



## EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL: <i>Valencia de la Torre</i>		GENERAL MANAGER ACTION REQ'D:		
DATE: <i>6/3/16</i>		BOARD INITIATED ITEM: No		
Originator/Prepared by: Robert Umbreit Dept: <i>Robert S. Umbreit</i> Signature/Date: <i>6-2-16</i>	General Counsel <i>[Signature]</i> Signature/Date: <i>6/2/16</i>	Controller/Treasurer <i>[Signature]</i> Signature/Date: <i>6/2/16</i>	District Secretary [ ]	BARC <i>[Signature]</i> Signature/Date: <i>6-2-16</i> [ ]
TITLE:				

### ANNUAL BUDGET RESOLUTION FOR FISCAL YEAR 2017

#### NARRATIVE:

#### PURPOSE

To authorize adoption of the Annual Budget Resolution for Fiscal Year 2017 (FY17).

#### DISCUSSION

Approval by the Board of Directors is requested for the FY17 operating and capital budgets. The total proposed FY17 budget (operating and capital) is \$1.82 billion. The FY17 operating budget is balanced, with \$929.1 million (M) in sources and \$931.5M in uses, less an adjustment for the Other Post Employment Benefits (OPEB) unfunded liability of \$2.5M that does not affect the Net Operating Result. The FY17 capital budget totals \$888.5M.

The proposed FY17 annual budget is summarized in Attachments 1, 2, 3 and Exhibit A. These attachments incorporate the proposed initiatives and allocations to capital projects that were included in the Preliminary Budget Memo and reviewed in presentations to the Board of Directors during April and May. The capital budget has been updated for finalized FY17 budgeted positions, including pre-revenue service positions for the Silicon Valley Berryessa Extension, which will be funded by the Valley Transportation Authority. The proposed annual operating budget also includes changes to the Preliminary Budget as discussed at the May 26 Board meeting. Attachment 3 listing the budget initiatives has been modified accordingly.

#### FY17 Operating Budget

The budget for FY17 focuses on continuing BART's system reinvestment program, opens the Warm Springs/South Fremont station and provides funding for pre-revenue service for eBART. The FY16 budget addressed capacity issues on the system, and those efforts will be maintained in FY17. However, because of slowing ridership and sales tax growth, there is limited funding for additional new programs and budget initiatives.

The Board of Directors passed modifications to the paid parking program in February 2013, with the increase in revenue dedicated to funding programs to benefit station access, rehabilitation and modernization. For FY17 \$6.5M is added for new programs and projects, and will fund a variety of station and access related initiatives (see Attachment 3). The specific programs proposed in the Preliminary Budget have been modified based on discussions with the Board of Directors during the budget process.

There are revisions from the FY17 Preliminary Budget, as discussed at the May 26 Board meeting. The Governor's May Budget Revision reduced State Transit Assistance (STA) funding due to declining diesel fuel prices. This resulted in a \$5.1M reduction to BART's STA amount. In order to balance the budget, the following changes are recommended. Reductions include deferral of \$2.5M of budget initiatives for Enterprise Resource Planning (\$2.0M) and Recruitment Support (\$0.5M), estimated debt service refinancing savings of \$1.0M, eBART startup positions phase-in was reduced by \$1.0M, and labor budget adjustments and corrections for \$0.6M. The budget resolution does authorize the General Manager to add positions during the year if financial conditions change.

In addition to the changes to rebalance the budget due to the STA reduction, the stations and access projects funded by parking revenue have been reconfigured based on Board feedback and comments. The revised funding for the projects is itemized in Attachment 3.

- The Station Platform Controllers program will be revised to a program called Embarcadero Platform Management. Funding is included to develop a more comprehensive approach to address crowded platforms, focused on resolving potential customer safety issues and dwell time control. Examples of potential investments include a wireless public announcement system, a Destination Sign System countdown timer showing remaining scheduled door dwell times for trains, a "railing chute" at the bottom landing of down escalators to keep that critical area clear and funding to develop the plan and survey other systems for best practices in platform crowd control strategies. Also included are two positions to start mid-year. The types of positions and strategies to address the problem will be developed. The total project will now be funded for \$0.3M, a reduction from the \$0.7M for Station Platform Controllers included in the Preliminary Budget.
- Funds for the Pittsburg/Bay Point Station surface parking project were funded from FY16 mid-year revenues, and therefore the FY17 funds for the project are being reallocated to an Access Planner position. The position will prioritize and advance implementation of access projects across the District, and will manage an eBART and outer C-Line Corridor Access Strategy Plan.
- In order to support the Transit Oriented Development program, a Principal Planner is added to support projects in that area.
- \$0.2M is added for a Customer Service Tracking Program. The funding will be used to develop the Salesforce/Maximo reporting and project tracking system where customers can report issues with stations or other system problems, as was presented May 26.
- The Public Address System Pilot will be modified. Later this year, the Board of Directors will receive a presentation on customer communications during delays and emergencies and any recommended investments needed to improve performance in this area. The funding will be set aside so that it can be used for results of the presentation and Board discussion.

