



 LONG BEACH TRANSIT

BUDGET BOOK

FY 2017



Dedicated to
connecting communities
and moving people . . .
making everyday life better



LONG BEACH
TRANSIT



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Introduction

To: Long Beach Transit Board of Directors

From: Kenneth A. McDonald
President and CEO



Subject: LBT's Fiscal Year 2017 Operating and Capital Budgets

The state and local economies continue a moderate recovery from the Great Recession that plagued the United States and impacted the global economy from December 2007 through June 2009. Seven years later, Long Beach Transit stands on firmer financial ground. Nevertheless, more work needs to be done in rebuilding LBT's reserves, balancing the budget and ensuring the sustainability of its pensions.

LBT, like many other transit agencies nationwide, continues to face numerous challenges, such as escalating pension and health care costs, stagnant subsidies and transit ridership declines. Despite these factors, LBT remains financially steady and I am able to present a balanced budget for FY 2017.

Vision

With the LBT Board of Directors-initiated vision *"A leading provider of transportation options delivering innovative and high-performing services within a multi-modal network that transforms the social, environmental and economic well-being of the diverse communities we serve,"* LBT will continue to forge ahead encompassing our strategic priorities to reinforce all aspects of LBT's core business processes and enhance our customers' experiences.

Organizational Structure and Strategy

LBT's Executive Leadership Team (ELT), with the assistance of management staff, undertook the creation of a new Mission Statement, developing Strategic Priorities, establishing Corporate Values and identifying Leadership Competencies.

All LBT employees and stakeholders can be proud of our new Mission Statement, which appropriately reflects LBT's core business.

Mission

***Long Beach Transit is dedicated to connecting communities
and moving people...making everyday life better.***

LBT's Values were established in conjunction with and support of our Mission Statement. These Values are:

- ***Consider "Customer First" in Decision Making***
Meet the needs and expectations of our internal/external customers and support each other in the process. Be of service to others.
- ***Be Open to New Ideas and Continuous Improvement***
Create a workplace environment where suggestions, contribution and initiative are welcome and valued. Make things better.
- ***Cultivate Employee Potential***
Strengthen the organization through development and training opportunities. Take initiative to develop oneself.
- ***Be Proactive***
Identify problems and more importantly, seek solutions. Take personal ownership, especially when things go wrong.
- ***Operate with Integrity***
Promote and do what is in the best interest of LBT. Do what is right, especially when no one is watching.

The ELT identified 10 Leadership Competencies to guide the behavior of leaders within the organization and assist each team member with core proficiencies for strong, successful leadership within LBT. Listed below are the competencies which include a description of what these competencies expect of LBT supervisory and management employees.



Building & Leading a High-Performing Team:

Selects and aligns the right people striving for the same goal. Creates a team environment of inclusion. Holds team accountable to established charters, roles, responsibilities and meaningful outcomes to LBT. Celebrates team success to drive performance.

Organizational Stewardship:

Protects and increases organizational revenue. Embodies the ethical responsibility of planning and managing public resources. Encourages an environment for success today and into the future. Empowers employees with the right tools to better serve our customers, stakeholders and communities.

Stakeholder Management:

Establishes strategies for dealing with stakeholder concerns, demonstrates focused listening, uses innovative thinking to resolve challenges. Manages expectations, strives for consensus and alignment, and actively seeks solutions.

Emotional Intelligence – “It’s all about the people”:

Spends the extra effort to put others at ease. Ability to be in tune with your and others’ emotions. Appropriately expresses emotion and reads non-verbal cues. Easy to approach and to talk to. Courage to take calculated risks while creating and sustaining a supportive environment.

Flexibility & Agility:

Approaches change as an opportunity and positively look for ways to explore solutions. Adapts to a variety of situations and adjusts one’s behavior as needed. Nimble and agile to a changing environment. Open to and provides innovative ideas.

Coach, Motivate & Develop Employees:

Creates a climate in which people want to do their best. Motivates, energizes, and empowers direct reports, teams, and project members. Tailors coaching to the individual and situation. Provides candid, positive and constructive feedback. Guides individuals toward goal achievement.

Manage Employee Performance:

Sets clear performance goals and behavioral expectations that align with LBT’s strategic priorities with the understanding of total accountability. Actively facilitates development planning with employees. Consistently manages and coaches employees for improved performance. Effectively and genuinely recognizes and rewards employees.

Communicate & Inform:

Shares accurate and critical information throughout the organization. Actively encourages and promotes open communication. Practices active listening and encourages feedback. Strives for collective understanding. Enables accurate and timely decision making.

Operational Excellence:

Translates organizational and departmental goals into action plans. Sets stretch goals and establishes performance measures to achieve desired outcomes and performance excellence. Delegates appropriately. Empowers employees to carry out action plans. Holds employees accountable while maintaining responsibility for results.

Problem Solving:

Identifies, verifies and prioritizes problems within the organization and sees them as opportunities. Proactively engages involved parties, gathers factual data, analyzes options (looking beyond the obvious) and comes up with effective solutions. Manages conflicting issues, collaborates and seeks common ground.

The Vision Statement, joined by the Mission Statement, Values and Leadership Competencies all support and have a clear connection to LBT's five Strategic Priorities—which are the functional pillars of the organization and guide LBT's organizational strategies, processes and people.

LBT is continuing to improve its processes by including quantitative analyses in the agency's decision-making process. Key Performance Indicators (KPIs) have been developed from the agency's strategic priorities for greater in-depth analysis of LBT's overall services, internally and externally.



Fiscal Stability

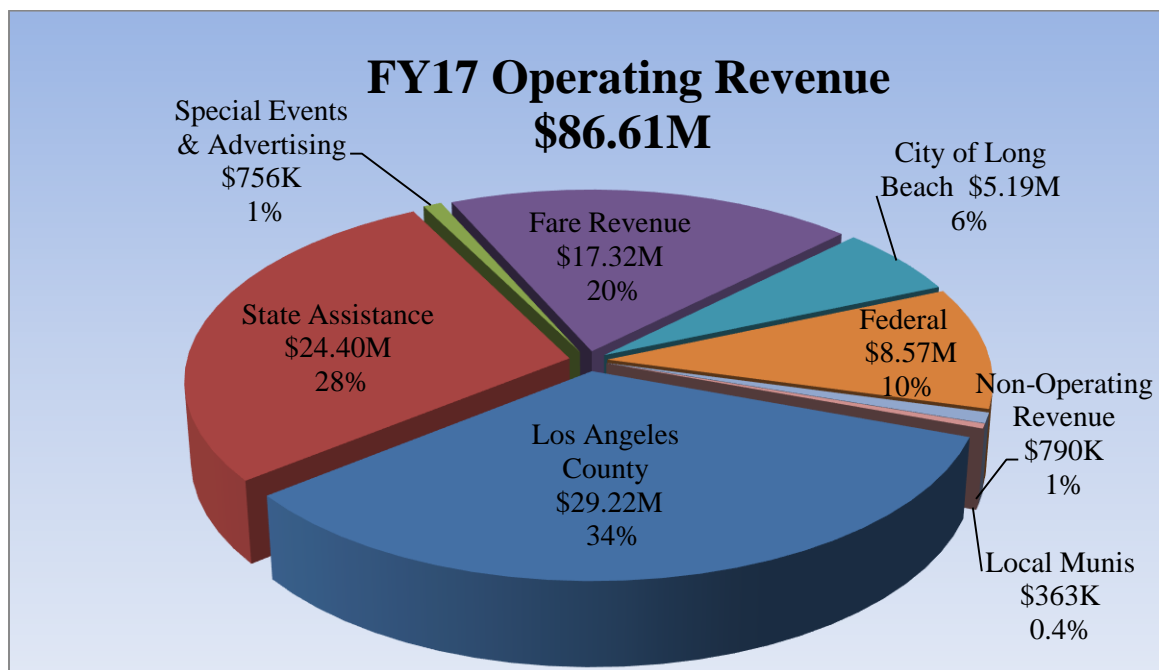
To build on the progress we have made post-recession, this balanced budget controls costs while not comprising critical resources—the commitment to invest in our employees and our community remains key. This budget ensures our fiscal health and aligns revenue and expenses. Cost drivers of our day-to-day operations include:

- Pension
- Health care
- Labor
- Fuel

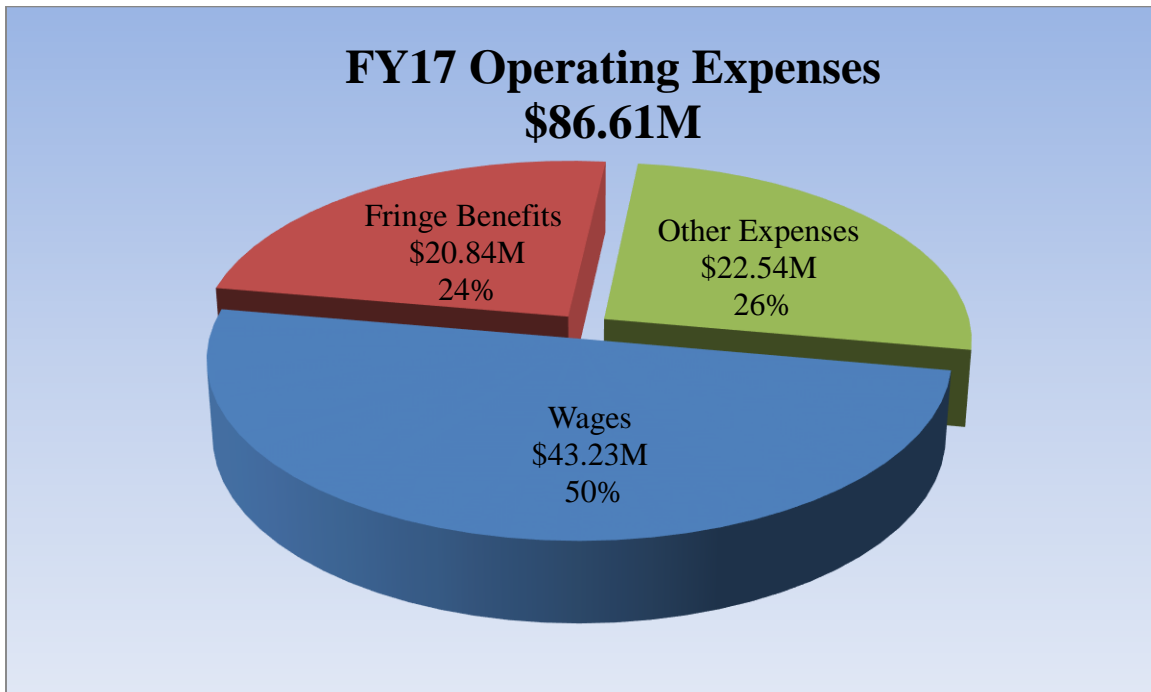
FY17 Operating Revenue Highlights

It is LBT's policy to maintain the fiscal integrity of its operating budget. This is accomplished by ensuring that ongoing operating costs do not exceed the amount of incoming revenue. Daily operations are financed by fare revenue, annual sales tax subsidies received from state and county funding programs and other revenue such as income generated from bus advertising, special service/events and filming.

The amount of annual operating sales tax subsidies received is largely based on a regional formula comprised primarily of fare revenue collected and vehicle revenue miles traveled. For FY 2017, subsidy revenue is stagnant and farebox revenue has declined. As a result, LBT's growth and ability to expand transit services is constrained.



FY17 Operating Expenses Highlights



Pension

During FY 2017, LBT will continue to address challenges within our pension plans by adjusting the expected rate of return on investments. The result of this change in assumptions requires LBT to address the structural deficit of the pension programs by increasing the short-term funds into the pension plans to ensure sustainability in the future. In being fiscally conservative today, LBT will be better positioned in outlying years.

Health Care

Health care costs continue their steady climb and are increasing.

- The cost of coverage is increasing by six percent
- The average annual cost of coverage for both LBT and employees is increasing to \$12,724 in 2017 compared to \$12,000 in 2016

While health care costs continue to outpace inflation, offering competitive benefits are critically important in order to retain and attract high quality employees. With rapid changes occurring within the health care industry, LBT will continue to look at concepts that can help to minimize exposure in the future.

Staff Development

This budget includes an emphasis on developing and enhancing staff skill sets with a dedicated line item specifically for training. Additional areas within the budget to help maintain and cultivate employee skills include association dues, subscriptions, conferences and tuition reimbursement.

