



Coos Bay Rail Line, Inc.

FY 2025/26

Approved Annual Budget

Presented by:

Megan Richardson, Budget Officer

Brian Early, General Manager

Coos Bay Rail Line, Inc. Board of Directors

Lanelle Comstock, President

Kyle ViksneHill, Chair

Kyle Stevens, Secretary/Treasurer

Coos Bay Rail Line, Inc. Budget Committee

Dax Davidson

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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 non-profit subsidiary of the Oregon International Port of Coos Bay (Port). The Coos Bay rail line provides local and regional businesses with safe, direct, efficient, and cost-effective rail access to the national rail network and global markets. CBRL is the operator of the Coos Bay rail line, and this budget reflects the operating expenses of the railroad.

Departments within the CBRL budget consist of Administration, Maintenance of Way (MOW), Transportation, and Mechanical.

Revenues (Resources – see page 5)

The proposed budget for FY 2025/26 anticipates a total income of \$4,414,213. CBRL revenues are from carload movements (\$2,961,579), demurrage¹ (\$250,000), “Other” (\$7,000) and car repair (\$1,195,634). All of these revenues (other than “Other”) are based on the number of cars transported on the railroad.

During the upcoming fiscal year, CBRL is projected to transport approximately 4,902 revenue rail cars on the line. This estimate is based on historical actual carloads, realistic expectations, and customer projections.

¹ “Demurrage” is a fee charged to shippers by railroads when railcars are held on their property for longer than the allowed time for loading or unloading (this is a common fee charged by all railroads, however CBRL has never fully implemented it or budgeted for it). This revenue is meant to offset the \$250,000 “Car Hire” expense in Administration, which is a rental fee paid by one railroad to another for using their railcars.

	2022/23 Car Loads	2023/24 Car Loads	2024/25 Car Loads	2025/26 Car Loads
Budgeted	16,422	12,322	7,675	4,902
Actual	5,852	5,348	3,967 (YTD: Jul-Apr)	-

Due to the reduced revenues, budgeted expenses have been significantly reduced wherever possible based on historical actuals, realistic expectations, actual known costs, and the need for conservative spending.

Personnel

The FY 2025/26 Budget accounts for 18.0 employees (FTEs). CBRL recently incurred a reduction in force due to change in operations in January 2025, eliminating four positions. A currently occupied Operations Manager position will be eliminated and will not be budgeted in the 2025/26 Fiscal Year. A further reduction in force may be imminent should revenues not be received as forecasted.

The following Personnel expenses are increasing for the FY 2025/26 budget:

- Medical insurance is increasing 10% (\$25,520)
- Dental insurance is increasing 6% (\$1,101)

In an effort to reduce Personnel expenses, the FY 2025/26 budget reflects a reduction in employee benefits:

- **10% Employee Cost Share of Health Insurance Premiums** - Currently, CBRL pays 100% of the health insurance premiums for employees, spouses and dependents. The FY 2025/26 Budget proposes CBRL pay 90% of the monthly health insurance premiums, and the employees pay 10% of their premium. (Saving approximately \$27,355)

Budget Overview	Administration	Maintenance of Way	Transportation	Mechanical	Totals
Revenues	\$3,218,579	-	-	\$1,195,634	\$4,414,213
Personnel Services	\$319,052	\$576,448	\$655,181	\$279,772	\$1,830,453
Materials & Services	\$758,210	\$230,251	\$943,350	\$651,950	\$2,583,761
Total Expenses	\$1,077,261	\$806,699	\$1,598,531	\$931,722	\$4,414,213
Net Total	\$2,141,317	(\$806,699)	(\$1,598,531)	\$263,912	-

ADMINISTRATION

CBRL Administration budgets for the salaries and benefits of three (3) employees: the General Manager, an Operations Manager/Bridge Inspector, and an Office Clerk.

Primary Administration expenses include training for all Rail staff, staff travel, office supplies and utilities for all locations, software subscriptions, and liability insurance. An outstanding FRA fine is also budgeted for payment in FY 2025/26.

The Port of Coos Bay Staff and budget provides all administrative functions outside of operations (Human Resources, Accounts Payable and Receivable, Payroll, Marketing and Business Development, Project Management, Purchasing, etc.). The Rail Administration department budget previously budgeted to reimburse the Port of Coos Bay for the services received, however due to insufficient revenues of CBRL operations, the fee has not historically not been paid by CBRL and is not budgeting to pay the fee this fiscal year.

