pay | 15,527 | 19,692 | (4,164) | -21% | 31,783 |
| Holiday Pay | 11,246 | 12,311 | (1,065) | -9% | 8,688 |
| Other Paid Leave | 1,929 | 1,778 | 152 | 9% | 2,667 |
| Unemployment Insurance | 1,015 | 1,453 | (438) | -30% | 2,752 |
| Wages & Benefits Subtotal | \$488,240 | \$530,830 | (\$42,590) | -8% | \$495,493 |
| <i>Buildings & Grounds</i> | | | | | |
| TC Contract Maintenance | \$31,717 | \$47,576 | (\$15,859) | -33% | \$37,756 |
| TC Repairs/Supplies | 5,000 | 10,000 | (5,000) | -50% | 13,997 |
| Bus Stop Repairs/Supplies | 5,000 | 10,000 | (5,000) | -50% | 2,832 |
| TC Property Insurance | 2,891 | 2,891 | 0 | 0% | 2,351 |
| Buildings & Grounds Subtotal | \$44,608 | \$70,467 | (\$25,859) | -37% | \$56,936 |
| <i>Passenger Facilities Subtotal</i> | <u>\$532,848</u> | <u>\$601,296</u> | <u>(\$68,448)</u> | -11% | <u>\$552,429</u> |
| <i>TRANSIT DEVELOPMENT</i> | | | | | |
| Staff | \$185,343 | \$193,954 | (\$8,611) | -4% | \$188,587 |
| FICA | 16,406 | 17,116 | (711) | -4% | 17,896 |
| Pension | 21,445 | 22,374 | (929) | -4% | 23,709 |
| Health | 47,778 | 52,228 | (4,450) | -9% | 51,711 |
| Sick Pay | 6,256 | 6,219 | 38 | 1% | 9,421 |
| Vacation Pay | 15,047 | 14,108 | 939 | 7% | 18,696 |
| Holiday Pay | 8,314 | 8,492 | (178) | -2% | 8,386 |
| Other Paid Leave | 2,494 | 2,876 | (382) | -13% | 9,401 |
| Unemployment Insurance | 679 | 784 | (105) | -13% | 840 |
| Training, Travel & Meetings | 5,000 | 5,000 | 0 | 0% | 900 |
| Planning Services & Supplies | 80,000 | 5,000 | 75,000 | 1500% | 0 |
| <i>Transit Development Subtotal</i> | <u>\$388,762</u> | <u>\$328,152</u> | <u>\$60,610</u> | 18% | <u>\$329,547</u> |

