



METROLINK

Proposed FY 24 Budget OCTA Finance and
Administration Committee Meeting

April 26, 2023

Darren Kettle, Metrolink CEO

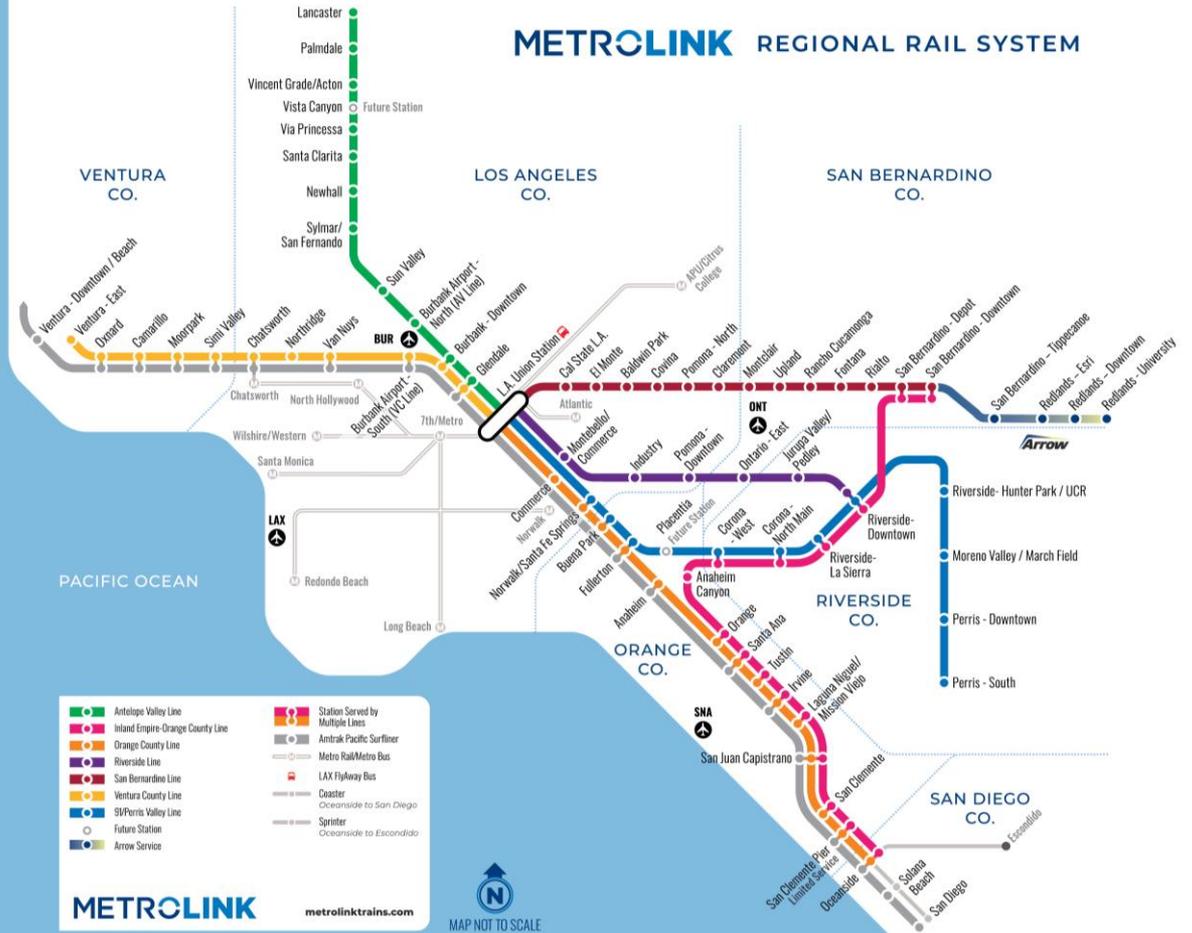
Linking People and Places in SoCal for 30 Years

6 counties served
7 lines
547 route miles
67 stations

Highest Ridership Lines
Orange County
San Bernardino
Antelope Valley

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METROLINK REGIONAL RAIL SYSTEM





