



**Southern California Regional Rail Authority  
Fiscal Year 2015-16 Adopted Budget**

**Including FY2017 and FY2018 Projections**



**SOUTHERN CALIFORNIA  
REGIONAL RAIL AUTHORITY**

**FISCAL YEAR 2015-16  
ADOPTED BUDGET**

**With  
FY16-17 Projection (Informational only)  
FY17-18 Projection (Informational only)**

**June 11, 2015  
ADOPTED June 26, 2015**

Los Angeles County Metropolitan Transportation Authority

Orange County Transportation Authority

Riverside County Transportation Commission

San Bernardino Associated Governments

Ventura County Transportation Commission

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**SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY**

**FY2015-16 BUDGET**

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# **SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY**

## **FY2015-16 BUDGET**

### **SECTION 1: Executive Summary**

#### **1.1 Introduction**

In its 23rd year of operations, the SCRRA continues to add service and refine its administrative functions. FY2014-15 was characterized by continuing work on Positive Train Control (PTC), identifying solutions to ticketing issues, including problems created by our aging Ticket Vending Machines and updated methods of fare collection; opening of a new Dispatching and Operating Center (DOC) and improving administrative efficiencies, including an entire restructure of the Finance area of the organization. A critical administrative step was Stage 3 of the implementation and refinement of Oracle 12, which gives the agency a grants module which performs the detailed tracking of funds received and spent; and a budgetary control system which automates adherence to budget. An equally critical step was the hiring of a top flight CFO, and a highly qualified team of financial professionals.

Operationally, the hiring of the new CEO, Art Leahy, is a high water mark for SCRRA in the mass transit experience and national industry recognition of their top management.

The following objectives are included in the FY16 Proposed Budget:

- Enhance the overall safety and security of the system
- Replacement of current rolling stock with 20 more powerful, efficient and cleaner Tier 4 Locomotives
- Launch a continuation of the 91 Line providing service from Riverside to Perris Valley adding 23 miles to our route
- Aggressively promote growth in ridership and revenues
- Test new fare structures and fare enforcement technologies
- Complete final testing and implement PTC and incorporate PTC operation costs.
- Replacement of Aging TVM Machines.
- Implementation of Mobile Ticketing.
- Finalize a five year strategy in coordination with Member Agencies to ensure a cohesive plan for future growth and development.
- Continue the development of Oracle R12 and integrated reporting tools to provide timely, accurate, management- enabling information to improve efficiencies and outcomes.
- Continue the redesign and rebuild of internal processes to ensure accuracy and timeliness of accounting and financial data.
- Complete the final phase of the 10 year Fare Policy restructuring plan.

The SCRRA is a Joint Exercise of Powers Authority (JPA) created to plan, design, build and operate the Metrolink commuter rail service in the Southern California region. In FY16 Metrolink will provide service on 7 routes to 59 stations over 535 route miles. The system map is provided as *Exhibit 1.1*.

During FY16, Metrolink will operate 171 weekday trains (excluding 2 Amtrak co-shared trains on the Ventura County Line) and 90 weekend trains. Average weekday ridership is projected at 41,043 daily one-way trips. Additionally, we estimate 19,998 riders will take advantage of Saturday and Sunday services provided on the Antelope Valley, Inland Empire-Orange County, Orange County, 91, and San Bernardino lines. The FY16 Proposed Budget includes the extension of six trains on the 91 Line which currently end at Riverside, but which will continue to Perris Valley, and six trains providing bounce back service between Riverside and Perris Valley on the 91 Line.

The SCRRA dispatches and maintains over 70% of the territory over which it operates. Daily, SCRRA will dispatch 173 Metrolink trains, up to 29 Amtrak trains and up to 60 freight trains. SCRRA is also responsible for the maintenance of right-of-way owned by SCRRA Member Agencies that extends over 368 track miles.

SCRRA's Capital Program includes ongoing rehabilitation of this right-of-way, facilities, equipment and rolling stock, and expansion of the commuter rail system through the acquisition and construction of new assets.

The FY16 Proposed Budget consists of an Operating Budget of \$229.0 million, an increase of 3.4% over the FY15 Approved Budget. The Capital Program seeks \$73.8 million in new authority for Rehabilitation Projects and \$53.7 million in new authority for New Capital Projects, for a total of \$127.5 million in additional capital authorization. Total SCRRA revenues are \$101.5 million, and Member Agency subsidies are \$127.5 million, or a 14.1% increase over the FY15 Approved Budget.

The FY16 Proposed Budget highlights include:

- FY 16 includes the opening of the Perris Valley extension in December of 2015.
- With the opening of Perris Valley, the budget includes the extension of 6 trains (currently running LAUS to Riverside) through to Perris Valley, and the addition of 6 bounce back trains between Riverside and Perris Valley.
- The new Perris Valley portion of our route includes 4 new stations, and 23 miles of additional route miles.
- Operating expenses (excludes MOW extraordinary maintenance) per train mile are \$81.44 (4.6% increase over FY15 Budget)
- Subsidy per passenger mile equals \$0.27 (24.4% increase over FY15 Budget)
- Operating expense per passenger mile is \$0.48 (12.1% increase over FY15 Budget)
- Total revenue recovery is projected to equal 44.4% (11.0% decrease from FY15 Budget)
- Farebox recovery is projected at 37.0% (10.6% decrease from FY15 Budget)

- Member Agency subsidies are estimated to provide 55.6% of the required operating revenues in FY16.
- Diesel fuel price is estimated at a \$3.00 per gallon average for the fiscal year plus a 5% contingency, compared to \$3.16 per gallon in the FY15 Budget, representing a 3.3% decrease. The 2016 Proposed Budget also reflects an average of 2.6 gallons per mile, which is equal to gallons per mile in the FY15 Budget.
- For the first time, SCRRA has also provided two years of projections (FY16-17 and FY17-18) with the FY16 Budget

## **1.2 Administrative Requirements**

Under the terms of the Joint Exercise of Powers Agreement (JPA) establishing SCRRA, the Chief Executive Officer submits a Preliminary Fiscal Year Budget for the following fiscal year to the SCRRA Board of Directors no later than May 1 of each year. The Preliminary Budget includes administrative and operating costs, as well as projected agency revenues and capital projects. The net of agency revenues and expenses represents the anticipated Member Agency contributions required to carry out the purposes of the authority.

The SCRRA Board of Directors approved the transmittal of a preliminary FY16 Budget on April 10, 2015, and the document was submitted to the Member Agencies on April 17, 2015.

Decisions dealing with capital and operating fund allocations as well as annual approval of each Member Agency's share of SCRRA's annual budget, requires approval by the Member Agencies. The Board shall adopt the annual budget no later than June 30, 2015 .

## **1.3 Budget Development and Assumptions**

The development of SCRRA's FY16 Proposed Budget is based on the operating costs, revenues and capital investment required to provide a safe, efficient and reliable commuter rail operation.

The SCRRA budget is made up of two principle components: the Operating Budget (train operations and Maintenance of Way) and the Capital Program (new capital projects and rehabilitation projects). Funding for these costs is derived from SCRRA fare revenue and other income, with the balance provided by grants and subsidies paid by the five Member Agencies.

Under the terms of the JPA, each Member Agency approves its individual Operating and Capital contributions for an upcoming fiscal year. These contributions are based on a series of formulated allocations that distribute revenue and costs across Operating Line Segments and Member Agencies.

## 1.4 Summary of Operating Revenues and Subsidy Funding

SCRRA generates operating revenue from four principal sources: Fares, Dispatching, Maintenance of Way and Other Income.

*Fare Revenues* – The FY16 Proposed Budget assumes ridership of 11.7 million passengers will generate Fare Revenues equal to \$84.4 million, a decrease of \$7.0 million or negative 7.6% from the FY15 Approved Budget. No fare adjustment is included in the FY16 Proposed Budget. The FY16 Proposed Budget includes continued implementation of the Fare Enforcement Policy, including a 100% fare enforcement effort on the Antelope Valley Line to be funded by Metro.

*Dispatching Revenue* – As the operating administrator of its member-owned right-of-way, SCRRA receives revenues from freight railroads and Amtrak Intercity services for the right to operate through and over its territories. These revenues are volume-based, and individual rates are contained in existing agreements that govern rate increases. The total dispatching revenues are projected at \$2.7 million, \$0.9 million less than the FY15 Budget, and consistent with FY15 actual revenue.

*Maintenance of Way (MOW) Revenue* – Member Agency contributions for ordinary maintenance are partially offset by revenues received from the freight railroads and Amtrak Intercity services. These revenue rates were negotiated based on the historical expenditures on Maintenance of Way by freight railroads prior to the purchase of these right-of-way properties by the Member Agencies. Consequently, these revenue rates do not completely offset the escalating costs of maintaining a higher standard of quality for passenger rail service. MOW revenues are projected to equal \$14.3 million, a decrease of \$0.6 million from the FY15 Budget, and consistent with FY15 actual revenue.

*Other Revenues* – Immaterial amounts of Other Revenues are expected for FY16.

Member Agency subsidies represent the additional revenue necessary to operate the Metrolink commuter rail system.

## 1.5 Summary of Operating Expenses

SCRRA's operating expenses include Train Operations, Maintenance of Way and Insurance/Claims. The combined total expense for the FY16 Proposed Budget is \$229.0 million.

### *Train Operations*

A variety of components are included in Train Operations, including operating crews, dispatching, equipment maintenance, fuel, non-scheduled rolling stock repairs, operating facilities maintenance, rolling stock lease payments, sheriffs and security guards, public safety programs, passenger relations, Ticket Vending Machine maintenance and revenue collection, marketing and market research, media/external relations, utilities and leases,

passenger transfers to other operators, Rail 2 Rail program, station maintenance, freight rail agreements and general administrative costs that support the agency operation. Total costs are \$168.5 million, or a 2.3% increase over the FY15 Approved Budget.

*Maintenance of Way*

Ordinary and extraordinary maintenance of Member Agency-owned track, signals, bridges, road crossings and other elements of the infrastructure and rights-of-way totals \$42.4 million, or approximately 6.4% over the FY15 Budget.

*Insurance/Claims*

Risk Management expenses of \$18.1 million have increased by \$1.2 million or 7.2% more than FY15 Budget.

**1.6 Summary of Capital Program**

SCRRA's overall Capital Budget consists of two major components: Rehabilitation (Rehab) and New Capital programs. These components amount to \$152.2 million and \$195.7 million, respectively, for a total of \$347.9 million. The proposed incremental rehab investment authority requested in the FY16 Proposed Budget is \$73.8 million. The proposed additional New Capital authorization requested in the FY16 Proposed Budget is \$53.7 million.

Rehab projects within the program renovate or remanufacture worn-out assets to preserve and/or extend the useful life of the asset. New Capital projects expand the railroad infrastructure and include items such as sidings, additional track, material upgrades of the signals and communication system and new rolling stock.

## 1.7 Exhibits

### 1.7.1 Exhibit 1.1: Metrolink System-wide Map

This exhibit shows the six-county area served. It displays Metrolink stations, Rail 2 Rail stations shared by Metrolink and Amtrak, as well as Union Station, which is shared by Metrolink, Amtrak and Metro.





# **SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY**

## **FY2015-16 BUDGET**

### **SECTION 2: Introduction to the Budget**

#### **2.1 Mission Statement**

Metrolink is a premier regional rail system, including commuter and other passenger services, linking communities to employment and activity centers. Metrolink provides reliable transportation and mobility for the region, leading toward more livable communities. Metrolink accomplishes its mission by providing technically superior and safe operations, customer focus and accessibility, dependable, high quality service, cost-effective and high-value service, a strategically located network of lines and stations, integration with other transit modes, environmental sensitivity and community involvement and partnerships with both public and private sectors.

*Our mission is to provide an outstanding passenger experience on every ride with safe, clean, dependable and on-time operations.*

## 2.2 Board Governance

The SCRRA Board Roster, as of June 30, 2015, consists of 11 voting members and 10 alternates:

County	Votes	Members	Alternates
Orange	2	Shawn Nelson ( <i>Chair</i> ) Supervisor, 4 <sup>th</sup> District County of Orange OCTA Board  Gregory T. Winterbottom Public Member OCTA Board	Jeffrey Lalloway <sup>1</sup> Mayor Pro Tem, City of Irvine Chair, OCTA Board  Todd Spitzer <sup>1</sup> Supervisor, 3 <sup>rd</sup> District County of Orange OCTA Board
Riverside County	2	Daryl Busch ( <i>Vice-Chair</i> ) Mayor City of Perris RCTC Board  Karen Spiegel Council Member City of Corona RCTC Board	Andrew Kotyuk <sup>1</sup> Council Member City of San Jacinto RCTC Board  Debbie Franklin <sup>1</sup> Mayor City of Banning RCTC Board
Ventura County	1	Keith Millhouse Mayor Pro Tem City of Moorpark VCTC Board	Brian Humphrey Citizen Representative VCTC Board
Los Angeles	4	Michael Antonovich Supervisor, 5 <sup>th</sup> District County of Los Angeles, Mayor Metro Board  Don Knabe Supervisor, 4 <sup>th</sup> District County of Los Angeles Metro Board  Paul Krekorian Councilmember, 2 <sup>nd</sup> District Metro Board  Ara Najarian Council Member City of Glendale Metro Board	Robert T. Bartlett Metro Appointee  Richard Katz Metro Appointee  Borja Leon Metro Appointee  [Currently Awaiting Appointment]

San Bernardino	2	Larry McCallon Mayor Pro Tem City of Highland SANBAG Board	James Ramos <sup>1</sup> Supervisor, 3rd District Chair, County of San Bernardino SANBAG Board
		Paul Eaton Mayor City of Montclair SANBAG Board	Alan D. Wapner <sup>1</sup> Mayor Pro Tem City of Ontario SANBAG Board

Ex-officio members of SCRRA:

Agency	Ex – Officio Members
Southern California Association of Governments (SCAG)	Art Brown Mayor, City of Buena Park
San Diego Association of Governments	<i>Currently awaiting appointment</i> Contact: Linda Culp Principal Planner - Rail
State of California: Department of Transportation (Caltrans)	Ryan Chamberlain Director, Caltrans District 12  <i>Alternate: Currently awaiting appointment</i>

SCRRA has organized the agency into cost centers under business unit offices to support core functionalities, institute best practices and increase overall efficiency. These business unit offices include:

Executive Office: Arthur T. Leahy, Chief Executive Officer  
Operations Office: Gary Lettengarver, Chief Operating Officer  
Administrative Office: Patricia Bruno, Chief Administrative Officer  
Marketing/Communications Office: Robert Turnauckas, Chief Marketing and Communications Officer  
General Counsel Office: Don O. Del Rio, General Counsel  
Finance Office: Sam Joumbat, Chief Financial Officer  
Chief Auditor Office: Vacant, Chief Auditor

The FY16 Budget of the SCRRA proposes 279 authorized positions. This represents a total increase of 6.

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<sup>1</sup> Alternates represent either member

### **2.3 SCRRA Background**

In June 1990, the California Legislature enacted Senate Bill 1402, Chapter 4 of Division 12 of the Public Utilities Code. This bill required each transportation commission of the counties of Los Angeles, Orange, Riverside and San Bernardino to jointly develop a plan for regional transit services within the multi-county region.

In August 1991, the Southern California Regional Rail Authority (SCRRA), a regional Joint Powers Agency (JPA), was formed. Voting members with their respective number of votes are: Los Angeles County Metropolitan Transportation Authority (Metro), four votes; Orange County Transportation Authority (OCTA), two votes; Riverside County Transportation Commission (RCTC), two votes; San Bernardino Associated Governments (SANBAG), two votes; and Ventura County Transportation Commission (VCTC), one vote. These five county transportation commissions are defined as SCRRA's Member Agencies. Ex-officio members of the SCRRA include the Southern California Association of Governments (SCAG), the San Diego Association of Governments and the State of California Department of Transportation (Caltrans).

The purpose of the newly formed SCRRA was to plan, design, construct and administer the operation of regional passenger rail lines serving the counties of Los Angeles, Orange, Riverside, San Bernardino and Ventura. The SCRRA named the regional commuter rail system "Metrolink." The first three lines - San Bernardino, Santa Clarita (now Antelope Valley) and Ventura County - began operation in October 1992. The Riverside Line was added in June 1993, and the Orange County Line (which extends 19 miles into northern San Diego County) was added in April 1994. The sixth line, Inland Empire-Orange County, the nation's first suburb-to-suburb commuter rail line, was added in October 1995. In May of 2002, the 91 Line was added to provide an alternative to Inland Empire and western Orange County commuters traveling through Fullerton. In December of 2015, the 91 Line will be extended to Perris Valley to provide service to an additional section of the Inland Empire.

SCRRA continues to support the Metrolink commuter rail system as the Southern California commute of choice through the provision of safe, high quality, efficient, reliable and timely service options for its passengers.

# **SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY**

## **FY2015-16 BUDGET**

### **SECTION 3: Budget Summary**

#### **3.1 Budget Policy**

##### **3.1.1 Budget Authorization**

The primary objective of the SCRRA Budget is to provide the financial road map that leads to the achievement of the agency's priorities and objectives consistent with its provision of safe, reliable, high quality commuter rail service under the Metrolink banner. The Operating Budget provides funds to enable the provision of such rail service and the associated administrative functions to manage that service, for the period of a single fiscal year. The Capital Budget approves individual projects that may proceed within the approved funding level. The Board must adopt a final Budget no later than June 30 of each year.

The Budget shall contain a financial plan that includes:

- Goals and objectives for the new fiscal year
- Assumptions underlying revenue and expense projections
- Planned service for the following fiscal year
- Summarized Revenue Budget
- Summarized Operating Budget
- Revenue sources by line item
- Expenses by summary line item
- Authorized headcount position roster

In approving the proposed budget and any Board-initiated amendments, the Board authorizes SCRRA to expend funds under the direction of the Chief Executive Officer consistent with:

- Total amount appropriated for Train Operations and Maintenance of Way
- Total amount appropriated for each capital rehabilitation and new capital project
- Individual Member Agency funding commitments
- Total number of authorized positions

##### **3.1.2 Budgetary Control and Reporting**

Budgetary control refers to SCRRA's approved procedures for monitoring actual expenses against planned expenditures as adopted in the annual Budget. Introduction of controls

installed coincident with the Oracle R12 implementation has created an environment of absolute automated controls. The system is designed to literally not allow an approved budget to be exceeded without specific documented approval.

By adopting an annual Budget, the Board of Directors delegates to the Chief Executive Officer the authority to manage the annual Budget within the following parameters:

A budget transfer represents changes in projected expenses between line items within or across departments in the Budget. The Office of Finance shall review the impact of any requested budget transfer and make recommendations to the Chief Executive Officer.

Certain budget transfers may require Board approval and result in Budget Amendments. Budget Amendments will be submitted to the Board as required and include:

- A budget transfer that negatively impacts Member Agency funding commitments
- A budget transfer that negatively impacts the total operating budget or individual capital projects
- A budget transfer that increases the total authorized level of personnel

The Board, by approving a Budget Amendment, amends the Adopted Budget for the fiscal year. Budget Amendments that require an increase in a Member Agency's funding commitments additionally require the approval of that Member Agency.

The Adopted Budget, or a subsequently Amended Budget, is the baseline for all comparisons to actual revenue and expenditures during a fiscal year. Quarterly budget status reports are presented to the Board of Directors. Internal performance reporting, periodic forecasting and the preparation of the Comprehensive Annual Financial Report (CAFR) also provide tools for managing and reporting agency activities compared to the budget plan.

### **3.1.3 Accounting Methodology**

The SCRRA reports its financial position and activities as a special-purpose governmental entity engaged in business-type activities and presents financial statements required for enterprise funds. The accrual basis of accounting is utilized. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The SCRRA, as part of its implementation of Government Accounting Standards Board Pronouncement 34 (GASB34), has elected to use the Modified Approach for the Metrolink Railroad Infrastructure.

Under the Modified Approach, infrastructure assets that are part of a network, or subsystem of a network, are not required to be depreciated as long as two requirements are met:

- 1) The government manages the eligible infrastructure assets using a qualified asset management system

- 2) The government documents that the eligible infrastructure assets are being preserved approximately at (or above) a condition level established and disclosed by the government

The SCRRA Board adopted a minimum condition rating of 75 points (of a maximum of 100) as the minimum acceptable Railroad Condition Index (RCI) for the entire railroad network, including all subsystems. The actual index value of the condition of SCRRA's infrastructure network was 86 as of June 30, 2012. In accordance with GASB 34, the next system-wide condition assessment is due for the year ending June 30, 2015. At the end of the three-year period, the results of the cumulative assessments will be utilized to determine the year-end condition level. For a complete description of the rating values and their meanings, please see Section 8 - Appendix. The agency expects to annually update 1/3 of the agency's rail infrastructure to ensure a three-year cycle of valuation is maintained. Information currently available indicates that the index value of the condition of SCRRA's infrastructure network will be 81 as of June 2015.

SCRRA has retained the services of CH2M Hill to assist in the development of a Transit Asset Management system that will be compliant with MAP 21 Requirements.

### **3.1.4 Budget Assumptions**

Ridership has not recovered to pre-recession levels, and a contraction in ridership has informed a decision to keep farebox revenue flat with actual forecasted revenue for 2015.

## **3.2 Total Operating Budget**

SCRRA's FY16 Budget operating expense component is \$229.0 million, an increase of \$7.5 million, or 3.4% over the adopted FY15 Budget. Total operating revenues are expected to equal \$101.5 million, \$8.9 million less than the FY15 Budget, a decrease of 8.1%. Member Agency Operating Contributions for the year are an estimated \$127.5 million, an increase of \$16.4 million, or 14.1% over the FY15 Adopted Budget, an increase driven primarily by over-budgeted revenue in 2015.

## **3.3 Operating Revenues and Subsidy Funding**

The agency's operating revenue is derived from three principal sources: Fares, Dispatching, and Maintenance of Way. In order to minimize the impact to Member Agency contribution requirements, the agency continues to pursue, wherever available, other potential revenue enhancements.

During FY2003-04, the agency developed and approved a Fare Policy restructuring plan. The restructure provides a more equitable fare payment methodology in which all travel is

comparably priced. FY16 represents the incorporation of the tenth annual phase of the 10-year implementation plan. Prior to FY2004-05, the fare structure was predicated on a zone basis under which a passenger's fare was determined by the number of fare zones traveled. The approved Fare Policy is based on the station-to-station driving mileage.

Average weekday ridership is projected to total 41,043. Total ridership, including all weekend services, is expected to equal 11.7 million passenger trips.

Fare revenues are calculated by operating line segment through the use of an applied statistical methodology driven by historical passenger usage. Farebox Revenue is projected to equal \$84.4 million, a decrease of \$8.9 million or 8.1% less than FY15 Budget. No fare increase is included in the FY16 Proposed Budget, and the projected amount keeps farebox revenue flat with actual forecasted revenue for 2015.

Freight railroads and Amtrak Intercity services operating over territory owned by SCRRA Member Agencies provide dispatching and Maintenance of Way revenues, based upon existing agreements. Dispatching Revenues are estimated to equal approximately \$2.7 million.

Maintenance of way revenues are estimated at \$14.3million, a decrease of 4.2% from adopted FY15 levels.

### **3.4 Operating Expenses**

Total operating expenses include train operations, maintenance of Member Agency-owned rights-of-way and insurance/claims. The FY16 Proposed Budget includes a train operations budget of \$168.5 million, Maintenance of Way budget of \$42.4 million and insurance/claims budget of \$18.1 million. The total of \$229.0 million is an increase of \$7.5 million or 3.4% over FY15 Approved Budget.

The operating expense increase is composed of several key areas. The Perris Valley service and route enhancements have added \$2.0 million in additional costs. Mitigation of crew fatigue has necessitated the addition of \$1.6 million in crew costs. TVM maintenance and bank charges for credit card ticket purchases have increased \$1.0 million. Estimated liabilities which may need to be funded in fiscal 2015 as a result of the Oxnard incident have been budgeted at \$3.0 million

### **3.5 Capital Program**

SCRRA is responsible for the safety and performance of the railroad system and right-of-way and all that travel upon it. Projects are selected based on the principle of minimizing and managing the risk of failure among system components. A rolling five-year plan was created in 2012. Rehabilitation projects included in FY16 are evaluated to balance the availability of funds from the five Member Agencies. Selected projects are chosen from a larger field SCRRA staff believe can be safely and responsibly deferred to future years.



Additionally, the proposed projects ensure that the SCRRRA rail infrastructure condition rating will continue to substantially exceed the minimum condition standard as established by the Board. New Capital projects are identified and only included in the budget when the specific local, state and federal funding has been identified.

Capital funding revenues consist of federal, state and local agency funds, as well as contributions from third parties, namely freight railroads, in the form of direct grants and participation in specific projects. Funding for the Capital Budget is provided by the following sources:

**Funding Sources (\$000's)**

Federal Funds	\$2,231
State Funds	\$133,972
Member Agency Local Funds	\$167,508
Other Local Funds	\$44,200
	\$347,911

**3.6 Summary of the Total FY2015-16 Budget**

The \$576.9 million proposed FY16 Budget consists of an Operating Budget of \$229.0 million, an increase of 3.4% from the FY15 Budget, and a Capital Program of \$347.9 million. The Operating Budget includes Train Operations of \$168.5 million and a Maintenance-of-Way (MOW) budget of \$42.4 million. The Budget also includes \$18.1 million covering Insurance/Claims. The total Capital Program Budget is \$347.9 million. The Program Budget contains a \$152.2 million Rehabilitation component, which includes \$73.8 million of new authority; and a \$195.7 million New Capital component, which includes \$53.7 million of new authority.

**3.7 Exhibits**

**3.7.1 Exhibit 3.1a – 3.1d: Summary of FY2015-16 Statistics by Line**

*Exhibit 3.1a, b, c and d* provide the estimated operating statistics by line for FY16 and the calculation of various performance ratios. Revenues and expenses are allocated to lines using formulae that associate rail operational statistics appropriately. Detailed listings of allocation categories and the methodology of their use is detailed in Sections 7 - General and Administrative Budget. In Section 8 – Appendix, *Exhibit 8.2* illustrates the percentages utilized to allocate by rail line.

Average trip length for FY16 is projected at 40 miles. Dependent on ridership and revenues received, individual line operating statistics vary considerably. The Orange County Line (including MSEP) has the highest revenue recovery rate at 61.4%. The San Bernardino revenue recovery is estimated at 52.4%, the Riverside Line at 48.3%, the Antelope Valley Line at 38.9%, the IEOC Line at 37.0%, the Ventura County Line at 30.9%, and the 91 Line at 28.7%.

### **3.7.2 Exhibit 3.2 – 3.5: Performance Data (FY93 through FY16)**

*Exhibits 3.2 through 3.5* provide a summary of the projected annual operating performance data as represented in the FY16 Proposed Budget compared to the 2015 Adopted Budget and 21 years of historical actuals since FY1992-93. An expanded and graphic form of the data included in *Exhibit 3.1a-d*, the information is displayed with a 23-year history for illustrative and trending prospective.

- Exhibit 3.2:* Operating Expense, Revenues and Operating Subsidy
- Exhibit 3.3:* Train Miles, Fares and Average Weekday Ridership
- Exhibit 3.4:* Revenue Recovery, Farebox Recovery and Operating Expense per Train Mile
- Exhibit 3.5:* Operating Expense per Passenger Mile, Operating Subsidy per Rider and Operating Subsidy per Passenger Mile

### **3.7.3 Exhibit 3.6: FY2015-16 Annual Operating Budget Distribution by Fiscal Year**

*Exhibit 3.6* includes the line items that comprise the FY16 Proposed Operating Budget and includes both Revenues and Expenses, with each line broken out by key components.

Actual farebox revenues experienced their first decline in FY10 as a result of the economic recession. Since that time, farebox revenue has shown a slow recovery, but has failed to keep pace with rising costs of operation. Optimism with respect to job recovery in downtown LA at the time of the FY15 Budget construction and plans to achieve a 2% ridership increase, failed to materialize, and we are now forecasting that FY15 farebox revenue will be \$84.0 million, under budget by \$9.5 million. In 2016, we are assuming no increase over the forecasted actual amount for 2015. Including new services, the 2016 Proposed Budget for farebox revenues will be \$84.4 million, which is \$7.0 million less than the 2015 Budget, and equivalent to the current forecast for 2015.

- Dispatching Revenues include fees for dispatching freight and Amtrak intercity.
- Maintenance of Way (MOW) revenues rates were negotiated based on the historical expenditures on Maintenance of Way by the freight railroads prior to the purchase of these rights-of-way by the Member Agencies.

Local funds from the five Member Agencies for the Operating Budget vary from year to year, depending on SCRRA estimated revenue sources and operating expenses. The FY16 Proposed Budget assumes Member Agency contributions at \$127.5 million, a 14.1% increase over FY15 Approved Budget.

*Exhibit 3.6* breaks out projected expenses for SCRRA’s FY16 Proposed Budget and compares these with budgeted and actual expenses for the fiscal years FY12 through FY16. Operating expenses include all costs required to operate the Metrolink system including train operations, maintenance of equipment, fuel, security, utilities, transfer payments to other transit operators, revenue collection, payments to freight railroads for dispatching, station maintenance, passenger services, Maintenance of Way, general and administrative expenses, professional services and insurance.

**3.7.4 Exhibit 3.7: FY2015-16 Annual Operating Budget Distribution by Cost Component and Distribution to Member Agency**

*Exhibit 3.7* includes the line items that comprise the FY16 Proposed Budget and includes both Revenues and Expenses, with each line broken out by key components and distributed across the five Member Agencies.

FY16 total Member Agency subsidy of \$127.5 million represents a \$16.4 million, or 14.1%, increase over the FY15 Approved Budget. More than half of this increase is the result of a revenue shortfall in FY15, rather than an expense increase in FY16.

	<b>FY14-15</b>	<b>FY15-16</b>	<b>Increase</b>	<b>% Change</b>
Metro	\$ 59,683	\$ 65,482	\$ 5,799	9.7%
OCTA	\$ 22,267	\$ 26,093	\$ 3,826	17.2%
RCTC	\$ 9,817	\$ 13,992	\$ 4,175	42.5%
SANBAG	\$ 11,805	\$ 12,848	\$ 1,043	8.8%
VCTC	\$ 8,163	\$ 9,095	\$ 932	11.4%
<b>Total</b>	<b>\$ 111,735</b>	<b>\$ 127,510</b>	<b>\$ 15,775</b>	<b>14.1%</b>

*Note: Numbers may not foot due to rounding.*

**3.7.5 Exhibit 3.8: FY2015-16 Revenue Sources and Comparison to FY2012-13 through FY2015-16**

*Exhibit 3.8* provides a summary of the FY16 Budget revenue for operating expenses of \$229.0 million and capital program authority of \$347.9 million. Operating Budget expenses represent only FY16 expenditures, while the Capital Program Budget includes both current year and carryover Board approved authority. Total dollars are separated into funding categories, including state and federal grants, interest on lease proceeds, freight railroad and local funds. The FY16 Proposed Budget detailed allocations are compared to budgeted and actual funding sources for FY13 through FY16.

**3.7.6 Exhibit 3.9: FY2015-16 Budget Revenue Sources and Use by Member Agency**

*Exhibit 3.9* provides a summary of the FY16 Budget Revenue Source and Use to cover operating expenses of \$229.0 million and capital program authority of \$347.9 million by Member Agency. Operating Budget expenses represent only FY16 expenditures, while the Capital Program Budget includes both current year and carryover Board approved authority. Total dollars are separated into funding categories including state and federal grants, interest on lease proceeds, freight railroad and local funds.

3.7.1a Exhibit 3.1a

Summary of FY2015-16 Statistics by Line

LINE	San Bernardino	Ventura County	Antelope Valley	Burbank	Riverside	Orange County	Orange Co MSEP	Inland Empire Orange Co.	91 Line	Total
<b>Service Levels (1)</b>										
Weekday Train Trips - FY 14 Actual	42	20	30	11	12	21	8	16	9	169
Weekend Train Trips - FY 14 Actual	34	0	12	0	0	16	0	8	0	70
Total Train Trips - FY 14 Actual	76	20	42	11	12	37	8	24	9	239
Weekday Train Trips - FY 15 Budget	38	20	30	11	12	21	6	16	13	167
Weekend Train Trips - FY 15 Budget	34	0	24	0	0	16	0	8	8	90
Total Train Trips - FY 15 Budget	72	20	54	11	12	37	6	24	21	257
Weekday Train Trips - FY 16 Budget	38	20	30	11	12	19	10	16	15	171
Weekend Train Trips - FY 16 Budget	34	0	24	0	0	16	0	8	8	90
Total Train Trips - FY 16 Budget	72	20	54	11	12	35	10	24	23	261
<b>Passenger Boardings</b>										
FY 14 Actual	3,241,225	1,015,242	2,138,454		1,225,828	2,505,168	13,946	1,268,907	608,328	12,017,098
FY 15 Budget	3,445,485	1,087,437	1,777,624		1,324,207	2,849,058	16,245	1,394,020	920,497	12,814,574
FY 16 Budget	3,213,071	1,011,317	1,838,758		1,216,592	2,527,818	13,948	1,277,620	611,863	11,710,987
% Change - FY 14 Actual to FY 16 Budget	(0.9%)	(0.4%)	(14.0%)		(0.8%)	0.9%	0.0%	0.7%	0.6%	(2.5%)
% Change - FY 15 Budget to FY 16 Budget	(6.7%)	(7.0%)	3.4%		(8.1%)	(11.3%)	(14.1%)	(8.3%)	(33.5%)	(8.6%)
<b>Train Miles (1)</b>										
FY 14 Actual	714,043	247,054	599,050		190,205	432,960	91,082	331,434	128,226	2,734,054
FY 15 Budget	682,810	286,850	607,589		186,359	454,161	61,776	332,764	220,721	2,833,030
FY 16 Budget	663,919	252,772	611,437		195,111	440,750	93,704	342,623	196,034	2,796,349
% Change - FY 14 Actual to FY 16 Budget	(7.0%)	2.3%	2.1%		2.6%	1.8%	2.9%	3.4%	52.9%	2.3%
% Change - FY 15 Budget to FY 16 Budget	(2.8%)	(11.9%)	0.6%		4.7%	(3.0%)	51.7%	3.0%	(11.2%)	(1.3%)
<b>Passenger Miles</b>										
FY 14 Actual	129,693,703	34,518,228	98,411,754		50,258,948	98,239,723	237,082	49,690,746	22,508,136	483,558,320
FY 15 Budget	133,049,479	39,147,743	82,337,880		54,292,500	113,828,782	276,165	56,054,646	33,137,889	512,125,084
FY 16 Budget	128,594,169	34,384,778	85,605,280		49,880,272	99,594,860	237,109	50,527,036	22,638,931	471,462,435
% Change - FY 14 Actual to FY 16 Budget	(0.8%)	(0.4%)	(13.0%)		(0.8%)	1.4%	0.0%	1.7%	0.6%	(2.5%)
% Change - FY 15 Budget to FY 16 Budget	(3.3%)	(12.2%)	4.0%		(8.1%)	(12.5%)	(14.1%)	(9.9%)	(31.7%)	(7.9%)
<b>Average Weekday Ridership</b>										
FY 14 Actual	10,886	3,905	7,096		4,715	8,689	250	4,522	2,340	42,403
FY 15 Budget	11,848	4,264	5,816		5,193	10,349	64	5,101	3,169	45,804
FY 16 Budget	10,779	3,890	5,929		4,679	8,708	232	4,508	2,317	41,043
% Change - FY 14 Actual to FY 16 Budget	(1.0%)	(0.4%)	(16.4%)		(0.8%)	0.2%	(7.1%)	(0.3%)	(1.0%)	(3.2%)
% Change - FY 15 Budget to FY 16 Budget	(9.0%)	(8.8%)	1.9%		(9.9%)	(15.9%)	264.9%	(11.6%)	(26.9%)	(10.4%)
<b>Average Trip Length (Miles) (2)</b>										
	40.0	34.0	46.6		41.0	39.4	17.0	39.5	37.0	40.3

Notes:

- (1) Service levels and train miles include 2 Amtrak code share trains on the Ventura County Line.
- (2) Average trip length taken from the 2013 On-Board Survey.