Job Access and Reverse Commute Program

In 2014, LBT applied for funding through the federal Job Access and Reverse Commute Grant program, or JARC.

The JARC program, which is no longer in existence, was designed to address the unique transportation challenges faced by many disadvantaged communities and low-income persons seeking to obtain and maintain employment.

In FY 2016, LBT implemented the Route 1 Service Extension project. Route 1 formerly operated between the 1st Street Transit Gallery in downtown Long Beach and the Metro Blue Line Wardlow Station across densely populated low-income areas of western and downtown Long Beach.

Route 1 now provides a direct connection between major employment centers located along the route, such as downtown Long Beach, StubHub Center, the SouthBay Pavilion Shopping Center and the California State University, Dominguez Hills.

Comprehensive Operational Analysis

Included in the FY 2017 operating budget is funding to perform a Comprehensive Operational Analysis (COA). This project is intended to provide an in-depth study of LBT's transit system and develop a plan that evaluates the overall structure and delivery of LBT's transit services.

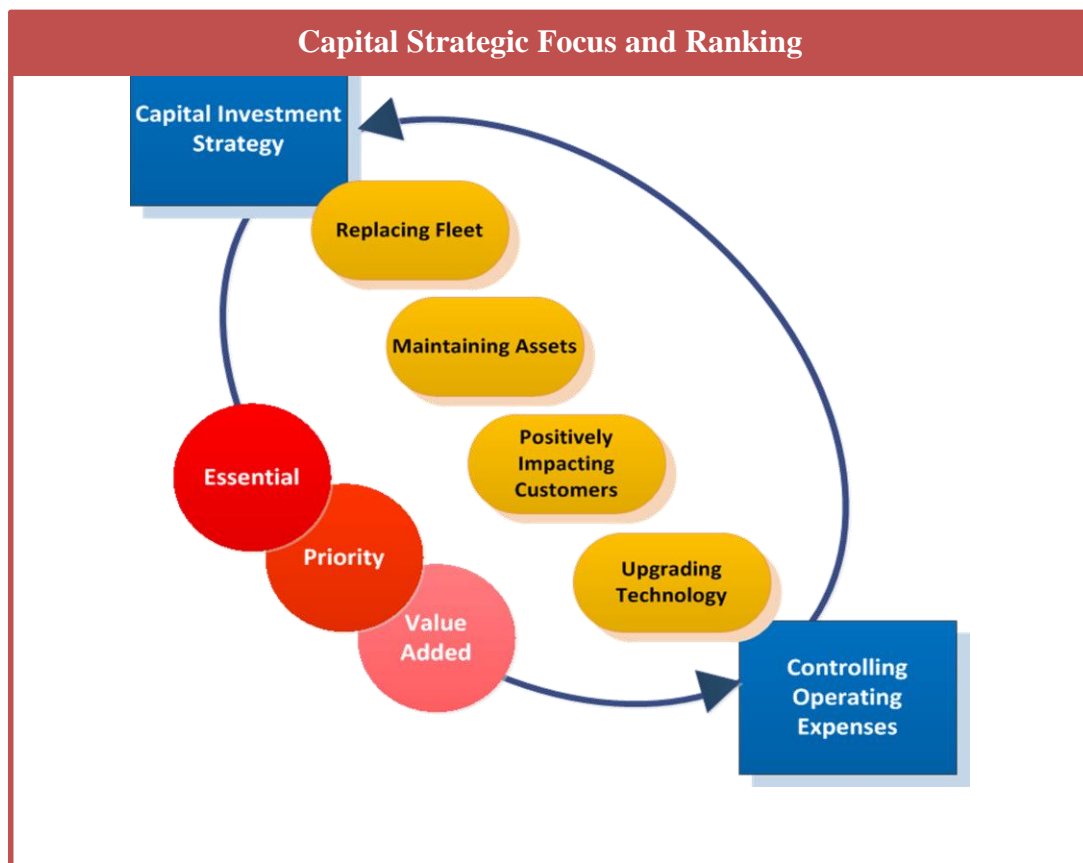
The analysis will determine the most effective and efficient use of existing and future transit resources by using approaches such as public participation to provide service including current and future recommendations.

The COA will provide LBT with a guide for the development of service plans that will improve service delivery to our customers and meet the region's evolving transportation and travel needs.

Capital Strategic Priorities

The FY17 capital projects were developed in alignment with LBT’s capital strategic focus. The capital projects were proposed by managers and the proposals were reviewed by the Key Performance Indicator (KPI) team. The KPI team is a cross-departmental matrix team that evaluated the proposed capital projects based on the project priority ranking system (Essential, Priority, and Value Added). Within these categories, essential projects were funded first, followed by priority projects. Value-added projects are funded last—if they cannot be funded in the capital budget, LBT’s Government Relations staff can then seek other sources of funding.

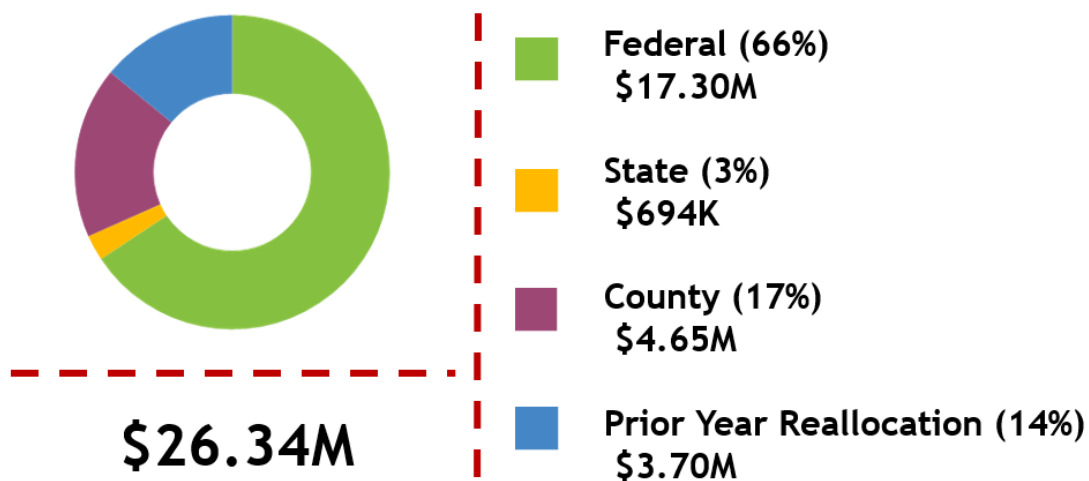
The Executive Team reviewed the KPI team’s recommendations to ensure that the FY17 capital budget best reflects LBT’s Strategic Priorities and capital strategic focus. For LBT customers, it means the organization is prioritizing spending to positively impact customers while upgrading technology, replacing the vehicle fleet and maintaining existing assets.



Capital Funding

The agency procures the majority of its capital assets through annual grants awarded through the Federal Transit Administration. The federal grants are allocated by region under Section 5307 of the Fixing America's Transportation System (FAST) Act. The agency is eligible to receive funds based on a formula allocation and discretionary money for specific projects, such as bus procurements.

President Obama signed into law FAST Act on December 4, 2015, establishing funding levels and federal policy for the nation's highways and public transit systems for fiscal years 2016 through 2020. This is the first long-term surface transportation bill in 10 years, since the passage of the Safe, Accountable, Flexible, Efficient Transportation Equity Act (SAFETEA-LU): A Legacy for Users in 2005.



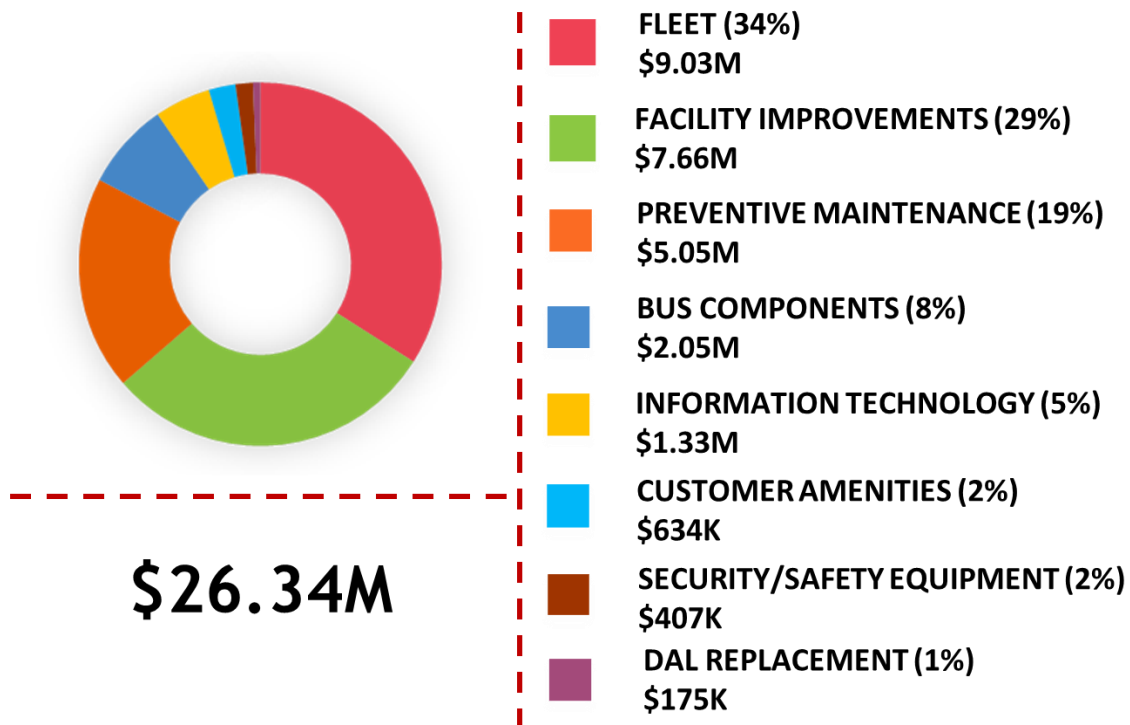
LBT has no debt and only uses available grant funds to procure capital acquisitions. The agency has no plans to issue debt and our policy is to continue to fund future capital needs on a pay-as-you-go basis through formula and discretionary grants.

Capital Projects

The FY17 capital projects were evaluated in relation to one another in terms of need, scope and cost to ensure the most efficient resource allocation. This allows LBT to further its goal of long-term planning by evaluating possible options and then prioritizing decisions in light of environmental and resource constraints.

The proposed capital budget for Fiscal Year 2017 is approximately \$26 million, which includes:

- Fleet Replacement
- Preventive Maintenance
- Information Technology Upgrades
- Facilities and Bus Stop Improvements and Upgrades
- Bus Components to maintain our assets in a “like-new” condition



The complete list of projects is located under the capital budget tab.

I express my appreciation to the ELT and management staff for their diligence in developing a balanced budget that maintains a spending level consistent with LBT's available revenues. I extend special thanks and recognition to the Finance and Budget Department for their laborious efforts coordinating the process.

I welcome the opportunities and challenges that LBT faces in the future and am confident that FY 2017 will bring us closer to building our world-class transit agency together.

Thank you.

Long Beach Transit At-A-Glance



Long Beach Transit (LBT) operates a public transit system with a wide range of services, including:



- Fixed-route bus service
- Demand responsive paratransit service (Dial-A-Lift)
- Water taxi service (AquaBus and AquaLink)
- Community special services (such as the summer Museum Express)

Service Area Statistics

98 square-miles, covering the cities of Long Beach, Lakewood and Signal Hill—as well as portions of Artesia, Bellflower, Carson, Cerritos, Compton, Hawaiian Gardens, Los Alamitos, Norwalk, Paramount and Seal Beach.

- 800,000 residents live within one-quarter mile of LBT bus stops
- 28.6 million boarding customers
- LBT routes connect to Los Angeles Metro, OCTA and other regional operators
- Customers can transfer between these services with a special interagency transfer that can be loaded on TAP, the regional LA County monthly EZ Pass, or the OCTA and LBT Day Pass
- Dial-A-Lift service is available to Long Beach, Lakewood and Signal Hill residents

Accessibility

All LBT Fixed Route and Water Taxi vehicles are 100 percent wheelchair accessible.