Proposed FY24 Operating Budget

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FY24 Budget Assumptions

Service Level:

- Metrolink Board direction to return to 100% Pre-Pandemic Service Level
- Full Codeshare (Pending Rail-2-Rail Agreement with LOSSAN)
- Arrow Service is a Separate Budget

Revenue: (Revenue Constraints)

- Revenue / Ridership based on Sperry Capital / KPMG Low Forecast Scenario
- No Fare Increases
- New Fare Promotions

Expenses:

- Contractor Increases only as Mandated by Agreements
- No New FTE Headcount
- 5.0% Merit Pool (No COLA)

Reporting:

- Monthly
- Formal Mid-Year Budget Review
- Arrow Service Monthly Budget & Revenue / Ridership

Efficiency Actions & Growing Ridership

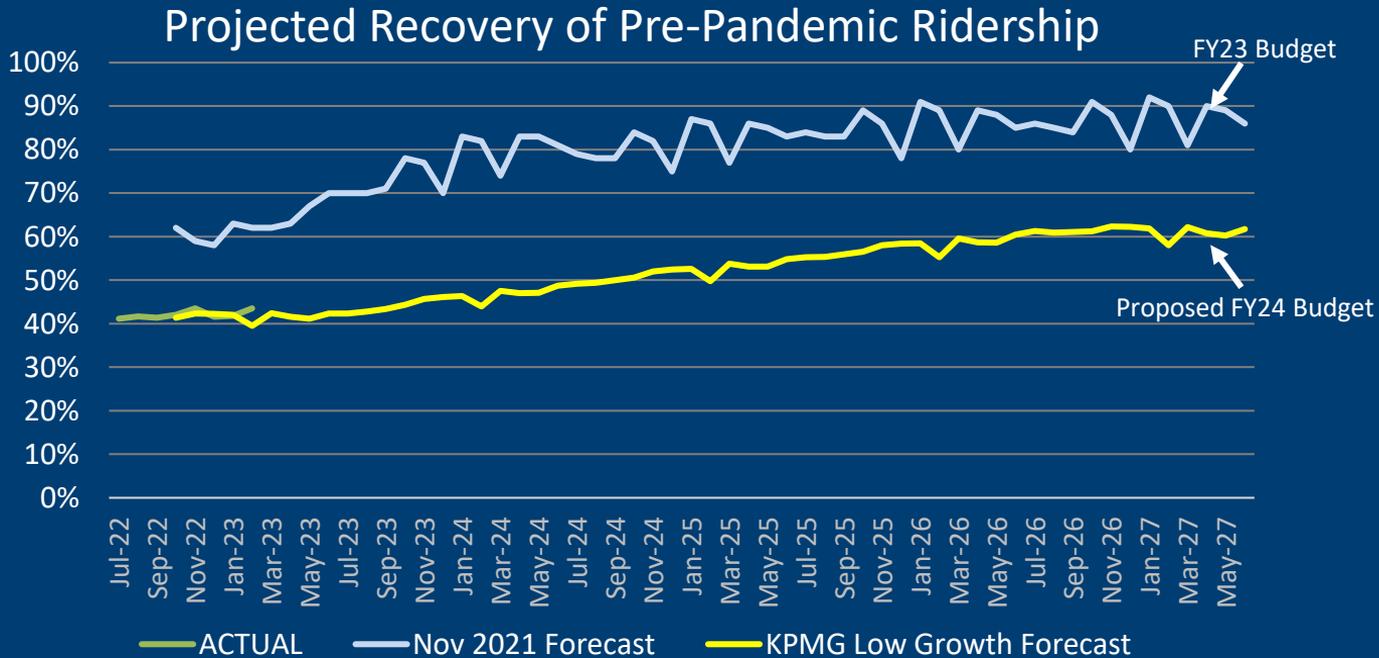
Studies in Progress – Results Due Spring 2023

