

J00H01
Maryland Transit Administration
Maryland Department of Transportation

Operating Budget Data

(\$ in Thousands)

	<u>FY 15</u> <u>Actual</u>	<u>FY 16</u> <u>Working</u>	<u>FY 17</u> <u>Allowance</u>	<u>FY 16-17</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
Special Fund	\$707,963	\$703,773	\$728,567	\$24,794	3.5%
Deficiencies and Reductions	0	564	-156	-720	
Adjusted Special Fund	\$707,963	\$704,337	\$728,411	\$24,074	3.4%
Federal Fund	59,046	59,501	59,501	0	
Adjusted Federal Fund	\$59,046	\$59,501	\$59,501	\$0	0.0%
Adjusted Grand Total	\$767,009	\$763,837	\$787,911	\$24,074	3.2%

- The budget, as introduced, includes fiscal 2016 deficiency appropriations totaling \$563,810 for the Maryland Transit Administration (MTA). The deficiencies support 40 new positions dedicated to the BaltimoreLink transit initiative.
- Section 19 reduces special funds for health insurance for MTA by 156,247.
- The fiscal 2017 MTA adjusted allowance is \$24.1 million higher than the current year working appropriation with deficiencies included. Some of the larger changes comprise:
 - \$8.1 million for personnel expenses;
 - \$5.2 million for the BaltimoreLink transit initiative; and
 - \$3.3 million for paratransit.

Note: Numbers may not sum to total due to rounding.

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PAYGO Capital Budget Data

(\$ in Thousands)

	Fiscal 2015	Fiscal 2016		Fiscal 2017
	<u>Actual</u>	<u>Legislative</u>	<u>Working</u>	<u>Allowance</u>
Special	\$249,930	\$408,497	\$299,236	\$217,538
Federal	184,355	332,744	140,121	457,758
Total	\$434,285	\$741,241	\$439,357	\$675,296

- The fiscal 2016 working appropriation is \$301.9 million lower than the legislative appropriation. This does not include “other funds,” which do not flow through MTA’s budget but which support some of MTA’s capital projects. Special funds decrease by \$109.3 million and federal funds decrease by \$192.6 million. Some of the larger changes include:
 - -\$23.1 million – Metro Railcar and Signal System Overhauls and Replacement;
 - -\$30.3 million – Purple Line – Montgomery County Funded Projects;
 - -\$106.2 million – Baltimore Red Line; and
 - -\$150.0 million – Purple Line.

- The fiscal 2017 allowance increases by \$235.9 million over the current year working appropriation, exclusive of other funds. A decrease of \$81.7 million in special funds is more than offset by an increase of \$317.6 million in federal funds. Some of the larger changes include:
 - \$186.3 million – Purple Line;
 - \$51.5 million – Bus Procurement;
 - \$40.4 million – Purple Line – Montgomery County Funded Projects; and
 - -\$19.0 million – Bus New Main Shop.

Operating and PAYGO Personnel Data

	<u>FY 15 Actual</u>	<u>FY 16 Working</u>	<u>FY 17 Allowance</u>	<u>FY 16-17 Change</u>
Regular Operating Budget Positions	3,226.50	3,225.50	3,354.50	129.00
Regular PAYGO Budget Positions	<u>92.00</u>	<u>92.00</u>	<u>92.00</u>	<u>0.00</u>
Total Regular Positions	3,318.50	3,317.50	3,446.50	129.00
Operating Budget FTEs	16.00	16.00	16.00	0.00
PAYGO Budget FTEs	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total FTEs	16.00	16.00	16.00	0.00
Total Personnel	3,334.50	3,333.50	3,462.50	129.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	114.75	3.46%
Positions and Percentage Vacant as of 12/31/15	149.00	4.49%

- The fiscal 2017 allowance has 129.0 new regular positions comprising the addition of 130.0 positions related to the BaltimoreLink transit initiative offset by the abolition of 1.0 vacant position related to the consolidation of information technology functions in the Department of Information and Technology.
- Budgeted turnover in fiscal 2017 is 3.46%, which will require MTA to maintain the equivalent of 114.75 positions vacant the entire year. As of December 31, 2015, there were 149.0 vacant positions representing a vacancy rate of 4.49%.
- The number of full-time equivalent contractual positions remains unchanged.

Analysis in Brief

Major Trends

Boardings Increase in Fiscal 2015: For all modes of MTA service, there were 116 million boardings in fiscal 2015 representing a 1.8% increase over the prior year. Core bus services, which accounted for 67.8% of all boardings in fiscal 2015, increased by 3.8% over the prior year.

On-time Performance: Core bus service has not met its on-time goal since fiscal 2011, and Mobility service has not met its goal at any time during this period. The Maryland Area Regional Commuter (MARC) service met its goal only in fiscal 2012 and 2013, while Metro and light rail on-time performance met their goals for this entire period. **MTA should brief the committees on its recent changes in managing on-time performance and indicate if any improvements have been observed as a result.**

Farebox Recovery: The farebox recovery rate for the Baltimore area services decreased from 28% in fiscal 2014 to 25% in fiscal 2015. Fare increases that went into effect at the end of fiscal 2015 should result in an increase in the farebox recovery rate, although ridership numbers tend to drop in the year following an increase, which could offset some of the increase. The MARC farebox recovery rate, while still well above the 35% threshold, fell to 44% in fiscal 2015, down from 50% the prior year and continuing on a downward trend since fiscal 2012. **MTA should brief the committees on the factors contributing to the decline in the MARC farebox recovery rate and the steps being taken to reverse this trend.**

Performance Measures: While operating expenses per revenue vehicle mile increased for core bus, light rail, and Metro between fiscal 2014 and 2015, the projections for fiscal 2016 are for a marked decrease. **MTA should comment on the factors contributing to the forecasted decreases in operating expenses per revenue vehicle mile.**

Issues

BaltimoreLink Initiative Proposed to Improve Transit in the Baltimore Region: Cancellation of the Baltimore Red Line light rail project focused increased attention on existing transit services in the Baltimore metropolitan region and, in light of the fact that development of a major new transit system in place of the Red Line would take decades to complete, makes it imperative that these services address the transit needs of the region to the greatest extent possible. In response to this imperative, in October 2015, MTA announced the beginning of a \$135 million, multi-phase initiative to improve transit services in the Baltimore region called BaltimoreLink.

Purple Line Update: After putting the Purple Line light rail project on hold in early 2015 in order to allow time for a review of the project, the Governor announced in June 2015 that the project would move forward. Bids were received in November 2015 with an announcement of the final agreement

expected in February or March 2016. **MTA should update the committees on the status of the Purple Line project, to the extent possible under procurement law.**

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

PAYGO Budget Recommended Actions

1. Concur with Governor's allowance.

Updates

Bus Real-time Information System Beta Test Results Reported: In response to committee narrative adopted during the 2015 session, MTA reported on the results of its beta test of a Global Positioning System real-time bus tracking application. The results indicate both the desire of the public for such a system and the need for MTA to modernize its bus equipment to effectively run such a system. MTA has initiated an equipment modernization procurement.

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Budget Analysis

Program Description

The Maryland Department of Transportation (MDOT) supports transit in Maryland through the Maryland Transit Administration (MTA). MTA consists of the following operating budget programs:

- **Transit Administration** provides executive direction and support services for MTA.
- **Bus Operations** manages bus services in Baltimore City and surrounding counties. These services include the operation of fixed route and paratransit lines and contracts with commuter and paratransit service providers.
- **Rail Operations** includes the Baltimore Metro heavy rail line and the Baltimore area light rail line as well as the management of the Maryland Area Regional Commuter (MARC) contracts with Amtrak and Bombardier.
- **Statewide Operations** provides technical assistance and operating grants to local jurisdictions' transit services, including Montgomery County's "Ride-On," Prince George's County's "the Bus," and Baltimore City's "Charm City Circulator" services. Additionally, the program contracts with private carriers to operate commuter bus services throughout the State. Assistance is also provided to several short-line freight railroads to support the maintenance of State-owned rail lines.