**3.7.1b Exhibit 3.1b**

**Summary of FY2015-16 Statistics by Line**

LINE	San Bernardino	Ventura County	Antelope Valley	Burbank	Riverside	Orange County	Orange Co MSEP	Inland Empire Orange Co.	91 Line	Total
<b>Operating Cost (w/MOW) (1)</b>										
FY 14 Actual	44,096	23,214	39,573		16,545	26,744	4,990	20,516	9,445	185,124
FY 15 Budget	50,984	27,541	46,261		18,370	32,804	5,044	26,300	14,192	221,496
FY 16 Budget	46,318	26,508	43,499		18,213	29,749	5,202	23,439	17,960	210,889
% Change - FY 14 Actual to FY 16 Budget	5.0%	14.2%	9.9%		10.1%	11.2%	4.2%	14.2%	90.2%	13.9%
% Change - FY 15 Budget to FY 16 Budget	(9.2%)	(3.8%)	(6.0%)		(0.9%)	(9.3%)	3.1%	(10.9%)	26.6%	(4.8%)
<b>Operating Cost (w/o MOW Extraordinary Maint) (1)</b>										
FY 14 Actual	48,330	24,582	43,000		17,576	29,027	5,380	22,141	10,217	200,253
FY 15 Budget	50,746	27,364	45,961		18,356	32,691	5,044	26,203	14,183	220,547
FY 16 Budget	50,502	28,139	47,049		19,541	32,366	5,899	25,315	18,929	227,740
% Change - FY 14 Actual to FY 16 Budget	4.5%	14.5%	9.4%		11.2%	11.5%	9.6%	14.3%	85.3%	13.7%
% Change - FY 15 Budget to FY 16 Budget	(0.5%)	2.8%	2.4%		6.5%	(1.0%)	16.9%	(3.4%)	33.5%	3.3%
<b>Operating Cost (w/o MOW)</b>										
FY 14 Actual	39,248	19,299	35,414		16,891	25,046	4,334	19,468	9,995	169,695
FY 15 Budget	39,253	20,486	36,584		17,263	27,072	4,300	22,843	13,849	181,651
FY 16 Budget	38,632	21,177	37,699		18,452	27,608	5,120	21,247	16,644	186,580
% Change - FY 14 Actual to FY 16 Budget	(1.6%)	9.7%	6.5%		9.2%	10.2%	18.1%	9.1%	66.5%	9.9%
% Change - FY 15 Budget to FY 16 Budget	(1.6%)	3.4%	3.0%		6.9%	2.0%	19.1%	(7.0%)	20.2%	2.7%
<b>Subsidy (w/MOW)</b>										
FY 14 Actual	22,280	15,502	25,154		8,255	6,540	4,405	13,004	4,863	100,003
FY 15 Budget	22,647	17,814	27,895		7,896	5,258	4,883	16,952	7,788	111,132
FY 16 Budget	24,224	19,595	28,933		10,221	9,409	5,509	16,091	13,529	127,510
% Change - FY 14 Actual to FY 16 Budget	8.7%	26.4%	15.0%		23.8%	43.9%	25.1%	23.7%	178.2%	27.5%
% Change - FY 15 Budget to FY 16 Budget	7.0%	10.0%	3.7%		29.4%	78.9%	12.8%	(5.1%)	73.7%	14.7%
<b>Farebox Revenue</b>										
FY 14 Actual	23,788	6,840	12,035		9,033	20,212	109	8,393	5,263	85,673
FY 15 Budget	24,645	6,963	11,858		10,153	22,507	122	8,834	6,313	91,396
FY 16 Budget	23,262	6,474	12,067		9,241	20,365	110	8,181	4,746	84,446
% Change - FY 14 Actual to FY 16 Budget	(2.2%)	(5.3%)	0.3%		2.3%	0.8%	0.1%	(2.5%)	(9.8%)	(1.4%)
% Change - FY 15 Budget to FY 16 Budget	(5.6%)	(7.0%)	1.8%		(9.0%)	(9.5%)	(10.3%)	(7.4%)	(24.8%)	(7.6%)
<b>Other Revenues (2)</b>										
FY 14 Actual	2,506	2,425	5,993		450	2,925	404	899	120	15,721
FY 15 Budget	3,692	2,764	6,508		321	5,038	39	514	91	18,967
FY 16 Budget	3,288	2,258	6,257		240	2,795	280	1,206	688	17,011
% Change - FY 14 Actual to FY 16 Budget	31.2%	(6.9%)	4.4%		(46.8%)	(4.4%)	(30.6%)	34.2%	475.1%	8.2%
% Change - FY 15 Budget to FY 16 Budget	(10.9%)	(18.3%)	(3.9%)		(25.3%)	(44.5%)	614.8%	134.6%	655.4%	(10.3%)

Notes:

(1) Costs include all expenses for Metrolink and MOW on operating and non-operating lines

(2) Other revenues include dispatching fees and MOW revenues from freight and Amtrak due to individual member agencies.

3.7.1c Exhibit 3.1c

Summary of FY2015-16 Statistics by Line

LINE	San Bernardino	Ventura County	Antelope Valley	Burbank	Riverside	Orange County	Orange Co MSEP	Inland Empire Orange Co.	91 Line	Total
<b>Average Fare/Passenger</b>										
FY 14 Actual	\$7.34	\$6.74	\$5.63		\$7.37	\$8.07	\$7.85	\$6.61	\$8.65	\$7.13
FY 15 Budget	\$7.15	\$6.40	\$6.67		\$7.67	\$7.90	\$7.52	\$6.34	\$6.86	\$7.13
FY 16 Budget	\$7.24	\$6.40	\$6.56		\$7.60	\$8.06	\$7.86	\$6.40	\$7.76	\$7.21
% Change - FY 14 Actual to FY 16 Budget	(1.4%)	(5.0%)	16.6%		3.1%	(0.1%)	0.1%	(3.2%)	(10.3%)	1.1%
% Change - FY 15 Budget to FY 16 Budget	1.2%	(0.0%)	(1.6%)		(0.9%)	2.0%	4.5%	1.0%	13.1%	1.1%
<b>Op Cost/Passenger (w/o MOW Extraordinary Maint)</b>										
FY 14 Actual	\$14.91	\$24.21	\$20.11		\$14.34	\$11.59	N/A	\$17.45	\$16.80	\$16.66
FY 15 Budget	\$14.73	\$25.16	\$25.86		\$13.86	\$11.47	N/A	\$18.80	\$15.41	\$17.21
FY 16 Budget	\$15.72	\$27.82	\$25.59		\$16.06	\$12.80	N/A	\$19.81	\$30.94	\$19.45
% Change - FY 14 Actual to FY 16 Budget	5.4%	14.9%	27.3%		12.0%	10.5%	N/A	13.6%	84.2%	16.7%
% Change - FY 15 Budget to FY 16 Budget	6.7%	10.6%	(1.0%)		15.9%	11.6%	N/A	5.4%	100.8%	13.0%
<b>Op Cost/Passenger Mile (w/o MOW Extraordinary Maint)</b>										
FY 14 Actual	\$0.37	\$0.71	\$0.44		\$0.35	\$0.30	N/A	\$0.45	\$0.45	\$0.41
FY 15 Budget	\$0.38	\$0.70	\$0.56		\$0.34	\$0.29	N/A	\$0.47	\$0.43	\$0.43
FY 16 Budget	\$0.39	\$0.82	\$0.55		\$0.39	\$0.32	N/A	\$0.50	\$0.84	\$0.48
% Change - FY 14 Actual to FY 16 Budget	5.4%	14.9%	25.8%		12.0%	10.0%	N/A	12.4%	84.2%	16.7%
% Change - FY 15 Budget to FY 16 Budget	3.0%	17.1%	(1.5%)		15.9%	13.2%	N/A	7.2%	95.4%	12.1%
<b>Subsidy/Passenger</b>										
FY 14 Actual	\$6.87	\$15.27	\$11.76		\$6.73	\$2.61	N/A	\$10.25	\$7.99	\$8.32
FY 15 Budget	\$6.57	\$16.38	\$15.69		\$5.96	\$1.85	N/A	\$12.16	\$8.46	\$8.67
FY 16 Budget	\$7.54	\$19.38	\$15.73		\$8.40	\$3.72	N/A	\$12.59	\$22.11	\$10.89
% Change - FY 14 Actual to FY 16 Budget	9.7%	26.9%	33.8%		24.8%	42.6%	N/A	22.9%	176.6%	30.8%
% Change - FY 15 Budget to FY 16 Budget	14.7%	18.3%	0.3%		40.9%	101.7%	N/A	3.6%	161.3%	25.5%
<b>Subsidy/Passenger Mile</b>										
FY 14 Actual	\$0.17	\$0.45	\$0.26		\$0.16	\$0.07	N/A	\$0.26	\$0.22	\$0.21
FY 15 Budget	\$0.17	\$0.46	\$0.34		\$0.15	\$0.05	N/A	\$0.30	\$0.24	\$0.22
FY 16 Budget	\$0.19	\$0.57	\$0.34		\$0.20	\$0.09	N/A	\$0.32	\$0.60	\$0.27
% Change - FY 14 Actual to FY 16 Budget	9.7%	26.9%	32.2%		24.8%	41.9%	N/A	21.7%	176.6%	30.8%
% Change - FY 15 Budget to FY 16 Budget	10.7%	25.2%	(0.2%)		40.9%	104.5%	N/A	5.3%	154.3%	24.4%
<b>Op Cost/Train Mile (w/o MOW Extraordinary Maint)</b>										
FY 14 Actual	\$67.68	\$99.50	\$71.78		\$92.41	\$67.04	\$59.07	\$66.80	\$79.68	\$73.24
FY 15 Budget	\$74.32	\$95.40	\$75.64		\$98.50	\$71.98	\$81.65	\$78.74	\$64.26	\$77.85
FY 16 Budget	\$76.07	\$111.32	\$76.95		\$100.15	\$73.43	\$62.95	\$73.89	\$96.56	\$81.44
% Change - FY 14 Actual to FY 16 Budget	12.4%	11.9%	7.2%		8.4%	9.5%	6.6%	10.6%	21.2%	11.2%
% Change - FY 15 Budget to FY 16 Budget	2.4%	16.7%	1.7%		1.7%	2.0%	(22.9%)	(6.2%)	50.3%	4.6%

**3.7.1d Exhibit 3.1d**

**Summary of FY2015-16 Statistics by Line**

LINE	San Bernardino	Ventura County	Antelope Valley	Burbank	Riverside	Orange County	Orange Co MSEP	Inland Empire Orange Co.	91 Line	Total
<b>Operating Cost/Train Mile (w/o MOW)</b>										
FY 14 Actual	\$54.97	\$78.12	\$59.12		\$88.81	\$57.85	\$47.58	\$58.74	\$77.95	\$62.07
FY 15 Budget	\$57.49	\$71.42	\$60.21		\$92.63	\$59.61	\$69.60	\$68.65	\$62.75	\$64.12
FY 16 Budget	\$58.19	\$83.78	\$61.66		\$94.57	\$62.64	\$54.64	\$62.01	\$84.90	\$66.72
% Change - FY 14 Actual to FY 16 Budget	5.9%	7.2%	4.3%		6.5%	8.3%	14.8%	5.6%	8.9%	7.5%
% Change - FY 15 Budget to FY 16 Budget	1.2%	17.3%	2.4%		2.1%	5.1%	(21.5%)	(9.7%)	35.3%	4.1%
<b>Farebox Recovery (1)</b>										
FY 14 Actual	48.9%	27.6%	27.8%		50.9%	67.5%	10.5%	37.6%	51.3%	42.5%
FY 15 Budget	48.5%	25.4%	25.7%		55.5%	68.8%	2.4%	33.7%	44.5%	41.4%
FY 16 Budget	45.9%	22.9%	25.6%		47.1%	62.7%	1.9%	32.2%	25.1%	37.0%
% Change - FY 14 Actual to FY 16 Budget	(6.0%)	(16.9%)	(7.9%)		(7.4%)	(7.1%)	(82.3%)	(14.3%)	(51.2%)	(13.0%)
% Change - FY 15 Budget to FY 16 Budget	(5.2%)	(9.6%)	(0.4%)		(15.1%)	(8.8%)	(23.3%)	(4.3%)	(43.7%)	(10.6%)
<b>Revenue Recovery (2)</b>										
FY 14 Actual	54.2%	37.5%	41.8%		53.5%	77.6%	18.1%	41.7%	52.6%	50.4%
FY 15 Budget	55.7%	35.4%	39.8%		57.2%	84.2%	3.2%	35.6%	45.2%	49.9%
FY 16 Budget	52.4%	30.9%	38.9%		48.3%	71.3%	6.6%	37.0%	28.7%	44.4%
% Change - FY 14 Actual to FY 16 Budget	(3.3%)	(17.5%)	(7.0%)		(9.6%)	(8.1%)	(63.5%)	(11.3%)	(45.5%)	(11.8%)
% Change - FY 15 Budget to FY 16 Budget	(5.9%)	(12.7%)	(2.3%)		(15.6%)	(15.3%)	106.6%	3.7%	(36.5%)	(11.0%)

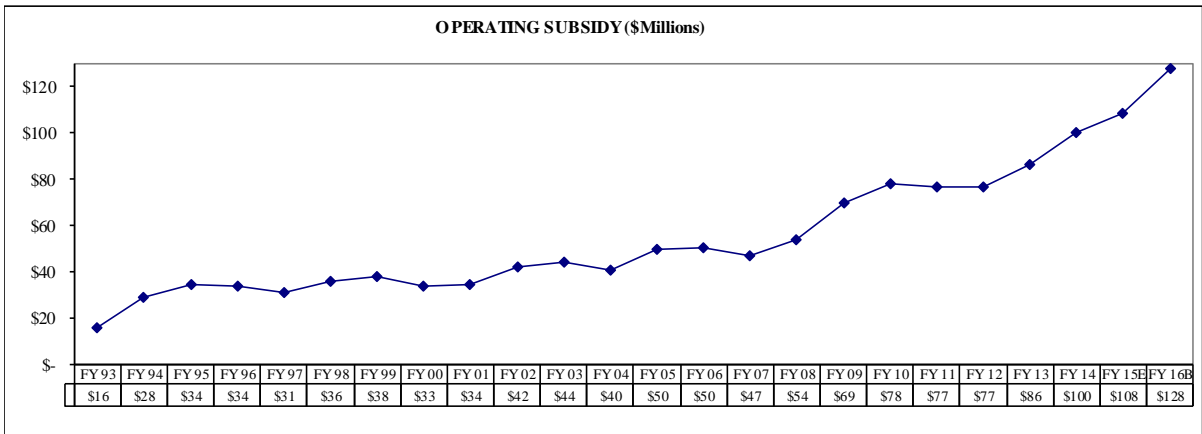
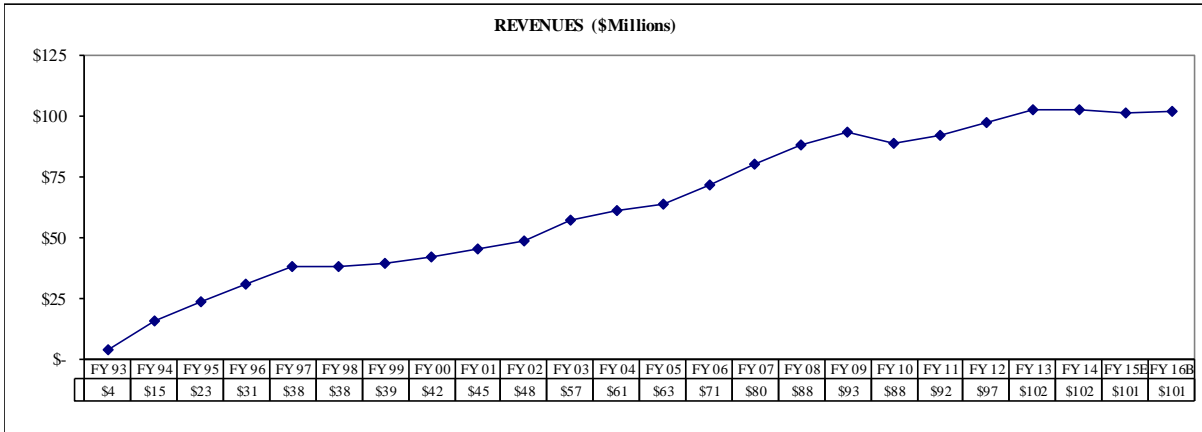
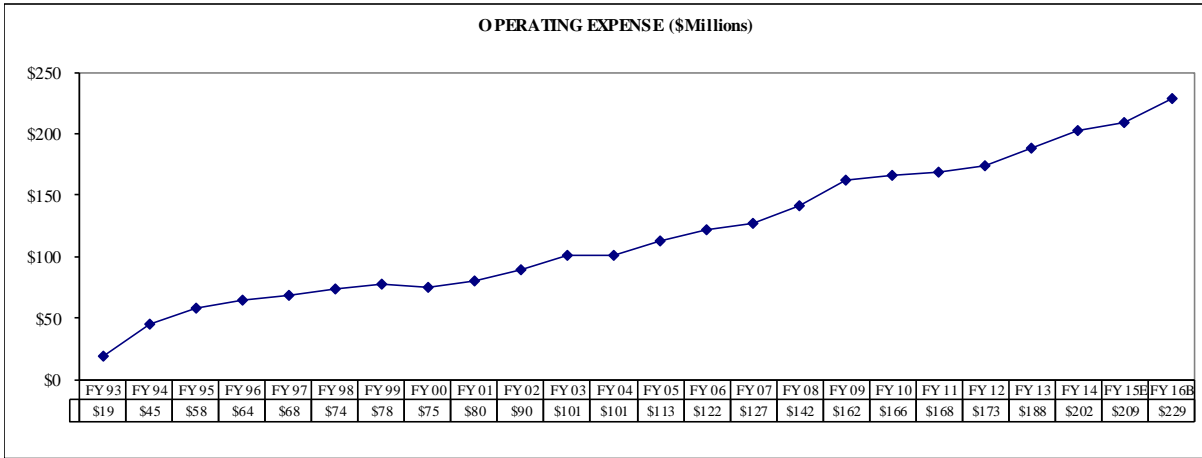
Notes:

- (1) Farebox recovery is the ratio of farebox revenue to total expenses net of rolling stock lease payments.
- (2) Revenue recovery is the ratio of operating revenues to operating expenses net of rolling stock lease payments.



3.7.2

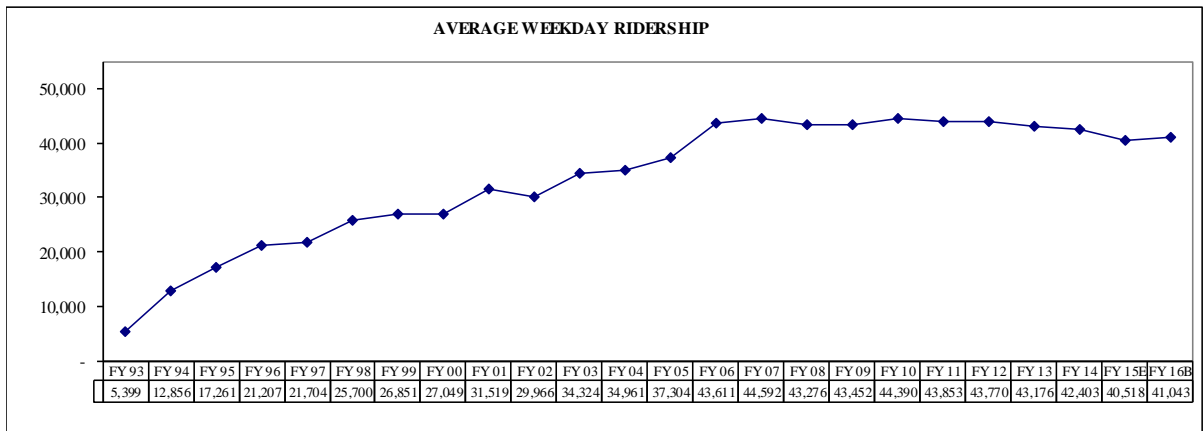
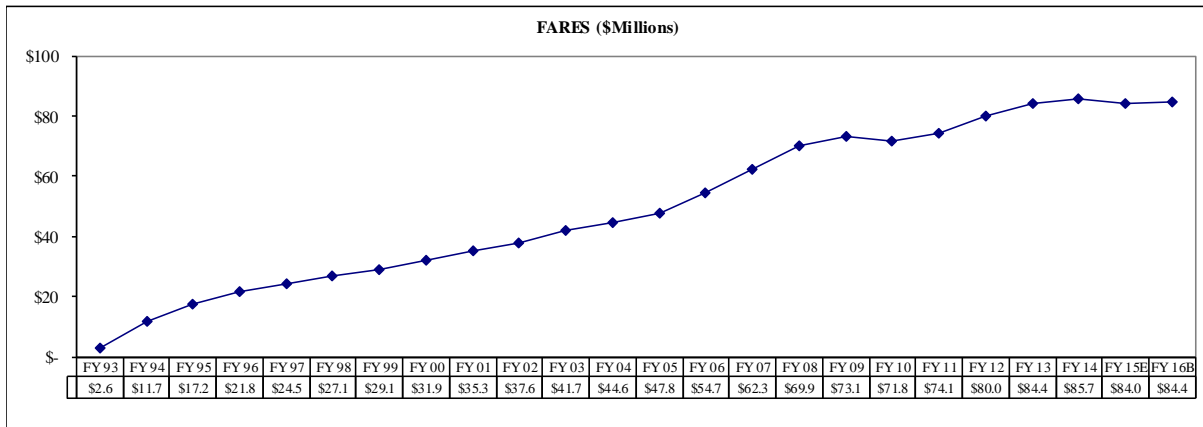
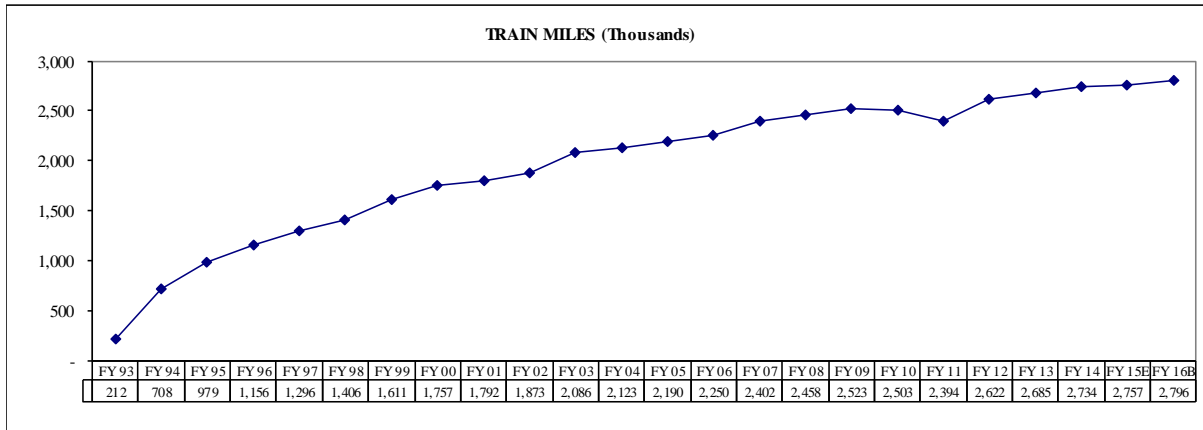
Exhibit 3.2 - Operating Expense, Revenues and Operating Subsidy



Actuals to FY14, Budget for FY15 and FY16

3.7.3

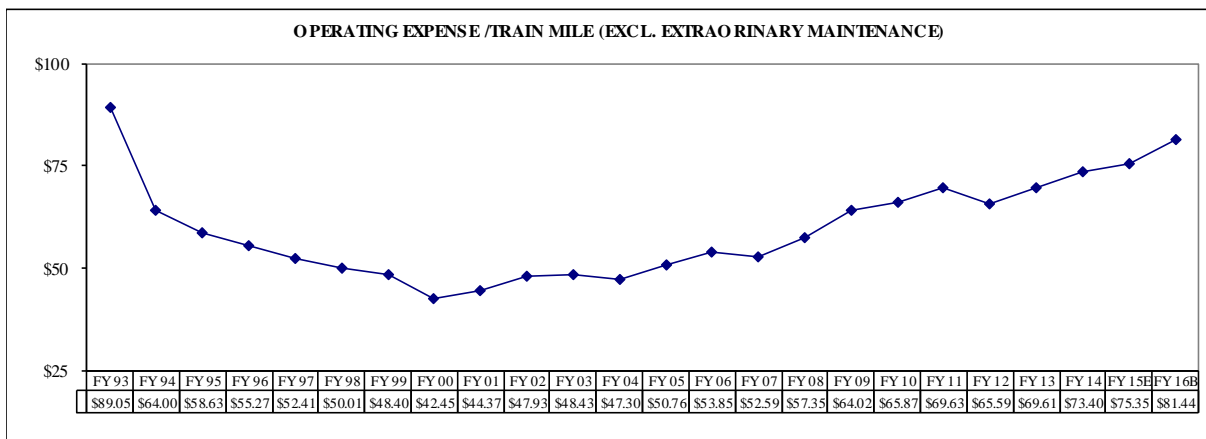
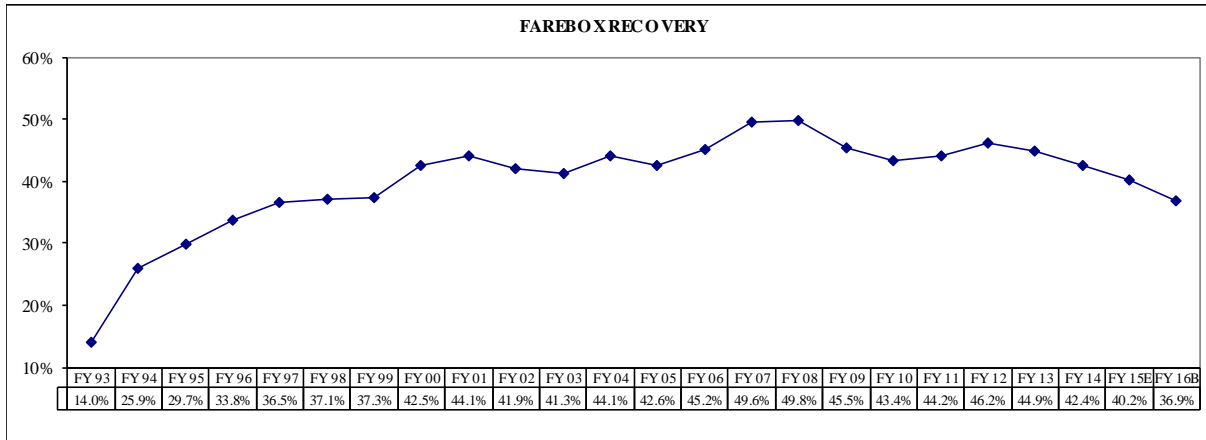
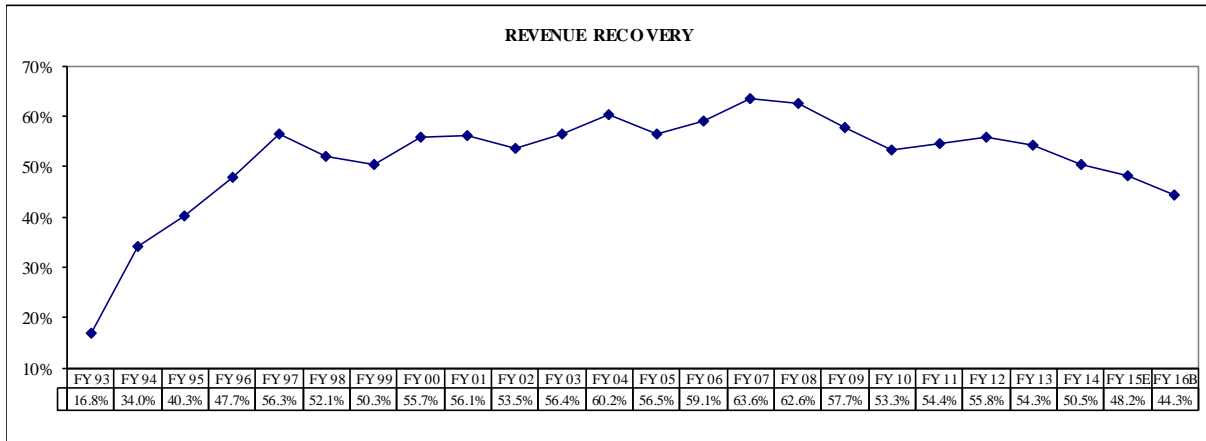
Exhibit 3.3 - Train Miles, Fares and Average Weekday Ridership



Actuals to FY14, Budget for FY15 and FY16

3.7.4

**Exhibit 3.4 - Revenue Recovery, Farebox Recovery and Operating Expense per Train Mile**

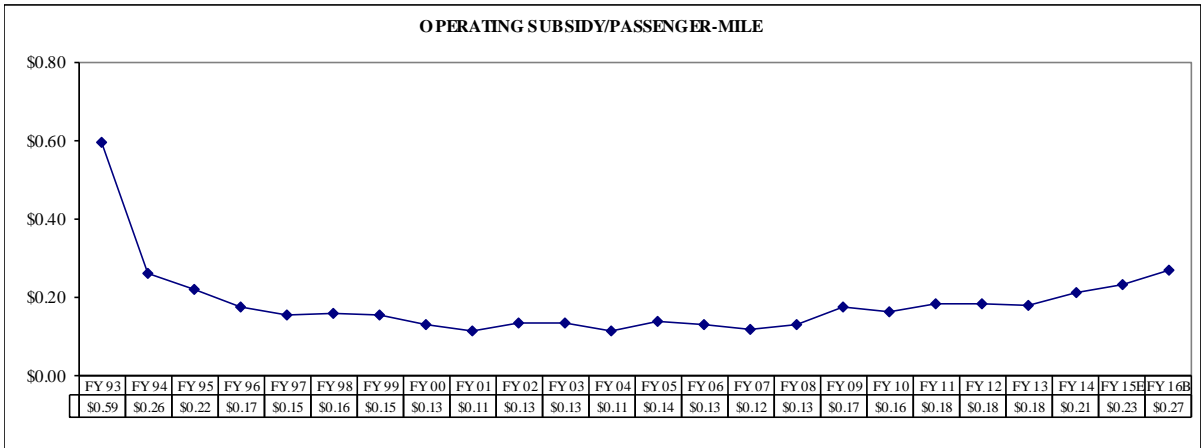
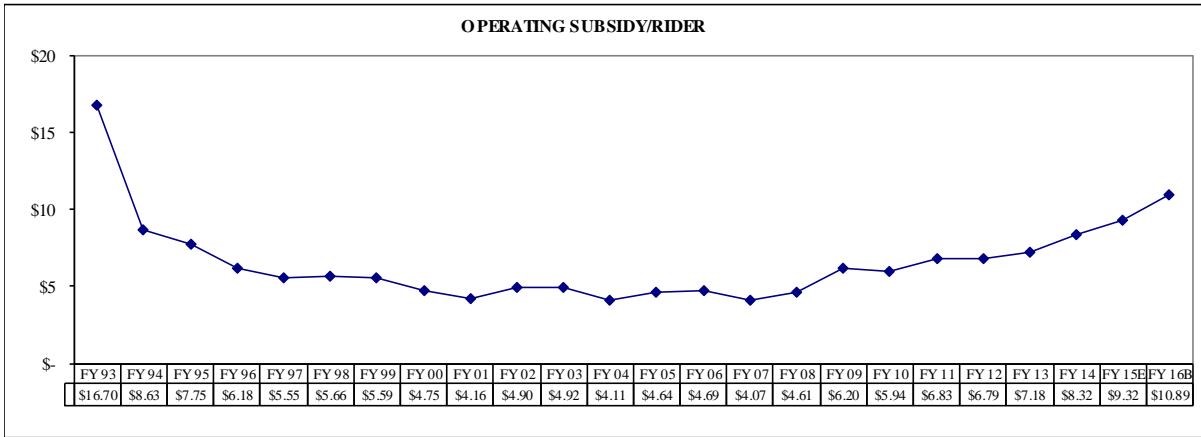
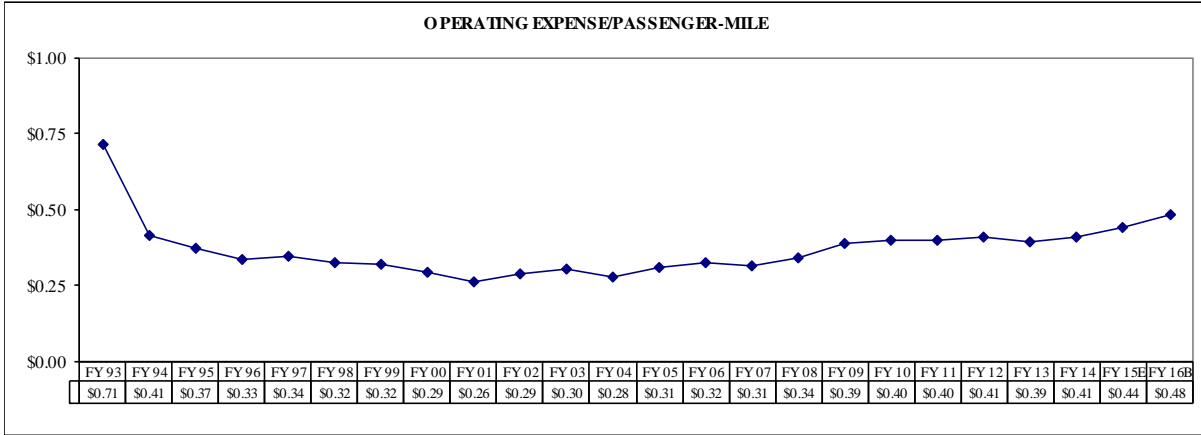


Actuals through FY14, Budget for FY15 and FY16

Revenue Recovery = Operating Revenues/Operating Expenses Net of Rolling Stock Lease Payments

Farebox Recovery = Farebox Revenue/Operating Expenses Net of Rolling Stock Lease Payments

**3.7.5 Exhibit 3.5 - Operating Expense per Passenger Mile, Operating Subsidy per Rider and Operating Subsidy per Passenger Mile**



Actuals to FY14, Budget for FY15 and FY16

### 3.7.6 Exhibit 3.6 - FY2015-16 Annual Operating Budget Distributions by Fiscal Year

	FY 11-12 Actual	FY 12-13 Actual	FY 13-14 Actual	FY 14-15 Budget	FY15-16 Budget	FY15-16 Budget vs. FY14-15 Budget Change	%
<b>EXPENSES</b>	<b>173,278</b>	<b>188,390</b>	<b>199,170</b>	<b>221,496</b>	<b>228,968</b>	<b>7,472</b>	<b>3.4%</b>
<b>REVENUES</b>	<b>96,718</b>	<b>101,653</b>	<b>101,572</b>	<b>110,363</b>	<b>101,458</b>	<b>(8,906)</b>	<b>(8.1%)</b>
<b>NET LOCAL SUBSIDY</b>	<b>76,560</b>	<b>86,737</b>	<b>97,598</b>	<b>111,132</b>	<b>127,510</b>	<b>16,378</b>	<b>14.7%</b>
<b>AS APPROVED BY MEMBER AGENCIES</b>				<b>111,735</b>		<b>15,775</b>	<b>14.1%</b>

