

# **Santa Barbara Metropolitan Transit District**

**Adopted Budget**

**Fiscal Year**

**July 1, 2012 through June 30, 2013**



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## **Budget Summary**

### **Key Points**

#### Service

- Base service hours are budgeted to decrease by approximately 2.2%.
- Inter-regional transit service between the Santa Ynez Valley and the South Coast was terminated in August of 2011. New commuter service between Ventura and the South Coast began soon thereafter. Funding was provided by Caltrans and is anticipated to last two to three years.
- The Commuter Lot Shuttle Service is not included in the fiscal year 2012-13 budget and approximately 20% of the Crosstown Shuttle service hours were cut as well.
- Federal funding for the Isla Vista Shuttle service will expire in August of 2012.
- Ridership is projected to increase by 1.1%.

#### Revenues

- Transportation Development Act - Local Transportation Fund (TDA-LTF) sales tax revenue is projected to increase by 3% versus prior year estimates to \$6,425,347 in FY 2012-13.
- Federal Congestion Mitigation and Air Quality (CMAQ) funds for the Isla Vista Shuttle are expected to expire by August 2012.
- Passenger Fare revenue of \$7,912,335 is slightly less than the prior year estimate.
- Federal Operating Assistance of \$4,241,935 is projected to remain flat.

#### Expenses

- Annual operating expense is projected to increase by \$813,563 or 3.7% from the prior year estimate.
- Fuel/Electric Bus Power cost of \$2,456,380 reflects a \$427,986 or 21% increase versus the prior year estimate. Staff assumed a price of \$3.37 per gallon of diesel fuel for the upcoming year. The price per gallon excludes expense related to delivery and taxes.
- Wages & Benefits are budgeted to increase by \$204,613 or 1.3% from the prior year estimate. The budget assumes a CPI increase and additional funding for health insurance premiums.

#### Capital

- The capital budget includes a number of projects that have been rolled over from the previous year. New projects include the acquisition of articulated buses and additional 40' bus replacements.

#### Net Assets – Unrestricted

- Staff is recommending that \$635,651 in unrestricted net assets be budgeted to balance the operating budget. In addition, an estimated unfunded liability of \$1,000,000 for post-retirement health benefits will be posted to the financial statements at the end of the fiscal year.

**Financials & Service Statistics**

	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>	<b>Change</b>
	<b>Actual</b>	<b>Final Estimate</b>	<b>Adopted Budget</b>	<b>from Estimate</b>
<b>Operating Budget</b>				
<b>Total Operating Revenue</b>	<b>\$21,744,997</b>	<b>\$21,867,641</b>	<b>\$22,681,204</b>	<b>4%</b>
Sales Tax Revenue (TDA-LTF)	\$5,731,380	\$5,722,105	\$6,425,347	12%
Passenger Fares	8,149,358	8,144,375	7,912,335	-3%
Local Operating Assistance	1,689,821	1,873,056	1,847,588	-1%
Federal Operating Assistance	4,302,245	4,241,935	4,241,935	0%
Property Tax	866,753	830,000	850,000	2%
Other Sources	732,440	788,470	727,618	-8%
Federal CMAQ Assistance	273,000	267,700	40,729	-85%
Net Assets - Unrestricted	0	0	635,651	n/a
<b>Total Operating Expense</b>	<b>\$21,744,997</b>	<b>\$21,867,641</b>	<b>\$22,681,204</b>	<b>4%</b>
Wages & Benefits	\$15,717,706	\$15,695,901	\$15,900,514	1%
Workers Compensation	701,250	589,011	712,500	21%
Materials/Supplies	957,270	1,148,484	1,187,360	3%
Services/Utilities/Misc	1,764,020	1,831,433	1,850,032	1%
Fuel/Electric Bus Power	2,030,340	2,028,394	2,456,380	21%
ADA Paratransit	574,411	574,418	574,418	0%
<b>Farebox Recovery Ratio</b>	<b>37.5%</b>	<b>37.2%</b>	<b>34.9%</b>	<b>-6%</b>
<b>Capital Budget</b>				
<b>Total Capital Revenue</b>	<b>\$7,833,512</b>	<b>\$725,972</b>	<b>\$16,663,152</b>	
(TDA-LTF) Current Year (applied to Capital)	\$7,410	\$0	\$0	
(TDA-STA) State Transit Assistance - Current Year	0	0	1,080,279	
(TDA-STA) State Transit Assistance - Prior Year	513,985	10,000	2,789,787	
Measure A - Capital Replacement Fund	479,870	365,972	1,425,537	
Local Capital Assistance	26,252	38,000	0	
Federal Capital Assistance	2,994,199	112,000	3,220,801	
Prop 1B - Capital Assistance Funds	3,811,796	200,000	8,146,748	
<b>Total Capital Expense</b>	<b>\$7,833,512</b>	<b>\$725,972</b>	<b>\$16,663,152</b>	
Land & Buildings	\$369,077	\$225,000	\$765,000	
Buses	7,315,952	295,972	12,686,162	
Service Vehicles	0	0	50,000	
Management Information Systems	0	5,000	40,000	
Intelligent Transportation Systems	0	0	2,700,000	
Bus Stops	0	50,000	291,990	
Other Capital Items	148,483	150,000	130,000	

**Financials & Service Statistics**

**Operating & Capital Reserves**

	<b>FY 2010-11 Actual</b>	<b>FY 2011-12 Estimated</b>	<b>FY 2012-13 Projected</b>
<b><u>Net Assets - Unrestricted</u></b>			
<b>Beg. Fund Balance</b>	<b>\$6,816,431</b>	<b>\$5,988,709</b>	<b>\$5,257,754</b>
Net Gain/Loss from Operating Activities	193,278	269,045	(635,651)
*Post-Retirement Benefits - Retiree Health Care	(1,021,000)	(1,000,000)	(1,030,000)
<b>Ending Fund Balance</b>	<b>\$5,988,709</b>	<b>\$5,257,754</b>	<b>\$3,592,103</b>

**Capital Account Reserves**

Proposition 1B - PTMISEA	\$1,354,304	\$5,970,697	\$0
Proposition 1B - Transit Security	299,938	559,200	0
(TDA-STA) State Transit Assistance - Prior Year	3,900,198	3,890,198	2,180,690
<b>Ending Fund Balance</b>	<b>\$5,554,440</b>	<b>\$10,420,095</b>	<b>\$2,180,690</b>

\*The Post-Retirement figure represents the estimated annual unfunded liability associated with retiree health insurance commitments. Consistent with Generally Accepted Accounting Principals (GAAP) Statement No. 45, MTD books the estimated unfunded liability at the end of the fiscal year.

**Ridership & Service Levels**

	<b>FY 2010-11 Actual</b>	<b>FY 2011-12 Final Estimate</b>	<b>FY 2012-13 Adopted Budget</b>
<b>Ridership</b>			
Regular	5,905,583	6,007,838	6,083,962
Shuttles	538,068	554,074	548,683
Express	1,242,737	1,401,878	1,422,907
Regional	26,310	16,714	13,721
<b>Total Ridership</b>	<b>7,712,698</b>	<b>7,980,504</b>	<b>8,069,273</b>
<b>Service Miles</b>			
Regular	1,857,052	1,801,282	1,742,805
Shuttles	91,691	91,874	80,423
Express	611,112	617,164	593,736
Regional	70,251	74,944	76,838
<b>Total Service Miles</b>	<b>2,630,106</b>	<b>2,585,264</b>	<b>2,493,802</b>
<b>Service Hours</b>			
Regular	165,946	158,173	155,802
Shuttles	16,445	16,464	14,877
Express	26,843	27,045	26,535
Regional	1,776	1,927	1,860
<b>Total Service Hours</b>	<b>211,010</b>	<b>203,609</b>	<b>199,074</b>
<b>Passengers per Mile</b>	<b>2.9</b>	<b>3.1</b>	<b>3.2</b>
<b>Passengers per Hour</b>	<b>36.6</b>	<b>39.2</b>	<b>40.5</b>

## ***Executive Summary***

Santa Barbara Metropolitan Transit District's (District) adopted operating budget of \$22,681,204 for fiscal year 2012-13 is \$813,563 or 3.7% higher than prior year estimated expenditures. Staff is proposing a balanced operating budget that includes the use of \$635,651 in reserves, which equates to 2.8% of the adopted budget.

Not since the immediate aftermath of the Great Recession in 2008, has the District faced so much uncertainty regarding its future finances. The District is not unique in this regard; public agencies throughout the state of California are attempting to anticipate the potential result of November's elections as it pertains to state funding. Nationally, public transit operators are bracing for Congressional action regarding a long-term federal Transportation Bill. To put the matter into perspective, below is a brief outline of some of the major financial issues facing the District:

➤ **Renewal of SAFETEA-LU**

Federal public transit funding has been stagnant as Congress continues to debate the reauthorization of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users. (SAFETEA-LU) The District receives approximately \$4.2 million annually in federal assistance, which is spent on operating activities.

Congressional leaders in the House of Representatives have proposed reducing public transit funding by as much as 30%. Additionally, federal discretionary spending is slated to be cut by \$1.2 trillion by the end of the calendar year. This was mandated by the Congressional Deficit Reduction Committee to end the crisis over raising the debt ceiling that occurred in the summer of 2011. The federal government does not classify public transportation as discretionary spending. However, the leadership of the House of Representatives has proposed eliminating public transit's guaranteed funding, which could jeopardize future appropriations.

➤ **State Funding & November Elections**

The state of California has struggled to close chronic budget deficits and the Governor's plan for fiscal year 2012-13 includes a proposed tax initiative, restructuring of services and trigger cuts that would primarily affect schools if the voters do not approve the tax measure. The District relies on approximately \$1 million annually in State Transit Assistance to balance its capital budget.

○ **Dissolution of State Redevelopment Agencies**

The adopted budget assumes net funding of \$900,000 for the Downtown-Waterfront Electric Shuttle (DWE) and Crosstown Shuttle. Termination of the City of Santa Barbara Redevelopment Agency resulted in a loss of revenue in the amount of \$200,000 to the District.

- Loss of RDA & Potential Impact on City Parking Lots

The city of Santa Barbara recently expressed concern regarding additional fallout from the dissolution of the redevelopment agency. Apparently, some of the city's parking program assets are at risk.

- State Budget - Potential Impact on Santa Barbara City College (SBCC)

The District has worked closely with SBCC administrators and the Student Senate to address capacity issues on the line 15x serving campus to and from Isla Vista. The District has held discussions with SBCC regarding the need to increase revenue to support existing public transit service. The impact on students and the college if voters do not approve the Governor's tax initiative creates another uncertainty in the District's dealings with SBCC.

- Collective Bargaining Agreements

The District's collective bargaining agreements with its drivers, supervisors and maintenance personnel expire June 30, 2012 and negotiations are in progress.