MTA has identified the following goals:

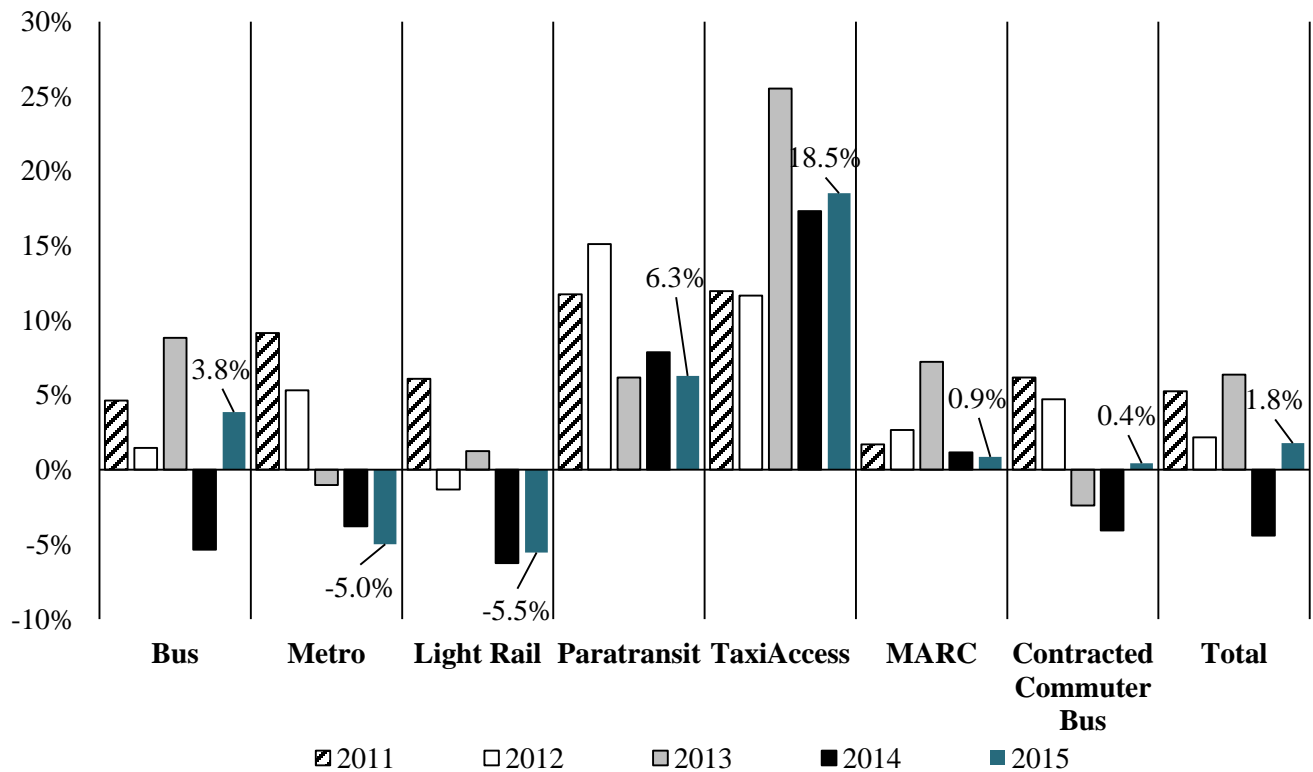
- to provide outstanding service;
- to encourage transit ridership in Maryland;
- to use MTA resources efficiently and effectively and be accountable to the public, customers, and employees with performance measured against prior years; and
- to provide a safe environment for customers and employees.

Performance Analysis: Managing for Results

1. Boardings Increase in Fiscal 2015

MTA has a goal to encourage transit ridership. One method of measuring transit ridership is the number of boardings that occur during a specified period. For all modes of MTA service, there were 116 million boardings in fiscal 2015 representing a 1.8% increase over the prior year. **Exhibit 1** shows the percent change in boardings from the prior year for fiscal 2011 through 2015. Core bus services, which accounted for 67.8% of all boardings in fiscal 2015, increased by 3.8% over the prior year. Boardings were up for all services in fiscal 2015 except for Metro (-5.0%) and light rail (-5.5%). MARC and paratransit services are the only modes that increased in all five years.

Exhibit 1
Percent Change in MTA Boardings
Fiscal 2011-2015



MARC: Maryland Area Regional Commuter

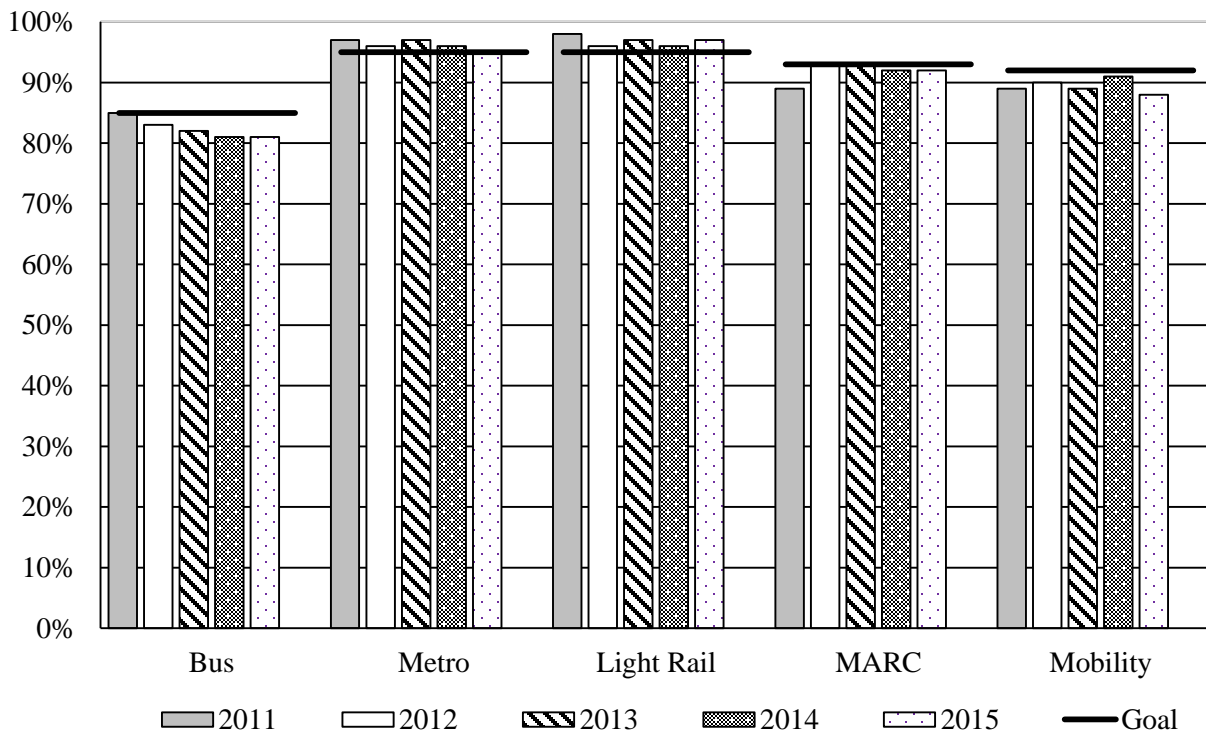
MTA: Maryland Transit Administration

Source: Department of Budget and Management

2. On-time Performance

As part of its goal to provide outstanding service to customers, MTA attempts to provide high on-time performance with goals of 85% on-time performance for core bus service, 95% for Metro and light rail service, 93% for MARC service, and 92% for mobility services. **Exhibit 2** shows the percent of on-time service by mode for fiscal 2011 through 2015. Core bus service has not met its on-time goal since fiscal 2011, and Mobility service has not met its goal at any time during this period. MARC service met its goal only in fiscal 2012 and 2013, while Metro and light rail on-time performance met their goals for this entire period. MTA has recently implemented changes in the frequency in which on-time performance is reported to management in an effort to improve performance. **MTA should brief the committees on its recent changes in managing on-time performance and indicate if any improvements have been observed as a result.**

