



CITIZENS OVERSIGHT COMMITTEE MEETING

MAY 24, 2023 – 1:30 PM

5401 Old Redwood Highway, 1st Floor
Petaluma, CA 94954

The Meeting will facilitate using a dual format with listening and participation available through Zoom and in-person. SMART provides several remote methods for viewing the meeting and providing Public Comment.

HOW TO WATCH THE LIVE MEETING USING THE ZOOM

<https://sonomamarintrain-org.zoom.us/j/85884169363?pwd=aWZLd2I1dERpVXNCZldPSEI3bm5MUT09>

Webinar ID: 858 8416 9363

Passcode: 252425

TELECONFERENCE

Members of the public wishing to participate via teleconference, can do so by dialing in to the following number the day of the meeting: 1-669-900-6833; Access Code: 858 8416 9363; Passcode: 252425

HOW TO PROVIDE COMMENTS ON AGENDA ITEMS

Prior To Meeting:

Technology limitations may limit the ability to receive verbal public comments during the meeting. If you wish to make a comment you are strongly encouraged to please submit your comment to COC@SonomaMarinTrain.org by 5:00 PM on Tuesday, May 23, 2023.

During the Meeting:

The Chair will open the floor for public comment during the Public Comment period on the agenda. Please check and test your computer settings so that your audio speaker and microphones are functioning. Speakers are asked to limit their comments to two (2) minutes. The amount of time allocated for comments during the meeting may vary at the Chairperson's discretion depending on the number of speakers and length of the agenda.

CITIZENS OVERSIGHT COMMITTEE MEETING AGENDA

MAY 24, 2023 at 1:30 PM

5401 Old Redwood Highway, 1st Floor
Petaluma, CA 94954

1. Call to Order
2. Member Ericksen is unable to attend in person due to a verified "Just Cause" and is requesting to participate remotely via Zoom (**Action**) – *Presented by Leticia Rosas*
3. Election of Chairperson and Vice-Chairperson (**Action**) - *Presented by General Manager Cumins*
4. Approval of March 22, 2023 Minutes
5. COC Members Announcements
6. General Manager's Report
7. Public Comment on Non-Agenda Items
8. Set Upcoming Quarterly Meetings (**Action**) - *Presented by General Manager Cumins*
9. Draft Fiscal Year 2024 Budget (**Information/Discussion**) – *Presented by Heather McKillop*
10. Adjournment

DISABLED ACCOMMODATION:

Upon request, SMART will provide for written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, service, or alternative format requested at least two (2) days before the meeting. Requests should be emailed to *Leticia Rosas, Clerk of the Board* at lrosas@sonomamarintrain.org or submitted by phone at (707) 794-3072. Requests made by mail SMART's, 5401 Old Redwood Highway, Suite 200, Petaluma, CA 94954 must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.



DATE: May 24, 2023
TO: Citizens Oversight Committee Members
FROM: Eddy Cumins, General Manager
STAFF REPORT: Election of Chairperson and Vice-Chairperson

RECOMMENDATION(s): Elect Chairperson and Vice-Chairperson.

SUMMARY:

COC Bylaws provide for the Committee to elect a Chairperson and a Vice-Chairperson from its members. The Chairperson and Vice-Chairperson may be self-nominated or by any member of the Committee and thereafter elected by a majority vote.

In the event of a vacancy in the Chairperson's position, the Vice-Chairperson shall succeed as Chairperson for the balance of the Chairperson's term, and the Committee shall elect a successor to fill the vacancy in the Vice-Chairperson's position.

1. Duties of the Chairperson:

- a) Call the meetings to order;
- b) Preside over each meeting;
- c) Identify items of interest for future Committee agendas that are relevant to the Committee's responsibilities;
- d) Attend, or appoint another Committee member to attend, meetings of the District at which strategic plan updates and matters are being reviewed by the District;
- e) Serve as liaison to SMART staff between meetings;
- f) Serve as the designated spokesperson for the Committee for matters before the SMART Board of Directors meetings;
- g) Provide semi-annual report to the SMART Board of Directors

2. Duties of the Vice-Chairperson:

- a) Perform the duties of the Chairperson when the Chairperson is absent.



**CITIZENS OVERSIGHT COMMITTEE
MEETING MINUTES**

March 22, 2023 – 1:30 PM

5401 Old Redwood Highway, 1st Floor
Petaluma, CA 94954

1. Call to Order

Meeting called to order at 1:30pm. Members Sherry Adams, Lucy Dilworth, Sandi McCubbin, Anthony Nachor and Dani Sheehan-Meyer were present; Members Thomas Engdahl, Zachary Kushel and Jeana Ericksen arrived later; Member Conor McKay absent.

Member Jeana Ericksen is unable to attend in person due to a verified "Just Cause" and is requesting to participate remotely via Zoom.

MOTION: Member Dilworth moved approval for Member Jeana Ericksen to participate remotely. Member Sherry Adams second. The motion carried 6-0.

2. Public Comments on Non-Agenda Items

Member Engdahl arrived 1:32pm

Duane Bellinger welcomed the new Citizens Oversight Committee members. He suggested the members familiarize themselves with the Grand Jury recommendations and the Board of Directors acceptance. He stated that he is in support of pedestrian orientated communities especially in Petaluma, CA. He suggested that additional advisory committees be established to advise the Board.

Member Kushel arrived at 1:34pm

Jenny Kerrigan calling on behalf of her mother who lives in San Rafael near the train station. She would like SMART to place a hold on the construction enhancement

project, since her mother's window needs to stay open due to the life threatening illness and the construction debris will hurt her quality of life.

3. COC Member and Staff introduction

The COC Members and SMART staff introduced themselves.

4. SMART Briefing/Overview – *Presented by General Manager Cumins, Chief Financial Officer McKillop and District Counsel Lyons*

General Manager Cumins provided a PowerPoint presentation, which is located on SMART's website. Highlights include:

- Citizens Oversight Committee Duties
- Planning For the Future Model
- SMART House
- Listening Session
- Goals /Strategies
- 2019 Strategic Plan
- Short-Range Transit Plan Fiscal Year 2022-2029
- Fiscal Year 2022-23 Budget
- Brown Act Information

Citizens Oversight Committee Duties

General Manager Cumins read SECTION 2.1- COMMITTEE DUTIES from approved COC Bylaws as follows:

- Provide input and review the Strategic Plan and subsequent plans; receive periodic updates on significant financial matters not previously identified in the Strategic Plan or annual budget that may materially impact the previously adopted Strategic Plan.
- Hold meetings Quarterly and issue reports, on at least an annual basis, to inform and update the SMART Board and the Sonoma and Marin County residents on any developments related to the implementation, planning and advancements of the Strategic Plan. Copies of this document should be made widely available to the public.
- Receive briefings on financial, budgetary, capital plans and other strategic planning matters that may have a material impact on the District and provide updates to the SMART Board of Directors at least bi-annually.

Planning For the Future Model

- SWOT Analysis

- Mission/Vision
- Objectives
- Goals
- Strategy Development
- Strategy Deployment
- Monitoring Performance
- Results

SMART House

- Vision
- Mission
- Strategic Objectives: Ridership, Pathways, Extension and Freight
- Values

Listening Sessions

Staff received 1004 survey responses, 60 emails responses and had 193 participants on the following Listening sessions:

- Ridership (April 6, 2022)
- Pathways (April 13, 2022)
- Extensions (April 20, 2022)
- Freight (April 27, 2022)

Member Jeana Ericksen joined at 1:59pm

Goals/Strategies

- Ridership
- Pathways
- Extensions (East/West)
- Extension (North Extension)
- Freight

Chief Financial Officer, Heather McKillop provided the following presentation, which is located on SMART's website. Highlights include:

Strategic Plan

- The 2020 Expenditure Plan states that a Citizens Oversight Committee, established by the SMART Board, will provide input and review the Strategic Plan and subsequent updates.
- The Strategic Plan identifies planned investments in capital implementation, operations and maintenance for the extension and duration of the tax. The Strategic Plan should be updated every five years.

- Next Update: September 2024

Short-Range Transit Plan

- Federal statutes require Metropolitan Transportation Commission (MTC), in partnership with state and local agencies, develop and update a Regional Transportation Plan (RTP) and Transportation Improvement Plan (TIP)
- The planning horizon for the SRTP is 10 years and the plan is supposed to be updated at least once every four years. The scope of the SRTP is prescribed by MTC.
- MTC required an update to the plan due to the pandemic. SMART update was approved by the Board on January 4, 2023.