- Fixed-Price Diesel Fuel Contract

The District is under contract to pay \$3.37 per gallon, less delivery and taxes, until November 30, 2012. The budget assumes the same price for the remainder of the fiscal year resulting in a budgeted cost allocation of approximately \$2.3 million.

### Background

In early March, staff presented the draft-operating budget for fiscal year 2012-13, which estimated the use of approximately \$900,000 in reserves. Operating revenue reflected staff's conservative assumption that the growth in sales tax receipts would slow significantly in the second half of fiscal year 2011-12. Additionally, the following three items attributed to the expected deficit:

- The District's two-year fixed-price diesel fuel contract expired on June 1, 2012. The District was paying \$2.57 per gallon and based on industry feedback assumed a price of \$3.50 per gallon as the average for fiscal year 2012-13. The District consumes approximately 615,000 gallons of diesel fuel a year. The change resulted in a forecasted increase of \$608,369.
- For forecasting purposes only, staff assumed an annual CPI increase in wages (2.1%) for fiscal year 2012-13 and an 8% annual increase in health insurance premium contributions.
- Congestion Mitigation and Air Quality (CMAQ) funds available to support the last South Coast Transit Priorities (SCTP) service expansion route (IV/Shuttle) will expire in August 2012. The estimated amount of subsidy remaining, \$40,729 is

projected to support the service through August 2012, which translates into a decline of \$265,577 in annual operating assistance.

In late March, staff introduced a draft service plan including modifications to routes serving the Hollister/State Street Corridor to improve schedule adherence. The elimination of the Line 22 due to poor performance and a number of other minor modifications were included for consideration.

The majority of service changes proposed by staff were approved in May by the board of directors. The exception was a decision regarding the elimination of the Line 22. This discussion was postponed until the end of the calendar year. The deferral was based on a better than expected quarterly financial update for the nine month period ending March 31, 2012 and a great deal of uncertainty regarding a host of issues that were discussed earlier.

#### Recent Events

To begin addressing the estimated structural deficit of \$900,000 the following steps were taken resulting in the current estimate of \$635,651:

- The Board of Directors authorized the general manager to negotiate and extend the current fixed-price diesel fuel contract for an additional six-months (June 2012 – November 2012) if a price below \$3.50 per gallon could be achieved. A contract amendment was executed in early May at a price of \$3.37 per gallon.

The District intends to release a new solicitation in September that will provide greater flexibility going forward to take advantage of a possible down turn in energy prices.

- The District opted to join the California State Association of Counties, Excess Insurance Authority for the provision of staff health insurance. The change resulted in considerable cost savings to the District.
- The District also worked with its existing retirees to assist them in moving to individual health insurance plans, which resulted in a reduction in expenditures.
- Management has frozen a few positions that had become open due to attrition.

In summary, a significant number of issues appear to be coalescing around November 2012 that will have a dramatic impact on the District's finances. Management anticipates that due to the projected structural imbalance in the operating budget, it is likely that the District will have to begin the process to raise fares in fiscal year 2012-13.



## **Operating Budget**

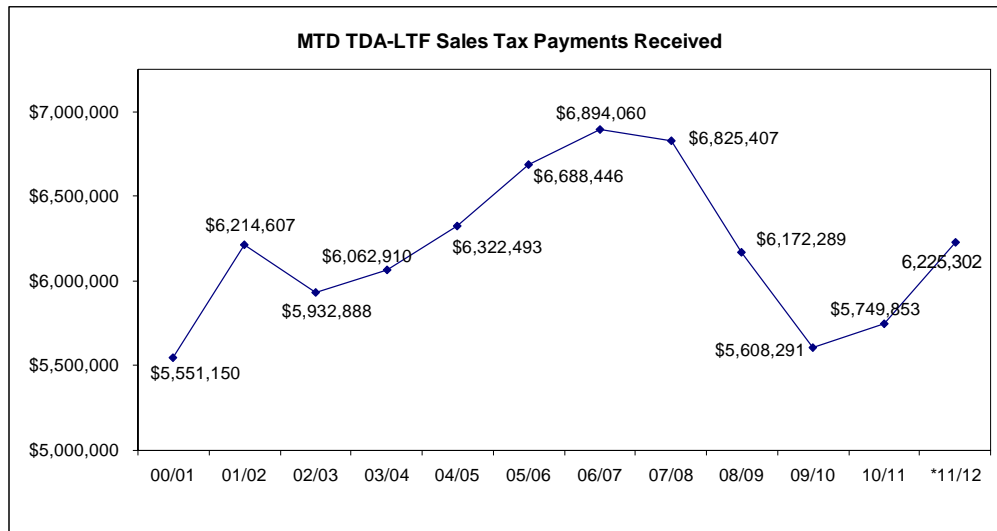
### **Operating Revenue**

Operating revenue of \$22,681,204 is budgeted to increase by \$813,563 or 3.7% versus the prior year estimate. However, the majority of the growth is attributable to the allocation of additional sales tax revenue required to balance the operating budget.

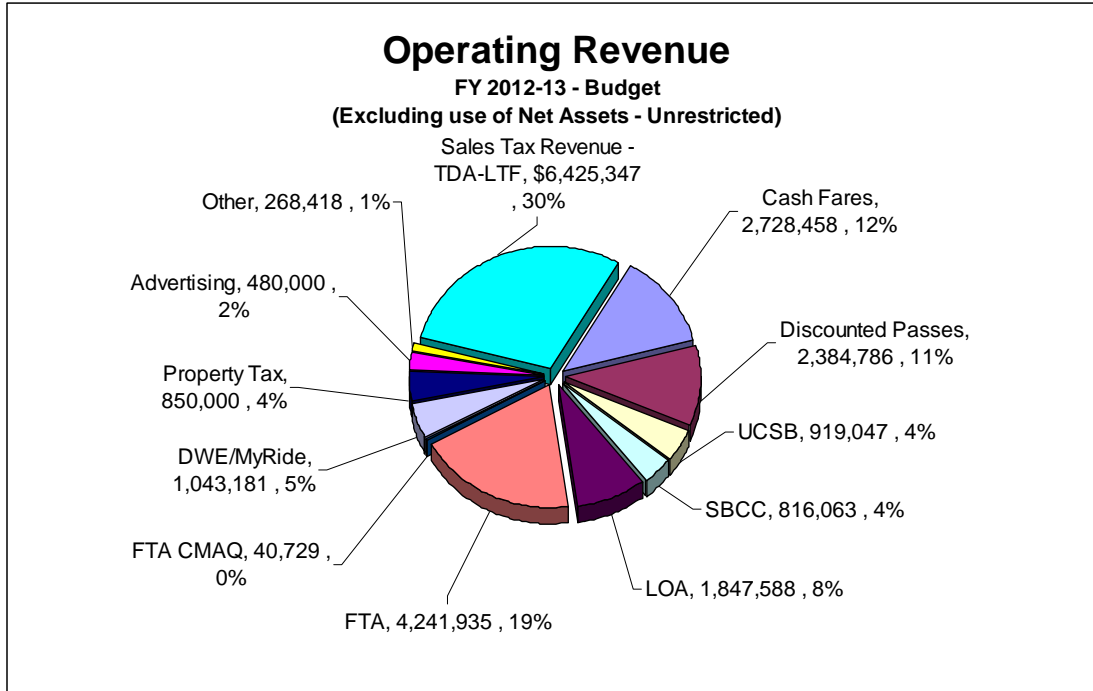
### **Sales Tax Revenue Allocated to Operating Activities**

	<u>FY 11/12</u>	<u>FY 12/13</u>
Sales Tax Revenue - TDA-LTF	\$5,991,150	\$6,425,347

The \$5,991,150 allocated to operating activities reflects the entire amount allocated to the District for fiscal year 2011-12. Sales tax revenue returns have exceeded growth estimates over the past 12-months, which will likely result in an “End-of-Year” allocation from SBCAG in August 2012. The “End-of-Year” allocation is not reflected in the fiscal year 2012-13 budget, as the funds have not been officially allocated to the District. Typically, the funds are accounted for during the 6-month budget revision process. The chart below provides a glimpse of where the overall funding source stands today versus prior years and includes the District’s estimate assuming an “End-of-Year” allocation for fiscal year 2011-12.



As the chart above indicates, sales tax revenue derived from TDA-LTF is estimated to be similar to what the District received in fiscal year 2004-05. TDA-LTF sales tax revenue is estimated to account for 29% of the District’s operating revenue in fiscal year 2012-13. The District has budgeted for a 3% increase from the prior year estimate.



Passenger fare revenue of \$7,912,335 consists of cash fares, discounted passes, UCSB & SBCC student bulk pass programs and city of Santa Barbara fare buy down subsidy for the Downtown Waterfront Electric Shuttle service. The District is projecting a small ridership increase of 1.1% and that customers will continue their trend toward the use of discounted passes at a rate similar to that experienced in the prior year. UCSB and SBCC revenue is estimated to decrease by 1% to reflect slight enrollment declines at the two colleges. The city of Santa Barbara fare buy down subsidy decreased by \$200,000 to \$900,000 net, due to the termination of redevelopment agency funding.

Federal operating assistance of \$4,241,935 is equal to the prior year estimate. As discussed earlier, the future funding level of federal assistance is questionable, as a long-term renewal of the federal Transportation Bill has remained elusive. Federal Congestion Mitigation and Air Quality (CMAQ) funds of \$40,729 represents the final two months of subsidy for the IV/Shuttle service.

Property tax revenue has held firm over the years despite the crash in real estate prices since 2008. Some of the property tax revenue that has been diverted from the District to the local redevelopment agencies will be restored in the near future. A preliminary estimate in the range of a \$100,000 a year would be reasonable.

**Operating Expense**

<b>Wages &amp; Fringe Benefits</b>	Actual	Estimated	Adopted
	FY 2010-11	FY 2011-12	FY 2012-13
Wages	\$10,090,154	\$10,039,301	\$10,050,045
Fringe Benefits	5,627,552	5,656,600	5,850,469
	<u>\$15,717,706</u>	<u>\$15,695,901</u>	<u>\$15,900,514</u>

**Fringe Benefits Summary**

	Actual	Estimated	Adopted
	FY 2010-11	FY 2011-12	FY 2012-13
Fringe Benefits	<u>\$5,627,552</u>	<u>\$5,656,600</u>	<u>\$5,850,469</u>
Health Insurance	\$1,933,457	\$2,046,845	\$2,233,592
Pension	\$1,312,223	\$1,279,099	\$1,281,217
Other	\$2,381,872	\$2,330,656	\$2,335,661
(Sick, Vacation, FICA, etc.)			

Wages & Benefits of \$15,900,514 reflect an increase of 1.3% versus prior year estimates. Wages as a whole are projected to increase by \$10,744 or less than one-half percent despite the inclusion of a cost-of-living increase of 2.1%. The 2.2% reduction in service hours has offset the cost-of-living increase, as driver pay constitutes 70% of total wages. Attrition in the mechanic and utility worker positions has allowed the District to freeze each classification at thirteen for the upcoming year. The District has functioned well at these levels in the past during employee leaves of absence, etc. Staffing at the Transit Center has changed significantly in the past year, which is expected to result in some savings.