#### OPERATIONS

<b>Revenues</b>							
Farebox Revenue	79,986	84,360	85,673	91,396	84,446	(6,950)	(7.6%)
Dispatching	2,957	2,598	2,480	3,596	2,663	(933)	(25.9%)
Other Revenues	308	355	319	398	-	(398)	(100.0%)
MOW Revenues	13,434	14,299	12,922	14,974	14,348	(625)	(4.2%)
Operational Revenue Subtotal	96,686	101,613	101,394	110,363	101,458	(8,906)	(8.1%)
Member Agency Revenues	57,296	69,980	81,146	94,274	109,431	15,157	16.1%
<b>Total Revenues</b>	<b>153,982</b>	<b>171,593</b>	<b>182,540</b>	<b>204,637</b>	<b>210,889</b>	<b>6,252</b>	<b>3.1%</b>
<b>Operations &amp; Services</b>							
Train Operations	32,447	35,774	37,043	42,242	43,979	1,737	4.1%
Equipment Maintenance	19,416	24,254	28,542	28,897	29,352	454	1.6%
Contingency (Train Ops)	-	19	-	-	-	-	-
Fuel	22,945	26,288	26,161	25,265	22,952	(2,313)	(9.2%)
Non-Scheduled Rolling Stock Repair	0	-	2	252	232	(20)	(7.9%)
Operating Facilities Maintenance	972	1,062	1,056	1,361	1,182	(179)	(13.2%)
Other Operating Train Services	511	382	264	540	567	27	5.0%
Rolling Stock Lease	-	-	-	541	640	99	18.2%
Security - Sheriff	4,862	4,952	4,482	5,272	5,482	210	4.0%
Security - Guards	956	1,253	2,170	2,010	2,010	-	0.0%
Supplemental Additional Security	176	363	763	685	690	5	0.7%
Public Safety Program	203	100	157	275	260	(15)	(5.4%)
Passenger Relations	1,411	1,441	1,622	1,643	1,885	242	14.7%
Holiday Trains	227	246	-	-	-	-	-
TVM Maintenance/Revenue Collect	3,939	4,606	5,343	5,464	6,703	1,239	22.7%
Marketing	927	1,147	949	1,024	1,020	(5)	(0.4%)
Media & External Communications	404	265	226	424	426	2	0.5%
Utilities/Leases	2,729	4,634	3,180	2,780	2,677	(103)	(3.7%)
Transfers to Other Operators	6,069	6,098	6,469	5,900	7,411	1,512	25.6%
Amtrak Transfers	1,030	1,081	917	1,400	1,400	-	0.0%
Station Maintenance	692	883	1,190	1,512	1,464	(48)	(3.2%)
Rail Agreements	4,019	4,375	4,992	5,823	4,831	(993)	(17.0%)
<b>Subtotal Operations &amp; Services</b>	<b>103,934</b>	<b>119,223</b>	<b>125,528</b>	<b>133,310</b>	<b>135,163</b>	<b>1,852</b>	<b>1.4%</b>
<b>Maintenance-of-Way</b>							
MoW - Line Segments	22,823	26,555	28,152	38,896	41,160	2,264	5.8%
MoW - Extraordinary Maintenance	1,304	1,078	1,322	949	1,228	279	29.4%
<b>Subtotal Maintenance-of-Way</b>	<b>24,127</b>	<b>27,633</b>	<b>29,475</b>	<b>39,845</b>	<b>42,388</b>	<b>2,543</b>	<b>6.4%</b>
<b>Administration &amp; Services</b>							
Ops Salaries & Fringe Benefits	10,405	10,533	11,127	11,511	11,586	75	0.7%
Ops Non-Labor Expenses	2,233	1,232	3,424	4,795	4,760	(34)	(0.7%)
Indirect Administrative Expenses	11,857	11,954	12,679	13,231	13,621	390	3.0%
Ops Professional Services	912	944	464	1,445	2,870	1,425	98.6%
<b>Subtotal Administration &amp; Services</b>	<b>25,406</b>	<b>24,663</b>	<b>27,694</b>	<b>30,981</b>	<b>32,837</b>	<b>1,856</b>	<b>6.0%</b>
Contingency (Non-Train Ops)	547	74	21	501	501	-	0.0%
<b>Total Expenses Including MoW</b>	<b>154,014</b>	<b>171,593</b>	<b>182,718</b>	<b>204,637</b>	<b>210,889</b>	<b>6,252</b>	<b>3.1%</b>

#### RISK MANAGEMENT

<b>Revenues</b>							
Member Agency Revenues	19,264	16,757	16,452	16,858	18,079	1,221	7.2%
PL/PD Revenues	32	40	178.0	-	-	-	-
<b>Total Revenues</b>	<b>19,296</b>	<b>16,797</b>	<b>16,630</b>	<b>16,858</b>	<b>18,079</b>	<b>1,221</b>	<b>7.2%</b>
<b>Insurance</b>							
Liability/Property/Auto	14,797	14,669	14,252	14,577	12,880	(1,697)	(11.6%)
Claims / SI	3,534	901	1,457	1,000	4,000	3,000	300.0%
Claims Administration	933	1,227	743	1,281	1,198	(83)	(6.5%)
<b>Subtotal Insurance</b>	<b>19,264</b>	<b>16,797</b>	<b>16,452</b>	<b>16,858</b>	<b>18,079</b>	<b>1,221</b>	<b>7.2%</b>
<b>Total Expenses</b>	<b>19,264</b>	<b>16,797</b>	<b>16,452</b>	<b>16,858</b>	<b>18,079</b>	<b>1,221</b>	<b>7.2%</b>

**3.7.7 Exhibit 3.7 - FY2015-16 Annual Operating Budget Distributions to Member Agencies**

	Proposed FY 15-16 Budget	Metro	OCTA	RCTC	SANBAG	VCTC
<b>EXPENSES</b>	<b>228,968</b>	<b>119,017</b>	<b>50,380</b>	<b>21,647</b>	<b>25,471</b>	<b>12,452</b>
<b>REVENUES</b>	<b>101,458</b>	<b>53,535</b>	<b>24,286</b>	<b>7,655</b>	<b>12,624</b>	<b>3,357</b>
<b>NET LOCAL SUBSIDY</b>	<b>127,510</b>	<b>65,482</b>	<b>26,093</b>	<b>13,992</b>	<b>12,848</b>	<b>9,095</b>

<b>OPERATIONS</b>						
<b>Revenues</b>						
Farebox Revenue	84,446	42,879	20,737	7,019	11,312	2,499
Dispatching	2,663	1,355	905	11	57	335
Other Revenues	-	-	-	-	-	-
MOW Revenues	14,348	9,301	2,644	625	1,255	524
Operation Revenue Subtotal	101,458	53,535	24,286	7,655	12,624	3,357
Member Agency Revenues	109,431	55,855	21,836	12,650	10,695	8,396
<b>Total Revenues</b>	<b>210,889</b>	<b>109,390</b>	<b>46,122</b>	<b>20,305</b>	<b>23,319</b>	<b>11,753</b>
<b>Operations &amp; Services</b>						
Train Operations	43,979	23,949	10,098	3,609	4,702	1,621
Equipment Maintenance	29,352	14,805	6,801	2,888	3,437	1,421
Contingency (Train Ops)	-	-	-	-	-	-
Fuel	22,952	11,934	5,803	2,035	2,436	743
Non-Scheduled Rolling Stock Repairs	232	124	55	17	28	9
Operating Facilities Maintenance	1,182	629	278	88	141	46
Other Operating Train Services	567	271	98	85	57	57
Rolling Stock Lease	640	304	127	71	92	46
Security - Sheriff	5,482	3,073	1,192	477	587	153
Security - Guards	2,010	961	347	300	201	201
Supplemental Additional Security	690	350	169	57	92	20
Public Safety Program	260	124	45	39	26	26
Passenger Relations	1,885	964	456	153	257	55
Holiday Trains	-	-	-	-	-	-
TVM Maintenance/Revenue Collection	6,703	2,769	1,506	1,069	971	389
Marketing	1,020	535	232	81	142	30
Media & External Communications	426	204	74	64	43	43
Utilities/Leases	2,677	1,279	463	399	267	268
Transfers to Other Operators	7,411	4,132	1,639	462	918	261
Amtrak Transfers	1,400	446	885	-	-	69
Station Maintenance	1,464	872	211	123	188	70
Rail Agreements	4,831	1,797	1,293	1,064	335	341
<b>Subtotal Operations &amp; Services</b>	<b>135,163</b>	<b>69,523</b>	<b>31,771</b>	<b>13,080</b>	<b>14,920</b>	<b>5,869</b>
<b>Maintenance-of-Way</b>						
MoW - Line Segments	41,160	23,054	8,186	2,396	4,903	2,622
MoW - Extraordinary Maintenance	1,228	707	298	13	131	79
<b>Subtotal Maintenance-of-Way</b>	<b>42,388</b>	<b>23,760</b>	<b>8,484</b>	<b>2,409</b>	<b>5,034</b>	<b>2,701</b>
<b>Administration &amp; Services</b>						
<b>Staff</b>						
Ops Salaries & Fringe Benefits	11,586	5,537	2,012	1,723	1,159	1,156
Ops Non-Labor Expenses	4,760	2,449	919	557	509	326
Indirect Administrative Expenses	13,621	6,510	2,354	2,032	1,361	1,364
Ops Professional Services	2,870	1,372	496	428	287	287
<b>Subtotal Administration &amp; Services</b>	<b>32,837</b>	<b>15,868</b>	<b>5,781</b>	<b>4,740</b>	<b>3,315</b>	<b>3,134</b>
<b>Contingency (Non-Train Ops)</b>	<b>501</b>	<b>239</b>	<b>87</b>	<b>75</b>	<b>50</b>	<b>50</b>
<b>Total Expenses Including MoW</b>	<b>210,889</b>	<b>109,390</b>	<b>46,122</b>	<b>20,305</b>	<b>23,319</b>	<b>11,753</b>

<b>RISK MANAGEMENT</b>						
<b>Revenues</b>						
Member Agency Revenues	18,079	9,627	4,257	1,343	2,152	700
PL/PD Revenues	-	-	-	-	-	-
<b>Total Revenues</b>	<b>18,079</b>	<b>9,627</b>	<b>4,257</b>	<b>1,343</b>	<b>2,152</b>	<b>700</b>
<b>Insurance</b>						
Liability/Property/Auto	12,880	6,859	3,033	956	1,533	498
Claims / SI	4,000	2,130	942	297	476	155
Claims Administration	1,198	638	282	89	143	46
<b>Subtotal Insurance</b>	<b>18,079</b>	<b>9,627</b>	<b>4,257</b>	<b>1,343</b>	<b>2,152</b>	<b>700</b>
<b>Total Insurance / SIR Expenses</b>	<b>18,079</b>	<b>9,627</b>	<b>4,257</b>	<b>1,343</b>	<b>2,152</b>	<b>700</b>

### 3.7.8 Exhibit 3.8

#### *FY2015-16 Revenue Sources and Comparison to FY2012-13 through FY2015-16*

	FY 2012-13 Actual	FY 2013-14 Actual	FY 2014-15 Budget	FY 2015-16 Budget	Change from FY 15Budget
<b>Operating Revenues</b>					
Farebox	\$84,360	\$85,673	\$91,396	\$84,446	(7.6%)
Dispatching Agreements	2598	2,480	3596	2,663	(25.9%)
Other Operating (1)	355	319	398	-	-
Maintenance-of-Way	14,299	12,922	14,974	14,348	(4.2%)
Local Funds for Operating	86,777	81,324	111,132	109,431	(1.5%)
<b>Subtotal Operating Revenues</b>	<b>\$188,390</b>	<b>\$182,718</b>	<b>\$221,496</b>	<b>\$210,889</b>	<b>(4.8%)</b>
<b>Percent of Total Revenues</b>	<b>35.1%</b>	<b>67.9%</b>	<b>46.6%</b>	<b>37.7%</b>	
<b>Capital Revenues</b>					
State	\$74,860	\$43,594	\$95,372	\$133,972	40.5%
Federal	26,688	22,218	17,574	2,231	(87.3%)
Interest on Lease Proceeds	1,190	0	2,630	295	(88.8%)
Union Pacific Railroad/BNSF	150	0	4,819	43,905	811.1%
Amtrak	0	0	0	0	-
Other Non-Member (includes insurance recoveries)	18,677	2,785	0	0	-
Local Funds for Capital	226,882	17,606	132,942	167,508	26.0%
<b>Subtotal Capital Revenues</b>	<b>\$348,447</b>	<b>\$86,203</b>	<b>\$253,337</b>	<b>\$347,911</b>	<b>37.3%</b>
<b>Percent of Total Revenues</b>	<b>64.9%</b>	<b>32.1%</b>	<b>53.4%</b>	<b>62.3%</b>	
<b>Total Revenues</b>	<b>\$536,837</b>	<b>\$268,921</b>	<b>\$474,833</b>	<b>\$558,800</b>	<b>17.7%</b>
<b>Local Revenues as a Percent of Total</b>	<b>58.4%</b>	<b>36.8%</b>	<b>51.4%</b>	<b>49.6%</b>	

*Note (1): Other Revenues include one-time and other non-recurring sources.*

*Note to the table: Numbers may not foot due to rounding.*

3.7.9 Exhibit 3.9

*FY2015-16 Budget Revenue Sources and Use by Member Agency*

<b>Operating Budget</b>	<b>Total FY 15-16</b>	<b>% of Total</b>	<b>Metro</b>	<b>OCTA</b>	<b>RCTC</b>	<b>SANBAG</b>	<b>VCTC</b>	<b>System</b>
<b>Local Funds For Operating</b>	<b>127,510</b>	<b>55.7%</b>	<b>65,482</b>	<b>26,093</b>	<b>13,992</b>	<b>12,848</b>	<b>9,095</b>	-
Operations	99,470	43.4%	51,022	20,253	12,208	9,068	6,919	-
Maintenance-of-Way	28,040	12.2%	14,460	5,840	1,784	3,779	2,177	-
<b>Other Operating Revenues</b>	<b>101,458</b>	<b>44.3%</b>	<b>53,535</b>	<b>24,286</b>	<b>7,655</b>	<b>12,624</b>	<b>3,357</b>	-
Farebox Revenue	84,446	36.9%	42,879	20,737	7,019	11,312	2,499	-
Non-Fare Operating Revenue	2,663	1.2%	1,355	905	11	57	335	-
MOW Revenues	14,348	6.3%	9,301	2,644	625	1,255	524	-
<b>Total Funding Sources For Operating</b>	<b>228,968</b>	<b>100.0%</b>	<b>119,017</b>	<b>50,380</b>	<b>21,647</b>	<b>25,471</b>	<b>12,452</b>	-
<b>Total Operating Expenditures</b>	<b>228,968</b>	<b>100.0%</b>	<b>119,017</b>	<b>50,380</b>	<b>21,647</b>	<b>25,471</b>	<b>12,452</b>	-
Operating Expenditures (Excludes MOW)	186,580	81.5%	95,257	41,896	19,238	20,438	9,752	-
Maintenance-of-Way	42,388	18.5%	23,760	8,484	2,409	5,034	2,701	-
<b>Capital Budget</b>	<b>Total FY 15-16</b>	<b>% of Total</b>	<b>Metro</b>	<b>OCTA</b>	<b>RCTC</b>	<b>SANBAG</b>	<b>VCTC</b>	<b>System</b>
<b>Local Funds For Capital</b>	<b>167,508</b>	<b>48.1%</b>	<b>75,830</b>	<b>38,504</b>	<b>14,126</b>	<b>21,343</b>	<b>17,704</b>	-
New Capital	52,884	15.2%	33,308	8,703	4,847	4,057	1,970	-
Rehabilitation/Renovation	114,624	32.9%	42,523	29,802	9,279	17,287	15,734	-
<b>Other Capital Revenues</b>	<b>180,403</b>	<b>51.9%</b>	-	-	-	-	-	<b>180,403</b>
Interest on Lease Proceeds	295	0.1%	-	-	-	-	-	295
Other Non-Member (includes insurance recoveries)	1,781	0.5%	-	-	-	-	-	43,905
State Funds	177,860	51.1%	-	-	-	-	-	133,972
Federal funds	2,231	0.6%	-	-	-	-	-	2,231
UPRR Funds	43	0.0%	-	-	-	-	-	-
<b>Total Funding Sources For Capital</b>	<b>347,910</b>	<b>100.0%</b>	<b>75,830</b>	<b>38,504</b>	<b>14,126</b>	<b>21,343</b>	<b>17,704</b>	<b>180,403</b>
<b>Total Budgeted Capital Authorization</b>	<b>347,910</b>	<b>100.0%</b>	<b>75,830</b>	<b>38,504</b>	<b>14,126</b>	<b>21,343</b>	<b>17,704</b>	<b>180,403</b>
New Capital	195,723	56.3%	33,308	8,703	4,847	4,057	1,970	142,840
Rehabilitation/Renovation	152,187	43.7%	42,523	29,802	9,279	17,287	15,734	37,563
<b>Total Proposed Expenditures</b>	<b>576,878</b>		<b>194,847</b>	<b>88,884</b>	<b>35,773</b>	<b>46,815</b>	<b>30,156</b>	<b>180,403</b>

*Note: Numbers may not foot due to rounding.*



# SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY

## FY2015-16 BUDGET

### SECTION 4: Operating Revenues and Funding

#### 4.1 Introduction

SCRRA's funding requirement for the FY16 Proposed Budget is \$229.0 million. This funding is provided by a combination of SCRRA generated revenues and Member Agency subsidies. SCRRA revenues include farebox, dispatching, Maintenance of Way, miscellaneous revenue sources. Member subsidies are contributed by the five Member Agencies. The total FY16 Proposed Budget funding requirement of \$127.5 million represents a \$16.4 million, or 14.1% increase over the Approved FY15 Budget.

SCRRA estimated FY16 revenues are \$101.5 million, a reduction of \$8.9 from the FY15 Budget. In FY16, total revenues are represented as follows:

	<b>FY 2014-15 Budget</b>	<b>FY 2015-16 Budget</b>	<b>Change from FY 15 Budget</b>	
			<b>\$ Inc/(Dec)</b>	<b>% Inc/(Dec)</b>
Farebox	\$ 91,396	84,446	(6,950)	(7.6%)
MOW	\$ 14,974	14,348	(625)	(4.2%)
Dispatching	\$ 3,596	2,663	(933)	(25.9%)
Other Revenue	\$ 398	-	(398)	(100.0%)
<b>Subtotal</b>	<b>\$ 110,363</b>	<b>101,458</b>	<b>(8,906)</b>	<b>(8.1%)</b>
Member Agencies	\$ 111,735	127,510	15,775	14.1%
<b>Total</b>	<b>\$ 221,496</b>	<b>228,968</b>	<b>7,472</b>	<b>3.4%</b>

*Note: Numbers may not foot due to rounding.*

#### 4.2 Farebox Revenues

In April 2004, the Metrolink Board of Directors approved a 10-year fare restructuring program beginning July 1, 2005, which changed the Metrolink fare structure from a zone-based system to a driving mileage-based, station-to-station fare structure, which provides a fair, consistent and equitable pricing policy. The goal is to charge customers an equitable rate for the distance traveled; the longer the distance traveled, the higher the fare. Due to deep discounts enjoyed by some stations in the former 11-mile zone structure, it was decided that the adjustment was to be phased in over a ten-year period to arrive at a consistent station-to-station pricing structure after 10 consecutive fare

adjustments so that passengers travelling between certain stations would not experience abrupt increases at one time.

On July 1, 2015, Metrolink will be adjusting fares (phase 10 of 10 adjustments) as per the policy that was adopted in 2004.

Metrolink's current fare structure is distance-based with separate fares for each station destination, rider category, fare type, and weekend or weekday travel. As a result, the ticketing system includes more than 50,000 distinct fares.

Metrolink has begun a program to research and test new fare policies, including reduced fare for short trips, overall fare reductions, and discounts for specific groups of riders. Tests of these policies will begin in FY16 on the Antelope Valley Line.

Farebox revenues represent cash or credit payments from riders across the seven operating lines of the rail system. They include individual rider purchases, as well as corporate partner, student, and group sales, and Access rider reimbursements. Beginning in FY14, farebox revenues were adversely affected by a "cap" imposed on the Access revenue reimbursement. In 2016, this "cap" is expected to adversely affect farebox revenue by as much as \$2.0 million. The FY16 Proposed Budget projects farebox revenue of \$84.4 million, a \$7.0 million decrease from the FY15 Budget. Farebox revenues are estimated to cover 37.0% of total operating expenses for FY16.

The FY16 Budget average weekday ridership of 41,043 is down 10.4% from the FY15 Adopted Budget, but consistent with FY15 forecasted actuals. FY16 passenger boardings are estimated to be down 8.6% from the FY15 Budget, but also consistent with the forecasted actual FY15. Total ridership, including all weekend services, is expected to be 11.7 million passenger trips.

#### **4.2.1 Corporate Partner Program**

This program includes corporate clients purchasing multiple tickets/passes per month (Monthly Passes, 7-Day Passes and Round-Trip Tickets). Staff continues to identify potential work clusters within the catchment areas of SCRRA's services.

Corporate partnerships have grown in the past year with a refocus on securing new accounts. Since launching a direct sales program in FY12, Metrolink has grown from 120 corporate accounts to 163. Partners include the University of Southern California, Disney, Wageworks and Foothill Transit.

Specifically, SCRRA will continue to implement several key initiatives for the Corporate Partner Program (CPP) in FY16 to increase fare revenues. These include:

1. Distribute CPP sales information

- a) Promote employee benefits
  - b) Leverage internal Human Resources and transportation staff distribution channels to employees
  - c) Share messages of tax savings, benefits of program: environmental reasons, cost savings, convenience, etc.
  - d) Review and consider a third party vendor to help support our sales efforts with analysis and direct sales
2. Reach Human Resources and transportation managers at corporate partners via use of consistent email blasts, e-newsletters and video messages
  3. Educate corporate partners and their employees via the agency's web page devoted to the corporate program
  4. Continue the "Customer Connect" program at Metrolink stations to give an opportunity for staff to interact with customers

#### **4.2.2 Weekday Commuter**

In FY16, SCRRA staff will target the commuter market to increase ridership across the region. This will be achieved by expanding and developing commuter markets, raising the level of awareness of potential riders and developing partnerships. Through the following efforts, SCRRA will continue to enhance our system with the goal of increasing ridership/revenue.

1. Collaborate with service area transit operators for improved connectivity for commuters (successful recent examples include the AVTA TRANSPORTER, ART shuttle, and FlyAway). Explore opportunities with car sharing services with Uber and Lyft to assist with first and last mile solutions.
2. Onboard marketing to build awareness and loyalty among current riders
3. Metrolink will continue the successful direct mail campaign to new residents who move into a station catchment area as a way to offer a trial ride to try Metrolink.
4. Encourage commuters to switch to Online/Mobile ticketing as a goal to increase convenience

#### **4.2.3 Destination Weekend**

For FY16, SCRRA will continue to target the weekend commuter to increase ridership and frequency across the region, raise the level of awareness among potential riders and improve the brand position of Metrolink. Strategy involves the following:

1. Target riders showing greatest potential to increase ride frequency, youth, Asian and Latin markets
2. Year-round marketing to include:
  - a) Website: Incorporate mobile/online ticketing
  - b) Digital advertising: Online advertising, social media and email marketing
  - c) Education (via collateral materials): Rack brochures, posters promoting destinations, etc.
3. Establish partnerships with regional venues to capitalize on event travel (e.g., Los Angeles Angels of Anaheim, Auto Club Speedway, baseball games, trade shows citywide conventions)
4. Develop integrated media campaign to reach potential, current and former riders with weekend promotion, encourage trial rides and leverage seasonality of special events

#### **4.2.4 Customer Retention Program**

Marketing strives to maintain ridership and increase frequency of rides among the rider base. This is done by implementing a hybrid campaign of brand awareness and direct response to each targeted subgroup.

Marketing will use the following strategy to achieve FY16 retention goals:

1. *Potential riders*: Brand/response message measurable and trackable via unique identifiers, such as promo codes, unique URLs, specific calls-to-action and mobile-based ticket sales. Salesforce.com is utilized as the backend tracking system.
2. *Current riders*: Appreciation message, adding value to the Monthly Pass and offering additional incentives. Loyalty program to be developed in conjunction with mobile/online ticketing.

#### **4.2.5 Other Marketing Plans and Initiatives**

In FY16, SCRRA will continue to develop and implement new marketing opportunities with partners throughout the region.

In the fall of 2011, Metrolink re-introduced a Student School Trip program for Southern California K-12 schools. In the first year, the program attracted just over 9,000 students; in FY2014-15 nearly 40,000 students took advantage of the program. The promotion included a direct mail outreach to all schools, Parent-Teacher Associations and school districts within five miles of Metrolink operating lines.

Metrolink will be targeting the senior citizen riders within our service area with a similar program as the Student School Trip program. An outreach effort to all assisted living homes

within a four mile radius of our stations. In addition, we will enhance a campaign to promote our service at senior citizen centers and websites.

### 4.3 Maintenance of Way (MOW) Revenues

Freight railroads and Amtrak Intercity services operating over territory owned by SCRRA Member Agencies provide Maintenance of Way revenues, based upon existing agreements. Maintenance of Way (MOW) revenue is projected at \$14.3 million, or \$0.6 million under the FY15 Budget. The decrease is based consistent with FY15 forecasted actuals. The details of MOW payments are as shown in Exhibit 4.3

### 4.4 Dispatching Revenues

Freight railroads and Amtrak Intercity services operating over territory owned by SCRRA Member Agencies provide dispatching revenues based upon existing agreements. Dispatching Revenues are estimated to equal \$2.7 million, down \$0.9 million from the FY15 Budget, but consistent with FY15 forecasted actuals.

### 4.6 Member Agency Funding

For FY16, total Member Agency contributions are projected at \$127.5 million. This represents an increase of \$15.8 million over FY15. This increase is a function of over-budgeted Operating Revenue in the FY15 Budget (\$8.9M), estimated possible liabilities related to the Oxnard incident in February of 2015 (\$3.7M), and the addition of the Perris Valley extension to the 91 Line in December of 2015 (\$2.2M), and crew increases to mitigate possible future fatigue issues (\$1.3M). Member Agency contributions are calculated to provide the funding gap between total SCRRA expenses and total SCCRA generated revenues.

	<b>FY 11-12</b>	<b>FY 12-13</b>	<b>FY 13-14</b>	<b>FY 14-15</b>	<b>FY 15-16</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Budget</u></b>
Subsidy	\$ 76,560	\$ 86,737	\$ 100,003	\$ 111,735	\$ 127,510
% Change	(0.1%)	13.3%	15.3%	11.7%	14.1%

### 4.7 Exhibits

#### 4.7.1 Exhibit 4.1: FY2015-16 Fare Revenue and Ridership

*Exhibit 4.1* provides average daily ridership, total fare revenue and revenue per rider for weekend and weekdays. Data is provided for each operating line.

#### **4.7.2 Exhibit 4.2: FY2015-16 Maintenance of Way (MOW) Revenue**

*Exhibit 4.2* provides a listing of the various Maintenance of Way revenue agreements by territory with annual actual revenues for FY2012-13 and FY2013-14, and budgeted revenues for FY2014-15 and FY2015-16.

#### **4.7.3 Exhibit 4.3: FY2015-16 Dispatching Revenue**

*Exhibit 4.3* provides a listing of the various dispatching revenue agreements by territory with annual actual revenues for FY2012-13 and FY2013-14, and budgeted revenues for FY2014-15 and FY2015-16.

#### **4.7.4 Exhibit 4.4: FY2015-16 Other Operating Revenue**

*Exhibit 4.4* provides a listing of the various revenue sources such as Amtrak TVM and interest with annual actual revenues for FY2012-13 and FY2013-14, and budgeted revenues for FY2014-15 and FY2015-16.

#### **4.7.5 Exhibit 4.5: FY2015-16 Operating Funding Allocation by Member Agency**

*Exhibit 4.5* provides a listing of the proposed FY2015-16 total SCRRA expenses and total estimated SCRRA generated revenues and identifies the net operating funding and allocation by Member Agency.

**Exhibit 4.1**

***FY2015-16 Fare Revenue and Ridership***

**(\$000)**

Operating Line	Average Daily Ridership			Revenue/Rider (\$'s)		Fare Revenue (\$000's)		
	FY14-15 Budget	FY15-16 Budget	% Change from FY15 Budget	FY14-15 Budget	FY15-16 Budget	FY14-15 Budget	FY15-16 Budget	% Change from FY15 Budget
San Bernardino								
Weekday	11,848	10,779	(9.0%)	7.40	7.51	22,344	21,052	(5.8%)
Weekend	4,079	3,948	(3.2%)	5.43	5.38	2,302	2,210	(4.0%)
Ventura County	4,264	3,890	(8.8%)	6.40	6.40	6,963	6,474	(7.0%)
Antelope Valley								
Weekday	5,816	5,929	1.9%	7.02	6.90	10,410	10,643	2.2%
Weekend	2,831	2,858	0.9%	4.92	4.79	1,449	1,424	(1.7%)
Riverside	5,193	4,679	(9.9%)	7.67	7.60	10,153	9,241	(9.0%)
Orange County								
Weekday	10,349	8,887	(14.1%)	8.06	8.28	21,260	19,124	(10.0%)
Weekend	2,176	2,088	(4.0%)	5.51	5.72	1,248	1,241	(0.5%)
OC MSEP	64	54	(15.8%)	7.52	7.86	122	110	(10.3%)
IEOC								
Weekday	5,101	4,508	(11.6%)	6.45	6.60	8,392	7,738	(7.8%)
Weekend	898	1,014	12.9%	4.73	4.05	442	443	0.3%
91								
Weekday	3,169	2,317	(26.9%)	7.15	7.81	5,779	4,707	(18.6%)
Weekend	1,081	91	(91.5%)	4.75	4.20	534	40	(92.5%)
Totals								
Weekday	45,804	41,043	(10.4%)	7.31	7.41	85,422	79,087	(2.1%)
Weekend	11,065	9,999	(9.6%)	5.19	5.15	5,974	5,359	1.2%
<b>Total</b>	<b>56,869</b>	<b>51,041</b>	<b>(10.2%)</b>	<b>7.12</b>	<b>7.21</b>	<b>91,396</b>	<b>84,446</b>	<b>(1.9%)</b>

**Exhibit 4.2**

***FY2015-16 Maintenance of Way (MOW) Revenue***

**(\$000)**

<b>Agreement/Territory</b>	<b>FY12-13 Actuals</b>	<b>FY13-14 Actuals</b>	<b>FY14-15 Budget</b>	<b>FY15-16 Budget</b>	<b>Change from FY15 Budget</b>
Amtrak Intercity	1,195	1,161	1,830	1,257	(31.3%)
LAUS Rail Yard Operations & Maintenance (Amtrak)	438	466	590	490	(16.9%)
Azusa Branch Shared Use (UPRR/SPTC)	129	130	130	133	2.3%
Baldwin Park Branch Shared Use (UPRR/SPTC)	290	292	295	300	1.9%
Coast & Saugus Shared Use (UPRR/SPTC)	6,268	5,866	6,350	6,350	0.0%
East Bank Joint Facility (UPRR/SPTC)	1,278	1,969	1,200	818	(31.8%)
Mission Tower (UPRR/SPTC)	139	127	140	133	(5.0%)
San Diego & Olive Subdivision Shared Use (BNSF)	1,619	1,619	1,627	1,645	1.1%
Pasadena Subdivision Shared Use (BNSF)	2,437	1,076	2,447	2,161	(11.7%)
State Grade Crossing (CPUC)	161	241	158	325	106.0%
Crossing Maintenance Fees	346	6	107	111	4.0%
Federal/Other Funds	-	(31)	100	-	-
<b>Total</b>	<b>14,299</b>	<b>12,922</b>	<b>14,974</b>	<b>14,348</b>	<b>(4.2%)</b>



**Exhibit 4.3*****FY2015-16 Dispatching Revenue*****(\$000)**

<b>Agreement/Territory</b>	<b>FY12-13 Actual</b>	<b>FY13-14 Actual</b>	<b>FY14-15 Budget</b>	<b>FY15-16 Budget</b>	<b>Change from FY15 Budget</b>
Amtrak Intercity	1,861	1,807	2,853	1,979	(30.6%)
Coast & Saugus Shared Use (UPRR/SPTC)	257	263	257	260	1.2%
East Bank Joint Facility (UPRR/SPTC)	91	84	91	91	0.0%
Mission Tower (UPRR/SPTC)	282	211	285	215	(24.6%)
San Diego & Olive Subdivision Shared Use (BNSF)	46	42	47	42	(10.6%)
Pasadena Subdivision Shared Use (BNSF)	63	64	63	65	3.2%
North County Transit District (NCTD)	-	9	-	11	-
<b>Total</b>	<b>2,598</b>	<b>2,480</b>	<b>3,596</b>	<b>2,663</b>	<b>(25.9%)</b>

**Exhibit 4.4**

***FY2015-16 Other Operating Revenue (\$000)***

**(\$000)**

<b>Revenue Source</b>	<b>FY12-13 Actual</b>	<b>FY13-14 Actual</b>	<b>FY14-15 Budget</b>	<b>FY15-16 Budget</b>	<b>Change from FY15 Budget</b>
Marketing Revenues	56	-	-	-	-
Amtrak TVM Revenues	229	200	312	-	-
Insurance Recoveries	40	-	-	-	-
Interest	5	64	36	-	-
Miscellaneous Revenues	24	55	50	-	-
<b>Total</b>	<b>355</b>	<b>319</b>	<b>398</b>	<b>-</b>	<b>-</b>

**Exhibit 4.5:*****FY2015-16 Operating Funding Allocation by Member Agency*****(\$000)**

	<b>Total FY 15-16</b>	<b>Metro Share</b>	<b>OCTA Share</b>	<b>RCTC Share</b>	<b>SANBAG Share</b>	<b>VCTC Share</b>
<b>Expenses</b>						
Train Operations & Services	135,664	69,762	31,858	13,155	14,970	5,919
Maintenance-of-Way	42,388	23,760	8,484	2,409	5,034	2,701
Administration & Services	32,837	15,868	5,781	4,740	3,315	3,134
Insurance	18,079	9,627	4,257	1,343	2,152	700
<b>Total Expenses Incl. MOW</b>	<b>228,968</b>	<b>119,017</b>	<b>50,380</b>	<b>21,647</b>	<b>25,471</b>	<b>12,452</b>
<b>Revenues</b>						
Gross Farebox	84,446	42,879	20,737	7,019	11,312	2,499
Dispatching	2,663	1,355	905	11	57	335
Other Operating	-	-	-	-	-	-
Maintenance-of-Way	14,348	9,301	2,644	625	1,255	524
<b>Total Revenues</b>	<b>101,458</b>	<b>53,535</b>	<b>24,286</b>	<b>7,655</b>	<b>12,624</b>	<b>3,357</b>
<b>Total County Allocation</b>	<b>127,510</b>	<b>65,482</b>	<b>26,093</b>	<b>13,992</b>	<b>12,848</b>	<b>9,095</b>
<b>FY 2014-15 Budget</b>	111,735	59,683	22,267	9,817	11,805	8,163
<b>Increase/(Decrease)</b>	15,775	5,799	3,826	4,175	1,043	932
<b>Percentage Change</b>	<b>14.1%</b>	<b>9.7%</b>	<b>17.2%</b>	<b>42.5%</b>	<b>8.8%</b>	<b>11.4%</b>

# SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY

## FY2015-16 BUDGET

### SECTION 5: Operating Expenses

#### 5.1 Introduction

SCRRA's Operating Expenses for FY16 are projected at \$229.0 million. This cost includes three key budgetary components: Train Operations, Maintenance of Way and Risk Management. Note: The categories of Administration & Services, and Non-Train Ops Contingency are considered to be "Train Operations" for purposes of this commentary.

Train operations costs are \$168.5 million, or 73.6% of the total operating budget. Maintenance of Way costs are \$42.4 million, or 18.5% of the total operating budget. Risk Management costs are \$18.1million or 7.2% of the total operating budget.

*Exhibit 3.6 - FY2015-16 Annual Operating Budget Distribution by Cost Component* identifies the total proposed operating expenses by line item of SCRRA's operating expenses.

#### 5.2 Operating Budget Assumptions

##### 5.2.1 Service Levels

The FY16 budget reflects the operation of 171 weekday trains operating on seven lines, and 90 regular weekend trains operating on five lines. Currently, weekend services, both Saturday and Sunday, will be operated on the San Bernardino, Orange County, 91 Line, IEOC and Antelope Valley lines. Total revenue service miles are expected to decrease from the FY2015 Budget estimates by 2.0% as a result of unimplemented new service included in the FY2015 Budget. The FY16 Proposed Budget includes the extension of three weekday round trips running from LAUS to Riverside to extend to Perris Valley beginning December, 2015, and an additional three bounce back trains between Riverside and Perris Valley. The addition of the Perris Valley extension also includes four additional stations and eight additional TVM's.

##### 5.2.2 Cost Allocations

Operations expenses are distributed to the lines (and subsequently to Member Agencies) based on several formulae approved by the Member Agencies. Multiple allocation categories are used to apply SCRRA operating costs to the various line segments and Member Agencies. Key formula types include train miles, train miles lagged, ridership, route miles dispatched, track miles and unduplicated stations.

These allocation categories are specifically applied to budget line item components based on Member Agency agreement. Examples include current budget year train miles allocation to allocate train operations, fuel and operating contingency funds. More complex allocations are used to apply direct to line segments or territories and are used for rail agreements, Maintenance of Way, transfer payments and Amtrak passenger transfers. Items such as direct Train Operations expenses and fuel are distributed based on train miles, while payments to freight railroads are charged directly to operating lines associated with the specific freight lines. These allocation formulae are described in Sections 8 – Appendix.

### 5.3 Train Operations

Excluding proposed new service, expenses related to the new Perris Valley Route, Oxnard incident costs, increased TVM expense and the safety requirement for new crews, the FY16 budget actually decreased approximately \$1.2 million from the FY15 Budget.

	<u>FY 15-16 Budget</u>	<u>New Service</u>	<u>New PVL Route</u>	<u>Oxnard Incident Costs</u>	<u>TVM Maint. &amp; Repair</u>	<u>Safety Crews</u>	<u>Misc Increase/ (Decrease)</u>	<u>FY 15-16 Total</u>
Train Operations	164,793	1,322			1,239	1,329	(182)	168,501
Maintenance of Way	39,845		1,076				1,467	42,388
Risk Management	16,858			3,700			(2,479)	18,079
<b>Total Expenses</b>	<b>221,496</b>	<b>1,322</b>	<b>1,076</b>	<b>3,700</b>	<b>1,239</b>	<b>1,329</b>	<b>(1,194)</b>	<b>228,968</b>

The SCRRA will become the first commuter rail agency in the country to initiate operation of a Positive Train Control system. This budget represents the project and management estimates of the first-year operating expenses associated with maintaining this system in good, reliable fashion. These expenses represent \$8.5 million in the proposed budget.

