



Coos Bay Rail Line, Inc. FY 2022/2023 Adopted Annual Budget



**John Burns
President**

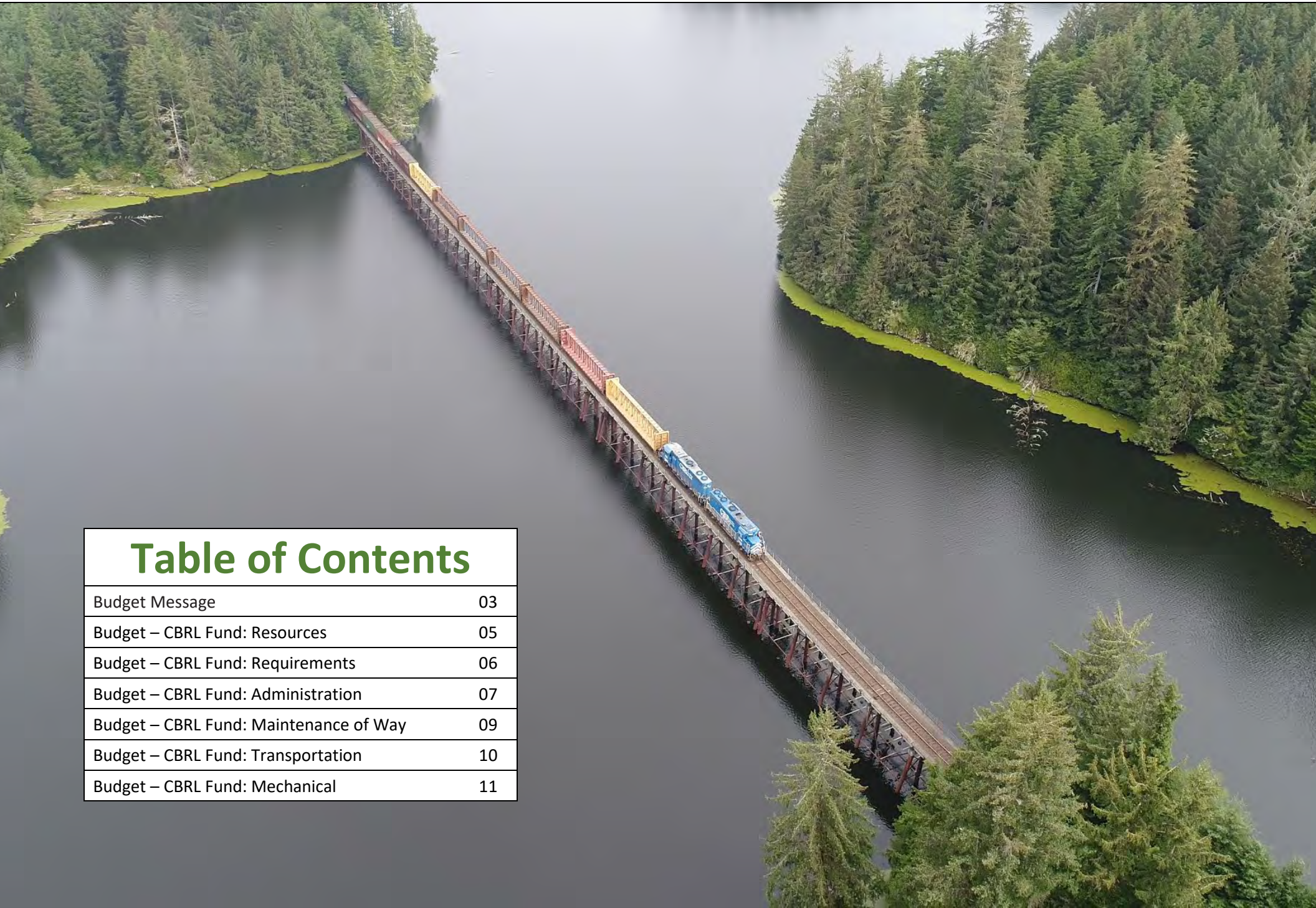


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COOS BAY RAIL LINE, INC. BUDGET MESSAGE

This budget message is intended to explain the budget document for Coos Bay Rail Line, Inc. (CBRL), a wholly owned subsidiary of the Oregon International Port of Coos Bay (Port). The basis of this budget reflects the railroad's proposed operating plan.