The cost of living increase has been included in the budget as a placeholder and should not be construed as an offer or a guarantee that it will be implemented. Noteworthy is the fact that staff has gone without a cost-of-living increase since January 2009, while pay rates by years of service and/or job classification for union members have not increased since July 2009. Wage increases associated with step increases or promotions have occurred during the aforementioned period.

Health Insurance Expense

	<u>FY 07-08</u>	<u>FY 08-09</u>	<u>FY 09-10</u>	<u>FY 10-11</u>	<u>FY 11-12</u>	<u>FY 12-13</u>
Health Insurance Expense:	\$1,552,809	\$1,721,227	\$1,927,160	\$1,933,457	\$2,046,845	\$2,233,592
Change vs. PY:	-	\$168,418	\$205,933	\$6,297	\$113,388	\$186,746
% Change from PY:	-	10.8%	12.0%	0.3%	5.9%	9.1%
Operating Budget:	19,995,713	20,823,923	20,809,726	21,744,997	21,867,641	22,681,204
% of Operating Budget:	7.8%	8.3%	9.3%	8.9%	9.4%	9.8%

The District has continuously increased its contribution toward health insurance premiums and has budgeted for a significant increase in fiscal year 2012-13. The illustration above highlights the District's financial commitment to its employees and

their well-being. A 9.1% increase in health insurance costs has been budgeted for fiscal year 2012-13. The District's decision to join the California State Association of Counties, Excess Insurance Authority health insurance pool resulted in considerable savings as it pertains to staff premiums. However, the matrix adjustment of singles, couples and families for fiscal year 2012-13 results in a higher cost per employee.

Workers Compensation costs are expected to rise from \$589,011 this year to \$712,500 next year. After a number of years in which expenses related to workers compensation dropped, the District anticipates a significant increase in fiscal year 2012-13. Materials and Supplies are budgeted to increase by 4% to \$1,187,360. Staff is projecting a small increase in the cost of bus parts due to rising freight costs and the need for more expensive components. Services/Utilities and Miscellaneous expenses are projected to increase by 1% to \$1,850,032. Anticipated increases in professional services as it relates to procurements and IT services accounts for a portion of the increase.

**Diesel Fuel & Lubricants Costs**

	Annual Cost	\$ Increase from Prior Year	% Increase from Prior Year	\$ per Revenue Mile	Revenue Miles
FY 12-13 (Proj)	\$2,366,380	\$423,338	21.8%	\$0.94	2,514,881
FY 11-12 (Est.)	\$1,943,042	\$18,994	1.0%	\$0.75	2,585,264
FY 10-11	\$1,924,048	\$417,108	27.7%	\$0.73	2,630,106
FY 09-10	\$1,506,940	(\$284,001)	-15.9%	\$0.56	2,668,660
FY 08-09	\$1,790,941	(\$293,916)	-14.1%	\$0.68	2,626,546
FY 07-08	2,084,857	581,857	38.7%	\$0.80	2,609,500
FY 06-07	1,503,000	204,111	15.7%	\$0.60	2,492,318
FY 05-06	1,298,889	323,784	33.2%	\$0.53	2,443,622
FY 04-05	975,105	195,500	25.1%	\$0.42	2,320,404
FY 03-04	779,605	165,635	27.0%	\$0.33	2,351,305
FY 02-03	613,970	147,798	31.7%	\$0.25	2,419,260
FY 01-02	466,172	(20,773)	-4.3%	\$0.19	2,400,421

Fuel/Electric Bus Power costs of \$2,456,380 are expected to increase by \$427,986 versus prior year estimates. Of the budgeted amount, \$2,366,380 is attributable to diesel fuel and lubricant costs and \$90,000 is for Electric Bus Power. The table above provides historical data associated with diesel fuel and lubricant expenditures over the past twelve years.

The District will be locked into a price of \$3.37 per gallon of diesel fuel, less delivery and taxes, for the first five months of fiscal year 2012-13. That price (\$3.37) was used as the assumption for the entire year. Staff is optimistic that a better price may be obtained through a solicitation in September 2012.

## **Capital Budget**

	Final Budget FY 11/12	Final Estimate FY 11/12	Adopted Budget FY 12/13	Change vs. PY Estimate
<b>Revenue</b>				
Measure A - Capital Replacement Fund - CY	0	0	771,994	771,994
Measure A - Capital Replacement Fund - PY	732,500	365,972	653,543	287,571
Local Capital Assistance	0	38,000	0	(38,000)
Prop. 1B Capital - PTMISEA	5,448,518	0	7,349,932	7,349,932
Prop. 1B Capital - OHS	759,200	200,000	796,816	596,816
State Transit Assistance (TDA - STA) - CY	1,200,000	0	1,080,279	1,080,279
State Transit Assistance (TDA - STA) - PY	336,868	10,000	2,789,787	2,779,787
Federal Capital Assistance	3,659,856	112,000	3,220,801	3,108,801
<b>Total Capital Revenue</b>	<b>\$12,136,942</b>	<b>\$725,972</b>	<b>\$16,663,152</b>	<b>\$15,937,180</b>
<b>Expense - Projects</b>				
Buses	\$8,279,399	\$0	\$11,908,634	\$11,908,634
Bus Rehab	682,500	295,972	777,528	481,556
Fixed Facilities	789,500	225,000	765,000	540,000
WIP - Calle Real Development	50,000	0	0	0
Radios & Fareboxes	475,000	100,000	50,000	(50,000)
Service Vehicles	50,000	0	50,000	50,000
Bus Stops	305,543	50,000	291,990	241,990
Shop Equipment	45,000	35,000	65,000	30,000
Management Info Systems	45,000	5,000	40,000	35,000
Intelligent Transportation Systems	1,400,000	0	2,700,000	2,700,000
Office Furniture & Equipment	15,000	15,000	15,000	0
<b>Total Capital Projects</b>	<b>\$12,136,942</b>	<b>\$725,972</b>	<b>\$16,663,152</b>	<b>\$15,937,180</b>

The fiscal year 2012-13 capital budget includes the rollover of the following projects; eight 22' electric shuttles, downtown Santa Barbara Superstops, backup generator system for terminal one, Nova bus replacements, radio and automated vehicle location system. Funding for all of these projects is in place and staff is optimistic that all of the projects referenced will be completed next fiscal year with the exception of the electric shuttles. That electric shuttle replacement project calls for the production of a prototype shuttle that will be undergo independent testing before a "Notice to Proceed" is issued for the remainder of the order.

The acquisition of additional Nova bus replacements and an onboard security camera system are included in the budget. State funding for a portion of the Nova bus replacements and the security camera project is pending the issuance of new state bonds. The capital budget also includes routine items such as service vehicle replacement and bus rehabilitation expenditures.

**Projected Capital Project Funding Plan**

	Total	TDA-STA	TDA-STA	Measure A	Measure A	Prop 1B	Prop 1B	
	Revenue	CY	PY	CY	PY	PTMISEA	TSC	Federal
<b>REVENUE VEHICLE PURCHASES</b>								
40' Diesel Buses (15) (\$452,708)	6,790,634					5,995,628		795,006
60' Articulated Buses (3) (\$750,000)	2,250,000	177,230	1,419,227		653,543			
22' Shuttles (8) (\$358,500)	2,868,000		919,195					1,948,805
<i>Subtotal</i>								
<b>REVENUE VEHICLE IMPROVEMENTS</b>								
Diesel Fleet Drivetrains	421,000	221,000	200,000					
EV Drivetrain/Battery Chargers etc	60,000	60,000						
Lithium Battery Project	296,528	814	95,972	199,742				
<i>Subtotal</i>								
<b>OFFICE FURNITURE &amp; EQUIPMENT</b>								
Office Furniture Allowance	15,000	9,607	5,393					
<i>Subtotal</i>								
<b>MANAGEMENT INFORMATION SYSTEMS</b>								
Software Programming	20,000	20,000						
PC Hardware/ Major Software Upgrades	20,000	20,000						
<i>Subtotal</i>								
<b>INTELLIGENT TRANSPORTATION SYSTEMS</b>								
AVL Radio System	2,200,000	326,628				1,354,304	519,068	
Security Cameras on Bus	500,000			262,384			237,616	
<i>Subtotal</i>								
<b>SERVICE VEHICLES</b>								
Service Vehicle Replacements	50,000	50,000						
<i>Subtotal</i>								
<b>BUS STOP EQUIPMENT</b>								
Superstops	251,990							251,990
Bus Stop Upgrades	40,000	40,000						
<i>Subtotal</i>								
<b>FIXED FACILITIES</b>								
Facilities	185,000	35,000	150,000					
Security Improvements T1	350,000			309,868			40,132	
TC Expansion Project	200,000							200,000
TC Fixed Facilities	30,000	30,000						
WIP - Calle Real Development								
<i>Subtotal</i>								
<b>FAREBOXES &amp; RADIOS</b>								
Fare Collection & Radio Allowance	50,000	25,000						25,000
<i>Subtotal</i>								
<b>SHOP EQUIPMENT</b>								
Shop Equipment Allowance	65,000	65,000						
<i>Subtotal</i>								
<b>TOTAL CAPITAL PROJECTS</b>	<b>\$16,663,152</b>	<b>\$1,080,279</b>	<b>\$2,789,787</b>	<b>\$771,994</b>	<b>\$653,543</b>	<b>\$7,349,932</b>	<b>\$796,816</b>	<b>\$3,220,801</b>

***Major Capital Improvement Program***

	Project Description	Status
1	Facility Security Camera System	Completed
2	Hybrid Bus Replacements (Flexible Fleet)	Completed
3	Nova Bus Replacements (7 buses)	Completed

	Project Description	Projected Cost	Funding Source	Potential Funding Source	Status
1	Bus Signal Priority (State/Hollister - City of SB)	\$135,000	SBCAG Federal Earmark	-	Coordination with city of SB and SBCAG in progress
2	Backup Power Generators (Terminal 1)	\$550,000	Prop. 1B - Transit Security & Measure A	-	Estimated Completion: October 2012
3	Electric Shuttle Replacement (8 buses)	\$2,868,000	Federal CMAQ & TDA-STA		Tentative Contract Award - Pending Performance Bond
4	GFI Ticket Vending Machines	\$450,000	Federal ARRA Stimulus Funds		Estimated Completion: September 2012
5	Downtown SB - SuperStop Project	\$313,630	Federal CMAQ & City of SB		Estimated Completion: March 2013
6	Articulated Bus Acquisition (3)	\$2,250,000	TDA-STA & Measure A		Tentative Contract Award - Pending Options Evaluation
7	Radio/AVL System	\$2,200,000	Prop 1B PTMISEA & Transit Security	-	Estimated Completion: June 2013
8	Nova Bus Replacements (15 buses)	\$6,790,634	Prop 1B PTMISEA & Federal ARRA Stimulus		Estimated Completion: August 2013
9	Nova Bus Replacements (11 buses)	\$4,979,788	TDA-STA	Federal Earmark	Pending Funding Opportunity
10	Security Camera's on Buses	\$500,000	Prop. 1B - Transit Security & Measure A		Project Assessment Needed
11	Photovoltaic System	n/a	-	-	Project Assessment Scheduled to Begin September 2012
12	Transit Center Expansion	n/a	-	Prop 1B or Federal Capital Grant Opportunities	Project Cost Study Needed

The Major Capital Improvement Program consists of all major capital projects regardless of its funding status. The list was developed to provide the Board of Directors with an opportunity to guide staff regarding capital priorities for any unexpected funding opportunities that may arise.