Train operations expenses of \$168.5 million have increased \$3.7 million, or 2.3%, over FY15. These costs include multiple functional sub-components, which are provided to permit allocation to operating line segments and to Member Agencies.

This portion of the Operating Budget includes expenses required to operate the Metrolink system, including rail operations, maintenance of equipment, fuel, security, utilities, transfer payments to other transit operators, revenue collection, payments to freight railroads for dispatching services, station maintenance, passenger services, general and administrative expenses and professional services.

#### 5.3.1 Train Operations Components

There are several key groupings of costs associated with train operations. These categories relate to groupings that are then allocated to Member Agencies.

### **Train Operations - Crews**

Amtrak crew costs increased \$1.2 million over FY15. Increases in this category are primarily a result of increasing the number of crews to avoid any safety issues with respect to crew fatigue with the opening of a new route, a new maintenance facility, and new services.

### **Train Operations - SCRRA Dispatching**

The costs of SCRRA-provided dispatching services over the right-of-way territories owned by the SCRRA's Member Agencies remains flat in FY16.

### **Equipment Maintenance**

For equipment maintenance overall the budget for FY16 totals \$29.4 million, an increase of \$0.5 million, or 1.6% from the FY15 level. SCRRA has an aging fleet that will continue to require increasing levels of maintenance to ensure safe and reliable operation. Bombardier is the major contractor in the area. For FY16 they agreed to keep costs flat from same service last year. Because FY15 included new service which was never implemented, the budget is lower by \$0.5 million, the Bombardier contract equaling \$19.0 million for FY16. Requirements for parts to execute needed repairs are forecast to be \$0.9 million higher than FY15, totaling \$9.6 million.

### **Fuel**

Usage of approximately 7.5 million gallons is based on projected consumption levels. In FY16, fuel prices will be locked in with future purchase agreements at a rate of approximately \$3.00 a gallon plus a 5% contingency. This is a decrease from the \$3.18 per gallon plus 5% contingency that was in the FY15 budget. Fuel usage of 2.6 gallons per mile in FY16 remains unchanged from FY14. The FY16 fuel budget is \$23.0 million, a \$2.3 million decrease from FY15.

### **Non-Scheduled Rolling Stock Repairs/Modifications**

Repairs to accommodate medium-scaled unforeseen damage to rolling stock or rolling stock modifications has been reduced from \$252K to \$232K.

### **Operating Facilities Maintenance**

The cleaning, maintenance and hazardous materials compliance at the Central Maintenance Facility and other outlying SCRRA facilities cost has decreased by \$0.2 million to \$1.2 million.

### **Other Operating Train Services**

There are a number of miscellaneous items directly related to operating the rail system. Weather data forecast and earthquake reporting services, publications, uniforms, emergency bus services and FRA required training are all items considered in this category. Total expenditures have increased only \$27K from FY15.

### **Rolling Stock Leases**

These rolling stock leases were used for PTC Testing and were previously covered by Grants related to the implementation of that system. These costs have now become a part of the Operations Budget totaling \$640K, and include the cost of PTC retrofit.

### **Security – Sheriff**

The contract with the Los Angeles County Sheriff's Department has been increased by \$210K for FY16. The entire increase is related to the opening of the new Perris Valley extension.

### **Security – Guards**

Security Guard costs have been held flat compared to the FY15 Budget.

### **Supplemental Additional Security**

This program is funded through an increment on fare revenues originally implemented in FY2002-03, calculated at 0.75% of fare revenues. These funds provide for specific non-recurring security-related expenses, such as improvements to agency storage facilities, cameras at stations, fencing, lighting and other improvements. The availability of these funds grows at a rate equal to the rate of growth (or decline) in fare revenues.

### **Public Safety Program**

The FY16 safety program increased is virtually flat with the FY15 Budget.

### **Passenger Relations**

The Passenger Relations budget shows a \$242K increase from the 2015 Budget, as a result of the contractual increase slated for the vendor providing call center services.

### **Holiday Trains**

Due to budget constraints, the Board once again elected to not run the Holiday Train in FY16.

### **Ticket Vending Machine (TVM) Maintenance/Revenue Collection**

This item includes TVM and validator maintenance, revenue collection, ticket stock, fare change programming and merchant fees for credit and debit card usage. This line item increased by \$1.2 million. \$800K of this increase was caused by the increased cost of ticket stock. In FY15 a less expensive alternative was tried, with totally unsatisfactory results, forcing a return to the more expensive ticket stock. The 300K increase is driven by credit cards fees.

### **Sales and Marketing**

The Marketing budget includes general marketing costs, the agency's weekend program, corporate partner program marketing, new resident direct mail campaign and advertising campaigns on board and at stations. Marketing is virtually unchanged compared to last year.

### **Media/External Communications**

This line item includes media and public relations, community relations, website content development and the production of the agency's printed timetable schedules and Ride Guides. This line item is unchanged from FY15.

### **Utilities/Leases**

Utility and lease costs are estimated at current monthly average costs. The total decrease to this line item is \$100K or 3.7%.

### **Transfers to Other Operators**

The cost of transfers paid to other transit operators at \$7.4 million has been increase by \$1.5 million to conform to 2015 actual costs. The largest share of these costs, \$5.0 million, goes to Metro.

### **Amtrak Transfers**

These funds represent the costs to the agency for the "Rail 2 Rail" program. Under this program, SCRRA, Amtrak, and Caltrans agreed to work together to allow passengers on those lines where complementary service exists to choose the service provider most convenient to their travel needs if they hold valid Metrolink Monthly Passes or Amtrak tickets. The budget remains unchanged from FY15.

### **Station Maintenance**

This line item represents the costs to maintain station equipment, including station displays, to maintain Union Station Platform, and for the common area expenses related to Union Station. Metro purchased Union Station during FY14 and intends to make long overdue



improvements to the station, which will increase station maintenance obligations under our existing easements.

### **Rail Agreements**

This line item represents payments to freight railroads, the Union Pacific and the Burlington Northern Santa Fe, for dispatching and other operating-related services over property owned by these railroads. The amount budgeted shows a decrease of \$993K from FY15. This is the result of budgeted, but unimplemented new service in F15.

### **Operations Salaries and Fringe Benefits**

Salaries and fringe benefits are projected based on the actual salary rate of each position charging directly to the Train Operations Budget and assumes a fringe benefit additive of approximately 35.2%. A 3.0% merit increase pool is included in the FY16 labor budget. The total salary and fringe benefit budget for train operations is up approximately \$75K. *Exhibits 7.3a-d* shows the complete roster of SCRRA's current 279 Full Time Equivalent (FTE) headcount positions by department.

### **Operations Direct Non-Labor Costs**

This item totals \$4.7 million in FY16 and a decrease of \$34K from FY15. \$2.5 million of the amount or 53% are PTC software and utility costs. Other costs included in this line item consist of operations related Information Technology (IT) expenses, including programming and maintenance of the agency's train dispatching software, travel and lodging expenses, gasoline and maintenance for operating department vehicles and additional minor miscellaneous expenses.

### **Indirect Administrative Expenses**

Costs allocated to Train Operations represent this budget's share of the agency's General and Administrative (G&A) costs. Please refer to Section 7 for a discussion of G&A costs and its allocation to the various budget pools. "Other Post-Employment Benefits" (OPEB) will total \$2.4 million. These benefits represent the funding of retiree medical costs based on the FY2013-14 Actuarial Report which projects required funding.

## Operations Professional Services

Professional Services were increased by \$1.4 million. \$800K of the increase consists of additional train services including; pest control, washing and buffing cars, water testing, emergency waste disposal. An additional \$500k is for the development of the Industry Safe Efficiency program.

## Contingency

This line item has been traditionally budgeted at \$0.5 million. It is included in the budget to be utilized under authority of the Chief Executive Officer to deflect any unanticipated increase in expenses to avoid unnecessary increases to Member Agency subsidies in the event that short-term negative expense impacts are realized during the fiscal year. It represents the primary general reserve fund of the budget and equals 0.2% of FY16 total budgeted expenses.

### 5.3.2 Train Operations Note

For FY16 line item expenditure summary tables for train operations, see Exhibit 3.6 *Annual Distribution by Fiscal Year* and Exhibit 3.7 *Annual Distribution by Cost Components allocated to Member Agencies*.

## 5.4 Maintenance of Way (MOW)

Maintenance of Way expenses of \$42.4 million have increased \$2.5 million, or 6.4%, over FY15. \$1.9 million of the increase for FY16 is related to the new Perris Valley extension of the 91 Line to open mid-December of 2015. An additional \$0.3 million is an increase in Extraordinary Maintenance of Way.

This portion of the Operating Budget represents ordinary maintenance of the rights-of-way owned by SCRRA Member Agencies and includes routine maintenance, inspection and repairs of track, structures, signal system, grade crossing warning system and the communication infrastructure

Maintenance-of-Way expenses are developed by SCRRA to ensure the level of ordinary maintenance is sufficient to prevent any loss of service quality. The levels of maintenance required on individual lines are dependent on the condition of the infrastructure, levels of commuter and freight train traffic, the number of road crossings, the number of curves and exposure to weather conditions.

### 5.4.1 Assumptions

Maintenance of Way expenses are those expenditures that provide ordinary maintenance of Member Agency-owned track, signals, bridges, road crossings and other elements of the infrastructure and rights-of-way.

Because the most economical methods of replacement of railroad elements (rail, ties, crossings, etc.) are through large specialized operations, best practice indicates periodic replacement of elements as they approach the end of their life cycle using rehabilitation budgets while costs to perform the inspections and routine repairs needed to assure the reliable, safe operation of trains, should be covered in the operating budget

The MOW philosophy of SCRRA is to perform ordinary maintenance sufficient to meet regulatory requirements. Additionally, to prevent loss of service quality and to budget for Rehabilitation at practical intervals, we strive to utilize the full life cycle of components/elements. This will substantially reduce the needed repairs/replacements from overwhelming the ordinary MOW budget. This philosophy is consistent with what is practiced by all of the successful freight railroads on their main routes.

The core of the ordinary maintenance effort is a perpetual cycle of inspections and reports on the condition of the track, signals, grade crossings and bridges, and the performance of ordinary adjustments and/or repairs of any exceptions found in those inspections. The Federal Railroad Administration (FRA) has minimum inspection schedules, standards for track, signal and grade crossing conditions, qualifications of inspectors and repairers, and documentation requirements for most of these inspections. In order to assure a high level of safety and quality track and signal operation, SCRRA, in some cases, performs a higher level, or frequency, of inspections as compared to that of the FRA minimum level of inspections. Under this methodology, SCRRA's historical results show that most conditions are discovered and repaired at an early stage of degradation before they become "defects" or violations under the FRA regulations.

The GASB-34 method of accounting for maintenance of infrastructure includes a requirement to plan, budget and expend a level of rehabilitation so as to preserve the infrastructure at an agency-adopted level of utility. The SCRRA has adopted a level of utility that specifies no loss-of-service performance and an irreducible risk to safety of train operations, assuming a certain level of rehabilitation funding is received. GASB-34 policy also requires a triennial rating (SCRRA rates 1/3 of the property each year) of the quality of the infrastructure to facilitate the adopted rehabilitation investments/expenses are actually maintaining the State of Good Repair consistent with the adopted policy.

#### **5.4.2 Conditions and Trends in the MOW Budget**

Current year MOW budgets are developed annually to maintain the infrastructure in a state of high reliability and safety. They are based on assumptions for the actual number of units comprising the physical infrastructure, the number of contracted and agency maintenance personnel (technicians, supervisors, inspectors, and managers/support) needed to perform the inspections and repairs, plus amounts for material purchases, vehicles, supplies and support activities.

Labor costs of contracted service providers are the largest component of the MOW budget. The labor rates are bid rates under competitively bid maintenance contracts. They are

underpinned by California Department of Labor Statistic prevailing wages for railroad maintenance operations and adjusted annually by indexes specified in the contract.

Labor is budgeted with a percentage for overtime to support system failures, repair of systems caused by outside forces and vacancies in personnel headcount while recruitment efforts occur and to recover from unusual situations. Due to the number of commuter and freight trains operated mid-day, a large majority of MOW work is being performed at night or during non-revenue service hours. Most contracts and labor agreements permit scheduled night work at premium straight time shift rates, if sufficient advance notice is given for a change of shift starting time. The MOW labor budget includes two-shift coverage of track maintenance to assure that ordinary operations are pursued with minimum disruption to peak-period commuter rail operations.

### **5.4.3 MOW Statistics**

Various factors are considered when developing the SCRRA MOW budget. Consideration is given to track type, number of turnouts; control points, grade crossings and added infrastructure improvements, construction elements of the track, track geometry, traffic, operating speeds and prevailing weather conditions. Through discussions with the contracted vendors, MOW activity plans are outlined and cost estimated to manage the work safely, consistently and efficiently.

*Track Types* include main track, branch track, yard track and siding.

*Turnouts* include main track power, main track manual, yard track power, yard track manual, siding and industry.

*Construction elements* of the track include type of tie, rail section, ballast section, ballast type, subgrade type and condition.

*Track geometry* includes curvature, grade, gauge and surface.

*Traffic* includes an analysis of annual million gross ton miles for sole freight, sole passenger and mixed freight/passenger.

*Operating speeds* range from lows of 10/15 mph to highs of 50/90 mph.

*Prevailing weather* conditions include rain, snow, flooding, freezing and thaw cycles, extreme heat or cold.

Other factors that can impact the annual cost of MOW include increased Federal Railroad Administration (FRA) inspection and reporting requirements, continuous training requirements including increased training under PTC regulations and monitoring of employees working near tracks (“roadway worker safety”), increased rehabilitation programs to improve track, signals and switches, heavier freight car axle loads, more freight traffic and inflation in some supply and material costs (e.g., fuel, steel, crushed rock,

etc.). To offset increases in costs, SCRRA seeks opportunities to reduce expenditures with better quality power tools, trucks and roadway machines, ongoing replacement of older, more trouble-prone track, bridge and signal elements under the rehabilitation/renovation programs, improved right-of-way security (fencing and enforcement) and continuous emphasis on safety and efficiency training of MOW workers.

With so many factors impacting costs, the actual operating allocations per line vary considerably. For example, on the Orange County, San Bernardino and Ventura County lines, there are high densities of passenger train traffic and road crossings, while the River Corridor segment of tracks on both sides of the Los Angeles River from Redondo Junction on the south to CP Taylor on the north carries heavy freight in addition to the passenger traffic, including all SCRRA non-revenue movements in and out of the Central Maintenance Facility (CMF). The Antelope Valley Line is a high curve and grade territory, which equates to an increased maintenance and inspection effort. The Ventura County line has only light to moderate curves and grades but with older, for the most part, unimproved signal and grade crossing warning systems.

#### **5.4.4 MOW Expenditure Components**

The Maintenance of Way category includes six primary cost areas. Totals by area and line segments are shown on exhibits 5.4 and exhibit 5.5.

*Track* includes payments to the Maintenance of Way contractor for costs of providing labor, equipment and some of the materials required to perform inspections mandated by the FRA, as well as additional special inspections and routine maintenance of SCRRA track.

*Signal & Communications* includes payments to the signal and communications contractor for costs of providing labor, equipment and some of the materials required to perform inspections mandated by the FRA, as well as additional special inspections and routine maintenance of SCRRA signal and communication systems.

*Structures* include payments to the Maintenance of Way contractor for costs of providing labor, equipment and some of the materials required to perform inspections mandated by the FRA, as well as additional special inspections and routine maintenance of SCRRA bridges, tunnels and other structures.

*Procurement* includes payments for items needed in repair of track, signals, grade crossing warning and communication systems, or structures which are allocated to segments and counties on the basis of track miles.

*Agency Costs* include SCRRA labor, overhead and non-labor costs allocated to the Maintenance of Way budget that are subsequently allocated to specific line segments on the basis of track miles.

*Miscellaneous Costs* include payments for vegetation control, vehicle and equipment expense, rail flaw detection and engineering, which are also allocated to segments and counties on the basis of track miles.

#### **5.4.5 MOW Net Revenue, Expenditure and Member Agency Funding**

The total FY2015-16 Maintenance of Way expenditures are projected at \$42.4 million and are funded by SCRRA generated Maintenance of Way revenue and Member Agency contributions. For FY2015-16, SCRRA Maintenance of Way revenues are estimated at \$14.3 million and Member Agency contributions are estimated at \$28.1 million.

These costs and revenues are allocated over operating line and Member Agency. *Exhibit 5.3 FY2015-16 Maintenance of Way Expenditures and Revenue Offsets* shows the operating and non-operating line allocation.

Since FY1997-98, SCRRA has had an arrangement to exchange MOW revenues for an equal amount of Orange County Gas Tax Funds. These funds are reflected outside the ordinary MOW budget and have zero net budget impact.

#### **5.4.6 MOW Projections by Line**

The FY16 MOW Budget of \$42.4 million is allocated across the various line segments of SCRRA. These include the following segments: Los Angeles – San Bernardino, Los Angeles – Ventura (Burbank Junction to Moorpark), Los Angeles – Lancaster, Fullerton – San Diego County Line, Olive Subdivision, Riverside – Layover Facility, River Corridor, and Extraordinary Maintenance. Non-operating lines include Sierra Madre – Claremont (Pasadena Subdivision), Baldwin Park Branch (San Bernardino County), and Perris Valley.

<b>Maintenance of Way</b>	
	FY 15-16
Operating Lines	\$ 40,289
Non-Operating Lines	\$ 2,100
FY 16 Proposed Expenses	\$ 42,388

*Exhibit 5.4 Maintenance of Way Expenditures by Line Segment/Territory – Operating Lines* and *Exhibit 5.5 FY2015-16 Maintenance of Way Expenditures by Line Segment/Territory – Non-Operating Lines and Total* show the allocation for Maintenance of Way expenditures by line segment and member agency.

#### **5.4.7 Extraordinary Maintenance of Way**

This section of Maintenance of Way covers damages due to vandalism, theft, crossing gate knockdowns, accidents, derailments, fires, storm damage and other expenses related to promptly restoring the railroad to operation following accidents or disasters. Immediate repairs are then followed by making permanent repairs.

Repairs to damages are made to comply with most current engineering standards and design criteria (i.e., a wooden bridge would be replaced with a steel/concrete bridge), so that these funds are not used to rebuild obsolete infrastructure. Such repairs may be in two stages. The quickest way to repair track may be with wood ties and jointed rail in order to minimize the disruption to the use of the track by commuter or freight trains. This safe interim repair would be replaced with welded rail. If the surrounding track has concrete ties, then the repair would not be complete until replacement concrete ties were installed.

Repairs to signal grade crossing warning and communication equipment are made to comply with current FRA/CPUC/OSHA regulatory requirements as well as engineering and safety standards (i.e., steel antenna structure would replace an antenna mounted on a wooden pole), thus eliminating personnel safety concerns and hazardous materials issues while enhancing the operational flexibility to obtain a consistent system operation. Additionally, needed repairs to signal, grade crossing warning and communications equipment and systems are made with consideration to current technologies. The rapid pace of changing technologies and regulatory requirements, and the lack of vendor support for obsolete equipment as these technologies change, require that we make repairs with current (not obsolete) products and technology.

Where possible, reimbursement for expenditures is sought if a responsible party is identifiable (e.g., derailment caused by freight railroad or damage caused by a motorist covered with insurance). The authority will also look to emergency funding if available (e.g., FEMA). After deductibles are met, SCRRA insurance coverage may reimburse the Agency for these costs.

For FY16, this budget for Extraordinary Maintenance of Way equals \$1.2 million, an increase of \$0.3 million, which brings the budget to a more realistic amount in light of previous year's actuals.

### **5.5 Risk Management**

This category includes insurance premiums for Property, Liability, and Auto, in addition to claims, self-insurance costs, and claims administration. In FY16 Risk Management total expenses of \$18.1 million have increased by 1.2 million or 7.2% more than FY15. This change has been caused an increase of \$3.7 million to recognize possible liabilities arising from the Oxnard incident in February of 2015. This increase is offset by a negotiated decrease in Liability Premiums of \$2.4 million.

## **5.6 Exhibits**

### **5.6.1 Exhibit 5.1: FY2015-16 Service Assumptions**

This exhibit provides details on the operating service assumptions for weekday, Saturday and Sunday trains by operating line. FY2015-16 includes 171 weekday trains and 90 weekend trains.

### **5.6.2 Exhibit 5.2: FY2015-16 Revenue Train Miles**

This exhibit provides the revenue train miles by operating line.

### **5.6.3 Exhibit 5.3: FY2015-16 Maintenance of Way Expenditures and Revenue Offsets**

This exhibit provides the projection of Maintenance of Way expenditures and funding sources. The revenues and expenditures are allocated by territory and member agency.

### **5.6.4 Exhibit 5.4: FY2015-16 Maintenance of Way Expenditures by Line Segment/Territory – Operating Lines**

This exhibit provides the cost of Maintenance of Way for operating lines allocated across operating lines and member agencies.

### **5.6.5 Exhibit 5.5: FY2015-16 Maintenance of Way Expenditures by Line Segment/Territory – Non-Operating Lines and Total**

This exhibit provides the cost of Maintenance of Way for non-operating lines and the total costs allocated across operating lines and member agencies.



**Exhibit 5.1**

***FY2015-16 Service Assumptions***

	Number of Trains		
	Weekday	Saturday	Sunday
San Bernardino Line San Bernardino-LAUS Riverside-San Bernardino-LAUS	38	20	14
Ventura County Line Chatsworth-LAUS Moorpark-LAUS East Ventura-LAUS	6 8 6		
Antelope Valley Line Santa Clarita-LAUS Via Princessa-LAUS Palmdale-LAUS Lancaster-LAUS	2 8 2 18	12	12
Riverside Line Riverside-LAUS	12		
91 Line Riverside-LAUS Perris Downtown-LAUS Perris Downtown-Riverside	3 6 6	4	4
Orange County Line Irvine-LAUS Laguna Niguel-LAUS Oceanside-LAUS Fullerton-Laguna Niguel (MSEP) Fullerton-Oceanside (MSEP)	3 6 10 8 2	8	8
IEOC Line San Bernardino-Irvine San Bernardino-Laguna Niguel San Bernardino-Oceanside Riverside-Laguna Niguel Riverside-Oceanside	1 6 2 5 2	4	4
Burbank/Bob Hope Airport Burbank Airport-LAUS	11		
<b>Total</b>	<b>171</b>	<b>48</b>	<b>42</b>

**Exhibit 5.2*****FY2015-16 Revenue Train Miles***

<b>Line</b>	<b>FY13 Actual</b>	<b>FY14 Actual</b>	<b>FY15 Budget</b>	<b>FY16 Proposed</b>	<b>Variance FY15-16 vs. FY14-15</b>	
					<b>\$</b>	<b>%</b>
San Bernardino Line	713,461	593,043	682,810	663,919	(18,892)	(2.8%)
Ventura County Line	245,891	232,519	286,850	252,772	(34,078)	(11.9%)
Antelope Valley Line	571,360	578,709	607,589	607,589	-	0.0%
Riverside Line	181,530	178,752	186,359	186,359	-	0.0%
91 Line	143,408	141,064	220,721	212,050	(8,671)	(3.9%)
Orange County Line (incl MSEP)	506,712	503,660	515,937	517,445	1,508	0.3%
Inland Empire/Orange County Line	322,917	295,117	332,764	335,390	2,626	0.8%
<b>Total Revenue Train Miles</b>	<b>2,685,278</b>	<b>2,522,863</b>	<b>2,833,030</b>	<b>2,775,523</b>	<b>(57,507)</b>	<b>(2.0%)</b>

## Exhibit 5.3

### *FY2015-16 Maintenance of Way Expenditures and Revenue Offsets*

(in \$000's)

Line Segment/Territory	FY 15-16 Budget	Metro	OCTA	RCTC	SANBAG	VCTC
<b>Operating Lines</b>	<b>13,321</b>	<b>8,293</b>	<b>2,644</b>	<b>625</b>	<b>1,235</b>	<b>524</b>
LA - San Bernardino	1,713	478	-	-	1,235	-
LA - Ventura (Burbank Jct to Moorpark)	1,322	798	-	-	-	524
LA - Lancaster	5,560	5,560	-	-	-	-
CRI-BURBANK JCT	-	-	-	-	-	-
Fullerton - San Diego County Line	2,458	-	2,458	-	-	-
Olive Subdivision	186	-	186	-	-	-
Riverside Layover Facility	-	-	-	-	-	-
River Corridor	1,456	1,456	-	-	-	-
Perris Valley	625	-	-	625	-	-
Extraordinary Maintenance	-	-	-	-	-	-
(Storm Damage, Vandalism, Gate Knockdowns)	-	-	-	-	-	-
<b>Non-Operating Lines</b>	<b>1,028</b>	<b>1,008</b>	<b>-</b>	<b>-</b>	<b>20</b>	<b>-</b>
Sierra Madre - Claremont (Pasadena Sub)	1,008	1,008	-	-	-	-
Rialto Sub (San Bernardino Co.)	20	-	-	-	20	-
Shortway Sub	-	-	-	-	-	-
Redlands 1st Mile	-	-	-	-	-	-
<b>Total</b>	<b>14,348</b>	<b>9,301</b>	<b>2,644</b>	<b>625</b>	<b>1,255</b>	<b>524</b>

#### Net Subsidy Allocation

Line Segment/Territory	FY 15-16 Budget	Metro	OCTA	RCTC	SANBAG	VCTC
<b>Operating Lines</b>	<b>26,968</b>	<b>13,626</b>	<b>5,804</b>	<b>1,767</b>	<b>3,595</b>	<b>2,177</b>
LA - San Bernardino (1)	6,514	3,897	-	-	2,617	-
LA - Ventura (Burbank Jct to Moorpark) (2)	4,572	2,808	-	-	-	1,764
LA - Lancaster	2,671	2,671	-	-	-	-
CRI-BURBANK JCT	6	6	-	-	-	-
Fullerton - San Diego County Line	4,872	688	3,461	618	105	-
Olive Subdivision	903	-	573	282	48	-
Riverside Layover Facility (3)	232	103	43	65	22	-
River Corridor (4)	4,632	2,200	917	514	667	333
Perris Valley (6)	1,338	546	512	275	5	-
Extraordinary Maintenance (5)	1,228	707	298	13	131	79
(Storm Damage, Vandalism, Gate Knockdowns)	-	-	-	-	-	-
<b>Non-Operating Lines</b>	<b>1,072</b>	<b>834</b>	<b>36</b>	<b>18</b>	<b>184</b>	<b>-</b>
Sierra Madre - Claremont (Pasadena Sub)	794	794	-	-	-	-
Rialto Sub (San Bernardino Co.)	154	-	-	-	154	-
Shortway Sub	123	39	36	18	29	-
Redlands 1st Mile	-	-	-	-	-	-
<b>Total</b>	<b>28,040</b>	<b>14,460</b>	<b>5,840</b>	<b>1,784</b>	<b>3,779</b>	<b>2,177</b>

#### Total Expenditure Forecast

Line Segment/Territory	FY 15-16 Budget	Metro	OCTA	RCTC	SANBAG	VCTC
<b>Operating Lines</b>	<b>40,289</b>	<b>21,919</b>	<b>8,448</b>	<b>2,392</b>	<b>4,830</b>	<b>2,701</b>
LA - San Bernardino	8,227	4,375	-	-	3,852	-
LA - Ventura (Burbank Jct to Moorpark)	5,894	3,606	-	-	-	2,288
LA - Lancaster	8,232	8,232	-	-	-	-
CRI-BURBANK JCT	6	6	-	-	-	-
Fullerton - San Diego County Line	7,331	688	5,919	618	105	-
Olive Subdivision	1,089	-	759	282	48	-
Riverside Layover Facility	232	103	43	65	22	-
River Corridor	6,088	3,656	917	514	667	333
Perris Valley	1,963	546	512	900	5	-
Extraordinary Maintenance	1,228	707	298	13	131	79
(Storm Damage, Vandalism, Gate Knockdowns)	-	-	-	-	-	-
<b>Non-Operating Lines</b>	<b>2,100</b>	<b>1,842</b>	<b>36</b>	<b>18</b>	<b>204</b>	<b>-</b>
Sierra Madre - Claremont (Pasadena Sub)	1,802	1,802	-	-	-	-
Rialto Sub (San Bernardino Co.)	174	-	-	-	174	-
Shortway	123	39	36	18	29	-
Redlands 1st Mile	-	-	-	-	-	-
<b>Total</b>	<b>42,388</b>	<b>23,760</b>	<b>8,484</b>	<b>2,409</b>	<b>5,034</b>	<b>2,701</b>

(1) MoW net subsidy split by route miles (59.82% LACMTA and 40.18% SANBAG).

(2) MoW net subsidy split by train miles (61.41% LACMTA and 38.59% VCTC).

(3) Net subsidy split by train miles of trains using the Riverside Layover, excluding San Diego County (44.41% LACMTA, 18.33% OCTA, 27.88% RCTC, and 9.38% SANBAG).

(4) Split is assumed All Share (47.5% LACMTA, 19.8% OCTA, 14.4% SANBAG, 7.2% VCTC, and 11.1% RCTC) of cost in excess of revenues.

(5) Allocation based on percent of route miles owned (57.55% LACMTA, 24.27% OCTA, 1.07% RCTC, 10.69% SANBAG, and 6.41% VCTC)

(6) Allocation based on train miles of 91 line (27.8% LACMTA, 26.1% OCTA, 45.9% RCTC, 0.3% SANBAG)

**Exhibit 5.4**

***FY2015-16 Maintenance of Way Expenditures by Line Segment/Territory – Operating Lines***  
**(in \$000's)**

Line Segment/Territory	FY 12-13 Expenditure Actual	FY 13-14 Expenditure Actual	FY 14-15 Expenditure Budget	FY 15-16 Expenditure Budget	Variance FY15-16 vs. FY14-15	
					\$ Inc/(Dec)	%
<b>Operating Lines</b>	<b>26,281</b>	<b>30,601</b>	<b>38,103</b>	<b>40,289</b>	<b>2,186</b>	<b>5.7%</b>
<b>LA - San Bernardino</b>	<b>5,684</b>	<b>6,871</b>	<b>8,224</b>	<b>8,227</b>	<b>3</b>	<b>0.0%</b>
Track	943	823	1,253	1,476	224	17.8%
Signal & Communications	2,335	2,198	2,791	2,839	48	1.7%
Structures	212	202	189	195	6	3.1%
Procurement	281	251	260	290	30	11.4%
Other	1,020	1,237	1,590	1,370	(219)	(13.8%)
Agency Costs	893	2,160	2,141	2,057	(85)	(4.0%)
<b>LA - Ventura (Burbank Jct to Moorpark)</b>	<b>3,688</b>	<b>4,641</b>	<b>5,827</b>	<b>5,894</b>	<b>67</b>	<b>1.1%</b>
Track	876	613	1,139	1,188	48	4.2%
Signal & Communications	1,206	1,201	1,579	1,703	124	7.8%
Structures	116	148	236	244	7	3.1%
Procurement	182	152	186	193	7	3.6%
Other	646	776	1,135	1,061	(74)	(6.5%)
Agency Costs	661	1,751	1,552	1,506	(46)	(2.9%)
<b>LA - Lancaster</b>	<b>5,771</b>	<b>6,911</b>	<b>8,270</b>	<b>8,232</b>	<b>(38)</b>	<b>(0.5%)</b>
Track	1,235	924	1,311	1,291	(20)	(1.5%)
Signal & Communications	1,710	1,545	2,070	2,123	53	2.5%
Structures	332	184	189	195	6	3.1%
Procurement	299	306	319	317	(1)	(0.4%)
Other	1,091	1,309	1,767	1,659	(108)	(6.1%)
Agency Costs	1,105	2,643	2,614	2,647	33	1.3%
<b>Fullerton - San Diego County Line</b>	<b>5,371</b>	<b>6,211</b>	<b>7,534</b>	<b>7,331</b>	<b>(204)</b>	<b>(2.7%)</b>
Track	1,166	1,068	1,133	1,238	104	9.2%
Signal & Communications	2,048	2,021	2,473	2,368	(104)	(4.2%)
Structures	148	183	189	191	2	1.3%
Procurement	280	253	262	287	24	9.3%
Other	853	989	1,360	1,219	(141)	(10.4%)
Agency Costs	876	1,697	2,117	2,028	(89)	(4.2%)
<b>Olive Subdivision</b>	<b>540</b>	<b>773</b>	<b>1,014</b>	<b>1,089</b>	<b>75</b>	<b>7.4%</b>
Track	92	51	126	209	83	65.6%
Signal & Communications	278	250	488	528	40	8.3%
Structures	1	4	47	51	4	8.9%
Procurement	17	19	24	18	(6)	(24.5%)
Other	68	69	130	119	(11)	(8.5%)
Agency Costs	84	380	199	163	(36)	(18.0%)
<b>Riverside Layover Facility</b>	<b>73</b>	<b>195</b>	<b>259</b>	<b>232</b>	<b>(26)</b>	<b>(10.2%)</b>
Track	21	19	120	109	(11)	(9.0%)
Signal & Communications	10	5	13	12	(1)	(5.3%)
Structures	1	-	8	8		3.1%
Procurement	2	1	6	3	(3)	(51.8%)
Other	20	19	61	51	(9)	(15.4%)
Agency Costs	20	151	51	49	(3)	(5.3%)
<b>River Corridor</b>	<b>4,075</b>	<b>3,677</b>	<b>6,026</b>	<b>6,088</b>	<b>62</b>	<b>1.0%</b>
Track	757	656	1,202	1,353	151	12.6%
Signal & Communications	2,199	2,203	2,484	2,526	42	1.7%
Structures	36	41	172	178	6	3.6%
Procurement	153	180	140	215	75	54.1%
Other	559	536	996	875	(121)	(12.2%)
Agency Costs	371	61	1,032	941	(91)	(8.8%)
<b>Perris Valley</b>				<b>1,963</b>	<b>1,963</b>	<b>-</b>
Track				295	295	-
Signal & Communications				705	705	-
Structures				-	-	-
Procurement				61	61	-
Other				353	353	-
Agency Costs				548	548	-
<b>Extraordinary Maintenance</b>	<b>1,078</b>	<b>1,322</b>	<b>949</b>	<b>1,228</b>	<b>279</b>	<b>29.4%</b>
(Derailments, Storm Damage, Gate Knockdowns, Vandalism)						

**Exhibit 5.5**

***FY2015-16 Maintenance of Way Expenditures by Line Segment/Territory – Non-Operating Lines and Total***  
**(in \$000's)**

Line Segment/Territory	FY 12-13 Expenditure Actual	FY 13-14 Expenditure Actual	FY 14-15 Expenditure Budget	FY 5-16 Expenditure Budget	Variance FY15-16 vs. FY14-15	
					\$ Inc/(Dec)	%
<b>Non-Operating Lines</b>	<b>\$1,352</b>	<b>1,279</b>	<b>\$1,742</b>	<b>2,100</b>	<b>358</b>	<b>20.5%</b>
<b>Sierra Madre - Claremont (Pasa. Sub.)</b>	<b>1,174</b>	<b>1,148</b>	<b>1,616</b>	<b>1,802</b>	<b>186</b>	<b>11.5%</b>
Track	270	152	237	309	72	30.4%
Signal & Communications	329	300	452	518	66	14.6%
Structures	41	47	94	97	3	3.1%
Procurement	53	44	58	54	(4)	(6.4%)
Other	270	367	333	322	(12)	(3.5%)
Agency Costs	211	239	442	502	60	13.7%
<b>Rialto Subdivision (San Bernardino)</b>	<b>178</b>	<b>131</b>	<b>126</b>	<b>174</b>	<b>49</b>	<b>38.8%</b>
Track	44	20	-	38	38	-
Signal & Communications	70	36	18	18	-	1.3%
Structures	-	8	-	-	-	-
Procurement	9	5	8	9	-	2.7%
Other	29	30	32	45	13	41.0%
Agency Costs	27	32	68	65	(3)	(3.7%)
<b>Shortway Sub</b>				<b>123</b>	<b>123</b>	<b>-</b>
Track				33	33	-
Signal & Communications				15	15	-
Structures				-	-	-
Procurement				1	1	-
Other				23	23	-
Agency Costs				51	51	-

Line Segment/Territory	FY 12-13 Expenditure Actual	FY 13-14 Expenditure Actual	FY 14-15 Expenditure Budget	FY 15-16 Expenditure Budget	Variance FY15-16 vs. FY14-15	
					\$ Inc/(Dec)	%
<b>Total Maintenance-of-Way</b>	<b>\$27,633</b>	<b>31,880</b>	<b>\$39,845</b>	<b>42,388</b>	<b>2,543</b>	<b>6.4%</b>
Track	5,405	4,326	6,522	7,540	1,018	15.6%
Signal & Communications	10,185	9,759	12,367	13,356	989	8.0%
Structures	886	817	1,124	1,160	35	3.1%
Procurement	1,277	1,210	1,264	1,447	184	14.5%
Other	4,555	5,332	7,403	7,096	(307)	(4.1%)
Extraordinary Maintenance	1,078	1,322	949	1,228	279	29.4%
Agency Costs	4,247	9,113	10,216	10,561	346	3.4%

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# SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY

## FY2015-16 BUDGET

### SECTION 6: Capital Program Budget

#### 6.1 Introduction

The Capital Program Budget consists of two major components: SCRRA's Rehabilitation and New Capital programs. These budgets amount to \$152.2 million and \$195.7 million, respectively, for a total of \$347.9 million. Both the New Capital and Rehabilitation budgets include projects authorized in prior years but incomplete as of the end of a fiscal year, as well as new project authority requested in FY16.