Exhibit 2
On-time Performance
Fiscal 2011-2015



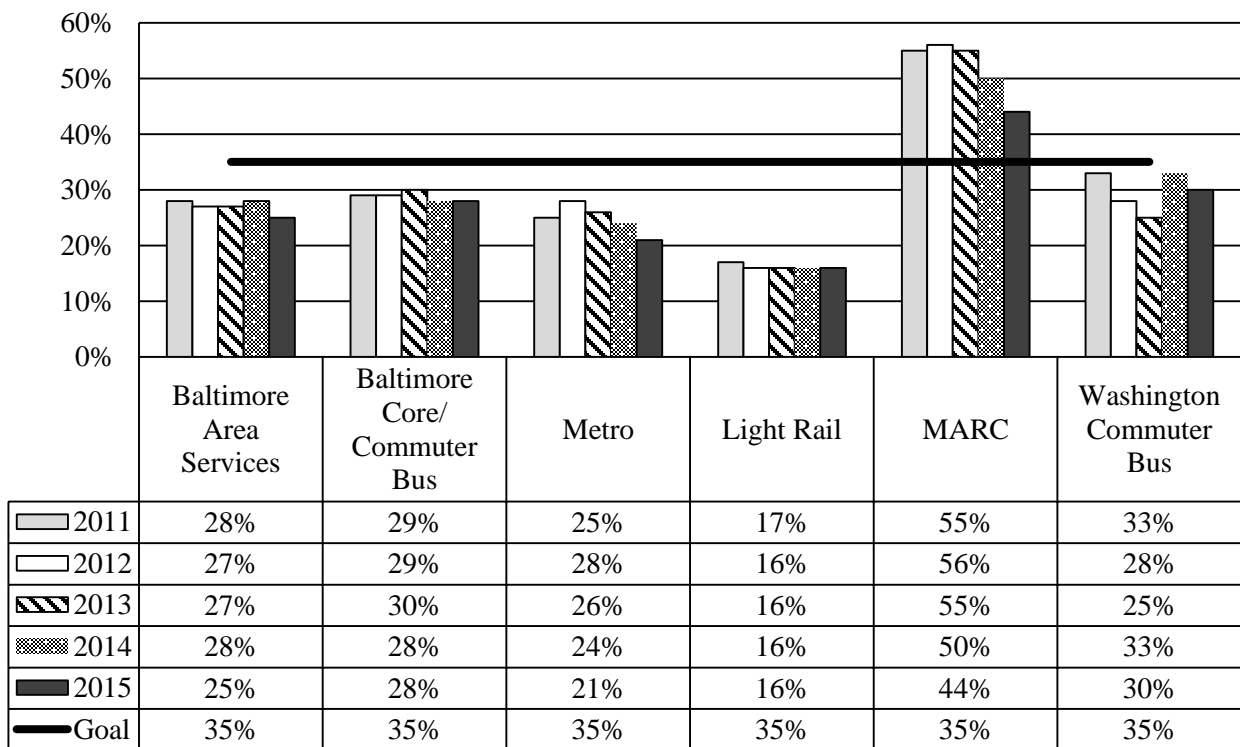
MARC: Maryland Area Regional Commuter

Source: Department of Budget and Management

3. Farebox Recovery

Section 7-208 of the Transportation Article sets the statutory farebox recovery rate at 35% for Baltimore area core services and MARC service. **Exhibit 3** shows the farebox recovery rates by mode of transit and for the Baltimore area services as a whole for fiscal 2011 through 2015. The farebox recovery rate for the Baltimore area services decreased from 28% in fiscal 2014 to 25% in fiscal 2015. Fare increases that went into effect at the end of fiscal 2015 should result in an increase in the farebox recovery rate although ridership numbers tend to drop in the year following an increase, which could offset some of the increase. The MARC farebox recovery rate, while still well above the 35% threshold, fell to 44% in fiscal 2015, down from 50% the prior year and continuing a downward trend since fiscal 2012. **MTA should brief the committees on the factors contributing to the decline in the MARC farebox recovery rate and the steps being taken to reverse this trend.**

**Exhibit 3
Farebox Recovery Rates
Fiscal 2011-2015**



MARC: Maryland Area Regional Commuter

Source: Department of Budget and Management

4. Performance Measures

Section 7-208 of the Transportation Article also requires MTA to develop performance goals for passenger trips per revenue vehicle mile, operating expenses per passenger trip, and operating expenses per revenue vehicle mile by transit mode. **Exhibit 4** shows the actual figures for fiscal 2014 and 2015 and the projections for fiscal 2016 and 2017. MTA’s goals with respect to these measures are to minimize increases in operating costs per passenger and maximize passenger trips per revenue mile.

Exhibit 4
Performance Goals
Fiscal 2014-2017 Est.

	<u>2014</u>	<u>2015 Est.</u>	<u>2015</u>	<u>2016 Est.</u>	<u>2017 Est.</u>
Core Bus					
Passengers Per Revenue Vehicle Mile	3.80	3.30	3.92	3.85	3.89
Operating Expenses Per Passenger Trip	\$3.52	\$3.77	\$3.48	\$3.18	\$3.15
Operating Expenses Per Revenue Vehicle Mile	\$13.30	\$12.41	\$13.64	\$12.23	\$12.23
Light Rail					
Passengers Per Revenue Vehicle Mile	2.44	2.50	2.59	2.59	2.59
Operating Expenses Per Passenger Trip	\$5.32	\$4.95	\$5.85	\$4.74	\$4.79
Operating Expenses Per Revenue Vehicle Mile	\$12.98	\$12.27	\$15.11	\$12.28	\$12.40
Metro					
Passengers Per Revenue Mile	2.90	2.9	2.77	2.92	2.96
Operating Expenses Per Passenger Trip	\$3.86	\$3.81	\$4.06	\$3.15	\$3.13
Operating Expenses Per Revenue Vehicle Mile	\$11.18	\$10.94	\$11.25	\$9.19	\$9.28

Source: Department of Budget and Management

While operating expenses per revenue vehicle mile increased for all three services between fiscal 2014 and 2015, the projections for fiscal 2016 are for a marked decrease. The actual 2015 operating expenses per vehicle mile for core bus, light rail, and Metro were higher than the estimates provided last year by \$1.23, \$2.84, and \$0.31, respectively. **MTA should comment on the factors contributing to the forecasted decreases in operating expenses per revenue vehicle mile.**

Peer Performance

MTA is required by statute to submit an annual report that compares MTA to other similar transit systems nationwide. MTA requested an extension to the December 1, 2015 report submission deadline, due to a delay in obtaining the federal data upon which the report is based. It has indicated that the report will be available before its budget hearings but after this analysis has gone to print. **MTA should brief the committees on how its performance compares to peer systems across the nation.**

Fiscal 2016 Actions

Proposed Deficiency

Special fund deficiency appropriations totaling \$563,810 are included for MTA and fund 40 new positions related to the BaltimoreLink transit initiative. A turnover rate of 70% is applied to the new positions indicating an expectation that they will be filled for just more than the final third of fiscal 2016.

Proposed Budget

As shown in **Exhibit 5**, MTA's fiscal 2017 allowance is \$24.1 million higher than the current year working appropriation. Personnel expenses increase by a net of \$8.1 million driven primarily by new positions for the BaltimoreLink transit initiative and overtime expenses. Not included in MTA's operating budget is funding for employee increments and associated fringe benefit expenses. Funds for these expenses are included in the budget of the Department of Budget and Management and will be distributed to agencies for the start of the fiscal year. For MTA, this will equate to \$772,803 in special funds and an estimated \$70,004 in federal funds.

For nonpersonnel expenses, the BaltimoreLink transit initiative accounts for \$5.2 million of the increase in the allowance followed by bus operations (\$4.5 million), statewide operations (\$3.3 million), and rail operations (\$2.3 million), and transit administration (\$619,000).

Exhibit 5
Proposed Budget
MDOT – Maryland Transit Administration
(\$ in Thousands)

How Much It Grows:	Special Fund	Federal Fund	Total
Fiscal 2015 Actual	\$707,963	\$59,046	\$767,009
Fiscal 2016 Working Appropriation	704,337	59,501	763,837
Fiscal 2017 Allowance	<u>728,411</u>	<u>59,501</u>	<u>787,911</u>
Fiscal 2016-2017 Amount Change	\$24,074	\$0	\$24,074
Fiscal 2016-2017 Percent Change	3.4%		3.2%
 Where It Goes:			
Personnel Expenses			
New positions.....			\$4,827
Overtime.....			4,516
Turnover adjustments.....			1,179
Employee/Law Enforcement Officer retirement systems			662
Employee and retiree health insurance.....			81
Abolished/transferred positions			-95
Vacant positions reset to base salary.....			-1,369
Workers’ compensation premium assessment			-1,491
Other fringe benefit adjustments			-223
 Transit Administration			
Promotional advertising contractual services.....			500
Management studies/consultant contractual services.....			100
Contractual health insurance – new			56
Office of the Attorney General allocated costs			12
Rent			-17
Office of Administrative Services allocated costs			-32
 Bus Operations			
Paratransit anticipated increased demand			3,269
Baltimore commuter bus anticipated increased demand.....			604
Taxi Access anticipated increased demand.....			554
Electricity – new main shop.....			119

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Where It Goes:

Rail Operations

Maryland Area Regional Commuter estimated contract increase.....	1,746
Maryland Area Regional Commuter third party contracts estimated escalation.....	586

BaltimoreLink Transit Initiative

Bus operations – Baltimore commuter bus	1,983
Statewide program – ridesharing services.....	1,000
Statewide program – Charm City Circulator.....	1,000
Bus operations – advertising contractual services.....	974
Bus operations – vehicle maintenance and repair	174
Bus operations – diesel fuel	101

Statewide Operations

Washington commuter bus anticipated increased demand	2,600
InterCounty Connector commuter bus anticipated increased demand.....	148
Montgomery County Ride On grant	500
Rail freight services.....	10

Total **\$24,074**

Note: Numbers may not sum to total due to rounding.