CBRL's priorities for the 2022/23 Fiscal Year include continued safe and reliable rail service. This will be accomplished through the effective management of human and rolling stock resources to ensure that the above are balanced with maximized service and the ability to meet new growth opportunities. Consistent and focused inspections of infrastructure and equipment are also critical components to this priority, as well as ensuring adequate employee training opportunities. Staff will also be working to develop consistent CBRL policies, procedures and practices to ensure safe, reliable and compliant operation of the rail line. Finally, ongoing maintenance and grant funded capital improvement projects to enhance existing operations and customer services will be a critical focus. This will be accomplished through cross tie replacements, the PIDP funded ballast and track surfacing program, rail joint tightening, addressing culverts and drainage, and the BUILD and State funded bridge replacement and rehabilitation program.

The operation of the Railroad is supported by revenues generated through its customer base in the form of carloads, demurrage, and American Association of Railroads car repair. CBRL is estimating car volumes of 16,422 for the upcoming fiscal year. With the perceived volume, revenues from carloads are expected to be \$9 million for the fiscal year. Demurrage is projected to be \$30,000 and Other Revenue is anticipated to be \$519,345. Total Revenue is anticipated to be \$9,586,449.

CBRL's operating principles for Fiscal Year 2022/23 are:

1. Provide reliable, safe and efficient rail service and operations to customers with interchanges with UPRR and PNWR.
2. Deliver railroad operations on plan and on budget.
3. Provide timely customer service and communications to customers and stakeholders.
4. Commitment to serve both internal and external customers.

CBRL's priority to provide safe and reliable rail service is balanced with crews, locomotives and resources to meet customer demand to optimize service and maximize growth opportunities while reducing dwell on equipment. Focused inspections will reduce risk and exposure to interruption of service. Providing the necessary training for employees to meet expectations will enhance their abilities. Development of consistent CBRL policies, procedures, and practices will ensure safe, reliable and compliant operations of the rail line.

Prioritized actions planned for FY 2022/23 include switching review of all jobs/crews for ride quality and operations review. This will include operational testing, as well as training, qualifying and recertifying Engineers/Conductors as needed. With upcoming bridge and tie capital improvement projects, train movement planning to reduce any delays or service interruptions will be critical in ensuring reliability for rail customers. Quarterly hi-rail evaluations of territory will be conducted to review maintenance activity and to plan upcoming construction and maintenance activities. Business opportunities will be developed with customers by holding quarterly meetings to discuss service and new opportunities. Staff will also work with local educational institutions to promote railroad workforce development, as well as with local Fire Districts to proactively plan for fire abatement needs.

CBRL is budgeting for 27 employees (FTEs) in the following departments:

- (3) Administration: General Manager, Operations Manager, Trainmaster
- (6) Maintenance of Way: Track Maintenance Supervisor, (2) Track Inspectors, (2) Track Laborers, Signalman/Assistant Trainmaster
- (14) Transportation: (14) Conductors/Engineers
- (4) Mechanical: Locomotive Electrician, (2) Carmen, Locomotive Mechanic

The Port of Coos Bay's budget provides resources and expenditures for rehabilitation of the rail line infrastructure. As owner and operator, the Port has been able to better tie capital improvement with maintenance on the rail line. Significant progress has been made on bridge and tunnel rehabilitation projects as well as routine maintenance activities to bring the rail line up to a state of good repair.



RESOURCES

CBRL

(Fund)

Coos Bay Rail Line, Inc.

(Name of Municipal Corporation)