	<u>FY15-16</u> <u>(in 000's)</u>
Rehabilitation Carryover Projects	\$ 78,381
Rehabilitation New Authority Projects	<u>\$ 73,806</u>
Total Rehabilitation Projects	\$ 152,187
New Capital Carryover Projects	\$ 141,983
New Capital Funding	<u>\$ 53,740</u>
Total New Capital	\$ 195,723
Total FY2015-16 Capital Program	<u>\$ 347,910</u>

SCRRA continues to seek local, state or federal funds for additional New Capital projects. However, projects for which funds are not available for commitment are not included in the FY16 Budget.

#### 6.2 Rehabilitation Program

Rehabilitation (rehab) projects are those that extend the useful life of existing capital assets through activities such as the replacement of worn ties and rail, replacement of worn or outdated signal system components, rehabilitation of tunnels, bridges and culverts, programmed rehabilitation of rolling stock components such as Car Door Operators and Heating/Ventilation/Air Conditioning (HVAC), and midlife overhaul of rail cars and locomotives.

The SCRRA, as part of its implementation of Government Accounting Standards Board Pronouncement 34 (GASB34), has elected to use the Modified Approach for the Metrolink Railroad Infrastructure.

Under the Modified Approach, infrastructure assets that are part of a network, or subsystem of a network, are not required to be depreciated as long as two requirements are met:

- 1) The government manages the eligible infrastructure assets using a qualified asset management system; and
- 2) The government documents that the eligible infrastructure assets are being preserved approximately at (or above) a condition level established and disclosed by the government.

During FY2002-03, the SCRRRA Board adopted a minimum condition rating of 75 points (of a maximum of 100) as the minimum acceptable Railroad Condition Index (RCI) for the entire railroad network, including all subsystems. As of June 30, 2012, SCRRRA completed a three year system-wide assessment of the infrastructure, which resulted in an average acceptable level of 81 points. The next system-wide assessment of the infrastructure is due for the year ending June 30, 2015. For a complete description of the rating values and their meanings, please see Appendix Section 8.

Rehabilitation projects are those projects that replace worn-out assets, assets that have reached the end of their useful life, assets not in compliance with current codes, systems and standards or assets that are functionally obsolete and no longer commercially supported. These worn-out or functionally obsolete assets are replaced, repaired or otherwise modified with new assets that preserve and extend the useful life of these capital assets. Rehabilitation projects and programs are also sometimes known as “State of Good Repair” or “capital reinvestment” projects and programs. In 2012, Congress enacted a federal transportation program known as *Moving Ahead for Progress in the 21<sup>st</sup> Century*, or MAP-21. This legislation replaced section 5309 Rail Modernization formula funds with section 5337 funds specifically for State of Good Repair projects, underscoring the federal government’s commitment to maintaining transportation infrastructure.

### **6.2.1 Railroad Rehabilitation Cycles**

Railroad infrastructure deteriorates due to traffic, time, environmental conditions (weather) and wear. Railroad infrastructure, especially systems hardware and software with time and changes in technology, can become functionally obsolete or unsupported. At the minimum, a Rehabilitation program is required to overcome this deterioration and maintain a state of good repair. A Rehabilitation program typically incorporates state-of-the-art or state-of-the-industry components to support service levels and replace older designs, resulting in reduced maintenance expense, improved operations or improved reliability.

Rehabilitation is performed when the infrastructure has worn or deteriorated to a level that does not yet impair serviceability, yet the assets are close to being consumed. In order to extract exactly 100% of the service life of assets, their replacement would be performed on the day of failure, which would require very close inspection procedures, many disruptions to train service, and very labor intensive replacements of small amounts of assets. In lieu of this approach, the railroad industry has adopted a “cycle” of rehabilitation whereby



groups of assets are replaced when they are nearing in the end of useful life using workforces and machines to achieve economies of scale and relatively low unit costs of performing the work and to minimize disruption of train service.

## **6.2.2 Rehabilitation Elements**

### **A. Rails**

Rails are subject to head and gauge face wear and metal fatigue due to traffic loadings as well as expansion and contraction due to changes in temperatures and corrosion. Rehabilitation and renovation of rail consists of periodic grinding to restore the original contour, replacement of welds, replacement of insulated joints, transposing rail on curves and replacement of the entire rail when limits of wear or fatigue are reached.

### **B. Crossties**

The rail is supported on crossties of either wood or concrete. Wood ties have steel tie plates beneath the rail to spread the weight of the rail. Concrete ties have elastomeric pads to separate the steel rail from the ties. Both ties have fasteners to hold the track together, either cut or screw spikes on the wood ties, and some form of proprietary spring steel clip on concrete ties. There are 3,250 wood ties per mile, spaced at 19-1/2 inches, and concrete ties are spaced at 24 inches, for 2640 per mile.

#### **1. Wood Ties**

Creosote treated wood ties have a service life of between 30 and 35 years. Wood ties deteriorate by organic decay and by mechanical abrasion and crushing from the spikes and the tie plates supporting the rail. Wood ties also deteriorate faster in curves because the centrifugal force of turning trains pushes the rail and spikes. Weak ties in curves are a serious safety consideration. They are usually maintained in a cycle method whereby 25-35% (800-1000 per mile) of the wood ties is replaced every seven to 10 years, depending upon specific local conditions

#### **2. Concrete Ties**

Concrete crossties are more resistant to wear and decay; however they can be affected by fouled ballast. Severely fouled ballast creates an abrasive paste of rock particles, which grind away the concrete surface, which exposes the reinforcing strands and can cause the tie to break. Though concrete ties last longer than wood ties, the elastic clips and the bearing pads require changing when rail is replaced on about 10-12 year intervals. Concrete ties are expected to last at least 50 years.

### **C. Ballast**

The crushed rock ballast that supports the track deteriorates through weathering and abrasion. The fine particles eroded from the stone, plus fine soil particles that are blown or washed into the track, or migrate upward from underlying soil, cause the ballast to retain water, which has two adverse effects. The moisture degrades the ties and softens the subgrade, leading to settlement of the whole track structure.

#### D. Special Track work

Two areas of the track structure, turnouts and road crossings, have higher levels of stress and require additional investment.

##### 1. Turnouts and Crossing Diamonds

Turnouts (“switches”) are the special track work which diverts trains from one track to another. They consist of a set of movable “point” rails to divert the wheels, a “frog” to cross the rails, and special braces, supports, tie plates, guard rails, gauge plates, and long timber ties to support these components. Due to the impacts of wheels being steered to diverging routes by the points and of crossing the open flange way at the frog, these components require special attention. Even with careful maintenance they wear out in about one fourth the time of the general track structure.

##### 2. Road Crossings

Road Crossings have precast concrete or rubber blocks set on top of the crossties to permit roadway vehicles to cross the rails. Due to the deflection of the rails under passing trains and large trucks, there is movement in the crossing structure. This motion can cause the adjoining roadway surface to become broken, or can cause the track profile to become irregular and require repair. Rehabilitation of road crossings is difficult due to the need to establish detour routes for highway traffic and to halt train traffic while the crossing is under repair. Rehabilitation includes a periodic removal of the crossing surface to raise and tamp the track (at about 6-year intervals) and a complete renewal of the crossing, track, and subgrade (at about 20-year intervals).

#### E. Bridges

Railroad bridges have steel, concrete, and timber elements, all of which have differing, and generally very long life cycles. The critical elements are the timber parts: the decks and stringers. Timber elements in railroad bridges typically last 50-60 years. Since the 1980s, they have generally been replaced with concrete or steel elements.

#### F. Signal, Communication, Train Traffic Control, Electrical Systems

Railroad signal, communication, train traffic control (dispatch), and electrical systems termed here as Systems generally experience wear of moving parts in equipment such as switch machines and grade crossing gate mechanisms, exposure to the environment, and have electronic and power supply components with specific lifespans. These Systems also become obsolete due to changes in the Federal regulations or in the state of the art of the industry. Virtually all Systems are microprocessor, computer, or server-based and are subject to hardware and software obsolescence due to changes in technology or changes in commercial arrangements that lead to loss of support. Rehabilitation of these Systems consists of unit exchange replacement of components at some point short of their maximum life or a software upgrade or patch in order to avoid service disruptions or regulatory infractions or

replacement of outdated or unsupported hardware and software with current industry standard hardware and software. Some components can be returned to manufacturing plants for rebuilding, and reused on a cyclical basis of maintenance.

G. Embankment

The embankment supporting the railroad erodes under the action of rain. In cut sections this deposits mud and silt near or in the track structure, causing water to be blocked from draining away from the track. This results in saturation of the track bed, deterioration of the ties (both wood and concrete ties are adversely affected by muddy track), and settlement of the track into a rough profile.

H. Rolling Stock

As of June 2015, the Metrolink rolling stock fleet consists of 52 diesel locomotives and 274 rail cars, of which approximately 42 are stored serviceable. Rolling stock directly affects the passenger experience, and must be maintained in a state of good repair to ensure safety, reliability and comfort. Rolling stock goes through regular preventative maintenance on a cyclical basis as part of normal operations. Additional rehabilitation is performed on key rail car subsystems such as the heating, ventilation, air conditioning (HVAC) system, door control systems, lighting system and battery system.

For depreciation purposes, SCRRA has established a useful life of 30 years for revenue rolling stock. Initial locomotive and rail car purchases occurred in 1992-1993, making the vehicles 21-22 years old. To date, these vehicles have not undergone comprehensive midlife overhauls and funding future vehicle replacement or rebuild will be necessary to prevent service degradation. Of SCRRA's 52 locomotives, 37 have exceeded the point at which a midlife overhaul should be performed. Funding will be necessary for this important effort.

I. Facilities

SCRRA office space, warehouses, maintenance shops and rail yards are used to operate and maintain the system. The Central Maintenance Facility (CMF) is Metrolink's largest facility and it contains specialized machinery such as a wheel true machine, drop table, overhead cranes and train wash to service and repair rail rolling stock. Yard equipment such as ground power stations, locomotive sanders, and fuel dispensing systems is also critical for service. All items must be maintained in a state of good repair to ensure safe and efficient operation.

### **6.2.3 Consequences of Deferred Rehabilitation**

There are five consequences of deferred maintenance:

- reduced train speeds and headways
- reduced operational reliability
- higher cost of ordinary maintenance
- regulatory fines and sanctions
- ultimately, accidents and loss of mission capability.

The track structure has considerable amount of redundancy, and weakness in specific elements can be carried by the stronger elements. Thus a few decayed or split wood ties, if scattered throughout the length of the track, do not cause any of these problems. If there are many weak ties at one location, then the track as a whole is weak and the above consequences become inevitable.

The proposed Rehabilitation Expenditures have been selected to meet projected funding available and are chosen from a larger field that SCRRA staff believes can be deferred until future years, but will have to be addressed in the upcoming years.

Rehabilitation projects are summarized in Exhibits 6.1 and 6.2. A number of the projects will not be completed in FY15, and will be carried forward into the 2016 fiscal year. They amount to \$78.4 million and are described in the Ongoing Rehabilitation Projects section. The new projects seeking initial authority in FY16 amount to \$73.8 million and are discussed in the New Rehabilitation Projects section below.

### **6.3 FY2015-16 Ongoing Rehabilitation Projects**

Ongoing projects authorized in FY15 or earlier and are not anticipated to be completed prior to June 30, 2015 are depicted on Exhibits 6.1 and 6.5 in summary and detail respectively. The exhibits represent staff's estimate of the outstanding authorized balance on each project as of the adoption of the FY16 fiscal year budget. These estimations in no way alter the actual project authority as approved by the Board of Directors.

### **6.4 FY2015-16 New Rehabilitation Projects**

New projects are proposed for Rehabilitation in FY2015-16 are depicted in Exhibits 6.2 and 6.6 in summary and detail respectively.

### **6.5 FY2015-16 New Capital Carryover Projects**

New Capital Carryover projects authorized in FY15 or earlier that are not anticipated to be completed prior to June 30, 2015 are depicted on Exhibit 6.3. The New Capital Carryover amount totals \$142.0 million.

## **6.6 FY2015-16 New Capital New Authority Projects**

New Capital projects authorized in 2015-16 are shown in Exhibit 6.4, and total \$53.7 million.

## **6.7 Exhibits**

### **Exhibit 6.1: FY2015-16 Rehabilitation Carryover Projects Summary**

This exhibit provides a listing of rehabilitation carryover authority by subdivision, project category and funding source.

### **Exhibit 6.2: FY2015-16 Rehabilitation New Authority Projects Summary**

This exhibit provides a listing of the proposed rehabilitation projects for new authorization by subdivision, project category and funding source.

### **Exhibit 6.3: FY2015 -16 New Capital Carryover Projects**

This exhibit provides a listing of the new capital carryover authority by subdivision, project category and funding source.

### **Exhibit 6.4: FY2015 -16 New Capital Projects**

This exhibit provides a listing of the new capital authority by project and funding source.

### **Exhibit 6.5: FY2015-16 Rehabilitation Carryover Projects Detail**

This exhibit provides a detailed listing of rehabilitation carryover authority by project.

### **Exhibit 6.6: FY 2015-16 Rehabilitation New Authority Projects Detail**

This exhibit provides a detailed listing of the proposed rehabilitation projects for new authorization by project.

### **Exhibit 6.7.1: Capital Summary and Cash Flow Detail – All Agencies**

This exhibit provides a capital summary and cash flow estimate for New Authority Rehabilitation and New Capital projects for fiscal Year 15-16 as well as estimated capital authority requests for FY 16-17 and 17-18.

### **Exhibit 6.7.2: Capital Summary and Cash Flow Detail – LACMTA**

This exhibit provides a capital summary and cash flow estimate for New Authority Rehabilitation and New Capital projects for fiscal Year 15-16 as well as estimated capital authority requests for FY 16-17 and 17-18.

### **Exhibit 6.7.3: Capital Summary and Cash Flow Detail – OCTA**

This exhibit provides a capital summary and cash flow estimate for New Authority Rehabilitation and New Capital projects for fiscal Year 15-16 as well as estimated capital authority requests for FY 16-17 and 17-18.

**Exhibit 6.7.4: Capital Summary and Cash Flow Detail – RCTC**

This exhibit provides a capital summary and cash flow estimate for New Authority Rehabilitation and New Capital projects for fiscal Year 15-16 as well as estimated capital authority requests for FY 16-17 and 17-18.

**Exhibit 6.7.5: Capital Summary and Cash Flow Detail – SANBAG**

This exhibit provides a capital summary and cash flow estimate for New Authority Rehabilitation and New Capital projects for fiscal Year 15-16 as well as estimated capital authority requests for FY 16-17 and 17-18.

**Exhibit 6.7.6: Capital Summary and Cash Flow Detail – VCTC**

This exhibit provides a capital summary and cash flow estimate for New Authority Rehabilitation and New Capital projects for fiscal Year 15-16 as well as estimated capital authority requests for FY 16-17 and 17-18.

**Exhibit 6.7.7: Capital Summary and Cash Flow Detail – Other Fund Sources**

This exhibit provides a capital summary and cash flow estimate for New Authority Rehabilitation and New Capital projects for fiscal Year 15-16 as well as estimated capital authority requests for FY 16-17 and 17-18.

## Exhibit 6.1

### FY2015-16 Rehabilitation Carryover Projects

(\$ Thousands)

Subdivision	Category	Carry over Jun-15 - End	Metro	OCTA	RCTC	SANBAG	VCTC	Lease	Other	State	Federal
	Structures Total		-	693	-	-	-	-	-	-	-
	Signal & Communication Total		-	81	-	-	-	-	-	-	-
	Track Total		-	187	-	-	-	-	-	-	-
<b>Olive Total</b>		<b>961</b>	<b>-</b>	<b>961</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Facilities Total		-	128	-	-	-	-	-	-	-
	Signal & Communication Total		-	307	-	464	-	-	-	-	-
	Structures Total		-	5,237	-	2,324	-	-	-	-	-
	Track Total		-	2,878	-	86	2,125	-	-	-	-
<b>Orange Total</b>		<b>13,549</b>	<b>-</b>	<b>8,550</b>	<b>-</b>	<b>2,875</b>	<b>2,125</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Signal & Communication Total		-	1,176	-	11	-	-	-	-	-
	Structures Total		-	1	-	-	-	-	-	-	-
	Track Total		-	377	-	-	-	-	-	-	-
<b>Orange &amp; Olive Total</b>		<b>1,565</b>	<b>-</b>	<b>1,554</b>	<b>-</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Signal & Communication Total		475	-	-	-	-	-	-	-	-
	Track Total		732	-	-	-	-	-	-	-	-
<b>Pasadena Total</b>		<b>1,207</b>	<b>1,207</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Signal & Communication Total		539	214	155	201	287	-	-	25	-
	Structures Total		84	33	19	27	27	-	-	-	-
	Track Total		696	290	163	211	106	-	2,392	-	-
<b>River Total</b>		<b>5,470</b>	<b>1,319</b>	<b>537</b>	<b>337</b>	<b>440</b>	<b>420</b>	<b>-</b>	<b>2,392</b>	<b>25</b>	<b>-</b>
	Facilities Total		-	-	1,777	-	-	-	-	-	-
<b>Riverside Total</b>		<b>1,777</b>	<b>-</b>	<b>-</b>	<b>1,777</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Public Projects Total		-	-	-	6	-	-	-	-	-
	Signal & Communication Total		2,198	-	28	1,583	131	-	-	-	-
	Structures Total		50	-	-	328	441	-	-	-	-
	Track Total		569	-	-	1,541	115	-	-	-	-
<b>San Gabriel Total</b>		<b>6,990</b>	<b>2,817</b>	<b>-</b>	<b>28</b>	<b>3,458</b>	<b>687</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Administrative Total		158	66	37	48	24	-	-	-	-
	Equipment Total		8,084	3,025	1,808	2,446	1,511	295	-	780	-
	Facilities Total		1,045	436	244	317	158	-	-	-	-
	IT Total		1,457	523	293	476	557	-	-	-	-
	PTC C&S Total		523	218	122	158	79	-	-	-	-
	Signal & Communication Total		1,573	602	333	449	231	-	-	6,073	1,467
	Track Total		628	158	130	168	84	-	-	-	-
<b>Systemwide Total</b>		<b>36,784</b>	<b>13,467</b>	<b>5,028</b>	<b>2,967</b>	<b>4,062</b>	<b>2,645</b>	<b>295</b>	<b>-</b>	<b>6,853</b>	<b>1,467</b>
	Security Total		75	-	-	-	-	-	-	-	-
	Signal & Communication Total		301	-	-	-	986	-	-	-	-
	Structures Total		2,086	-	-	-	962	-	-	-	-
	Track Total		82	-	-	-	-	-	-	-	-
<b>Valley Total</b>		<b>4,492</b>	<b>2,544</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,948</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Signal & Communication Total		14	-	-	-	57	-	-	7	-
<b>Ventura Total</b>		<b>78</b>	<b>14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>7</b>	<b>-</b>
	Signal & Communication Total		587	-	-	-	981	-	-	-	-
	Structures Total		525	-	-	-	446	-	-	-	-
	Track Total		43	-	-	-	-	-	-	-	-
<b>Ventura (LA Co) Total</b>		<b>2,581</b>	<b>1,155</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,427</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Facilities Total		-	-	-	-	13	-	-	-	-
	Signal & Communication Total		-	-	-	-	1,790	-	-	-	-
	Structures Total		-	-	-	-	1,103	-	-	-	-
	Track Total		-	-	-	-	20	-	-	-	-
<b>Ventura (Ven Co) Total</b>		<b>2,925</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,925</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>		<b>78,381</b>	<b>22,523</b>	<b>16,630</b>	<b>5,109</b>	<b>10,846</b>	<b>12,234</b>	<b>295</b>	<b>2,392</b>	<b>6,885</b>	<b>1,467</b>

## Exhibit 6.2

### *FY2015-16 Rehabilitation New Authority Projects (\$ Thousands)*

Subdivision	Project Type	TOTAL	LACMTA	OCTA	RCTC	SANBAG	VCTC	OTHER
Olive	Communication	\$75		\$75				
Olive	Signal	\$175		\$175				
Olive	Track	\$318		\$318				
Orange	Communication	\$150		\$150				
Orange	Signal	\$1,710		\$1,710				
Orange	Structures	\$2,725		\$2,725				
Orange	Track	\$2,138		\$2,138				
Orange/ Olive	Communication	\$75		\$75				
Perris Valley	Communication	\$125			\$125			
San Jacinto	Signal	\$790			\$790			
River	Communication	\$100	\$48	\$20	\$11	\$14	\$7	
River	Signal	\$580	\$276	\$115	\$64	\$84	\$42	
River	Track	\$221	\$84	\$35	\$20	\$26	\$13	\$43
San Gabriel	Communication	\$175	\$105			\$70		
San Gabriel	Signal	\$990	\$594			\$396		
San Gabriel	Structures	\$280	\$168			\$112		
San Gabriel	Track	\$2,946	\$1,305			\$1,640		
Systemwide	Facilities/Fleet	\$662	\$314	\$131	\$73	\$95	\$48	
Systemwide	Facilities	\$360	\$171	\$71	\$40	\$52	\$26	
Systemwide	Rolling Stock	\$50,424	\$11,373	\$4,741	\$2,658	\$3,448	\$1,724	\$26,481
Systemwide	Signal	\$2,860	\$1,359	\$566	\$317	\$412	\$206	
Systemwide	Station	\$140	\$67	\$28	\$16	\$20	\$10	
Systemwide	Track	\$500	\$238	\$99	\$56	\$72	\$36	
Valley	Signal	\$200	\$200					
Valley	Structures	\$1,800	\$1,800					
Valley	Track	\$1,900	\$1,900					
Ventura - VC	Signal	\$245					\$245	
Ventura - VC	Structures	\$629					\$629	
Ventura - VC	Track	\$515					\$515	
<b>CURRENT PROPOSED FY 2015-16 REHAB BUDGET</b>		<b>\$73,806</b>	<b>\$20,000</b>	<b>\$13,172</b>	<b>\$4,170</b>	<b>\$6,441</b>	<b>\$3,500</b>	<b>\$26,524</b>
<b>ROTEM SETTLEMENT AMOUNTS (YEAR 4)</b>		<b>\$0</b>	<b>\$5,806</b>	<b>-\$7,613</b>	<b>\$457</b>	<b>\$1,000</b>	<b>\$350</b>	
<b>TOTAL PROPOSED FY 2015-16 REHAB BUDGET</b>		<b>\$73,806</b>	<b>\$25,806</b>	<b>\$5,559</b>	<b>\$4,627</b>	<b>\$7,441</b>	<b>\$3,850</b>	<b>\$26,524</b>
<b>PRIOR YEAR CARRYOVERS</b>		<b>\$78,381</b>	<b>\$22,523</b>	<b>\$16,630</b>	<b>\$5,109</b>	<b>\$10,846</b>	<b>\$12,234</b>	<b>\$11,039</b>
<b>TOTAL FY 15-16 AUTHORITY INCLUDING CARRYOVERS</b>		<b>\$152,187</b>	<b>\$48,328</b>	<b>\$22,189</b>	<b>\$9,736</b>	<b>\$18,287</b>	<b>\$16,084</b>	<b>\$37,563</b>

Notes:

- 1) LACMTA funding is local PC-10.
- 2) OCTA funding is FTA 5337. Match is from Toll Revenue Credits.
- 3) RCTC funding is FTA 5309.
- 4) SANBAG funding is FTA 5337 (Match is from Toll Revenue Credits), STA-OPS, and Prop 1B.
- 5) VCTC rehab funding is FTA 5337. Match is from Toll Revenue Credits. Operating swap from FTA 5307 and 5337 funds.



### Exhibit 6.3

#### *FY2015-16 New Capital Carryover Projects*

*(\$ Thousands)*

Subdivision	Category	Project	Carryover		Metro	OCTA	RCTC	SANBAG	VCTC	Lease	Other	State	Federal
			Jun-15 - End										
Systemwide	Rolling Stock	613006	1,129	-	-	-	-	-	-	-	-	1,129	-
Systemwide	Rolling Stock	604001	4,302	-	-	-	-	-	-	-	-	4,302	-
Systemwide	Rolling Stock	608004	-	-	-	-	-	-	-	-	-	-	-
Systemwide	Rolling Stock	610001	-	-	-	-	-	-	-	-	-	-	-
Systemwide	Rolling Stock	611001	-	-	-	-	-	-	-	-	-	-	-
Systemwide	Rolling Stock	613001	8,547	-	-	-	-	-	-	-	-	8,547	-
Systemwide	Rolling Stock	613002	-	-	-	-	-	-	-	-	-	-	-
Systemwide	Rolling Stock	613003	10,954	-	-	-	-	-	-	-	-	10,954	-
Systemwide	Rolling Stock	613005	88,470	-	-	-	-	-	-	-	-	88,470	-
Systemwide	Signal & Communication	450090	7,904	1,278	856	-	-	-	-	-	-	5,006	764
Systemwide	Signal & Communication	450095	774	293	-	-	-	-	-	-	481	-	-
Systemwide	Signal & Communication	450096	1,246	-	747	-	-	-	-	-	-	498	-
Systemwide	Signal & Communication	450097	232	33	44	25	32	97	-	-	-	-	-
Systemwide	Signal & Communication	450098	2,064	2,064	-	-	-	-	-	-	-	-	-
Valley	Structures	414002	16,362	8,181	-	-	-	-	-	-	-	8,181	-
TOTAL			141,983	11,849	1,648	25	32	97	-	-	481	127,087	764

## Exhibit 6.4

### *FY2015-16 New Capital New Authority Projects*

*(\$ Thousands)*

PROJECT DESCRIPTION	TOTAL BUDGET	LACMTA	OCTA	RCTC	SANBAG	VCTC	Other
Procure and install 144 ticket vending machines and back office software system support for revenue tracking. This includes 58 for LA County; 31 for OCTA; 22 for RCTC; 18 for SANBAG; 8 for VCTC and 4 systemwide ticket office machines and 3 systemwide test machines.	\$30,488	\$12,984	\$6,857	\$4,822	\$4,024	\$1,800	
Procure and install cameras at current and new stations to monitor TVM activity and prevent break-ins.	\$5,800	\$	\$	\$	\$	\$	\$5,800
Funds to be used for preparing Project Study Reports and initial design for enhancement and expansion (i.e. non-good state of good repair projects)	\$745	\$475	\$198			\$72	
San Bernardino line crossing improvements using Sealed Corridor standards (at Ramona Blvd, Citrus Avenue and Hellman Avenue) and speed increases on CP Soledad MP 44.25.	\$16,708	\$8,000					\$8,708
<b>TOTAL FY 2015-16 AUTHORITY FOR NEW FUNDING</b>	<b>\$53,740</b>	<b>\$21,459</b>	<b>\$7,055</b>	<b>\$4,822</b>	<b>\$4,024</b>	<b>\$1,872</b>	<b>\$14,508</b>
<b>PRIOR YEAR CARRYOVERS <sup>2</sup></b>	<b>\$141,983</b>	<b>\$11,849</b>	<b>\$1,648</b>	<b>\$25</b>	<b>\$32</b>	<b>\$97</b>	<b>\$128,332</b>
<b>TOTAL FY 2015-16 AUTHORITY INCLUDING CARRYOVERS</b>	<b>\$195,723</b>	<b>\$33,308</b>	<b>\$8,703</b>	<b>\$4,847</b>	<b>\$4,057</b>	<b>\$1,970</b>	<b>\$142,840</b>

1. SANBAG's contribution to Hellman Avenue is \$490,000 and comes via FY15 rehab funds from project 515115 which were swapped with the same amount of FY11-13 Transit Operator PTMISEA funds. Because these are swapped funds and not subject to new FY 16 authorization from SANBAG, they are not included in this budget.

2. SANBAG funding for the 2014-15 Positive Train Control project is anticipated to change from PTMISEA for \$785,247 to State Transit Assistance Operations Funds.

## Exhibit 6.5

### FY2015-16 Rehabilitation Carryover Projects Detail

(\$ Thousands)

Project	Subdivision	Category	Carry over										Total	
			Jun-15 - End	Metro	OCTA	RCTC	SANBAG	VCTC	Lease	Other	State	Federal		
515100	Olive	Structures	693	-	693	-	-	-	-	-	-	-	-	693
512054	Olive	Signal & Communication	81	-	81	-	-	-	-	-	-	-	-	81
514002	Olive	Track	180	-	180	-	-	-	-	-	-	-	-	180
515101	Olive	Track	7	-	7	-	-	-	-	-	-	-	-	7
513023	Orange	Structures	569	-	569	-	-	-	-	-	-	-	-	569
513024	Orange	Structures	24	-	24	-	-	-	-	-	-	-	-	24
515105	Orange	Structures	5,600	-	4,600	-	1,000	-	-	-	-	-	-	5,600
515106	Orange	Structures	1,324	-	-	-	1,324	-	-	-	-	-	-	1,324
511064	Orange	Facilities	128	-	128	-	-	-	-	-	-	-	-	128
511063	Orange	Signal & Communication	-	-	-	-	-	-	-	-	-	-	-	-
512063	Orange	Signal & Communication	10	-	10	-	-	-	-	-	-	-	-	10
513025	Orange	Signal & Communication	-	-	-	-	-	-	-	-	-	-	-	-
514003	Orange	Signal & Communication	464	-	-	-	464	-	-	-	-	-	-	464
515103	Orange	Signal & Communication	297	-	297	-	-	-	-	-	-	-	-	297
511062	Orange	Structures	-	-	-	-	-	-	-	-	-	-	-	-
514004	Orange	Structures	1	-	1	-	-	-	-	-	-	-	-	1
514006	Orange	Structures	43	-	43	-	-	-	-	-	-	-	-	43
511061	Orange	Track	93	-	93	-	-	-	-	-	-	-	-	93
513022	Orange	Track	1,349	-	-	-	19	1,330	-	-	-	-	-	1,349
514007	Orange	Track	2,277	-	2,277	-	-	-	-	-	-	-	-	2,277
514008	Orange	Track	633	-	188	-	-	445	-	-	-	-	-	633
515102	Orange	Track	125	-	125	-	-	-	-	-	-	-	-	125
515104	Orange	Track	150	-	150	-	-	-	-	-	-	-	-	150
515107	Orange	Track	67	-	-	-	67	-	-	-	-	-	-	67
515108	Orange	Track	395	-	45	-	-	350	-	-	-	-	-	395
514005	Orange & Olive	Signal & Communication	278	-	278	-	-	-	-	-	-	-	-	278
514009	Orange & Olive	Signal & Communication	11	-	-	-	11	-	-	-	-	-	-	11
514010	Orange & Olive	Signal & Communication	324	-	324	-	-	-	-	-	-	-	-	324
514011	Orange & Olive	Structures	1	-	1	-	-	-	-	-	-	-	-	1
514060	Orange & Olive	Track	93	-	93	-	-	-	-	-	-	-	-	93
515510	Orange & Olive	Track	198	-	198	-	-	-	-	-	-	-	-	198
515511	Orange & Olive	Track	86	-	86	-	-	-	-	-	-	-	-	86
513026	Orange-Olive	Signal & Communication	574	-	574	-	-	-	-	-	-	-	-	574
513020	Pasadena	Signal & Communication	-	-	-	-	-	-	-	-	-	-	-	-
515109	Pasadena	Signal & Communication	100	100	-	-	-	-	-	-	-	-	-	100
515112	Pasadena	Signal & Communication	375	375	-	-	-	-	-	-	-	-	-	375
514012	Pasadena	Track	732	732	-	-	-	-	-	-	-	-	-	732
512074	River	Signal & Communication	2	0	0	0	0	1	-	-	-	-	-	2
513001	River	Signal & Communication	25	-	-	-	-	-	-	-	25	-	-	25
513030	River	Signal & Communication	314	62	-	35	45	172	-	-	-	-	-	314
514037	River	Signal & Communication	387	147	77	43	56	64	-	-	-	-	-	387
514039	River	Signal & Communication	394	187	78	44	57	28	-	-	-	-	-	394
515138	River	Signal & Communication	200	95	40	22	29	14	-	-	-	-	-	200
515139	River	Signal & Communication	100	48	20	11	14	7	-	-	-	-	-	100

*Exhibit 6.5 Continued*

Project	Subdivision	Category	Carry over											Total	
			Jun-15 - End	Metro	OCTA	RCTC	SANBAG	VCTC	Lease	Other	State	Federal			
513028	River	Structures	25	5	-	1	4	15	-	-	-	-	-	-	25
514038	River	Structures	89	42	18	10	13	6	-	-	-	-	-	-	89
515141	River	Structures	77	37	15	9	11	6	-	-	-	-	-	-	77
513027	River	Track	-	-	-	-	-	-	-	-	-	-	-	-	-
514062	River	Track	85	40	17	9	12	6	-	-	-	-	-	-	85
515142	River	Track	190	90	38	21	27	14	-	-	-	-	-	-	190
515143	River	Track	174	82	34	19	25	13	-	-	-	-	-	-	174
515144	River	Track	3,409	483	201	113	146	73	-	2,392	-	-	-	-	3,409
415001	Riverside	Facilities	777	-	-	-	777	-	-	-	-	-	-	-	777
515113	Riverside	Facilities	1,000	-	-	-	1,000	-	-	-	-	-	-	-	1,000
515147	Rolling Stock	Equipment	10,762	5,112	2,131	1,195	1,550	775	-	-	-	-	-	-	10,762
515147	Rolling Stock	Equipment	654	311	129	73	94	47	-	-	-	-	-	-	654
514017	San Gabriel	Structures	736	-	-	-	294	441	-	-	-	-	-	-	736
408001	San Gabriel	Signal & Communication	6	-	-	-	6	-	-	-	-	-	-	-	6
509045	San Gabriel	Signal & Communication	17	-	-	-	17	-	-	-	-	-	-	-	17
511044	San Gabriel	Signal & Communication	41	-	-	28	13	-	-	-	-	-	-	-	41
512043	San Gabriel	Signal & Communication	1	-	-	-	0	1	-	-	-	-	-	-	1
512044	San Gabriel	Signal & Communication	1	0	-	-	0	0	-	-	-	-	-	-	1
513018	San Gabriel	Signal & Communication	6	4	-	-	2	-	-	-	-	-	-	-	6
513019	San Gabriel	Signal & Communication	217	-	-	-	87	130	-	-	-	-	-	-	217
514013	San Gabriel	Signal & Communication	419	251	-	-	168	-	-	-	-	-	-	-	419
514015	San Gabriel	Signal & Communication	147	88	-	-	59	-	-	-	-	-	-	-	147
514016	San Gabriel	Signal & Communication	854	512	-	-	341	-	-	-	-	-	-	-	854
515114	San Gabriel	Signal & Communication	238	143	-	-	95	-	-	-	-	-	-	-	238
515115	San Gabriel	Signal & Communication	2,000	1,200	-	-	800	-	-	-	-	-	-	-	2,000
514014	San Gabriel	Structures	4	2	-	-	1	-	-	-	-	-	-	-	4
515116	San Gabriel	Structures	80	48	-	-	32	-	-	-	-	-	-	-	80
513017	San Gabriel	Track	98	-	-	-	39	59	-	-	-	-	-	-	98
514061	San Gabriel	Track	93	-	-	-	37	56	-	-	-	-	-	-	93
515118	San Gabriel	Track	883	530	-	-	353	-	-	-	-	-	-	-	883
515119	San Gabriel	Track	490	-	-	-	490	-	-	-	-	-	-	-	490
515412	San Gabriel	Track	596	-	-	-	596	-	-	-	-	-	-	-	596
515117	San Gabriel	Track	65	39	-	-	26	-	-	-	-	-	-	-	65
514048	Systemwide	Administrative	332	158	66	37	48	24	-	-	-	-	-	-	332
513004	Systemwide	Equipment	240	-	-	-	-	-	240	-	-	-	-	-	240
513005	Systemwide	Equipment	55	-	-	-	-	-	55	-	-	-	-	-	55
513031	Systemwide	Equipment	461	91	-	-	66	303	-	-	-	-	-	-	461
513043	Systemwide	Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
513044	Systemwide	Equipment	81	3	-	-	35	44	-	-	-	-	-	-	81
513048	Systemwide	Equipment	32	32	-	-	-	-	-	-	-	-	-	-	32
514042	Systemwide	Equipment	926	623	-	103	133	67	-	-	-	-	-	-	926
514043	Systemwide	Equipment	115	70	7	13	17	8	-	-	-	-	-	-	115
514044	Systemwide	Equipment	113	58	24	14	17	-	-	-	-	-	-	-	113
514052	Systemwide	Equipment	265	126	52	29	38	19	-	-	-	-	-	-	265
514053	Systemwide	Equipment	88	42	17	10	13	6	-	-	-	-	-	-	88