MAINTENANCE OF WAY

The Maintenance of Way (MOW) department budgets for the salaries of six (6) employees: a Track Maintenance Supervisor, a Track Inspector, two Track Laborers, a Signal Maintainer, and a Bridge Tender. Major MOW expenses include power/electricity for bridges and crossings; tools; fuel for vehicles and equipment used by the MOW staff; repairs and maintenance of MOW vehicles; routine repairs including materials and equipment to maintain bridges, track, and signals; and vegetation control.

TRANSPORTATION

The Transportation department budgets for the salaries of six (6) Conductors/Engineers. The notable expenses in Transportation are locomotive leases; fuel for locomotives and vehicles; and repairs and maintenance of vehicles used by Transportation staff.

CBRL incurred a reduction in force due to change in operations in January 2025, eliminating four Transportation positions and reducing expenses such as locomotive fuel and oil.

MECHANICAL

The Mechanical department budgets for the salaries of three (3) employees: two Carmen and one Car Repair Supervisor. Car repair revenue is anticipated to be \$1,195,634 and is based on car loads. Expenses in the Mechanical department consist of locomotive maintenance and repairs; tools; traction sand; and supplies associated with car repairs.

RESOURCES

CBRL

(Fund)

Coos Bay Rail Line, Inc.

(Name of Municipal Corporation)

#	Historical Data			#	RESOURCE DESCRIPTION	Budget for Next Year 25/26			#
	Actual		Adopted Budget This Year 24/25			Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year 22/23	First Preceding Year 23/24							
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	3,511,415	3,130,631	4,603,434	8	Carloads CBRL	2,961,579	2,961,579		8
9	23,800	2,300	-	9	Demurrage	250,000	250,000		9
10	233,210	432,947	2,300	10	Other	7,000	7,000		10
11	-	-	-	11	Bad Debt Expense	-	-		11
12	-	-	-	12	Loans	-	-		12
13				13	Maintenance of Way				13
14	-	2,218	-	14	Other	-	-		14
15				15					15
16				16	Transportation				16
17	-	-	-	17	Other	-	-		17
18				18					18
19				19	Mechanical				19
20	268,676	745,509	2,295,569	20	Car Repair	1,195,634	1,195,634		20
21	-	-	-	21	Other				21
22				22	Taxes estimated to be received	-	-		22
23	-	-		23	Taxes collected in year levied				23
24	4,037,101	4,313,605	6,901,303	24	TOTAL RESOURCES	4,414,213	4,414,213	-	24

*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

FORM

LB-30

CBRL Fund

(name of fund)

	Historical Data			REQUIREMENTS DESCRIPTION	Budget for Next Year 25/26			
	Actual		Adopted Budget This Year 24/25		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year 22/23	First Preceding Year 23/24						
1	3,994,222	3,715,137	6,901,303	1 Total Requirements for ALL Org.Units/Programs within fund	4,414,213	4,414,213		1
2			-	2 Reserved for future expenditure	-	-		2
3	42,879	598,469		3 Ending balance (prior years)				3
4			-	4 UNAPPROPRIATED ENDING FUND BALANCE	(0)	-		4
5	4,037,101	4,313,605	6,901,303	5 TOTAL REQUIREMENTS	4,414,213	4,414,213	-	5

150-504-030 (Rev 10-16)

REQUIREMENTS SUMMARY
ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM & ACTIVITY

CBRL Fund

(name of fund)