Water Taxis

- LBT's two 40-passenger AquaBus vessels travel through the Long Beach Harbor between waterfront attractions such as the Queen Mary, the Aquarium of the Pacific, Pine Avenue Circle, and Shoreline Village.
- LBT's AquaLink I & II are 70-passenger high-speed catamarans that operate along the length of the Long Beach coast, from the Long Beach Harbor to Alamitos Bay Landing.



Long Beach Transit's (LBT) desire and ability to partner with a variety of local community organizations over the years has helped us accomplish our mission of enhancing and improving the quality of life for the residents of the communities that we serve. Here are a few successful partnership examples:

Regional Transit Access Pass (TAP)

- TAP is a regional fare instrument that is a durable, eco-friendly, "smart card" that contains state of the art smart chip technology designed to improve the transit experience.
- The TAP card enables public transit customers to electronically purchase and load bus and rail passes on one convenient card which allows customers to seamlessly travel among all TAP-enabled systems within Los Angeles County.
- LBT had a soft launch of its TAP system in April 2014 and transitioned all LBT customers in February 2015.



Southern California Regional Transit Training Consortium (SCRTTC)

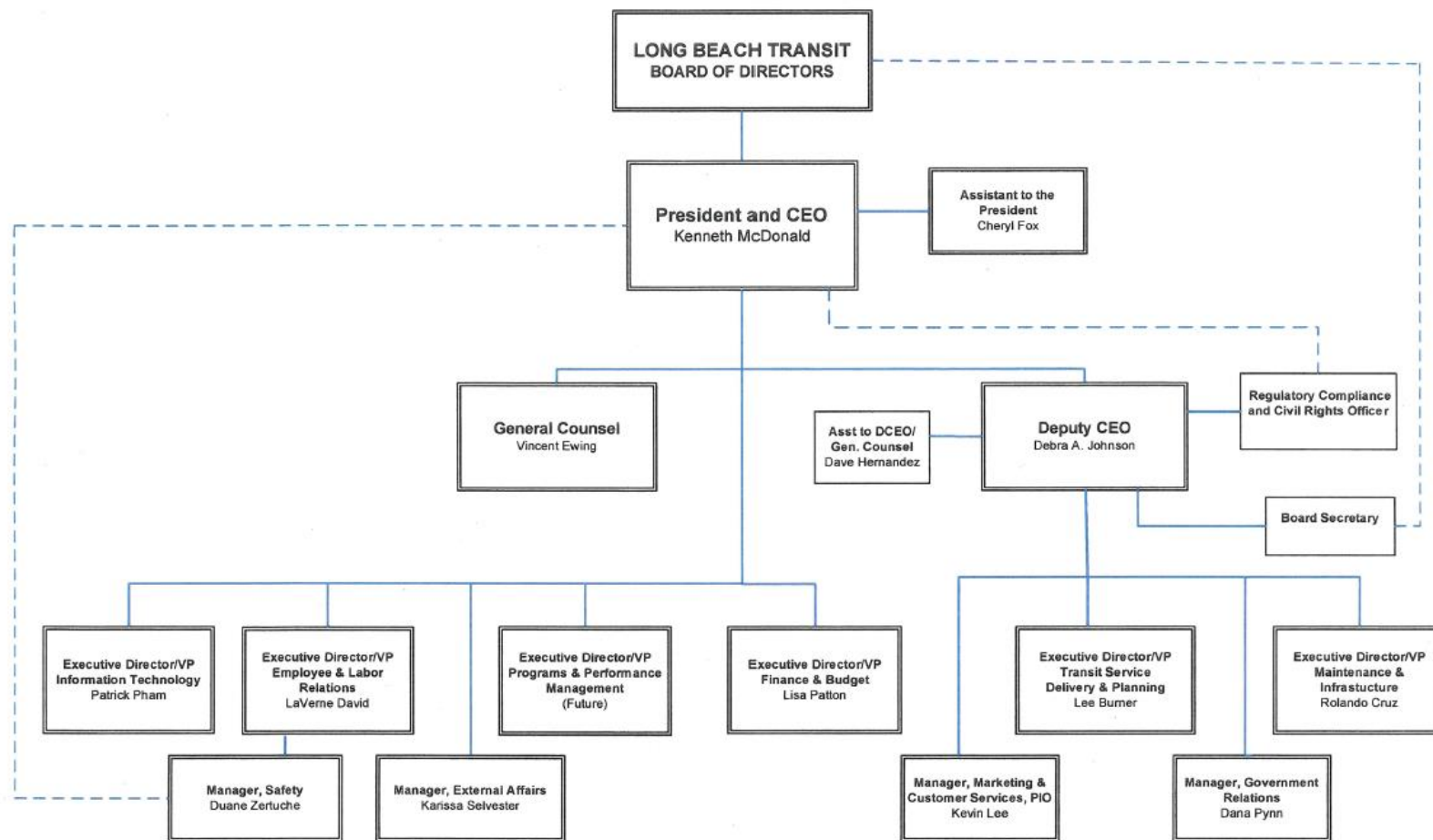
- SCRTTC is a non-profit organization made up of Southern California community colleges, public transportation agencies and universities working together to deliver training courses to public transportation employees throughout Southern California.
- SCRTTC provides benefits to the transit industry and educational institutions by the development of a bottoms-up, industry-driven competency based curriculum.

Public-Private Partnerships

LBT utilizes innovative community partnerships to help in the provision of cost-effective service and programs to LBT customers.

- Global Paratransit, Inc., provides LBT's Dial-A-Lift paratransit service.
- Catalina Express operates LBT's water taxis which provides service along the Long Beach coast.
- California State University, Long Beach has pioneered our U-PASS program in which the university pays to allow students, faculty and staff to ride any LBT bus throughout the regular school year.
- The Rider Rewards Program partners with local businesses to provide discounts when customers present their bus pass.
- The Belmont Shore Employee Rider Pass Program, funded through the Belmont Shore Business Association, allows employees in the area to ride LBT, thereby helping to offset the area's parking congestion.





Approved: 

May 11, 2016

Maricela de Rivera
Chair

Sumire Grant
Vice Chair

Mary Zendejas
Secretary/Treasurer

Colleen Bentley
Director

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Director

Nancy Pfeffer
Director

Barbara Sullivan George
Director

Amy Bodek
City Representative, City of Long Beach

Eric Widstrand
City Representative, City of Long Beach

Kenneth A. McDonald
President and Chief Executive Officer

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Revenue



SOURCES OF OPERATING REVENUE - FY 2017

REVENUE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
Fare Revenue:			
Regular Cash Fares	\$ 9,871,900	\$ 9,427,974	\$ 9,800,038
Regular Pass Sales	1,206,850	1,162,481	1,208,359
Regular Day and 5-Day Pass	1,073,500	960,313	998,214
Interagency Transfers	961,590	792,369	823,640
Special/Senior Cash Fares	1,583,740	1,670,058	1,735,968
Special/Senior Pass Fares	911,160	472,937	491,603
Senior Day and 5-Day Pass	205,680	239,373	248,822
Student Pass Fares	2,421,250	1,653,580	1,718,839
Dial-A-Lift Fares	100,900	89,600	94,800
Water Taxi Fares	197,700	194,900	202,590
Total Fare Revenue	\$ 18,534,270	\$ 16,663,585	\$ 17,322,873
Special Events	\$ 12,000	\$ 25,000	\$ 12,000
Advertising	613,000	743,132	744,000
Non-Operating Revenue			
Investment Revenue	241,500	328,674	329,000
Identification Cards	500	684	500
Alternative Fuel Tax Credits	0	651,836	440,000
Miscellaneous	20,000	13,164	20,000
Total Non-Operating Revenue	\$ 262,000	\$ 994,358	\$ 789,500
Subsidy Revenue:			
Prop A Local Return			
- City of Long Beach	\$ 5,944,658	\$ 5,190,603	\$ 5,190,603
Local Municipalities	261,500	285,098	362,635
Los Angeles County	28,179,965	27,263,734	29,219,169
State Assistance	24,750,741	24,914,093	24,402,408
Federal	7,267,476	6,966,777	8,571,182 (1)
Total Subsidy Revenue	\$ 66,404,340	\$ 64,620,305	\$ 67,745,997
TOTAL REVENUES	\$ 85,825,610	\$ 83,046,380	\$ 86,614,370

NOTE: The allocation of operating subsidies is based on the most recent annual funding marks supplied by Los Angeles County Metropolitan Transportation Authority (Metro). These funding marks are actual and anticipated. However, the Metro Board has not yet adopted final funding marks. The Board will be advised should the funding marks be materially changed during the fiscal year.

(1) Federal subsidy revenue - others includes the following funds:

Job Access Reverse Commute (JARC)	\$ 640,000
Preventative Maintenance (PM)	\$ 7,459,358
NTI Funded Training	\$ 20,000
California Dept. of Transportation (Caltrans)	\$ 451,824



OPERATING REVENUE BY MODE - FY 2017

Estimated FY 2016

Source	Total	Fixed Route	Dial-A Lift	Other	
Fares	\$ 16,663,585	\$ 16,379,085	\$ 89,600	\$ 194,900	(1)
Special Events	25,000			25,000	
Advertising	743,132	743,132			
Non-Operating	994,358	994,358			
Local Return-City of Long Beach	5,190,603	4,796,671		393,932	(2)
Local Municipalities	285,098	228,078	57,020		
Job Access Reverse Commute (JARC)	1,630,250	1,630,250			
Foothill Mitigation	643,938	643,938			
BSIP	795,102	795,102			
Prop A Discretionary	13,268,305	13,081,600	186,705		
Prop C-Security Program	1,642,898	414,210		1,228,688	(2)
Caltrans Federal Operating	140,000	140,000			
Service Expansion Program	2,202,797	2,202,797			
Measure R	8,710,694	8,710,694			
LCTOP Cap and Trade	163,378	163,378			
TDA	21,396,800	20,331,805	543,845	521,150	(1)
STA	3,353,915	3,353,915			
Federal-prev. maint./training	5,196,527	5,196,527			
Total Revenues	\$ 83,046,380	\$ 79,805,540	\$ 877,170	\$ 2,363,670	
Vehicle Service Hours		715,952			
Cost per VSH		\$ 111.47			

Proposed FY 2017

Source	Total	Fixed Route	Dial-A Lift	Other	
Fares	\$ 17,322,873	\$ 17,025,483	\$ 94,800	\$ 202,590	(1)
Special Events	12,000			12,000	
Advertising	744,000	744,000			
Non-Operating	789,500	789,500			
Local Return-City of Long Beach	5,190,603	4,880,997		309,606	(2)
Local Municipalities	362,635	290,108	72,527		
Job Access Reverse Commute	640,000	640,000			
Foothill Mitigation	658,794	658,794			
BSIP	809,811	809,811			
Prop A Discretionary	14,546,127	14,368,064	178,063		
Prop C-Security Program	1,768,394	412,500		1,355,894	(2)
Caltrans Federal Operating	451,824	451,824			
Service Expansion Program	2,243,518	2,243,518			
Measure R	9,192,525	9,192,525			
TDA	22,588,861	21,467,811	563,530	557,520	(1)
STA	1,813,547	1,813,547			
Federal-prev. maint./training	7,479,358	7,479,358			
Total Revenues	\$ 86,614,370	\$ 83,267,840	\$ 908,920	\$ 2,437,610	
Vehicle Service Hours		715,727			
Cost per VSH		\$ 116.34			

(1) Other costs represent water taxi service

(2) Other costs represent transit police program



DESCRIPTION OF OPERATING REVENUES - FY 2017

Advertising Revenue

Revenues generated from the sale of advertising space on the exterior of Long Beach Transit buses.

Alternative Fuel Credits

Federal fuel credits received for the use of alternative fuel in buses particularly Compressed Natural Gas (CNG).

Caltrans/SCAG

California Department of Transportation funds are federal monies awarded for the Comprehensive Operational Analysis Project.

City of Long Beach

The City allocates a portion of its Proposition A funds to Long Beach Transit which can be allocated for operating or capital purposes.

Fare Revenue

Monies collected from the farebox, transfers, tokens, daily, five-day and monthly passes, 25-ride coupons, Dial-A-Lift, AquaBus and AquaLink rides.

Federal

The Federal Transit Administration allows Long Beach Transit to fund its preventative maintenance costs with capital funding. However, the costs and the revenue must remain in the operating budget.

JARC

Job Access Reverse Commute funds are federal monies awarded through the Los Angeles County Metropolitan Transportation Authority (Metro) to fund the route 1 extension that started in August 2015.