Passenger Accommodations Detail Fiscal Year 2017-18

| | FY 17-18 Budget | FY 16-17 Budget | Budget Change | Percent Change | FY 16-17 Estimate |
|---|---------------------------|---------------------------|------------------------|-------------------|---------------------------|
| <i>PROMOTION & INFORMATION</i> | | | | | |
| Wages & Benefits | | | | | |
| Staff | \$117,641 | \$99,994 | \$17,647 | 18% | \$95,763 |
| FICA | 10,097 | 8,818 | 1,278 | 14% | 8,367 |
| Pension | 13,198 | 11,527 | 1,671 | 14% | 7,335 |
| Health | 20,342 | 18,933 | 1,409 | 7% | 18,950 |
| Sick Pay | 2,919 | 2,963 | (44) | -1% | 3,987 |
| Vacation Pay | 5,076 | 4,261 | 816 | 19% | 6,893 |
| Holiday Pay | 5,076 | 6,442 | (1,365) | -21% | 4,620 |
| Other Paid Leave | 1,269 | 1,610 | (341) | -21% | 1,675 |
| Unemployment Insurance | 452 | 560 | (108) | -19% | 743 |
| Wages & Benefits Subtotal | \$176,070 | \$155,107 | \$20,962 | 14% | \$148,331 |
| Outside Services | | | | | |
| Media Ad Placement | 15,000 | 5,000 | 10,000 | 200% | 3,333 |
| Brochures & Publications | 19,200 | 9,200 | 10,000 | 109% | 10,092 |
| Market Research | 8,500 | 0 | 8,500 | 100% | 0 |
| Promotional Giveaways | 15,000 | 5,000 | 10,000 | 200% | 0 |
| Bus/Shuttle Decorations | 1,500 | 5,000 | (3,500) | -70% | 217 |
| Other Promotions | 94,300 | 66,300 | 28,000 | 42% | 29,800 |
| Route Schedules & Information | 109,950 | 126,200 | (16,250) | -13% | 103,920 |
| Training, Travel & Meetings | 4,000 | 6,000 | (2,000) | -33% | 3,511 |
| Outside Services Subtotal | \$267,450 | \$222,700 | \$44,750 | 20% | \$150,873 |
| <i>Promotion & Information Subtotal</i> | <u>\$443,520</u> | <u>\$377,807</u> | <u>\$65,712</u> | 17% | <u>\$299,205</u> |
| <i>FARE REVENUE COLLECTION</i> | | | | | |
| Wages & Benefits | | | | | |
| Staff | \$108,288 | \$106,148 | \$2,140 | 2% | \$95,237 |
| FICA | 9,787 | 9,596 | 192 | 2% | 8,612 |
| Pension | 12,794 | 12,544 | 251 | 2% | 11,419 |
| Health | 54,872 | 56,110 | (1,239) | -2% | 56,631 |
| Sick Pay | 3,331 | 3,286 | 46 | 1% | 6,528 |
| Vacation Pay | 9,326 | 9,143 | 183 | 2% | 11,187 |
| Holiday Pay | 4,663 | 4,572 | 91 | 2% | 2,773 |
| Other Paid Leave | 2,331 | 2,286 | 46 | 2% | 1,120 |
| Unemployment Insurance | 452 | 448 | 4 | 1% | 560 |
| Wages & Benefits Subtotal | \$205,846 | \$204,133 | \$1,713 | 1% | \$194,067 |
| Outside Services | | | | | |
| Fare Processing | \$15,000 | \$15,000 | \$0 | 0% | \$13,164 |
| Farebox Parts & Repairs | 15,000 | 38,000 | (23,000) | -61% | 26,499 |
| Tickets, Tokens & Transfers | 20,000 | 30,000 | (10,000) | -33% | 18,667 |
| Outside Services Subtotal | \$50,000 | \$83,000 | (\$33,000) | -40% | \$58,329 |
| <i>Fare Revenue Collection Subtotal</i> | <u>\$255,846</u> | <u>\$287,133</u> | <u>(\$31,287)</u> | -11% | <u>\$252,396</u> |
| TOTAL PSNGR ACCOMMODATIONS | <u>\$1,620,975</u> | <u>\$1,594,388</u> | <u>\$26,587</u> | 2% | <u>\$1,433,577</u> |

