

# SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY

## Fiscal Year 2011-12 Proposed Budget

Presentation to  
BOARD OF DIRECTORS  
of the  
ORANGE COUNTY TRANSPORTATION AUTHORITY

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SCRRRA Chief Executive Officer  
May 23, 2011*



# **Our Commitment to the Board and Member Agencies in delivering the Fiscal Year (FY) 2011-12 budget was...**

*To...*

- enhance safety and security
- provide more service
- provide more value to our customers

*Not to...*

- ask for an increase in total subsidy
- raise fares



## What will we see in FY 2011-12:

- Increased efficiencies and cost savings from our major contractors
- Increased service offerings – **from 144 to 164 trains** – including Metrolink Service Expansion Program (MSEP) startup
  - *Express Service Pilot (round trip service at peak times)*
    - *San Bernardino to Los Angeles Union Station (LAUS)*
    - *Palmdale to LAUS*
  - *Restoration of weekend service on the Orange County (OC) Line*
  - *Promotional service opportunities – Dodgers/Angels*
- Continued focus on Corporate Partner Program (CPP) and revenue growth



# Metrolink at a Glance

## Proposed FY 2011-12 Budget

### SYSTEMWIDE

- 512 route miles on 7 lines
- 164 weekday trains
- 76 weekend trains  
(4 Summer Only Inland Empire – Orange County [IEOC])
- 2.7 million train miles
- 11.8 million trips
- 43,885 daily weekday riders

- Average Metrolink trip 38.2 miles

### ORANGE COUNTY

#### OC/91/IEOC Lines

- 249 Route Miles on 3 Lines
- 48 weekday trains  
(Initial 6 MSEP begin July 2011)
- 24 weekend trains
- 0.9 million train miles
- 4.0 million trips
- 15,198 daily riders (35%)



## Preliminary FY 2011-12 Budget Assumptions

- ✓ Assumes no systemwide fare increase.
- ✓ Budget to budget total fare collection growth is estimated at 7.55%
- ✓ Assumes 6 new MSEP trains between Fullerton and Laguna Niguel beginning in July 2011
- ✓ Includes the complete restoration of weekend services on the OC Line reduced in FY 10; seasonal summer service on the IEOC.
- ✓ Assumes diesel fuel @ \$3.40 per gallon



## Fare Revenues

(\$000's)	FY 10-11 Budget	FY 11-12 Proposed	Change	Ridership
Fare Revenues - Base	\$76,001	\$76,161	\$160	11,012,508
New Services - Net New Riders	-	\$2,723	\$2,723	393,853
Marketing Support – General	-	\$515	\$515	74,530
Marketing Efforts - CPP	-	\$2,228	\$2,228	322,242
Restored OC Weekend		\$110	\$110	40,635
MESP Service		?	?	
<b>Total – Fare Revenues</b>	<b>\$76,001</b>	<b>\$81,739*</b>	<b>\$5,738</b>	<b>11,843,768</b>
<b>Total – New Riders</b>				<b>831,260</b>
<b>Projected Farebox Recovery</b>	<b>43.8%</b>	<b>45.5%</b>		
<b>Total – Revenue Recovery</b>	<b>52.8%</b>	<b>54.8%</b>		
<b>Member Agency Share</b>	<b>47.2%</b>	<b>45.2%</b>		
<b>Change in Member Agency Share</b>			<b>(2%)</b>	



<b>Cost Increases within the FY11-12 Budget</b>		<b>(\$000)</b>
Fuel Costs	\$2.40 / gal to \$3.40 / gal	\$7,268
Utilities / Leases	phone/electricity/multiprotocol label switching network	\$1,017
Transfers to Operators	ridership/rate increase	\$826
Rail Agreements	agreement rate increases/new service	\$448
Marketing	new service/connectivity marketing	\$292
Operating Staff Labor	transfers from contractors/filling needed vacancies	\$1,676
New Services	costs excluding fuel	\$1,458
All Other Increases		\$2,744
	Subtotal	\$15,729
<b>Total Proposed FY 11-12 Budget Net Increase</b>		<b>\$6,345</b>