Historical Data			REQUIREMENTS FOR: <u>Administration</u>	Budget for Next Year 25/26			
Actual		Adopted Budget This Year 24/25		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
Second Preceding Year 22/23	First Preceding Year 23/24						
1			1	PERSONNEL SERVICES			1
2	209,181	281,871	2	Salaries	220,384	220,384	2
3	-	-	3	Overtime & Relief	-	-	3
4	15,397	20,623	4	Rail Road Retirement Tier I	16,859	16,859	4
5	26,367	35,316	5	Rail Road Retirement Tier II	28,870	28,870	5
6	21,889	54,399	6	Health Insurance	27,827	27,827	6
7	2,268	1,611	7	Unemployment Insurance	624	624	7
8	257	594	8	Term Life/Workers Comp	24,486	24,486	8
9	-	-	9	Merit	-	-	9
10	-	-	10	Allocations	-	-	10
11	\$ 275,359	\$ 394,414	11	TOTAL PERSONNEL SERVICES	\$ 319,052	\$ 319,052	\$ -
12	3.00	4.00	12	Total Full-Time Equivalent (FTE)	3.00	3.00	
13			13	MATERIALS AND SERVICES			13
14	1,113	6,971	14	Staff Training & Development	5,100	5,100	14
15	1,911	1,802	15	Staff Travel	1,500	1,500	15
16	5,280	2,728	16	Office Supplies	3,475	3,475	16
17	174	-	17	Postage & Courier Services	-	-	17
18	-	-	18	Memberships	250	250	18
18	-	-	18	Office Lease	-	-	18
19	64	-	19	Office Equipment Lease	-	-	19
20	12,660	7,800	20	IT Software Subscription/Licenses	10,455	10,455	20
21	8,569	8,880	21	Telephone	8,400	8,400	21
22	807	823	22	Internet	840	840	22
23	1,860	2,056	23	Electricity	2,100	2,100	23
24	1,723	3,336	24	Water/Sewer	3,500	3,500	24
25	6,068	6,277	25	Garbage	6,000	6,000	25
26	-	-	26	Hazardous Material Disposal	-	-	26
27	902	754	27	Janitorial Services	600	600	27
28	3,277	4,305	28	Payroll Services	3,645	3,645	28
29	719	803	29	Legal Advertising	-	-	29
30	325	350	30	Legal Services	-	-	30
31	4,275	3,900	31	Auditing	3,900	3,900	31
32	73	77	32	Consulting Services	2,600	2,600	32
33	194,763	238,573	33	Insurance	303,717	303,717	33
34	-	-	34	Marketing & Sales Expense	-	-	34
35	1,852	5,810	35	Repair & Maintenance	5,500	5,500	35
36	1,854	2,642	36	Safety/Hazardous Materials	1,250	1,250	36
37	48	5,741	37	Fuel	10,000	10,000	37
38	4,149	2,450	38	Employee Required Records	2,566	2,566	38

REQUIREMENTS SUMMARY
ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM & ACTIVITY

CBRL Fund

(name of fund)

Historical Data				REQUIREMENTS FOR: <u>Administration</u>		Budget for Next Year 25/26			
Actual		Adopted Budget This Year 24/25	Proposed By Budget Officer			Approved By Budget Committee	Adopted By Governing Body		
Second Preceding Year 22/23	First Preceding Year 23/24								
39	344,039	(13,529)	358,900	39	Car Accounting/Hire	300,400	300,400		39
40	14,215	9,207	9,300	40	Communications	9,612	9,612		40
41	11,838	13,817	10,660	41	ODOT Annual Revenue Fee	11,000	11,000		41
42	350,173	309,450	1,351,988	42	Port Administration Fee	-	-		42
43	25,596	1,921	-	43	Miscellaneous Merchant & Banking Fees	61,800	61,800		43
44	-	-	-	44	Contingency	-	-		44
45	\$ 998,327	\$ 626,945	\$ 2,100,808	45	TOTAL MATERIALS AND SERVICES	\$ 758,210	\$ 758,210	\$ -	45
46				46	CAPITAL OUTLAY				46
47				47	Capital Outlays				47
48	\$ -	\$ -	\$ -	48	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -	48
49	\$ 1,273,686	\$ 1,021,359	\$ 2,542,401	49	Administration Total	\$ 1,077,261	\$ 1,077,261	\$ -	49

REQUIREMENTS SUMMARY

ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM & ACTIVITY

FORM

LB-30

CBRL Fund

(name of fund)