Potential Underfunding

It has been a long-term practice of MTA not to include funds for salary and benefit increases for its union workforce until a new contract has been executed. The labor contracts with all three of MTA’s employee unions have expired. The contract with Amalgamated Transit Union Local 1300, MTA’s largest employee union representing 2,291 operations and maintenance employees, expired on June 30, 2014. The contract with Office and Professional Employees International Union Local 2, representing 181 office employees expired on June 30, 2015. The contract with American Federation of State, County, and Municipal Employees Local 1859, representing 168 security personnel expired on December 31, 2015. At the option of either party, any labor dispute involving MTA and its unionized employees may be submitted to binding arbitration. MTA has submitted departmental legislation (SB 101, Maryland Transit Administration – Labor Relations – Resolution of Labor Disputes) which, if enacted as introduced, would eliminate binding arbitration.

In the past, labor agreements have included provision for pay and benefit increases to be paid retroactively. Assuming the new labor agreements continue this practice, both the fiscal 2016 and 2017 budgets are underfunded with respect to its salary account. **MTA should brief the committees on the status of negotiations with each of the unions, when new contracts are likely to be finalized, and the potential magnitude of additional funding that will be required in fiscal 2016 and 2017.**

Across-the-board Reductions

The fiscal 2017 budget bill includes an across-the-board reduction for employee health insurance to reflect a revised estimate of the amount of funding needed. MTA's share of these reductions is \$156,247 in special funds. There is an additional across-the-board reduction to abolish positions statewide, but the amounts have not been allocated by agency.

PAYGO Capital Program

Program Description

MTA's capital program provides funds to support the design, construction, rehabilitation, and acquisition of facilities and equipment for bus, rail, and statewide programs. The program also provides State and federal grants to local jurisdictions and nonprofit organizations to support the purchase of transit vehicles and the construction of transit facilities.

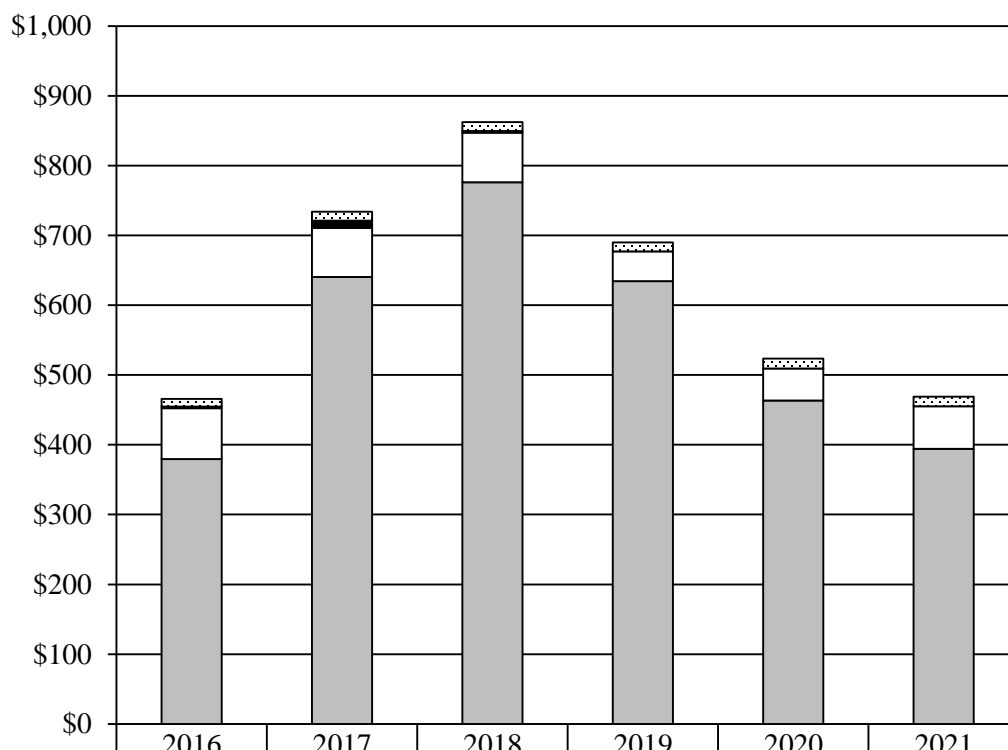
Fiscal 2016 to 2021 Consolidated Transportation Program

The fiscal 2016 to 2021 six-year capital program for MTA totals \$3.7 billion (including "other funding" that does not flow through the State budget), a \$1.3 billion decrease from the prior year's six-year program. Six-year funding decreases for major projects (\$1.4 billion) while system preservation and minor project funding increases by \$71.1 million. **Exhibit 6** shows the programmed spending by category for fiscal 2016 to 2021.

Fiscal 2017 PAYGO Capital Allowance

MTA's capital program for fiscal 2017, including other funds which do not flow through MTA's budget, totals \$733.7 million, an increase of \$267.9 million over the current year working appropriation. **Exhibit 7** shows the programmed fiscal 2017 capital spending by project and program along with the estimated total project costs and six-year funding included in the *Consolidated Transportation Program (CTP)*.

**Exhibit 6
Programmed Spending by Category
Fiscal 2016-2021
(\$ in Thousands)**



	2016	2017	2018	2019	2020	2021
▨ Capital Salaries, Wages, and Other	\$11.2	\$12.5	\$13.0	\$13.0	\$14.0	\$14.0
■ D&E Program	2.2	10.5	2.2	0.0	0.0	0.0
□ System Preservation Minor Projects	72.9	70.5	70.9	42.7	45.7	60.7
▣ Major Projects	379.5	640.2	776.2	634.3	463.6	394.3
Total	\$465.8	\$733.7	\$862.3	\$690.0	\$523.3	\$469.0

D&E: development and evaluation

Source: Maryland Department of Transportation, 2016-2021 *Consolidated Transportation Program*

Exhibit 7
Maryland Transit Administration PAYGO Capital
Fiscal 2017
(\$ in Millions)

<u>Project/Program Title</u>	<u>2017</u>	<u>Total Cost</u>	<u>Six-year Total</u>
Projects			
MARC Maintenance, Layover, and Storage Facility	\$0.6	\$84.4	\$36.7
MARC Improvements on Camden, Brunswick, and Penn Lines	13.5	273.5	113.0
MARC Coaches – Overhauls and Replacement	7.7	218.0	57.6
MARC Locomotives – Overhauls and Replacements	14.5	73.5	73.0
MARC Positive Train Control	2.5	16.6	12.2
MARC BWI Station Upgrades and Repairs	0.5	13.3	9.6
Homeland Security	0.7	40.3	10.7
Freight Bridge Rehabilitation	1.7	25.0	9.7
Light Rail Vehicle Overhaul	33.0	196.3	136.6
Light Rail Safety Improvements	6.5	22.8	21.6
Metro Railcar and Signal System Overhauls and Replacement	18.1	601.4	497.4
Metro Safety Improvements	14.4	47.7	40.6
Kirk Bus Facility Replacement	8.5	152.4	102.7
Bus Communications Systems Upgrade	9.6	37.7	31.3
Bus Network Improvements	14.0	37.0	37.0
Southern Maryland Commuter Bus Initiative	0.1	20.3	4.0
Fare Collection System Enhancements and Equipment Preservation	4.4	61.4	57.5
Agencywide Roof Replacement Program	2.3	28.0	19.6
Agencywide Radio and Telecommunications Upgrade	2.0	28.7	28.7
Union Payroll System Procurement	1.2	12.0	11.6
Purple Line	349.0	1,462.2	1,196.3
Purple Line – Montgomery County Funded Projects	40.7	186.4	186.4
Corridor Cities Transitway	13.0	260.8	83.4
D&E: MARC Growth and Investment Plan	1.2	5.1	3.6
D&E: Southern Maryland Mass Transportation Analysis	1.6	6.2	3.3
D&E: MARC Northeast Maintenance Facility	7.7	12.2	7.9
Subtotal – Projects	\$569.0	\$3,923.4	\$2,792.2