- Metrolink has retained an outside consultant to provide optimizations for train crews and equipment usage. The results are intended to accomplish the following:
 - Optimize current stations pairs and identify new potential station
 - Model and cost peak-hour, off-peak and reverse-peak trains to be used to establish a performance evaluation model/matrix to aid in optimizing ongoing services.
- Schedule Integration Study
 - Collaborating with LOSSAN to optimize distribution of trains across travel hours
- Potential Rider Study
 - Focus Group to Encourage Non-Commuters usage

Proposed Study

- Fuel Efficiency Study / Pilot Implementation Program

Revenue/Ridership Recovery Scenarios (KPMG/Sperry Dec 2022)



Proposed FY24 Operating Budget Overview

Operating Revenue - \$54.2M

- Decrease from FY23 of \$12.3M or 18.5%

Total Expenses - \$314.5M

- Increase from FY23 of \$18.2M or 6.1%

Member Agency Support - \$260.3M

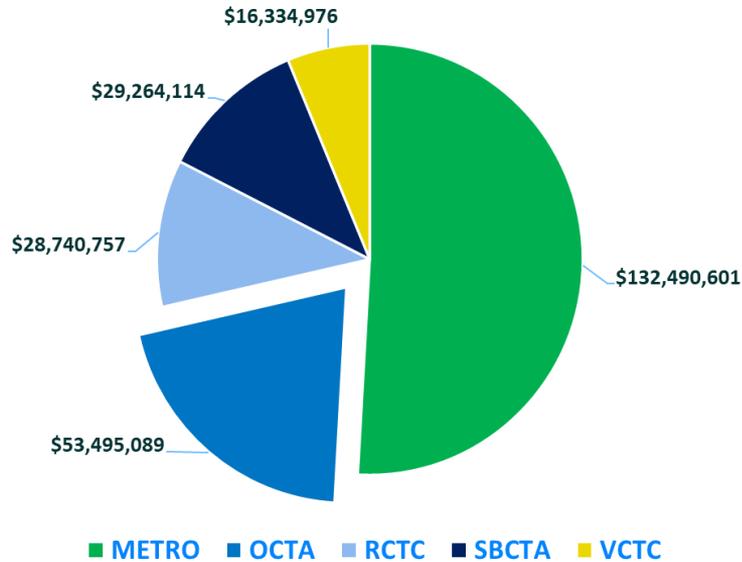
- Increase from FY23 of \$30.5M or 13.3%

Working Capital - \$50.0M

- New request to address Cashflow Challenges

FY24 Operating Budget – Summary of Support by Member Agency

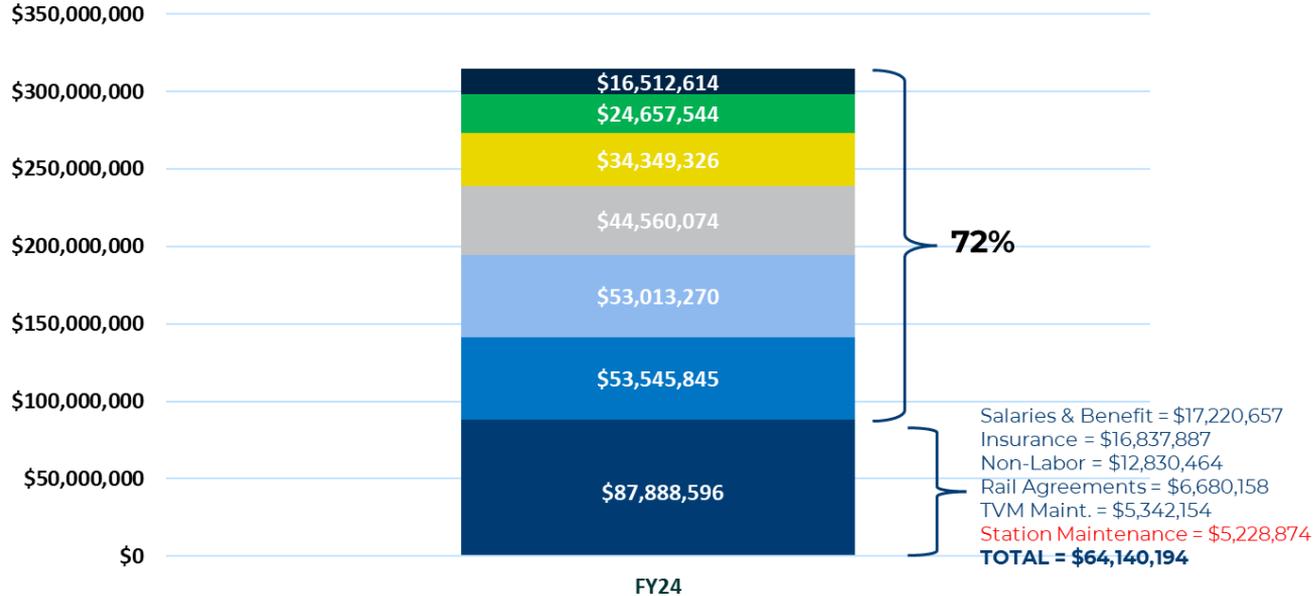
Support Required by Member Agency (\$260.3M)