In addition to the FY17 budget changes for Stations/Access projects, the FY16 mid-year stations and access projects were also revised. The Access & Parking Assessment project funding will be used for a one-time project to prepare a strategy to address stations access impacts at outer C-line and eBART stations. The strategy will consider linkages to regional bicycle/pedestrian trails.

### **FY17 Capital Budget**

The capital budget proposes FY17 expenditures of \$888.5M and funds 825 positions. This is an increase of 200 positions from the Preliminary Budget due to finalizing the number of positions supported in the capital budget for FY17. Of the increase, 42 came from BART capital projects, and pre-revenue staffing for the Silicon Valley Berryessa Extension (SVBX) accounts for \$12.2M and 158 positions which will be funded by the Valley Transportation Authority. The remaining FY17 capital budget of \$876.3M represents a 32% increase over FY16. This is attributed to substantial expenditure increases in several key BART capital program categories, including System Renovation and Reinvestment (60% increase to \$584.5M), Service and Capacity Enhancement (29% increase to \$48.6M), Safety and Security (39% to \$68.0M) and Earthquake Safety (79% to \$60.6M). As two of our Big 3 program of projects enter peak activity phases, the new railcar program (\$199M) and the Hayward Maintenance Complex (\$165M) represent the largest individual project expenditures in the capital budget. Other major expenditures reflect the increased emphasis on system reinvestment, including mainline rail and power distribution projects (\$71M), train control and fare collection (\$70M) and station modernization and renovation projects (\$65M).

On the sources side, the BART capital program continues to be funded through a mix of Federal, regional and local funds, including a sizable commitment of BART operating allocations. This ongoing, and increasing, commitment of BART funds is an essential component of our capital program, particularly in meeting the long term commitments required to deliver the Big 3 program. Other capital activities dependent on operating allocations are grant-ineligible Board-directed projects and initiatives, routine but necessary capitalized maintenance projects, emergent safety and security projects, and equipment and inventory. Operating allocations derived from parking revenues are dedicated to a variety of station and access improvements, including signage, pedestrian improvements, station heavy cleaning, information displays, bike improvements, limited studies, and a sustainability program.

As mandated by regional programming requirements, Federal funds are directed to train control and traction power, trackway renovation, general mainline repairs, rail cars, fare collection, and ADA/system accessibility improvements. Other capital revenues are limited in their flexibility and many sources and grants are restricted to certain projects and/or activities as a condition of award. The FY17 capital budget contains modest but important contributions of State and local funds, including bridge toll allocations and County transportation sales tax funds, which are earmarked for station modernization and grant match. Bond proceeds from BART's Earthquake Safety general obligation bond are dedicated exclusively to the Earthquake Safety program. Additionally, there are a number of smaller, defined purpose grants that are limited to specific projects.

### **FY17 BUDGET RESOLUTION**

Staff recommends approval of the attached Resolution to adopt the FY17 Annual Budget. As in previous years, the FY17 Resolution includes authorization to submit annual applications for Transportation Development Act (TDA), State Transit Assistance (STA) and Bridge Toll funds that are included in the FY17 capital budget, as appropriate. The Resolution also allows the

General Manager or the General Manager's designee to execute the agreement with the City and County of San Francisco to provide annual transfer payments for feeder services to the San Francisco Municipal Transportation Agency for FY17. The Resolution also incorporates provisions referring to the SFO Extension service plan and certain District system-wide operating policies. The Resolution authorizes the General Manager, or designee, to file grant applications and execute funding agreements on behalf of the District with the State of California for security grants.

Exhibit A (attached) of the Budget Resolution summarizes operating and capital budget totals. It includes modifications to the Preliminary Budget as outlined in the previous paragraphs. Exhibit B (attached) reflects current hourly pay rates or base pay ranges, as applicable, and management incentive pay, if any, for non-represented employees.

#### **FISCAL IMPACT**

The proposed FY17 Annual Budget is balanced.

#### **ALTERNATIVES**

Not adopt the budget or adopt a budget that differs from what has been presented to the Board of Directors over the past three months. Rules of the Board of Directors require that the budget be adopted prior to June 30th; adoption of the Budget Resolution by June 30th is required to authorize expenditures in FY17.