As the table above illustrates, there are a number of major projects in the works with more in the queue. It is important to remember that these are only the major projects and that routine capital acquisitions that are not included on this list also require significant staff time to process. Staff will continue to use consultants as needed to assist in the delivery of some of the projects. Consulting costs associated with the acquisition and implementation of a capital project can be accounted for as a part of the project. While this approach increases the cost of a project, it is a better alternative than hiring additional staff whose time in many cases would be accounted for as an operating expense.

***Capital Replacement Schedule (Buses/Shuttles)***

Fleet Type	Qty	Projected Order Date	FY 12-13 Cost per Vehicle	Projected Cost per Vehicle	Total Cost
1991- 1994 Shuttle (1,2,10)	3	FY 12-13	358,500	358,500	\$1,075,500
1991 - 1994 Shuttle (3,4,5,6 & 22)	5	FY 12-13	358,500	358,500	1,792,500
1997 40' Nova	15	FY 12-13	452,708	466,289	6,994,339
1997 40' Nova	3	FY 12-13	750,000	772,500	2,317,500
1991 - 1994 Shuttle (8 &11)	2	FY 14-15	358,500	380,333	760,665
2001 Shuttle (12 - 21)	10	FY 14-15	358,500	380,333	3,803,327
1997 40' Nova	6	FY 14-15	452,708	480,278	2,881,668
1998 40" Nova	5	FY 14-15	452,708	480,278	2,401,390
2007 30' Gillig Coaches	3	FY 20-21	400,000	506,708	1,520,124
2004 40' Diesel	15	FY 20-21	452,708	573,477	8,602,154
2004 30' Diesel	11	FY 20-21	400,000	506,708	5,573,788
2009 29" Hybrids	3	FY 23-24	605,000	837,461	2,512,384
2001 Electric Shuttles (12 - 21)	10	FY 24-25	358,500	511,135	5,111,353
2005 40' Hybrid	8	FY 24-25	605,000	862,585	6,900,683
Electric Shuttles (1,2,3,4,5,6,8,10,11,22)	10	FY 27-28	358,500	558,531	5,585,313
2011 40' Hybrid	7	FY 27-28	605,000	605,000	4,235,000
1997 40' Nova	7	FY 27-28	452,708	452,708	3,168,956

CPI applied to vehicle cost:

3.0%

Total Projected Cost:

\$65,236,643



## Financial Forecast

### Financial Forecast - Summary

	Adopted Budget FY 12/13	Projected FY 13/14	FY 14/15	FY 15/16	FY 17/18
<b>Operating Budget</b>					
Revenue	\$22,045,553	\$22,329,104	\$22,685,454	\$22,874,749	\$23,265,157
Expense	\$22,681,204	\$23,371,473	\$24,165,723	\$24,907,283	\$25,759,716
<b>Reserves Included to Balance Operating Budget:</b>					
Net Assets - Unrestricted	(\$635,651)	(\$1,042,368)	(\$1,480,269)	(\$2,032,534)	(\$2,494,559)
<b>Capital Budget</b>					
Revenue	\$16,663,153	\$1,321,404	\$1,252,225	\$1,290,086	\$1,335,090
Expense (1)	\$16,663,152	\$1,321,404	\$1,252,225	\$1,290,086	\$1,335,090
<b>Net Assets - Unrestricted (Reserves)</b>					
Beginning Balance	\$6,257,754	\$5,622,102	\$4,579,734	\$3,099,465	\$1,066,931
Projected: Net Gain/Loss from Activities	(\$635,651)	(\$1,042,368)	(\$1,480,269)	(\$2,032,534)	(\$2,494,559)
Ending Balance	\$5,622,102	\$4,579,734	\$3,099,465	\$1,066,931	(\$1,427,628)

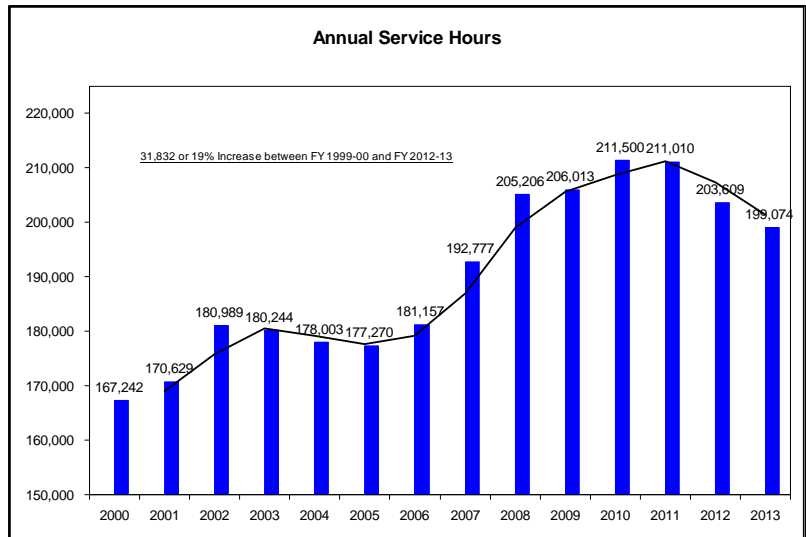
(1) Future bus replacements are not reflected in the "Financial Forecast" beyond fiscal year 2012-13. Please see page 14 of the Operating and Capital Budget "Bus Replacement Schedule" to see the estimated timing and costs associated with bus replacement over the next 15-years.

The table above forecasts the amount of unrestricted net assets needed to balance the operating budget. Beginning fiscal year 2013-14, the forecast assumes wage rate increases of 2%, health care increases of 5%, and diesel fuel price increases ranging from 2% - 5%. The forecasted rate of growth in health and diesel fuel costs is significantly less than that experienced the past few years. These assumptions have been included for discussion purposes only. The forecast indicates that the projected structural imbalance in the operating budget requires attention within the next 12-months to ensure that projected deficit spending does not become a reality.

### Service Hours & the Current Economic Cycle

As a special district with the mission to deliver public transit service, operating expense is driven by the amount of service provided.

The table to the right illustrates the amount of revenue hours provided by the District since the year 2000. During this period, a steady increase in service levels was eventually followed by a steady decline in the amount of service provided, consistent with the underlying economic cycle.



The service level has typically increased once the economic cycle is complete. For the District, the impact of the Great Recession on service levels was eased by the reallocation of \$1 million in TDA-LTF sales tax revenue from capital to operating activities, very competitive fixed-price diesel fuel contracts and a wage rate freeze.

As such, the decline in the economic cycle did not begin to impact service levels until 2011; the decline continues into 2013. Until the projected imbalance in the operating budget is addressed, the downward cycle in service levels will likely continue despite improvement in sales tax revenue returns.

## Structural Imbalance Discussion

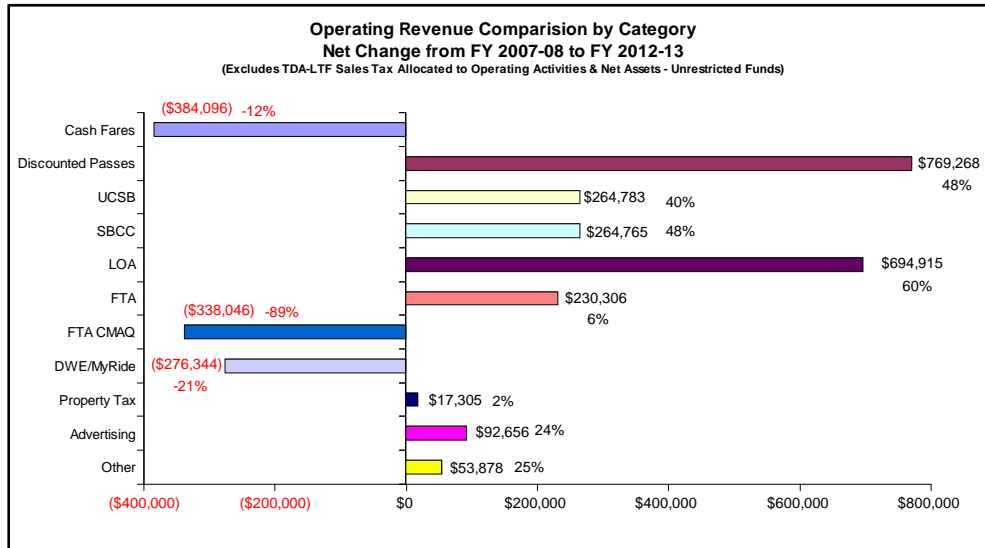
### *Service Level Adjustment*

To address the structural imbalance with a service cut, a reduction of approximately 12,000 service hours or 6% would be required. Doing so would negatively affect every jurisdiction within the District’s service area. The reduction would likely close the gap between operating revenue and expense for two fiscal years.

### *Employment Levels & Benefits*

Despite the impact of the Great Recession, management is proud that the District has not had to lay off a single employee. The District has frozen positions as opportunities materialized and frozen pay rates and salaries for the past few years. Management believes employment levels are currently at a point where further reduction will likely result in reduced productivity and efficiency, which would be counter-productive. However, a significant reduction in service from the current level would require a commensurate reduction in employment. The District is currently negotiating with union representatives as the current collective bargaining agreements for drivers, supervisors and maintenance personnel expire June 30, 2012.

### *Revenue Generation*



The chart above illustrates the net change in operating revenue by category from fiscal year 2007-08 to 2012-13 excluding TDA-LTF sales tax revenue allocated to operating activities and Net Assets – Unrestricted funds. The purpose of the chart is to illustrate what funding sources other than sales tax revenue and reserves have fueled the current service level cycle. Doing so should help focus management on the most effective

actions that can be taken to generate additional revenue and end the current trend downward in service levels.

Revenue Controlled by the Governing Board

Fare Policy        The District fare policy includes cash fares, discounted fares and via contract terms (the UCSB and SBCC student bulk-pass programs). The accumulated increase from these categories since FY 2007-08 is \$914,720. SBCC and UCSB contract terms link revenue paid to the District to enrollment times a flat fee charged per student. Growth in the flat fee only occurs when the Adult Cash Fare (\$1.75) increases.

Advertising        Advertising revenue has increased by 24% since FY 2007-08 and a rate increase is scheduled for CY 2013.