Fiscal Year 2022-23 Budget

- July 1, 2022 to June 30, 2023
- Adopted by the Board on June 15, 2022
- Amended by the Board on February 1, 2023
- Available on SMART's website

Fiscal Year 2023-24 Budget

- July 1, 2023 to June 30, 2024
- Currently being developed (utilizing goals and strategies as guidance)
- Budget Workshop – May 3, 2023
- Draft Budget Presented to the Board on May 17, 2023
- Final Budget Scheduled for approval on June 21, 2023

District Counsel, Tom Lyons provided the following presentation, which is located on SMART's website. Highlights include:

Brown Act Requirements

- Meeting under the Brown Act
- Brown Act Basics: Topics to be covered
- What Meetings are Subject to the Act
 - Meetings Defined
- Regular Meetings
- Special Meetings
- Special Meeting Limitations
- The Agenda
 - Roles of the Agenda
- The Agenda and Public Participation
- Voting
- Prohibition on Serial Meetings

- Examples of serial meetings
- Beware of e-mail
- Role of Staff
- Remote Appearances by Members
 - Traditional Teleconferencing Rules
 - Remote Appearance Authorized by AB 2449
 - "Just Cause" Provision
 - Limitations on Remote Appearance
- Recommendations
- Resources

Comments

Member Sheehan asked for member attendance clarification. District Counsel Lyons responded that meetings will be held in-person and members have a limitation on remote appearances.

5. COC Members Staggered Terms (*Action*) - *Presented by General Manager Cumins*

General Manager Cumins read SECTION 3.2 – TERMS from approved COC Bylaws as follows:

- Members shall be appointed for a term of three (3) years.
- To provide for staggered terms, at the first meeting of the Committee, the members will draw lots to determine whether their initial appointment is for one, two, or three years.
- All initial appointment terms shall commence on January 1, 2023, and subject to earlier removal or termination, shall expire May 31, 2024, as to a one-year term, May 31, 2025, as to two-year terms, and on May 31, 2026, as to three-year terms. Thereafter, terms shall commence on June 1 and shall terminate on the third anniversary date of such commencement date.

General Manager Cumins asked for feedback on how to select the process. Member Dilworth suggested pulling numbers to represent the years of terms. The terms are as follows:

1 year Term

- Member Ericksen
- Member Dilworth
- Member Engdahl

2 Year Terms

- Member Kushel
- Member McKay
- Member Sheehan

3 Year Terms

- Member Adams
- Member McCubbin
- Member Nachor

MOTION: Member Ericksen moved approval of Members selected terms . Second by member Sheehan. Motion carried 7-0

6. Chairperson and Vice-Chairperson (*Discussion*) - *Presented by General Manager Cumins*

General Manager Cumins read SECTION 4.1 - CHAIRPERSON AND VICE-CHAIRPERSON from approved COC Bylaws as follows:

A Chairperson and Vice-Chairperson shall be nominated and appointed by the Committee; the appointment will be by a majority vote. In the event of a vacancy in the Chairperson's position, the Vice-Chairperson shall succeed as Chairperson for the balance of the Chairperson's term, and the Committee shall elect a successor to fill the vacancy in the Vice-Chairperson's position.

General Manager Cumins recommended that Elections of Chair and Vice-Chair should take place at the next meeting.

Comments

Member Sheehan asked for clarification on speaking to members. District Counsel stated that members can speak and meet with each other, however you cannot reach a consensus.

Members Sheehan and Ericksen expressed interest.

7. Set Upcoming Quarterly Meetings (*Action*) - *Presented by General Manager Cumins*

General Manager Cumins read SECTION 5.1 - REGULAR MEETINGS from approved COC Bylaws as follows:

Regular meetings of the Committee shall be held at least quarterly, or more often as needed to discharge the COC's primary duties related to the Strategic Plan.

General Manager Cumins stated that two conversations should take place; 1) meeting date to make sure this Committee is able to provide feedback on the budget; and 2)

the future meetings. Also, the Chair of this Committee shall provide the semi-annual report to the Board.

Member McCubbin asked for clarification for reporting to their Councils. District Counsel Lyons responded that the Members should report directly to the SMART Board and provide and not represent SMART or the Board in other committees or other jurisdictions.

Member Nachor suggested having monthly COC meetings prior to the Board meetings to be able to provide feedback.

Chief Financial Officer McKillop stated that she will provide key dates that can assist with setting up a meeting schedule.

Member Sheehan clarified the roles of the COC. She likes the 1:30pm time for the meeting. She suggested that COC members attend Board meetings via zoom or in person, which will help stay informed and not have to meet monthly.

General Manager Cumins clarified the duties of the COC members, which states receive briefings on financial, budgetary, capital plans and other strategic planning matters.

Member Kushel suggested having 6 meetings a year (every other month) and in advance to the Board meetings. He asked for clarification if the COC is to provide oversight to SMART Staff or SMART Board. District Counsel responded that COC is an Advisory Committee to the Board on strategic planning matters and updating the Strategic Plan

Member Adams stated that the Board's responsibilities are broader than COC. These meetings are expensive for SMART, and the COC meetings need to be efficient and focused on primary duties.

General Manager Cumins and Chief Financial Officer McKillop suggested having the meeting after May 17th.

Member Nachor suggested May 24th for the next meeting.

Clerk of the Board, Leticia Rosas voiced that Member McKay suggested Monday or Wednesday after 5pm. Member Dilworth stated Monday or Tuesdays work best since she cannot attend on the 4th Wednesday due to another commitment.

Member Ericksen asked if members get reimbursed for attendance and mileage. District Counsel Lyons responded that the Bylaws exclude reimbursement for travel and attendance.

Member Adams stated that Wednesday and Friday at 1:30pm work best.

MOTION: Member Sheehan moved to approve May 24, 2023 at 1:30 for the next COC meeting at SMART's Office. Second by Member Nachor. Motion carried 7-0.

8. Adjournment - Meeting adjourned at 3:05pm.

Respectfully submitted,

Leticia Rosas
Clerk of the Board

Approved on: _____



DATE: May 24, 2023
TO: Citizens Oversight Committee Members
FROM: Eddy Cumins, General Manager
STAFF REPORT: Proposed COC Meeting Schedule for 2023 and 2024

RECOMMENDATION: Approve Proposed Meetings Dates/Times for 2023 and 2024.

SUMMARY:

COC Bylaws state Regular meetings of the Committee shall be held at least quarterly, or more often as needed to discharge the COC’s primary duties related to the Strategic Plan.

At the March 22, 2023, meeting, the Chief Financial Officer, Heather McKillop stated that she would suggest meeting dates to provide input on financial items. Two meetings have been scheduled and below is the proposed COC meetings schedule for 2023 and 2024.

Based on the COC feedback, staff believes Wednesday’s at 1:30pm are preferred, but meeting dates/times are ultimately determined by the COC. The COC meetings will be held in person at the SMART Office.

2023/2024 Proposed Meeting Schedule		
Meeting Date	Time	Provide Input
1. March 22, 2023 (4 th Wednesday)	1:30pm	First Meeting
2. May 24, 2023 (4 th Wednesday)	1:30pm	Draft FY 24 Budget
3. August 30, 2023 (5 th Wednesday)	1:30pm	Annual Investment Report
4. November 29, 2023 (5 th Wednesday)	1:30pm	FY 23 Budget to Actual Reconciliation FY 23 Annual Comprehensive Audit
5. March 13, 2024 (2 nd Wednesday)	1:30pm	Draft FY 25 Budget
6. May 22, 2024 (4 th Wednesday)	1:30pm	Draft FY 25 Budget
7. July 10, 2024 (2 nd Wednesday)	1:30pm	Update 2019 Strategic Plan
8. August 14, 2024 (2 nd Wednesday)	1:30pm	Update 2019 Strategic Plan



DATE: May 24, 2023
TO: Citizens Oversight Committee Members
FROM: Heather McKillop, Chief Financial Officer
STAFF REPORT: Fiscal Year 2024 Draft Budget

RECOMMENDATION(s): Information and Discussion Item

SUMMARY:

Passenger Rail and Pathways

The Fiscal Year 2024 revenue estimate for passenger rail and pathways totals \$98.6 million compared to \$78.6 million in Fiscal Year 2023. Of the \$98.6 million, \$25.4 million is anticipated federal and state project specific capital grants for construction. Fiscal Year 2023 was the last year we received Federal COVID-19 relief operating funds, therefore federal funds for operating activities decreased by \$7.5 million in Fiscal Year 2024 which is offset in the chart below by federal capital revenues for a net decrease of \$4.9 million. State and Federal grants provide \$13.7 million support to the Fiscal Year 2024 operating budget.

Overall expenditures are expected to increase in Fiscal Year 2024 due to the large capital construction program that is anticipated to occur this coming year. The capital projects are \$29.1 million higher than in Fiscal Year 2023.