#### **RECOMMENDATION**

Adoption of the following motion:

#### **MOTION**

Adoption of the attached Resolution in the matter of approving the Annual Budget for the San Francisco Bay Area Rapid Transit District and authorizing expenditures for the fiscal year July 1, 2016 to June 30, 2017.

**Attachment 1**  
**Fiscal Year 2017 District Operating Budget**  
**Sources and Uses Detail**

	FY17		FY17
<b>SOURCES</b>	<b>PRELIMINARY</b>	<b>Changes</b>	<b>ADOPTED</b>
Rail Passenger Revenue	\$ 509,956,889	\$ -	\$ 509,956,889
ADA Passenger Revenue	877,401	-	877,401
Parking Revenue	33,484,552	-	33,484,552
Other Operating Revenue	27,506,101	-	27,506,101
<b>Sub-Total Operating Revenue</b>	<b>571,824,943</b>	<b>-</b>	<b>571,824,943</b>
Sales Tax Proceeds	249,213,493	-	249,213,493
Property Tax Proceeds	38,567,042	-	38,567,042
Measure B / Other	5,575,123	-	5,575,123
State Transit Assistance	14,000,000	(5,072,368)	8,927,632
Low Carbon Transit Operations Program	7,000,000	-	7,000,000
Federal 5307 Grant - MTC Rail Car Fund Swap	47,116,668	-	47,116,668
Millbrae Use, Operating & Maint. Agreement	864,673	-	864,673
<b>Sub-Total Financial Assistance &amp; Allocations</b>	<b>362,336,999</b>	<b>(5,072,368)</b>	<b>357,264,631</b>
<b>TOTAL SOURCES</b>	<b>934,161,942</b>	<b>(5,072,368)</b>	<b>929,089,574</b>
<b>USES</b>			
Labor	500,790,787	(1,183,812)	499,606,975
OPEB Unfunded Liability	2,449,579	-	2,449,579
ADA Paratransit	14,205,377	-	14,205,377
Purchased Transportation	13,793,877	-	13,793,877
Power	40,987,000	-	40,987,000
Other Non-Labor	120,510,147	(15,500)	120,494,647
<b>Sub-Total Operating Expense</b>	<b>692,736,767</b>	<b>(1,199,312)</b>	<b>691,537,455</b>
<b>Extraordinary Expense - MTC Rail Car Fund Swap</b>	<b>47,116,668</b>		<b>47,116,668</b>
Debt Service	52,744,366	(1,000,000)	51,744,366
Allocation - Capital Rehabilitation	43,456,986	(2,812,142)	40,644,844
Allocation - Rail Car Sinking Fund	45,000,000	-	45,000,000
Allocation - Priority Capital Programs	35,383,974	-	35,383,974
Allocation - Stations & Access Projects	5,243,360	(60,914)	5,182,446
Allocations - Other	1,656,499	-	1,656,499
Allocation - Rail Car Project from SFO Net Result	13,272,901	-	13,272,901
<b>Sub-Total Allocations</b>	<b>196,758,086</b>	<b>(3,873,056)</b>	<b>192,885,030</b>
<b>TOTAL USES</b>	<b>936,611,521</b>	<b>(5,072,368)</b>	<b>931,539,153</b>
<b>OPEB Unfunded Liability</b>	<b>(2,449,579)</b>	<b>-</b>	<b>(2,449,579)</b>
<b>NET RESULT</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Average Weekday Trips	445,441		445,441
Operating Ratio	82.5%		82.7%
Farebox Recovery Ratio	73.7%		73.9%

## Attachment 2

### FY17 Capital Budget Headcount and Planned Expenditures Program Summary by Category

Program Category	Capital Headcount*	Planned Expenditures
	FY17	FY17
<b>System Renovation**</b>		
Rolling Stock	63.3	200,717,252
Mainline	206.7	71,489,463
Stations	26.3	64,813,955
Controls & Communications	140.2	69,643,192
Facilities	23.7	172,432,829
Work Equipment	1.4	5,366,005
<b>Total System Renovation</b>	<b>461.6</b>	<b>584,462,695</b>
<b>Safety &amp; Security</b>	30.6	68,010,005
<b>Earthquake Safety</b>	18.1	60,558,630
<b>Service &amp; Capacity Enhancement</b>	21.4	48,617,576
<b>System Expansion</b>	204.0	121,333,993
<b>Capitol Corridor***</b>	24.0	3,700,000
<b>Reimbursable****</b>	17.0	1,800,000
<b>Cost Allocation Plan</b>	48.0	CAP costs are included in each of the line items above
<b>TOTALS</b>	<b>824.8</b>	<b>888,482,900</b>

\* Total authorized permanent positions.