Local Municipalities

Proposition A Local Return funds received from seven municipal jurisdictions served by Long Beach Transit. They are Bellflower, Carson, Cerritos, Hawaiian Gardens, Lakewood, Paramount, Seal Beach and Signal Hill.

Los Angeles County

Metro allocates the following revenues to the Company using the county's Formula Allocation Process (FAP). These revenues, Proposition A, Proposition C and Measure R funds, are derived from ½ cent local sales tax initiatives.

- Bus System Improvement Program (BSIP) monies. Allocated to relieve overcrowding on transit dependent service lines.



DESCRIPTION OF OPERATING REVENUES (Con't) - FY 2017

Los Angeles County (Con't)

- Foothill Mitigation funds. Allocated to minimize funding impacts of adding Foothill Transit as a municipal operator.
- Measure R funds. Not specific to a service type.
- Proposition A Discretionary monies. Not specific to a service type.
- Proposition C Security monies. Allocated for security projects such as the transit police program.
- Proposition C Municipal Operator Service Improvement Program (MOSIP) monies. Allocated for service enhancements and used as a match for our federal capital grants which include preventative maintenance funds.
- Proposition A and C Interest. One-time allocation of interest earned on Proposition A and C funds maintained by Metro.
- Service Expansion funds. Allocated for expansion or introduction of fixed-route bus service in congested corridors.

Non-Operating Revenue

Miscellaneous revenues mainly comprised of investment income.

Special Events

Revenue collected by providing reserved service to community groups and events such as the Grand Prix and Museum Express program.

State Assistance

Transportation Development Act (TDA) and State Transportation Assistance (STA) funds generated by a portion of the gasoline sales tax and distributed by Metro.



Expenditures



OPERATING BUDGET SUMMARY - ALL DEPARTMENTS - FY 2017

	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Transit Service Delivery and Planning	\$ 27,381,030	\$ 27,427,650	\$ 28,335,460
Maintenance	8,475,120	8,273,780	8,623,630
Administration	5,868,700	5,625,100	6,266,630
	<u>\$ 41,724,850</u>	<u>\$ 41,326,530</u>	<u>\$ 43,225,720</u>
FRINGE BENEFITS			
Transit Service Delivery and Planning	\$ 10,613,090	\$ 11,172,450	\$ 11,320,380
Maintenance	3,800,070	4,075,000	3,880,050
Administration	5,700,710	5,979,760	5,645,050
	<u>\$ 20,113,870</u>	<u>\$ 21,227,210</u>	<u>\$ 20,845,480</u>
OTHER EXPENSES			
Transit Service Delivery and Planning	\$ 3,833,420	\$ 3,876,830	\$ 4,191,850
Maintenance	4,114,790	3,916,890	4,116,170
Fuel & Lubricants	7,265,480	4,811,150	5,770,260
Administration	8,773,200	7,887,770	8,464,890
	<u>\$ 23,986,890</u>	<u>\$ 20,492,640</u>	<u>\$ 22,543,170</u>
TOTAL OPERATING BUDGET	<u><u>\$ 85,825,610</u></u>	<u><u>\$ 83,046,380</u></u>	<u><u>\$ 86,614,370</u></u>



DESCRIPTION OF OPERATING EXPENDITURES – FY 2017

Advertising

Customer Service uses an external advertising agency to assist with promotional program and ridership development. In addition, they also incur costs for postage, customer materials and supplies and media fees.

Auto Allowance

Fixed payment to Executive Staff members for auto expenses.

Bad Debt Expense

Write-off of uncollectable debt, usually resulting from bad checks received for the purchase of fare media.

Banking Services

Fees charged for routine banking services such as direct deposit, check processing, armored car pickup and vault deposits.

Banking Supplies

Material and supplies used in processing coin and currency deposits and check stock.

Casualty and Liability Program

Payments made to outside parties for claim settlements, legal fees, medical expenses and depositions. This also includes the adjustment to reserves to reflect new, closed and outstanding claims as submitted and determined by the Company's third party claims administrator.

Defined Contribution

Employer 401(a) match for deferred compensation contributions made by new staff employees hired on or after April 1, 2011, up to five percent of salary for first three years of employment.

Dental and Vision

Employer premium payments to insurance carriers for employees' dental and vision insurance.

Dues & Subscriptions

Memberships and subscriptions for professional periodicals and organizations.

Employment Physicals

Medical costs associated with employee physicals.

FICA

Employer contributions to the Social Security Fund pursuant to the Federal Insurance Contributions Act.



DESCRIPTION OF OPERATING EXPENDITURES (Con't) -FY 2017

Fuel and Lubricants

The amount of fuel, electricity and lubricants actually used to operate buses and service vehicles.

Fuel Taxes

Tax assessed based on fuel usage.

Health Benefits

Employer premium payments to insurance carriers for employees' health insurance. This also includes accumulated sick leave and health care reimbursements to eligible retirees.

Life Insurance

Employer premium payments to insurance carriers for employees' life insurance.

Loss on Inventory

Value of disposed obsolete inventory net of sale proceeds.

Material and Supplies

Includes all parts and materials for bus repair and maintenance, facility maintenance and stops and zones needs. Also, includes general material and supplies used for daily administrative operations and training programs.

Materials Adjustments and Freight

Costs associated with inventory monitoring, shipping and mailing parts and materials.

Other Fringes

Expenses incurred for employee assistance programs, the rideshare program, attendance and safety awards, tuition reimbursement, etc.

Other Insurances

Premiums for miscellaneous insurance coverage such as excess workers compensation, forgery, theft and computers.

Other Risk Losses

Losses on company assets not recoverable by insurance reimbursement.

Other Miscellaneous Expenses

Minor miscellaneous expenses not categorized elsewhere.

Pension

Employer contributions to the employees' pension funds.



DESCRIPTION OF OPERATING EXPENDITURES (Con't) -FY 2017

Pre-employment Processing

Expenses generated from pre-employment screening processes.

Premium Auto & General Liability Insurance

Insurance premiums for excess liability coverage paid to the carrier.

Premium Property Insurance

Insurance premiums for physical damage insurance paid to the carrier.

Prescription Reimbursement

Employees are reimbursed for the difference between medical prescription co-payments dictated in the collective bargaining agreement and allowable amounts per the Company's health insurance policy.

Professional Services

Fees paid to professionals for services rendered such as management consultants, auditors, claim administrators and attorneys.

Property Lease

Payment for use of leased property.

Purchased Transportation

Contracted services to operate the Dial-A-Lift, AquaBus and AquaLink programs. This also includes the fares retained by the contractor.

Recovery-Property Claims

Money received in settlement of physical damage claims from outside parties.

Recruitment

Advertising expenses associated with the recruitment of new employees.

Schedules Production and Printing

Costs associated with transit guide printing, format, layout, art and graphics.

Security Services

Includes patrol and alarm services, security guards for both facilities and the transit police program.

Small Tools

Miscellaneous small tool purchases not covered under the capital program which are retained for use by all maintenance employees.



DESCRIPTION OF OPERATING EXPENDITURES (Con't) -FY 2017

Technical Services

Payment to outside vendors for maintenance of Company assets such as computers, farebox equipment, office equipment, facility and fleet repairs and public restroom oversight.

Ticket/Pass Printing

Printing costs for one ride coupons and daily, five-day and monthly passes.

Tires & Tubes

Miscellaneous tire costs not covered under the tire lease funded with capital grant funds.

Tool Allowance

Mechanics are given a fixed amount towards purchase of their tools.

Travel and Meetings

Conferences, seminars, meetings, lodging, travel and transportation costs.

Unemployment

Employer payments to the State of California for employees' unemployment insurance benefits.

Uniform Allowance

The Company pays the uniform cleaning costs for mechanics and provides a fixed amount towards purchase of uniforms for operators, road supervisors and Customer Service employees.

Utilities

Electricity, gas, water, sewer and telephone.

Wages

Payment for work performed which may include overtime, vacation and sick leave benefits.

Workers Compensation Program

Expenses incurred for disability payments, medical treatment, attorney fees, court depositions, travel, etc. Also includes the adjustment of reserves to reflect new, closed and outstanding claims as submitted and determined by the Company's third party claim's administrator.

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Transit Services



TRANSIT SERVICES & PLANNING BUDGET SUMMARY - FY 2017

	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Transit Service Delivery Administration	\$ 549,400	\$ 531,810	\$ 562,770
Daily Transit Service Delivery	26,000,000	26,214,810	26,924,180
Transit Service Planning	774,730	678,940	783,100
Dial-A-Lift Services	56,900	2,090	65,410
Aqua Services	0	0	0
	<u>\$ 27,381,030</u>	<u>\$ 27,427,650</u>	<u>\$ 28,335,460</u>
FRINGE BENEFITS			
Transit Service Delivery Administration	\$ 236,900	\$ 221,410	\$ 208,740
Daily Transit Service Delivery	10,102,760	10,679,090	10,858,980
Transit Service Planning	241,120	263,940	232,310
Dial-A-Lift Services	32,310	8,010	20,350
Aqua Services	0	0	0
	<u>\$ 10,613,090</u>	<u>\$ 11,172,450</u>	<u>\$ 11,320,380</u>
OTHER EXPENSES			
Transit Service Delivery Administration	\$ 2,092,700	\$ 2,076,560	\$ 2,122,250
Daily Transit Service Delivery	0	0	0
Transit Service Planning	229,500	217,150	486,330
Dial-A-Lift Services	745,110	867,070	823,160
Aqua Services	766,110	716,050	760,110
	<u>\$ 3,833,420</u>	<u>\$ 3,876,830</u>	<u>\$ 4,191,850</u>
TOTAL TRANSIT SERVICES & PLANNING BUDGET	<u><u>\$ 41,827,540</u></u>	<u><u>\$ 42,476,930</u></u>	<u><u>\$ 43,847,690</u></u>



TRANSIT SERVICE DELIVERY ADMINISTRATION - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full Time	\$ 533,800	\$ 521,120	\$ 546,210
Intern	15,600	10,690	16,560
TOTAL WAGES	\$ 549,400	\$ 531,810	\$ 562,770
FICA	\$ 39,400	\$ 38,350	\$ 41,360
PENSION	25,600	47,440	26,320
DEFINED CONTRIBUTION	21,600	16,590	24,790
HEALTH BENEFITS	70,600	43,340	45,330
DENTAL & VISION	2,400	1,450	1,660
LIFE INSURANCE	3,600	3,160	3,780
UNEMPLOYMENT	53,000	54,540	46,800
AUTO ALLOWANCE	5,700	5,700	5,700
OTHER FRINGES			
Staff	10,000	9,770	10,000
Union	5,000	1,070	3,000
TOTAL FRINGE BENEFITS	\$ 236,900	\$ 221,410	\$ 208,740
PROF. & TECH. SERVICES	\$ 38,200	\$ 38,200	\$ 38,200
TECHNICAL SERVICES	-	-	-
SECURITY SERVICES			
Guard Services	412,200	414,210	412,500
Police Services	1,640,000	1,622,620	1,665,500
OTHER MISC. EXPENSES	2,300	1,530	6,050
TOTAL OTHER EXPENSES	\$ 2,092,700	\$ 2,076,560	\$ 2,122,250
TOTAL DIVISION EXPENSES	\$ 2,879,000	\$ 2,829,780	\$ 2,893,760



DAILY TRANSIT SERVICE DELIVERY - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Operations Administration			
Full-Time	\$ 1,787,900	\$ 1,680,850	\$ 1,851,610
Overtime	38,500	93,120	45,830
Operators			
Full-Time	21,601,500	21,936,310	22,406,450
Student	156,100	154,150	132,400
Overtime	488,000	552,510	517,760
Vacation	1,928,000	1,797,870	1,970,130
TOTAL WAGES	\$ 26,000,000	\$ 26,214,810	\$ 26,924,180
FICA			
Staff	\$ 132,100	\$ 131,390	\$ 152,980
Union	1,662,850	1,702,780	1,904,440
PENSION			
Staff	444,800	729,050	343,540
Union	2,575,710	2,752,560	2,800,820
DEFINED CONTRIBUTION			
Staff	9,500	11,370	21,530
HEALTH BENEFITS			
Staff	330,300	282,080	306,130
Union	4,602,700	4,738,120	4,979,950
DENTAL & VISION			
Staff	10,300	9,110	9,870
Union	161,900	158,920	167,380
LIFE INSURANCE			
Staff	12,000	10,380	12,240
Union	40,000	34,690	38,400
UNIFORM ALLOWANCE			
	120,600	118,640	121,700
TOTAL FRINGE BENEFITS	\$ 10,102,760	\$ 10,679,090	\$ 10,858,980
TOTAL DIVISION EXPENSES	\$ 36,102,760	\$ 36,893,900	\$ 37,783,160