Federal Operating Assistance

FTA                Federal Formula 5307 Operating Assistance has increased by \$230,306 or 6% over the six fiscal years. Based on the current state of the federal budget the District will be fortunate to see 1% growth per year in this revenue category going forward.

FTA CMAQ        Santa Barbara County is no longer eligible for this source of funding as its air quality has reached the appropriate attainment level. These funds were awarded to the District many years ago for service expansion projects that have been rolled out over a long period of time. The amount was limited and only reimbursable for the first three years of the service.

Local Assistance

DWE/My Ride     The City has historically supported the Downtown Waterfront Electric Shuttle (DWE), Crosstown and Commuter Lot service. As of fiscal year 2012-13, the City will reduce its subsidy of the Crosstown by 20% and completely eliminate the Commuter Lot service. The .25 cent fare on the DWE will rise to .50 cents to help mitigate additional service cuts.

In FY 2007-08, the District generated over \$237,000 in revenue from the MyRide program and now receives less than \$35,000 annually. It is assumed that the majority of the revenue was not lost but rather shifted to discounted passes as downtown employees were no longer eligible for the program.

LOA                Local Operating Assistance made up in large part by Measure A operating assistance. The Measure A allocation to the District did not

result in new funding. The amount each jurisdiction allocated to the District reflected services in existence or contractually obligated to begin in the (then) near future. The chart indicates that funding in this category increased by \$694,915 or 60% since FY 2007-08, which should be noted was used to pay the marginal rate for expanded transit service. Due to the economic strain all public agencies currently face, it is highly unlikely that additional funding can be acquired from local agencies.

Other

Property Tax      The dissolution of the local redevelopment agencies will result in additional funding to the District at some point in the future. A preliminary estimate between \$70k - \$100k annually would be reasonable.

Miscellaneous      This funding source consists primarily of Overpass Property Lease, Interest on Investments and Sale of Assets. The Overpass Property Lease generates nearly \$180,000 annually to the District. Unfortunately that gain has been offset considerably by record low interest rates on the District's cash investments.

***Revenue Generation Conclusion***

Revenue Controlled by the Governing Board

Fare Policy and Advertising Rates should be assessed to determine how much revenue can be generated from increases. Management recommends that this matter be forwarded to the Finance Committee to be evaluated this Fall with the intent of its findings being presented to the Board in January. (See next page for preliminary estimates as it pertains to fare policy changes)

Federal Operating Assistance

The District should continue to work with the American Public Transportation Association (APTA) and its peers to ensure a new long-term Transportation Bill includes at a minimum status quo funding levels.

Local Assistance

Continue to work closely with the City of Santa Barbara to minimize additional funding reductions.

Other

Seek opportunities to safely maximize return of higher yields on the District's cash investments. Work with government surplus disposal companies to maximize and streamline the sale of the District's surplus assets.

***Preliminary Fare Policy Change Estimates***

	FY 2011-12 Current Rate	Year 1		Year 2		Year 3	
		New Rate	Benefit	New Rate	Benefit	New Rate	Benefit
<u>Cash Fares</u>							
Adult Cash	\$1.75	-		-		\$2.00	
Moblity Cash	\$0.85	-		-		\$1.00	
Senior Cash	\$0.85	-		-		\$1.00	
							\$215,825
<u>Discounted Passes</u>							
Adult 10-ride, per ride	\$1.15	\$1.25		\$1.35		\$1.50	
30-day	\$52.00	\$60.00		\$65.00		\$70.00	
Youth 10-ride, per ride	\$0.83	\$1.00		\$1.15		\$1.25	
30-day	\$42.00	\$50.00		\$55.00		\$60.00	
Sr/MB 10-ride, per ride	\$0.55	\$0.60		\$0.65		\$0.75	
30-day	\$20.00	\$25.00		\$25.00		\$30.00	
			\$332,956		\$227,776		\$300,256
			\$332,956		\$227,776		\$516,081
<u>Bulk Pass Programs</u> \$ per Ride							
SBCC	\$0.70	\$1.00	\$345,080	\$1.25	\$292,347	\$1.50	\$292,347
UCSB	\$1.19	-	\$0	\$1.25	\$45,968	\$1.50	\$194,860
			\$345,080		\$338,314		\$487,206
			\$678,037		\$566,090		\$1,003,287

These figures were derived in a preliminary and non-comprehensive fashion to initiate discussion regarding potential revenue generation. The estimates above include the following assumptions:

- a) Method of Fare Payment Unchanged
- b) Estimated Ridership FY 2011-12 – Extrapolated from 10-month Actual
- c) Ridership Flat
- d) Year one and two assumes no change to cash fare
- e) Year three includes an increase in the cash fare to \$2.00

***Long-term Financial Concern***

***Postretirement Health Benefits***

The District provides retiree healthcare benefits for eligible employees who meet certain eligibility requirements upon termination of employment from the District. Under the Plan, the District makes contributions towards eligible retirees and dependents' healthcare premiums. The liabilities and annual costs for the District's promises to retirees are calculated in an actuarial valuation in accordance with Governmental Accounting Standards Board (GASB) Statement 45, which was initially adopted by the District for the fiscal year ending June 30, 2009.

The District does not currently prefund contributions in a qualified irrevocable trust. The actuarial valuation assumes the District will continue pay-as-you-go funding. It is important to note that only current active and retired participants are valued in the actuarial study. Future new entrants or any projected growth in the District's employee population was not considered.

The following table outlines the annual net OPEB obligation that has been booked but not funded by the District and includes an estimate for fiscal year 2011-12.

Postretirement Health Benefits  
Increase in Net OPEB Obligation

Fiscal Year	Amount Booked	Ending Balance
2008-09	\$880,000	\$880,000
2009-10	\$924,000	\$1,804,000
2010-11	\$1,021,000	\$2,825,000
2011-12*	\$1,000,000	\$3,825,000

\*Estimated amount for fiscal year 2011-12

The Board of Directors has approved a policy change to control the growth in the actuarially accrued liability for non-union employees. Additionally, the District negotiated a change to the benefit with its represented employees during the last collective bargaining process that has also slowed the growth in the estimated benefit. Despite the aforementioned changes, the District will need to take additional steps to address the issue.

***Appendices***



**Detailed Financial Forecast**

	Adopted Budget FY 12/13	Growth Rate	Projected FY 13/14	Growth Rate	Projected FY 14/15	Projected FY 15/16	Projected FY 16/17
<b>OPERATING REVENUE</b>							
Passenger Fares	\$7,912,335	2.0%	\$8,070,582	1.0%	\$8,151,288	\$8,232,801	\$8,315,129
FTA Operating Assistance	4,241,935	0.0%	4,241,935	0.0%	4,241,935	4,241,935	4,241,935
FTA CMAQ Operating Assistance	40,729		0		0	0	0
Property Tax Revenue	850,000	1.0%	858,500	1.0%	867,085	875,756	884,513
Local Operating Assistance	180,876	-	190,000	2.0%	193,800	21,000	21,500
Measure A	1,666,712	-	1,607,809	-	1,657,681	1,709,953	1,782,697
Non-Transportation Income	727,618	2.0%	742,171	2.0%	757,014	772,154	787,598
Sales Tax Revenue (TDA - LTF) CY	6,425,347	3.0%	6,618,107	3.0%	6,816,651	7,021,150	7,231,785
<i>Total Operating Revenue</i>	<u>\$22,045,553</u>		<u>\$22,329,104</u>		<u>\$22,685,454</u>	<u>\$22,874,749</u>	<u>\$23,265,157</u>
<b>OPERATING EXPENSE</b>							
Route Operations	\$12,833,754		\$13,223,501		\$13,632,033	\$14,045,345	\$14,477,700
Vehicle Maintenance	3,559,687		3,681,854		3,809,603	3,943,251	4,083,133
(Fuel Costs)	2,366,380		2,413,708		2,534,393	2,585,081	2,714,335
Passenger Accommodations	1,502,517		1,547,943		1,595,436	1,645,121	1,697,132
General Overhead	2,418,865		2,504,467		2,594,257	2,688,485	2,787,415
<i>Total Operating Expense</i>	<u>\$22,681,204</u>		<u>\$23,371,473</u>		<u>\$24,165,723</u>	<u>\$24,907,283</u>	<u>\$25,759,716</u>
<i>Projected Reserves Required to Balance Operating Budget</i>							
<i>Net Assets - Unrestricted</i>	(\$635,651)		(\$1,042,368)		(\$1,480,269)	(\$2,032,534)	(\$2,494,559)
<b>CAPITAL REVENUE</b>							
Measure A - Capital Replacement - CY	771,994	2.0%	744,900		767,800	791,900	825,300
Measure A - Capital Replacement - PY	653,543				0	0	0
Prop 1B - PTMISEA	7,349,932		0		0	0	0
Prop 1B - OHS	796,816		0		0	0	0
State Transit Assistance (TDA - STA) - CY	1,080,279	0.0%	0		0	0	0
State Transit Assistance (TDA - STA) - PY	2,789,787		576,504		484,425	498,186	509,790
Federal Capital Assistance	3,220,801		0		0	0	0
<i>Total Capital Revenue</i>	<u>\$16,663,153</u>		<u>\$1,321,404</u>		<u>\$1,252,225</u>	<u>\$1,290,086</u>	<u>\$1,335,090</u>
<b>CAPITAL PROJECTS</b>							
Buses	\$11,908,634		\$0		\$0	\$0	\$0
Bus Rehab	777,528	5.0%	816,404		857,225	900,086	945,090
Fixed Facilities	765,000		50,000		75,000	75,000	75,000
Fareboxes & Radios	50,000		50,000		50,000	50,000	50,000
Service Vehicles	50,000		0		65,000	60,000	60,000
Bus Stops	291,990		50,000		50,000	50,000	50,000
Shop Equipment	65,000		60,000		60,000	60,000	60,000
Management Info Systems	40,000		30,000		30,000	30,000	30,000
Intelligent Transportation Systems	2,700,000		250,000		50,000	50,000	50,000
Office Furniture & Equipment	15,000		15,000		15,000	15,000	15,000
<i>Total Capital Projects</i>	<u>\$16,663,152</u>		<u>\$1,321,404</u>		<u>\$1,252,225</u>	<u>\$1,290,086</u>	<u>\$1,335,090</u>
<b>TOTAL OPERATING &amp; CAPITAL</b>	<u>\$39,344,356</u>		<u>\$24,692,877</u>		<u>\$25,417,948</u>	<u>\$26,197,369</u>	<u>\$27,094,806</u>
<i>Net Assets - Unrestricted</i>							
Beginning Balance	\$6,257,754		\$5,622,102		\$4,579,734	\$3,099,465	\$1,066,931
Projected: Net Gain/Loss from Activities	(635,651)		(1,042,368)		(1,480,269)	(2,032,534)	(2,494,559)
Ending Balance	\$5,622,102		\$4,579,734		\$3,099,465	\$1,066,931	(\$1,427,628)