\*\* All expenses for the Capitol Corridor service to be reimbursed as allocated to the Capitol Corridor Joint Powers Board in the Annual State Budget Act.

\*\*\* Positions fully reimbursed by Muni, Caltrans, and others for BART staff expenses incurred in performing services for those organizations.

**Attachment 3**

**FY17 Operating and Capital Budget Initiatives (General Fund)**

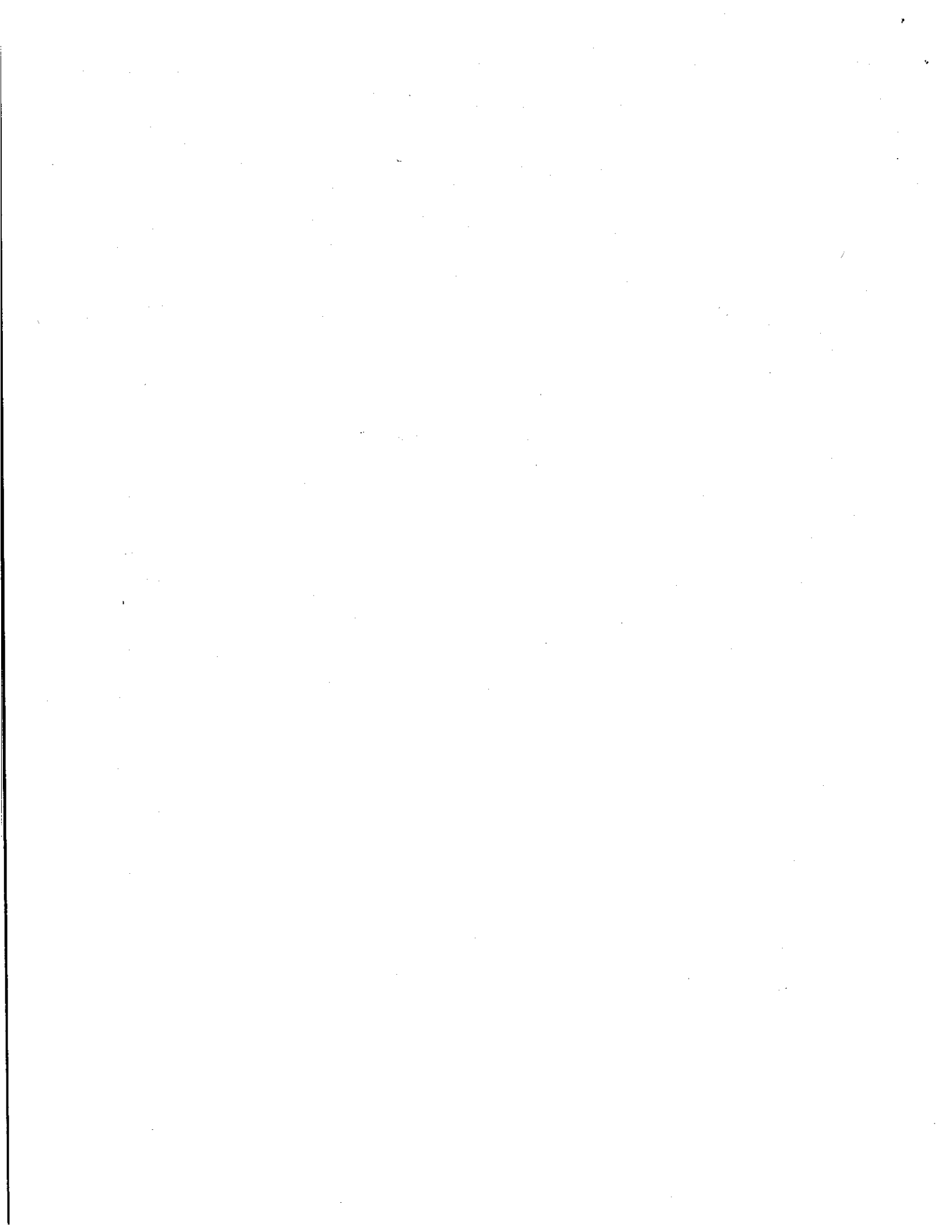
<b>OPERATING</b>	<b>Pos.</b>	<b>Labor</b>	<b>Non-Labor</b>	<b>Total</b>
Workforce Development Grant		250,000	-	250,000
<b>OPERATING TOTAL</b>	-	<b>250,000</b>	-	<b>250,000</b>
<b>CAPITAL</b>				
C-Car Cab Window Replacement				600,000
<b>CAPITAL TOTAL</b>				<b>600,000</b>