TRANSIT SERVICE PLANNING - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full Time	\$ 564,450	\$ 483,550	\$ 575,580
Part Time	183,980	169,090	177,520
Intern	15,000	15,000	30,000 (1)
Caltrans Internship Grant	11,300	11,300	-
TOTAL WAGES	\$ 774,730	\$ 678,940	\$ 783,100
FICA	\$ 59,270	\$ 43,890	\$ 60,790
PENSION	82,140	158,240	78,080
DEFINED CONTRIBUTION	14,350	6,060	13,930
HEALTH BENEFITS	78,750	51,290	72,970
DENTAL & VISION	2,700	1,680	2,620
LIFE INSURANCE	3,910	2,530	3,920
UNEMPLOYMENT	-	250	-
TOTAL FRINGE BENEFITS	\$ 241,120	\$ 263,940	\$ 232,310
PROFESSIONAL SERVICES	\$ 40,000	\$ 28,000	\$ 30,000
PROFESSIONAL SERVICES Caltrans	185,000	185,000	451,830 (2)
OTHER SERVICES	3,500	3,200	3,500
OTHER MISC. EXPENSES	1,000	950	1,000
TOTAL OTHER EXPENSES	\$ 229,500	\$ 217,150	\$ 486,330
TOTAL DIVISION EXPENSES	\$ 1,245,350	\$ 1,160,030	\$ 1,501,740

(1) Additional Planning Intern

(2) Represents grant funded Comprehensive Operational Analysis



DIAL-A-LIFT SERVICES - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full Time	\$ 56,900	\$ 2,090	\$ 65,410
TOTAL WAGES	\$ 56,900	\$ 2,090	\$ 65,410
FICA	\$ 4,400	\$ 150	\$ 5,090
PENSION	16,500	1,260	-
DEFINED CONTRIBUTION	-	-	3,320
HEALTH BENEFITS	10,500	6,040	11,120
DENTAL & VISION	510	320	420
LIFE INSURANCE	400	240	400
TOTAL FRINGE BENEFITS	\$ 32,310	\$ 8,010	\$ 20,350
PROFESSIONAL SERVICES	\$ 7,000	\$ 21,450	\$ 8,480
PURCHASED TRANSPORTATION			
Dial-A-Lift	738,110	845,620	814,680
TOTAL OTHER EXPENSES	\$ 745,110	\$ 867,070	\$ 823,160
TOTAL DIVISION EXPENSES	\$ 834,320	\$ 877,170	\$ 908,920



AQUA SERVICES - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
PURCHASED TRANSPORTATION			
AQUA TAXIS			
AquaBus	164,900	153,790	165,600
AquaLink	551,210	512,260	544,510
Aqua Services Advertising	50,000	50,000	50,000
TOTAL OTHER EXPENSES	\$ 766,110	\$ 716,050	\$ 760,110
TOTAL DIVISION EXPENSES	\$ 766,110	\$ 716,050	\$ 760,110



Maintenance



MAINTENANCE BUDGET SUMMARY - FY 2017

	<u>APPROVED FY 2016</u>	<u>ESTIMATED FY 2016</u>	<u>PROPOSED FY 2017</u>
WAGES			
Administration	\$ 1,714,800	\$ 1,624,230	\$ 1,736,780
Facilities Maintenance	904,070	868,010	920,730
Stops and Zones	440,780	455,440	468,670
Vehicle Maintenance	<u>5,415,470</u>	<u>5,326,100</u>	<u>5,497,450</u>
	\$ 8,475,120	\$ 8,273,780	\$ 8,623,630
 FRINGE BENEFITS			
Administration	\$ 838,690	\$ 1,042,610	\$ 832,460
Facilities Maintenance	433,290	430,680	401,090
Stops and Zones	245,990	364,480	267,880
Vehicle Maintenance	<u>2,282,100</u>	<u>2,237,230</u>	<u>2,378,620</u>
	\$ 3,800,070	\$ 4,075,000	\$ 3,880,050
 OTHER EXPENSES			
Administration	\$ 70,000	\$ 34,790	\$ 44,000
Facilities Maintenance	1,719,290	1,680,680	1,851,670
Stops and Zones	48,000	45,680	35,000
Vehicle Maintenance	<u>2,277,500</u>	<u>2,155,740</u>	<u>2,185,500</u>
	\$ 4,114,790	\$ 3,916,890	\$ 4,116,170
 TOTAL MAINTENANCE BUDGET	<u><u>\$ 16,389,980</u></u>	<u><u>\$ 16,265,670</u></u>	<u><u>\$ 16,619,850</u></u>
 FUEL & LUBRICANTS BUDGET	<u><u>\$ 7,265,480</u></u>	<u><u>\$ 4,811,150</u></u>	<u><u>\$ 5,770,260</u></u>



MAINTENANCE ADMINISTRATION - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full-Time	\$ 1,653,000	\$ 1,572,470	\$ 1,654,130
Intern	46,800	34,280	64,800 (1)
Overtime	15,000	17,480	17,850
TOTAL WAGES	\$ 1,714,800	\$ 1,624,230	\$ 1,736,780
FICA	\$ 127,010	\$ 119,320	\$ 130,730
PENSION	365,000	583,940	338,810
DEFINED CONTRIBUTION	25,900	20,630	25,780
HEALTH BENEFITS	260,320	244,230	259,910
DENTAL & VISION	8,350	8,000	8,500
LIFE INSURANCE	11,410	9,260	10,030
UNEMPLOYMENT	-	11,740	-
UNIFORM ALLOWANCE	35,000	39,790	53,000
AUTO ALLOWANCE	5,700	5,700	5,700
TOTAL FRINGE BENEFITS	\$ 838,690	\$ 1,042,610	\$ 832,460
PROFESSIONAL SERVICES	\$ 34,000	\$ 5,000	\$ 10,000
MATERIALS ADJ. & FREIGHT	30,000	28,080	30,000
OTHER MISC. EXPENSES	6,000	1,710	4,000
TOTAL OTHER EXPENSES	\$ 70,000	\$ 34,790	\$ 44,000
TOTAL DIVISION EXPENSES	\$ 2,623,490	\$ 2,701,630	\$ 2,613,240

1) Additional Intern



FACILITY MAINTENANCE - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Facilities			
Full-Time	\$ 447,010	\$ 456,430	\$ 454,520
Overtime	18,000	21,200	18,360
Custodians			
Full-Time	402,060	351,770	410,110
Overtime	12,000	13,610	12,240
Vacation	25,000	25,000	25,500
TOTAL WAGES	\$ 904,070	\$ 868,010	\$ 920,730
FICA			
Staff	\$ 35,580	\$ 35,610	\$ 36,180
Union	33,590	27,220	34,270
PENSION			
Staff	66,800	125,190	62,700
Union	52,030	46,890	55,560
DEFINED CONTRIBUTION	16,500	11,690	15,500
HEALTH BENEFITS			
Staff	72,250	49,690	48,850
Union	144,630	124,930	138,080
DENTAL & VISION			
Staff	2,540	1,760	1,720
Union	5,160	3,990	4,410
LIFE INSURANCE			
Staff	3,090	2,740	2,820
Union	1,120	970	1,000
TOTAL FRINGE BENEFITS	\$ 433,290	\$ 430,680	\$ 401,090
TECHNICAL SERVICES			
Farebox Revenue Equipment	\$ 10,000	\$ 15,200	\$ 12,300
Facility	209,000	186,640	209,000
Hazardous Material Removal	127,550	108,450	120,000
CNG Services	194,500	186,950	191,670
SECURITY SERVICES	166,000	150,270	170,000

(Con't)



FACILITY MAINTENANCE (Con't) - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
MATERIALS & SUPPLIES	\$ 276,000	\$ 290,290	\$ 286,000
UTILITIES			
Electric	650,240	659,830	660,700
Gas & water	86,000	83,050	82,000
PROPERTY LEASE	-	-	120,000
TOTAL OTHER EXPENSES	\$ 1,719,290	\$ 1,680,680	\$ 1,851,670
TOTAL DIVISION EXPENSES	\$ 3,056,650	\$ 2,979,370	\$ 3,173,490



STOPS AND ZONES - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full-Time	\$ 419,780	\$ 436,220	\$ 448,270
Overtime	21,000	19,220	20,400
TOTAL WAGES	\$ 440,780	\$ 455,440	\$ 468,670
FICA	\$ 33,720	\$ 31,950	\$ 35,870
PENSION	105,310	222,120	116,390
DEFINED CONTRIBUTION	4,000	-	3,930
HEALTH BENEFITS	96,540	104,140	105,340
DENTAL & VISION	3,310	3,600	3,600
LIFE INSURANCE	3,110	2,670	2,750
TOTAL FRINGE BENEFITS	\$ 245,990	\$ 364,480	\$ 267,880
TECHNICAL SERVICES	\$ 26,000	\$ 21,640	\$ 15,000
MATERIALS & SUPPLIES	22,000	24,040	20,000
OTHER MISC. EXPENSES	-	-	-
TOTAL OTHER EXPENSES	\$ 48,000	\$ 45,680	\$ 35,000
TOTAL DIVISION EXPENSES	\$ 734,770	\$ 865,600	\$ 771,550



VEHICLE MAINTENANCE - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Central Stores			
Full-Time	\$ 282,970	\$ 279,870	\$ 283,700
Overtime	18,000	17,930	18,360
Mechanics/Utilities			
Full-Time	4,243,500	4,215,440	4,328,370
Overtime	500,000	488,290	510,020
Vacation	371,000	324,570	357,000
TOTAL WAGES	\$ 5,415,470	\$ 5,326,100	\$ 5,497,450
FICA			
Staff	\$ 23,030	\$ 21,480	\$ 23,120
Union	391,270	355,200	397,460
PENSION			
Staff	81,600	139,220	73,200
Union	627,840	599,770	672,890
DEFINED CONTRIBUTION			
Staff	2,150	790	2,170
HEALTH BENEFITS			
Staff	73,700	51,220	58,460
Union	994,860	983,660	1,063,950
DENTAL & VISION			
Staff	2,460	2,120	2,400
Union	34,880	32,450	35,320
LIFE INSURANCE			
Staff	1,960	1,690	1,940
Union	7,360	6,470	6,720
TOOL ALLOWANCE	40,990	43,160	40,990
TOTAL FRINGE BENEFITS	\$ 2,282,100	\$ 2,237,230	\$ 2,378,620
PROFESSIONAL SERVICES	\$ 4,500	\$ 4,220	\$ 4,500
TECHNICAL SERVICES			
Buses	160,000	161,720	160,000
Service Vehicles	90,000	98,780	90,000
OTHER MISC. SERVICES	-		

(Con't)



VEHICLE MAINTENANCE (Con't) - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
MATERIALS & SUPPLIES	\$ 2,007,000	\$ 1,878,660	\$ 1,917,000
SMALL TOOLS	15,000	12,230	13,000
OTHER MISC. EXPENSES	1,000	130	1,000
LOSS ON INVENTORY	-	-	-
TOTAL OTHER EXPENSES	\$ 2,277,500	\$ 2,155,740	\$ 2,185,500
TOTAL DIVISION EXPENSES	\$ 9,975,070	\$ 9,719,070	\$ 10,061,570



FUEL & LUBRICANTS - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
FUEL			
Diesel	\$ 2,208,240	\$ 1,307,730	\$ 1,399,070 (1)
Unleaded Gas	4,078,260	2,651,510	3,276,210 (2)
Compressed Natural Gas	716,980	567,860	634,980 (3)
Electricity	-	-	185,000 (4)
LUBRICANTS	222,000	239,570	230,000
FUEL USE TAX & STORAGE FEE	40,000	44,480	45,000
TOTAL OTHER EXPENSES	\$ 7,265,480	\$ 4,811,150	\$ 5,770,260
TOTAL DIVISION EXPENSES	\$ 7,265,480	\$ 4,811,150	\$ 5,770,260