Revenues	FY 23 Amended Budget	FY 24	Difference
SMART S&U Tax	\$ 51,090,000	\$ 51,103,000	\$ 13,000
Federal Funds	\$ 12,542,326	\$ 7,655,641	\$ (4,886,685)
State Funds	\$ 10,697,233	\$ 34,335,252	\$ 23,638,019
Other Sources	\$ 2,589,866	\$ 3,021,327	\$ 431,461
Regional Funds	\$ 1,673,747	\$ 2,480,108	\$ 806,361
Total Revenues	\$ 78,593,172	\$ 98,595,328	\$ 20,002,156

Expenditures	FY 23 Amended Budget	FY 24	Difference
Debt Service	\$ 15,596,193	\$ 16,244,444	\$ 648,251
Salaries & Benefits	\$ 23,318,136	\$ 25,525,661	\$ 2,207,525
Service & Supplies	\$ 15,873,763	\$ 19,429,772	\$ 3,556,009
Contribution to OPEB/ CalPERS Liability Fund	\$ 500,000	\$ 500,000	\$ -
Vehicle/ Equipment Capital Reserve	\$ 2,000,000	\$ 1,000,000	\$ (1,000,000)
Operating Reserve	\$ -	\$ 1,278,617	\$ 1,278,617
Planning	\$ 675,000	\$ 250,000	\$ (425,000)
Environmental	\$ 451,350	\$ 478,321	\$ 26,971
State of Good Repair	\$ 3,952,447	\$ 3,504,200	\$ (448,247)
Capital Projects	\$ 12,552,876	\$ 41,617,326	\$ 29,064,450
Future Match for Federal/ State Funds	\$ 2,000,000	\$ -	\$ (2,000,000)
Total	\$ 76,919,765	\$ 109,828,341	\$ 32,908,576

Freight Rail

For Fiscal Year 2024, total revenues are estimated at \$2.4 million and total expenditures are estimated at \$2.7 million. The estimated fund balance at the end of Fiscal Year 2024 is estimated at \$960,091.

Comments on the Draft Budget

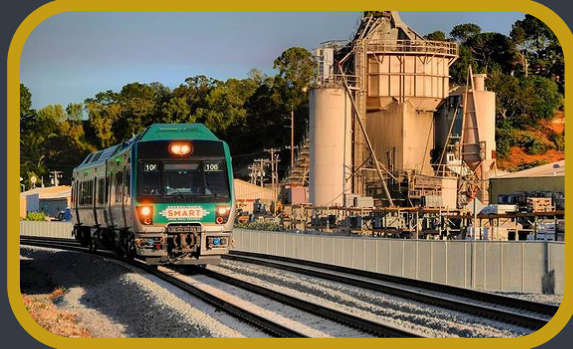
The draft Fiscal Year 2024 budget will be posted on SMART's website on Monday, May 22, 2023. Public comments will be accepted through until 5:00pm Monday, June 5, 2023. Comments can be emailed to Heather McKillop, Chief Financial Officer at hmckillop@sonomamarintrain.org or sent to:

*Sonoma-Marin Area Rail Transit District
 Atten: Heather McKillop
 5401 Old Redwood Highway, Suite 200
 Petaluma, CA 94954*

The SMART Board of Directors will be asked to adopt the final budget at their meeting on Wednesday, June 21st. The Board will be notified of all comments received and whether they have been incorporated into the final document.

Attachment(s):

- 1) Fiscal Year Draft 2024 Budget
- 2) Power Point – Fiscal Year 2024 Draft Budget



FISCAL YEAR 2023/2024

ADOPTED BUDGET

SONOMA-MARIN AREA RAIL TRANSIT DISTRICT



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Sonoma-Marin Area Rail Transit District's Board of Directors

SMART is governed by a 12-member Board consisting of elected officials appointed as specified in AB 2224: two county supervisors each from Marin and Sonoma counties, three appointed City Council members from each county and two representatives from the Golden Gate Bridge District.

Eric Lucan - Chair
Marin County Board of Supervisors

Melanie Bagby - Vice Chair
Sonoma County Mayors and Councilmembers Association

Kate Colin
Transportation Authority of Marin

Chris Coursey
Sonoma County Board of Supervisors

Rachel Farac
Transportation Authority of Marin

Debora Fudge
Sonoma County Mayors and Councilmembers Association

Patty Garbarino
Golden Gate Bridge, Highway and Transportation District

Barbara Pahre
Golden Gate Bridge, Highway and Transportation District

Gabe Paulson
Marin County Council of Mayors and Councilmembers

David Rabbitt
Sonoma County Board of Supervisors

Chris Rogers
Sonoma County Mayors and Councilmembers Association

Mary Sackett
Marin County Board of Supervisors

Sonoma-Marin Area Rail Transit Executive Management Team

Eddy Cumins
General Manager

Tom Lyons
General Counsel

Bill Gamlen
Chief Engineer

Heather McKillop
Chief Financial Officer

About SMART

The Sonoma-Marín Area Rail Transit (SMART) District was established by the California Legislature through the enactment of AB 2224 in 2002. The SMART District includes both Sonoma and Marin Counties and was created for the purpose of providing unified and comprehensive structure for the ownership and governance of the passenger and freight rail system within Sonoma and Marin Counties and to provide passenger and freight train service along the existing publicly owned railroad right-of-way.

SMART passenger rail service began in August of 2017 with two-way passenger train service on 43 miles to 10 stations between Downtown San Rafael in Marin County and Airport Boulevard in Sonoma County.

Train service is provided in state-of-the-art diesel multiple unit (DMU) rail vehicles utilizing one of the first Positive Train Control systems for passenger rail. Prior to the COVID-19 shutdown, service was provided roughly every 30-minutes during commute hours with additional service midday and weekends. In late 2019, two new stations were built in Downtown Novato and Larkspur near the regional Ferry to San Francisco. These two stations in Marin County brought rail service to its current total of 45 miles with 12 passenger stations. SMART along with partner agencies have constructed 25 miles of Class 1 bicycle/pedestrian pathway on its right-of-way connecting to the stations where cyclists can find secure parking at the station or on-board the train for their bikes, SMART manages twelve (12) of those miles.

In March of 2022, SMART assumed the freight operations from the Northwestern Pacific Railroad Company (NWPCo) which had been operating service from Napa County to Petaluma since 2011.

SMART's History

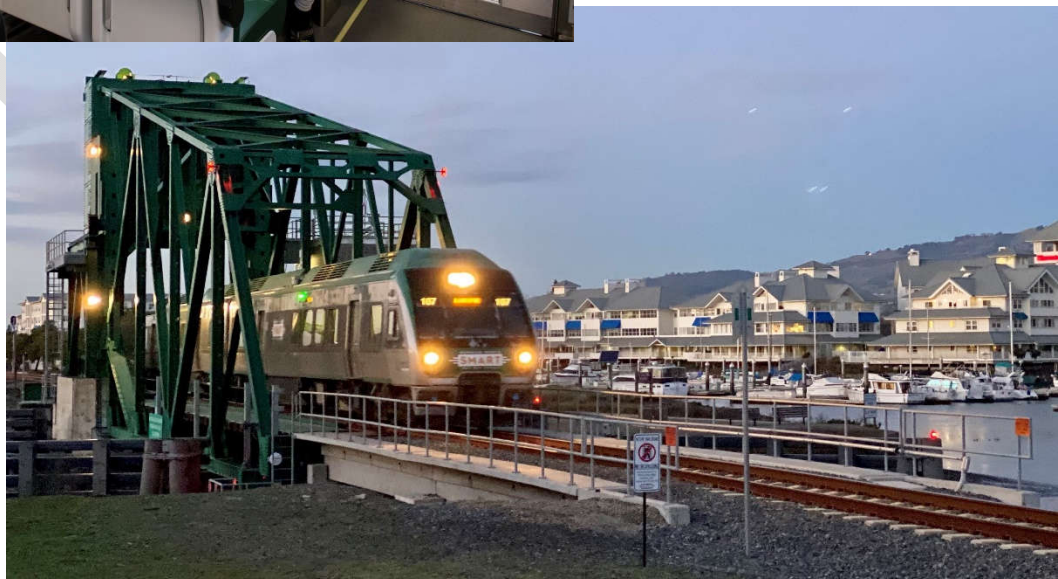
2002	SMART was created by the California Legislature
2008	SMART's ¼ cent sales tax was passed
August 2017	Service Started between San Rafael and Santa Rosa Airport to include 34 trips/ weekday and 10 trips/ weekend
October 2017	Tubbs Fire
August 2018	1 st Anniversary of the start of service
January 2019	One Millionth Rider Mark
February 2019	Flooding
August 2019	2 nd Anniversary of the start of service
October 2019	Kincade Fire
December 2019	Larkspur Extension and Downtown Novato Station opens
January 2020	Service increases to 38 trips/weekday

March 2020	COVID-19 Shelter-in-Place Orders go into effect; trips reduced to 16 trips/ weekday and no weekend service
August 2020	3 rd Anniversary of the start of service
August 2020	LNU Lighting Complex Fires
May 2021	Fares lowered by 40%; additional 10 weekday trips are added for a total of 26 weekday trips; Saturday service returns
June 2021	Reached Two Millionth Rider Mark
August 2021	4 th Anniversary of the start of service
November 2021	New General Manager is hired
March 2022	Assumed freight operations from the Northwestern Pacific Railroad Company (NWPCo.)
May 2022	Sunday service returns
June 2022	Additional 10 weekday trips are added for a total of 36 weekday trips
July 2022	Started operations of freight service with SMART employees
August 2022	5 th Anniversary of the start of service
September 2022	Launched real-time map and arrival prediction tool on SMART website
October 2022	Additional 2 weekday trips are added for a total of 38 weekday trips
May 2023	Launched Starlighter night service: 2 trips on Friday and Saturday
June 2023	Launched Free Summer Youth Pass
June 2023	Launched new SMART Connect service at Sonoma County Airport Station