**FY17 Stations & Access Projects (from Parking Revenue)**

<b>OPERATING</b>	<b>Pos.</b>	<b>Labor</b>	<b>Non-Labor</b>	<b>Total</b>
Embarcadero Platform Management*	2	137,213	-	137,213
Parking Community Safety Officers	4	421,928	-	421,928
Station Project Manager	1	208,793	-	208,793
Public Safety Initiative		-	50,000	50,000
Principal Planner - Access**	1	195,535	-	195,535
Principal Planner - Transit Oriented Development**	1	195,535	-	195,535
Customer Service Tracking Program**			100,000	100,000
<b>OPERATING TOTAL</b>	<b>9</b>	<b>1,159,004</b>	<b>150,000</b>	<b>1,309,004</b>
<b>CAPITAL</b>				<b>Total</b>
Embarcadero Platform Management (capital portion)*				204,086
Wayfinding				1,850,000
Concord Plaza				848,360
Bike Parking				650,000
Station Sustainability				475,000
Water Intrusion Remediation				455,000
Public Address System				350,000
Dublin/Pleasanton Station Access				250,000
Customer Service Tracking Program (capital portion)**				100,000
<b>CAPITAL TOTAL</b>				<b>5,182,446</b>

\*Revised from Preliminary Budget. Positions are for 1/2 year (January 2017)

\*\*Revisions from Preliminary Budget





BEFORE THE BOARD OF DIRECTORS OF THE  
SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT

In the matter of approving  
The Annual Budget for the  
San Francisco Bay Area Rapid  
Transit District and authorizing  
Expenditures for the Fiscal Year  
July 1, 2016, to June 30, 2017

Resolution No. 5324

WHEREAS, the Board of Directors of the San Francisco Bay Area Rapid Transit District published notices on May 4, May 5 and May 6, 2016 in newspapers of general circulation in the County of San Francisco, the County of Contra Costa, and the County of Alameda of its intention to adopt an Annual Budget for the Fiscal Year July 1, 2016, to June 30, 2017; and

WHEREAS, the Board of Directors of the San Francisco Bay Area Rapid Transit District desires to adopt an Annual Budget for the Fiscal Year July 1, 2016, to June 30, 2017; and

WHEREAS, the Board of Directors of the San Francisco Bay Area Rapid Transit District is required by Public Utilities Code Section 28767 to determine and create, by resolution, such number and character of positions as are necessary to properly carry out the functions of the District; and

WHEREAS, the Transportation Development Act (TDA), Public Utilities Code §99200, *et seq.*, provides for the disbursement of funds from the Local Transportation Fund of the Counties of Alameda and Contra Costa for use by eligible claimants for the purpose of operating assistance; and

WHEREAS, the State Transit Assistance (STA) fund makes funds available pursuant to Public Utilities Code Section 99313.6 for allocation to eligible applicants to support approved transit projects; and

WHEREAS, as attested to by opinions of the Office of the General Counsel, the San Francisco Bay Area Rapid Transit District is an eligible applicant for Net Toll Revenues and MTC Rail Extension Reserve bridge toll revenues pursuant to Section 30892 of the Streets and Highways Code; and is an eligible claimant for TDA and STA funds pursuant to Public Utilities Code Section 99260; and

WHEREAS, the agreement between the San Francisco Bay Area Rapid Transit District and San Mateo County Transit District, dated April 27, 2007, states that the San Francisco Bay Area Rapid Transit District will provide service on the SFO extension in a manner consistent with BART's system-wide operating policies; and

ADOPTED: June 9, 2016

WHEREAS, the system-wide operating plan for Fiscal Year 2017 was presented to the Board of Directors on May 12, 2016, in a presentation entitled Fiscal Year 2017 Preliminary Budget Operating Sources, Uses and Service Plan; and

WHEREAS, the California Governor's Office of Emergency Services makes funds available from the FY 2016-2017 California Transit Security Grant Program – California Transit Assistance Fund (CTSGP-CTAF) to eligible applicants to support approved security transit projects;

NOW, THEREFORE, BE IT RESOLVED that the attached Annual budget (marked Exhibit A and incorporated herein as though set forth at length) is hereby adopted; and

BE IT FURTHER RESOLVED that, subject to the resolved clauses, said Annual Budget includes appropriations of monies expected to be available in the General Fund, Capital Funds including Construction Funds and existing and anticipated Federal, State and local grants, for expenditures in the amounts and for the purposes set forth in said budget; and