**Operating Revenue**

	Final Budget FY 11/12	Final Estimate FY 11/12	Adopted Budget FY 12/13	\$ Change
<i>FAREBOX REVENUE</i>				
Cash Fares	\$2,690,031	\$2,695,412	\$2,728,458	\$33,046
Downtown-Waterfront Shuttle/My Ride	1,291,521	1,304,879	1,043,181	(261,698)
UCSB Contract Fares	928,330	928,330	919,047	(9,283)
SBCC Contract Fares	824,306	824,306	816,063	(8,243)
Amtrak Fares	700	882	800	(82)
Special Event Fares	8,000	14,608	10,000	(4,608)
Brooks Pass Program	10,000	14,224	10,000	(4,224)
Day Pass	1,922	922	931	9
Adult 10-Ride Pass	792,163	869,965	896,064	26,099
Youth 10-Ride Pass	385,812	370,538	370,538	0
Senior/Disabled 10-Ride Pass	96,363	96,348	97,311	963
Ventura CE - 10-Ride Pass	45,000	46,038	40,513	(5,525)
Adult 30-Day Pass	650,631	646,103	652,564	6,461
Youth 30-Day Pass	123,738	116,525	114,194	(2,330)
Senior/Disabled 30-Day Pass	197,600	193,414	193,414	0
Ventura CE - 30-Day Pass	30,000	21,882	19,256	(2,626)
<i>Subtotal</i>	<u>\$8,076,117</u>	<u>\$8,144,375</u>	<u>\$7,912,335</u>	<u>(\$232,040)</u>
<i>NON-TRANSPORTATION INCOME</i>				
Advertising on Buses	\$465,000	\$481,949	\$480,000	(\$1,949)
Interest on Investments	47,500	57,334	47,500	(9,834)
Overpass Lease & Misc. Revenue	249,188	249,188	200,118	(49,070)
<i>Subtotal</i>	<u>\$761,688</u>	<u>\$788,470</u>	<u>\$727,618</u>	<u>(\$60,852)</u>
<i>SUBSIDIES</i>				
TDA Sales Tax Revenue	\$6,236,451	\$5,991,150	\$6,425,347	\$434,197
(Amount applied to capital)	(0)	0	0	0
TDA Sales Tax Revenue - PY	0	0	0	0
FTA Formula Assistance	4,241,935	4,241,935	4,241,935	0
FTA CMAQ Operating Assistance	306,306	267,700	40,729	(226,971)
Property Tax Revenue	830,000	830,000	850,000	20,000
Measure A	1,605,000	1,686,029	1,666,712	(19,317)
LOA	159,555	187,027	180,876	(6,151)
<i>Subtotal</i>	<u>\$13,379,246</u>	<u>\$13,203,841</u>	<u>\$13,405,599</u>	<u>\$201,759</u>
<b>TOTAL OPERATING REVENUE</b>	<u><u>\$22,217,050</u></u>	<u><u>\$22,136,686</u></u>	<u><u>\$22,045,553</u></u>	<u><u>(\$91,133)</u></u>

**Operating Expense**

	Final Budget FY 11/12	Final Estimate FY 11/12	Adopted Budget FY 12/13	\$ Change
<i>ROUTE OPERATIONS</i>				
Drivers	\$9,589,634	\$9,526,783	\$9,729,768	\$202,986
Dispatch & Supervision	519,129	518,321	496,892	(21,429)
Hiring & Training	273,013	256,204	276,043	19,839
Risk & Safety	1,795,751	1,631,777	1,756,634	124,857
Transportation Subsidies	574,418	574,418	574,418	0
<i>Subtotal</i>	<u>\$12,751,945</u>	<u>\$12,507,502</u>	<u>\$12,833,754</u>	<u>\$326,252</u>
<i>VEHICLE MAINTENANCE</i>				
Mechanics	\$1,129,481	\$1,075,785	\$1,119,999	\$44,214
Cleaners & Fuelers	703,067	736,702	727,011	(9,691)
Supervision	547,181	549,683	540,328	(9,355)
Vehicle Consumables	2,183,745	2,190,336	2,621,036	430,700
Bus Parts & Supplies	789,556	777,717	787,968	10,251
Vendor Services	59,500	33,556	67,500	33,944
Risk & Safety	61,756	80,567	62,225	(18,342)
<i>Subtotal</i>	<u>\$5,474,286</u>	<u>\$5,444,346</u>	<u>\$5,926,067</u>	<u>\$481,722</u>
<i>PASSENGER ACCOMMODATIONS</i>				
Passenger Facilities	\$595,016	\$561,266	\$574,500	\$13,234
Transit Development	380,025	385,653	350,891	(34,762)
Promotion & Information	247,432	257,716	276,664	18,949
Fare Revenue Collection	313,873	298,563	300,461	1,898
<i>Subtotal</i>	<u>\$1,536,346</u>	<u>\$1,503,198</u>	<u>\$1,502,517</u>	<u>(\$680)</u>
<i>GENERAL OVERHEAD</i>				
Finance	\$597,904	\$594,410	\$612,872	\$18,462
Personnel	101,741	102,649	114,099	11,450
Utilities & Communication	220,000	204,146	220,380	16,234
Operating Facilities	265,023	277,854	271,045	(6,809)
District Administration	1,269,806	1,233,536	1,200,468	(33,068)
<i>Subtotal</i>	<u>\$2,454,474</u>	<u>\$2,412,596</u>	<u>\$2,418,865</u>	<u>\$6,269</u>
<b>TOTAL OPERATING COST</b>	<u><u>\$22,217,051</u></u>	<u><u>\$21,867,641</u></u>	<u><u>\$22,681,204</u></u>	<u><u>\$813,562</u></u>

**Route Operations Budget Detail**

	Final Budget FY 11/12	Final Estimate FY 11/12	Adopted Budget FY 12/13	\$ Change
<b>DRIVERS</b>				
Scheduled	\$5,720,758	\$5,722,931	\$5,702,053	(\$20,878)
Scheduled Overtime	259,146	258,868	256,981	(1,886)
Unscheduled Pay	238,063	214,091	213,523	(567)
FICA	550,549	530,838	538,824	7,986
Pension	836,679	819,794	840,509	20,715
Health	1,070,751	1,059,932	1,247,378	187,446
Sick Pay	149,451	141,366	149,299	7,933
Vacation Pay	458,926	467,590	465,934	(1,656)
Holiday Pay	215,653	215,653	230,653	15,000
Other Paid Leave	24,000	26,998	25,000	(1,998)
Unemployment Insurance	45,658	47,359	39,612	(7,747)
Uniforms	20,000	21,362	20,000	(1,362)
<i>Drivers Subtotal</i>	<u>\$9,589,634</u>	<u>\$9,526,783</u>	<u>\$9,729,768</u>	<u>\$202,986</u>
<b>DISPATCH &amp; SUPERVISION</b>				
Supervisors	\$175,424	\$160,744	\$157,577	(\$3,167)
Staff	152,365	157,514	150,535	(6,979)
FICA	28,993	27,229	28,453	1,223
Pension	35,276	36,648	31,236	(5,412)
Health	74,362	74,027	63,731	(10,296)
Sick Pay	8,728	6,193	8,888	2,695
Vacation Pay	21,790	26,360	25,087	(1,273)
Holiday Pay	13,792	13,622	14,339	717
Other Paid Leave	6,896	14,508	15,503	995
Unemployment Insurance	1,502	1,475	1,542	68
<i>Dispatch &amp; Supervision Subtotal</i>	<u>\$519,129</u>	<u>\$518,321</u>	<u>\$496,892</u>	<u>(\$21,429)</u>
<b>HIRING &amp; TRAINING</b>				
Staff	\$36,500	\$34,325	\$36,883	\$2,558
Student Drivers	44,510	42,431	51,294	8,863
Existing Drivers/Supers	105,658	105,356	109,597	4,241
FICA	15,423	11,216	16,089	4,872
Pension	10,743	10,936	10,925	(10)
Health	21,167	16,941	17,874	933
Sick Pay	3,842	3,422	3,111	(312)
Vacation Pay	5,226	6,007	4,415	(1,592)
Holiday Pay	4,544	4,234	3,820	(414)
Other Paid Leave	1,330	2,730	1,190	(1,540)
Unemployment Insurance	546	491	546	55
Medical Exams & License Fees	21,225	17,292	18,000	708
Employment Advertising	400	0	400	400
Training, Travel & Meetings	1,900	823	1,900	1,077
<i>Hiring &amp; Training Subtotal</i>	<u>\$273,013</u>	<u>\$256,204</u>	<u>\$276,043</u>	<u>\$19,839</u>

Santa Barbara Metropolitan Transit District Adopted FY 2012-13 Budget

	Final Budget FY 11/12	Final Estimate FY 11/12	Adopted Budget FY 12/13	\$ Change
<i>RISK &amp; SAFETY</i>				
<i>Wages &amp; Benefits</i>				
Staff	\$62,423	\$61,706	\$64,238	\$2,532
Supervisors	249,928	251,201	262,323	11,122
Driver Accident Pay	1,165	1,729	1,204	(526)
FICA	27,373	24,709	29,078	4,368
Pension	27,064	31,280	27,556	(3,724)
Health	56,819	55,880	52,791	(3,090)
Sick Pay	5,244	12,413	5,479	(6,934)
Vacation Pay	20,942	26,629	25,908	(722)
Holiday Pay	14,347	12,217	17,991	5,773
Other Paid Leave	3,773	2,191	2,956	765
Unemployment Insurance	887	1,310	887	(423)
Wages & Benefits Subtotal	\$469,966	\$481,267	\$490,410	\$9,143
<i>Public Liability</i>				
Professional Services	217,231	221,935	\$217,769	(\$4,166)
Insurance	238,535	238,169	251,749	13,580
Current Year Incident Payouts	30,000	9,474	30,000	20,526
Current Year Incident Reserves	30,000	14,554	30,000	15,446
Prior Years Incident Payouts	300,000	312,614	75,000	(237,614)
Change in Prior Years Reserves	(188,000)	(198,928)	(15,000)	183,928
Public Liability Subtotal	\$627,766	\$597,818	\$589,518	(\$8,300)
<i>Workers' Compensation</i>				
Professional Services	174,909	155,908	\$181,450	\$25,542
Insurance	48,450	51,175	50,825	(350)
Current Year Incident Payouts	68,000	54,024	68,000	13,976
Current Year Incident Reserves	150,000	152,947	100,000	(52,947)
Prior Years Incident Payouts	170,000	130,679	250,000	119,321
Change in Prior Years Reserves	60,000	(14,165)	0	14,165
Miscellaneous Risk & Safety	26,660	22,124	26,431	4,307
Workers' Compensation Subtotal	\$698,019	\$552,692	\$676,706	\$124,014
<i>Risk &amp; Safety Subtotal</i>	<u>\$1,795,751</u>	<u>\$1,631,777</u>	<u>\$1,756,634</u>	<u>\$124,857</u>
<i>TRANSPORTATION SUBSIDIES</i>				
Dial-a-Ride (Easy Lift)	\$574,418	\$574,418	\$574,418	\$0
<i>Transportation Subsidies Subtotal</i>	<u>\$574,418</u>	<u>\$574,418</u>	<u>\$574,418</u>	<u>\$0</u>
<i>TOTAL ROUTE OPERATIONS</i>	<u>\$12,751,945</u>	<u>\$12,507,502</u>	<u>\$12,833,754</u>	<u>\$326,252</u>