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<u>Project/Program Title</u>	<u>2017</u>	<u>Total Cost</u>	<u>Six-year Total</u>
Programs			
System Preservation and Minor Projects	\$70.5	n/a	\$363.5
Bus Procurement	52.3	n/a	218.3
Mobility Vehicle Procurement	2.6	n/a	46.7
Locally Operated Transit Systems Capital Procurement Projects	17.1	n/a	118.3
Assistance to Private Nonprofit Agencies for the Transportation of the Elderly and Persons with Disabilities	2.7	n/a	25.4
Montgomery County Local Bus Program	5.3	n/a	35.6
Prince George’s County Local Bus Program	1.5	n/a	5.0
Capital Salaries and Wages	12.5	n/a	77.7
Subtotal – Programs	\$164.6	\$0.0	\$890.5
Total – Projects and Programs	\$733.7	\$3,923.4	\$3,682.7

BWI: Baltimore-Washington International Thurgood Marshall Airport

D&E: development and evaluation

MARC: Maryland Area Regional Commuter

PAYGO: pay-as-you-go

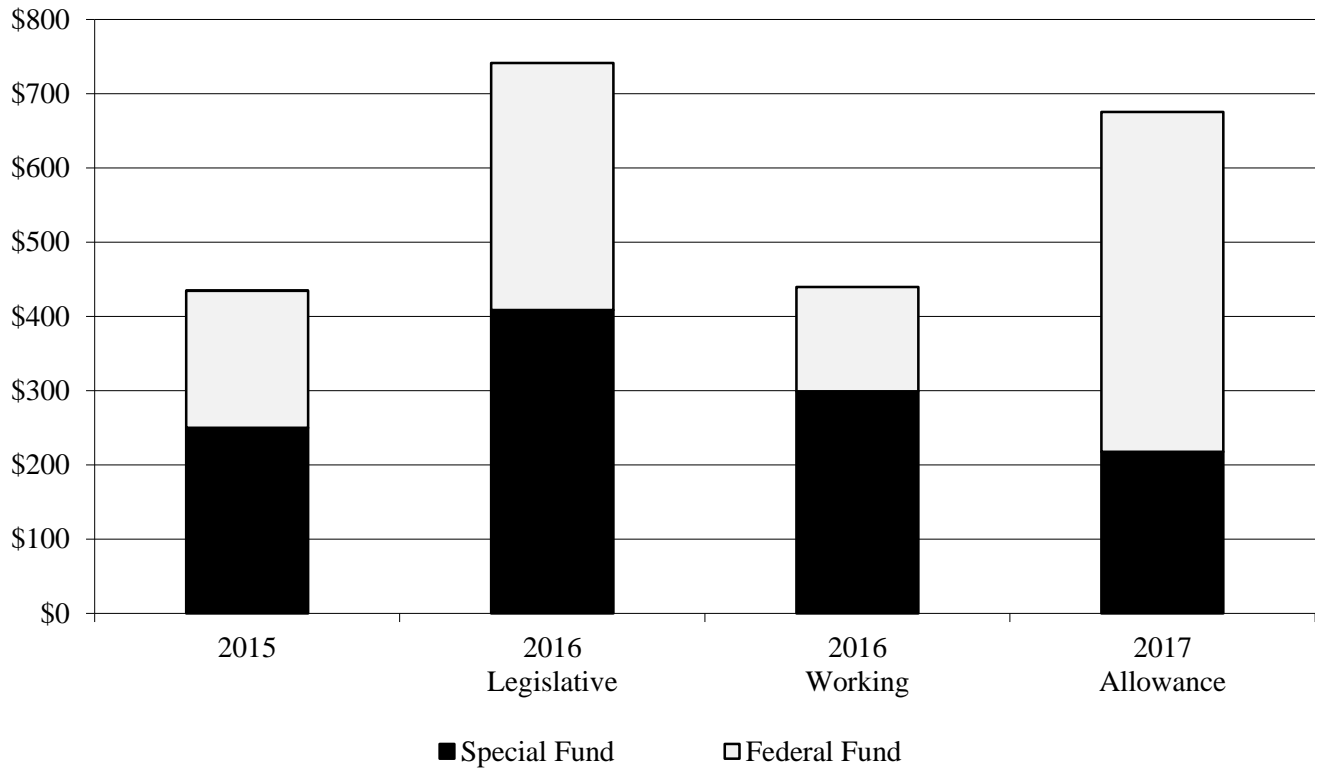
Note: Numbers may not sum to total due to rounding.

Source: Maryland Department of Transportation, 2016-2021 *Consolidated Transportation Program*

Fiscal 2016 and 2017 Cash Flow Analysis

Exhibit 8 shows the changes in MTA capital spending exclusive of nonbudgeted “other funds” for fiscal 2015 through the 2017 allowance and includes both the 2016 legislative and working appropriations. The fiscal 2016 working appropriation is \$301.9 million lower than the legislative appropriation, and the fiscal 2017 allowance increases by \$235.9 million compared to the working appropriation. If other funds are included, the fiscal 2016 working appropriation decreases by \$309.2 million from the legislative appropriation, and the fiscal 2017 increase over the current year working appropriation grows to \$269.7 million.

**Exhibit 8
Cash Flow Changes
Fiscal 2015-2017**



Source: Maryland Department of Transportation, 2016-2021 *Consolidated Transportation Program*

Cash Flow Analysis – Fiscal 2016 Changes

As seen in **Exhibit 9**, the net decrease of \$309.2 million between the fiscal 2016 legislative and working appropriation comprises reductions in major projects (-\$324.2 million), development and evaluation projects (-\$6.2 million) and capital salaries and wages (-\$1.8 million) partially offset by an increase in funding for system preservation and minor projects (\$23.1 million).

Exhibit 9
Cash Flow Changes
Fiscal 2016 Legislative to Working Appropriations
(\$ in Thousands)

<u>Projects</u>	<u>Change</u>
Major Projects	-\$324,222
Paul S. Sarbanes Transit Center	\$16,846
MARC Positive Train Control	9,009
Homeland Security	7,988
Metro Safety Improvements	6,536
Takoma/Langley Park Transit Center (ARRA)	5,062
Bus Network Improvements	5,000
Montgomery County Local Bus Program	4,231
Kirk Bus Facility Replacement	1,756
Closed Circuit Television Improvements	1,231
Southern Maryland Commuter Bus Initiative	1,057
Locally Operated Transit Systems Capital Procurement Projects	491
CAD/AVL Systems	486
Central Control Center	469
Light Rail Safety Improvements	320
Agencywide Roof Replacement Program	313
Agencywide Radio and Telecommunications Upgrade	300
MARC West Baltimore Station Parking Expansion	115
MARC BWI Station Upgrades and Repairs	-17
Fare Collection System Enhancements and Equipment Preservation	-163
Freight Bridge Rehabilitation	-472
MARC Maintenance, Layover, and Storage Facility	-539
Union Payroll System Procurement	-1,100
Mobility Vehicle Procurement	-1,533
MARC Improvements on Camden, Brunswick, and Penn Lines	-1,657
Light Rail Vehicle Overhaul	-2,901
Bus New Main Shop	-3,194
MARC Locomotives – Overhauls and Replacements	-3,222
Assistance to Private Nonprofit Agencies for the Transportation of the Elderly and Persons with Disabilities	-3,493

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<u>Projects</u>		<u>Change</u>
MARC Coaches – Overhauls and Replacement	-4,021	
Corridor Cities Transitway	-15,199	
Bus Communications Systems Upgrade	-18,985	
Bus Procurement	-19,329	
Metro Railcar and Signal System Overhauls and Replacement	-23,071	
Purple Line – Montgomery County Funded Projects	-30,281	
Baltimore Red Line	-106,223	
Purple Line	-150,032	
Development and Evaluation Projects		-\$6,225
MARC Northeast Maintenance Facility	-\$682	
Southern Maryland Mass Transportation Analysis	-1,906	
MARC Growth and Investment Plan	-3,637	
System Preservation and Minor Projects		\$23,093
Capital Salaries and Wages		-\$1,800
Total Change		-\$309,154

ARRA: American Recovery and Reinvestment Act of 2009
BWI: Baltimore-Washington International Thurgood Marshall Airport
CAD/AVL: Computer-aided Dispatch/Automated Vehicle Location
MARC: Maryland Area Regional Commuter

Note: Numbers may not sum to total due to rounding.

Source: Maryland Department of Transportation, 2016-2021 *Consolidated Transportation Program*

Cash Flow Analysis – Fiscal 2016 to 2017 Changes

As shown in **Exhibit 10**, the fiscal 2017 capital appropriation increases by a net \$269.7 million over the current year working appropriation. Funding increases for major projects (\$262.5 million), development and evaluation projects (\$8.3 million), and capital salaries and wages (\$1.3 million) are partially offset by a decrease in funding for system preservation and minor projects (-\$2.4 million).