- (1) Assumes \$2.75 per gallon for diesel
(2) Assumes \$3.25 per gallon for unleaded
(3) Assumes \$0.71 per diesel gallon equivalent for CNG
(4) Electricity costs to run the Battery Electric Buses



Administration



ADMINISTRATION BUDGET SUMMARY - FY 2017

	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Chief Executive Office	\$ 482,590	\$ 477,130	\$ 484,380
Deputy CEO	486,750	438,910	588,740
Finance & Budget	1,213,040	1,144,370	1,341,320
Human Resources	384,600	399,130	392,780
Information Technology	828,100	835,110	859,880
Marketing & Customer Service	692,900	673,170	785,580
Programs & Performance Management	118,700	-	118,700
Purchasing	311,050	349,970	321,330
Risk Management	697,880	653,000	711,480
Training & Development	653,090	654,310	662,440
	<u>\$ 5,868,700</u>	<u>\$ 5,625,100</u>	<u>\$ 6,266,630</u>
FRINGE BENEFITS			
Chief Executive Office	\$ 162,310	\$ 189,260	\$ 167,690
Deputy CEO	139,800	138,410	165,030
Finance & Budget	500,200	612,430	499,480
Human Resources	395,540	391,220	366,750
Information Technology	415,020	553,880	397,180
Marketing & Customer Service	393,700	413,680	388,380
Programs & Performance Management	36,750	-	36,750
Purchasing	130,790	148,670	121,140
Risk Management	3,202,210	3,093,700	3,191,090
Training & Development	324,390	438,510	311,560
	<u>\$ 5,700,710</u>	<u>\$ 5,979,760</u>	<u>\$ 5,645,050</u>
OTHER EXPENSES			
Chief Executive Office	\$ 768,000	\$ 733,000	\$ 747,000
Deputy CEO	118,000	93,000	93,000
Finance & Budget	320,900	312,220	261,100
Human Resources	638,600	402,160	576,600
Information Technology	1,527,000	1,487,150	1,544,690
Marketing & Customer Service	925,200	880,500	930,600
Programs & Performance Management	-	-	-
Purchasing	14,000	14,000	20,300
Risk Management	4,394,000	3,903,260	4,228,800
Training & Development	67,500	62,480	62,800
	<u>\$ 8,773,200</u>	<u>\$ 7,887,770</u>	<u>\$ 8,464,890</u>
TOTAL ADMINISTRATION BUDGET	<u><u>\$ 20,342,610</u></u>	<u><u>\$ 19,492,630</u></u>	<u><u>\$ 20,376,570</u></u>



CHIEF EXECUTIVE OFFICE - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full Time	\$ 466,990	\$ 462,830	\$ 468,780
Intern	15,600	14,300	15,600
TOTAL WAGES	482,590	\$ 477,130	\$ 484,380
FICA	\$ 22,200	\$ 27,840	\$ 27,450
PENSION	53,120	90,980	51,200
DEFINED CONTRIBUTION	18,960	14,380	15,220
HEALTH BENEFITS	43,000	40,260	48,940
DENTAL & VISION	930	930	960
LIFE INSURANCE	3,100	2,370	2,920
AUTO ALLOWANCE	9,000	9,000	9,000
OTHER FRINGES	12,000	3,500	12,000
TOTAL FRINGE BENEFITS	\$ 162,310	\$ 189,260	\$ 167,690
PROFESSIONAL SERVICES			
Other	\$ 150,000	\$ 155,000	\$ 145,000
General Legal Costs	200,000	\$ 176,000	\$ 200,000
OTHER MISC. SERVICES	10,000	10,000	10,000
MATERIALS & SUPPLIES	70,000	70,000	70,000
DUES & SUBSCRIPTIONS	85,000	120,000	120,000
TRAVEL & MEETINGS			
Travel & Conferences	85,000	85,000	85,000
Seminars & Training	80,000	80,000	80,000
NTI Training	68,000	20,000	20,000
OTHER MISC. EXPENSES	20,000	17,000	17,000
TOTAL OTHER EXPENSES	\$ 768,000	\$ 733,000	\$ 747,000
TOTAL DIVISION EXPENSES	\$ 1,412,900	\$ 1,399,390	\$ 1,399,070

**DEPUTY CEO - FY 2017**

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full Time	\$ 471,150	\$ 428,440	\$ 573,140 (1)
Intern	15,600	10,470	15,600
TOTAL WAGES	\$ 486,750	\$ 438,910	\$ 588,740
FICA	\$ 31,700	\$ 27,360	\$ 37,920
PENSION	28,200	50,790	28,410
DEFINED CONTRIBUTION	31,750	17,080	23,830
HEALTH BENEFITS	35,170	31,500	60,950
DENTAL & VISION	1,320	860	1,900
LIFE INSURANCE	3,260	2,420	3,620
UNEMPLOYMENT	-	-	-
AUTO ALLOWANCE	8,400	8,400	8,400
TOTAL FRINGE BENEFITS	\$ 139,800	\$ 138,410	\$ 165,030
PROFESSIONAL SERVICES	\$ 50,000	\$ 25,000	\$ 25,000
OTHER MISC. SERVICES	28,000	28,000	28,000
DUES & SUBSCRIPTIONS	-	-	-
TRAVEL & MEETINGS	40,000	40,000	40,000
TOTAL OTHER EXPENSES	\$ 118,000	\$ 93,000	\$ 93,000
TOTAL DIVISION EXPENSES	\$ 744,550	\$ 670,320	\$ 846,770

(1) Includes Regulatory Compliance and Civil Rights Officer



FINANCE & BUDGET - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full Time	\$ 1,121,990	\$ 1,054,370	\$ 1,225,660 (1)
Part Time	61,050	60,000	55,000
Intern	30,000	30,000	60,660 (2)
TOTAL WAGES	\$ 1,213,040	\$ 1,144,370	\$ 1,341,320
FICA	\$ 90,350	\$ 87,550	\$ 100,360
PENSION	219,520	342,540	196,890
DEFINED CONTRIBUTION	20,070	17,990	22,210
HEALTH BENEFITS	149,350	145,730	159,490
DENTAL & VISION	4,930	5,310	6,130
LIFE INSURANCE	7,750	6,650	7,740
UNEMPLOYMENT	1,570	-	-
AUTO ALLOWANCE	5,700	5,700	5,700
UNIFORM ALLOWANCES	960	960	960
TOTAL FRINGE BENEFITS	\$ 500,200	\$ 612,430	\$ 499,480
PROFESSIONAL SERVICES	\$ 171,000	\$ 190,120	\$ 153,000
OTHER MISC. SERVICES	34,800	29,000	15,000
BANKING SERVICES	89,000	65,000	65,000
BANKING SUPPLIES	8,100	8,100	8,100
BAD DEBT EXPENSE	1,000	-	-
OTHER MISC. EXPENSES	2,000	2,000	2,000
TICKET / PASS PRINTING	15,000	18,000	18,000
TOTAL OTHER EXPENSES	\$ 320,900	\$ 312,220	\$ 261,100
TOTAL DIVISION EXPENSES	\$ 2,034,140	\$ 2,069,020	\$ 2,101,900

(1) Includes Treasurer position

(2) Additional Grants Intern



HUMAN RESOURCES - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full Time	\$ 384,600	\$ 399,130	\$ 392,780
TOTAL WAGES	\$ 384,600	\$ 399,130	\$ 392,780
FICA	\$ 29,430	\$ 28,770	\$ 30,050
PENSION	80,330	136,070	77,160
DEFINED CONTRIBUTION	6,200	2,990	5,510
HEALTH BENEFITS	77,430	73,660	77,270
PRESCRIPTION REIMBURSEMENT	25,000	7,640	18,000
DENTAL & VISION	2,700	2,660	2,760
LIFE INSURANCE	2,640	2,430	2,470
UNEMPLOYMENT	-	-	-
OTHER FRINGES	171,810	137,000	153,530
TOTAL FRINGE BENEFITS	\$ 395,540	\$ 391,220	\$ 366,750
PROFESSIONAL SERVICES	\$ 248,100	\$ 176,000	\$ 196,600
EMPLOYMENT PHYSICALS	100,000	89,260	92,000
PRE-EMPLOYMENT PROCESSING	11,500	10,000	12,000
OTHER MISC. EXPENSES	1,000	700	1,000
RECRUITMENT EXPENSES	278,000	126,200	275,000
TOTAL OTHER EXPENSES	\$ 638,600	\$ 402,160	\$ 576,600
TOTAL DIVISION EXPENSES	\$ 1,418,740	\$ 1,192,510	\$ 1,336,130



INFORMATION TECHNOLOGY - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full Time	\$ 828,100	\$ 835,110	\$ 844,880
Intern	-	-	15,000 (1)
TOTAL WAGES	\$ 828,100	\$ 835,110	\$ 859,880
FICA	\$ 57,300	\$ 61,660	\$ 64,740
PENSION	202,000	358,810	191,500
DEFINED CONTRIBUTION	9,200	7,560	9,500
HEALTH BENEFITS	131,550	111,750	117,800
DENTAL & VISION	3,880	3,000	2,890
LIFE INSURANCE	5,390	5,400	5,050
AUTO ALLOWANCE	5,700	5,700	5,700
TOTAL FRINGE BENEFITS	\$ 415,020	\$ 553,880	\$ 397,180
PROFESSIONAL SERVICES	\$ 60,000	\$ 40,000	\$ 40,000
TECHNICAL SERVICES			
Hardware Maintenance Contracts	213,000	225,240	203,630
Software Licenses	1,062,000	1,019,570	1,099,060
UTILITIES - Telephone	180,000	191,840	190,000
COMPUTER SUPPLIES	10,000	10,000	10,000
OTHER MISC. EXPENSES	2,000	500	2,000
TOTAL OTHER EXPENSES	\$ 1,527,000	\$ 1,487,150	\$ 1,544,690
TOTAL DIVISION EXPENSES	\$ 2,770,120	\$ 2,876,140	\$ 2,801,750

(1) Additional Intern



MARKETING & CUSTOMER SERVICE - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full Time	\$ 692,900	\$ 673,170	\$ 770,580 (1)
Intern	-		15,000 (2)
TOTAL WAGES	\$ 692,900	\$ 673,170	\$ 785,580
FICA	\$ 53,000	\$ 51,490	\$ 60,110
PENSION	115,200	190,560	100,000
DEFINED CONTRIBUTION	20,700	10,870	21,860
HEALTH BENEFITS	192,000	147,000	193,140
DENTAL & VISION	5,500	5,300	6,150
LIFE INSURANCE	4,800	4,230	4,620
UNEMPLOYMENT	-	1,730	-
UNIFORM ALLOWANCES	2,500	2,500	2,500
TOTAL FRINGE BENEFITS	\$ 393,700	\$ 413,680	\$ 388,380
ADVERTISING			
Advertising Agency Services	\$ 80,000	\$ 80,000	\$ 80,000
Advertising Production	60,000	60,000	60,000
Promotion	70,000	80,000	70,000
Advertising Media	350,000	340,000	365,000
PROFESSIONAL SERVICES	95,700	51,000	96,000
MATERIALS & SUPPLIES	80,000	80,000	80,000
OTHER MISC. EXPENSES	4,500	4,500	4,600
SCHEDULES PROD. & PRINTING	185,000	185,000	175,000
TOTAL OTHER EXPENSES	\$ 925,200	\$ 880,500	\$ 930,600
TOTAL DIVISION EXPENSES	\$ 2,011,800	\$ 1,967,350	\$ 2,104,560

(1) Additional two Customer Service Clerks

(2) Additional Marketing Intern



PROGRAMS & PERFORMANCE MANAGEMENT - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full Time	\$ 118,700	\$ -	\$ 118,700
TOTAL WAGES	\$ 118,700	\$ -	\$ 118,700
FICA	\$ 9,100	\$ -	\$ 9,100
PENSION	-	-	-
DEFINED CONTRIBUTION	6,300	-	6,300
HEALTH BENEFITS	14,290	-	14,290
DENTAL & VISION	540	-	540
LIFE INSURANCE	820	-	820
AUTO ALLOWANCE	5,700	-	5,700
TOTAL FRINGE BENEFITS	\$ 36,750	\$ -	\$ 36,750
TOTAL DIVISION EXPENSES	\$ 155,450	\$ -	\$ 155,450