SMART's Passenger Rail System

System Statistics

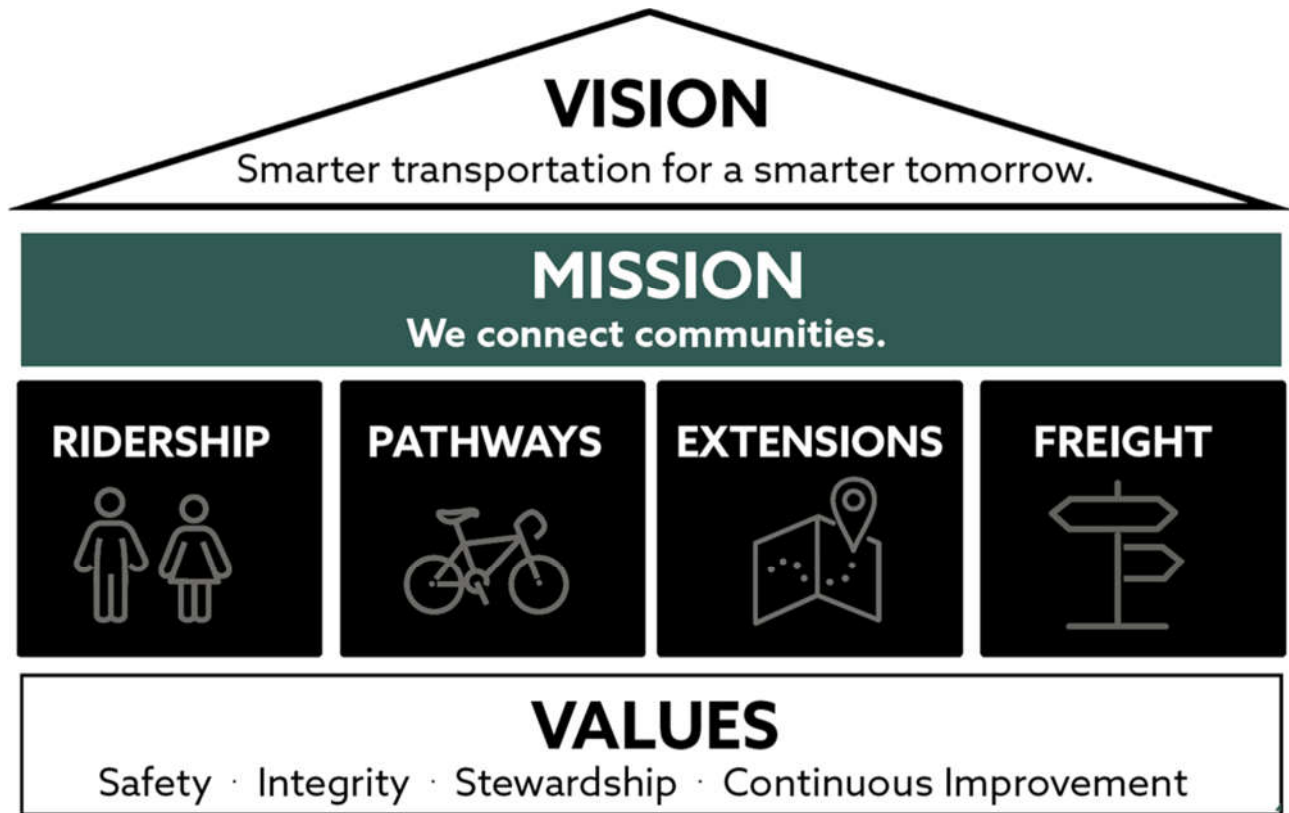
- Forty-five (45) miles rail corridor - connecting the Larkspur Ferry to the Sonoma County Airport
- Twelve (12) miles of twenty-five (25) miles pathway constructed and maintained by SMART, providing a first/ last mile connection to the rail corridor
- Twelve (12) stations
- Six (6) park-n-ride lots
- Sixty-eight (68) public crossings
- Twenty-seven (27) bridges
- Two (2) tunnels
- Fleet of eighteen (18) Diesel Multiple Units (DMUs)





SMART Overview

In Fiscal Year 2022, the Board of Directors approved SMART's Vision, Mission, Objectives, and Values. In Fiscal Year 2023, strategies for the objectives were developed and presented.



Ridership - Strategies

- Implement Microtransit Pilot Program at the Airport Station
- Additional Evening Service
- Additional Event Service Based on Demand
- Work with Transit Providers to improve Bus/Ferry Connections
- Allow Overnight Parking at SMART Park and Ride Lots
- Reprice Monthly Pass for 3-Day Work Week
- Implement Aggressive Marketing Plan
- Pursue Grant for Quality-of-Life Study
- Free K-12 Summer Program
- Public Information Display Signs at Platforms
- Closely Monitor System/Ridership and Adjust as Necessary

Pathway - Strategies

- Construct funded segments of the pathway
- Continue to design and permit pathways
- Publish updated pathway maps
- Develop and implement wayfinding program

Extensions - Strategies

- Construct Petaluma North infill station
- Northern Extensions to Windsor, Healdsburg, and Cloverdale
 - Complete Caltrans rail service plan analysis
 - Design and Build Portions that are funded
 - Continue to seek Federal and State Capital Grants
- East/ West:
 - Continue participation in Highway 37 corridor activities
 - Work with partners to incorporate rail into the project
 - Complete Caltrans rail service plan analysis
 - Partner with Caltrans and FRA Corridor ID Program through SMART East-West project development and subsequent phases

Freight - Strategies

- Increase annual revenue by \$500,000+
- Decrease expenditures by \$100,000+
- Secure funding for capital/ SGR improvement (\$8.2 million)
- Market freight and storage opportunities at SMART
- Leverage storage track at Schellville and Burdell
- Promote transload opportunities at Victory Station (Schellville)
- Acquire new business
- Examine freight tariffs and consider increasing fees
- Reduce car hire fees
- Manage maintenance requirements:
 - Bridges, tracks, crossings, equipment, etc.

Performance Measures

In FY 21, SMART looked at developing performance measures to help the agency move from reporting data to measuring performance. After several meetings with the Board of Directors, the following measures were determined to merit agency focus in the near term.

- Operating Expense per Vehicle Revenue Mile
- Operating Expense per Passenger Mile
- Passenger Trips per Vehicle Revenue Mile
- Average Fare per Passenger

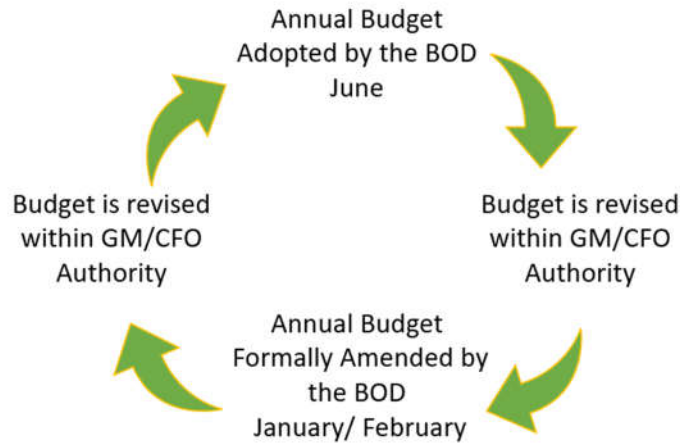
The Board adopted metrics are highlighted below. Additional NTD metrics provided for information.

NTD Metrics	2019	2020	2021	2022
Boardings	716,847	567,103	122,849	354,328
Vehicle Revenue Miles	923,002	821,415	398,291	679,245
Passenger Miles	18,371,183	13,516,234	3,148,345	7,855,912
Operating Expense	\$ 27,490,190	\$ 28,757,008	\$ 24,833,822	\$ 27,834,598
Operating Cost per Vehicle Revenue Mile	\$ 29.78	\$ 35.01	\$ 62.35	\$ 40.98
Operating Cost per Passenger Mile	\$ 1.50	\$ 2.13	\$ 7.89	\$ 3.54
Passenger Trips per Vehicle Revenue Mile	0.8	0.7	0.3	0.52
Fare Revenues	\$ 4,094,540	\$ 3,090,457	\$ 706,938	\$ 1,283,112
Farebox Recovery (Fare Revenues/Operating Expense)	15%	11%	3%	5%
Cost per Boarding (Operating Expense/ Boardings)	\$ 38.35	\$ 50.71	\$ 202.15	\$ 78.56
Average Fare (Fares/ Boardings)	\$ 5.71	\$ 5.45	\$ 5.75	\$ 3.62
Subsidy per Boarding [(Cost - Fare)/ Boardings]	\$ 32.64	\$ 45.00	\$ 196.39	\$ 74.93

Note: Fiscal Years 2020, 2021, and 2022 were impacted by COVID and had reduced or curtailed service.

