



Annual Business Plan and Budget Assumptions for Fiscal Year 2018-19 and Fiscal Year 2019-20

Board of Directors
January 29, 2018

Assumptions

- Implementation of a new roundtrip between San Diego and San Luis Obispo, creating a 13th roundtrip between San Diego and Los Angeles, a 6th roundtrip between San Diego and Goleta, and a 3rd roundtrip between San Diego and San Luis Obispo
- Additional seasonal service for holidays and special events
- Continuation of Rail 2 Rail (R2R) program with Metrolink at a reimbursement rate of \$7.00 per boarding, consistent with the average Metrolink fare per boarding
- 3 percent increase in ridership and 4 percent increase in revenue over Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency Fiscal Year (FY) 2017-18 actuals

Assumptions

- Continuation of R2R program with COASTER at a reimbursement rate consistent with the average COASTER fare per boarding, subject to possible changes in operating policy
- Continuation of Pacific Surfliner Transit Transfer Program using remaining Transit and Intercity Rail Capital Program (TIRCP) funds, supplemented with state operating funds
- Twelve full time staff positions, with the addition of one part-time intern, a Transportation & Analysis Manager, Marketing Programs Administrator, and Senior Accounting Analyst
- Four percent performance-based merit increase pool for administrative employees and three percent special award pool, consistent with Orange County Transportation Authority budget proposal for FY 2018-19

Assumptions

- Annual marketing budget of \$2 million, plus use of prior year surplus
- Minor capital revenue from state of \$500,000 per year with multi-year program of projects
- Professional services budget of \$200,000 to fund audit and on-call consulting services for planning, modeling, and project management
- TIRCP funding of \$1 million to support corridor optimization study, including update of capital improvement and operating plans
- State Rail Assistance funding of \$4.9 million in FY 2018-19 and \$5.1 million in FY 2019-20
- Assumes the renewal of Interagency Transfer Agreement for a five year term

Next Steps

- Staff will incorporate assumptions into draft business plan and budget for FY 2018-19 and FY 2019-20
- Staff will return to the Board for review and approval prior to the April 1, 2018 submittal deadline