**Vehicle Maintenance Budget Detail**

	Final Budget FY 12/13	Final Estimate FY 12/13	Adopted Budget FY 12/13	\$ Change
<i>MECHANICS</i>				
Mechanics	\$697,647	\$661,822	\$691,665	\$29,843
Less Mechanic Labor Capitalizati	(16,335)	(12,437)	(13,889)	(1,452)
Mechanics-OT	20,419	19,475	20,834	1,359
FICA	64,949	60,419	63,615	3,196
Pension	86,296	82,549	88,108	5,559
Health	114,486	104,786	120,744	15,958
Sick Pay	38,674	36,077	38,515	2,438
Vacation Pay	61,322	60,541	50,161	(10,380)
Holiday Pay	29,468	30,358	28,953	(1,405)
Other Paid Leave	1,470	1,862	1,444	(418)
Unemployment Insurance	3,686	4,439	3,549	(890)
Uniforms	12,000	11,375	12,000	625
Tool Allowance	15,400	14,520	14,300	(220)
<i>Mechanics Subtotal</i>	<u>\$1,129,481</u>	<u>\$1,075,785</u>	<u>\$1,119,999</u>	<u>\$44,214</u>
<i>CLEANERS &amp; FUELERS</i>				
Service Workers	\$422,916	\$427,607	\$431,301	\$3,694
FICA	35,117	36,090	35,893	(197)
Pension	72,345	71,388	73,864	2,476
Health	110,235	129,184	120,744	(8,440)
Sick Pay	7,052	8,908	7,200	(1,707)
Vacation Pay	20,696	29,655	23,040	(6,615)
Holiday Pay	19,343	19,613	19,749	136
Other Paid Leave	1,288	1,688	1,315	(373)
Unemployment Insurance	3,577	4,069	3,577	(492)
Uniforms	7,098	5,884	7,098	1,214
Medical Exams & License Fees	3,400	2,617	3,230	613
<i>Cleaners &amp; Fuelers Subtotal</i>	<u>\$703,067</u>	<u>\$736,702</u>	<u>\$727,011</u>	<u>(\$9,691)</u>
<i>SUPERVISION</i>				
Staff	\$325,849	\$327,270	\$325,603	(\$1,667)
FICA	27,933	27,892	28,226	334
Pension	36,513	36,244	36,897	653
Health	103,236	105,228	91,872	(13,356)
Sick Pay	2,086	2,287	2,105	(182)
Vacation Pay	19,125	19,160	23,019	3,859
Holiday Pay	13,904	15,016	14,032	(984)
Other Paid Leave	4,171	2,297	4,209	1,912
Unemployment Insurance	1,365	1,638	1,365	(273)
Training, Travel & Meetings	13,000	12,652	13,000	348
<i>Supervision Subtotal</i>	<u>\$547,181</u>	<u>\$549,683</u>	<u>\$540,328</u>	<u>(\$9,355)</u>

Santa Barbara Metropolitan Transit District Adopted FY 2012-13 Budget

	Final Budget FY 12/13	Final Estimate FY 12/13	Adopted Budget FY 12/13	\$ Change
<i>VEHICLE CONSUMABLES</i>				
Fuel & Lubricants	\$1,924,048	\$1,943,042	\$2,366,380	\$423,338
Electric Vehicle Power	90,000	85,352	90,000	4,648
Tire Lease	157,697	152,076	152,656	580
Tire Mounting	12,000	9,866	12,000	2,134
<i>Vehicle Consumables Subtotal</i>	<u>\$2,183,745</u>	<u>\$2,190,336</u>	<u>\$2,621,036</u>	<u>\$430,700</u>
<i>VEHICLE PARTS &amp; SUPPLIES</i>				
Bus Parts Issued	\$692,556	\$682,991	\$690,968	\$7,977
Shop Supplies	67,000	64,266	67,000	2,734
Bus Servicing Supplies	18,000	17,686	18,000	314
Hazmat Disposal & Compliance	12,000	12,774	12,000	(774)
<i>Vehicle Part &amp; Supplies Subtotal</i>	<u>\$789,556</u>	<u>\$777,717</u>	<u>\$787,968</u>	<u>\$10,251</u>
<i>VENDOR BUS REPAIRS</i>				
Vandalism Repairs	\$25,000	\$29,506	\$30,000	\$494
Accident Damage Repairs	7,500	3,187	7,500	4,313
Accident Claim Collections	(8,000)	(21,000)	(5,000)	16,000
Other Vendor Repairs	35,000	21,863	35,000	13,137
<i>Vendor Bus Repairs Subtotal</i>	<u>\$59,500</u>	<u>\$33,556</u>	<u>\$67,500</u>	<u>\$33,944</u>
<i>RISK &amp; SAFETY</i>				
Workers' Comp Services	\$14,206	\$17,148	\$14,550	(\$2,598)
Workers' Comp Insurance	2,550	2,694	2,675	(19)
Current Year Incident Payouts	10,000	8,358	10,000	1,642
Current Year Incident Reserves	35,000	28,858	35,000	6,142
Prior Years Incident Payouts	35,000	30,750	35,000	4,250
Change in Prior Years Reserves	(35,000)	(7,241)	(35,000)	(27,759)
<i>Risk &amp; Safety Subtotal</i>	<u>\$61,756</u>	<u>\$80,567</u>	<u>\$62,225</u>	<u>(\$18,342)</u>
<b>TOTAL VEHICLE MAINTENANCE</b>	<u><u>\$5,474,286</u></u>	<u><u>\$5,444,346</u></u>	<u><u>\$5,926,067</u></u>	<u><u>\$481,722</u></u>

**Passenger Accommodations Budget Detail**

	Final Budget FY 11/12	Final Estimate FY 11/12	Adopted Budget FY 12/13	\$ Change
<i>PASSENGER FACILITIES</i>				
<i>Wages &amp; Benefits</i>				
Supervisors	\$167,544	\$177,896	\$181,362	\$3,466
TC Advisors	108,504	106,019	91,200	(14,819)
Staff	41,981	41,288	39,044	(2,244)
FICA	27,467	26,981	26,957	(24)
Pension	27,255	28,362	24,077	(4,285)
Health	102,450	89,633	93,765	4,132
Sick Pay	8,052	2,438	8,785	6,346
Vacation Pay	17,970	16,496	16,956	460
Holiday Pay	13,546	10,885	12,865	1,980
Other Paid Leave	2,294	2,246	2,170	(76)
Unemployment Insurance	2,539	2,965	2,211	(754)
<b>Wages &amp; Benefits Subtotal</b>	<b>\$519,600</b>	<b>\$505,210</b>	<b>\$499,392</b>	<b>(\$5,818)</b>
<i>Buildings &amp; Grounds</i>				
TC Contract Maintenance	\$47,940	\$47,111	\$47,720	\$609
TC Repairs/Supplies	8,000	5,702	8,000	2,298
Bus Stop Repairs/Supplies	17,900	1,753	17,900	16,147
TC Property Insurance	1,577	1,489	1,489	(0)
<b>Buildings &amp; Grounds Subtotal</b>	<b>\$75,416</b>	<b>\$56,056</b>	<b>\$75,108</b>	<b>\$19,053</b>
<b><i>Passenger Facilities Subtotal</i></b>	<b><u>\$595,016</u></b>	<b><u>\$561,266</u></b>	<b><u>\$574,500</u></b>	<b><u>\$13,234</u></b>
<i>TRANSIT DEVELOPMENT</i>				
Staff	\$228,480	\$227,515	\$211,815	(\$15,700)
FICA	20,154	20,711	19,021	(1,690)
Pension	26,345	27,180	24,864	(2,316)
Health	59,608	58,135	47,893	(10,243)
Sick Pay	4,032	14,977	4,048	(10,929)
Vacation Pay	15,816	18,983	17,599	(1,384)
Holiday Pay	10,081	10,832	10,121	(711)
Other Paid Leave	5,040	3,376	5,060	1,684
Unemployment Insurance	969	1,163	969	(194)
Training, Travel & Meetings	2,500	1,996	2,500	504
Planning Services & Supplies	7,000	785	7,000	6,215
<b><i>Transit Development Subtotal</i></b>	<b><u>\$380,025</u></b>	<b><u>\$385,653</u></b>	<b><u>\$350,891</u></b>	<b><u>(\$34,762)</u></b>



Santa Barbara Metropolitan Transit District Adopted FY 2012-13 Budget

	Final Budget FY 11/12	Final Estimate FY 11/12	Adopted Budget FY 12/13	\$ Change
<i>PROMOTION &amp; INFORMATION</i>				
Wages & Benefits				
Staff	\$76,275	\$79,084	\$93,191	\$14,107
FICA	6,745	6,725	8,157	1,433
Pension	8,816	8,840	10,663	1,823
Health	14,074	13,904	14,128	224
Sick Pay	1,670	1,058	1,682	623
Vacation Pay	3,541	3,799	5,035	1,236
Holiday Pay	3,339	3,604	3,363	(241)
Other Paid Leave	3,339	2,754	3,363	609
Unemployment Insurance	382	458	382	(76)
Wages & Benefits Subtotal	<u>\$118,182</u>	<u>\$120,227</u>	<u>\$139,964</u>	<u>\$19,738</u>
Outside Services				
Media Ad Placement	10,000	3,746	10,000	6,254
Brochures & Publications	6,500	8,611	6,500	(2,111)
Promotional Giveaways	2,500	1,478	1,500	22
Bus/Shuttle Decorations	2,500	26,640	5,000	(21,640)
Other Promotions	5,500	2,041	4,500	2,459
Route Schedules & Information	101,250	94,280	108,200	13,920
Training, Travel & Meetings	1,000	691	1,000	309
Outside Services Subtotal	<u>\$129,250</u>	<u>\$137,489</u>	<u>\$136,700</u>	<u>(\$789)</u>
<i>Promotion &amp; Information Subtotal</i>	<u><u>\$247,432</u></u>	<u><u>\$257,716</u></u>	<u><u>\$276,664</u></u>	<u><u>\$18,949</u></u>
<i>FARE REVENUE COLLECTION</i>				
Wages & Benefits				
Security Officer	\$109,042	\$103,702	\$105,925	\$2,223
FICA	9,402	9,196	9,105	(90)
Pension	12,290	12,011	11,902	(108)
Health	38,679	37,918	29,884	(8,034)
Sick Pay	2,041	2,305	2,011	(294)
Vacation Pay	5,358	7,963	5,054	(2,910)
Holiday Pay	4,327	4,913	4,022	(890)
Other Paid Leave	2,133	3,484	2,011	(1,472)
Unemployment Insurance	601	721	546	(175)
Wages & Benefits Subtotal	<u>\$183,873</u>	<u>\$182,212</u>	<u>\$170,461</u>	<u>(\$11,751)</u>
Outside Services				
Fare Processing	\$50,000	\$59,086	\$50,000	(\$9,086)
Farebox Parts & Repairs	50,000	20,224	50,000	29,776
Tickets, Tokens & Transfers	30,000	37,042	30,000	(7,042)
Outside Services Subtotal	<u>\$130,000</u>	<u>\$116,351</u>	<u>\$130,000</u>	<u>\$13,649</u>
<i>Fare Revenue Collection Subtotal</i>	<u><u>\$313,873</u></u>	<u><u>\$298,563</u></u>	<u><u>\$300,461</u></u>	<u><u>\$1,898</u></u>
<b>TOTAL PSNGR ACCOMMODATIONS</b>	<u><u><u>\$1,536,346</u></u></u>	<u><u><u>\$1,503,198</u></u></u>	<u><u><u>\$1,502,517</u></u></u>	<u><u><u>(\$680)</u></u></u>