Exhibit 10
Cash Flow Changes
Fiscal 2016 Working Appropriation to Fiscal 2017 Allowance
(\$ in Thousands)

<u>Projects</u>	<u>Change</u>
Major Projects	\$262,472
Purple Line	\$186,300
Bus Procurement	51,541
Purple Line – Montgomery County Funded Projects	40,440
Light Rail Vehicle Overhaul	16,232
Metro Railcar and Signal System Overhauls and Replacement	12,368
MARC Locomotives – Overhauls and Replacements	9,677
Corridor Cities Transitway	9,337
Bus Network Improvements	9,000
Bus Communications Systems Upgrade	8,948
Light Rail Safety Improvements	6,204
Metro Safety Improvements	4,118
Fare Collection System Enhancements and Equipment Preservation	2,741
Locally Operated Transit Systems Capital Procurement Projects	2,145
Agencywide Radio and Telecommunications Upgrade	1,734
Assistance to Private Nonprofit Agencies for the Transportation of the Elderly and Persons with Disabilities	1,662
Union Payroll System Procurement	921
MARC Improvements on Camden, Brunswick, and Penn Lines	668
MARC West Baltimore Station Parking Expansion	-115
MARC Maintenance, Layover, and Storage Facility	-269
Central Control Center	-469
CAD/AVL Systems	-486
Freight Bridge Rehabilitation	-593
MARC BWI Station Upgrades and Repairs	-973
Closed Circuit Television Improvements	-1,231
Agencywide Roof Replacement Program	-1,428
MARC Coaches – Overhauls and Replacement	-2,436
Mobility Vehicle Procurement	-2,634
Southern Maryland Commuter Bus Initiative	-3,838

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<u>Projects</u>		<u>Change</u>
MARC Positive Train Control	-7,242	
Homeland Security	-9,188	
Takoma/Langley Park Transit Center (ARRA)	-9,352	
Montgomery County Local Bus Program	-12,583	
Kirk Bus Facility Replacement	-12,875	
Paul S. Sarbanes Transit Center	-16,846	
Bus New Main Shop	-19,006	
Development and Evaluation Projects		\$8,294
MARC Northeast Maintenance Facility	\$7,454	
MARC Growth and Investment Plan	957	
Southern Maryland Mass Transportation Analysis	-117	
System Preservation and Minor Projects		-\$2,400
Capital Salaries and Wages		\$1,300
Total Change		\$269,666

ARRA: American Recovery and Reinvestment Act of 2009
BWI: Baltimore-Washington International Thurgood Marshall Airport
CAD/AVL: Computer-aided Dispatch/Automated Vehicle Location
MARC: Maryland Area Regional Commuter

Note: Numbers may not sum to total due to rounding.

Source: Maryland Department of Transportation, 2016-2021 *Consolidated Transportation Program*

Major Project Significant Changes to the Fiscal 2015-2020 Consolidated Transportation Program

The fiscal 2016 to 2021 CTP lists four major project significant changes to the fiscal 2015 to 2020 CTP for MTA, all of which comprise additions to the construction program. The Baltimore Red Line project is not listed as removed, because there is \$4.5 million in funding shown in MTA's minor projects (Line 42, Item 26 of the CTP) for project shutdown activities. **Exhibit 11** lists the four projects added to the construction program in the fiscal 2016 to 2021 CTP.

Exhibit 11
Projects Added to the Construction Program
Fiscal 2016-2021 Consolidated Transportation Program
(\$ in Millions)

<u>Project</u>	<u>Total Cost</u>
Light Rail Safety Improvements	\$22.8
Bus Network Improvements	37.0
Agencywide Elevator and Escalator Rehabilitation	12.0
Agencywide Radio and Telecommunications Upgrade	28.7

Source: Maryland Department of Transportation, 2016-2021 *Consolidated Transportation Program*

Issues

1. BaltimoreLink Initiative Proposed to Improve Transit in the Baltimore Region

Cancellation of the Baltimore Red Line light rail project focused increased attention on existing transit services in the Baltimore metropolitan region and, in light of the fact that development of a major new transit system in place of the Red Line would take decades to complete, makes it imperative that these services address the transit needs of the region to the greatest extent possible. In response to this imperative, in October 2015, MTA announced the beginning of a \$135 million, multi-phase initiative to improve transit services in the Baltimore region called BaltimoreLink. Full implementation, planned for June 2017, is to include a redesign of local and express bus routes, new and enhanced commuter bus service, the creation of 12 high-frequency routes along major arterials connecting to downtown, and 5 new suburb-to-suburb express bus routes. Existing transit services are renamed with “Link” appended to denote each service being part of a greater transit network.

Major BaltimoreLink Features

Major components of BaltimoreLink include:

- three levels of bus service:
 - ***CityLink*** – consisting of 12 new high-frequency color-coded routes that will connect to Amtrak, commuter bus, light rail, MARC train, and Metro subway;
 - ***LocalLink*** – existing local bus service with redesigned routes to provide connections to neighborhoods and communities; and
 - ***ExpressBusLink*** – providing longer distance commuter-oriented trips;
- transit hubs at five locations to facilitate transfers between buses and other transit modes;
- transitways consisting of bus-only streets or lanes to minimize delays associated with traffic;
- transit signal priority – a system that helps shorten bus travel times by holding green lights longer or shortening red lights in order to expedite bus travel through intersections;
- new signage and maps intended to improve access to and understanding of the transit system; and

- first/last mile improvements including bike and bike-sharing enhancements and investigations into encouraging car sharing, pop-up transit, and other emerging nonpublic transit options to complement the public transit system.

Implementation Timeline

As indicated earlier, full implementation of the changes envisioned for BaltimoreLink will not occur until June 2017 under current projections. Public hearing requirements for changes to existing bus service is one factor contributing to the 20-month roll-out. The need for MTA to negotiate and coordinate on portions of BaltimoreLink with Baltimore City and other stakeholders, as well as ongoing bus route analysis are other factors. Furthermore, some of the associated capital spending will continue through fiscal 2019. The following are the major milestones identified on the BaltimoreLink website:

- October 2015 – plan announcement, QuickBus 40 service enhancements, MARC bike car;
- November 2015 to January 2016 – public workshops, online engagement;
- March 2016 – Express BusLink hearings;
- June 2016 – Express BusLink service launched;
- August to November 2016 – BaltimoreLink (CityLink, LocalLink) hearings, Commuter bus hearings;
- January 2017 – implementation of BicycleLink, commuter bus, and Fort Meade connections;
- January-June 2017 – public outreach; and
- June 2017 – BaltimoreLink full project implementation begins.

BaltimoreLink Funding Plan

BaltimoreLink is touted as a \$135.0 million investment in the transformation and improvement of transit throughout the Baltimore region. This comprises \$70.1 million in operating spending from fiscal 2016 through 2021 and \$65.0 million in capital spending from fiscal 2016 through 2019.

Operating Budget

The planned \$70.1 million, six-year operating budget spending for BaltimoreLink equates to 1.4% of MTA's operating expenses projected in the current MDOT Transportation Trust Fund forecast. Projected BaltimoreLink spending for fiscal 2017 comprises 3.7% of total spending for bus operations in that year. While \$70.1 million is a substantial amount of funding, when compared to the full cost of

transit operations in the Baltimore region, it is clear that the majority of the proposed changes to the current system will be made within existing resources.

The six-year BaltimoreLink spending plan devotes over two-thirds of funding to three areas:

- personnel expenses associated with the creation of 130 new positions;
- enhanced service on the QuickBus 40 route (service between the Centers for Medicaid and Medicare Services and Baltimore City Hall); and
- commuter bus service.

Exhibit 12 shows the planned operating spending for fiscal 2016 to 2021.