General Overhead Detail
Fiscal Year 2016-17

| | FY 17-18 Budget | FY 16-17 Budget | Budget Change | Percent Change | FY 16-17 Estimate |
|--------------------------------------|--------------------|--------------------|------------------|-------------------|----------------------|
| FINANCE | | | | | |
| Staff | \$338,415 | \$317,748 | \$20,667 | 7% | \$314,845 |
| FICA | 29,670 | 27,989 | 1,682 | 6% | 28,087 |
| Pension | 38,785 | 36,586 | 2,198 | 6% | 36,659 |
| Health | 82,699 | 83,303 | (604) | -1% | 81,935 |
| Sick Pay | 6,960 | 6,478 | 482 | 7% | 7,231 |
| Vacation Pay | 22,344 | 21,906 | 438 | 2% | 24,743 |
| Holiday Pay | 14,001 | 13,726 | 275 | 2% | 13,621 |
| Other Paid Leave | 6,125 | 6,005 | 120 | 2% | 6,176 |
| Unemployment Insurance | 1,018 | 1,008 | 10 | 1% | 1,335 |
| Financial Audit Services | 65,000 | 42,000 | 23,000 | 55% | 42,000 |
| <i>Finance Subtotal</i> | <u>\$605,017</u> | <u>\$556,750</u> | <u>\$48,267</u> | 9% | <u>\$556,630</u> |
| PERSONNEL | | | | | |
| Staff | \$101,909 | \$100,909 | \$1,000 | 1% | \$101,727 |
| FICA | 8,735 | 8,495 | 240 | 3% | 8,500 |
| Pension | 11,419 | 11,105 | 314 | 3% | 10,588 |
| Health | 34,273 | 35,191 | (917) | -3% | 34,980 |
| Sick Pay | 1,217 | 1,141 | 76 | 7% | 1,495 |
| Vacation Pay | 4,392 | 3,089 | 1,303 | 42% | 1,699 |
| Holiday Pay | 4,780 | 4,271 | 509 | 12% | 4,211 |
| Other Paid Leave | 2,390 | 2,135 | 254 | 12% | 2,359 |
| Unemployment Insurance | 339 | 336 | 3 | 1% | 420 |
| <i>Personnel Subtotal</i> | <u>\$169,454</u> | <u>\$166,672</u> | <u>\$2,782</u> | 2% | <u>\$165,978</u> |
| UTILITIES | | | | | |
| Telephone & Data Communicati | \$72,140 | \$62,000 | \$10,140 | 16% | \$72,883 |
| Power, Water & Refuse | 135,000 | 150,000 | (15,000) | -10% | 132,960 |
| Two-Way Radios | 12,360 | 15,000 | (2,640) | -18% | 10,940 |
| <i>Utilities Subtotal</i> | <u>\$219,501</u> | <u>\$227,000</u> | <u>(\$7,499)</u> | -3% | <u>\$216,783</u> |
| OPERATING FACILITIES | | | | | |
| Wages & Benefits | | | | | |
| Staff | \$57,022 | \$55,898 | \$1,123 | 2% | \$55,237 |
| FICA | 4,921 | 4,825 | 96 | 2% | 5,015 |
| Pension | 6,433 | 6,307 | 126 | 2% | 6,619 |
| Health | 10,171 | 10,717 | (546) | -5% | 10,393 |
| Sick Pay | 872 | 861 | 11 | 1% | 1,653 |
| Vacation Pay | 3,711 | 3,638 | 73 | 2% | 6,404 |
| Holiday Pay | 2,474 | 2,426 | 48 | 2% | 2,407 |
| Other Paid Leave | 247 | 243 | 5 | 2% | 0 |
| Unemployment Insurance | 226 | 224 | 2 | 1% | 280 |
| <i>Wages & Benefits Subtotal</i> | <u>\$86,077</u> | <u>\$85,138</u> | <u>\$939</u> | 1% | <u>\$88,008</u> |

