

Finance & Administrative Sub-Committee & Treasurer's Report

NGEC Annual Meeting
Washington, DC
February 24, 2017



The NGEC will provide national leadership in standardization, acquisition, financing and management of passenger rail equipment.

Updating the NGENC By-Laws

- The most recent revised by-laws were adopted on February 19, 2016.
 - Revisions included updates relating to the FAST act and language for “514”.
- Ray Hessinger, FASC Vice Chair, reviewed the most recent version with the FASC in January.
- No needed revisions are identified. Minor text corrections are recorded for a future update.
- No Board action requested today.



NGEC Future Activities

- Began 2016 pursuing three recommendations:
 - Equipment Specification Use Fee
 - Federal Grant
 - PRIIA 209/Membership Fee



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Future Funding Recommendations

1. Consider a Specification Use Fee as a supplement to funding provided through a continuing federal grant and/or a PRIIA 209 support fee. Narrow the scope of a Specification Use Fee to the following two components:
 - a. Parts Suppliers, being the primary requestors of the specifications, charged a nominal fee to be recommended by the FASC by March 31, 2016.
 - b. Non-NGEC Members using a full specification for purchasing rolling stock charged a significant fee, on the order of \$250,000 per equipment-type specification, mechanics of which are to be recommended by the FASC by March 31, 2016.



Future Funding Recommendations

2. Direct the FASC's Legislative Outreach Task Force to present a complete Congressional Outreach Implementation Plan by March 31, 2016, including draft educational materials for consideration for AASHTO's production, and specific next steps for members to request continuing NGEC funds.



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Future Funding Recommendations

3. Present the concept of a new annual PRIIA 209 support fee to the State Amtrak Intercity Passenger Rail Committee (SAIPRC) to determine the level of interest of the Amtrak state funding agencies. If SAIPRC expresses an interest, then the NGEC will direct either the FASC or a new task force to coordinate with SAIPRC a recommended methodology.

Also continuing to consider other options.



Future Funding Results

On May 4, 2016, the FASC Presented to the NGEC:

1. Re-evaluate actual NGEC spending at the conclusion of FY2016, and consider filing a no-cost extension of the existing Grant Agreement for three additional years through September 30, 2020, at the NGEC's 2017 Annual Meeting.



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Future Funding Results

2. Recognize the national interest in maintaining a set of standard intercity passenger rail equipment specifications through the NGEC, therefore redoubling the NGECs education efforts with federal policymakers and Congress.



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Future Funding Results

The NGEC Board determined that the other funding options, a Specification User Fee and Membership/PRIIA 209 Support Fee, were not practical or available as the FAST Act revisions removed the option of forming a separate corporation.



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Future Funding Results

In August, the effort shifted from preparing for a no-cost extension of the existing grant effective 10/1/2017 to obtaining a new grant effective 10/1/2016.



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Treasurer's Report

- Focus was closing out the NGEC's first federal grant and establishing the new 10/1/2016 – 9/30/2019 grant.



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Spending Through 9/30/2016

	Executive Board	Technical Sub-committee	Finance & Admin. Sub-committee	"514" Equipment Capital Sub-committee	AASHTO Support Services	TOTAL
Labor		\$515,710	\$193,001		\$449,411	\$1,158,122
Meetings					\$69,572	\$69,572
Travel			\$6,547		\$130,197	\$136,744
Professional Services		\$198,406			\$1,359,320	\$1,557,726
Financial Review						\$0
Conference Calls					\$1,218	\$1,218
Webinar					\$79	\$79
Reserve (Contingency)						\$0
Web Site					\$0	\$0
TOTAL	\$0	\$714,117	\$199,547	\$0	\$2,009,797	\$2,923,461



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Budget (New Grant Statement of Work 10/1/2016)

	Executive Board	Technical Sub-committee	Finance & Admin Sub-committee	"514" Equipment Capital Sub-committee	AASHTO Support Services	TOTAL
Labor		\$72,000	\$90,000		\$100,000	\$262,000
Meetings					\$90,000	\$90,000
Travel	\$0		\$10,000	\$0	\$90,000	\$100,000
Professional Services	\$0				\$682,000	\$682,000
Financial Review			\$100,000			\$100,000
Conference Calls					\$12,000	\$12,000
Webinar					\$3,000	\$3,000
Web Site					\$1,000	\$1,000
Other						\$0
TOTAL	\$0	\$72,000	\$200,000	\$0	\$978,000	\$1,250,000



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Treasurer's Report

- Last 12 months of expenses, 10/1/2015 – 9/30/2016, were \$427,486.46.
- Amount is \$91,513.54 below the last statement of work for the first grant's annualized revised budget of \$519,000 for FY2015 – FY2017.



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Treasurer's Report

- New grant from FRA began 10/1/2016.
- Funds are available through 9/30/2019.
- Average annual spend budget is \$416,667.
- *This rate is \$10,820 less than our FY2016 spend.*



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Thank You!

Darrell Smith
NGEC Treasurer
Amtrak

Director, Service Planning & Costing

Darrell.Smith@Amtrak.com

(202) 906-3913



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