Historical Data				RESOURCE DESCRIPTION	Budget for Next Year 22/23				
Actual		Adopted Budget This Year 21/22	Proposed By Budget Officer		Approved By Budget Committee	Adopted By Governing Body			
Second Preceding Year 19/20	First Preceding Year 20/21								
1	-	-	-	1	Net working capital (accrual basis)	-	-	-	1
2	-	-	-	2	Previously levied taxes estimated to be received	-	-	-	2
3	-	-	-	3	Property Taxes - Current Year	-	-	-	3
4	-	-	-	4	Interest	-	-	-	4
5	-	-	-	5	Transferred IN, from other funds	-	-	-	5
6	-	-	-	6	OTHER RESOURCES	-	-	-	6
7				7	Administration				7
8	2,504,482	3,027,908	4,220,335	8	Carloads CBRL	9,037,104	9,037,104	9,037,104	8
9	52,850	35,400	40,000	9	Demurrage	30,000	30,000	30,000	9
10	474,088	3,178	-	10	Other	19,345	19,345	19,345	10
11	-	-	-	11	Bad Debt Expense	-	-	-	11
12	236,800	-	-	12	Loans	-	-	-	12
13				13	Maintenance of Way				13
14	-	1,774	-	14	Other	-	-	-	14
15				15					15
16				16	Transportation				16
17	-	4,560	-	17	Other	-	-	-	17
18				18					18
19				19	Mechanical				19
20	-	477,051	605,000	20	Car Repair	500,000	500,000	500,000	20
21				21					21
22			-	22	Taxes estimated to be received	-	-	-	22
23	-	-		23	Taxes collected in year levied				23
24	3,268,220	3,549,872	4,865,335	24	TOTAL RESOURCES	9,586,449	9,586,449	9,586,449	24

150-504-020 (rev 10-16)

*The balance of cash, cash equivalents and investments in the fund at the beginning of the budget year

REQUIREMENTS SUMMARY

NOT ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM

CBRL Fund

(name of fund)

FORM

LB-30

Historical Data			REQUIREMENTS DESCRIPTION	Budget for Next Year 22/23					
Actual		Adopted Budget This Year 21/22		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body			
Second Preceding Year 19/20	First Preceding Year 20/21								
1	3,162,747	3,101,774	4,865,335	1	Total Requirements for ALL Org.Units/Progams within fund	9,586,449	9,586,449	9,586,449	1
2			-	2	Reserved for future expenditure	-	-	-	2
3	105,473	448,098		3	Ending balance (prior years)				3
4			-	4	UNAPPROPRIATED ENDING FUND BALANCE	-			4
5	3,268,220	3,549,872	4,865,335	5	TOTAL REQUIREMENTS	9,586,449	9,586,449	9,586,449	5

150-504-030 (Rev 10-16)

REQUIREMENTS SUMMARY

ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM & ACTIVITY

CBRL Fund

(name of fund)

FORM

LB-30

Historical Data			REQUIREMENTS FOR: <u>Administration</u>	Budget for Next Year 22/23					
Actual		Adopted Budget This Year 21/22		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body			
Second Preceding Year 19/20	First Preceding Year 20/21								
1			1	PERSONNEL SERVICES			1		
2	125,219	134,565	150,779	2	Salaries	228,181	228,181	228,181	2
3	-	-	-	3	Overtime & Relief	-	-	-	3
4	(41)	-	-	4	FICA - Payroll Taxes	-	-	-	4
5	9,182	9,773	11,535	5	Rail Road Retirement Tier I	17,456	17,456	17,456	5
6	15,720	16,812	19,752	6	Rail Road Retirement Tier II	29,892	29,892	29,892	6
7	22,826	26,750	29,944	7	Health Insurance	61,625	61,625	61,625	7
8	(551)	1,130	1,293	8	Unemployment Insurance	3,535	3,535	3,535	8
9	306	324	324	9	Term Life/Workers Comp	24,486	24,486	24,486	9
10	-	-	-	10	Merit	-	-	-	10
11	-	-	-	11	Allocations	-	-	-	11
12	\$ 172,661	\$ 189,352	\$ 213,627	12	TOTAL PERSONNEL SERVICES	\$ 365,175	\$ 365,175	\$ 365,175	12
13	2.00	2.00	2.00	13	Total Full-Time Equivalent (FTE)	3.00	3.00	3.00	13
14			14	MATERIALS AND SERVICES			14		
15	-	-	2,500	15	Staff Training & Development	1,500	1,500	1,500	15
16	2,236	2,450	2,650	16	Staff Travel	2,700	2,700	2,700	16
17	3,319	3,577	3,432	17	Office Supplies	5,100	5,100	5,100	17
18	282	26	-	18	Postage & Courier Services	-	-	-	18
19	68	135	68	19	Memberships	-	-	-	19
20	240	240	240	20	Office Equipment Lease	-	-	-	20
21	12,048	12,962	12,660	21	IT Software Subscription/Licenses	17,169	17,169	17,169	21
22	7,338	7,796	8,880	22	Telephone	10,610	10,610	10,610	22
23	746	790	840	23	Internet	900	900	900	23
24	1,660	1,956	2,200	24	Electricity	5,400	5,400	5,400	24
25	1,362	1,275	1,600	25	Water/Sewer	2,400	2,400	2,400	25
26	6,666	4,854	4,740	26	Garbage	7,500	7,500	7,500	26
27	-	-	-	27	Hazardous Material Disposal	1,700	1,700	1,700	27
28	994	909	676	28	Janitorial Services	1,132	1,132	1,132	28
29	4,075	3,141	3,400	29	Payroll Services	3,522	3,522	3,522	29
30	-	579	-	30	Legal Advertising	-	-	-	30
31	300	300	300	31	Legal Services	300	300	300	31
32	420	1,900	1,500	32	Auditing	2,000	2,000	2,000	32
33	596	60	14,070	33	Consulting Services	24,070	24,070	24,070	33
34	136,449	137,734	142,238	34	Insurance	208,396	208,396	208,396	34
35	-	-	-	35	Marketing & Sales Expense	-	-	-	35
36	88,285	8,989	2,290	36	Repair & Maintenance	1,975	1,975	1,975	36
37	2,395	3,405	2,700	37	Employee Required Records	5,400	5,400	5,400	37
38	41,416	547,067	338,400	38	Car Accounting/Hire	292,400	292,400	292,400	38
39	7,870	9,151	8,550	39	Communications	8,895	8,895	8,895	39