Budget Cycle

The Administrative Code of SMART, as adopted by the Board of Directors in July 2013, provides that the Board of Directors will adopt an annual budget no later than the District's June meeting for the ensuing fiscal year.



The budget outlines the expected revenues and expenditure amounts needed for salaries, benefits, services, supplies, capital and other necessary spending throughout the fiscal year. The budget limits the amount of total expenditures that can be incurred without further Board approval.

In the event that total expenditures need to be increased, a budget amendment can be presented to the Board of Directors for approval.

Mid-year, an amended budget will be presented to the Board of Directors for approval. The amended budget will include the most recent expectations for revenues and expenditures projected through fiscal year end.

Budget adjustments can be made and approved by the Chief Financial Officer as long as total expenditures in the Board-adopted budget are not exceeded.

At the end of each fiscal year, once the financial audit has been finalized, a comparison of the previous year's budget to actual expenditures will be generated and presented to the Board of Directors for information.

Basis of Budgeting

The District's financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Sales taxes are recorded when earned and reported as non-operating revenue. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The District's budget is prepared on a modified accrual basis with the following exceptions:

- Inclusion of capital outlays and debt principal payments as expenditures
- Inclusion of asset sale proceeds and debt issuance proceeds
- Exclusion of gains and losses on disposition of property and equipment
- Exclusion of the non-cash portion of long-term unfunded pension accruals

Fund Structure

SMART reports its financial activity as an enterprise. We have two funds, the General Fund (01), with several sub funds for purposes of segregating expenditures, and the Freight Fund (60).

Fund	Description
01	General Fund
02	Bond Fund
03	Bond Reserve Fund
08	General Reserve Fund
15	Self-Insurance Fund
18	OPEB Pension Fund
20	Equipment Replacement Fund
30	Landing Way Replacement Fund
50	Capital Projects Fund
60	Freight

BUDGET OVERVIEW

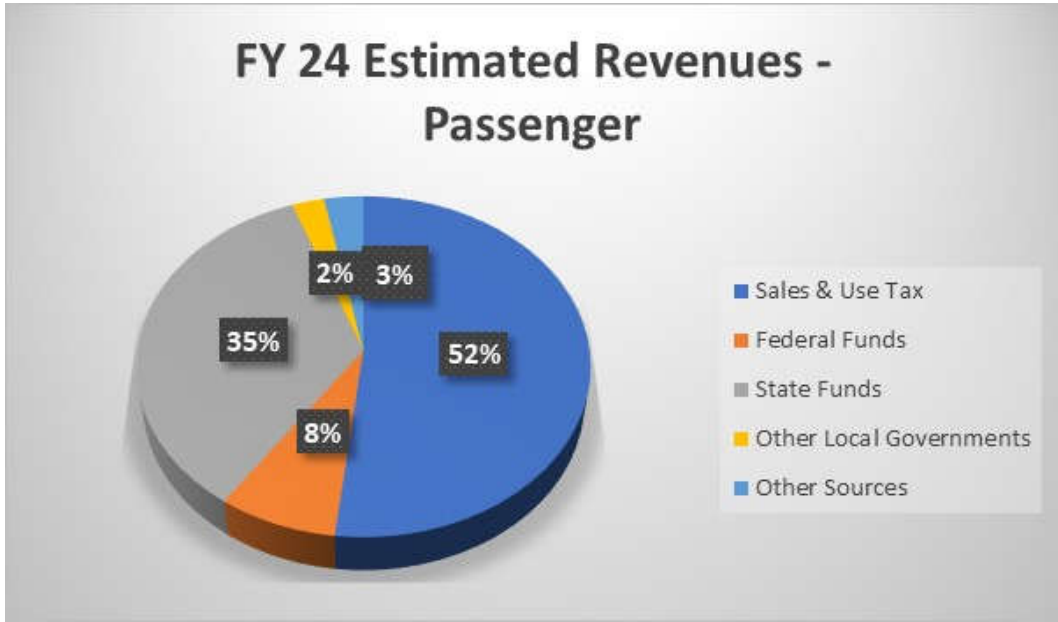
Passenger

The Fiscal Year 2024 revenue estimate for passenger rail and pathways totals \$98.6 million compared to \$78.6 million in Fiscal Year 2023. Of the \$98.6 million, \$25.4 million is anticipated federal and state project specific capital grants for construction. Fiscal Year 2023 was the last year we received Federal COVID-19 relief operating funds, therefore federal funds for operating activities decreased by \$7.5 million in Fiscal Year 2024 which is offset in the chart below by federal capital revenues for a net decrease of \$4.9 million. State and Federal grants provide \$13.7 million support to the Fiscal Year 2024 operating budget.

Overall expenditures are expected to increase in Fiscal Year 2024 due to the large capital construction program that is anticipated to occur this coming year. The capital projects are \$29.1 million higher than in Fiscal Year 2023.

Revenues	FY 23 Amended Budget	FY 24	Difference
SMART S&U Tax	\$ 51,090,000	\$ 51,103,000	\$ 13,000
Federal Funds	\$ 12,542,326	\$ 7,655,641	\$ (4,886,685)
State Funds	\$ 10,697,233	\$ 34,335,252	\$ 23,638,019
Other Sources	\$ 2,589,866	\$ 3,021,327	\$ 431,461
Regional Funds	\$ 1,673,747	\$ 2,480,108	\$ 806,361
Total Revenues	\$ 78,593,172	\$ 98,595,328	\$ 20,002,156
Expenditures	FY 23 Amended Budget	FY 24	Difference
Debt Service	\$ 15,596,193	\$ 16,244,444	\$ 648,251
Salaries & Benefits	\$ 23,318,136	\$ 25,525,661	\$ 2,207,525
Service & Supplies	\$ 15,873,763	\$ 19,429,772	\$ 3,556,009
Contribution to OPEB/ CalPERS Liability Fund	\$ 500,000	\$ 500,000	\$ -
Vehicle/ Equipment Capital Reserve	\$ 2,000,000	\$ 1,000,000	\$ (1,000,000)
Operating Reserve	\$ -	\$ 1,278,617	\$ 1,278,617
Planning	\$ 675,000	\$ 250,000	\$ (425,000)
Environmental	\$ 451,350	\$ 478,321	\$ 26,971
State of Good Repair	\$ 3,952,447	\$ 3,654,200	\$ (298,247)
Capital Projects	\$ 12,552,876	\$ 41,617,326	\$ 29,064,450
Future Match for Federal/ State Funds	\$ 2,000,000	\$ -	\$ (2,000,000)
Total	\$ 76,919,765	\$ 109,978,341	\$ 33,058,576

Revenues



Ticket Vending Machine (TVM)

Fiscal Year 2024 Estimated Revenues

Revenues	FY 24
SMART S&U Tax	
Measure Q	\$ 51,103,000
Total Sales & Use Tax	\$ 51,103,000
Federal Funds	
5307 - Urbanized Area Formula Funds (Preventative Mtce)	\$ 3,997,642
Discretionary Earmark	\$ 1,800,000
FTA Quick Strike Funds (CMAQ)	\$ 1,857,999
Total Federal Funds	\$ 7,655,641
State Funds	
AHSC - Windsor	\$ 1,093,230
ATP - Sonoma County Pathway	\$ 5,210,927
Caltrans Sustainability Communities Competative Planning Grant	\$ 400,000
STA -SGR	\$ 330,712
STA - Revenue	\$ 3,170,013
STA - Population	\$ 653,792
SRA	\$ 5,026,754
LCTOP	\$ 520,218
LPP	\$ 1,857,999
ITIP - Windsor Systems	\$ 2,186,460
SCC - Windsor	\$ 6,559,379
TIRCP - Petaluma North	\$ 4,125,768
TIRCP - Windsor to Healdsburg	\$ 3,200,000
Total State Funds	\$ 34,335,252
Other Local Governments	
City of Petaluma	\$ 2,000,000
Measure M - SCTA	\$ 480,108
Total Other Local Governments	\$ 2,480,108
Other Sources	
Advertising	\$ 70,000
Charges for Services	\$ 75,637
Fare Revenues	\$ 1,803,384
Interest Earning	\$ 627,926
Miscellaneous	\$ 5,659
Parking	\$ 15,000
Rent - Real Estate	\$ 423,721
Total Other Sources	\$ 3,021,327
Total Revenues	\$ 98,595,328

Sales Tax

On November 4, 2008, more than two-thirds of the voters in Sonoma and Marin counties approved Measure Q implementing the 2008 Measure Q Sales Tax. The 2008 Measure Q Sales Tax is a sales and use tax of one quarter of one percent (1/4%) imposed for a period of 20 years beginning April 1, 2009, on the gross receipts from all tangible personal property sold at retail businesses in the counties and a use tax at the same rate on the storage, use, or other consumption in the counties of such property purchased from any retailer, subject to certain exceptions. While we saw a decrease of revenues in Fiscal Year 2020, growth was double digits for Fiscal Year 2021 and 2022. While Fiscal Year 2023 is estimated to be 4.1% higher than Fiscal Year 2022, we are predicting slow or no growth in Fiscal Year 2024.

