

FY2024 & FY2025

***Proposed
Operating and
Capital Budgets***

Board Meeting June 1, 2023



Agenda

- Changes from May Board
- Proposed FY2024 and FY2025 Operating Budgets
- Proposed FY2024 and FY2025 Capital Budgets

Changes from May Board (Operating)

Proposed Operating Budgets Summary (in millions)	FY2024 Prelim Operating Budget	FY2024 Proposed Operating Budget	Change	FY2025 Prelim Operating Budget	FY2025 Proposed Operating Budget	Change
Total Revenue	\$194.6	\$194.7	\$0.1	\$207.8	\$208.7	\$0.9
Total Expense	\$192.6	\$192.7	\$0.1	\$239.0	\$238.1	(\$0.9)
Contribution to Reserve	\$2.0	\$2.0	\$0.0	\$7.0	\$6.8	(\$0.1)
Projected Surplus/(Deficit)	\$0.0	\$0.0	\$0.0	(\$38.1)	(\$36.2)	\$1.9
Reimbursement of Measure RR Funds	\$0.0	\$0.0	\$0.0	\$38.1	\$36.2	(\$1.9)
Adjusted Net Surplus/(Deficit)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

FY2024 & FY2025 Proposed Operating Budgets

FY2024 and FY2025 Revenues

(in millions)

Revenue Item	FY23 Forecast	FY24 Proposed Budget	FY24 \$ Change	FY25 Proposed Budget	FY25 \$ Change
Caltrain Fares	\$27.0	\$29.9	\$2.9	\$35.9	\$6.0
Go Pass	\$17.0	\$16.8	(\$0.2)	\$18.4	\$1.7
Parking	\$1.8	\$1.9	\$0.1	\$2.2	\$0.3
Rental Income	\$1.2	\$1.0	(\$0.2)	\$1.1	\$0.0
Other Income	\$4.0	\$6.5	\$2.5	\$6.0	(\$0.5)
AB434 & TA Shuttle	\$0.0	\$0.0	(\$0.0)	\$0.0	\$0.0
Operating Grants	\$11.3	\$12.8	\$1.5	\$10.7	(\$2.1)
Measure RR	\$119.3	\$118.4	(\$0.9)	\$120.1	\$1.7
Member Agency	\$0.0	\$0.5	\$0.5	\$0.5	\$0.0
LCFS, LCTOP, SRA	\$0.0	\$6.9	\$6.9	\$13.8	\$6.9
Total	\$181.7	\$194.8	\$13.1	\$208.7	\$14.0