Historical Data				REQUIREMENTS FOR: Maintenance of Way	Budget for Next Year 25/26				
Actual		Adopted Budget This Year 24/25	Proposed By Budget Officer		Approved By Budget Committee	Adopted By Governing Body			
Second Preceding Year 22/23	First Preceding Year 23/24								
1				1	PERSONNEL SERVICES			1	
2	279,530	289,659	298,205	2	Salaries	355,638	355,638	2	
3	36,260	32,537	26,881	3	Overtime & Relief	22,137	22,137	3	
4	23,571	23,753	24,869	4	Rail Road Retirement Tier I	28,900	28,900	4	
5	40,363	40,675	42,586	5	Rail Road Retirement Tier II	49,489	49,489	5	
6	84,823	88,160	104,505	6	Health Insurance	118,064	118,064	6	
7	4,833	2,569	887	7	Unemployment Insurance	1,248	1,248	7	
8	1,026	918	972	8	Term Life & Long Term Disability Insurance	972	972	8	
9	\$ 470,406	\$ 478,270	\$ 498,906	9	TOTAL PERSONNEL SERVICES	\$ 576,448	\$ 576,448	\$ -	9
10	6.00	7.00	6.00	10	Total Full-Time Equivalent (FTE)	6.00	6.00		10
11				11	MATERIALS AND SERVICES			11	
12	-	-	-	12	Travel & Meals	-	-	12	
13	121	72	-	13	Office Supplies & Misc	-	-	13	
14	16,784	16,270	18,000	14	Utilities	15,000	15,000	14	
15	-	-	-	15	Professional Services	-	-	15	
16	15,467	13,550	24,050	16	Operational Supplies	15,900	15,900	16	
17	10,339	6,464	10,000	17	Equipment Rental	-	-	17	
18	-	-	-	18	Vehicle Lease / Rental	-	-	18	
19	73,268	62,330	72,000	19	Fuel	36,000	36,000	19	
20	2,599	6,822	-	20	Repairs & Maintenance - Equipment	12,000	12,000	20	
21	55,158	48,003	67,800	21	Repairs & Maintenance - Vehicles	45,351	45,351	21	
22	10,774	5,251	115,000	22	Repairs & Maintenance - Bridges	10,000	10,000	22	
23	22,397	32,669	33,000	23	Repairs & Maintenance - Signal	22,000	22,000	23	
24	106,056	25,588	86,000	24	Repairs & Maintenance - Track & Tunnel	46,000	46,000	24	
25	39,948	28,727	40,000	25	Vegetation Control	28,000	28,000	25	
26	-	310	-	26	Communications	-	-	26	
26	1,000	737	-	26	Other	-	-	26	
27	-	-	-	27	Insurance Claims	-	-	27	
28	\$ 353,913	\$ 246,792	\$ 465,850	28	TOTAL MATERIALS AND SERVICES	\$ 230,251	\$ 230,251	\$ -	28
29				29	CAPITAL OUTLAY			29	
30				30				30	
31	\$ -	\$ -	\$ -	31	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -	31
32	\$ 824,319	\$ 725,063	\$ 964,756	32	Maintenance of Way Total	\$ 806,699	\$ 806,699	\$ -	32

REQUIREMENTS SUMMARY

ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM & ACTIVITY

CBRL Fund

(name of fund)

FORM

LB-30

Historical Data			REQUIREMENTS FOR: <u>Transportation</u>			Budget for Next Year 25/26			
Actual		Adopted Budget This Year 24/25				Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
Second Preceding Year 22/23	First Preceding Year 23/24								
1			1	PERSONNEL SERVICES		1			
2	517,007	570,281	547,224	2	Salaries	370,383	370,383	2	
3	115,029	102,743	88,424	3	Overtime & Relief	87,694	87,694	3	
4	47,400	50,472	48,627	4	Rail Road Retirement Tier I	35,043	35,043	4	
5	81,168	86,429	83,270	5	Rail Road Retirement Tier II	60,008	60,008	5	
6	122,128	144,800	135,025	6	Health Insurance	99,833	99,833	6	
7	8,428	4,759	1,478	7	Unemployment Insurance	1,248	1,248	7	
8	1,620	1,661	1,620	8	Term Life & Long Term Disability Insurance	972	972	8	
9	-	-	-	9	Allocations	-	-	9	
10	\$ 892,779	\$ 961,144	\$ 905,668	10	TOTAL PERSONNEL SERVICES	\$ 655,181	\$ 655,181	\$ -	10
11	14.00	11.00	10.00	11	Total Full-Time Equivalent (FTE)	6.00	6.00	-	11
12			12	MATERIALS AND SERVICES		12			
13	-	-	-	13	Training	-	-	-	13
14	3,751	810	1,500	14	Travel & Entertainment	1,000	1,000	-	14
15	7	-	-	15	Office Expenses	-	-	-	15
16	-	-	-	16	Memberships	-	-	-	16
17	-	-	-	17	Garbage/Hazardous Material Disposal	-	-	-	17
18	2,782	10,154	6,725	18	Operation Supplies	2,800	2,800	-	18
19	84,105	259,400	270,100	19	Equipment Rental	262,800	262,800	-	19
20	896,267	717,657	1,012,200	20	Fuel	666,250	666,250	-	20
21	68	2,179	-	21	Repairs & Maintenance-Equipment	-	-	-	21
22	4,952	13,149	8,500	22	Repairs & Maintenance-Vehicles	5,500	5,500	-	22
23	415	127	-	23	Repair & Maintenance-Locomotive	-	-	-	23
24	-	-	-	24	Repair & Maintenance-Train Cars	-	-	-	24
25	11,027	59	5,000	25	Communications	5,000	5,000	-	25
26	65	4,037	-	26	Other	-	-	-	26
27	\$ 1,003,439	\$ 1,007,572	\$ 1,304,025	27	TOTAL MATERIALS AND SERVICES	\$ 943,350	\$ 943,350	\$ -	27
28			28	CAPITAL OUTLAY		28			
29			29			29			
30	\$ -	\$ -	\$ -	30	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -	30
31	\$ 1,896,218	\$ 1,968,716	\$ 2,209,693	31	Transportation Total	\$ 1,598,531	\$ 1,598,531	\$ -	31