General Overhead Detail
Fiscal Year 2016-17

| | FY 17-18 Budget | FY 16-17 Budget | Budget Change | Percent Change | FY 16-17 Estimate |
|---|---------------------------|---------------------------|-------------------------|-------------------|---------------------------|
| <i>OPERATING FACILITIES (cont'd)</i> | | | | | |
| Service Vehicles | | | | | |
| Parts & Repairs | \$20,000 | \$24,660 | (\$4,660) | -19% | \$29,204 |
| Fuel | 50,000 | 50,000 | 0 | 0% | 46,433 |
| Service Vehicles Subtotal | \$70,000 | \$72,000 | (\$4,660) | -6% | \$75,637 |
| Buildings & Grounds | | | | | |
| Contract Maintenance | \$83,360 | \$78,360 | \$5,000 | 6% | \$81,807 |
| Overpass Site | 5,500 | 7,500 | (2,000) | -27% | 103 |
| B&G Repairs/Supplies | 40,000 | 42,000 | (2,000) | -5% | 28,711 |
| Property Insurance | 55,771 | 51,352 | 4,419 | 9% | 48,457 |
| Buildings & Grounds Subtotal | \$184,631 | \$179,212 | \$5,419 | 3% | \$159,077 |
| <i>Operating Facilities Subtotal</i> | <u>\$340,709</u> | <u>\$336,350</u> | <u>\$1,699</u> | 1% | <u>\$322,723</u> |
| <i>DISTRICT ADMINISTRATION</i> | | | | | |
| Wages & Benefits | | | | | |
| Staff | \$558,463 | \$514,501 | \$43,962 | 9% | \$518,125 |
| Bus Ad Revenue Placement | 2,264 | 0 | 2,264 | #DIV/0! | 148 |
| FICA | 49,964 | 46,363 | 3,601 | 8% | 42,052 |
| Pension | 65,312 | 60,605 | 4,707 | 8% | 61,501 |
| Health | 147,455 | 130,879 | 16,576 | 13% | 127,535 |
| Sick Pay | 10,467 | 10,390 | 77 | 1% | 11,780 |
| Vacation Pay | 54,005 | 51,306 | 2,699 | 5% | 46,528 |
| Holiday Pay | 23,222 | 22,967 | 255 | 1% | 22,643 |
| Other Paid Leave | 6,967 | 6,890 | 77 | 1% | 9,393 |
| Unemployment Insurance | 1,697 | 1,456 | 241 | 17% | 1,820 |
| Wages & Benefits Subtotal | \$919,814 | \$845,357 | \$74,457 | 9% | \$841,526 |
| Administrative Services | | | | | |
| Directors Fees | \$12,600 | \$12,600 | \$0 | 0% | \$8,960 |
| Public Officials Insurance | 67,040 | 62,752 | 4,288 | 7% | 61,429 |
| Legal Counsel | 85,000 | 75,000 | 10,000 | 13% | 97,552 |
| Pension Administration | 2,500 | 2,700 | (200) | -7% | 0 |
| Office Equipment Maintenance | 165,000 | 164,048 | 952 | 1% | 159,141 |
| Miscellaneous Services | 93,398 | 97,398 | (4,000) | -4% | 87,848 |
| Office & Computer Supplies | 45,000 | 50,000 | (5,000) | -10% | 42,589 |
| Dues & Subscriptions | 55,000 | 50,000 | 5,000 | 10% | 56,552 |
| Conferences Meetings Training | 19,000 | 17,698 | 1,302 | 7% | 17,847 |
| Employee Relations | 20,000 | 18,500 | 1,500 | 8% | 25,508 |
| Retiree Health Insurance | 60,000 | 63,481 | (3,481) | -5% | 57,679 |
| Mandated Fees & Permits | 40,000 | 34,000 | 6,000 | 18% | 45,397 |
| Bus Ad Revenue Program | 9,000 | 10,375 | (1,375) | -13% | 7,976 |
| Miscellaneous Expenses | 15,000 | 25,000 | (10,000) | -40% | 11,435 |
| Administrative Services Subtotal | \$688,538 | \$683,552 | \$4,986 | 1% | \$679,913 |
| <i>District Administration Subtotal</i> | <u>\$1,608,353</u> | <u>\$1,528,909</u> | <u>\$79,443</u> | 5% | <u>\$1,521,439</u> |
| TOTAL GENERAL OVERHEAD | <u><u>\$2,943,033</u></u> | <u><u>\$2,815,682</u></u> | <u><u>\$124,691</u></u> | 4% | <u><u>\$2,783,553</u></u> |