**Exhibit 6.5 Continued**

Project	Subdivision	Category	Carry over											Total	
			Jun-15 - End	Metro	OCTA	RCTC	SANBAG	VCTC	Lease	Other	State	Federal			
514054	Systemwide	Equipment	368	175	73	41	53	26	-	-	-	-	-	-	368
514058	Systemwide	Equipment	24	24	-	-	-	-	-	-	-	-	-	-	24
514059	Systemwide	Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
515148	Systemwide	Equipment	572	272	113	63	82	41	-	-	-	-	-	572	
515150	Systemwide	Equipment	1,800	855	356	200	259	130	-	-	-	-	-	1,800	
515151	Systemwide	Equipment	612	291	121	68	88	44	-	-	-	-	-	612	
585038	Systemwide	Equipment	-	-	-	-	-	-	-	-	-	-	-	-	
585046	Systemwide	Equipment	-	-	-	-	-	-	-	-	-	-	-	-	
608003	Systemwide	Equipment	780	-	-	-	-	-	-	-	-	780	-	780	
512091	Systemwide	Facilities	-	-	-	-	-	-	-	-	-	-	-	-	
515145	Systemwide	Facilities	2,200	1,045	436	244	317	158	-	-	-	-	-	2,200	
513033	Systemwide	IT	89	18	-	-	13	59	-	-	-	-	-	89	
513034	Systemwide	IT	428	85	-	-	62	281	-	-	-	-	-	428	
513036	Systemwide	IT	-	-	-	-	-	-	-	-	-	-	-	-	
513045	Systemwide	IT	148	100	-	-	21	27	-	-	-	-	-	148	
514046	Systemwide	IT	1,291	613	256	143	186	93	-	-	-	-	-	1,291	
514047	Systemwide	IT	150	71	30	17	22	11	-	-	-	-	-	150	
514049	Systemwide	IT	167	79	33	18	24	12	-	-	-	-	-	167	
514050	Systemwide	IT	-	-	-	-	-	-	-	-	-	-	-	-	
515146	Systemwide	IT	1,035	492	205	115	149	75	-	-	-	-	-	1,035	
515152	Systemwide	PTC C&S	1,100	523	218	122	158	79	-	-	-	-	-	1,100	
409004	Systemwide	Signal & Communication	853	-	-	-	-	-	-	-	-	853	-	853	
450010	Systemwide	Signal & Communication	30	-	-	-	-	-	-	-	-	30	-	30	
450015	Systemwide	Signal & Communication	-	-	-	-	-	-	-	-	-	-	-	-	
450020	Systemwide	Signal & Communication	6,487	-	-	-	-	-	-	-	-	5,081	1,406	6,487	
450040	Systemwide	Signal & Communication	-	-	-	-	-	-	-	-	-	-	-	-	
450050	Systemwide	Signal & Communication	-	-	-	-	-	-	-	-	-	-	-	-	
450051	Systemwide	Signal & Communication	398	154	95	53	69	26	-	-	-	-	-	398	
450060	Systemwide	Signal & Communication	59	-	-	-	-	-	-	-	-	30	30	59	
450070	Systemwide	Signal & Communication	62	-	-	-	-	-	-	-	-	31	31	62	
506085	Systemwide	Signal & Communication	76	19	9	-	-	-	-	-	-	48	-	76	
508090	Systemwide	Signal & Communication	-	-	-	-	-	-	-	-	-	-	-	-	
512083	Systemwide	Signal & Communication	30	14	6	3	4	2	-	-	-	-	-	30	
513039	Systemwide	Signal & Communication	38	25	-	-	5	7	-	-	-	-	-	38	
513041	Systemwide	Signal & Communication	4	1	-	-	1	3	-	-	-	-	-	4	
513042	Systemwide	Signal & Communication	77	52	-	-	11	14	-	-	-	-	-	77	
514001	Systemwide	Signal & Communication	125	125	-	-	-	-	-	-	-	-	-	125	
514040	Systemwide	Signal & Communication	295	140	58	33	42	21	-	-	-	-	-	295	
514041	Systemwide	Signal & Communication	1,347	640	267	150	194	97	-	-	-	-	-	1,347	
514045	Systemwide	Signal & Communication	6	4	-	1	1	0	-	-	-	-	-	6	
514055	Systemwide	Signal & Communication	340	162	67	38	49	25	-	-	-	-	-	340	
515153	Systemwide	Signal & Communication	500	238	99	56	72	36	-	-	-	-	-	500	
514057	Systemwide	Track	8	5	-	1	1	1	-	-	-	-	-	8	
514065	Systemwide	Track	361	243	-	40	52	26	-	-	-	-	-	361	
515155	Systemwide	Track	500	238	99	56	72	36	-	-	-	-	-	500	

Exhibit 6.5 Continues

Project	Subdivision	Category	Carry over										Total		
			Jun-15 - End	Metro	OCTA	RCTC	SANBAG	VCTC	Lease	Other	State	Federal			
515154	Track	Track	300	143	59	33	43	22	-	-	-	-	-	-	300
414001	Valley	Structures	-	-	-	-	-	-	-	-	-	-	-	-	-
515123	Valley	Structures	1,558	1,558	-	-	-	-	-	-	-	-	-	-	1,558
514063	Valley	Security	75	75	-	-	-	-	-	-	-	-	-	-	75
512033	Valley	Signal & Communication	2	1	-	-	-	-	1	-	-	-	-	-	2
513016	Valley	Signal & Communication	131	-	-	-	-	-	131	-	-	-	-	-	131
514018	Valley	Signal & Communication	426	-	-	-	-	-	426	-	-	-	-	-	426
514021	Valley	Signal & Communication	164	-	-	-	-	-	164	-	-	-	-	-	164
514022	Valley	Signal & Communication	264	-	-	-	-	-	264	-	-	-	-	-	264
515001	Valley	Signal & Communication	-	-	-	-	-	-	-	-	-	-	-	-	-
515121	Valley	Signal & Communication	200	200	-	-	-	-	-	-	-	-	-	-	200
515122	Valley	Signal & Communication	100	100	-	-	-	-	-	-	-	-	-	-	100
514020	Valley	Structures	104	-	-	-	-	-	104	-	-	-	-	-	104
514023	Valley	Structures	156	-	-	-	-	-	156	-	-	-	-	-	156
514024	Valley	Structures	703	-	-	-	-	-	703	-	-	-	-	-	703
515123	Valley	Structures	448	448	-	-	-	-	-	-	-	-	-	-	448
515124	Valley	Structures	80	80	-	-	-	-	-	-	-	-	-	-	80
515126	Valley	Track	82	82	-	-	-	-	-	-	-	-	-	-	82
512013	Ventura	Signal & Communication	19	4	-	-	-	-	15	-	-	-	-	-	19
512014	Ventura	Signal & Communication	52	10	-	-	-	-	42	-	-	-	-	-	52
514064	Ventura	Signal & Communication	7	-	-	-	-	-	-	-	-	7	-	-	7
515129	Ventura (LA Co)	Structures	417	417	-	-	-	-	-	-	-	-	-	-	417
513012	Ventura (LA Co)	Signal & Communication	29	-	-	-	-	-	29	-	-	-	-	-	29
513013	Ventura (LA Co)	Signal & Communication	164	-	-	-	-	-	164	-	-	-	-	-	164
514025	Ventura (LA Co)	Signal & Communication	359	-	-	-	-	-	359	-	-	-	-	-	359
514026	Ventura (LA Co)	Signal & Communication	1	-	-	-	-	-	1	-	-	-	-	-	1
514027	Ventura (LA Co)	Signal & Communication	428	-	-	-	-	-	428	-	-	-	-	-	428
515127	Ventura (LA Co)	Signal & Communication	187	187	-	-	-	-	-	-	-	-	-	-	187
515128	Ventura (LA Co)	Signal & Communication	400	400	-	-	-	-	-	-	-	-	-	-	400
513010	Ventura (LA Co)	Structures	327	-	-	-	-	-	327	-	-	-	-	-	327
514028	Ventura (LA Co)	Structures	54	27	-	-	-	-	27	-	-	-	-	-	54
514030	Ventura (LA Co)	Structures	92	-	-	-	-	-	92	-	-	-	-	-	92
515131	Ventura (LA Co)	Structures	81	81	-	-	-	-	-	-	-	-	-	-	81
514029	Ventura (LA Co)	Track	17	17	-	-	-	-	-	-	-	-	-	-	17
515132	Ventura (LA Co)	Track	26	26	-	-	-	-	-	-	-	-	-	-	26
514032	Ventura (Ven Co)	Facilities	13	-	-	-	-	-	13	-	-	-	-	-	13
513008	Ventura (Ven Co)	Signal & Communication	-	-	-	-	-	-	-	-	-	-	-	-	-
513009	Ventura (Ven Co)	Signal & Communication	56	-	-	-	-	-	56	-	-	-	-	-	56
514031	Ventura (Ven Co)	Signal & Communication	352	-	-	-	-	-	352	-	-	-	-	-	352
514033	Ventura (Ven Co)	Signal & Communication	4	-	-	-	-	-	4	-	-	-	-	-	4
514034	Ventura (Ven Co)	Signal & Communication	840	-	-	-	-	-	840	-	-	-	-	-	840
514036	Ventura (Ven Co)	Signal & Communication	0	-	-	-	-	-	0	-	-	-	-	-	0
515133	Ventura (Ven Co)	Signal & Communication	138	-	-	-	-	-	138	-	-	-	-	-	138
515134	Ventura (Ven Co)	Signal & Communication	100	-	-	-	-	-	100	-	-	-	-	-	100
515137	Ventura (Ven Co)	Signal & Communication	300	-	-	-	-	-	300	-	-	-	-	-	300
514035	Ventura (Ven Co)	Structures	48	-	-	-	-	-	48	-	-	-	-	-	48
515135	Ventura (Ven Co)	Structures	1,055	-	-	-	-	-	1,055	-	-	-	-	-	1,055
515136	Ventura (Ven Co)	Track	20	-	-	-	-	-	20	-	-	-	-	-	20
<b>TOTAL</b>			<b>78,381</b>	<b>22,523</b>	<b>16,630</b>	<b>5,109</b>	<b>10,846</b>	<b>12,234</b>	<b>295</b>	<b>2,392</b>	<b>6,885</b>	<b>1,467</b>	<b>78,381</b>		

## Exhibit 6.6

### FY2015-16 Rehabilitation New Authority Projects Detail

(\$ Thousands)

Project Title	Subdivision	Project Type	TOTAL	LACMTA	OCTA	RCTC	SANBAG	VCTC	OTHER
Wayside Communication System Replacement Parts - Olive	Olive	Communication	\$75		\$75				
Olive sub signal replacement parts	Olive	Signal	\$75		\$75				
Olive sub signal engineering	Olive	Signal	\$100		\$100				
Olive sub rail grinding	Olive	Track	\$18		\$18				
Olive sub track panel replacement	Olive	Track	\$300		\$300				
Wayside Signal and Grade Crossing Rehab - Replacement Parts and Software - Orange	Orange	Communication	\$75		\$75				
Orange sub Comm System Standards	Orange	Communication	\$75		\$75				
Orange sub signal replacement parts	Orange	Signal	\$150		\$150				
Orange sub electrologic rehab	Orange	Signal	\$360		\$360				
Orange sub power swich machine rehab	Orange	Signal	\$120		\$120				
Orange sub crossing signal equipment rehab	Orange	Signal	\$250		\$250				
Orange sub signal battery rehab	Orange	Signal	\$110		\$110				
Wayside Comm System Replacement Parts - Orange	Orange	Signal	\$265		\$265				
Orange sub signal engineering	Orange	Signal	\$150		\$150				
Orange sub underground cable replacement	Orange	Signal	\$200		\$200				
Orange sub signal crossing remote connectivity	Orange	Signal	\$105		\$105				
Orange sub ROW grading/ditching	Orange	Structures	\$200		\$200				
Orange sub bridge rehab MP 206.33	Orange	Structures	\$25		\$25				
Orange Sub San Juan Creek Bridge Design	Orange	Structures	\$2,500		\$2,500				
Orange sub rail grinding	Orange	Track	\$214		\$214				
Orange sub rail replacement	Orange	Track	\$1,624		\$1,624				
Orange sub track panel replacement	Orange	Track	\$300		\$300				
State of Good Repair Design Engineering Special Studies- Orange/Olive	Orange/ Olive	Communication	\$75		\$75				
PVL Comm system	PVL /former San Jacinto Industry Spur	Communication	\$50			\$50			
PVL Comm System Standards	PVL /former San Jacinto Industry Spur	Communication	\$75			\$75			
PVL signal engineering	PVL /former San Jacinto Industry Spur	Signal	\$100			\$100			
PVL signal replacement parts	PVL /former San Jacinto Industry Spur	Signal	\$100			\$100			
PVL grade crossing upgrades	PVL /former San Jacinto Industry Spur	Signal	\$590			\$590			
San Gabriel sub Comm System	San Gabriel	Communication	\$100	\$60			\$40		
San Gabriel sub Comm System Standards	San Gabriel	Communication	\$75	\$45			\$30		
San Gabriel sub electrologic rehab	San Gabriel	Signal	\$360	\$216			\$144		
San Gabriel sub signal replacement parts	San Gabriel	Signal	\$150	\$90			\$60		
San Gabriel sub crossing signal and gate rehab	San Gabriel	Signal	\$250	\$150			\$100		
San Gabriel sub battery rehab	San Gabriel	Signal	\$110	\$66			\$44		
San Gabriel sub power swich machine rehab	San Gabriel	Signal	\$120	\$72			\$48		
San Gabriel culvert rehab MP 28.23	San Gabriel	Structures	\$200	\$120			\$80		
San Gabriel sub ROW grading/ditching	San Gabriel	Structures	\$80	\$48			\$32		
San Gabriel sub rail grinding	San Gabriel	Track	\$200	\$120			\$80		
San Gabriel sub tie replacement	San Gabriel	Track	\$1,250	\$750			\$500		
San Gabriel sub turnout rehab	San Gabriel	Track	\$375	\$225			\$150		
San Gabriel sub track panel replacement	San Gabriel	Track	\$300	\$180			\$120		
San Gabriel Sub Track Rehab	San Gabriel	Track	\$770				\$770		
San Gabriel sub ped xing panel replacement	San Gabriel	Track	\$51	\$31			\$20		

**Exhibit 6.6 Continued**

Project Title	Subdivision	Project Type	TOTAL	LACMTA	OCTA	RCTC	SANBAG	VCTC	OTHER
Valley sub crossing signal rehab	Valley	Signal	\$200	\$200					
Valley Sub Bridge Replacement - Design & Construction	Valley	Structures	\$1,200	\$1,200					
Valley Sub Bridge Replacement - Design & Construction	Valley	Structures	\$600	\$600					
Valley sub tie replacement	Valley	Track	\$1,900	\$1,900					
Ventura sub - VC electrologic rehab	Ventura - VC	Signal	\$120					\$120	
Ventura sub - VC crossing signal rehab	Ventura - VC	Signal	\$125					\$125	
Ventura sub - VC Bridge Replacement - Design & Construction	Ventura - VC	Structures	\$604					\$604	
Ventura sub - VC culvert rehab MP 428.44	Ventura - VC	Structures	\$25					\$25	
Ventura sub - VC rail grinding	Ventura - VC	Track	\$86					\$86	
Ventura sub - VC rail replacement	Ventura - VC	Track	\$429					\$429	
River sub Comm system	River	Communication	\$100	\$48	\$20	\$11	\$14	\$7	\$
River sub electrologic rehab	River	Signal	\$180	\$86	\$36	\$20	\$26	\$13	\$
River sub crossing signal rehab	River	Signal	\$125	\$59	\$25	\$14	\$18	\$9	\$
River sub crossing battery rehab	River	Signal	\$125	\$59	\$25	\$14	\$18	\$9	\$
River sub signal replacement parts	River	Signal	\$150	\$71	\$30	\$17	\$22	\$11	\$
River sub rail grinding - East Bank	River	Track	\$57	\$7	\$3	\$2	\$2	\$1	\$43
River sub rail grinding	River	Track	\$128	\$61	\$25	\$14	\$18	\$9	\$
River sub rail grinding - West Bank	River	Track	\$36	\$17	\$7	\$4	\$5	\$3	\$
MOW vehicle replacement	Systemwide	Facilities/Fleet	\$662	\$314	\$131	\$73	\$95	\$48	\$
Forklift and yard cart replacement	Systemwide	Facilities	\$360	\$171	\$71	\$40	\$52	\$26	\$
F59 PH Locomotive Overhaul	Systemwide	Rolling Stock	\$7,366	\$3,499	\$1,458	\$818	\$1,061	\$530	\$
Complete overhaul of 30 Gen 1 rail cars	Systemwide	Rolling Stock	\$40,500	\$7,372	\$3,073	\$1,723	\$2,235	\$1,117	\$24,981
Rail Car Restoration	Systemwide	Rolling Stock	\$1,500						\$1,500
Rail Car HVAC overhaul	Systemwide	Rolling Stock	\$715	\$340	\$142	\$79	\$103	\$51	\$
Rail Car window gasket replacement	Systemwide	Rolling Stock	\$343	\$163	\$68	\$38	\$49	\$25	\$
PTC onboard replacement and software upgrades	Systemwide	Signal	\$1,100	\$523	\$218	\$122	\$158	\$79	\$
Train control systems software/hardware upgrades	Systemwide	Signal	\$1,090	\$518	\$216	\$121	\$157	\$78	\$
Signal and Comm system test equipment	Systemwide	Signal	\$195	\$93	\$39	\$22	\$28	\$14	\$
Comm system engineering/design	Systemwide	Signal	\$290	\$138	\$57	\$32	\$42	\$21	\$
CIS software/hardware upgrades	Systemwide	Signal	\$185	\$88	\$37	\$21	\$27	\$13	\$
Systemwide CMS	Systemwide	Station	\$140	\$67	\$28	\$16	\$20	\$10	\$
Track measurement and testing	Systemwide	Track	\$500	\$238	\$99	\$56	\$72	\$36	\$
<b>CURRENT PROPOSED FY 2015-16 REHAB BUDGET</b>			<b>\$73,806</b>	<b>\$20,000</b>	<b>\$13,172</b>	<b>\$4,170</b>	<b>\$6,441</b>	<b>\$3,500</b>	<b>\$26,524</b>
ROTEM SETTLEMENT AMOUNTS (YEAR 4)			\$	\$5,806	-\$7,613	\$457	\$1,000	\$350	\$
<b>TOTAL PROPOSED FY 2015-16 REHAB BUDGET</b>			<b>\$73,806</b>	<b>\$25,806</b>	<b>\$5,559</b>	<b>\$4,627</b>	<b>\$7,441</b>	<b>\$3,850</b>	<b>\$26,524</b>
PRIOR YEAR CARRYOVERS			\$78,381	\$22,523	\$16,630	\$5,109	\$10,846	\$12,234	\$11,039
<b>TOTAL FY 15-16 AUTHORITY INCLUDING CARRYOVERS</b>			<b>\$152,187</b>	<b>\$48,328</b>	<b>\$22,189</b>	<b>\$9,736</b>	<b>\$18,287</b>	<b>\$16,084</b>	<b>\$37,563</b>



**Exhibit 6.7.1**

**Capital Summary and Cash Flow Detail – All Agencies**

**(\$ Thousands)**

FISCAL YEAR	REHABILITATION PROJECTS	NEW CAPITAL PROJECTS	TOTAL
2015/16	\$73,806	\$53,740	\$127,546
2016/17 <sup>1</sup>	\$58,721	\$12,345	\$71,066
2017/18 <sup>1</sup>	\$91,558	\$745	\$92,303
<b>TOTALS</b>	<b>\$224,085</b>	<b>\$66,830</b>	<b>\$290,915</b>

1. Rehabilitation Includes \$30.8M for 7 - F59-R Locomotives upgraded to Tier 4. Net cost to Agencies \$21.7M.
2. Excludes prior year budget carryover amounts

CAPITAL BUDGET SUMMARY CONSOLIDATED CASH FLOW BY FISCAL YEAR							
(\$ Thousands)							
BUDGET FISCAL YEAR	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL
<b>2015/16</b>							
REHABILITATION	\$11,324	\$34,616	\$27,465	\$402	\$	\$	\$73,806
NEW CAPITAL	\$23,727	\$28,853	\$1,160	\$	\$	\$	\$53,740
<b>SUBTOTAL</b>	<b>\$35,051</b>	<b>\$63,469</b>	<b>\$28,625</b>	<b>\$402</b>	<b>\$</b>	<b>\$</b>	<b>\$127,546</b>
<b>2016/2017</b>							
REHABILITATION		\$5,524	\$35,584	\$17,494	\$119	\$	\$58,721
NEW CAPITAL		\$744	\$8,081	\$3,070	\$450	\$	\$12,345
<b>SUBTOTAL</b>		<b>\$6,268</b>	<b>\$43,665</b>	<b>\$20,564</b>	<b>\$569</b>	<b>\$</b>	<b>\$71,066</b>
<b>2017/2018</b>							
REHABILITATION			\$8,244	\$69,146	\$13,936	\$232	\$91,558
NEW CAPITAL			\$186	\$559	\$	\$	\$745
<b>SUBTOTAL</b>			<b>\$8,430</b>	<b>\$69,705</b>	<b>\$13,936</b>	<b>\$232</b>	<b>\$92,303</b>
<b>TOTALS</b>							
REHABILITATION	\$11,324	\$40,140	\$71,293	\$87,042	\$14,055	\$232	\$224,085
NEW CAPITAL	\$23,727	\$29,597	\$9,427	\$3,629	\$450	\$	\$66,830
<b>TOTAL PROJECTED CASH FLOW BY FISCAL YEAR</b>	<b>\$35,051</b>	<b>\$69,737</b>	<b>\$80,720</b>	<b>\$90,670</b>	<b>\$14,505</b>	<b>\$232</b>	<b>\$290,915</b>
<b>PROJECT BUDGETS BY FISCAL YEAR</b>	<b>\$127,546</b>	<b>\$71,066</b>	<b>\$92,303</b>				

**Exhibit 6.7.2**

**Capital Summary and Cash Flow Detail – LACMTA**

*(\$ Thousands)*

FISCAL YEAR	REHABILITATION PROJECTS	NEW CAPITAL PROJECTS	TOTAL
2015/16	\$20,000		
ROTEM SETTLEMENT	\$5,806		
<b>TOTAL 2015/16</b>	<b>\$25,806</b>	<b>\$21,459</b>	<b>\$47,265</b>
<b>2016/17</b>	<b>\$28,360</b>	<b>\$475</b>	<b>\$28,835</b>
<b>2017/18</b>	<b>\$21,947</b>	<b>\$475</b>	<b>\$22,422</b>
<b>TOTALS</b>	<b>\$76,113</b>	<b>\$22,409</b>	<b>\$98,522</b>

- 16/17 AND 17/18 REHAB BUDGETS EXCLUDE ROTEM SETTLEMENT

CAPITAL BUDGET SUMMARY LACMTA CASH FLOW BY FISCAL YEAR							
<i>(\$ Thousands)</i>							
BUDGET FISCAL YEAR	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL
<b>2015/16</b>							
REHABILITATION	\$3,526	\$10,521	\$5,779	\$173			\$20,000
ROTEM SETTLEMENT	\$1,294	\$2,402	\$2,041	\$68			\$5,806
NEW CAPITAL	\$10,096	\$11,362	\$				\$21,459
<b>SUBTOTAL</b>	<b>\$14,916</b>	<b>\$24,286</b>	<b>\$7,821</b>	<b>\$241</b>	<b>\$</b>		<b>\$47,264</b>
<b>2016/2017</b>							
REHABILITATION		\$2,670	\$17,620	\$8,017	\$53		\$28,360
NEW CAPITAL		\$119	\$356				\$475
<b>SUBTOTAL</b>		<b>\$2,789</b>	<b>\$17,977</b>	<b>\$8,017</b>	<b>\$53</b>		<b>\$28,835</b>
<b>2017/2018</b>							
REHABILITATION			\$2,240	\$14,032	\$5,601	\$75	\$21,947
NEW CAPITAL			\$119	\$356			\$475
<b>SUBTOTAL</b>			<b>\$2,359</b>	<b>\$14,388</b>	<b>\$5,601</b>	<b>\$75</b>	<b>\$22,422</b>
<b>TOTALS</b>							
REHABILITATION AND ROTEM	\$4,820	\$15,594	\$27,681	\$22,290	\$5,654	\$75	\$76,113
NEW CAPITAL	\$10,096	\$11,481	\$475	\$356	\$	\$	\$22,409
<b>TOTAL PROJECTED CASH FLOW BY</b>	<b>\$14,916</b>	<b>\$27,075</b>	<b>\$28,156</b>	<b>\$22,646</b>	<b>\$5,654</b>	<b>\$75</b>	<b>\$98,522</b>
<b>PROJECT BUDGETS BY FISCAL YEAR</b>	<b>\$47,265</b>	<b>\$28,835</b>	<b>\$22,422</b>				

2. EXCLUDES ROTEM SETTLEMENT AMOUNTS FOR FY 16/17 AND 17/18

### Exhibit 6.7.3

### Capital Summary and Cash Flow Detail – OCTA

(\$ Thousands)

FISCAL YEAR	REHABILITATION PROJECTS	NEW CAPITAL PROJECTS	TOTAL
2015/16	\$13,172	\$7,055	
ROTEM SETTLEMENT LACMTA	-\$5,806		
ROTEM SETTLEMENT RCTC	-\$457		
ROTEM SETTLEMENT SANBAG	-\$1,000		
ROTEM SETTLEMENT VCTC	-\$350		
<b>TOTAL 15/16</b>	<b>\$5,559</b>	<b>\$7,055</b>	<b>\$12,614</b>
<b>2016/17</b>	<b>\$13,043</b>	<b>\$198</b>	<b>\$13,241</b>
<b>2017/18</b>	<b>\$43,715</b>	<b>\$198</b>	<b>\$43,913</b>
<b>TOTALS</b>	<b>\$62,317</b>	<b>\$7,451</b>	<b>\$69,767</b>

1. EXCLUDES ROTEM SETTLEMENT FOR FY 16/17 AND 17/18

CAPITAL BUDGET SUMMARY OCTA CASH FLOW BY FISCAL YEAR							
(\$ Thousands)							
BUDGET FISCAL YEAR	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL
<b>2015/16</b>							
REHABILITATION	\$2,445	\$8,484	\$2,141	\$102	\$		\$13,172
ROTEM SETTLEMENT LACMTA	-\$1,294	-\$2,402	-\$2,041	-\$68	\$		-\$5,806
ROTEM SETTLEMENT RCTC	-\$12	-\$445	\$	\$	\$		-\$457
ROTEM SETTLEMENT SANBAG	-\$30	-\$970	\$	\$	\$		-\$1,000
ROTEM SETTLEMENT VCTC	-\$11	-\$340	\$	\$	\$		-\$350
NEW CAPITAL	\$5,192	\$1,863	\$				\$7,055
<b>SUBTOTAL</b>	<b>\$6,291</b>	<b>\$6,190</b>	<b>\$99</b>	<b>\$34</b>	<b>\$</b>		<b>\$12,614</b>
<b>2016/2017</b>							
REHABILITATION		\$1,215	\$8,651	\$3,133	\$43		\$13,043
PLUS 15/16 REHAB CONSTRAINED					\$		\$
NEW CAPITAL		\$50	\$149	\$			\$198
<b>SUBTOTAL</b>		<b>\$1,265</b>	<b>\$8,799</b>	<b>\$3,133</b>	<b>\$43</b>		<b>\$13,241</b>
<b>2017/2018</b>							
REHABILITATION			\$1,956	\$38,577	\$3,139	\$43	\$43,715
NEW CAPITAL			\$50	\$149	\$		\$198
<b>SUBTOTAL</b>			<b>\$2,005</b>	<b>\$38,726</b>	<b>\$3,139</b>	<b>\$43</b>	<b>\$43,913</b>
<b>TOTALS</b>							
REHABILITATION NET OF ROTEM	\$1,099	\$5,542	\$10,706	\$41,744	\$3,182	\$43	\$62,317
NEW CAPITAL	\$5,192	\$1,912	\$198	\$149	\$	\$	\$7,451
<b>TOTAL PROJECTED CASH FLOW</b>	<b>\$6,291</b>	<b>\$7,454</b>	<b>\$10,904</b>	<b>\$41,892</b>	<b>\$3,182</b>	<b>\$43</b>	<b>\$69,767</b>
<b>PROJECT BUDGETS BY FISCAL YEAR</b>	<b>\$12,614</b>	<b>\$13,241</b>	<b>\$43,913</b>				

1. EXCLUDES ROTEM SETTLEMENT FOR FY 16/17 AND 17/18

**Exhibit 6.7.4**

**Capital Summary and Cash Flow Detail – RCTC**

*(\$ Thousands)*

FISCAL YEAR	REHABILITATION PROJECTS	NEW CAPITAL PROJECTS	TOTAL
2015/16	\$4,170		
ROTEM SETTLEMENT	\$457		
<b>TOTAL 15/16</b>	<b>\$4,627</b>	<b>\$4,822</b>	<b>\$9,449</b>
<b>2016/17</b>	<b>\$5,566</b>	<b>\$</b>	<b>\$5,566</b>
<b>2017/18</b>	<b>\$4,115</b>	<b>\$</b>	<b>\$4,115</b>
<b>TOTALS</b>	<b>\$14,308</b>	<b>\$4,822</b>	<b>\$19,130</b>

1. EXCLUDES ROTEM SETTLEMENT FOR FY 16/17 AND 17/18

CAPITAL BUDGET SUMMARY RCTC CASH FLOW BY FISCAL YEAR							
<i>(\$ Thousands)</i>							
BUDGET FISCAL YEAR	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL
<b>2015/16</b>							
REHABILITATION	\$935	\$2,035	\$1,154	\$46			\$4,170
ROTEM SETTLEMENT	\$12	\$445	\$	\$			\$457
NEW CAPITAL	\$3,617	\$1,205					\$4,822
<b>SUBTOTAL</b>	<b>\$4,563</b>	<b>\$3,685</b>	<b>\$1,154</b>	<b>\$46</b>	<b>\$</b>		<b>\$9,449</b>
<b>2016/2017</b>							
REHABILITATION		\$624	\$3,199	\$1,730	\$13		\$5,566
NEW CAPITAL		\$	\$	\$			\$
<b>SUBTOTAL</b>		<b>\$624</b>	<b>\$3,199</b>	<b>\$1,730</b>	<b>\$13</b>		<b>\$5,566</b>
<b>2017/2018</b>							
REHABILITATION			\$549	\$2,251	\$1,303	\$13	\$4,115
NEW CAPITAL			\$	\$			\$
<b>SUBTOTAL</b>			<b>\$549</b>	<b>\$2,251</b>	<b>\$1,303</b>	<b>\$13</b>	<b>\$4,115</b>
<b>TOTALS</b>							
REHABILITATION AND ROTEM	\$946	\$3,103	\$4,903	\$4,027	\$1,316	\$13	\$14,308
NEW CAPITAL	\$3,617	\$1,205	\$	\$	\$	\$	\$4,822
<b>TOTAL PROJECTED CASH FLOW</b>	<b>\$4,563</b>	<b>\$4,309</b>	<b>\$4,903</b>	<b>\$4,027</b>	<b>\$1,316</b>	<b>\$13</b>	<b>\$19,130</b>
<b>PROJECT BUDGETS BY FISCAL</b>	<b>\$9,449</b>	<b>\$5,566</b>	<b>\$4,115</b>				

1. EXCLUDES ROTEM SETTLEMENT FOR FY 16/17 AND 17/18

**Exhibit 6.7.5**

**Capital Summary and Cash Flow Detail – SANBAG**

*(\$ Thousands)*

FISCAL YEAR	REHABILITATION PROJECTS	NEW CAPITAL PROJECTS	TOTAL
2015/16	\$6,441		
ROTEM SETTLEMENT	\$1,000		
<b>TOTAL 15/16</b>	<b>\$7,441</b>	<b>\$4,024</b>	<b>\$11,465</b>
<b>2016/17</b>	<b>\$6,252</b>	<b>\$</b>	<b>\$6,252</b>
<b>2017/18</b>	<b>\$7,181</b>	<b>\$</b>	<b>\$7,181</b>
<b>TOTALS</b>	<b>\$20,874</b>	<b>\$4,024</b>	<b>\$24,898</b>

1. EXCLUDES ROTEM SETTLEMENT FOR FY 16/17 AND 17/18

CAPITAL BUDGET SUMMARY SANBAG CASH FLOW BY FISCAL YEAR							
<i>(\$ Thousands)</i>							
BUDGET FISCAL YEAR	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL
<b>2015/16</b>							
REHABILITATION	\$1,095	\$3,745	\$1,545	\$56			\$6,441
ROTEM SETTLEMENT	\$30	\$970	\$				\$1,000
NEW CAPITAL	\$3,018	\$1,006					\$4,024
<b>SUBTOTAL</b>	<b>\$4,144</b>	<b>\$5,721</b>	<b>\$1,545</b>	<b>\$56</b>	<b>\$</b>	<b>\$</b>	<b>\$11,465</b>
<b>2016/2017</b>							
REHABILITATION		\$561	\$3,453	\$2,231	\$7		\$6,252
PLUS 15/16 REHAB CONSTRAINED		\$	\$	\$	\$		\$
NEW CAPITAL		\$	\$		\$		\$
<b>SUBTOTAL</b>		<b>\$561</b>	<b>\$3,453</b>	<b>\$2,231</b>	<b>\$7</b>	<b>\$</b>	<b>\$6,252</b>
<b>2017/2018</b>							
REHABILITATION			\$681	\$4,788	\$1,693	\$19	\$7,181
NEW CAPITAL			\$	\$			\$
<b>SUBTOTAL</b>			<b>\$681</b>	<b>\$4,788</b>	<b>\$1,693</b>	<b>\$19</b>	<b>\$7,181</b>
<b>TOTALS</b>							
REHABILITATION AND ROTEM	\$1,125	\$5,276	\$5,678	\$7,075	\$1,700	\$19	\$20,874
NEW CAPITAL	\$3,018	\$1,006	\$	\$	\$	\$	\$4,024
<b>TOTAL PROJECTED CASH FLOW BY</b>	<b>\$4,144</b>	<b>\$6,282</b>	<b>\$5,678</b>	<b>\$7,075</b>	<b>\$1,700</b>	<b>\$19</b>	<b>\$24,898</b>
<b>PROJECT BUDGETS BY FISCAL YEAR</b>	<b>\$11,465</b>	<b>\$6,252</b>	<b>\$7,181</b>				

1. EXCLUDES ROTEM SETTLEMENT FOR FY 16/17 AND 17/18

**Exhibit 6.7.6**

**Capital Summary and Cash Flow Detail – VCTC**

*(\$ Thousands)*

FISCAL YEAR	REHABILITATION PROJECTS	NEW CAPITAL PROJECTS	TOTAL
2015/16	\$3,500		
ROTEM SETTLEMENT	\$350		
<b>TOTAL 15/16</b>	<b>\$3,850</b>	<b>\$1,872</b>	<b>\$5,722</b>
<b>2016/17</b>	<b>\$3,500</b>	<b>\$3,072</b>	<b>\$6,572</b>
<b>2017/18</b>	<b>\$3,500</b>	<b>\$72</b>	<b>\$3,572</b>
<b>TOTALS</b>	<b>\$10,850</b>	<b>\$5,016</b>	<b>\$15,866</b>

- 16/17 AND 17/18 REHAB BUDGETS EXCLUDE ROTEM SETTLEMENT

**CAPITAL BUDGET SUMMARY  
VCTC CASH FLOW BY FISCAL YEAR**

*(\$ Thousands)*

BUDGET FISCAL YEAR	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	TOTAL
<b>2015/16</b>							
REHABILITATION	\$573	\$1,880	\$1,022	\$25			\$3,500
ROTEM SETTLEMENT	\$11	\$340					\$350
NEW CAPITAL	\$1,368	\$504					\$1,872
<b>SUBTOTAL</b>	<b>\$1,952</b>	<b>\$2,723</b>	<b>\$1,022</b>	<b>\$25</b>	<b>\$</b>	<b>\$</b>	<b>\$5,722</b>
<b>2016/2017</b>							
REHABILITATION		\$353	\$2,028	\$1,116	\$3		\$3,500
NEW CAPITAL		\$318	\$954	\$1,350	\$450		\$3,072
<b>SUBTOTAL</b>		<b>\$671</b>	<b>\$2,982</b>	<b>\$2,466</b>	<b>\$453</b>	<b>\$</b>	<b>\$6,572</b>
<b>2017/2018</b>							
REHABILITATION			\$444	\$2,040	\$934	\$82	\$3,500
NEW CAPITAL			\$18	\$54			\$72
<b>SUBTOTAL</b>			<b>\$462</b>	<b>\$2,094</b>	<b>\$934</b>	<b>\$82</b>	<b>\$3,572</b>
<b>TOTALS</b>							
REHABILITATION AND ROTEM	\$584	\$2,572	\$3,494	\$3,181	\$937	\$82	\$10,850
NEW CAPITAL	\$1,368	\$822	\$972	\$1,404	\$450	\$	\$5,016
<b>TOTAL PROJECTED CASH FLOW BY</b>	<b>\$1,952</b>	<b>\$3,394</b>	<b>\$4,466</b>	<b>\$4,585</b>	<b>\$1,387</b>	<b>\$82</b>	<b>\$15,866</b>
<b>PROJECT BUDGETS BY FISCAL YEAR</b>	<b>\$5,722</b>	<b>\$6,572</b>	<b>\$3,572</b>				

- 16/17 AND 17/18 REHAB BUDGETS EXCLUDE ROTEM SETTLEMENT

**Exhibit 6.7.7**

*Capital Summary and Cash Flow Detail – Others*

*(\$ Thousands)*

FISCAL YEAR	REHABILITATION	NEW CAPITAL	TOTAL
2015/16 CONSTRAINED	\$26,524	\$14,508	\$41,032
2016/17	\$2,000	\$8,600	\$10,600
2017/18	\$11,100	\$	\$11,100
<b>TOTALS</b>	<b>\$39,624</b>	<b>\$23,108</b>	<b>\$62,732</b>

CAPITAL BUDGET SUMMARY OTHER CASH FLOW BY FISCAL YEAR						
(\$ Thousands)						
BUDGET FISCAL YEAR	2015/16	2016/17	2017/18	2018/19	2019/20	TOTAL
<b>2015/16</b>						
REHABILITATION	\$2,750	\$7,951	\$15,823			\$26,524
NEW CAPITAL	\$435	\$12,912	\$1,160			\$14,508
<b>SUBTOTAL</b>	<b>\$3,185</b>	<b>\$20,864</b>	<b>\$16,983</b>	<b>\$</b>	<b>\$</b>	<b>\$41,032</b>
<b>2016/2017</b>						
REHABILITATION		\$100	\$633	\$1,267	\$	\$2,000
NEW CAPITAL		\$258	\$6,622	\$1,720		\$8,600
<b>SUBTOTAL</b>		<b>\$358</b>	<b>\$7,255</b>	<b>\$2,987</b>	<b>\$</b>	<b>\$10,600</b>
<b>2017/2018</b>						
REHABILITATION			\$2,375	\$7,458	\$1,267	\$11,100
NEW CAPITAL						\$
<b>SUBTOTAL</b>			<b>\$2,375</b>	<b>\$7,458</b>	<b>\$1,267</b>	<b>\$11,100</b>
<b>TOTALS</b>						
REHABILITATION	\$2,750	\$8,051	\$18,831	\$8,725	\$1,267	\$39,624
NEW CAPITAL	\$435	\$13,170	\$7,782	\$1,720	\$	\$23,108
<b>TOTAL PROJECTED CASH FLOW BY FISCAL YEAR</b>	<b>\$3,185</b>	<b>\$21,222</b>	<b>\$26,613</b>	<b>\$10,445</b>	<b>\$1,267</b>	<b>\$62,732</b>
<b>PROJECT BUDGETS BY FISCAL YEAR</b>	<b>\$41,032</b>	<b>\$10,600</b>	<b>\$11,100</b>			

# SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY

## FY2015-16 BUDGET

### SECTION 7: General and Administrative Budget

#### 7.1 General and Administrative Expenses

Indirect costs are those costs incurred in an organization for common or joint objectives that cannot be readily or specifically identified with a particular cost grouping. SCRRA accounts for agency costs that cannot be directly attributed to any specific agency program or mode, and therefore serve to benefit the agency as a whole, or benefit *at least three of the agency's business modes* by grouping them in the General and Administrative (G&A) Budget. SCRRA business modes are train operations, Maintenance of Way (MOW), new capital, rehabilitation and recollectables.