BE IT FURTHER RESOLVED that the General Manager is authorized to enter into services agreements (including professional, technical, maintenance and repair agreements) and lease or license agreements for District use of real property, facilities, equipment and software provided that:

- (1) The General Manager shall first determine that the work or services concerned, in the amounts authorized in a service agreement, cannot satisfactorily be performed by the officers or employees of the District;
- (2) Agreements that are let by public bidding, service, lease, and license agreements, and amendments thereto, between \$25,000 and \$100,000, shall be reported bi-monthly to the Board of Directors;
- (3) Prior authorization by the Board of Directors is required when:
  - a. The agreement, and amendments thereto, total in the aggregate \$100,000 or more in the fiscal year; or
  - b. Amendments total in the aggregate \$100,000 or more in any subsequent fiscal year;
- (4) The General Counsel is authorized to enter into services agreements in amounts up to \$100,000 with special counsel not previously designated by the Board without prior notice to the Board where the General Counsel determines that such immediate action is necessary to protect the legal interests of the District. Any such agreement shall be reported by the General Counsel to the Board within the calendar month thereafter.
- (5) The General Manager's authority to take immediate remedial measures, as defined in Section 20224 of the California Public Contract Code, and as authorized in Resolution No. 4834 shall remain unchanged; and

BE IT FURTHER RESOLVED that the General Manager is authorized to exchange District goods and services for goods and services from others of approximately equal or greater value; and

BE IT FURTHER RESOLVED that all disbursements resulting from the exercise of authority granted the General Manager pursuant to this resolution shall be reported to the Board of Directors in the District's quarterly financial report; and

BE IT FURTHER RESOLVED that Resolution No. 5296, adopted June 11, 2015, is repealed effective August 31, 2016, except as it applies to unexpended capital appropriations, and

BE IT FURTHER RESOLVED that the General Manager or the General Manager's designee is authorized to execute and file a Bridge Toll Application, a TDA Application and an STA Application along with necessary supporting documents, with the Metropolitan Transportation Commission for allocation of bridge toll revenues, TDA and STA funds in FY17; and

BE IT FURTHER RESOLVED that the General Manager or the General Manager's designee is authorized to execute any actions necessary for the purpose of obtaining financial assistance provided by the California Transit Security Grant Program – FY 2016-2017 California Transit Assistance Fund (CTSGP-CTAF); and

BE IT FURTHER RESOLVED that the San Francisco Bay Area Rapid Transit District's system-wide operating policies shall be generally as set forth in the May 12, 2016, presentation entitled Fiscal Year 2017 Preliminary Budget Operating Sources, Uses and Service Plan, subject to such adjustments that staff determines necessary to operate the service in the public's interest; and

BE IT FURTHER RESOLVED that the General Manager or the General Manager's designee is authorized to execute an agreement with the City and County of San Francisco (CITY) to provide a transfer payment in FY17, such transfer payment being paid by the District to CITY in order to facilitate the coordination of transit service and furnish an incentive to CITY for providing enhanced transfer services between MUNI and BART stations; and

BE IT FURTHER RESOLVED that the General Manager is authorized to make expenditures and incur liabilities against said funds within the limits set forth in said budget and the provisions of this Resolution, and to act on behalf of the District in connection with contracts arising thereunder, by following the procedures provided by law, and by Board of Directors' Resolutions and Board Rules, except that no contractual obligation shall be assumed by the District in excess of its ability to pay, and provided further that all expenditures shall be in conformance with statutory and other restrictions placed on the use of said funds; and

BE IT FURTHER RESOLVED that the General Manager is authorized to exceed Board Appointed Department/Executive Office budgets by more than ten percent (10%) ten (10) days after written notice of this intended action has been mailed to the Board of Directors, provided that the Total Net Operating Expense line item set forth in "Exhibit A" is not exceeded and such action is consistent with Board Rule 5-1.4 and provided further that the General Manager will prepare

and send to the Board, a summary of Department budgets within approximately 30 days after the adoption of this budget; and

BE IT FURTHER RESOLVED that the General Manager is authorized to exceed the foregoing ten percent limitation for emergency expenditures which are made in accordance with Resolution No. 4834 and Public Contract Code Section 20224; and

BE IT FURTHER RESOLVED that the General Manager is authorized to act on behalf of the District, and to make expenditures and incur liabilities against all funds of the District as provided for in contracts which have been authorized by the Board of Directors of the District and that the Board's authorizations of such contracts also include the necessary appropriations for such contracts and change orders authorized by Rules approved by the Board, subject, however, to compliance with such specific appropriation resolutions as may be adopted by the Board from time to time; and