Capital Project Detail
Fiscal Year 2017-18

| | FY 17-18 Budget | FY 16-17 Budget | Change (\$) | New Funding | Carryover Funding |
|---|---------------------|---------------------|----------------------|--------------------|----------------------|
| <i>REVENUE VEHICLE PURCHASES</i> | | | | | |
| 40' Diesel Buses (10) | \$5,000,000 | \$1,425,000 | \$3,575,000 | \$5,000,000 | \$0 |
| 40' Electric Buses (4) | 2,000,000 | 0 | 2,000,000 | 2,000,000 | 0 |
| 30' Electric Buses (8) | 3,100,000 | 3,100,000 | 0 | 0 | 3,100,000 |
| 30' Electric Buses-Capital Lease (6) | 2,329,000 | 2,329,000 | 0 | 0 | 2,329,000 |
| Paratransit Vans for Easy Lift (2) | 0 | 100,000 | (100,000) | 0 | 0 |
| Subtotal | <u>\$12,429,000</u> | <u>\$6,954,000</u> | <u>\$5,475,000</u> | <u>\$7,000,000</u> | <u>\$5,429,000</u> |
| <i>REVENUE VEHICLE IMPROVEMENTS</i> | | | | | |
| Bus Refurbishing | \$300,000 | \$100,000 | \$200,000 | \$200,000 | \$100,000 |
| Diesel Fleet Drivetrains | 200,000 | 185,000 | 15,000 | 200,000 | 0 |
| Hybrid Bus Battery Replacements | 450,000 | 100,000 | 350,000 | 350,000 | 100,000 |
| EV Drivetrains & Chargers | 0 | 40,000 | (40,000) | 0 | 0 |
| Subtotal | <u>\$950,000</u> | <u>\$425,000</u> | <u>\$525,000</u> | <u>\$750,000</u> | <u>\$200,000</u> |
| <i>OPERATING FACILITIES</i> | | | | | |
| Canopy Improvements | \$0 | \$733,000 | (\$733,000) | \$0 | \$0 |
| Shop Structural & Roof Upgrades | 225,000 | 225,000 | 0 | 150,000 | 75,000 |
| Charging Infrastructure Upgrades | 0 | 160,000 | (160,000) | 0 | 0 |
| Security Upgrades | 83,000 | 0 | 83,000 | 83,000 | 0 |
| Operating Facilities Allowance | 75,000 | 50,000 | 25,000 | 75,000 | 0 |
| Calle Real Development | 100,000 | 100,000 | 0 | 100,000 | 0 |
| Subtotal | <u>\$483,000</u> | <u>\$1,268,000</u> | <u>(\$785,000)</u> | <u>\$408,000</u> | <u>\$75,000</u> |
| <i>PASSENGER FACILITIES</i> | | | | | |
| TC Renovation Project | \$2,400,000 | \$1,900,000 | \$500,000 | \$500,000 | \$1,900,000 |
| Bus Stop Upgrades | 600,000 | 580,000 | 20,000 | 20,000 | 580,000 |
| Subtotal | <u>\$3,000,000</u> | <u>\$2,480,000</u> | <u>\$520,000</u> | <u>\$520,000</u> | <u>\$2,480,000</u> |
| <i>INTELLIGENT TRANSPORTATION SYSTEMS</i> | | | | | |
| AVL Project (AIM) | \$150,000 | \$2,150,000 | (\$2,000,000) | \$150,000 | \$0 |
| Advanced Fare Collection System | 0 | 1,000,000 | (1,000,000) | 0 | 0 |
| Smartcard Project | 150,000 | 985,000 | (835,000) | 0 | 150,000 |
| Subtotal | <u>\$300,000</u> | <u>\$4,135,000</u> | <u>(\$3,835,000)</u> | <u>\$150,000</u> | <u>\$150,000</u> |
| <i>INFORMATION SYSTEMS</i> | | | | | |
| Fuel & Mileage Monitoring System | \$150,000 | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| Software Systems Upgrades | 175,000 | 35,000 | 140,000 | 175,000 | 0 |
| IT Infrastructure Allowance | 50,000 | 75,000 | (25,000) | 50,000 | 0 |
| Subtotal | <u>\$375,000</u> | <u>\$185,000</u> | <u>\$190,000</u> | <u>\$300,000</u> | <u>\$75,000</u> |
| <i>OTHER EQUIPMENT</i> | | | | | |
| Shop Equipment Allowance | \$75,000 | \$75,000 | \$0 | \$75,000 | \$0 |
| Service Vehicles | 200,000 | 100,000 | 100,000 | \$100,000 | \$100,000 |
| Fare Collection & Radio Allowance | 25,000 | 75,000 | (50,000) | 25,000 | 0 |
| Office Furniture Allowance | 25,000 | 25,000 | 0 | 25,000 | 0 |
| Subtotal | <u>\$325,000</u> | <u>\$275,000</u> | <u>\$50,000</u> | <u>\$225,000</u> | <u>\$100,000</u> |
| Total Capital Projects | <u>\$17,862,000</u> | <u>\$15,722,000</u> | <u>\$2,140,000</u> | <u>\$9,353,000</u> | <u>\$8,509,000</u> |



BOARD OF DIRECTORS REPORT

AGENDA DATE: JUNE 14, 2017

AGENDA ITEM #: 9

TYPE: ACTION

PREPARED BY: MARY GREGG

Signature

REVIEWED BY: JERRY ESTRADA

GM Signature

SUBJECT: Renewal of Flood Insurance - July 10, 2017 through July 10, 2018

RECOMMENDATION:

Staff recommends that the Board of Directors authorize renewal of the Flood Insurance coverage with Wright National Flood Insurance Company effective July 10, 2017, at a total premium of \$27,743, with a deductible of \$25,000 per coverage.

