

FY17 Budget Status Update

Executive Management Committee

March 17, 2016

Budget Schedule

Board Schedule	
Jan-16	RAM initiatives for FY17
Feb-16	(1) Budget Planning Parameters for Assumptions and Service Levels
	(2) FY17 Preliminary Capital Program
Mar-16	Agencywide Bus and Rail Service Levels
Apr-16	Consolidated View of Draft Budget
May-16	Final Board Adoption – May 26

Outreach with key stakeholders:

- Board of Directors
- Senior Leadership Team and Executive Staff
- Regional Service Councils, Citizen Advisory Council (CAC), Technical Advisory Committee (TAC), and Bus Operations Subcommittee (BOS)
- Electronic media (e.g. social media, the Source, webinar, web page, etc.)

Public Outreach

- Outreach will be conducted throughout the budget process until budget adoption
- Anticipate over 50 briefings to be conducted with our Board, stakeholders and the public

Type	Description	Dates
Board Updates	Monthly Board Reports will provide status of budget process	Finance & Budget Committees (Feb/Mar/Apr/May)
Board Staff Briefings	Weekly meetings will be held on specific budget topics	Focused briefings (Mar 8 – May 6)
Stakeholder meetings	BOS and TAC meetings	Mar 15, May 17 Mar 2, May 4
Public	Service Council meetings On-Line Budgeting tool Monthly Podcasts on budget topics as provided to the Board Blog posts on theSource Website to provide latest budget information Metro Briefs Email for public to provide comments Public Hearing held in May to receive public comments	Mar 2-11, May 4-13 March - May Feb/Mar/Apr/May Feb/Mar/Apr/May On-going On-going On-going May 18
Board and Deputy briefings	Will be scheduled as requested by each of the Board offices	May 2 – May 25 (as requested)

Blue Line Project Summary

	Blue Line (in Millions)	Estimated Expenditure thru FY16	FY17	Future Forecast	Life of Project
1	Rail Vehicle Acquisition	26.7	6.9	586.1	619.7
2	Rail Vehicle Maintenance	30.2	19.7	58.8	107.1
3	Wayside Systems	132.4	32.6	84.3	260.1
4	Facilities	60.9	2.1	2.8	66.8
5	Security	10.5	1.0	4.5	16.0
6	Non-Revenue Vehicles	3.4	1.8	2.6	8.0
7	IT/Communications	1.5	1.3	2.8	5.8
8	Other Capital Projects	47.7	2.6	3.8	54.4
	Grand Total	\$ 313.3	\$ 68.1	\$ 745.7	\$ 1,137.9

- Over \$1.1B capital is planned to be invested in the Blue Line State of Good Repair effort since FY10 and in the future
- Future forecast extends to FY2020-21 and are not fully funded
- Existing forecast is based on age of assets; condition of assets to be incorporated as an additional factor for future forecasting

Revenue Service Hours

	BUS		RAIL		TOTAL	
	Hours	Var %	Hours	Var %	Hours	Var %
1 FY16 Budget	7,061,735		1,094,499		8,156,234	
2 RAM System Optimization Initiatives - Load Factor Enforcement and Rail Headway Consistency	(44,278)	-0.6%	(125,656)	-11.5%	(169,934)	-2.1%
3 Rail Extensions			285,971	26.1%	285,971	3.5%
4 Board-Approved Action (Line 501)	30,000	0.4%			30,000	0.4%
5 FY17 Currently Confirmed Service Levels	7,047,457		1,254,814		8,302,271	
6 Service Levels Pending Service Council Review/Public Hearing	(76,495)	-1.1%			(76,495)	-0.9%
7 FY17 Service Levels including Pending Items	6,970,962		1,254,814		8,225,776	
8 Change From FY16 Budget	(90,773)	-1.3%	160,315	14.6%	69,542	0.9%

BUS Changes

- Confirmed Changes
 - Implement Line 501 for full year
 - Implement Board adopted Load Standard
 - Bus Stop Consolidation
 - Expo II Bus/Rail Interface (Truncate Line 534 at Santa Monica from Culver City)
 - Line Management on Line 720 and Silver Line
- Items Pending Service Council Review/Public Hearing
 - Line Cancellation (Lines 190/194, 270)
 - Reinvest Some Line Cancellation (TBD)
 - Segment Cancellation (Line 460)
 - All Door Boarding on Silver Line

RAIL Changes

- Rail Extensions Impact
 - Implement Gold Line Foothill Extension 2A for full year
 - Implement Expo II to Santa Monica for full year

	Stations	Miles
Prior to Extensions	80	87
Foothill Extension to Azusa	6	12
Expo Extension to Santa Monica	7	7
FY17 with full year of extensions	93	106

- Reduce night headways on Blue, Expo, and Gold from 10 min to 20 min due to track maintenance constraints
- Reduce weekend Mid-Day/PM headways on Gold from 7.5 min to 12 min to match other rail lines
- Reduce span of service on all rail lines to 4:00am-1:00am on weekdays to provide more time for facility maintenance

Next Steps

- April committee meeting to review a consolidated view of draft budget
- Prepare a list of risks to the proposed budget
- Continue public outreach and schedule the public hearing for May
- Proposed budget book production
- May 26, 2016 – Adoption FY17 budget; projected to be a balanced budget