REQUIREMENTS SUMMARY

ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM & ACTIVITY

CBRL Fund

(name of fund)

FORM

LB-30

#	Historical Data			#	REQUIREMENTS FOR: <u>Mechanical</u>	Budget for Next Year 25/26			#
	Actual		Adopted Budget This Year 24/25			Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year 22/23	First Preceding Year 23/24							
1				1	PERSONNEL SERVICES				1
2	136,503	126,488	171,824	2	Salaries	180,532	180,532		2
3	15,671	10,223	8,304	3	Overtime & Relief	27,199	27,199		3
4	11,231	10,314	13,780	4	Rail Road Retirement Tier I	15,891	15,891		4
5	19,231	17,662	23,597	5	Rail Road Retirement Tier II	27,213	27,213		5
6	25,300	17,525	39,966	6	Health Insurance	27,827	27,827		6
7	2,158	1,020	443	7	Unemployment Insurance	624	624		7
8	405	351	486	8	Term Life & Long Term Disability Insurance	486	486		8
9	-	-	-	9	Allocations	-	-		9
10	\$ 210,499	\$ 183,583	\$ 258,400	10	TOTAL PERSONNEL SERVICES	\$ 279,772	\$ 279,772	\$ -	10
11	4.00	4.00	3.00	11	Total Full-Time Equivalent (FTE)	3.00	3.00		11
12				12	MATERIALS AND SERVICES				12
13	-	-	-	13	Training	-	-		13
14	-	345	-	14	Travel & Entertainment	-	-		14
15	-	1,045	-	15	Office Expenses	-	-		15
16	-	-	-	16	Memberships	-	-		16
17	7,431	4,629	5,000	17	Garbage/Hazardous Material Disposal	1,000	1,000		17
18	37,397	54,391	225,000	18	Contracting/Consulting Services	-	-		18
19	12,722	28,001	62,525	19	Operation Supplies	59,900	59,900		19
20	1,168	3,000	10,000	20	Equipment Rental	10,000	10,000		20
21	18,812	19,518	25,000	21	Fuel	20,000	20,000		21
22	799	5,128	2,000	22	Repairs & Maintenance - Equipment	1,500	1,500		22
23	13,996	10,465	7,750	23	Repairs & Maintenance-Vehicles	7,000	7,000		23
24	210,256	212,275	100,000	24	Repair & Maintenance-Locomotive	252,550	252,550		24
25	75,035	196,757	478,778	25	Repair & Maintenance-Train Cars	300,000	300,000		25
26	3,162	93	10,000	26	Communications	-	-		26
27	1,850	39	-	27	Other	-	-		27
28	\$ 380,778	\$ 535,686	\$ 926,053	28	TOTAL MATERIALS AND SERVICES	\$ 651,950	\$ 651,950	\$ -	28
29				29	CAPITAL OUTLAY				29
30				30					30
31	\$ -	\$ -	\$ -	31	TOTAL CAPITAL OUTLAY	\$ -	\$ -	\$ -	31
32	\$ 591,277	\$ 719,269	\$ 1,184,453	32	Mechanical Total	\$ 931,722	\$ 931,722	\$ -	32