Exhibit 12
Planned BaltimoreLink Operating Spending
Fiscal 2016-2021
(\$ in Thousands)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	Six-year Total
New Position Salaries\Fringes	\$564	\$4,827	\$6,185	\$6,269	\$6,356	\$6,444	\$30,645
QuickBus 40 Enhanced Service							
Overtime	\$630	\$844	\$906	\$906	\$906	\$906	\$5,098
Repair Parts	174	174	174	174	174	174	1,044
Diesel Fuel	69	101	101	101	101	101	574
Subtotal	\$873	\$1,119	\$1,181	\$1,181	\$1,181	\$1,181	\$6,716
Commuter Bus		\$1,983	\$2,042	\$2,104	\$2,167	\$2,232	\$10,527
Charm City Circulator		1,000	1,000	1,000			3,000
Advertising – Marketing		975	975	975			2,925
Car Sharing		1,000	1,000				2,000
Overtime – Light Rail Expanded Hours			322	322	322	322	1,288
Schedule Analysis/Network Design		1,100	1,100	1,100	1,100	1,100	5,500
EcoSeal Project		1,100	1,100	1,100	1,100	1,100	5,500
Miscellaneous			500	500	500	500	2,000
Total	\$1,437	\$13,104	\$15,405	\$14,551	\$12,726	\$12,879	\$70,100

Source: Maryland Department of Transportation

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The fiscal 2017 MTA budget as introduced does not, however, fully fund the planned spending related to the BaltimoreLink initiative. The funding for the schedule analysis/network design and EcoSeal project, shown in Exhibit 13 in fiscal 2017, was inadvertently omitted from MTA's allowance. MDOT indicates that these items will be added by budget amendment.

The BaltimoreLink initiative spending plan includes the creation of 130 new MTA positions, 40 of which are created through deficiency appropriations in fiscal 2016. **Exhibit 13** lists the number of positions created in fiscal 2016 and 2017 by class title.

Exhibit 13
New BaltimoreLink-related Positions
Fiscal 2016-2017

	<u>2016</u>	<u>2017</u>	<u>Total</u>
Transit Administration			
Administrator IV	1	0	1
Quality Assurance Specialist	1	1	2
<i>Subtotal</i>	<i>2</i>	<i>1</i>	<i>3</i>
Bus Operations			
Administrator IV	0	2	2
Assistant Superintendent Transportation	2	4	6
Cleaner	6	0	6
Operator	0	60	60
Repairman	3	0	3
Superintendent	0	1	1
Superintendent – Bus Maintenance Division	2	1	3
Supervisor Facilities Maintenance Bus	5	0	5
Supervisor Transportation	8	6	14
<i>Subtotal</i>	<i>26</i>	<i>74</i>	<i>100</i>
MTA Police			
MTA Police Officer	0	10	10
Police Communications Supervisor	2	0	2
Police Monitoring Tech	6	2	8
Police Radio Communications I	4	0	4
Technician	0	3	3
<i>Subtotal</i>	<i>12</i>	<i>15</i>	<i>27</i>
Grand Total	40	90	130

Source: Department of Budget and Management; Department of Transportation

Capital Budget

Exhibit 14 shows the planned capital spending related to the BaltimoreLink initiative, indicating the location in the CTP and the year of expenditure. The projects to be funded as MTA minor projects (CTP lines 42 and 43) are not readily identifiable in the CTP. For example, while the bus shelters spending under CTP Line 43 logically fit under the “Facilities Rehabilitation” project listed in the CTP, the bus wraps do not appear to fit well with any of the six minor projects listed.

Exhibit 14
Planned BaltimoreLink Capital Spending
Fiscal 2016-2019
(\$ in Thousands)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>Total</u>
CTP Line 12 – Light Rail Safety Improvements					
Howard Street Audio-visual Safety Project	\$0	\$2,800	\$0	\$0	\$2,800
CTP Line 16 – Bus Procurement					
Vehicles	0	2,835	2,750	0	5,585
CTP Line 19 – Bus Network Improvements					
Local Bus – West Baltimore Enhanced Service	315	685	0	0	1,000
Transit Hubs	3,000	6,000	7,000	3,000	19,000
Transit Signal priority	1,000	5,000	4,000	1,000	11,000
Transitways	0	3,000	3,000	0	6,000
CTP Line 25 – Locally Operated Transit Systems Capital Procurement Projects					
Fort Meade Connections	0	320	0	0	320
CTP Line 42 – Minor Projects – Agencywide Improvements					
Car Sharing/Pop-up Transit Services	300	0	0	0	300
Last Mile Investments	100	300	200	0	600
Signage and Maps	1,000	4,000	3,300	0	8,300
CTP Line 43 – Minor Projects – Bus System Improvements					
Bus Shelters	300	3,100	3,100	0	6,500
Bus Wraps	200	1,400	1,400	0	3,000
Color Destination Signs	20	290	290	0	600
Total	\$6,235	\$29,730	\$25,040	\$4,000	\$65,005

CTP: Consolidated Transportation Program

Source: Maryland Department of Transportation

Conclusion

Many of the changes proposed in the BaltimoreLink initiative address shortcomings of the current system that have long been recognized. Realignment of bus routes was one of the likely outcomes of the Bus Network Improvement Project (BNIP) started under the prior Administration. Indeed, BaltimoreLink is utilizing the BNIP data to guide much of the work in this area. Improving on-time performance of local bus service is also an issue that has needed to be addressed for some time. However, the primary method for doing so in the BaltimoreLink proposal – the development of transitways – will also degrade nonbus traffic flow as lanes and/or entire streets currently in general service are converted to bus-only transitways. Much of the success of BaltimoreLink depends on Baltimore City being willing and able to cede the necessary lane miles in a congested downtown to this effort. Avoiding these trade-offs were a major consideration in development of the Red Line, which would have travelled under the worst of the downtown congestion.

2. Purple Line Update

After putting the Purple Line light rail project on hold in early 2015 in order to allow time for a review of the project, the Governor announced in June 2015 that the project would move forward subject to the following key conditions:

- availability of \$900 million in federal funding;
- increased funding from Montgomery and Prince George’s counties;
- State construction funding capped at \$168 million; and
- private-sector partners delivering proposals meeting the Administration’s new vision of the project (reduced construction cost, increased private financing).

MTA identified changes to the project scope estimated to reduce the project cost by \$215 million. The largest savings identified was through a reduction from 58 to 46 in the number of train cars to be purchased made possible by the decision to run fewer trains during peak hours (seven and a half minutes between trains rather than the six minutes previously planned for initial service). Other savings would be achieved through changes in the finishes used at stations, elimination of the requirement that some overhead structures be constructed to allow future widening of some roads, and a reduction in the number of elevators to be included at certain stations.

An addendum to the Request for Proposal (RFP) was posted in July 2015 incorporating the scope changes and revising the RFP submission date to November 17, 2015. All four of the short-listed bidder teams submitted proposals by the due date.

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Following submission of the proposals, MTA began an evaluation process to identify the proposal most advantageous to the State, and in early 2016, it identified the preferred bidder and began negotiations on the final agreement. The identity of the preferred bidder is confidential until the agreement is complete. As required in statute, MTA must submit the final agreement to the General Assembly, the Comptroller, and the State Treasurer for 30 days review and comment before it may submit the agreement to the Board of Public Works (BPW) for approval. It expects to submit the final agreement for review in February or March 2016.

Once the final agreement has been approved by BPW, the winning bidder, called the concessionaire, will secure its financing, finish the design of and begin constructing the Purple Line. Construction is expected to take five years to complete, and revenue service is expected to begin in fiscal 2021.

MTA should update the committees on the status of the Purple Line project, to the extent possible under procurement law.

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

PAYGO Budget Recommended Actions

1. Concur with Governor's allowance.

Updates

1. Bus Real-time Information System Beta Test Results Reported

In early calendar 2015, MTA began a beta test on a Global Positioning System tracking system for its bus fleet, dubbed the “My Bus Tracker,” which utilized the currently installed radio data system to report bus location information. My Bus Tracker was intended to allow users to check on the real-time location of buses through the MTA website or via text or email alerts. Committee narrative adopted during the 2015 legislative session requested MTA to report to the committees on the outcomes of the beta test. MTA submitted the requested report in December 2015.

Findings

MTA reported that the beta test illustrated both the technological limitations of the outdated MTA systems on its bus fleet as well as the public demand for real-time tracking of its buses. The report noted the following issues identified through the beta test:

- operator log-on errors caused delays in, and in some cases a complete lack of, real-time location services;
- data/scheduling inaccuracies involved in data transfers between various systems used by My Bus Tracker led to a drop in real-time data availability and reliability; and
- radio-based equipment utilized for the test was antiquated and was inadequate to serve as the core of a functional real-time tracking system.

Next Step

MTA indicated that it had initiated a procurement to modernize the equipment for its bus fleet. The new technology, referred to as Bus Unified System Architecture will utilize the cellular network to increase both the reliability and functionality of the My Bus Tracker system. Responses to the RFP are due March 15, 2016.