SMART HISTORICAL SALES TAX COLLECTIONS

	Sales Tax	Growth Rate	
2009	\$ 4,976,687		
2010	\$ 24,059,929	383.45%	Actual
2011	\$ 26,826,843	11.50%	Actual
2012	\$ 28,303,501	5.50%	Actual
2013	\$ 30,435,753	7.53%	Actual
2014	\$ 32,473,329	6.69%	Actual
2015	\$ 33,845,426	4.23%	Actual
2016	\$ 34,776,012	2.75%	Actual
2017	\$ 36,061,895	3.70%	Actual
2018	\$ 37,135,476	2.98%	Actual
2019	\$ 41,241,140	11.06%	Actual
2020	\$ 38,978,630	-5.49%	Actual
2021	\$ 44,002,410	12.89%	Actual
2022	\$ 49,074,830	11.53%	Actual
2023	\$ 51,090,000	4.11%	Estimated
2024	\$ 51,103,000	0.03%	Estimated
	\$ 564,384,861		

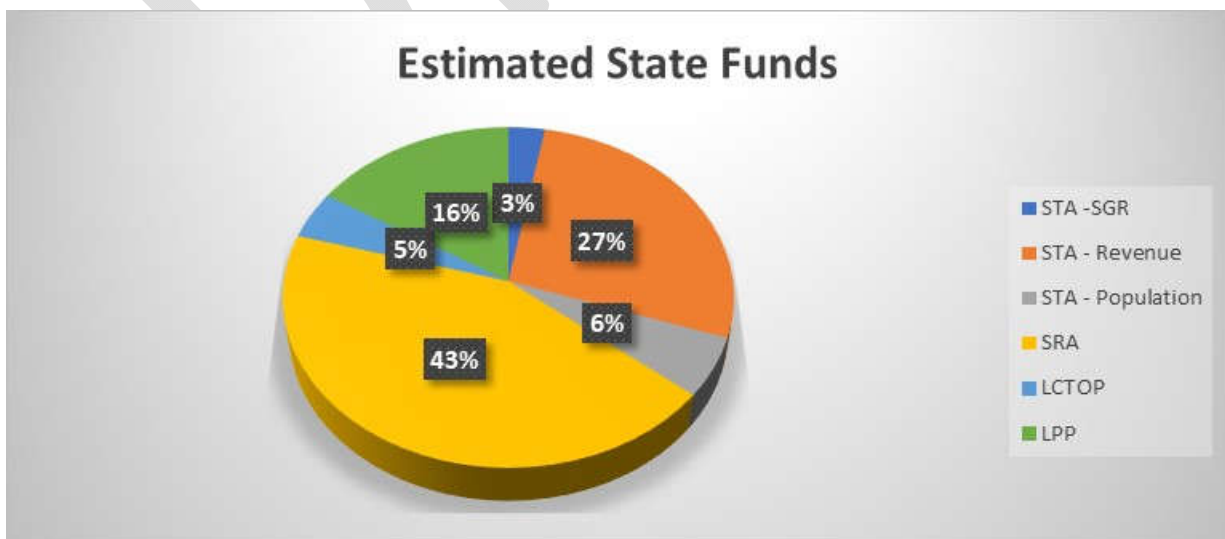
State Revenues

SMART receives formula allocation from four (4) state revenue programs itemized below. SMART may receive other state grants but those are allocated on an application basis, are project specific, and are typically one-time allocations.

- **State Transit Assistance:** A portion of the revenues derived from the sales tax on diesel fuel purchases and registration fees is appropriated by the State Legislature to the State Transit Assistance Program (“STA”) for public transportation purposes. These STA revenues are allocated to public transit agencies throughout the State based on population and operating revenues

through formula. This fund source was increased through 2017 Senate Bill 1, the Road Repair and Accountability Act. SB1 created an additional STA program, the STA State of Good Repair (SGR) Program to provide annual funding to transit operators in California for eligible transit maintenance, rehabilitation, and capital projects.

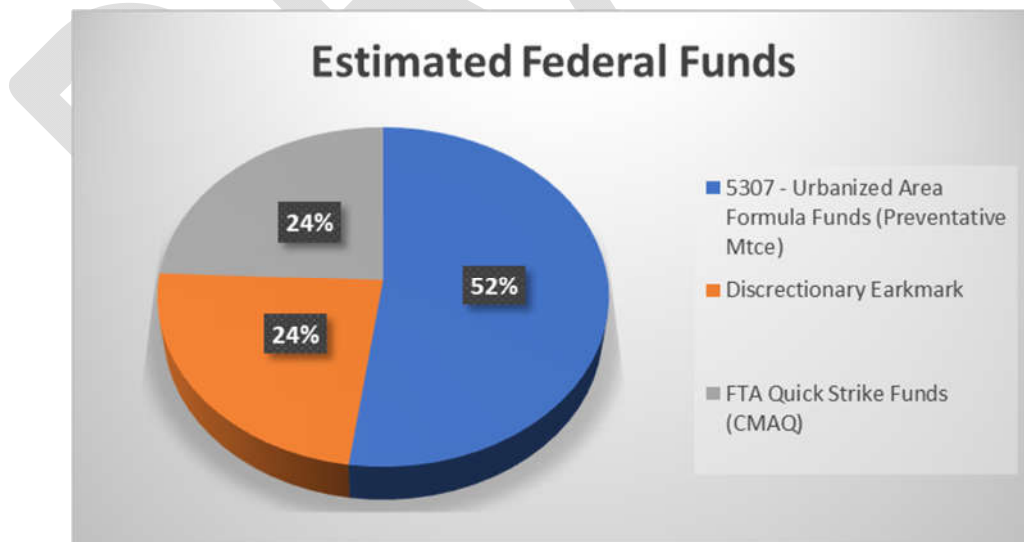
- **State Rail Assistance:** Another new funding source created by SB 1 is the State Rail Assistance (SRA) program. SRA directs a 0.5% portion of new diesel sales tax revenue for allocation: half to the five (including, Altamont Corridor Express Authority (ACE), North County Transit Development Board (Coaster), Peninsula Corridor Joint Powers Board (Caltrain), Sonoma-Marín Area Rail Transit District (SMART), Southern California Regional Rail Authority (Metrolink)) commuter rail providers and half to intercity rail corridors.
- **State Local Partnership Program:** SB 1 created the Local Partnership Program Formula fund source. This program continuously appropriates funding annually from the Road Maintenance and Rehabilitation Account to local and regional transportation agencies that have sought and received voter approval of taxes or that have imposed fees, which taxes or fees are dedicated solely for transportation improvements. The funds are managed by the California Transportation Commission, which also manages a Competitive portion of the Local Partnership Program.
- **Low Carbon Transit Operations Program (LCTOP):** LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. Funds for this program come from State Cap and Trade auctions. Approved projects in LCTOP will support new or expanded bus or rail services, expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas emissions.



Federal Revenues

SMART is a direct recipient of Federal Transit Administration (FTA) Funds.

- **5307 Funds:** FTA Urbanized Area Formula Funds which can be used for capital projects, operating assistance, job access, reverse commute projects, and transportation related planning. SMART became eligible for these funds starting in Fiscal Year 2019-20.
- **FTA/ Quick-Strike Funds:** The Safe and Seamless Mobility Quick-Strike program is a one-time, competitive grant program established by the Metropolitan Transportation Commission. Federal funding was made available to support local and regional projects that could be implemented quickly to benefit communities responding and adapting to the COVID-19 environment. The program emphasizes bicycle/pedestrian safety and mobility, connections to transit, and projects that advance equitable mobility. SMART was awarded these funds and transferred them to the FTA for execution into a grant.
- **Community Project Funds (Discretionary Earmark):** The Consolidated Appropriations Act, 2023 appropriated \$360.46 million in Community Project Funding (CPF), also known as Congressionally Directed Spending (CDS). The SMART Rail Extension to Healdsburg - Preliminary Design was nominated by U.S. Congressman Jared Huffman.