REQUIREMENTS SUMMARY

ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM & ACTIVITY

CBRL Fund

(name of fund)

FORM

LB-30

Historical Data					Budget for Next Year 22/23				
Actual		Adopted Budget This Year 21/22			REQUIREMENTS FOR: <u>Administration</u>				
Second Preceding Year 19/20	First Preceding Year 20/21				Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body		
40	1,395	10,462	11,000	40	ODOT Annual Revenue Fee	12,000	12,000	12,000	40
41	253,144	300,845	1,179,435	41	Port Administration Fee	3,350,013	3,350,013	3,350,013	41
42	692	894	300	42	Miscellaneous Merchant & Banking Fees	1,080	1,080	1,080	42
43	-	-	-	43	Contingency	-	-	-	43
44	\$ 573,995	\$ 1,061,499	\$ 1,744,669	44	TOTAL MATERIALS AND SERVICES	\$ 3,966,162	\$ 3,966,162	\$ 3,966,162	44
45				45	CAPITAL OUTLAY				45
46				46	Capital Outlays				46
47	\$ -	\$ -	\$ -	47	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -	47
48	\$ 746,656	\$ 1,250,851	\$ 1,958,296	48	Administration Total	\$ 4,331,337	\$ 4,331,337	\$ 4,331,337	48

REQUIREMENTS SUMMARY

ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM & ACTIVITY

FORM

LB-30

CBRL Fund

(name of fund)