Notes:

- Total does not include "Working Capital" request

FY24 Operating Budget Increase Drivers



■ Others
 ■ MoW - Line Segments
 ■ Train Operations
 ■ Equipment Maint.
 ■ Fuel
 ■ Overhead
 ■ Security

Note:

- MoW – Line Segments = Tracks & Signals and Structures
- Station Maintenance increase driven by CAM Union Station annual increase



Proposed FY24 Capital Budget

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Proposed FY24 Capital Program Budget Overview

State of Good Repair - \$149.3M

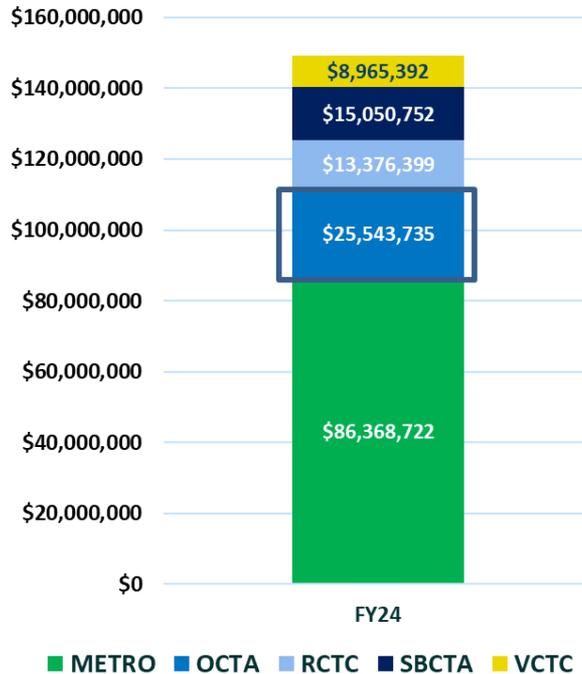
- Increase from FY23 of \$54.9M or 58.1%