State Funds - Project Specific

- Windsor Extension
 - AHSC - Affordable Housing & Sustainable Communities
 - Total grant \$5,000,000
 - FY 24 - \$1,093,230
 - SCC - Solutions for Congested Corridors
 - Grants to be announced in June
 - \$30,000,000 requested
 - \$6,559,379 budgeted in FY 24
 - ITIP - Interregional Transportation Improvement Program
 - \$10,000,000 awarded
 - \$2,186,460 budgeted in FY 24
- Windsor to Healdsburg
 - TIRCP - Transit & Intercity Rail Capital Program
 - \$34,338,000 available
 - \$3,200,000 budgeted in FY 24
- Petaluma North Station
 - TIRCP - Transit & Intercity Rail Capital Program
 - \$9,521,187 total grant
 - \$3,546,955 budgeted in FY 24
- McDowell Crossing
 - TIRCP - Transit & Intercity Rail Capital Program
 - \$578,813 available and budgeted in FY 24
- Sonoma County Pathway
 - ATP - Active Transportation Program
 - \$10,756,925 total grant
 - \$5,210,927 budgeted in FY 24
- Quality of Life & Economic Impact Assessment
 - Caltrans Sustainability Communities Competitive Planning Grant
 - \$400,000 grant pending announcement in June 2023

Local Governments - Project Specific

- Petaluma North Station
 - City of Petaluma
 - \$2,000,000 all budgeted in FY 24
- Sonoma County Transportation Authority
 - Measure M \$2,000,000 total
 - \$480,108 budgeted in FY 24
 - \$1,519,892 budgeted in FY 23

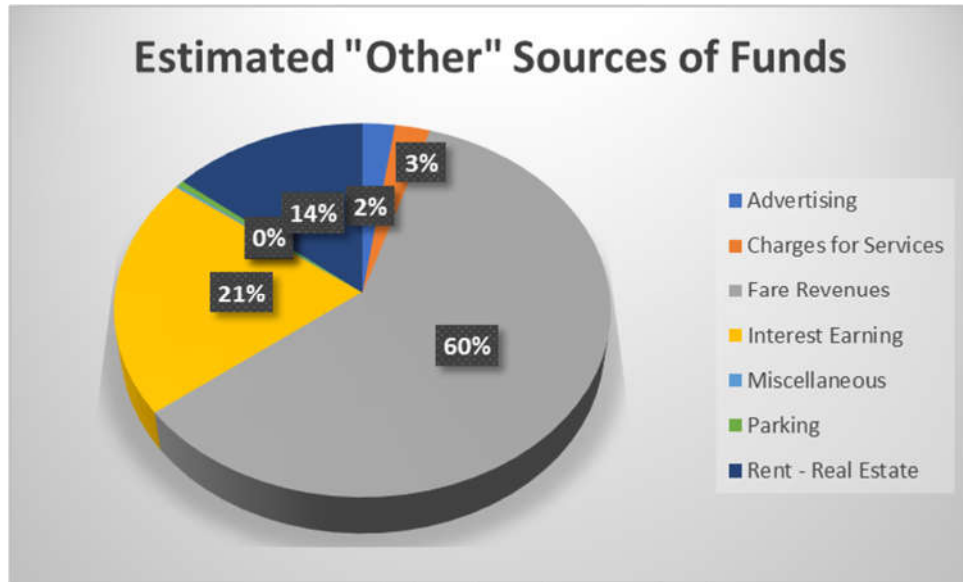
Other SMART Revenues

- **Farebox Revenues:** SMART passengers pay for their rides using the fare structure approved by the SMART Board in 2015 and 2016. SMART participates in the regional Clipper fare system that allows riders to transfer seamlessly among Bay Area operators using one fare media card. SMART also has its own mobile ticket app that provides easy purchasing of multiple or discounted tickets without purchasing a Clipper card. The fares are based on the distance travelled by a rider, like other commuter rail services. In May of 2021, fares were lowered by approximately 40%. SMART also provides several discounts to SMART riders with a youth, senior, low income, and passengers with disabilities fare. SMART's Fiscal Year 2021-22 average passenger fare was \$3.62. See chart below for current fare rates.

One-Way						
	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5	Daily Max
Adult Fare	\$ 1.50	\$ 3.00	\$ 4.50	\$ 6.00	\$ 7.50	\$ 15.00
Seniors, youth, low-income, and passengers with disabilities (50%)	\$ 0.75	\$ 1.50	\$ 2.25	\$ 3.00	\$ 3.75	\$ 7.50

- In May 2021, a new “Weekend Day Pass” was implemented. The Weekend Day Pass is \$10.00 for adults and \$5.00 for seniors, youth, passengers with disabilities and SMART customers. The Weekend Day Pass offers unlimited rides for the entire day.
- In September 2021, the 31-day pass was lowered to \$135.00 for adults and \$67.50 for youth, seniors, and passengers with disabilities. Effective July 1, 2023, the 31-day pass will be priced based on a 3-day work week and an average of 3-zones travelled. This will further reduce the price of this pass to \$117.00 for adults and \$58.50 for seniors, youth, and passengers with disabilities. This is an additional 13% decrease.
- **Advertising Revenues:** Revenues from advertising space sold onboard trains and station platform shelter panels.
- **Charges for Services:** Includes flagging services.
- **Interest Earnings:** Interest earnings are expected to increase in Fiscal Year 2024 due to the current interest rates.
- **Lease Revenues:** Are expected to increase by approximately 3%.
- **Miscellaneous Revenues:** Vary each year, but are assumed to be like Fiscal Year 2022

- **Parking Revenue:** Parking fees are suspended during the hours of 4:00 am and 11:59 pm. Effective July 1, 2023, those wishing to park overnight pay a fee of \$5.00 between the hours of 12:00 am and 3:59 am.



DRAFT

RIDERSHIP

Expenditures by Objectives - Ridership

Ridership – Strategies

- ✓ Implement Microtransit Pilot Program at the Airport Station
- ✓ Additional Evening Service
- ✓ Additional Event Service Based on Demand
- ✓ Work with Transit Providers to improve Bus/Ferry Connections
- ✓ Allow Overnight Parking at SMART Park-n-Ride Lots
- ✓ Reprice Monthly Pass for 3-Day Work Week
- ✓ Implement Aggressive Marketing Plan
- ✓ Pursue Grant for Quality of Life Study
- ✓ Free K-12 Summer Program
- ✓ Public Information Display Signs at Platforms
- ✓ Closely Monitor System/Ridership and Adjust as Necessary

Ridership	FY 24
First/ Last Mile Connections - Implement Microtransit at Airport Station	\$ 500,000
Implement Aggressive Marketing Plan	\$ 175,000
Quality of Life & Economic Impact Assessment	\$ 400,000
Public Information Display Signs at Platforms	\$ 250,000
Bike Locker Upgrades	\$ 16,000
Customer Service Support Software	\$ 4,500
EV Charging Stations at San Marin & Hamilton	\$ 150,000
Direct Operations	\$ 18,308,409
- Additional Evening Service	
- Additional Event Service Based on Demand	
Operations	\$ 4,897,310
Administration	\$ 6,746,308
Total	\$ 31,447,527



Expenditures by Objectives - Pathways

Pathway- Strategies

- ✓ Construct funded segments of the Pathway
- ✓ Continue to design and permit pathways
- ✓ Publish updated Pathway maps
- ✓ Develop and implement wayfinding program

Pathways	FY 24
Construct Funded Segments of the Pathway	
- Mclinnis to Smith Ranch Pathway	\$ 4,835,333
- Hanna Ranch to Vintage Way Pathway	\$ 246,466
- Guerneville Road to Airport Blvd. Pathway	\$ 1,429,430
- Sonoma County Pathways	\$ 6,890,620
Design and Permit Pathways	
- Marin- Sonoma Pathways	\$ 1,603,744
- Marin Pathways	\$ 4,098,301
- Puerto Suello to San Pedro Road	\$ 708,227
Wayfinding Program	\$ 150,000
Pathway Specific Maintenance	\$ 30,500
Operations	\$ 4,943,977
Administration	\$ 6,810,593
Total Pathways	\$ 31,747,190

EXTENSIONS

Expenditures by Objectives - Extensions

Extensions- Strategies

- ✓ Construct Petaluma North infill station.
- ✓ Northern Extensions to Windsor, Healdsburg, and Cloverdale
 - ✓ Complete Caltrans rail service plan analysis
 - ✓ Design and Build Portions that are funded
 - ✓ Continue to Seek Federal and State Capital Grants
- ✓ East/ West:
 - ✓ Continue participation in Highway 37 corridor activities
 - ✓ Work with partners to incorporate rail into the project
 - ✓ Complete Caltrans rail service plan analysis
 - ✓ Partner with Caltrans and FRA Corridor ID Program through SMART East-West project development and subsequent phases

Extensions	FY 24
Santa Rosa to Windsor	\$ 10,000,000
Windsor to Healdsburg	\$ 5,000,000
Petaluma North Station	\$ 6,027,063
McDowell Crossing	\$ 778,141
Administration	\$ 5,955,358
Total	\$ 27,760,562

FREIGHT

Expenditures by Objectives - Freight

Freight- Strategies

- ✓ Manage maintenance requirements
 - Bridges, tracks, crossings, equipment, etc.
- ✓ Decrease expenditures by \$100,000+
- Increase annual revenue by \$500,000+
- Secure funding for capital/ SGR improvement (\$8.2 million)
- Market freight and storage opportunities at SMART
- Leverage storage track at Schellville and Burdell
- Promote transload opportunities at Victory Station (Schellville)
- Acquire new business
- Examine freight tariffs and consider increasing fees
- Reduce car hire fees

Freight	FY 24
Operations	\$ 2,091,505
Capital	\$ 648,405
Total Freight	\$ 2,739,910

Expenditures

Passenger Rail Operations

Passenger Rail Operations has three (3) major divisions that work together to move people in a safe, reliable, and affordable way.