BE IT FURTHER RESOLVED that the General Manager or the General Manager's designee is authorized to issue free or discounted promotional tickets in FY17 for purposes of building ridership on the system, consistent with ridership development guidelines; and

BE IT FURTHER RESOLVED that effective July 1, 2016:

- (1) The total number of permanent full and permanent part-time positions ("full time equivalent") as of July 1, 2016, budgeted for the District shall be 4,017.5 (a part-time position is counted as 0.625 positions). Additional permanent positions are authorized, as required, not to exceed 50 positions, of which not more than 25 positions may be charged to operating expense provided the budgeted Total Net Operating Expense is not thereby exceeded;
- (2) The character and salary ranges of such positions, including officers appointed by the Board pursuant to Public Utilities Code Section 28811 shall be as set forth in the agreements entered into with Service Employees' International Union, Local 1021, Amalgamated Transit Union, Local 1555, American Federation of State and County Municipal Employees, Local 3993, the BART Police Officers Association and the BART Police Managers Association as to the employees represented thereby, and with other Bargaining Units for employees that may later be represented thereby, and for all other employees as set forth in the attached "Exhibit B", incorporated herein as though set forth at length. The employment benefits for non-represented employees shall be administered by the General Manager in accordance with Board Rule 4-1.2.
- (3) The General Manager is authorized to make future adjustments to the Professional/Management Salary Ranges ("Exhibit B") for non-represented employees in accordance with applicable provisions of the Compensation Manual, which reflects the District policy and practice to evaluate such ranges on an annual basis and to establish the mid-points of the pay ranges for positions so that they approximate the 75<sup>th</sup> percentile of the average of salaries paid for similar jobs in the labor market and to promptly advise the Board of any and all such range

adjustments. The General Manager is directed to initiate the annual review by October of each year.

- (4) The District Secretary shall insure that an amendment to Exhibit B be prepared to reflect any adjustment to the hourly wage rates or professional/management pay bands as provided above or any adjustment to the Board appointed officers' salaries as a result of merit adjustments or scheduled increases provided in such officers' employment agreements that take effect during the fiscal year. The District Secretary shall attach any such amendment to Exhibit B as an addendum to this resolution.
- (5) The General Manager is authorized to pay non-represented employees on the merit plan who are eligible for a wage increase of up to 3.7214% as of July 1, 2016 that portion of their merit increase which exceeds the top of the base salary range with no increase to the employee's "base wage" above the top of the salary range. The amount over the top of the salary range shall be paid over the following twelve month period in equal pay period installments and will be discontinued after the expiration of the twelve month period unless the pay range is adjusted in accordance with (3), above, to incorporate that portion that is over the top of the salary range. Employees must have been rated "effective" or higher overall in their most recent performance evaluation to be eligible for any merit increase.
- (6) Except for Paragraph 1, and to the extent it is modified by Resolution No. 4748, Resolution No. 4487 remains in full force and effect.

**BE IT FURTHER RESOLVED** that the General Manager or the General Manager's designee shall post all grant applications online to the public as they are submitted, except those that if made public would compromise the security of the system.