For FY2015-16, the proposed SCRRA G&A budget, using the compilation of costs as described above, is \$19.7 million or an increase of \$0.1 million or 0.3% over FY15. *Exhibit 7.1* identifies the key elements of this budget by expenditure type.

#### 7.2 Indirect Cost Allocation Plan (ICAP)

Funding for a significant portion of SCRRA costs for its various business modes is derived from grantor funding sources. Indirect costs are usually charged to the grantor by project based on a percentage of some or all of the direct cost items in the agency's budget. This chargeable percentage is called the indirect cost rate. As part of the Indirect Cost Allocation Plan (ICAP), SCRRA developed a cost allocation based primarily on labor costs, in partnership with the agency's former cognizant grant approving agency CALTRANS. To obtain an approved indirect cost rate from its new cognizant agency, SCRRA submitted its FY2007-08 and FY2008-09 to the Federal Transit Authority (FTA). These rates were approved. In October of 2012, a letter was received from the FTA advising that SCRRA's FY2009-10 and 2010-11 did not require approval, because those rates did not exceed the previous rate by more than 20%. During FY14, SCRRA submitted its Indirect Cost Allocation Plans for FY2011-12 and FY2012-13 to the FTA and has been granted provisional approval by the FRA to use the proposed rates.

FY16 contains a specific ICAP rate for each business mode, as indicated on *Exhibit 7.2*. SCRRA further divides costs within General and Administrative into three distinct cost collector pools.



### **7.2.1 Pool One**

The first grouping of expenses consists of specified costs, as identified in Office of Management and Budget Circular A-87 (OMB A-87), which are authorized for allocation to federal grant funding sources. Items included in the G&A budget include the lease costs of the agency's administrative headquarters, general administrative items such as office supplies, postage and the lease of office equipment, the labor costs of non-project, non-operational staff such as the Financial Information Management and General Accounting, certain financial services and the Internal Audit function, and the costs of operating and maintaining the agency's Information Technology infrastructure.

### **7.2.2 Pool Two**

The second grouping of expenses is made up of costs that, while benefiting three or more of the agency's business modes, are specifically excluded from allocation by federal regulation and therefore funded locally. Examples of costs recognized within this group include the costs of the Chief Executive Officer and legislative advocacy.

### **7.2.3 Pool Three**

The third grouping of expenses represents Administrative Capital costs, treated as depreciable assets according GAAP guidelines. Costs in this pool are primarily related to the procurement of Information Technologies equipment and other administrative equipment purchases.

## **7.3 Allocation of Indirect Costs**

The allocation of eligible G&A expenses to SCRRRA programs is a two-step process categorized as Tier 1 and Tier 2. As part of the Tier 1 allocation, G&A costs are allocated to the expense groupings based on the ratio of labor costs within each of the agency's principal business modes relative to the pool of labor as a whole, excluding G&A labor. Under Tier 2 is the allocation of all indirect costs, allocated G&A and modal overhead, to direct projects for cost accounting and revenue recovery purposes.

For the remaining G&A expenses ineligible for federal reimbursement, allocation is made to the various operating budget modes based on the modal labor distribution.

## **7.4 Future Revision in ICAP Rate(s)**

SCRRRA is in the process of reviewing its current ICAP rate in order to determine the viability of multiple allocation items, at the recommendation of the FTA.

## 7.5 Organizational Summary

Under the leadership of the Chief Executive Officer, Chief Finance Officer, Chief Operations Officer, Chief Administrative Officer, and the Chief Marketing & Communications Officer, SCRRA manages 279 full time equivalent (FTE) headcounts.

### Agency FTE Headcount

	<u><b>FY15-16</b></u>
Office of the Chief Executive Officer	29
Office of the General Counsel	4
Office of the Chief Auditor	6
Office of the Chief Financial Officer	52
Office of the Chief Operating Officer	124
Office of the Chief Marketing and Communications Officer	48
Office of the Chief Administrative Officer	16
	<u>279</u>

The *Office of the Chief Executive Officer* includes the Deputy Chief Executive Officer and other directors and assistant directors who are responsible for the functions of Program Management, Engineering and Construction, Planning and Development, Grants Development and Acquisition, strategic planning and new capital planning.

The *Office of General Counsel* includes in-house and outside counsel and Risk Management. General Counsel is a direct report to the Board of Directors.

The *Office of the Chief Auditor* includes a team of internal auditors and manages the external auditors. This position is a direct report to the Board of Directors.

The *Office of the Chief Financial Officer* includes budget development, accounting, financial analysis, cash management and Treasury, payroll, grants administration and revenue billing, fixed asset, purchasing, contracts and contract administration and Disadvantaged Business Enterprises (DBE) program support and Information Technology.

The *Office of the Chief Operating Officer* includes responsibility for Positive Train Control (PTC) management of outsourced vendors for train operations, equipment maintenance, dispatching services, facilities and fleet maintenance, field operations, materials management and warehousing, track maintenance and rehabilitation, maintenance of way, rail corridor crossings and encroachment, fare collection services and the execution of rehabilitation and new capital projects.

The *Office of the Chief Marketing and Communications Officer* includes customer engagement, customer relations, public affairs, media and external communications, social media and sales and marketing.

The *Office of the Chief Administrative Officer* includes responsibility for government relations, Board Secretary functions, Administrative Services and Human Resources and administrative support to the Board of Directors.

Exhibit 7.3a identifies the classification titles in the approved budgeted and the 4 proposed positions in each of the departments and cost centers for a total of 279 FTE headcount. Total agency labor and fringe costs are allocated across the business modes.

## **7.6 Exhibits**

### **7.6.1 Exhibit 7.1: FY2015-16 General Administrative Expenses**

This exhibit identifies the individual cost components included in the general and administrative cost grouping.

### **7.6.2 Exhibit 7.2: FY2015-16 Indirect Cost Allocation Plan Rates**

This exhibit illustrates the proposed SCRRA business modes and the cost allocations that support the FY2015-16 ICAP rates.

### **7.6.3 Exhibit 7.3: FY2015-16 Roster of Positions**

This exhibit provides a roster of FY2015-16 FTE headcount identified by specific positions within each Executive Office and Department.

## Exhibit 7.1

### FY2015-16 General and Administrative Expenses (\$000)

Expenditure Description	FY 14-15 Budget	Fiscal Year 2015-16			FY 15-16 Budget vs. FY 14-15 Budget	
		Federally Eligible	Local Funding	FY 15-16 Budget	Change	%
<b>Agency Costs</b>						
Consultants	40	350	-	350	310	775.0%
Recruitment Services	200	200	-	200	-	0.0%
Medical Examinations	-	8	-	8	8	0.0%
Office Equip Maint & Repair	1	3	-	3	2	400.0%
Outside Temporary Help	221	-	-	-	(221)	(100.0%)
Document Management & Storage	45	50	-	50	5	11.4%
In-House Training Services	62	80	-	80	18	30.0%
Bank Service Charges	141	30	-	30	(111)	(78.7%)
Materials & Supplies	100	153	-	154	54	54.2%
Office Equipment	20	35	-	35	15	75.0%
Computer Software	-	-	1	1	1	-
Printing & Reproduction	53	19	4	22	(31)	(58.1%)
Claims Administration Fees	-	3	-	3	3	-
Professional Memberships	-	4	-	4	4	-
Subscriptions & Reference Materials	-	4	-	5	5	-
Meeting Expenses	-	13	8	21	21	-
Registration Fees	-	17	15	32	32	-
Transportation	-	26	39	65	65	-
Meals & Entertainment	-	8	8	15	15	-
Lodging	-	12	28	40	40	-
Mileage/Parking	-	24	3	27	27	-
Misc Expenses	-	3	-	3	3	-
Media Relations	-	4	-	4	4	-
Legal & Meeting Notices	-	16	20	36	36	-
Postage & Messenger	101	90	-	90	(11)	(10.6%)
Other Misc Expense	266	66	11	76	(190)	(71.4%)
<b>Total Agency Costs</b>	<b>1,247</b>	<b>1,215</b>	<b>137</b>	<b>1,352</b>	<b>104</b>	<b>8.4%</b>
<b>Staff Labor</b>						
SCRRA Wages & Salaries	6,754	6,590	936	7,526	772	11.4%
Wages Interns	212	199	-	199	(13)	(6.1%)
Allocated Fringe Benefits	2,435	2,262	323	2,584	149	6.1%
OPEB - GASB45	2,400	-	2,360	2,360	(40)	(1.7%)
<b>Total Staff Labor</b>	<b>11,801</b>	<b>9,051</b>	<b>3,619</b>	<b>12,669</b>	<b>868</b>	<b>7.4%</b>
<b>Professional Services</b>						
Legal Services	-	3	-	3	3	-
Auditing & Accounting	303	300	-	300	(3)	(1.0%)
Consultants	1,816	1,447	1	1,448	(368)	(20.2%)
Lobby Services	456	-	456	456	-	0.0%
<b>Total Professional Services</b>	<b>2,575</b>	<b>1,750</b>	<b>457</b>	<b>2,207</b>	<b>(368)</b>	<b>(14.3%)</b>
<b>MIS</b>						
Consultants	900	600	-	600	(300)	(33.3%)
Computer S/W / H/W Maintenance	582	760	-	760	178	30.6%
Office Equip Maint & Repair	138	138	-	138	-	0.0%
Document Management & Storage	35	50	-	50	15	42.9%
Materials & Supplies	62	62	-	62	-	0.0%
Office Equipment	123	75	-	75	(48)	(39.0%)
Computer H/W	331	250	-	250	(81)	(24.6%)
Computer S/W	466	466	-	466	-	0.0%
Printing & Reproduction	-	5	-	5	5	-
License & Registration Fees	11	11	-	11	-	0.0%
<b>Total MIS</b>	<b>2,647</b>	<b>2,416</b>	<b>-</b>	<b>2,416</b>	<b>(231)</b>	<b>(8.7%)</b>
<b>Employee Recognition</b>						
Misc Expenses	28	-	1	1	(28)	(98.2%)
<b>Total Employee Recognition</b>	<b>28</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>(28)</b>	<b>(98.2%)</b>
<b>Utilities/Leases</b>						
Office Equipment Rental	6	5	-	5	(1)	(21.7%)
Office Space Rental	1,222	939	-	939	(283)	(23.2%)
<b>Total Utilities/Leases</b>	<b>1,229</b>	<b>944</b>	<b>-</b>	<b>944</b>	<b>(285)</b>	<b>(23.2%)</b>
<b>Board Related Items</b>						
Board Travel/Meeting Expenses	19	-	16	16	(3)	(18.2%)
Board Travel	-	-	3	3	3	-
Board Per Diem	67	-	67	67	-	0.0%
Board Development Program	50	-	50	50	-	0.0%
<b>Total Board Related Items</b>	<b>136</b>	<b>-</b>	<b>136</b>	<b>136</b>	<b>-</b>	<b>(23.2%)</b>
<b>Total General &amp; Administrative Expenses</b>	<b>19,663</b>	<b>15,376</b>	<b>4,348</b>	<b>19,724</b>	<b>61</b>	<b>0.3%</b>

## Exhibit 7.2

### *FY2015-16 Indirect Cost Allocation Plan (ICAP) Cost Calculations (\$000)*

Tier 1 Cost Distribution	Operating			Capital				Recollectable	Grand Total
	Train Operations	MOW	Subtotal Operating	New Capital	Equipment Procurement	Rehabilitation & Renovation	Subtotal Capital		
	SCRRRA Labor Distribution (%)	65.80%	12.35%	78.16%	6.38%	1.13%	8.57%		
Federally Eligible G&A Allocation (Proj# 000000)	10,118	1,899	12,017	982	175	1,317	2,473	885	15,376
Non-Federal Eligible Labor Distribution (%)	84.19%	15.81%	100.00%						100.00%
Non-Federal Eligible G&A Allocation (Proj# 000002/ 3)	3,661	687	4,348						4,348
<b>Total G&amp;A Expense Allocation</b>	<b>13,779</b>	<b>2,587</b>	<b>16,365</b>	<b>982</b>	<b>175</b>	<b>1,317</b>	<b>2,473</b>	<b>885</b>	<b>19,724</b>

#### Tier 2 Allocation and Calculation of Direct Rates

Collector Pool Expenses									
Salaries & Wages	4,713	243	4,956	473	57	610	1,140	332	6,428
Fringe Benefits	1,290	75	1,365	164	20	211	394	115	1,875
Other Expenses	10,933	3,390	14,322	116	15	253	384	117	14,823
Subtotal - Indirect Expenses	16,936	3,708	20,644	753	92	1,073	1,918	342	23,126
G&A Expense Allocation	13,779	2,587	16,365	982	175	1,317	2,473	885	19,724
Total Indirect and Allocable Expenses	30,715	6,295	37,009	1,734	266	2,391	4,391	1,344	42,850
Direct Expenses									
Salaries & Wages	4,042	2,039	6,081	706	153	973	1,832	732	8,645
Fringe Benefits	1,394	703	2,097	244	53	337	634	253	2,984
Other Expenses	149,853	33,626	183,479	76,252	112,930	137,811	326,993	32,000	542,472
Total Direct Expenses	155,289	36,368	191,657	77,203	113,135	139,121	329,459	32,985	554,102
<b>Grand Total</b>	<b>186,004</b>	<b>42,663</b>	<b>228,667</b>	<b>82,321</b>	<b>113,402</b>	<b>152,187</b>	<b>347,910</b>	<b>34,328</b>	<b>610,748</b>
<b>Total Indirect and Allocable Expenses as % of Direct Labor</b>	<b>760%</b>	<b>309%</b>		<b>246%</b>	<b>174%</b>	<b>246%</b>		<b>184%</b>	

**Exhibit 7.3**

***FY2015-16 Roster of Positions***

Cost Center	FTE Count	Department Name	Job Title
<b>Executive Office</b>			
1100	2	Office of the CEO	Chief Executive Officer Deputy Chief Executive Officer
1550	10	Planning + Development	Director, Planning and Development GIS Analyst Grants Funding and Compliance Administrator Planning Manager (Performance Data and Metrics) Planning Manager (Asset Data) Manager, Research & Planning Planning Manager Sr. Public Project Specialist Assistant Director, Grants Planning Manager (Planning and System Performance Analysis)
2800	1	Engineering + Construction	Director, Engineering + Construction
2860	4	Standards + Design	Assistant Director, Standards & Design Civil Design CADD Operator Project Engineer I ROW Crossings Coordinator
2880	4	Public Projects	Assistant Director, Public Projects Project Engineer I Civil Engineer Senior Civil Engineer
2890	3	Capital Construction + Rehabilitation	Assistant Director, Capital Construction & Rehabilitation Project Engineer I (2)
4530	5	Program Management	Assistant Director, Program Management Department Assistant Program Management Analyst II (2) Program Management Analyst I
<b>Finance Office</b>			
4100	23	Finance	Accountant Financial Analyst II (4) Business Administrator Accounting Assistant Manager, Special Projects (A/R and Collections) Administrative Assistant Cost Accountant I (2) Accounts Payable Specialist I Controller Cost Accountant II FCS Revenue Specialist Financial Analyst I Manager, Budgets + Financial Analysis Manager, General Accounting Manager, Grants Admin + Fiscal Mngmt Payroll Accountant I Grants Accountant I Accounts Payable Specialist I Cash Management Analyst I
4125	2	Office of the CFO	Chief Financial Officer Executive Assistant

**Exhibit 7.3 (continued)**

***FY2015-16 Roster of Positions***

Cost Center	FTE Count	Department Name	Job Title
<b>Finance Office (continued)</b>			
4220	13	Purchasing, Contracts & Contract Compliance	Assistant Director, Contracts Senior Contract & Compliance Administrator (6) Contract + Compliance Administrator (3) Contracts Data Analyst I Department Assistant Principal Contract + Compliance Administrator
4230	14	Information Technology	Business Intelligence Architect Director, Business Systems Functional Lead, Customer Engmnt & Comm Functional Lead, Operations and Engineering Functional Lead, Oracle Reporting (2) Information Systems Supervisor Lead, Oracle Finance + Procurement (2) Salesforce.com Administrator Senior Director, Information Technology Senior Network Engineer Technical Services Manager Webmaster
<b>Operations</b>			
2175	2	Office of the COO	Chief Operating Officer Executive Assistant
2200	6	Operations + Security	Business Administrator Department Assistant Director, Operations Manager, Operating Rules Manager, Special Projects Service Design + Compliance Administrator
2210	7	System Safety	Assistant Director, System Safety Business Administrator Administrative Management Specialist Director, System Safety + Security Public Safety + Environment Manager Security Manager Training Compliance Administrator
2215	29	Dispatching Services	Director, Dispatching Operations Dispatching Manager Supervisor, Dispatching Operations (6) Train Dispatcher (21)
2250	11	Field Operations Management	Field Operations Administrator (Trainee) (5) Field Operations Administrator Field Operations Manager Operations Compliance Officer (4)

**Exhibit 7.3 (continued)**

***FY2015-16 Roster of Positions***

Cost Center	FTE Count	Department Name	Job Title
<b>Operations (continued)</b>			
2300	9	Equipment - Maintenance	Assistant Director, Maintenance of Equipment Business Administrator Business Analyst Department Assistant Director, Maintenance of Equipment Mechanical Compliance Officer (2) Mechanical Compliance Officer PTC Program Manager
2310	7	Facilities + Fleet Maintenance	Department Assistant Facilities + Fleet Maintenance Manager Fleet Maintenance Coordinator Lead, Maintenance Technician Maintenance Technician (3)
2820	5	Track	Assistant Director, T+S Rehabilitation Business Administrator District T + S Maintenance Supervisor ROW Maintenance Coordinator Track Maintenance Engineer
2870	5	PTC C+S Train Control Maintenance	Assistant Director, Signal Systems Business Administrator District C + S Supervisor Project Engineer I District C + S Supervisor
2875	4	PTC Systems Management	Department Assistant Director, Network Control Systems Director, Signals and Communications Senior Director, PTC
2876	9	PTC Communications Systems	Assistant Director, PTC Communications Systems Communication Systems Manager District Supervisor, Communications Network (2) Manager, On Board PTC Systems PTC Equipment Engineer I (3) PTC Equipment Engineer II
2877	7	PTC Technical Support Services	Assistant Director, PTC Technical Services Business Analyst Project Engineer, Communication Systems Project Engineer, Signal Systems PTC Configuration Engineer PTC Records Engineer PTC Technical Services Manager



**Exhibit 7.3 (continued)**

***FY2015-16 Roster of Positions***

Cost Center	FTE Count	Department Name	Job Title
<b>Operations (continued)</b>			
2878	6	PTC Network Control Operations	Assistant Director, Operating Practices Manager, PTC Network Architecture Business Intelligence Architect PTC Senior Network Engineer Senior Systems Engineer (2)
3600	4	Fare Collection Services	Department Assistant Director, Fare Collection Services FCS Project Analyst Fare Collections Services Specialist
4223	13	Materials Management + Warehousing	Assistant Manager, Inventory Control Business Analyst Director, Special Projects Inventory Control Analyst Material Handler/Operator (8) Materials Supervisor CMF
<b>Internal Audit</b>			
1110	6	Office of the Chief Auditor	Executive Assistant Chief Auditor Senior Auditor (2) Senior Auditor, Governmental Compliance Staff Auditor II
<b>Legal</b>			
1115	3	Office of the General Counsel	Associate General Counsel General Counsel Senior Legal Administrator
2150	1	Risk Management	Senior Counsel, Risk Manager
<b>Administration</b>			
1105	3	Government Affairs	Department Assistant Government + Regulatory Affairs Manager Government Relations Administrator
1130	6	Human Resources	Assistant Manager, Human Resources Department Assistant Director, Human Resources Learning and Development Coordinator Manager, Human Resources Manager, Learning + Development
1150	5	Office of the C A O	Department Assistant Chief Administrative Officer Assistant to the CEO/Board Secretary Executive Assistant Administrative Management Specialist
4210	2	Administrative Services	Administrative Management Specialist Records Management Specialist

**Exhibit 7.3 (continued)**

***FY2015-16 Roster of Positions***

Cost Center	FTE Count	Department Name	Job Title
<b>Marketing + Communications</b>			
1500	2	Office of the CMCO	Chief Marketing and Communications Officer Executive Assistant
3050	4	Customer Engagement	Department Assistant Director, Customer Engagement Manager, Corporate Accounts Social Media Specialist
3200	4	Sales + Marketing	Marketing Manager (Digital Systems) Manager, Sales + Marketing Marketing Manager Sales & Marketing Coordinator
3300	35	Customer Relations	Assistant Manager, Customer Engagement LAUS Assistant Manager, Customer Engagement MOC Customer Engagement Representative (14) Communications Coordinator (8) Lead, Customer Engagement Representative (6) Customer Relations Supervisor (3) Customer Experience Administrator Manager, Customer Engagement LAUS
3450	3	Public Affairs	Assistant Public Affairs Officer Communications Representative Director, Public Affairs

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# **SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY**

## **FY2015-16 BUDGET**

### **SECTION 8: Budget Forecasts FY2016-17 and FY2017-18**

#### **8.1 Background**

At the request of the SCRRA Board of Directors, and in conjunction with the ongoing development of the strategic plan, SCRAA has created a two year forward budget forecast for the fiscal years 2017 and 2018. It is to be noted that the forecast years are provided for informational purposes only. No approval is requested for the two forecasted years.

#### **8.2 Basis for Forecast**

New service requests were collected from Member Agencies for fiscal years FY17 and FY18.

Estimates of expenses were collected from individual cost centers during the routine budget process.

#### **8.3 Exhibits**

**8.3.1 *Exhibit 8.1: FY2017 and FY2018 Forecast New Service Requests***

**8.3.2 *Exhibit 8.2: FY2016-17 Forecast of Operating Budget Distribution to Member Agencies***

**8.3.3 *Exhibit 8.3: FY2016-17 Forecast of Operating Budget Distribution by Line***

**8.3.4 *Exhibit 8.4: FY2017-18 Forecast of Operating Budget Distribution to Member Agencies***

**8.3.5 *Exhibit 8.5: FY2017-18 Forecast of Annual Operating Budget Distributions by Line***

**8.3.1 Exhibit 8.1**  
**FY2017 and FY2018 Forecast New Service Requests**

<b>Fiscal Year</b>	<b>Requesting Agency</b>	<b>Line</b>	<b>Route</b>	<b>Roundtrips</b>	<b># of Trains</b>
2017	RCTC	IEOC	Laguna Niguel to San Bernardino	2	4
2017	OCTA	OC	Laguna Niguel to LAUS	1	2
2017	OCTA	OC/MSEP	Fullerton to Laguna Niguel - cancellation	(2)	(4)
2018	RCTC	IEOC	San Bernardino to Laguna Niguel	1	2
2018	METRO	Ventura	Chatsworth to LAUS	2	4

### 8.3.2 Exhibit 8.2

#### FY2016-17 Forecast of Operating Budget Distribution to Member Agencies

	Forecast FY 16-17 Budget	Metro	OCTA	RCTC	SANBAG	VCTC
<b>EXPENSES</b>	<b>236,732</b>	<b>122,063</b>	<b>50,799</b>	<b>24,693</b>	<b>26,422</b>	<b>12,755</b>
<b>REVENUES</b>	<b>104,828</b>	<b>55,034</b>	<b>25,007</b>	<b>8,227</b>	<b>13,107</b>	<b>3,453</b>
<b>NET LOCAL SUBSIDY</b>	<b>131,903</b>	<b>67,029</b>	<b>25,791</b>	<b>16,465</b>	<b>13,316</b>	<b>9,302</b>

#### OPERATIONS

<b>Revenues</b>						
Farebox Revenue	87,517	44,184	21,406	7,576	11,769	2,581
Dispatching	2,698	1,373	915	13	58	339
Other Revenues						
MOW Revenues	14,614	9,477	2,687	638	1,279	533
Operation Revenue Subtotal	104,828	55,034	25,007	8,227	13,107	3,453
Member Agency Revenues	113,604	56,867	21,980	15,033	11,172	8,553
<b>Total Revenues</b>	<b>218,432</b>	<b>111,901</b>	<b>46,987</b>	<b>23,260</b>	<b>24,279</b>	<b>12,005</b>
<b>Operations &amp; Services</b>						
Train Operations	45,420	24,046	10,274	4,709	4,769	1,622
Equipment Maintenance	29,811	15,076	6,549	3,317	3,422	1,448
Contingency (Train Ops)						
Fuel	23,898	12,102	6,066	2,481	2,499	750
Non-Scheduled Rolling Stock Repairs	232	129	48	18	27	9
Operating Facilities Maintenance	1,321	733	275	103	155	54
Other Operating Train Services	595	284	103	89	59	60
Rolling Stock Lease	250	119	50	28	36	18
Security - Sheriff	5,758	3,250	1,117	624	598	168
Security - Guards	2,070	989	358	309	207	207
Supplemental Additional Security	690	348	169	60	93	20
Public Safety Program	254	121	44	38	25	25
Passenger Relations	1,844	914	483	151	239	57
Holiday Trains						
TVM Maintenance/Revenue Collection	7,043	2,909	1,582	1,123	1,021	408
Marketing	944	477	235	78	124	31
Media & External Communications	426	204	74	64	43	43
Utilities/Leases	2,766	1,322	478	413	276	277
Transfers to Other Operators	7,782	4,325	1,708	511	963	274
Amtrak Transfers	1,700	540	1,081			79
Station Maintenance	2,006	1,196	284	184	253	89
Rail Agreements	5,088	1,852	1,385	1,156	350	345
<b>Subtotal Operations &amp; Services</b>	<b>139,899</b>	<b>70,938</b>	<b>32,363</b>	<b>15,454</b>	<b>15,160</b>	<b>5,984</b>
<b>Maintenance-of-Way</b>						
MoW - Line Segments	43,426	23,886	8,360	2,895	5,568	2,717
MoW - Extraordinary Maintenance	1,281	737	311	14	137	82
<b>Subtotal Maintenance-of-Way</b>	<b>44,707</b>	<b>24,623</b>	<b>8,671</b>	<b>2,909</b>	<b>5,705</b>	<b>2,799</b>
<b>Administration &amp; Services</b>						
<b>Staff</b>						
Ops Salaries & Fringe Benefits	11,687	5,585	2,029	1,738	1,169	1,166
Ops Non-Labor Expenses	4,940	2,535	951	593	527	335
Indirect Administrative Expenses	13,936	6,660	2,409	2,079	1,392	1,396
Ops Professional Services	2,747	1,313	475	410	274	275
<b>Subtotal Administration &amp; Services</b>	<b>33,310</b>	<b>16,093</b>	<b>5,864</b>	<b>4,820</b>	<b>3,362</b>	<b>3,171</b>
Contingency (Non-Train Ops)	516	247	89	77	52	52
<b>Total Expenses Including MoW</b>	<b>218,432</b>	<b>111,901</b>	<b>46,987</b>	<b>23,260</b>	<b>24,279</b>	<b>12,005</b>

#### RISK MANAGEMENT

<b>Revenues</b>						
Member Agency Revenues	18,300	10,162	3,812	1,432	2,144	749
PL/PD Revenues						
<b>Total Revenues</b>	<b>18,300</b>	<b>10,162</b>	<b>3,812</b>	<b>1,432</b>	<b>2,144</b>	<b>749</b>
<b>Insurance</b>						
Liability/Property/Auto	13,524	7,511	2,817	1,059	1,584	554
Claims / SI	3,500	1,944	729	274	410	143
Claims Administration	1,275	708	266	100	149	52
<b>Subtotal Insurance</b>	<b>18,300</b>	<b>10,162</b>	<b>3,812</b>	<b>1,432</b>	<b>2,144</b>	<b>749</b>
<b>Total Insurance / SIR Expenses</b>	<b>18,300</b>	<b>10,162</b>	<b>3,812</b>	<b>1,432</b>	<b>2,144</b>	<b>749</b>

### 8.3.3 Exhibit 8.3

#### FY2016-17 Forecast of Operating Budget Distribution by Line

	Forecast FY 16-17 Budget	San Bernardino	Ventura County	Antelope Valley	Riverside	Orange County	OC MSEP	IEOC	91
EXPENSES	236,732	51,820	29,134	48,836	20,162	34,038	4,000	28,034	20,708
REVENUES	104,828	27,384	8,982	18,844	9,791	24,155	209	10,274	5,190
NET LOCAL SUBSIDY	131,903	24,436	20,152	29,992	10,371	9,883	3,791	17,760	15,518

#### OPERATIONS

<b>Revenues</b>									
Farebox Revenue	87,517	24,033	6,689	12,467	9,547	21,332		8,961	4,486
Dispatching	2,698	181	690	435	7	1,327	19	22	16
Other Revenues									
MOW Revenues	14,614	3,169	1,603	5,942	237	1,495	189	1,291	688
Operation Revenue Subtotal	104,828	27,384	8,982	18,844	9,791	24,155	209	10,274	5,190
Member Agency Revenues	113,604	20,064	18,210	25,863	8,779	6,879	3,791	15,569	14,449
<b>Total Revenues</b>	<b>218,432</b>	<b>47,448</b>	<b>27,192</b>	<b>44,707</b>	<b>18,570</b>	<b>31,033</b>	<b>4,000</b>	<b>25,843</b>	<b>19,639</b>
<b>Operations &amp; Services</b>									
Train Operations	45,420	10,187	4,288	10,576	3,066	7,009	882	5,817	3,595
Equipment Maintenance	29,811	6,535	3,421	5,994	2,470	4,281	425	4,140	2,545
Contingency (Train Ops)									
Fuel	23,898	5,069	1,943	5,269	1,593	3,968	773	3,407	1,877
Non-Scheduled Rolling Stock Repairs	232	55	25	52	20	38		28	14
Operating Facilities Maintenance	1,321	316	140	298	115	217		158	77
Other Operating Train Services	595	86	100	108	89	46	16	66	84
Rolling Stock Lease	250	55	38	40	35	42		34	7
Security - Sheriff	5,758	1,243	435	1,697	357	855		673	499
Security - Guards	2,070	298	346	376	310	161	57	230	291
Supplemental Additional Security	690	189	53	98	75	168		71	35
Public Safety Program	254	37	42	46	38	20	7	28	36
Passenger Relations	1,844	491	146	272	175	411	3	221	123
Holiday Trains									
TVM Maintenance/Revenue Collection	7,043	1,463	953	1,106	655	706	289	910	961
Marketing	944	254	80	131	98	210	1	103	68
Media & External Communications	426	61	71	77	64	33	12	47	60
Utilities/Leases	2,766	398	463	503	415	215	76	308	389
Transfers to Other Operators	7,782	2,007	710	1,493	850	1,964		307	449
Amtrak Transfers	1,700		204			1,496			
Station Maintenance	2,006	563	263	409	173	315	15	38	231
Rail Agreements	5,088		583		1,787	906	11	814	988
<b>Subtotal Operations &amp; Services</b>	<b>139,899</b>	<b>29,308</b>	<b>14,304</b>	<b>28,546</b>	<b>12,385</b>	<b>23,061</b>	<b>2,567</b>	<b>17,399</b>	<b>12,330</b>
<b>Maintenance-of-Way</b>									
MoW - Line Segments	43,426	12,758	7,209	9,686	1,128	4,894	575	4,474	2,701
MoW - Extraordinary Maintenance	1,281	283	196	215	168	212		170	36
<b>Subtotal Maintenance-of-Way</b>	<b>44,707</b>	<b>13,041</b>	<b>7,405</b>	<b>9,902</b>	<b>1,296</b>	<b>5,107</b>	<b>575</b>	<b>4,644</b>	<b>2,737</b>
<b>Administration &amp; Services</b>									
<b>Staff</b>									
Ops Salaries & Fringe Benefits	11,687	1,689	1,947	2,129	1,744	919	321	1,300	1,637
Ops Non-Labor Expenses	4,940	933	658	1,006	568	609	62	588	515
Indirect Administrative Expenses	13,936	2,006	2,332	2,532	2,088	1,084	384	1,550	1,961
Ops Professional Services	2,747								
<b>Subtotal Administration &amp; Services</b>	<b>33,310</b>	<b>5,024</b>	<b>5,397</b>	<b>6,166</b>	<b>4,812</b>	<b>2,826</b>	<b>843</b>	<b>3,743</b>	<b>4,500</b>
Contingency (Non-Train Ops)	516	74	86	94	77	40	14	57	73
<b>Total Expenses Including MoW</b>	<b>218,432</b>	<b>47,448</b>	<b>27,192</b>	<b>44,707</b>	<b>18,570</b>	<b>31,033</b>	<b>4,000</b>	<b>25,843</b>	<b>19,639</b>