Current and Prior Year Budgets

Current and Prior Year Budgets MDOT – Maryland Transit Administration (\$ in Thousands)

	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Fiscal 2015					
Legislative Appropriation	\$0	\$653,127	\$56,735	\$0	\$709,862
Deficiency Appropriation	0	0	0	0	0
Cost Containment	0	0	0	0	0
Budget Amendments	0	54,854	2,311	0	57,165
Reversions and Cancellations	0	-18	0	0	-18
Actual Expenditures	\$0	\$707,963	\$59,046	\$0	\$767,009
Fiscal 2016					
Legislative Appropriation	\$0	\$691,872	\$57,843	\$0	\$749,714
Budget Amendments	0	11,901	1,658	0	13,559
Working Appropriation	\$0	\$703,773	\$59,501	\$0	\$763,273

Note: The fiscal 2016 working appropriation does not include deficiencies or reversions. Numbers may not sum to total due to rounding.

Fiscal 2015

The fiscal 2015 budget for MTA closed out \$57.1 million higher than the legislative appropriation. Special and federal fund budget amendments added a net of \$57.2 million. These increases were very slightly offset by a special fund year-end cancellation of \$18,000. Funding changes by budget amendment were as follows:

- Special fund budget amendments added \$54,854,030 for the following purposes:

Mobility contract increase	\$22,890,814
Overtime	8,117,356
MARC contractual services fund swap	4,914,723
Hiring above base	4,108,565
Snow removal	3,987,572
Utilities	2,823,465
Salaries and fringes for 35 positions created by the Board of Public Works	1,949,488
Insurance claim settlements	1,918,962
Janitorial services	754,957
Advertising contractual services	558,267
Southern Maryland\Washington commuter bus – overcrowding response	525,690
General salary increase	523,431
Systems software	519,149
Office assistance	507,116
Miscellaneous contracts	399,911
Local 2 union contract ratification – retroactive salary	354,564
Total	\$54,854,030

- Federal fund budget amendments added a net \$2,311,342 as follows:

Locally Operated Transit Systems grants	\$9,330,889
Contractual services – maintain and repair bus facilities/stops/shelters due to extreme weather	1,035,845
Repair parts	852,904
Motor vehicle repair	-1,784,244
Preventative maintenance	-2,280,699
MARC contractual services fund swap	-4,843,353
Total	\$2,311,342

Fiscal 2016

The fiscal 2016 working appropriation is a net \$13,558,894 (\$11,900,861 in special funds and \$1,658,033 in federal funds) higher than the legislative appropriation. Special fund budget amendments added to MTA's appropriation for transit service contract and ridership increases and restored the 2% salary reduction. Reductions recognized savings due to lower than expected fuel prices and to reflect general cost containment efforts as follows:

Additional Costs

MARC contract and ridership increases	\$7,538,582
Mobility new contract and ridership increases	7,349,433
Additional funds for local transit properties based on current grant agreement	4,924,432
Washington area and Intercounty Connector commuter bus contracts and ridership increases	4,671,373
2% salary restoration	2,871,008
Baltimore commuter bus contract	1,115,331
Recalculation of fringe benefit costs	824,168
Vehicle insurance	5,845

Savings and Cost Containment

Reduce travel at fiscal 2015 actual	-67,161
Rent adjustment	-166,317
Voluntary Separation Program savings	-438,898
Overtime	-608,346
Miscellaneous supplies	-756,376
Recalculation of salaries and accrued leave	-1,372,225
Information Technology contractual services	-1,411,566
Utilities	-2,205,104
Diesel fuel price reduction savings	-10,373,318
Total	\$11,900,861

Federal fund budget amendments increased MTA's appropriation as follows:

Additional Locally Operated Transit Systems grants	\$1,544,983
Additional preventative maintenance	100,000
Additional Canine Unit grant	13,050
Total	\$1,658,033

**Object/Fund Difference Report
MDOT – Maryland Transit Administration**

<u>Object/Fund</u>	<u>FY 15 Actual</u>	<u>FY 16 Working Appropriation</u>	<u>FY 17 Allowance</u>	<u>FY 16 - FY 17 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	3,226.50	3,225.50	3,354.50	129.00	4.0%
02 Contractual	16.00	16.00	16.00	0.00	0%
Total Positions	3,242.50	3,241.50	3,370.50	129.00	4.0%
Objects					
01 Salaries and Wages	\$ 313,915,724	\$ 314,437,912	\$ 323,244,702	\$ 8,806,790	2.8%
02 Technical and Spec. Fees	1,097,715	1,136,586	1,192,706	56,120	4.9%
03 Communication	1,558,515	1,210,718	1,210,718	0	0%
04 Travel	434,854	434,854	434,855	1	0%
06 Fuel and Utilities	14,015,979	14,071,577	14,190,577	119,000	0.8%
07 Motor Vehicles	64,886,877	63,763,613	64,038,613	275,000	0.4%
08 Contractual Services	272,953,074	269,158,247	283,202,835	14,044,588	5.2%
09 Supplies and Materials	6,799,317	5,643,653	5,643,653	0	0%
10 Equipment – Replacement	384,279	111,490	111,490	0	0%
11 Equipment – Additional	41,038	130,635	130,635	0	0%
12 Grants, Subsidies, and Contributions	82,907,098	85,149,042	86,659,042	1,510,000	1.8%
13 Fixed Charges	8,014,494	8,025,057	8,007,882	-17,175	-0.2%
Total Objects	\$ 767,008,964	\$ 763,273,384	\$ 788,067,708	\$ 24,794,324	3.2%
Funds					
03 Special Fund	\$ 707,962,978	\$ 703,772,720	\$ 728,567,044	\$ 24,794,324	3.5%
05 Federal Fund	59,045,986	59,500,664	59,500,664	0	0%
Total Funds	\$ 767,008,964	\$ 763,273,384	\$ 788,067,708	\$ 24,794,324	3.2%

Note: The fiscal 2016 working appropriation does not include deficiencies or reversions. The fiscal 2017 allowance does not include contingent reductions.

Fiscal Summary
MDOT – Maryland Transit Administration

<u>Program/Unit</u>	<u>FY 15 Actual</u>	<u>FY 16 Wrk Approp</u>	<u>FY 17 Allowance</u>	<u>Change</u>	<u>FY 16 - FY 17 % Change</u>
01 Transit Administration	\$ 56,633,367	\$ 54,053,446	\$ 55,149,866	\$ 1,096,420	2.0%
02 Bus Operations	338,265,192	340,445,328	355,739,588	15,294,260	4.5%
04 Rail Operations	243,991,930	236,264,537	239,410,891	3,146,354	1.3%
05 Facilities and Capital Equipment	431,673,566	436,584,000	663,506,000	226,922,000	52.0%
06 Statewide Programs Operations	128,118,475	132,510,073	137,767,363	5,257,290	4.0%
08 Major Information Technology Development Projects	2,611,860	2,773,000	11,790,000	9,017,000	325.2%
Total Expenditures	\$ 1,201,294,390	\$ 1,202,630,384	\$ 1,463,363,708	\$ 260,733,324	21.7%
Special Fund	\$ 957,893,304	\$ 1,003,008,720	\$ 946,105,044	-\$ 56,903,676	-5.7%
Federal Fund	243,401,086	199,621,664	517,258,664	317,637,000	159.1%
Total Appropriations	\$ 1,201,294,390	\$ 1,202,630,384	\$ 1,463,363,708	\$ 260,733,324	21.7%

Note: The fiscal 2016 working appropriation does not include deficiencies or reversions. The fiscal 2017 allowance does not include contingent reductions.

Budget Amendments for Fiscal 2016
Maryland Department of Transportation
Maryland Transit Administration – Operating

<u>Status</u>	<u>Amendment</u>	<u>Fund</u>	<u>Justification</u>
Approved	\$2,871,008	Special	2% salary restoration.
Approved	9,029,853	Special	Provide additional funds for mobility and commuter bus contracts and additional grants for Locally Operated Transit Systems.
	1,658,033	Federal	
	\$10,687,886	Total	
Pending	-\$650,306	Special	Realign Office of Administrative Hearings and Workers' Compensation funding among modal administrations.

Source: Maryland Department of Transportation

Budget Amendments for Fiscal 2016
Maryland Department of Transportation
Maryland Transit Administration – Capital

<u>Status</u>	<u>Amendment</u>	<u>Fund</u>	<u>Justification</u>
Approved	\$135,102	Special	2% salary restoration.
Pending	-19,507	Special	Realign Office of Administrative Hearings and Workers' Compensation funding among modal administrations.
Pending	-109,395,800	Special	Adjust the amended appropriation to agree with the final fiscal 2016 to 2021 <i>Consolidated Transportation Program</i> .
	-192,623,000	Federal	
	-\$302,018,800	Total	

Source: Maryland Department of Transportation