New Capital - \$20.9M

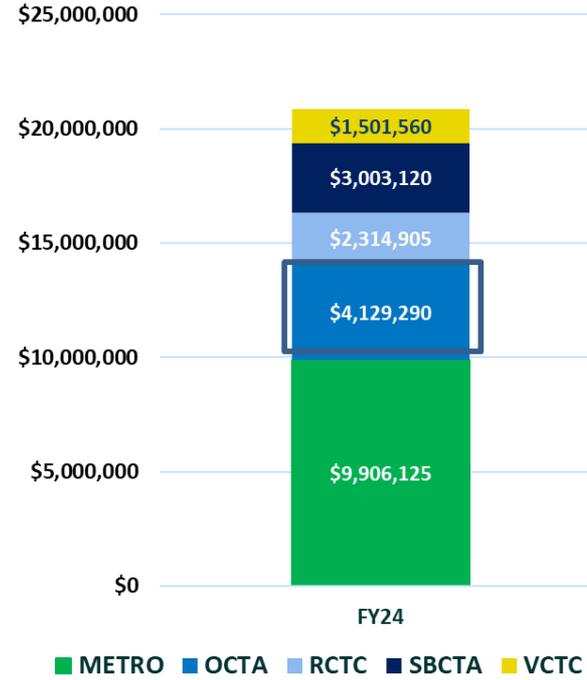
- Increase from FY23 of \$8.8M or 72.7%

FY24 Capital Program

State of Good Repair



New Capital



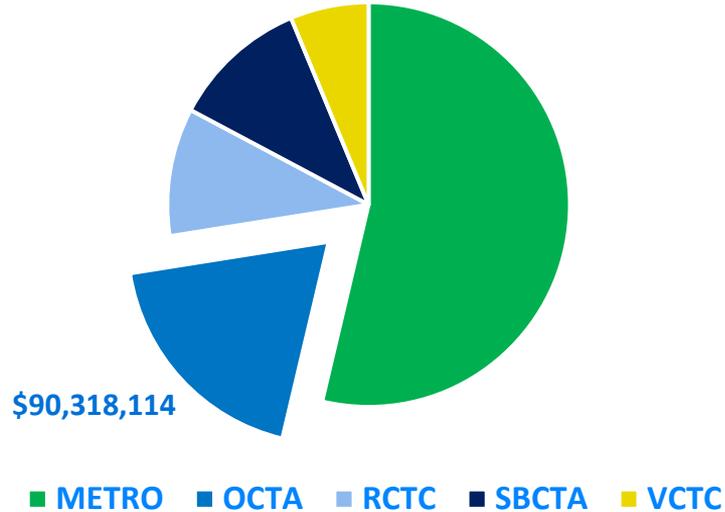
Proposed FY24 Budget Summary



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Proposed FY24 Operating & Capital Support by Member Agency

Proposed FY24 Budget Summary (\$480.5M)



• Total Proposed FY24 Budget with Working Capital

Proposed FY24 Operating & Capital Program Support by Member Agency

FY24 Proposed Budget (100%)

	TOTAL	METRO	OCTA	RCTC	SBCTA	VCTC
Total Operating Support	\$ 260,325,537	\$ 132,490,601	\$ 53,495,089	\$ 28,740,757	\$ 29,264,114	\$ 16,334,976
Total Capital Support	\$ 170,160,000	\$ 96,274,847	\$ 29,673,025	\$ 15,691,304	\$ 18,053,872	\$ 10,466,952
SUB-TOTAL =	\$ 430,485,537	\$ 228,765,448	\$ 83,168,114	\$ 44,432,061	\$ 47,317,986	\$ 26,801,928
Working Capital Request	\$ 50,000,000	\$ 29,290,000	\$ 7,150,000	\$ 4,765,000	\$ 5,330,000	\$ 3,465,000
TOTAL =	\$ 480,485,537	\$ 258,055,448	\$ 90,318,114	\$ 49,197,061	\$ 52,647,986	\$ 30,266,928

FY23 Amended Budget

	TOTAL	METRO	OCTA	RCTC	SBCTA	VCTC
Total Operating Support	\$ 229,800,737	\$ 117,951,427	\$ 45,988,164	\$ 25,890,809	\$ 25,224,743	\$ 14,745,594
Total Capital Support	\$ 106,545,000	\$ 47,958,000	\$ 29,531,440	\$ 9,688,080	\$ 12,568,320	\$ 6,284,160
Working Capital Request	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL =	\$ 336,345,737	\$ 165,909,427	\$ 75,519,604	\$ 35,578,889	\$ 37,793,063	\$ 21,029,754

Variance

	TOTAL	METRO	OCTA	RCTC	SBCTA	VCTC
Total w/o Working Capital	\$ 94,139,800	\$ 62,856,021	\$ 7,648,510	\$ 8,853,172	\$ 9,524,923	\$ 5,772,174
variance	28.0%	37.9%	10.1%	24.9%	25.2%	27.4%
Total w/ Working Capital	\$ 144,139,800	\$ 92,146,021	\$ 14,798,510	\$ 13,618,172	\$ 14,854,923	\$ 9,237,174
variance	42.9%	55.5%	19.6%	38.3%	39.3%	43.9%



Thank you! Questions?