#### RISK MANAGEMENT

<b>Revenues</b>									
Member Agency Revenues	18,300	4,373	1,942	4,129	1,592	3,004		2,191	1,069
PL/PD Revenues									
<b>Total Revenues</b>	<b>18,300</b>	<b>4,373</b>	<b>1,942</b>	<b>4,129</b>	<b>1,592</b>	<b>3,004</b>		<b>2,191</b>	<b>1,069</b>
<b>Insurance</b>									
Liability/Property/Auto	13,524	3,232	1,435	3,051	1,177	2,220		1,619	790
Claims / SI	3,500	836	371	790	304	575		419	204
Claims Administration	1,275	305	135	288	111	209		153	75
<b>Subtotal Insurance</b>	<b>18,300</b>	<b>4,373</b>	<b>1,942</b>	<b>4,129</b>	<b>1,592</b>	<b>3,004</b>		<b>2,191</b>	<b>1,069</b>
<b>Total Insurance / SIR Expenses</b>	<b>18,300</b>	<b>4,373</b>	<b>1,942</b>	<b>4,129</b>	<b>1,592</b>	<b>3,004</b>		<b>2,191</b>	<b>1,069</b>

### 8.3.4 Exhibit 8.4

## FY2017-18 Forecast of Operating Budget Distribution to Member Agencies

	Forecast FY 17-18 Budget	Metro	OCTA	RCTC	SANBAG	VCTC
<b>EXPENSES</b>	<b>244,174</b>	<b>124,530</b>	<b>52,593</b>	<b>26,960</b>	<b>26,992</b>	<b>13,021</b>
<b>REVENUES</b>	<b>106,359</b>	<b>56,108</b>	<b>25,167</b>	<b>8,282</b>	<b>13,355</b>	<b>3,447</b>
<b>NET LOCAL SUBSIDY</b>	<b>137,815</b>	<b>68,422</b>	<b>27,426</b>	<b>18,678</b>	<b>13,637</b>	<b>9,574</b>

#### OPERATIONS

<b>Revenues</b>						
Farebox Revenue	88,829	45,127	21,514	7,629	11,992	2,567
Dispatching	2,725	1,385	924	15	59	342
Other Revenues						
MOW Revenues	14,805	9,595	2,729	638	1,304	538
Operation Revenue Subtotal	106,359	56,108	25,167	8,282	13,355	3,447
Member Agency Revenues	119,806	58,724	23,689	16,831	11,631	8,854
<b>Total Revenues</b>	<b>226,165</b>	<b>114,831</b>	<b>48,856</b>	<b>25,113</b>	<b>24,986</b>	<b>12,301</b>
<b>Operations &amp; Services</b>						
Train Operations	48,401	25,568	10,962	5,078	5,075	1,718
Equipment Maintenance	30,816	14,994	6,922	4,080	3,384	1,435
Contingency (Train Ops)						
Fuel	24,125	12,082	6,219	2,592	2,512	742
Non-Scheduled Rolling Stock Repairs	232	125	48	24	26	9
Operating Facilities Maintenance	1,330	716	276	136	148	53
Other Operating Train Services	634	303	110	95	63	63
Rolling Stock Lease	250	119	50	28	36	18
Security - Sheriff	5,931	3,275	1,150	741	594	171
Security - Guards	2,132	1,019	369	318	213	214
Supplemental Additional Security	700	356	170	60	94	20
Public Safety Program	254	121	44	38	25	25
Passenger Relations	1,846	931	459	155	243	58
Holiday Trains						
TVM Maintenance/Revenue Collection	7,363	3,041	1,654	1,174	1,067	427
Marketing	944	485	221	80	126	31
Media & External Communications	426	204	74	64	43	43
Utilities/Leases	2,872	1,373	496	429	287	288
Transfers to Other Operators	8,171	4,542	1,794	536	1,012	288
Antrak Transfers	2,000	635	1,272			93
Station Maintenance	2,012	1,165	279	238	244	87
Rail Agreements	5,202	1,870	1,404	1,213	366	349
<b>Subtotal Operations &amp; Services</b>	<b>145,640</b>	<b>72,923</b>	<b>33,971</b>	<b>17,077</b>	<b>15,559</b>	<b>6,131</b>
<b>Maintenance-of-Way</b>						
MoW - Line Segments	44,686	24,475	8,491	3,024	5,802	2,795
MoW - Extraordinary Maintenance	1,323	762	321	14	141	85
<b>Subtotal Maintenance-of-Way</b>	<b>46,009</b>	<b>25,236</b>	<b>8,812</b>	<b>3,038</b>	<b>5,943</b>	<b>2,880</b>
<b>Administration &amp; Services</b>						
<b>Staff</b>						
Ops Salaries & Fringe Benefits	11,975	5,723	2,079	1,781	1,198	1,195
Ops Non-Labor Expenses	4,985	2,559	960	598	532	337
Indirect Administrative Expenses	14,245	6,808	2,462	2,125	1,423	1,427
Ops Professional Services	2,780	1,329	480	415	278	278
<b>Subtotal Administration &amp; Services</b>	<b>33,985</b>	<b>16,418</b>	<b>5,982</b>	<b>4,919</b>	<b>3,430</b>	<b>3,237</b>
Contingency (Non-Train Ops)	532	254	92	79	53	53
<b>Total Expenses Including MoW</b>	<b>226,165</b>	<b>114,831</b>	<b>48,856</b>	<b>25,113</b>	<b>24,986</b>	<b>12,301</b>

#### RISK MANAGEMENT

<b>Revenues</b>						
Member Agency Revenues	18,009	9,698	3,737	1,847	2,006	720
PL/PD Revenues						
<b>Total Revenues</b>	<b>18,009</b>	<b>9,698</b>	<b>3,737</b>	<b>1,847</b>	<b>2,006</b>	<b>720</b>
<b>Insurance</b>						
Liability/Property/Auto	14,201	7,647	2,947	1,456	1,582	568
Claims / SI	2,500	1,346	519	256	279	100
Claims Administration	1,308	704	271	134	146	52
<b>Subtotal Insurance</b>	<b>18,009</b>	<b>9,698</b>	<b>3,737</b>	<b>1,847</b>	<b>2,006</b>	<b>720</b>
<b>Total Insurance / SIR Expenses</b>	<b>18,009</b>	<b>9,698</b>	<b>3,737</b>	<b>1,847</b>	<b>2,006</b>	<b>720</b>



### 8.3.5 Exhibit 8.5

#### FY2017-18 Forecast of Operating Budget Distribution by Line

	Forecast FY 17-18 Budget	San Bernardino	Ventura County	Antelope Valley	Riverside	Orange County	OC MSEP	IEOC	91
<b>EXPENSES</b>	244,174	52,422	30,209	49,683	20,509	34,689	3,963	30,496	22,203
<b>REVENUES</b>	106,359	27,878	9,175	19,128	9,962	24,587	183	10,173	5,272
<b>NET LOCAL SUBSIDY</b>	137,815	24,544	21,034	30,555	10,546	10,102	3,780	20,323	16,931

#### OPERATIONS

<b>Revenues</b>									
Farebox Revenue	88,829	24,459	6,859	12,688	9,716	21,767		8,775	4,566
Dispatching	2,725	182	697	439	7	1,340	19	22	18
Other Revenues									
MOW Revenues	14,805	3,237	1,619	6,001	239	1,480	164	1,376	689
Operation Revenue Subtotal	106,359	27,878	9,175	19,128	9,962	24,587	183	10,173	5,272
Member Agency Revenues	119,806	20,489	19,168	26,586	9,016	7,214	3,780	18,079	15,475
<b>Total Revenues</b>	<b>226,165</b>	<b>48,367</b>	<b>28,342</b>	<b>45,714</b>	<b>18,978</b>	<b>31,801</b>	<b>3,963</b>	<b>28,252</b>	<b>20,747</b>
<b>Operations &amp; Services</b>									
Train Operations	48,401	10,728	4,743	11,105	3,269	7,393	882	6,511	3,770
Equipment Maintenance	30,816	6,280	3,582	5,915	2,441	4,223	427	4,922	3,027
Contingency (Train Ops)									
Fuel	24,125	5,024	1,983	5,225	1,576	3,936	773	3,744	1,863
Non-Scheduled Rolling Stock Repairs	232	52	24	51	20	37		29	19
Operating Facilities Maintenance	1,330	300	138	293	113	213		166	107
Other Operating Train Services	634	91	106	115	95	49	17	70	89
Rolling Stock Lease	250	55	38	40	35	42		34	7
Security - Sheriff	5,931	1,226	443	1,714	363	867		714	605
Security - Guards	2,132	307	357	387	320	166	59	237	300
Supplemental Additional Security	700	193	54	100	77	172		69	36
Public Safety Program	254	37	42	46	38	20	7	28	36
Passenger Relations	1,846	501	149	303	176	403	1	222	91
Holiday Trains									
TVM Maintenance/Revenue Collection	7,363	1,529	996	1,156	685	738	302	951	1,005
Marketing	944	259	81	148	98	205		103	49
Media & External Communications	426	61	71	77	64	33	12	47	60
Utilities/Leases	2,872	413	480	522	430	223	79	319	404
Transfers to Other Operators	8,171	2,108	746	1,568	893	2,062		323	472
Amtrak Transfers	2,000		240			1,760			
Station Maintenance	2,012	542	265	394	168	308	15	38	282
Rail Agreements	5,202		592		1,792	891	11	872	1,043
<b>Subtotal Operations &amp; Services</b>	<b>145,640</b>	<b>29,706</b>	<b>15,131</b>	<b>29,160</b>	<b>12,652</b>	<b>23,743</b>	<b>2,585</b>	<b>19,399</b>	<b>13,264</b>
<b>Maintenance-of-Way</b>									
MoW - Line Segments	44,686	13,168	7,413	9,945	1,162	4,916	503	4,799	2,779
MoW - Extraordinary Maintenance	1,323	293	202	222	174	219		175	37
<b>Subtotal Maintenance-of-Way</b>	<b>46,009</b>	<b>13,460</b>	<b>7,615</b>	<b>10,167</b>	<b>1,336</b>	<b>5,136</b>	<b>503</b>	<b>4,975</b>	<b>2,817</b>
<b>Administration &amp; Services</b>									
<b>Staff</b>									
Ops Salaries & Fringe Benefits	11,975	1,731	1,996	2,181	1,787	942	329	1,332	1,678
Ops Non-Labor Expenses	4,985	943	663	1,016	573	615	63	593	519
Indirect Administrative Expenses	14,245	2,050	2,383	2,588	2,135	1,108	393	1,584	2,004
Ops Professional Services	2,780								
<b>Subtotal Administration &amp; Services</b>	<b>33,985</b>	<b>5,124</b>	<b>5,507</b>	<b>6,290</b>	<b>4,911</b>	<b>2,881</b>	<b>861</b>	<b>3,818</b>	<b>4,592</b>
Contingency (Non-Train Ops)	532	77	89	97	80	41	15	59	75
<b>Total Expenses Including MoW</b>	<b>226,165</b>	<b>48,367</b>	<b>28,342</b>	<b>45,714</b>	<b>18,978</b>	<b>31,801</b>	<b>3,963</b>	<b>28,252</b>	<b>20,747</b>

#### RISK MANAGEMENT

<b>Revenues</b>									
Member Agency Revenues	18,009	4,055	1,866	3,969	1,530	2,888		2,244	1,455
PL/PD Revenues									
<b>Total Revenues</b>	<b>18,009</b>	<b>4,055</b>	<b>1,866</b>	<b>3,969</b>	<b>1,530</b>	<b>2,888</b>		<b>2,244</b>	<b>1,455</b>
<b>Insurance</b>									
Liability/Property/Auto	14,201	3,198	1,472	3,130	1,207	2,277		1,769	1,148
Claims / SI	2,500	563	259	551	212	401		312	202
Claims Administration	1,308	295	136	288	111	210		163	106
<b>Subtotal Insurance</b>	<b>18,009</b>	<b>4,055</b>	<b>1,866</b>	<b>3,969</b>	<b>1,530</b>	<b>2,888</b>		<b>2,244</b>	<b>1,455</b>
<b>Total Insurance / SIR Expenses</b>	<b>18,009</b>	<b>4,055</b>	<b>1,866</b>	<b>3,969</b>	<b>1,530</b>	<b>2,888</b>		<b>2,244</b>	<b>1,455</b>

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# SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY

## FY2015-16 BUDGET

### SECTION 9: Appendix

#### 9.1 Introduction

Supplementary descriptions and information are provided on SCRRA allocations methodology, policy on debt, GASB 34 Condition Assessment Ratings, agency information and statistics, glossary of budget terms, and key acronyms associated with Southern California Regional Rail Authority.

#### 9.2 Revenue and Cost Allocation Methodology Detail

##### 9.2.1 Formulae for Allocation to Members

Under the terms of the JPA governing the actions of the SCRRA, each Member Agency shall approve its individual Operating and Capital contributions for an upcoming fiscal year. As a result of its structure as a JPA, the SCRRA utilizes a number of formulae for the purposes of allocating costs to both Member Agencies and Operating Line Segments. The goal is to allocate or assign the costs based on the root causes of the common costs instead of merely spreading the costs

Subsidies for each Member Agency are determined each budgeting cycle based on a series of previously agreed allocations for each budget component line item. This includes both revenues and expenses. *Exhibit 8.1* provides detailed information on allocation percentages.

##### 9.2.2 Formulae for Allocation to Lines

Besides preparing allocations by Member Agency, the FY16 Proposed Budget also is allocated across operating rail lines to provide the costs associated with providing system-wide services across the counties served.

The lines are defined as San Bernardino, Ventura County, Antelope Valley, Burbank, Riverside, Orange County, Orange County MSEP, Inland Empire/Orange County and the 91 Line.

*Exhibit 8.2* provides detailed information on allocation percentages by line. This allocation is used to provide operating expenses, revenues, subsidies and statistics by line.

### **9.2.3 Allocation of Revenues**

Farebox revenues are received by each operating line based on point of sale origin/destination pairs, and allocated to member agencies (counties) on the basis of train-miles for each line or county. Dispatching/Other revenues are allocated directly to those line segments that are subject to agreements with freight railroads and Amtrak. These revenues are allocated to the counties that own the particular segments, and to the lines that are made up of these segments. At the end of each fiscal year, the interest on fares and other funds received in advance for operations and capital projects is assigned to counties based upon a calculation of funds on account throughout the year which were provided by each member agency.

### **9.2.4 Allocation of Expenses**

Operating expenses are allocated using a variety of railroad metrics. Fuel and Amtrak services related to the operation of trains are allocated to operating lines and counties on the basis of train miles for each line or county. Dispatching is allocated directly to operating lines and counties on the basis of the ownership of line segments over which the agency has dispatching authority. Also allocated directly to line segments are Transfers to Other Operators, Rail Agreements, Maintenance-of-Way expenses. Most other expenses in the Operating Budget are allocated on a combination of allocation and tier applications.

Maintenance-of-Way (expenditure and revenue) net subsidies on lines shared by more than one operating line segment are split to the counties by the respective share of train miles in each county of the respective lines segments. There are specific expenditures related to particular lines. One example are the expenditures related to the Riverside Layover Facility are allocated to lines with services originating or terminating at the layover and subsequently to counties based train miles on the participating line segments. In contrast, the River Corridor is shared by all lines, thus the expenditures in excess of revenues on this segment are split to lines and counties on the basis of the "Allshare" formula. Extraordinary Maintenance expenses for derailments are split on the Allshare formula, and for storm damage, gate knockdowns and vandalism using the formula representing route miles owned by county.

## **9.3 SCRRRA Policy on Debt**

The purpose of issuing debt is to finance essential capital facilities and equipment. The issuance of debt spreads the cost of the facilities and equipment over their useful life. Historically, SCRRRA has not issued debt for the development of facilities or the purchase of equipment. Rather, the capital has been funded by a combination of federal, state, member agency, and other local sources. In the absence of the need to issue debt, SCRRRA has not adopted a formal debt policy.

State law defines the process under which a joint powers authority may issue debt. The Marks-Roos Local Bond Pooling Act (Government Code, sec. 6584) provided flexibility

to a JPA in permitting the identification of future revenues for the maintenance of debt. Under this statute, a JPA is given powers to issue bonds to pay for the cost of capital, including facilities and equipment. The statute requires the establishment of a new joint powers authority for the exclusive purpose of financing capital projects or acquisitions for its members. If future capital funding requirements ever require the issuance of debt, the member agencies and Board may be asked to review and adopt a debt policy incorporating the established of a joint powers authority as permitted in the Marks-Roos Local Bond Pooling Act.

## **9.4 SCRRRA Leveraged Lease Transactions**

Although SCRRRA has never issued debt for the construction of facilities or acquisition of equipment, three U.S. leveraged lease transactions have been completed. The deferred benefit of the three lease transactions was approximately \$31.8 million. However, since these funds were available, the Board has authorized specific expenditures that have reduced the amount of funds currently on deposit at the SCRRRA.

### **9.4.1 Agreement One**

In Fiscal Year 1995-96, the SCRRRA Board entered into an agreement to lease 94 coach and cab cars (cars) and 31 locomotives and simultaneously entered into a sublease agreement with the lessee to lease them back. The SCRRRA received proceeds of approximately \$193.9 million of which it used approximately \$152.3 million to prepay future lease payments and defease part of its obligation. In addition, the Board invested approximately \$21.2 million in U.S. Zero Coupon Treasury strips. The Treasury strips have matured at values sufficient to cover all remaining lease payments due under the lease agreement as well as amounts necessary to exercise the repurchase options. As a result, all obligations under this lease/leaseback transaction are considered to be defeased in substance.

### **9.4.2 Agreement Two**

In FY1998-99, SCRRRA entered into a second agreement to lease 25 bi-level commuter rail cars and 2 diesel locomotives and simultaneously entered into a sublease agreement with the lessee to lease them back. The SCRRRA received proceeds of approximately \$36.5 million of which it used \$24.7 million and \$7.7 million for debt and equity defeasance, respectively. This amount is sufficient to cover all lease payments due under the agreements and to exercise the repurchase options. As a result, all obligations under this lease/leaseback transaction are considered to be defeased in substance. In FY14 SCRRRA exercised its purchase option to remove two locomotives from this agreement. The cost did not come from the Operating Budget but from the funds received by this transaction. In FY15, SCRRRA exercised the repurchase option mentioned above, and sold 16 of the commuter rail cars.

### 9.4.3 Agreement Three

In FY2002-03, SCRRA entered into a third agreement to lease 27 bi-level commuter rail cars and 4 diesel locomotives and simultaneously entered into sublease agreement with the lessee to lease them back. The SCRRA received proceeds of approximately \$93.8 million of which it used \$75.3 million and \$11.2 million for debt and equity defeasance, respectively. This amount is sufficient to cover all lease payments due under the agreements and to exercise the repurchase options. As a result, all obligations under this lease/leaseback transaction are considered to be defeased in substance.

### 9.5 Description of GASB 34 Condition Assessment Ratings

SCRRA, as part of its implementation of Government Accounting Standards Board Statement 34 (GASB34), has elected to use the Modified Approach for the Metrolink Railroad Infrastructure.

Under the modified approach, infrastructure assets that are part of a network, or subsystem of a network, *are not required to be depreciated as long as two requirements are met:*

1. The government manages the eligible infrastructure assets using a qualified asset management system; and
2. The government documents that the eligible infrastructure assets are being preserved approximately at (or above) a condition level established and disclosed by the government.

The SCRRA Board adopted, in FY2002-03, a minimum condition rating of 75 points (of a maximum of 100) as the minimum acceptable Railroad Condition Index (RCI) for the entire railroad network, including all subsystems. The actual index value of the condition of the SCRRA's infrastructure network at the time of adoption is 86.

The following ratings values are utilized to describe the asset condition of various railroad infrastructure components:

- *Excellent* (90+) – An asset that exhibits no conditions of wear or degradation and is suitable for continued use for 5 plus years with only routine inspection and repair; essentially a “like new” condition.
- *Good* (80 to 89) – An asset rated as good has some components that will require repair or replacement within the next 5 years, but is expected to be fully serviceable for the next 5 years.
- *Fair* (70 to 79) – An asset rated as fair will be in serviceable condition at the time of the rating, but will require rehabilitation of two or more components within 5 years.
- *Poor* (60 to 69) – An asset that is operating at less than full capacity (e.g. a speed restriction is imposed) due to maintenance conditions and will require rehabilitation of at least one component before becoming fully operational.

- *Critical (59 or below)* – An asset that is operating at less than full capacity and must have repairs or rehabilitation within the year in order to continue operating.

SCRRA's selection of a 75 rating standard places the agency in the *Fair* category. The index rating value of 75 describes the agency's fixed assets as in serviceable condition at the time of the rating, but will require rehabilitation of two or more components within 5 years. This is the basis on which SCRRA's annual rehabilitation plan is determined.

## **9.6 SCRRA Information**

### **9.6.1 Date of Formation**

SCRRA was formed through a Joint Powers Agreement in August 1991.

### **9.6.2 Form of Government**

SCRRA operates as a Joint Exercise of Powers Authority.

### **9.6.3 Purpose**

The purpose of SCRRA is to plan, design, create and administer the operation of regional passenger rail lines.

### **9.6.4 Member Agencies**

There are five member agencies associated with SCRRA: Los Angeles County Metropolitan Transportation Authority (Metro), Orange County Transportation Authority (OCTA), Riverside County Transportation Commission (RCTC), San Bernardino Associated Governments (SANBAG), Ventura County Transportation Commission (VCTC)

### **9.6.5 Counties Served**

SCRRA serves Los Angeles County, Northern San Diego County, Orange County, Riverside County, San Bernardino County and Ventura County.

## 9.7 SCRRA Statistical Information

<b>Population by County</b>	Los Angeles County	10.0 million
	Orange County	3.1 million
	Riverside County	2.3 million
	San Bernardino County	2.1 million
	San Diego County	3.2 million
	Ventura County	<u>.8 million</u>
	Total Population:	21.5 million
	California Population	38.3 million
	% of State Population located within SCRRA Service Area	56.1%
<b>Route Miles in System (Duplicated)</b>	Los Angeles County	220
	Orange County	117
	Riverside County	82
	San Bernardino County	39
	Northern San Diego County	38
	Ventura County	<u>39</u>
	Total Miles:	535
<b>Route Miles (Unduplicated)</b>	Los Angeles County	186
	Orange County	67
	Riverside County	58
	San Bernardino County	39
	Northern San Diego County	19
	Ventura County	<u>39</u>
	Total Miles:	408
<b>Available Equipment</b>	Locomotives	55
	Cab Cars	57
	Coaches	153
<b>Stations</b>	Los Angeles County	26
	Orange County	11
	Riverside County	9
	San Bernardino	7
	Northern San Diego County	1
	Ventura County	<u>5</u>
Total Stations:	59	



<b>Ticket Vending Machines</b>	Installed TVMs	130
	Test TVMs	3
	Validators Installed	144
	Ticket Office Machines	4

**Number of Annual Weekday  
Auto Trips Removed** 8,226,537

**Percent of Freeway Traffic  
Removed on Regional Freeways**  
*Each Peak Hour* up to 2.3%

**Percent of Freeway Traffic  
Removed on I-10 and SR 60 corridor**  
*Each Peak Hour* up to 22%

**Average Metrolink weekday  
Trip Length** 40.3 miles

**Percent of Metrolink Riders  
Formerly Driving Alone** 87%

**Percent of Riders with Los  
Angeles Union Station Destination** 67.8%

**Percent of Minority Riders  
by Line Corridor**

San Bernardino Line	71%
Riverside Line	79%
Antelope Valley Line	74%
Ventura County Line	47%
Orange County Line	54%
Inland Empire-OC Line	50%
91 Line	67%

## 9.8 Glossary of Budget Terms

*Approved Budget:* The official budget as approved by the five member agencies and the SCRRA Board.

*Amended Budget:* The approved budget as amended by the SCRRA Board during a fiscal year.

*Appropriation:* Legal authorization to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and to the time it may be expended.

*Budget:* A plan of financial operations comprised of estimated expenditures for a given period (one fiscal year) and the proposed means of revenue generation to finance the expenditures.

*Contracted Services:* Services rendered in support of SCRRA operations and other activities by external parties. These are generally based upon formal contracts or purchase orders.

*Cost Center:* The accounting designated summary of all expenditures related to an individual SCRRA department.

*Department:* An organizational subgroup of SCRRA.

*Expenditures/Expenses:* Decreases in net financial resources during a specific period.

*Extraordinary Maintenance:* The expenditures related to repairing damages due to vandalism, crossing gate knockdowns, accidents, derailments, fires, storm and other severe weather conditions.

*Farebox Revenue:* Fares received from passengers for travel on Metrolink trains.

*Farebox Recovery:* Ratio of farebox revenue to total expenses net of rolling stock lease and extraordinary maintenance.

*Fiscal Year:* A 12-month period to which the annual budget applies and at the end of which SCRRA determines its financial position, the results of its operations and capital program, and adopts a budget for the coming fiscal year. The SCRRA's fiscal year is from July 1 through June 30.

*Full Time Equivalent (FTE):* The conversion of full-time and part-time employee hours to the equivalent of a full-time position.

*Member Agency:* The designated and defined five county entities in the Joint Powers of Authority agreement: Los Angeles County Metropolitan Transportation Authority (Metro),

Orange County Transportation Authority (OCTA), Riverside County Transportation Commission (RCTC), San Bernardino Associated Governments (SANBAG), and Ventura County Transportation Commission (VCTC)

*Modes:* Discrete business units of operation within an organization. SCRRA business modes are train operations, MOW, new capital, rehabilitation and recollectables

*Operating Budget:* A financial forecast that focuses on everyday operating activities and programs. For SCRRA, the Operating Budget includes train operations, Maintenance of Way and risk management.

*Positive Train Control (PTC):* GPS-based safety technology capable of preventing train-to-train collisions, overspeed derailments, unauthorized incursion into work zones and train movement through switches left in the wrong position. PTC monitors and, if necessary, controls train movement in the event of human error. PTC may also bring trains to a safe stop in the event of a natural disaster.

*Proposed Budget:* A budget in its preliminary preparation stage prior to adoption by the SCRRA Board.

*Rehabilitation Expenditure:* Those expenditures that replace worn-out assets with like or improved assets and thus extend the useful life of these capital assets. Such costs are generally capitalized.

*Revenue:* Monies that SCRRA receives as income in the form of farebox revenue, payments from other railroads, local funds for operating or capital, grants, and interest.

*Revenue Recovery:* The ratio of operating revenues to operating expenses net of rolling stock lease payments and extraordinary maintenance.

*Ridership:* The number of one-way trips carried on Metrolink trains.

*Salary and Fringe Benefit Expenses:* Compensation paid to or on behalf of SCRRA employees for salaries, wages, overtime, and benefits.

## **9.9 Key Acronyms associated with Southern California Regional Rail**

ADA	Americans with Disabilities Act
Amtrak	National Railroad Passenger Corporation (intercity rail service)
APTA	American Public Transportation Association
AQMD	Air Quality Management District
ARRA	American Recovery and Reinvestment Act
BNSF	Burlington Northern Santa Fe Railroad
CAFR	Comprehensive Annual Financial Report
Caltrans	California Department of Transportation

CEQA	California Environmental Quality Act
CMAQ	Congestion Mitigation Air Quality
CMF	Central Maintenance Facility
CTC	California Transportation Commission
DBE	Disadvantaged Business Enterprises
DOL	Federal Department of Labor
DOT	Federal Department of Transportation
EIR	Environmental Impact Report
EIS	Environmental Impact Study
EPA	Federal Environmental Protection Agency
ETC	Employer Transportation Coordinator
FCR	Flexible Congestion Relief
FHWA	Federal Highway Administration
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
IEOC	Inland Empire to Orange County Line
ISTEA	Intermodal Surface Transportation Efficiency Act
ITS	Intelligent Transportation System
JPA	Joint Powers Authority
Metro	Los Angeles County Metropolitan Transportation Authority
MOC	Metrolink Operations Center
MOW	Maintenance of Way
LNG	Liquefied Natural Gas
MOU	Memorandum of Understanding
MTA	Los Angeles County Metropolitan Transportation Authority
OCTA	Orange County Transportation Authority
PA/CMS	Public Address/Changeable Message Sign
PERS	Public Employees Retirement System
PRESS	Passenger Rail Equipment Safety Standards
PTC	Positive Train Control
RCTC	Riverside County Transportation Commission
ROW	Right of Way
RTIP	Regional Transportation Improvement Program
RTPA	Regional Transportation Planning Agency
SANBAG	San Bernardino Associated Governments
SCAG	Southern California Associated Governments
SCAQMD	South Coast Air Quality Management District
SCRRA	Southern California Regional Rail Authority
SHA	State Highway Account
SPRR	Southern Pacific Railroad
STA	State Transit Assistance
STIP	State Transportation Improvement Plan
STP	Surface Transportation Program
TAC	Technical Advisory Committee
TCI	Transit Capital Improvement (funds/program)
TDA	Transportation Development Act

TEA-21	Transportation Equity Act for the 21 <sup>st</sup> Century
TIP	Transportation Improvement program
TSM	Transportation Systems Management
TVM	Ticket Vending Machine
UP	Union Pacific Railroad
VCTC	Ventura County Transportation Commission

## **9.10 Exhibits**

### **9.10.1 *Exhibit 9.1: FY2015-16 Formulae Used to Allocate Expenses by Member Agency***

This exhibit provides a listing of the allocation categories and the percentages allocated for each across member agencies.

### **9.10.2 *Exhibit 9.2: FY2015-16 Formulae Used to Allocate Expenses by Line***

This exhibit provides a listing of the allocation categories and the percentages allocated for each across the operating rail lines.

**9.10.1 Exhibit 9.1**

**FY2015-16 Formulae Used to Allocate Expenses by Member Agency**

Allocation	MTA	OCTA	RCTC	SANBAG	VCTC
Train Miles Lagged (FY14)	53.25%	23.55%	7.43%	11.91%	3.87%
FY16 Budget Train Miles	54.69%	21.08%	8.86%	11.31%	4.06%
Revenue Moves Thru LAUS	64.17%	12.68%	6.36%	13.11%	3.68%
Unduplicated Stations (Incl Buena Park)	44.07%	20.34%	15.25%	11.86%	8.47%
TVMs (Excl TOMs & Flower St)	41.30%	22.46%	15.94%	14.49%	5.80%
Ridership Lagged (FY14)	52.47%	22.77%	7.97%	13.89%	2.90%
Current Ridership w/o IEOC (Transfer Payments)	57.59%	19.20%	5.17%	14.29%	3.74%
FY16 Fare Revenue	50.78%	24.56%	8.31%	13.40%	2.96%
75% Train Miles Lagged/25% Unduplicated Stations	50.95%	22.75%	9.38%	11.90%	5.02%
S.B. Line Trn Miles - (60%-40%)	59.82%	0.00%	0.00%	40.18%	0.00%
SB Weekend	59.82%	0.00%	0.00%	40.18%	0.00%
S.B. Incremental (100% SANBAG)				100.00%	
Ven Line Trn Miles	61.41%	0.00%	0.00%	0.00%	38.59%
A.V. Line Trn Miles (combine wk and we)	100.00%	0.00%	0.00%	0.00%	0.00%
Riv Line Trn Miles	60.54%	0.00%	23.13%	16.33%	0.00%
O.C. Line Trn Miles (combine wk and we)	30.50%	69.50%	0.00%	0.00%	0.00%
O.C. Line Trn Miles - Incremental (100% OCTA)		100.00%			
OC MSEP		100.00%			
IEOC Line Trn Miles	0.00%	62.44%	32.04%	5.52%	0.00%
IEOC Weekday Incremental Trn Miles	0.00%	63.87%	35.78%	0.35%	0.00%
IEOC Line: San Bernardino-Oceanside		69.23%	24.18%	6.59%	
IEOC Line: Riverside-Oceanside		77.00%	23.00%		
91 Line Trn Miles	29.69%	27.86%	42.17%	0.28%	0.00%
Route Miles Dispatched	64.25%	19.28%	0.24%	10.19%	6.05%
All-Share (MoW)	47.50%	19.80%	11.10%	14.40%	7.20%
All-Share (MoW) w/o IEOC/MSEP	47.50%	19.80%	11.10%	14.40%	7.20%
Route Miles Owned (MoW Storm Damage)	57.55%	24.27%	1.07%	10.69%	6.41%
Undup Route Miles (Excl S.D.)	47.79%	17.28%	14.92%	9.99%	10.02%
MTA Train Miles	100.00%				
OCTA Train Miles		100.00%			
RCTC Train Miles			100.00%		
SANBAG Train Miles				100.00%	
VCTC Train Miles					100.00%

**9.10.2 Exhibit 9.2**

**FY2015-16 Formulae Used to Allocate Expenses by Line**

Allocation	San Bernardino	Ventura	Antelope Valley	Riverside	Orange County	OC MSEP	IEOC	91
Train Miles Lagged (FY14)	24.64%	10.06%	20.78%	8.23%	15.60%	3.85%	11.28%	5.55%
FY16 Budget Train Miles	22.87%	10.52%	22.38%	8.63%	16.28%	0.00%	12.65%	6.67%
Revenue Moves Thru LAUS	30.55%	12.61%	21.94%	8.72%	16.30%	0.00%	0.00%	9.89%
Unduplicated Stations (Incl Buena Park)	19.77%	17.23%	15.54%	9.32%	10.45%	4.24%	11.02%	12.43%
TVMs (Excl TOMs & Flower St)	20.77%	13.53%	15.70%	9.30%	10.02%	4.11%	12.92%	13.65%
Ridership Lagged (FY14)	28.62%	8.01%	15.83%	10.96%	19.91%		11.12%	5.55%
Current Ridership w/o IEOC (Transfer Payments)	30.80%	9.69%	17.62%	11.66%	24.36%	0.00%	0.00%	5.86%
FY16 Fare Revenue	27.55%	7.67%	14.29%	10.94%	24.25%	0.00%	9.69%	5.62%
75% Train Miles Lagged/25% Unduplicated Stations	23.43%	11.85%	19.47%	8.50%	14.31%	3.95%	11.21%	7.27%
S.B. Line Trn Miles - (60%-40%)	100.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%
SB Weekend	100.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%
S.B. Incremental (100% SANBAG)	100.00%							
Ven Line Trn Miles	0.00%	100.00%	0.00%	0.00%	0.00%		0.00%	0.00%
A.V. Line Trn Miles (combine wk and we)	0.00%	0.00%	100.00%	0.00%	0.00%		0.00%	0.00%
Riv Line Trn Miles	0.00%	0.00%	0.00%	100.00%	0.00%		0.00%	0.00%
O.C. Line Trn Miles (combine wk and we)	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%
O.C. Line Trn Miles - Incremental (100% OCTA)					100.00%			
OC MSEP						100.00%		
IEOC Line Trn Miles	0.00%	0.00%	0.00%	0.00%	0.00%		100.00%	0.00%
IEOC Weekday Incremental Trn Miles	0.00%	0.00%	0.00%	0.00%	0.00%		100.00%	0.00%
IEOC Line: San Bernardino-Oceanside							100.00%	
IEOC Line: Riverside-Oceanside							100.00%	
91 Line Trn Miles	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Route Miles Dispatched	31.35%	16.64%	28.69%	2.25%	7.05%	6.16%	6.97%	0.89%
All-Share (MoW)	21.94%	15.10%	15.90%	13.84%	16.85%		13.43%	2.94%
All-Share (MoW) w/o IEOC/MSEP	25.34%	17.44%	18.37%	15.98%	19.47%	0.00%	0.00%	3.39%
Route Miles Owned (MoW Storm Damage)	25.07%	18.60%	31.62%	1.54%	11.92%		10.29%	0.96%
Undup Route Miles (Excl S.D.)	14.39%	16.73%	18.17%	14.98%	7.78%	2.76%	11.12%	14.07%
MTA Train Miles	24.73%	11.82%	41.56%	9.41%	8.94%			3.55%
OCTA Train Miles					53.88%	0.00%	37.48%	8.64%
RCTC Train Miles	0.00%			23.13%			45.76%	31.12%
SANBAG Train Miles	81.40%			12.27%			6.17%	0.16%
Budget Adjustment	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
VCTC Train Miles		100.00%						