#	Historical Data			#	REQUIREMENTS FOR: <u>Maintenance of Way</u>	Budget for Next Year 22/23			#
	Actual		Adopted Budget This Year 21/22			Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year 19/20	First Preceding Year 20/21							
1				1	PERSONNEL SERVICES				1
2	300,737	195,499	264,515	2	Salaries	285,941	285,941	285,941	2
3	51,034	35,172	33,828	3	Overtime & Relief	37,044	37,044	37,044	3
4	(80)	-	-	4	FICA - Payroll Taxes	-	-	-	4
5	26,608	17,235	22,823	5	Rail Road Retirement Tier I	24,708	24,708	24,708	5
6	45,427	29,513	39,083	6	Rail Road Retirement Tier II	42,311	42,311	42,311	6
7	51,332	43,751	92,538	7	Health Insurance	94,883	94,883	94,883	7
8	(1,722)	2,319	3,878	8	Unemployment Insurance	6,808	6,808	6,808	8
9	853	689	972	9	Term Life & Long Term Disability Insurance	972	972	972	9
10	\$ 474,188	\$ 324,177	\$ 457,637	10	TOTAL PERSONNEL SERVICES	\$ 492,668	\$ 492,668	\$ 492,668	10
11	7.00	6.00	6.00	11	Total Full-Time Equivalent (FTE)	6.00	6.00	6.00	11
12				12	MATERIALS AND SERVICES				12
13	343	2,571	-	13	Office Supplies & Misc	900	900	900	13
14	15,546	16,909	24,700	14	Utilities	93,800	93,800	93,800	14
15	-	60,000	75,000	15	Professional Services	75,000	75,000	75,000	15
16	13,027	10,748	32,250	16	Operational Supplies	34,250	34,250	34,250	16
17	67,295	2,813	5,000	17	Equipment Rental	10,000	10,000	10,000	17
18	-	-	-	18	Vehicle Lease / Rental	24,500	24,500	24,500	18
19	35,998	34,491	36,700	19	Fuel	18,000	18,000	18,000	19
20	16,551	2,964	-	20	Repairs & Maintenance - Equipment	-	-	-	20
21	12,488	28,992	39,450	21	Repairs & Maintenance - Vehicles	62,000	62,000	62,000	21
22	5,963	1,554	3,000	22	Repairs & Maintenance - Bridges	7,000	7,000	7,000	22
23	20,049	31,148	33,000	23	Repairs & Maintenance - Signal	33,000	33,000	33,000	23
24	98,972	26,893	126,500	24	Repairs & Maintenance - Track & Tunnel	127,000	127,000	127,000	24
25	60,541	-	-	25	Repairs & Maintenance - Train Cars	-	-	-	25
25	35,202	46,900	55,000	26	Vegetation Control	65,000	65,000	65,000	25
26	714	-	-	27	Communications	-	-	-	26
27	-	1,828	-	28	Insurance Claims	-	-	-	27
28	\$ 382,690	\$ 267,809	\$ 430,600	29	TOTAL MATERIALS AND SERVICES	\$ 550,450	\$ 550,450	\$ 550,450	28
29				30	CAPITAL OUTLAY				29
30				31					30
31	\$ -	\$ -	\$ -	32	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -	31
32	\$ 856,878	\$ 591,987	\$ 888,237	33	Maintenance of Way Total	\$ 1,043,118	\$ 1,043,118	\$ 1,043,118	32

REQUIREMENTS SUMMARY

ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM & ACTIVITY

FORM

LB-30

CBRL Fund

(name of fund)

	Historical Data			REQUIREMENTS FOR: <u>Transportation</u>	Budget for Next Year 22/23				
	Actual		Adopted Budget This Year 21/22		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body		
	Second Preceding Year 19/20	First Preceding Year 20/21							
1				1	PERSONNEL SERVICES			1	
2	398,524	430,209	482,158	2	Salaries	710,435	710,435	710,435	2
3	80,853	116,381	64,846	3	Overtime & Relief	76,087	76,087	76,087	3
4	(157)	-	-	4	FICA - Payroll Taxes	-	-	-	4
5	36,166	41,114	41,846	5	Rail Road Retirement Tier I	60,169	60,169	60,169	5
6	61,784	70,404	71,658	6	Rail Road Retirement Tier II	103,034	103,034	103,034	6
7	94,108	101,602	133,516	7	Health Insurance	272,153	272,153	272,153	7
8	(3,751)	5,181	6,464	8	Unemployment Insurance	15,382	15,382	15,382	8
9	1,162	1,418	1,620	9	Term Life & Long Term Disability Insurance	2,268	2,268	2,268	9
10	-	-	-	10	Allocations	-	-	-	10
11	\$ 668,690	\$ 766,308	\$ 802,107	11	TOTAL PERSONNEL SERVICES	\$ 1,239,529	\$ 1,239,529	\$ 1,239,529	11
12	8.00	9.00	10.00	12	Total Full-Time Equivalent (FTE)	14.00	14.00	14.00	12
13				13	MATERIALS AND SERVICES			13	
13	-	-	-	13	Training	-	-	-	13
14	1,129	108	-	14	Travel & Entertainment	-	-	-	14
15	504	-	-	15	Office Expenses	-	-	-	15
16	-	-	-	16	Memberships	-	-	-	16
17	3,510	-	-	17	Garbage/Hazardous Material Disposal	-	-	-	17
18	25,291	21,833	4,500	18	Operation Supplies	7,250	7,250	7,250	18
19	71,600	-	-	19	Equipment Rental	120,450	120,450	120,450	19
20	412,436	452,232	512,000	20	Fuel	1,640,500	1,640,500	1,640,500	20
21	531	283	-	21	Repairs & Maintenance-Equipment	-	-	-	21
22	3,144	3,508	-	22	Repairs & Maintenance-Vehicles	12,200	12,200	12,200	22
23	147,937	-	-	23	Repair & Maintenance-Locomotive	-	-	-	23
24	8,855	-	-	24	Repair & Maintenance-Train Cars	-	-	-	24
25	74	-	9,150	25	Communications	-	-	-	25
26	215,511	14,664	-	26	Other	-	-	-	26
27	\$ 890,523	\$ 492,628	\$ 525,650	27	TOTAL MATERIALS AND SERVICES	\$ 1,780,400	\$ 1,780,400	\$ 1,780,400	27
28				28	CAPITAL OUTLAY			28	
29				29					29
30	\$ -	\$ -	\$ -	30	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -	30
31	\$ 1,559,213	\$ 1,258,936	\$ 1,327,757	31	Transportation Total	\$ 3,019,929	\$ 3,019,929	\$ 3,019,929	31