### General Overhead Budget Detail

	Final Budget FY 11/12	Final Estimate FY 11/12	Adopted Budget FY 12/13	\$ Change
<b>FINANCE</b>				
Staff	\$345,911	\$343,911	\$346,284	\$2,373
FICA	29,791	29,090	30,695	1,605
Pension	38,943	38,560	40,124	1,564
Health	85,294	82,546	89,369	6,823
Sick Pay	3,102	8,190	3,144	(5,046)
Vacation Pay	28,154	28,357	28,226	(131)
Holiday Pay	15,508	15,791	15,722	(69)
Other Paid Leave	7,754	4,229	7,861	3,632
Unemployment Insurance	1,447	1,736	1,447	(290)
Financial Audit Services	42,000	42,000	50,000	8,000
<i>Finance Subtotal</i>	<u>\$597,904</u>	<u>\$594,410</u>	<u>\$612,872</u>	<u>\$18,462</u>
<b>PERSONNEL</b>				
Staff	\$61,007	\$62,399	\$61,694	(\$705)
FICA	5,373	5,437	5,429	(8)
Pension	7,024	7,168	7,097	(70)
Health	18,837	18,167	30,327	12,160
Sick Pay	2,026	952	819	(133)
Vacation Pay	3,960	4,309	4,638	329
Holiday Pay	2,701	2,917	2,730	(187)
Other Paid Leave	540	973	1,092	119
Unemployment Insurance	273	328	273	(55)
<i>Personnel Subtotal</i>	<u>\$101,741</u>	<u>\$102,649</u>	<u>\$114,099</u>	<u>\$11,450</u>
<b>UTILITIES</b>				
Telephone & Data Communications	\$48,000	\$43,967	\$48,000	\$4,033
Power, Water & Refuse	150,000	138,774	150,000	11,226
Two-Way Radios	22,000	21,406	22,380	974
<i>Utilities Subtotal</i>	<u>\$220,000</u>	<u>\$204,146</u>	<u>\$220,380</u>	<u>\$16,234</u>
<b>OPERATING FACILITIES</b>				
<b>Wages &amp; Benefits</b>				
Staff	\$45,200	\$45,723	\$45,594	(\$129)
FICA	3,826	3,522	3,859	337
Pension	5,001	4,646	5,044	398
Health	9,723	8,952	8,466	(486)
Sick Pay	769	785	776	(9)
Vacation Pay	1,923	3,074	1,940	(1,134)
Holiday Pay	1,923	1,844	1,940	96
Other Paid Leave	192	0	194	194
Unemployment Insurance	273	328	273	(55)
<i>Wages &amp; Benefits Subtotal</i>	<u>\$68,831</u>	<u>\$68,875</u>	<u>\$68,086</u>	<u>(\$788)</u>

Santa Barbara Metropolitan Transit District Adopted FY 2012-13 Budget

	Final Budget FY 11/12	Final Estimate FY 11/12	Adopted Budget FY 12/13	\$ Change
<i>OPERATING FACILITIES (cont'd)</i>				
Service Vehicles				
Parts & Repairs	\$17,000	\$16,270	\$17,000	\$730
Fuel	57,600	58,741	57,600	(1,141)
Service Vehicles Subtotal	\$74,600	\$75,011	\$74,600	(\$411)
Buildings & Grounds				
Contract Maintenance	\$64,900	\$72,338	\$72,460	\$122
Overpass Site	7,500	7,500	7,500	0
B&G Repairs/Supplies	35,000	39,938	35,000	(4,938)
Property Insurance	14,192	14,192	13,399	(793)
Buildings & Grounds Subtotal	\$121,592	\$133,969	\$128,359	(\$5,610)
<i>Operating Facilities Subtotal</i>	<u>\$265,023</u>	<u>\$277,854</u>	<u>\$271,045</u>	<u>(\$6,809)</u>
<i>DISTRICT ADMINISTRATION</i>				
Wages & Benefits				
Staff	\$400,559	\$408,022	\$403,759	(\$4,263)
Bus Ad Revenue Placement	8,280	9,110	8,454	(657)
FICA	37,109	33,721	36,986	3,265
Pension	48,509	47,375	48,348	974
Health	96,948	95,359	81,349	(14,010)
Sick Pay	11,218	7,864	9,610	1,746
Vacation Pay	40,949	40,094	42,394	2,300
Holiday Pay	21,574	18,227	18,480	254
Other Paid Leave	10,787	7,942	9,240	1,299
Unemployment Insurance	1,706	2,372	1,706	(666)
Wages & Benefits Subtotal	\$677,641	\$670,085	\$660,326	(\$9,759)
Administrative Services				
Directors Fees	\$16,800	\$11,448	\$16,800	\$5,352
Public Officials Insurance	24,375	24,375	23,027	(1,349)
Legal Counsel	80,000	78,941	80,000	1,059
Pension Administration	7,400	7,400	7,200	(200)
Office Equipment Maintenance	116,748	109,890	120,948	11,058
Miscellaneous Services	52,098	49,863	54,098	4,235
Office & Computer Supplies	42,000	45,325	42,000	(3,325)
Dues & Subscriptions	36,075	35,363	36,665	1,302
Conferences, Meetings & Training	5,000	5,261	5,000	(261)
Employee Relations	15,835	14,220	15,835	1,615
Retiree Health Insurance	136,899	123,278	80,933	(42,346)
Mandated Fees & Permits	30,000	29,538	30,000	462
Bus Ad Revenue Program	1,500	2,701	1,500	(1,201)
Miscellaneous	27,436	25,847	26,136	289
Administrative Services Subtotal	\$592,166	\$563,451	\$540,142	(\$23,309)
<i>District Administration Subtotal</i>	<u>\$1,269,806</u>	<u>\$1,233,536</u>	<u>\$1,200,468</u>	<u>(\$33,068)</u>
<i>TOTAL GENERAL OVERHEAD</i>	<u>\$2,454,474</u>	<u>\$2,412,596</u>	<u>\$2,418,865</u>	<u>\$6,269</u>

### Capital Project Detail

	Final Budget FY 11/12	Final Estimate FY 11/12	Adopted Budget FY 12/13	New Funding Allocation	Carry-over Funding Allocation
<b>REVENUE VEHICLE PURCHASES</b>					
40' Diesel Buses (15) (\$452,708)	\$5,411,399	\$0	\$6,790,634	\$1,379,235	\$5,411,399
60' Articulated Buses (3) (\$750,000)	0	0	2,250,000	2,250,000	0
22' Shuttles (8) (\$358,500)	2,868,000	0	2,868,000	0	2,868,000
Subtotal	\$8,279,399	\$0	\$11,908,634	\$3,629,235	\$8,279,399
<b>REVENUE VEHICLE IMPROVEMENTS</b>					
Diesel Fleet Drivetrains	\$462,000	\$200,000	\$421,000	\$421,000	\$0
EV Drivetrain/Battery Chargers etc	60,000	0	60,000	60,000	0
Lithium Battery Project	160,500	95,972	296,528	232,000	64,528
Subtotal	\$682,500	\$295,972	\$777,528	\$713,000	\$64,528
<b>OFFICE FURNITURE &amp; EQUIPMENT</b>					
Office Furniture Allowance	\$15,000	\$15,000	\$15,000	\$15,000	\$0
Subtotal	\$15,000	\$15,000	\$15,000	\$15,000	\$0
<b>MANAGEMENT INFORMATION SYSTEMS</b>					
Software Programming	\$25,000	\$0	\$20,000	\$20,000	\$0
PC Hardware/ IT Infrastructure Upgrades	20,000	5,000	20,000	20,000	0
Subtotal	\$45,000	\$5,000	\$40,000	\$40,000	\$0
<b>INTELLIGENT TRANSPORTATION SYSTEMS</b>					
AVL Radio System	\$1,400,000	\$0	\$2,200,000	\$800,000	\$1,400,000
Security Cameras on Bus	0	0	500,000	500,000	0
Subtotal	\$1,400,000	\$0	\$2,700,000	\$1,300,000	\$1,400,000
<b>SERVICE VEHICLES</b>					
Service Vehicle Replacements	\$50,000	\$0	\$50,000	\$0	\$50,000
Subtotal	\$50,000	\$0	\$50,000	\$0	\$50,000
<b>BUS STOP EQUIPMENT</b>					
Superstops	\$266,045	\$12,000	\$251,990	\$0	\$251,990
Bus Stop Upgrades	39,498	38,000	40,000	40,000	0
Subtotal	\$305,543	\$50,000	\$291,990	\$40,000	\$251,990
<b>FIXED FACILITIES</b>					
Facilities	\$42,000	\$10,000	\$185,000	\$153,000	\$32,000
Security Improvements T1	500,000	200,000	350,000	50,000	300,000
TC Expansion Project	200,000	0	200,000	0	200,000
TC Fixed Facilities	47,500	15,000	30,000	10,000	20,000
WIP - Calle Real Development	50,000	0	0	0	0
Subtotal	\$839,500	\$225,000	\$765,000	\$213,000	\$552,000
<b>FAREBOXES &amp; RADIOS</b>					
Fare Collection & Radio Allowance	\$475,000	\$100,000	\$50,000	\$25,000	\$25,000
Subtotal	\$475,000	\$100,000	\$50,000	\$25,000	\$25,000
<b>SHOP EQUIPMENT</b>					
Shop Equipment Allowance	\$45,000	\$35,000	\$65,000	\$65,000	\$0
Subtotal	\$45,000	\$35,000	\$65,000	\$65,000	\$0
<b>TOTAL CAPITAL PROJECTS</b>	<b>\$12,136,942</b>	<b>\$725,972</b>	<b>\$16,663,152</b>	<b>\$6,040,235</b>	<b>\$10,622,917</b>