###

**EXHIBIT A**  
**SAN FRANCISCO BAY AREA RAPID TRANSIT DISTRICT**  
**ANNUAL BUDGET - FISCAL YEAR 2017**

<u>FUND SOURCES</u>	TOTAL
FUND SOURCES FOR NET OPERATING EXPENSE BUDGET, DEBT SERVICE AND CAPITAL ALLOCATIONS	
Operating Revenue	\$ 571,824,943
Property Tax	38,567,042
1/2 ¢ Sales Tax	249,213,493
Measure B, BB, & J Assistance	4,603,535
FTA - UAFF Operations (SMP)	861,588
Other Financial Assistance	110,000
Caltrain - Millbrae Station Joint Use	864,673
5307 Preventive Maintenance Grant - Rail Car Fund Swap	47,116,668
State Transit Assistance	8,927,632
Low Carbon Transit Operations Program	7,000,000
<b>Total Operating Sources</b>	<b>929,089,574</b>
FUND SOURCE FOR CAPITAL BUDGET	
Capital Funds - Cash Flow FY17	\$ 888,482,900
<b>TOTAL ESTIMATED FUND SOURCES</b>	<b>\$ 1,817,572,474</b>
<u>FUND USES</u>	
FUND USES FOR NET OPERATING EXPENSE BUDGET, DEBT SERVICE AND CAPITAL ALLOCATIONS	
Net Labor Expense <sup>(1)</sup>	\$ 502,056,554
Non-Labor Expense	189,480,901
Total Net Operating Expense	\$ 691,537,455
Extraordinary Expense - Rail Car Fund Swap	47,116,668
Revenue Bond Debt Service	51,744,366
Allocations to Capital - Rehabilitation	40,644,844
Allocations to Capital - Rail Car Sinking Fund	45,000,000
Allocations to Capital - Priority Capital Programs	35,383,974
Allocations to Capital - Stations & Access Projects	5,182,446
Allocations to Capital - Other	1,656,499
Allocation to Rail Car Project from SFO Net Result	13,272,901
<b>Total Operating Uses</b>	<b>\$ 931,539,153</b>
Other Post Employment Benefits Unfunded Liability	\$ (2,449,579)
FUND USES FOR CAPITAL BUDGET	
Capital Funds - Cash Flow FY17	\$ 888,482,900
<b>TOTAL ESTIMATED FUND USES</b>	<b>\$ 1,817,572,474</b>
<b>NET FINANCIAL RESULT (DEFICIT)</b>	<b>\$ -</b>

(1) Total Authorized Permanent Positions (FTE) as of 7/01/16 = 4,017.5

**EXHIBIT B**

**CHARACTER, BASE SALARIES, PAY BANDS, HOURLY WAGE RATES,  
AND MANAGEMENT INCENTIVE PAY OF MANAGEMENT AND  
NON-REPRESENTED CLASSIFICATIONS**

CHARACTER OF POSITION/PAYROLL  
CLASSIFICATION TITLE

HOURLY WAGE RANGE

CLERICAL & HOURLY	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6
ADMINISTRATIVE TECHNICIAN	\$28,2051	\$27,3740	\$29,4493	\$31,7855	\$32,9992	\$33,4652
ADMINISTRATIVE SECRETARY	27,1535	28,3497	29,4576	30,5954	31,7627	32,2066
SENIOR SECRETARY	25,2862	26,2203	27,1832	28,3497	29,4874	29,9311
SENIOR CLERK	26,9117	28,0962	29,1941	30,3211	31,4770	31,9209
INTERMEDIATE CLERK	24,0798	25,0617	25,9866	26,9420	28,0962	28,5401
INTERMEDIATE CLERK P/T	26,4639	27,5439	28,5613	29,6123	30,8819	31,3702
PARALEGAL	33,6703	35,1536	36,5273	37,9382	39,3857	39,9361
P/T SURVEY TAKER (SINGLE RATE)	32,3876					
ENGINEER INTERN	18,0000					

NOTE: The clerical rates are effective 1/1/2016.

**PROFESSIONAL/MANAGEMENT PAY BANDS**

PAY BAND	MINIMUM	MIDPOINT	MAXIMUM
14	\$156,452	\$199,479	\$242,505
13	135,152	172,320	209,489
12	122,589	156,301	190,013
11	116,749	148,857	180,965
10	111,189	141,767	172,345
9	105,895	135,017	164,139
8	100,852	128,587	156,322
7	91,475	116,632	141,788
6	87,120	111,079	135,038
5	79,020	100,752	122,483
4	75,258	95,955	116,651
3	71,673	91,385	111,096
2	68,260	87,033	105,806
1	61,913	78,940	95,968

NOTE: The professional/ management pay bands were effective 01/01/2015.

**MANAGEMENT INCENTIVE PAY (ANNUAL)**

	Amount	Effective
Assistant General Manager - Administration and Budget	\$4,800	8/14/2006
Assistant General Manager - Operations	\$4,800	6/28/1999
Assistant General Manager - Planning and Development	\$4,800	11/13/2012
Assistant General Manager- External Affairs	\$4,800	11/4/2013
Chief Information Officer	\$4,800	3/1/2013
Chief of Police	\$4,800	6/16/2012
Deputy General Manager	\$4,800	5/14/2012
Managing Director - Capitol Corridor	\$4,800	11/21/2009

**BOARD APPOINTED OFFICERS' ANNUAL SALARIES**

Base Salaries	7/1/2016
DISTRICT SECRETARY	\$190,346.58
CONTROLLER-TREASURER	\$241,774.58
GENERAL COUNSEL	\$267,315.58
GENERAL MANAGER	\$360,763.25

Note: The Board approved the salary adjustments for the District Secretary and General Counsel on December 2, 2015. The Board approved the salary adjustment for the General Manager on December 10, 2015 and for the Controller-Treasurer on March 10, 2016.