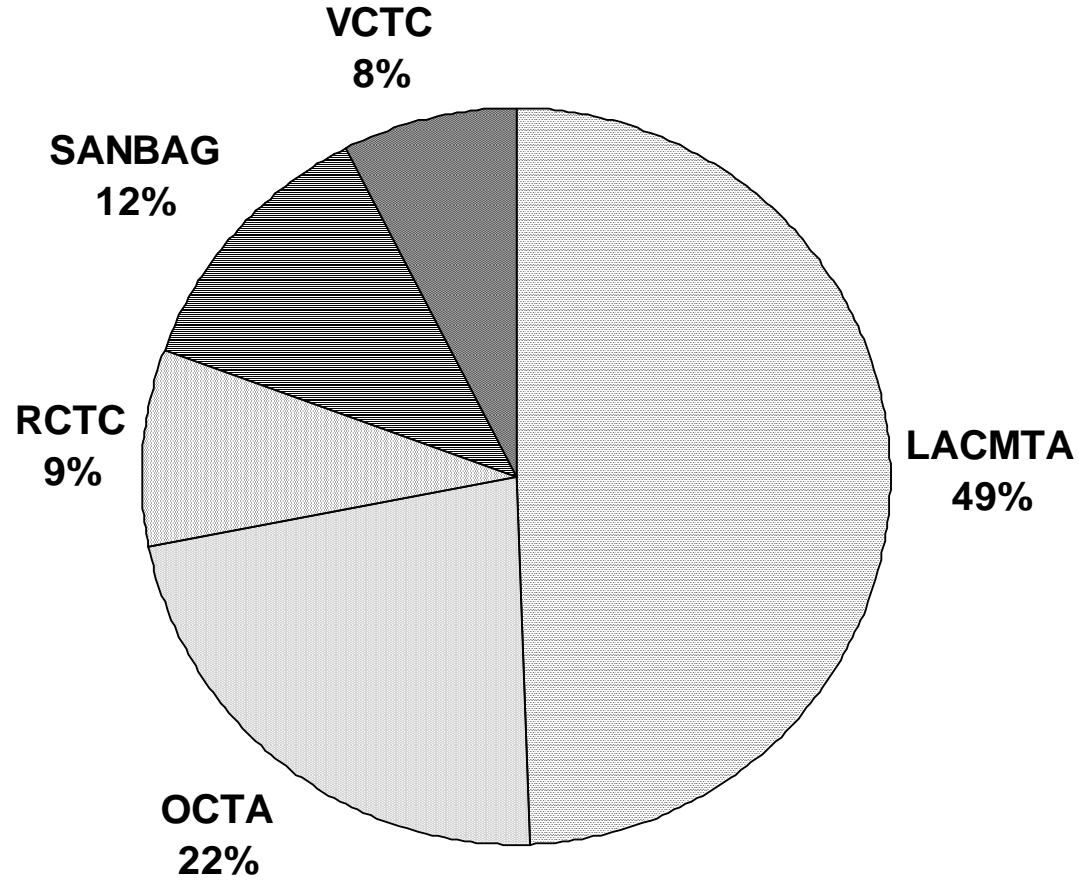
<b>Proposed FY 11-12 Budget</b> \$ Millions	<b>FY11-12 Proposed</b>	<b>FY11-12 OCTA</b>
<b>Operating Expense</b>		
Train Operations	\$112.2	\$25.1
Maintenance of Way	\$26.5	\$5.9
Admin Services & Insurance	\$40.9	\$8.2
<b>Subtotal: Operating Expense</b>	<b>\$179.7</b>	<b>\$39.2</b>
<b>Operating Revenue</b>		
Fares	\$81.7	\$17.2
Dispatching	\$2.9	\$0.9
Payments from other railroads (Freight/Amtrak)	\$13.0	\$2.6
Other	\$0.9	\$0.2
Subtotal: Operating Revenue	\$98.5	\$20.9
<b>Member Agency Contribution (Subsidy)</b>	<b>\$81.2</b>	<b>\$18.2</b>
<b>Subsidy Change from FY11</b>	<b>\$(0.6)</b>	<b>\$(2.0)</b>





# Member Agency Shares: Operating Contributions

## FY 11-12 Proposed Operating Budget



## FY 11-12 Proposed Rehabilitation and Renovation New Authorization Request

Infrastructure Category		System	Orange County
	Track and Structures	\$ 2,347,676	\$304,183
	Signal & Communications	\$6,344,184	\$1,453,325
	Equipment – Rolling Stock	\$7,202,134	\$1,276,297
	Other	\$2,060,000	\$807,382
	<b>Total</b>	<b>\$ 17,953,994</b>	<b>\$ 3,841,187</b>
<b>Allocated by Railroad Subdivision</b>			
	San Gabriel	\$1,983,930	-
	Antelope Valley	\$612,719	-
	Ventura	\$1,464,150	-
	Orange County	\$1,422,880	\$1,422,880
	Inland Empire / Orange County	\$182,664	\$182,664
	River (Redondo Junction to Burbank)	\$2,850,000	\$517,139
	System-wide (includes Rolling Stock)	\$9,437,651	\$1,718,54
	<b>Total</b>	<b>\$ 17,953,994</b>	<b>\$3,841,187</b>



## Issues and Opportunities

- The FY 2011-12 budget reflects our actual operation
- Rail 2 Rail Program costs/changes
- MSEP potential revenues
- Utilities assessment to optimize green efficiencies
- Amtrak negotiations on fee and cap
- Uncertainty of fuel prices
- If fuel prices continue to spike, adjustments may need to be made



## Proposed resolution related to the procurement of passenger rail cars.

OCTA purchased 22 passenger rail cars in excess of the current MSEP requirement that will be assimilated into the general fleet and funding will be apportioned to all Member Agencies.

Total Vehicles (22) @ \$1.840 million per = \$40.480 million

LACMTA :	\$19.228
OCTA:	\$ 8.015
SANBAG:	\$ 5.829
RCTC:	\$ 4.493
VCTC:	<u>\$ 2.915</u>
<b>TOTAL:</b>	<b>\$40.480</b>
Less OCTA	(\$ 8.015)
<b>Balance*:</b>	<b>\$32.465</b>

*\*This balance is proposed to be repaid through a series of reimbursements or credits to future capital contribution requirements pending agreement among the Member Agencies*



Questions?