**PURCHASING - FY 2017**

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full Time	\$ 295,450	\$ 334,370	\$ 299,490
Intern	15,600	15,600	21,840
TOTAL WAGES	\$ 311,050	\$ 349,970	\$ 321,330
FICA	\$ 23,810	\$ 26,780	\$ 24,630
PENSION	27,500	46,440	24,950
DEFINED CONTRIBUTION	11,270	6,580	12,650
HEALTH BENEFITS	45,040	55,900	45,860
DENTAL & VISION	1,130	1,080	1,160
LIFE INSURANCE	2,040	1,890	1,890
UNEMPLOYMENT	20,000	10,000	10,000
TOTAL FRINGE BENEFITS	\$ 130,790	\$ 148,670	\$ 121,140
PROFESSIONAL SERVICES	\$ 13,500	\$ 13,500	\$ 19,800
OTHER MISC. SERVICES	500	500	500
TOTAL OTHER EXPENSES	\$ 14,000	\$ 14,000	\$ 20,300
TOTAL DIVISION EXPENSES	\$ 455,840	\$ 512,640	\$ 462,770



RISK MANAGEMENT - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full Time	\$ 679,640	\$ 642,170	\$ 693,240
Intern	18,240	10,830	18,240
TOTAL WAGES	\$ 697,880	\$ 653,000	\$ 711,480
FICA	\$ 51,690	\$ 46,460	\$ 49,940
PENSION	168,840	275,860	140,190
DEFINED CONTRIBUTION	4,830	2,150	8,620
HEALTH BENEFITS	89,160	74,510	90,660
DENTAL & VISION	2,430	2,210	2,710
LIFE INSURANCE	4,560	3,760	4,270
WORKERS COMPENSATION	2,850,000	2,661,050	2,864,000
AUTO ALLOWANCE	5,700	5,700	5,700
OTHER FRINGES	25,000	22,000	25,000
TOTAL FRINGE BENEFITS	\$ 3,202,210	\$ 3,093,700	\$ 3,191,090
PROFESSIONAL SERVICES			
Workers Comp Admin. Svcs.	\$ 497,000	\$ 475,000	\$ 473,000
Legal Expenses	230,000	230,000	230,000
PREM. PROPERTY INS.	70,000	58,410	70,000
RECOVERY - PROPERTY CLAIMS	(80,000)	(101,210)	(80,000)
PREM. AUTO & GEN. LIAB. INS.	420,000	369,260	400,000

(Con't)



RISK MANAGEMENT (Con't) - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
CASUALTY & LIABILITY	\$ 2,895,000	\$ 2,538,800	\$ 2,788,800
OTHER INSURANCE	315,000	299,000	310,000
OTHER MISC. EXPENSES	47,000	34,000	37,000
TOTAL OTHER EXPENSES	\$ 4,394,000	\$ 3,903,260	\$ 4,228,800
TOTAL DIVISION EXPENSES	\$ 8,294,090	\$ 7,649,960	\$ 8,131,370



TRAINING & DEVELOPMENT - FY 2017

EXPENDITURE DESCRIPTION	APPROVED FY 2016	ESTIMATED FY 2016	PROPOSED FY 2017
WAGES			
Full Time	\$ 653,090	\$ 654,310	\$ 662,440
TOTAL WAGES	\$ 653,090	\$ 654,310	\$ 662,440
FICA	\$ 49,970	\$ 47,190	\$ 50,690
PENSION	171,700	299,030	162,490
DEFINED CONTRIBUTION	3,000	2,300	3,040
HEALTH BENEFITS	92,260	83,170	88,240
DENTAL & VISION	3,330	3,010	3,190
LIFE INSURANCE	4,130	3,810	3,910
TOTAL FRINGE BENEFITS	\$ 324,390	\$ 438,510	\$ 311,560
PROFESSIONAL SERVICES	\$ 63,000	\$ 58,300	\$ 58,300
MATERIALS & SUPPLIES	3,000	2,860	3,000
OTHER MISC. EXPENSES	1,500	1,320	1,500
TOTAL OTHER EXPENSES	\$ 67,500	\$ 62,480	\$ 62,800
TOTAL DIVISION EXPENSES	\$ 1,044,980	\$ 1,155,300	\$ 1,036,800



Capital Budget



CAPITAL BUDGET

CAPITAL PROGRAM

The Capital Program is a long-term planning and budget process that identifies capital funding needs in order to maintain, improve and enhance Long Beach Transit's (LBT) fleet, equipment and infrastructure. The projects included in the Capital Program are those with initial project values exceeding \$5,000 and having an estimated useful life of at least one year.

CAPITAL BUDGETING PROCESS

Annually, a Capital Call is conducted to solicit internal capital project requests. The capital projects are developed in alignment with LBT's Capital Strategic Focus. The capital projects are proposed by managers and the proposals are reviewed by the Key Performance Indicator (KPI) team, which is comprised of cross-departmental staff. The KPI team evaluates the proposed capital projects based on the project priority ranking system (Essential, Priority and Value Added). Within those categories, essential projects are funded first, followed by priority projects. Value-added projects are funded last, and if they cannot be funded in the capital budget, LBT's Government Relations staff can then seek other sources of funding.

The Executive Team then reviews the KPI team's recommendations to ensure that the capital budget best reflects LBT's Strategic Priorities and Capital Strategic Focus. For LBT customers, it means the organization is prioritizing spending to positively impact customers; while upgrading technology, replacing the vehicle fleet and maintaining existing assets.

A five-year outlook will be considered when reviewing projects for inclusion in the annual Capital Budget. The Capital Budget will provide for the adequate maintenance and orderly replacement of capital, plant and equipment.

Capital project proposals will include complete, reliable and attainable cost estimates. Inflationary allowances are incorporated for projects undertaken in subsequent fiscal years. Project contingencies may be included in the project budget to compensate for unforeseen circumstances requiring additional funds to complete the project within the original project scope. All capital projects will be funded on a pay-as-you-go basis. No debt will be incurred.

Capital Strategic Focus

All projects are developed in consideration of the following Capital Strategic Focus:

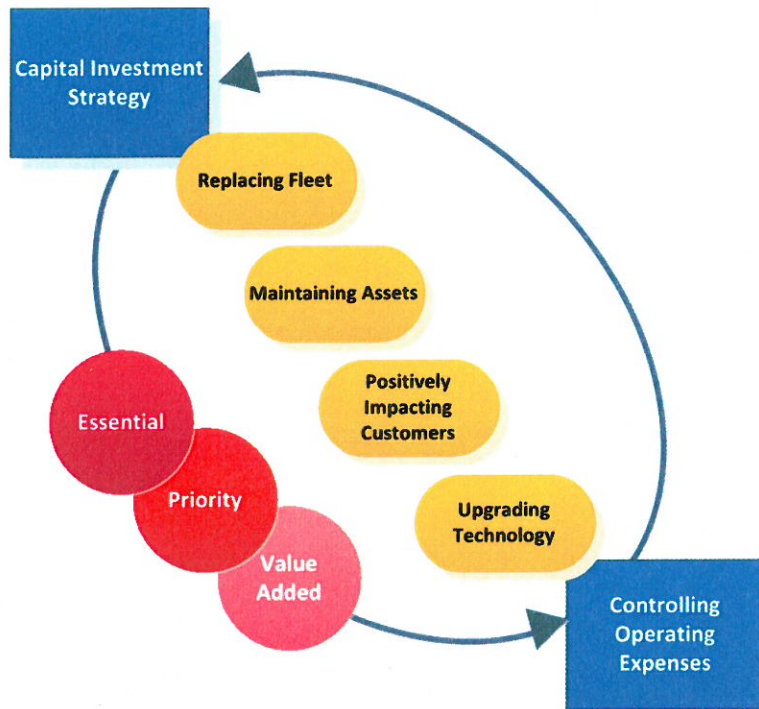
- Focus I:** Replacing Fleet
- Focus II:** Maintaining Assets
- Focus III:** Positively Impacting Customers
- Focus IV:** Upgrading Technology

These categories refine the selection of the most vitally important projects that promote reliable and high-quality service to LBT customers at the lowest cost possible. The cost savings achieved by the increased efficiency are reinvested in the future for further improvement and growth of LBT.

Capital Strategic Priorities

All proposed projects are prioritized and ranked based on the following categories:





- I: ESSENTIAL** – Projects that cannot reasonably be postponed in order to avoid harmful or otherwise undesirable consequences.
 - Required for operation to provide core services to customers
 - Satisfies a legal obligation
 - Corrects a condition dangerous to health or safety
 - Alleviates an emergency service disruption or deficiency
 - Prevents irreparable damage to a valuable customer facility
 - Advocates/aligns with LBT's strategic priorities
- II: PRIORITY** – Projects that address clearly demonstrated needs or objectives.
 - Rehabilitates or replaces an obsolete customer facility
 - Reduces future operating and maintenance costs
 - Increases efficiency of operation
 - Maintains assets in a like-new condition
- III: VALUE ADDED** – Projects that benefit community and/or internally but may be delayed without detrimental effects to basic services.
 - Provides a new or expanded level of service
 - Promotes intergovernmental cooperation
 - Reduces energy consumption
 - Enhances cultural or natural resources



CAPITAL PROJECT IMPACTS ON OPERATING BUDGET

The long-term Capital Program helps to offset the increasing operating expenses in the future and enables LBT to operate more efficiently. The future operating, maintenance, and replacement costs associated with new capital projects are forecasted on a quantitative basis, and reviewed prior to the project approval. The implied operating expenses associated with the approved new capital projects are included in the Operating Budget.

FY17 CAPITAL PROGRAM FUNDING SOURCES

FY17 CAPITAL REVENUE BY FUNDING SOURCE				
Funding Source	Approved FY 2016	Proposed FY 2017		
 FEDERAL	\$ 19,159,061	\$ 17,300,882	(1)	
 STATE	5,622,270	694,055		
 COUNTY	4,993,427	4,645,883		
 PRIOR YEAR REALLOCATIONS	888,236	3,699,800	(2)	
TOTAL CAPITAL BUDGET	\$ 30,662,994	\$ 26,340,620		

(1) Federal dollars include additional funding for a specific capital project. LBT received \$2,985,586 for a bus procurement project.

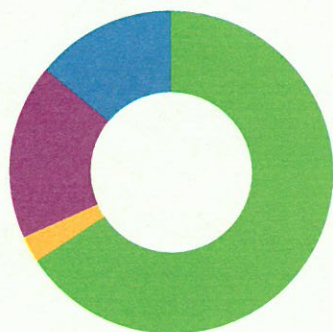
(2) Capital grant funds designated for reallocation in FY 2017 are carryover funds from a variety of projects including bus capital, information technology and security projects.

Comparison from FY 2016:

- The FY 2017 Capital Program funding sources consist of \$17.30 million in federal, \$0.69 million in state, \$4.65 million in local, and \$3.70 million from the prior year reallocations.
- The allocation made under the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) Program ended in FY 2016. As a result, there was a decrease in state funding for FY 2017.

FY17 Capital Program Funding Sources

FY17 Capital Budget



\$26,340,620

FEDERAL (FTA 5307)

Federal Section 5307 Formula Funds (Urbanized Formula) - These funds are allocated by the Federal Transit Administration to Los Angeles County transit operators on a formula basis. Eighty-five (85) percent is distributed by Formula Allocation Process (FAP), 15 percent of Bus/Bus Facilities and 1 percent of the Transit Enhancements projects distributed through a competitive allocation process adopted by the Bus Operating Committee (BOS). The FAP is based on transit performance data: 50 percent of the vehicle service miles and 50 percent of the passenger revenues divided by the base cash fare. The federal dollars include additional funding for specific capital projects. For FY17, LBT received \$2,985,586 for bus replacement.

TOTAL \$ 17,300,882

STATE (BONDS/GHG Reduction Fund)

Proposition 1B California Transit Security Grant Program, California Transit Assistance Fund (CTSGP-CTAF) and Low Carbon Transit Operations Program (LCTOP) - These Funds are appropriated by the Legislature to the State Controller's Office for allocation in accordance with public utilities code formula distributions (PUC 99314 and 99313 for CTSGP-CTAF) and PUC99314 for LCTOP). The CTSGP-CTAF funds may be used for transit system safety, security and disaster response projects only. The LCTOP funds may only be used for projects that help reduce greenhouse gas (GHG) emissions.

TOTAL \$ 694,055

COUNTY

Proposition C 40 percent Discretionary - These funds are comprised of several funding sources such as Municipal Operator Service Improvement Program, Prop 1B PTMISEA Bridge Funding, and Prop 1B Security Bridge Funding.