DISCUSSION:

The policy covers all buildings and their contents at 550 Olive Street as follows: administrative, fuel service island, bus wash, carport, and maintenance. Coverage complies with the FTA requirement that grantees with federally-funded buildings located in a flood zone must purchase flood insurance for those properties. Flood coverage and underwriting rules are established by the National Flood Insurance Program (NFIP). Insurance companies are contracted to underwrite the flood policies and base pricing for flood zones is set by FEMA. Per the City of Santa Barbara's Flood Insurance Rate Maps (FIRMS), MTD is in Zone AH, defined as "Areas subject to inundation by 1-percent-annual chance shallow flooding (usually areas of ponding) where average depths are between one and three feet. Base Flood Elevations (BFEs) derived from detailed hydraulic analyses are shown in this zone."

BUDGET/FINANCIAL INFORMATION:

| | Renewal 2017-2018 | Expiring 2016-2017 | Prior 2015-2016 | Prior 2014-2015 |
|----------------|----------------------|-----------------------|--------------------|--------------------|
| Administration | \$ 6,880 | \$ 6,762 | \$ 6,230 | \$ 5,416 |
| Fuel Service | \$ 6,145 | \$ 6,085 | \$ 5,682 | \$ 4,776 |
| Bus Wash | \$ 3,703 | \$ 3,657 | \$ 3,461 | \$ 2,698 |
| Carport | \$ 4,135 | \$ 4,028 | \$ 3,728 | \$ 2,980 |
| Maintenance | \$ 6,880 | \$ 6,762 | \$ 6,230 | \$ 5,416 |
| Total | \$ 27,743 | \$ 27,294 | \$ 25,331 | \$ 21,286 |

To: MTD Board of Directors
From: Jerry Estrada, General Manager
Date: June 14, 2017
Subject: General Manager's Report

Operations:

Manny Castanon, Safety and Training Officer attended the TSI course in Fundamentals of Bus Collision, Investigation and Accident Reconstruction, held in Oceanside, California. The week long course was interesting, detailed and informative. Techniques and methodologies learned are planned to be implemented.

Of our newest class of Operators in Training: Anthony Nicholson, Lisbet Sotelo-Garcia and Brian Ronces – all have successfully passed their DMV Commercial License testing. They all are continuing their training schedules, and, are expected to be released this month for their respective bid runs.

Fleet & Facilities:

As of last week twelve of the fourteen BYD shuttles on order were in production with the first two in paint preparation. The remaining ten were in early levels of construction. NEC Electrical contractor has completed 85% of the 480v charger infrastructure changes necessitated by the arrival of the BYD buses. Several project changes have resulted in significant delays. The second MCB switchgear is from Square D was inspected by Square D staff on June 3, 2017. Also present for the inspection was the MTD's electrical engineer John Maloney and SCE staff. This inspection necessitated the complete shutoff of electricity to the MTD's Olive facility but a backup generator was brought in to power the computer and phone networks during the brief shutoff. Once the Square D parts arrive this week, we will be less than two weeks out to completion of the charger project.

The build delay will mean that MTD will need to count on running all (14) EBus trolleys through this summer. To ensure that the remaining seven Ebus's that are powered by Saft NiCad batteries can make it through the summer, MTD maintenance staff procured another complete used set of modules. They were picked up from Ebus on June 5, 2017.

The (3) new 40' Gillig diesel buses have been delivered by Gillig. They are now licensed, have their radios installed and are nearly ready for service. The T1 Canopy Roof Replacement project continues with Phase III nearly completed. The LED lighting is installed and all concrete work completed. On May 25, 2017 a JB Hunt semi-trailer delivering Goodyear tires struck one of the upper I beams in the recently renovated canopy causing some structural damage. MTD's structural engineer has inspected the damage and a repair plan is being drawn up.