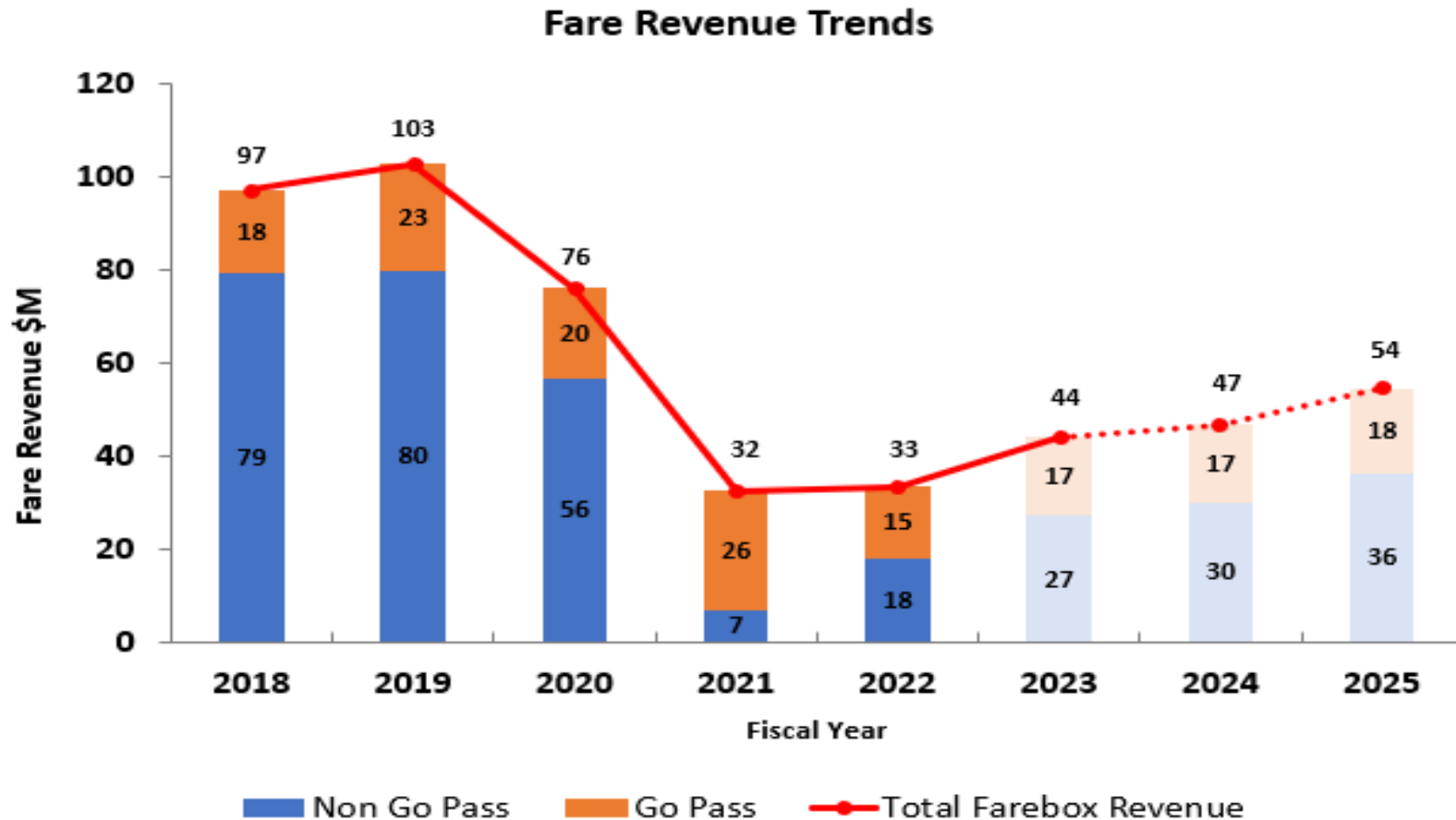
Farebox and Parking Revenues (in millions)

Revenue Item	Pre-Covid Levels*	FY24 Proposed Budget	% to Pre-Covid Levels	FY25 Proposed Budget	% to Pre-Covid Levels
Caltrain Fares	\$83.0	\$29.9	36%	\$35.9	43%
Go Pass	\$23.0	\$16.8	73%	\$18.4	80%
Total Farebox	\$106.0	\$46.7	44%	\$54.4	51%
Parking	\$5.6	\$1.9	34%	\$2.2	40%

*Pre-Covid Levels: Farebox is based on FY2020 forecast that incorporates the impact of the fare increases approved by the Board in Sep 2019; Parking is based on FY2019 actuals