TOTAL \$ 4,645,883

PRIOR YEAR REALLOCATION (REPURPOSED)

Capital grant funds designated for reallocation in FY 2017 are carryover funds from a variety of projects including bus capital, information technology, and security.

TOTAL \$ 3,699,800

FY17 CAPITAL PROJECTS ALLOCATION

BUDGET COMPARISON

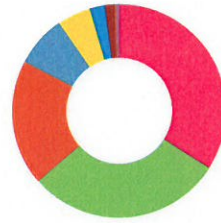
FY17 Capital Budget



\$30,662,994

APPROVED FY16 BUDGET

■	FLEET
■	PREVENTIVE MAINTENANCE
■	INFORMATION TECHNOLOGY
■	FACILITY IMPROVEMENTS
■	BUS COMPONENTS
■	NON-REVENUE VEHICLES
■	OTHER MISC PROJECTS
■	CUSTOMER AMENITIES



\$26,340,620

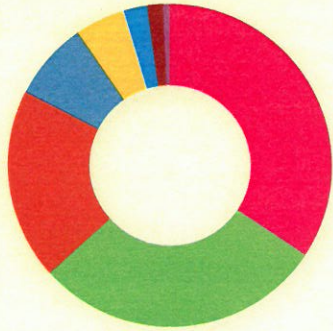
TOTAL FY17 PROPOSED BUDGET

■	FLEET
■	FACILITY IMPROVEMENTS
■	PREVENTIVE MAINTENANCE
■	BUS COMPONENTS
■	INFORMATION TECHNOLOGY
■	CUSTOMER AMENITIES
■	SECURITY/SAFETY EQUIPMENT
■	DAL REPLACEMENT

Comparison from FY 2016:

- The FY 2017 budget proposes \$26.34 million in capital grant funding, a decrease of approximately \$4.32 million from the FY 2016 Budget (\$30.66 million). As previously mentioned, the decreased budget is mainly due to reduced state funding levels.

FY17 Capital Projects Allocation



\$26,340,620

FY17 Capital Budget

REVENUE VEHICLES

Replacement of aging buses. The proposed funds will be used to replace diesel and hybrid buses.

TOTAL \$ 9,028,335

FACILITY IMPROVEMENTS

Improvements and upgrades of LBT facilities such as alternative fuel expansion, shop floor resurfacing, roofing upgrade, solar panels, etc.

TOTAL \$ 7,665,005

PREVENTIVE MAINTENANCE

Capitalization of maintenance expenditures required to preserve and/or extend the functionality and serviceability of the asset.

TOTAL \$ 5,050,014

BUS COMPONENTS

Acquisition and replacement of various bus components, detailing and rehabilitation of the buses, and lease of tires for buses.

TOTAL \$ 2,055,436

INFORMATION TECHNOLOGY

Acquisition and replacement of information system equipment, as well as implementation of software upgrades.

TOTAL \$ 1,325,980

CUSTOMER AMENITIES

Replacement of bus stop amenities such as shelters, lighting, benches, signage, etc.

TOTAL \$ 633,700

SECURITY/SAFETY PROJECTS

Acquisition and replacement of safety and security equipment, surveillance cameras, and security fence upgrade.

TOTAL \$ 407,150

DAL REPLACEMENT

Replacement of Dial-A-Lift vehicles.

TOTAL \$ 175,000

CAPITAL PROJECT UPDATE – Battery Electric Bus (BEB) Project

Overview:			
Long Beach Transit (LBT) is committed to building a 100 percent alternatively fueled fleet. To ensure that LBT's commitment for an alternatively fueled fleet becomes a reality, the agency published a solicitation for a Request For Proposals (RFP) for battery electric buses and a contract award to BYD Motors, Inc., was authorized by the LBT Board of Directors on April 27, 2015 for the purchase of 10 battery electric buses.			
Current Status (Bus Project):	Project Milestones:	Planned	Actual
<p>A contract was issued to BYD Motors, Inc., for the purchase of 10 battery electric buses, supporting charging systems (including the WAVE inductive charging system), training and required equipment for \$10,601,910.</p> <p>LBT staff has met with BYD to work out details of production with delivery of the first vehicle in March 2016. The bus has been received and is being tested including running route performance simulations to better understand how to place the bus in service. Training will be conducted in the forthcoming months with service being planned in the fall of 2016.</p>	RFP Issued	08/01/2014	09/23/2014
	Contract Award	04/01/2015	05/12/2015
	First Vehicle Delivered	01/01/2016	03/07/2016
	All Vehicles Delivered	06/01/2016	
	All Vehicles in Revenue Service	08/21/2016	
	Contract Complete	09/01/2016	
Current Status (Charging Depot/Long Beach Convention Center Project):	Project Milestones:	Planned	Actual
<p>Recommended contracts have been authorized by the LBT Board of Directors for construction services and construction management services to prepare LBT1 for charging the buses overnight. The chargers are anticipated to be ready by fall 2016.</p> <p>A design-build procurement is underway for a bus stop improvement project at the Long Beach Convention Center that includes an inductive charging system.</p>	A&E Contract and Notice to Proceed	06/02/2015	06/02/2015
	Contract Award (Charging Depot)	03/01/2016	
	Contract Award (Convention Center)	07/25/2016	
	Construction Complete (Charging Depot)	10/01/2016	
	Construction Complete (Convention Center)	03/01/2017	
Budget:	Latest Board Action:		
This project, as a whole, is budgeted at \$14,936,544. It includes the purchase of 10 battery electric buses, up to two on-route charging stations, the civil permits and construction necessary to modify a bus station at Long Beach Convention Center, and program management services to assist with project and post reporting for up to three years after implementation.	<i>Recommendation for the Board of Directors to authorize the President and CEO to enter into a contract with Psomas for construction management services of the Battery Electric Bus (BEB) Charging Station and Parking Lot Improvements at LBT1 and the Long Beach Convention Center Bus Stop Improvements for a total contract authorization not to exceed \$395,736.</i>		

CAPITAL PROJECT UPDATE – Bus Replacement Project

Overview:

Long Beach Public Transit (LBT) operates a diverse fleet of 248 transit buses, including diesel, gasoline hybrid-electric, and compressed natural gas (CNG) vehicles.

Ten battery electric buses are currently on order, due to be delivered in 2016. Upon placing the battery electric buses in service, LBT will have 128 additional buses eligible for replacement between 2017 and 2021, and one expansion bus that is funded by the federal Job Access Reverse Commute (JARC) grant that enabled LBT to expand Route 1 in August 2015.

This diverse fleet is a result of an alternative fuel policy adopted by the LBT Board of Directors in August 2010 to purchase gasoline hybrid-electric buses, CNG buses and to explore the funding of zero-emission buses. LBT remains in a period of transition regarding alternative fuels, emissions regulations and availability of technologies, both mature and emerging. Gasoline hybrid-electric buses are no longer manufactured. These two issues prevent LBT from continuing to follow the agency's current alternative fuel policy, leaving CNG as the most feasible propulsion system option. The South Coast Air Quality Management District continues to prohibit the use of diesel buses in Southern California.

Current Status:	Project Milestones:	Planned	Actual
<p>A contract for the purchase of up to 40 40-foot CNG buses, plus four one-year options totaling up to 89 buses was awarded to New Flyer in January 2016.</p> <p>LBT plans on upgrading 20 of the CNG engines to the near zero-emission CNG engines to compare and study the performance of the engines.</p>	RFP Issued	05/30/2015	07/08/2015
	Contract Award	11/15/2015	02/25/2016
	First Vehicle Delivered	03/01/2017	
	All Vehicles (39) Delivered	02/01/2018	
	Contract Complete	05/01/2018	
Budget:	Latest Board Action:		
Budget totals \$23,212,920 for the replacement of 39 40-foot CNG buses and one expansion CNG bus. The budgets include monies for replacement vehicles, training, maintenance equipment, spare components, in-line and post-delivery inspections.	<p><i>Recommendation for the Board of Directors to authorize the President and CEO to enter into a contract with New Flyer for 40 CNG buses at a not-to-exceed amount of \$22,107,543, plus authorization for an additional five percent contingency of \$1,105,377, for a total authorization of \$23,212,920.</i></p>		

CAPITAL PROJECT UPDATE – Enterprise Resource Program “Ellipse” Project

Overview:

In July 2001, Long Beach Transit (LBT) purchased Ellipse brand enterprise resource business software to support the daily operations of LBT’s accounting, grants, fixed assets, human resources, payroll, purchasing, inventory, and maintenance functions.

The system is responsible for a variety of functions including:

- Capturing all actual and budget revenue and expenses
- Storing all employee history, payroll and benefits information
- Capturing all fixed assets procured and disbursed agencywide
- Capturing all procurement processes from requisition initiation to vendor payment
- Monitoring inventory levels from receipt to issuance
- Tracking all vehicle maintenance by work performed and parts used

The Ellipse software update will be a multi-phased endeavor. The first phase will be the Ellipse upgrade to version 6 in which a nine-month transition period is anticipated. The other components of this project include: Data Management and Cleansing; Enhanced Reporting; and Enhanced Ellipse features. Staff will bring each project component to the LBT Board of Directors for future consideration.

Current Status:

In 2012, LBT started a project to upgrade Ellipse from version 5 to the latest version 8 to ensure ongoing module support and expanded functionality. During the course of implementation, LBT discovered that version 8 was very new and had bugs which hindered the software implementation.

In August 2013, Kenneth McDonald assumed the position of President and CEO of LBT. Three months after the CEO’s arrival, he learned of the project and was briefed on the status. Upon delving into the project status, the project was postponed and a review ensued. In 2015, LBT retained a third-party consultant to re-evaluate the program to identify the challenges and identify technology solutions that would assist in determining the best approach for LBT.

Upon completion of the evaluation process, the consultant presented LBT with several options of which LBT elected to upgrade to Ellipse 6 instead of Ellipse 8. Ellipse 6 software, which immediately preceded Ellipse 8, has been used by many other agencies nationwide and found to be very stable and proven.

Project Milestones:

Planned

Actual

Contract Award

June 2016

Project Kick-Off

August 2016

Testing

February 2017

Go-Live

March 2017

Budget:

This project, as a whole, is budgeted at \$496,520, which includes the software upgrade.

Latest Board Action:

Staff recommendation for software upgrade contract will be made to the LBT Board of Directors in May 2016.

CAPITAL PROJECT UPDATE – Comprehensive Operational Analysis Project

Overview:

The Comprehensive Operational Analysis (COA) is a route-by-route analysis of LBT's fixed route and Dial-A-Lift paratransit services designed to increase the accessibility, connectivity and mobility of transportation throughout the region. The intent of the COA is to provide LBT with the information, tools, and data that will support the needs and opportunities for new and improved transit services in key corridors. The COA will also aid LBT in identifying emerging markets brought about by new development, redevelopment and changes in travel patterns and demographics.

The COA will be designed to focus on attracting customers to LBT's system, maintaining a more cost effective and sustainable operation, guide assessment of existing services and development of new services, while maintaining and improving the financial health of LBT.

This project is intended to provide an in-depth study of LBT's transit system and develop a COA that evaluates the overall structure and delivery of LBT's transit services. The analysis will determine the most effective and efficient use of existing and future transit resources by using approaches such as public participation to provide service including current and future recommendations. The COA will provide LBT with a guide for the development of service plans that will improve service delivery to its customers and meet the region's evolving transportation and travel needs.

Current Status:

Request For Proposal was issued on March 7, 2016 and proposals were evaluated. A contract award for consulting services will be recommended to the LBT Board of Directors for authorization in June 2016.

Once a consultant contract is awarded, a kick-off meeting among LBT, Caltrans, and the consultant will be scheduled and a project management plan will be developed.

Project Milestones:

Planned

Actual

RFP Issued

02/2016

03/2016

Contract Award

06/2016

Project Management Plan

06/2016

Public Involvement Plan

09/2016

Data Collection and Analysis

09/2016

Developing Goals and Objectives

12/2016

Assessment of Existing Transit Service

03/2017

Needs Assessment

04/2017

Evaluation/Prioritization

06/2017

Recommendation for Programs/Planning Activities and Final Report

02/2018

Budget:

The total project budget is \$451,824.

Latest Board Action:

A staff recommendation for a consulting services contract will be made to the LBT Board of Directors in June 2016.

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