REQUIREMENTS SUMMARY

ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM & ACTIVITY

FORM

LB-30

CBRL Fund

(name of fund)

	Historical Data			REQUIREMENTS FOR: <u>Mechanical</u>	Budget for Next Year 22/23				
	Actual		Adopted Budget This Year 21/22		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body		
	Second Preceding Year 19/20	First Preceding Year 20/21							
1				1	PERSONNEL SERVICES			1	
2	-	126,447	136,921	2	Salaries	197,621	197,621	197,621	2
3	-	15,330	14,741	3	Overtime & Relief	17,392	17,392	17,392	3
4	-	-	-	4	FICA - Payroll Taxes	-	-	-	4
5	-	10,535	11,602	5	Rail Road Retirement Tier I	16,448	16,448	16,448	5
6	-	17,963	19,868	6	Rail Road Retirement Tier II	28,167	28,167	28,167	6
7	-	30,591	35,387	7	Health Insurance	60,806	60,806	60,806	7
8	-	1,608	1,939	8	Unemployment Insurance	4,356	4,356	4,356	8
9	-	392	486	9	Term Life & Long Term Disability Insurance	648	648	648	9
10	-	-	-	10	Allocations	-	-	-	10
11	\$ -	\$ 202,865	\$ 220,944	11	TOTAL PERSONNEL SERVICES	\$ 325,438	\$ 325,438	\$ 325,438	11
12		2.00	3.00	12	Total Full-Time Equivalent (FTE)	4.00			12
13				13	MATERIALS AND SERVICES			13	
13	-	-	-	13	Training	-	-	-	13
14	-	-	-	14	Travel & Entertainment	-	-	-	14
15	-	226	-	15	Office Expenses	-	-	-	15
16	-	-	-	16	Memberships	-	-	-	16
17	-	3,681	15,000	17	Garbage/Hazardous Material Disposal	15,000	15,000	15,000	17
18	-	-	3,000	18	Contracting/Consulting Services	6,000	6,000	6,000	18
19	-	10,247	16,750	19	Operation Supplies	37,228	37,228	37,228	19
20	-	1,883	1,200	20	Equipment Rental	10,000	10,000	10,000	20
21	-	19,709	20,200	21	Fuel	25,200	25,200	25,200	21
22	-	207	1,000	22	Repairs & Maintenance - Equipment	1,000	1,000	1,000	22
23	-	8,277	13,150	23	Repairs & Maintenance-Vehicles	18,700	18,700	18,700	23
24	-	126,930	228,800	24	Repair & Maintenance-Locomotive	535,000	535,000	535,000	24
25	-	110,503	171,000	25	Repair & Maintenance-Train Cars	205,000	205,000	205,000	25
26	-	-	-	26	Communications	13,500	13,500	13,500	26
27	-	-	-	27	Other	-	-	-	27
28	\$ -	\$ 281,663	\$ 470,100	28	TOTAL MATERIALS AND SERVICES	\$ 866,628	\$ 866,628	\$ 866,628	28
29				29	CAPITAL OUTLAY			29	
30				30					30
31	\$ -	\$ -	\$ -	31	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -	31
32	\$ -	\$ 484,528	\$ 691,044	32	Mechanical Total	\$ 1,192,066	\$ 1,192,066	\$ 1,192,066	32