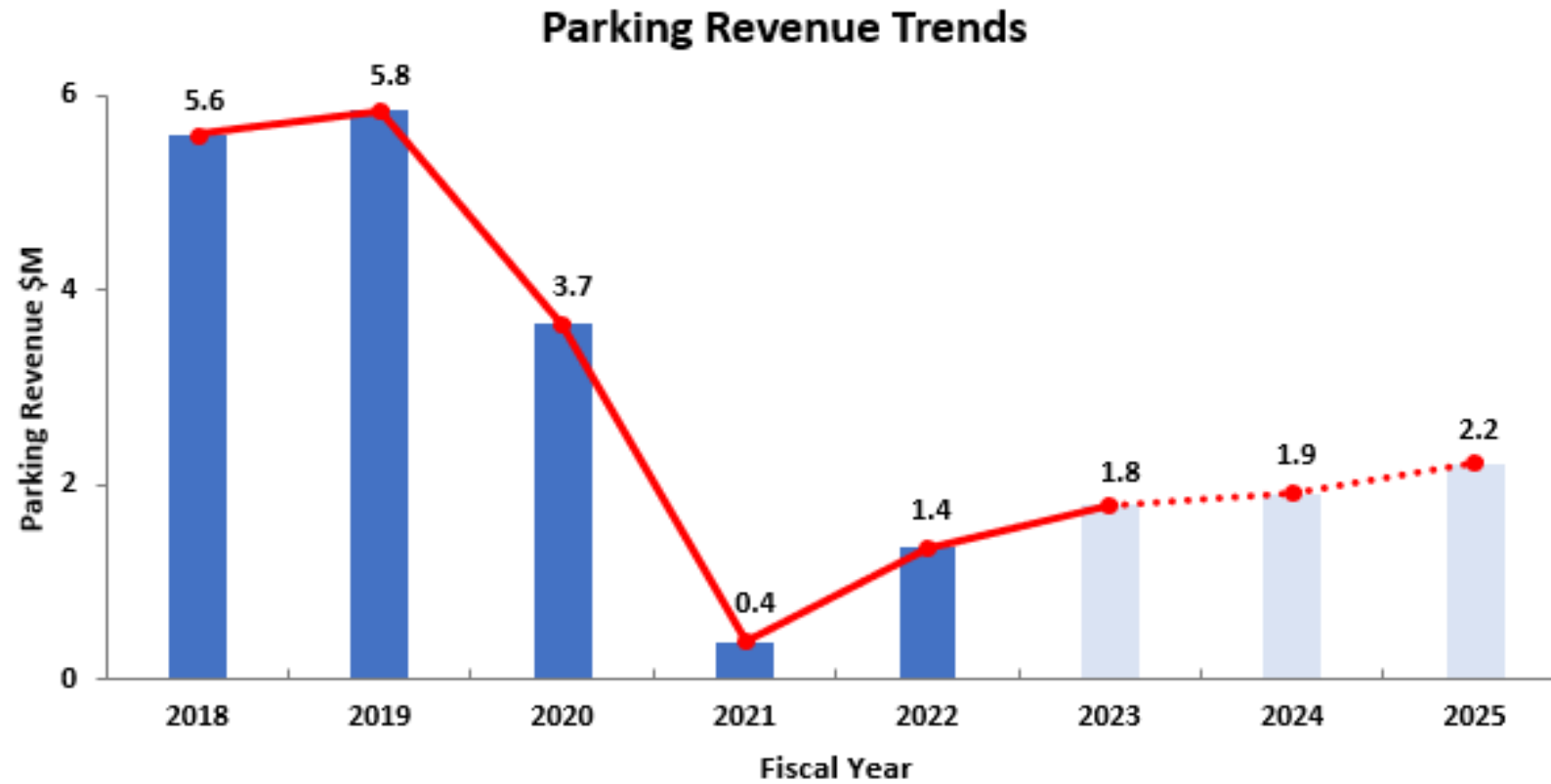
Farebox Revenue Trends

(in millions)



Parking Revenue Trends

(in millions)



FY2024 and FY2025 Expenses

(in millions)

Expense Item	FY23 Forecast	FY24 Proposed Budget	FY24 \$ Change	FY25 Proposed Budget	FY25 \$ Change
Rail Op Service	\$98.3	\$104.9	\$6.6	\$105.9	\$1.0
OCS/TPS Maintenance	\$0.0	\$0.0	\$0.0	\$25.0	\$25.0
Security Services	\$8.0	\$8.3	\$0.3	\$8.6	\$0.3
Fuel and Lubricants	\$17.5	\$15.2	(\$2.3)	\$5.1	(\$10.1)
Electricity	\$0.0	\$0.0	\$0.0	\$19.5	\$19.5
Insurance	\$10.6	\$11.5	\$0.9	\$12.6	\$1.0
Facilities & Eqpt Maint	\$7.1	\$8.2	\$1.1	\$9.0	\$0.8
Utilities	\$2.6	\$2.7	\$0.1	\$2.7	\$0.0
Maint & Services	\$1.8	\$1.8	\$0.0	\$1.8	(\$0.0)
Other Expenses	\$0.3	\$0.2	(\$0.1)	\$0.2	\$0.0
Total Operating Expense	\$146.2	\$152.8	\$6.6	\$190.2	\$37.5
Administrative	\$29.8	\$36.2	\$6.4	\$40.1	\$3.9
Governance	\$0.4	\$0.2	(\$0.1)	\$0.0	(\$0.2)
Debt Service	\$3.7	\$3.5	(\$0.2)	\$7.8	\$4.3