Administration

Staff attended meetings of the Santa Barbara County Association of Governments' (SBCAG's) Technical Transportation Advisory Committee (TTAC) on Thursday, June 1. MTD is a voting member of the committee. TTAC voted to recommend that the SBCAG Board approve the allocation of funds

from the FY 2018 Transportation Development Act - Local Transportation Fund, the FY 2018 Measure A Program of Projects, and Amendment #6 to the 2017 Federal Transportation Improvement Program (FTIP). One item included in the FTIP amendment was FTA Section 5310 funding awarded by Caltrans to Easy Lift for several replacement vehicles. TTAC also received an update on the upcoming Highway 101 High Occupancy Vehicle (HOV) project.

Following the TTAC meeting, SBCAG presented an update on the "Road Repair and Accountability Act of 2017" (Senate Bill 1, or SB1). The presentation focused primarily on SB1 programs that are under the purview of the California Transportation Commission, which oversees the highway and street & road funding. Thus, little was said about the increase in transit funding. Staff will continue to monitor the implementation of SB1.

The MTD Board approved MTD's application for FY 2017 Proposition 1B Transit Security funds from the California Governor's Office of Emergency Services (Cal OES) at the meeting of May 16, and the SBCAG Board approved the application at their meeting of May 18. Staff has now submitted the application to Cal OES for review.

General Manager Estrada and staff attended an SBCAG meeting to kick-off their consultant study of possible rail service that would serve the demand for commuters from Ventura County. The consultant will look at various rail service options.

General Manager Estrada and staff attended two meetings with partner agencies regarding the possible operation of the Clean Air Express by MTD. The meetings were productive, and staff will continue to review the feasibility of the proposal.

MTD and City of Goleta Public Works staff met to discuss minimizing impacts to the four Line 25 and booster service bus stops along the south side of Hollister Avenue during construction of the Hollister Avenue Bike Path project. The project extends from Pacific Oaks Road to Ellwood School.

Planning staff attended the Santa Barbara County Hollister Avenue-State Street Streetscape Improvements Project community workshop on May 25th. The project is also proposed to include widening the two lane segment of roadway extending from west of Hwy 154 to San Antonio Road to four lanes by 2030. Bus stop improvements are included as part of the project.

George Amoon, Planning Manager, served as a panelist at the 4th annual Santa Barbara Housing Conference hosted by the Coastal Housing Coalition on May 19th. Mr. Amoon discussed the recent decreasing ridership trend nationally and locally, how transit is planned with development, and the new upcoming transit technologies MTD will be debuting to the public later this year.

The Excess Workers' Compensation coverage through CSAC Excess Insurance Authority renews July 1, 2017. The estimated premium projection, based on MTD's estimated 2017/18 exposure and losses through June 30, 2016, is very favorable. Underwriters are finalizing miscellaneous fees and a final premium proposal is expected to be distributed the week of June 19. Staff will present the proposal at the Board Meeting on June 27.

MTD welcomes Mark Glenn Raymundo as a new Service Worker. Mark Glenn has over eight years' experience in an equivalent position, Service Attendant, at The Bus / Oahu Transit Services in

Honolulu, HI. Human Resources will hold a Driver Orientation on June 21 as part of on-going recruitment for open bus operator positions.

Marketing has been working with HR to create and post job opening announcements on all of MTD's social media sites. CHP met with Risk to review MTD's Drug & Alcohol Program as part of the recent audit, and the program met all compliance requirements.

Marketing and Community Relations Manager Hillary Blackerby along with Trainer Bill Adams and Trainee Lisbet Sotelo-Garcia gave a presentation at UCP Work, Inc. to a group of 30 day program attendees on how to take the bus, complete with practice loading and unloading.

On June 1st, staff of Bici Centro, the Santa Barbara Bicycle Coalition's bike shop came to collect the first load of unclaimed bikes per our new policy. These bikes will be repaired by volunteers and sold to fund local bike education programs for youth and adults.