Proposed Operating Budgets Summary (in millions)

Proposed Operating Budgets Summary (in millions)	FY2024 Proposed Operating Budget	FY2025 Proposed Operating Budget
Total Revenue	\$194.7	\$208.7
Total Expense	\$192.7	\$238.1
Contribution to Reserve	\$2.0	\$6.8
Projected Surplus/(Deficit)	\$0.0	(\$36.2)
Reimbursement of Measure RR Funds	\$0.0	\$36.2
Adjusted Net Surplus/(Deficit)	\$0.0	\$0.0

FY2024 & FY2025 Proposed Capital Budgets

Capital Budget Requests

(in millions)

Capital Budget Requests (in millions)	FY2024 Funded Capital Projects	FY2024 Deferred Capital Projects	FY2025 Funded Capital Projects*	FY2025 Deferred Capital Projects
SOGR	\$33.1	\$7.6	\$25.8	\$29.6
Legal Mandate	\$0.2	\$0.0	\$0.5	\$0.0
Planning	\$6.1	\$2.0	\$7.5	\$2.5
Operational Improvements	\$6.4	\$6.4	\$4.2	\$16.3
VTA-Funded Capital Projects	\$2.2	\$0.0	\$3.0	\$0.0
Capital Contingency Fund	\$0.0	\$0.0	\$1.3	\$0.0
Net Capital Budget Requests (excl Stadler)	\$48.0	\$16.0	\$42.3	\$48.3
Stadler Cars	\$355.0	\$0.0	\$0.0	\$0.0
Externally-Funded Grade Sep Projects	\$107.2	\$0.0	\$32.3	\$0.0
Total Capital Budget Requests	\$510.2	\$16.0	\$74.6	\$48.3

*Funded Capital Projects include 3 Partially Funded Projects (EMU Rail Vehicle SOGR, SOGR MOW Track, and San Francisquito Creek Conceptual Design and Community Engagement)



Stadler Cars

Funding Source (in millions)	Replacement EMUs (4)	Portal/DTX EMU (1)	BEMU (1)
External Funds*	\$176.0	\$55.0	\$80.0
Local Match	\$44.0	\$0.0	\$0.0
Total	\$220.0	\$55.0	\$80.0

* External Funds are Federal Formula Funds for the Replacement of EMUs, San Francisco TJPA for the Portal/DTX EMU, and State Funds for the BEMU

Projected Funding Sources (in millions)

Funding Sources (in millions)	FY2024 Projections	FY2025 Projections
Federal SOGR	\$16.8	\$16.1
STA SOGR	\$1.6	\$1.3
Local Funds (LPP, AB664, LCTOP)	\$14.6	\$9.9
External Funding *	\$462.2	\$32.3
Member Agency Capital Obligation	\$15.0	\$15.0
Total Funding Sources	\$510.2	\$74.6
Less: Funding for Stadler Cars	\$355.0	\$0.0
Less: Funding for Externally-Funded Projects	\$115.2	\$32.3
Net Funding Sources	\$48.0	\$42.3

* External Funding includes funding for Stadler Cars and Externally-Funded Projects



Proposed Capital Budgets Summary (in millions)

Proposed Capital Budgets Summary (in millions)	FY2024 Proposed Capital Budget	FY2025 Proposed Capital Budget
Total Capital Budget Requests	\$510.2	\$74.6
Less: Stadler Cars*	\$355.0	\$0.0
Less: Externally-Funded Grade Sep Projects	\$107.2	\$32.3
Net Capital Budget Requests (excl Stadler)	\$48.0	\$42.3
Net Funding Sources	\$48.0	\$42.3
Capital Budget Deficit	\$0.0	\$0.0

*Assumes External Federal, State, and TJPA funding of \$311.0M plus a Local Match of \$44.0M (fully funded)



Next Steps

By end of CY2023, staff recommend for board adoption:

- Capital reserve policy, and
- Capital endowment fund proposal

Recommendation

Operating Budgets

- Board Approve the FY2024 and FY2025 Proposed Operating Budgets

Capital Budgets

- Board Approve the FY2024 and FY2025 Proposed Capital Budgets

FOR MORE INFORMATION

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