The Transportation Division is responsible for operating the trains, checking fares, assisting passengers, ensuring onboard passenger safety, and guaranteeing compliance with FRA regulations related to train operations and passenger service. In addition, the Operations Control Center monitors the status of the entire system, dispatches passenger and freight trains, and is the emergency point of contact for outside first responder agencies.

The Vehicle Maintenance Division is responsible for preventative maintenance work, inspections, cleaning, and repairs of the Diesel Multiple Units (DMUs), along with interior inspections and cleaning.

The Maintenance of Way Division is responsible for track and right of way inspection and maintenance, train control and grade crossing warning device maintenance and regulatory required inspections, and maintenance of all SMART owned facilities (pathway, stations, moveable bridge electronics and mechanics, buildings, and right of way fencing.)

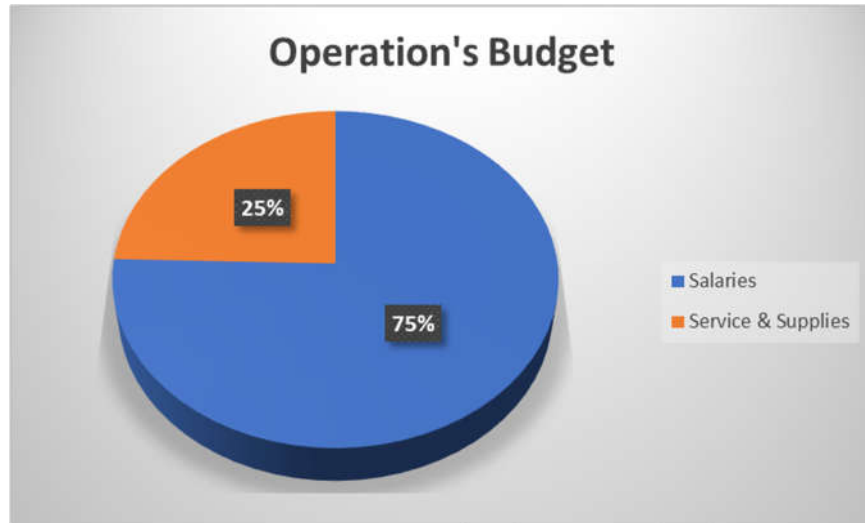
In addition to Transportation, Vehicle Maintenance and Maintenance of Way two additional functions are under the operations budget.

Public Safety

The Public Safety Department coordinates with Federal, State, and local jurisdictions to provide incident response, facility safety, and keep the public and our customers safe.

Train Control Systems

The Train Control Systems is responsible for monitoring and managing SMART's train control systems. The train control systems perform such functions as: safely route trains, safely separate trains, track and report the location of trains, detect and report broken rail, detect and report misaligned switches, detect and report misaligned bridges, and detect and report faults. In addition, other integral parts of the train control systems include positive train control (PTC), traffic signal interconnection, and grade crossing warning systems.



The Operations Department has 118 full-time equivalent (FTE) employees with an estimated budget for salaries and benefits of \$18,762,237. Salaries and Benefits make up 75% of the total Operations budget, see above.

Operations	FY 24
Operations General	\$ 795,111
Maintenance of Way	\$ 4,118,672
Transportation	\$ 8,650,043
Vehicle Maintenance	\$ 4,465,516
Safety	\$ 732,895
Total	\$ 18,762,237



This budget funds one (1) additional Parts Clerk, one (1) new Inventory Manager/ Asset Management Specialist, three (3) new Engineer/ Conductor positions, and converts a Signal Technician to a Vehicle Maintenance Supervisor position.

Salaries and Benefits are increasing by \$2.6 million or 16%. This is a result of the five (5) new positions, implementation of raises in accordance with the collective bargaining agreements, and an estimated increase of 10% in benefits.

In October 2022, SMART increased weekday trips from 36 to 38. In Fiscal Year 2023 added evening service on Friday and Saturdays, consisting of two additional trips on Friday on Saturday. This service will continue in FY24 and will provide additional service for special events as warranted. In addition, we are anticipating increases in utilities, fuel, and fare collection fees. Even with these increases, we are showing a 3% decrease in service and supplies expenditures in Fiscal Year 2024.

Account	Account Description	FY 23 Amended Budget	FY 24 Requested Budget
51061	Maintenance of Equipment	\$ 467,378	\$ 476,304
51062	Maintenance of Radios	\$ 151,386	\$ -
51063	Maintenance of Signals	\$ 180,000	\$ 115,000
51064	Maintenance of Revenue Vehicles	\$ 1,016,275	\$ 691,000
51071	Maintenance of Facilities	\$ 249,114	\$ 269,775
51074	Maintenance of Railway	\$ 179,174	\$ 199,750
51075	Maintenance of Pathway	\$ 22,500	\$ 35,500
51225	Training & Travel Expense	\$ 42,000	\$ 75,000
51252	Fare Collection Fees	\$ 196,000	\$ 216,000
51401	Rental/ Leases - Equipment	\$ 58,000	\$ 58,160
51605	Mileage Reimbursement & Auto Tolls	\$ 1,000	\$ 1,000
51802	Contract Services - Administrative	\$ 622,940	\$ 659,190
51804	Contract Services - Transportation	\$ 93,000	\$ 93,000
51902	Communications	\$ 65,300	\$ 50,260
52021	Uniform Expense	\$ 103,000	\$ 83,500
52061	Fuel and Lubricants	\$ 1,942,000	\$ 1,968,000
52091	Memberships	\$ 3,050	\$ 3,300
52101	Miscellaneous Expense	\$ 1,500	\$ 51,500
52111	Office Expense	\$ 45,000	\$ 60,000
52117	Postage	\$ 8,000	\$ 7,500
52141	Small Tools and Equipment	\$ 185,881	\$ 129,500
52142	Computer Hardware	\$ -	\$ 7,000
52143	Software	\$ 29,019	\$ 32,200
52191	Utilities	\$ 775,520	\$ 830,120
	Grand Total	\$ 6,437,037	\$ 6,112,559

Administration

The Administration budget funds the day-to-day business functions of the organization such as finance, human resources, planning, legal, real estate, information technology, and government/ legislative relations.

Communications and Marketing Department

The Communications Department consists of three different areas of focus: Media and Public Relations, Marketing, and Customer Service.

Media and Public Relations is responsible for keeping SMART's external audiences informed and engaged about the agency's services, programs, and projects. Some examples are:

- Digital and Social Media Platforms
- Websites
- Media relations
- Community presentation, construction outreach, and events
- Rail Safety Education

Marketing is responsible for outreach and marketing. Some examples are:

- Digital, Print, On-Board Train, and Platform Advertising
- Marketing Collateral

Customer Service is responsible for responding to customer inquiries through phone calls and emails received.

Finance and Procurement Department

The Finance Department includes the following functions:

- Accounting
- Budget
- Finance
- Government/ Legislative Relations
- Grants Budgeting and Reporting
- Payroll
- Procurement
- Treasury

Human Resource Department

Human Resources is responsible for personnel issues, recruitment and selection of employees, employee compensation, labor negotiations, and performance management.

Information Systems (IS) Department

The IS Department develops, operates, and maintains SMART's information and telecommunications systems.

- Maintains the cybersecurity of all SMART IT systems
- Administrative Information Systems for 4 offices including email, servers, and printers
- Railroad Information Systems such as CCTV, radio, platform equipment, and fare collection devices
- 1,300 devices consisting of computers, cell phones, vehicle locators, printers, radios, cameras, and network devices

Legal Department

The Legal department is responsible for the following:

- Transactional Matters
- Litigation
- Risk Management

Planning Department

Planning is responsible for the following functions:

- Rail and multiuse pathway planning and service delivery studies
- Ridership and service planning analyses and recommendations
- Capital planning studies
- Local and regional agency planning coordination
- First-last mile solutions planning

Real Estate

The Real Estate Department is responsible for managing SMART's Right-of-Way and processing all third-party requests for access to the Right-of-Way. It also handles property sales and acquisitions and supports all departments with title research and boundary information.

Engineering

Engineering is responsible for planning and managing the expansion of the rail and pathway systems, managing SMART's existing infrastructure, supporting grant applications, and coordinating with local jurisdictions. Most of the staff time in engineering is charged to projects, but time associated with leave, training, and non-project related activities are included in the chart below.

Administration	FY 24
General Administration	\$ 2,901,721
Information Systems	\$ 652,356
Human Resources	\$ 569,528
Legal	\$ 746,872
Marketing & Communications	\$ 520,730
Board Office	\$ 206,044
Real Estate	\$ 445,223
Planning	\$ 518,020
Engineering (Non-Project Specific)	\$ 366,967
Total	\$ 6,927,460

SMART's District Administration has 42 full-time equivalent (FTE) employees with an estimated budget for salaries and benefits of \$6,927,460. One (1) procurement position and two (2) new engineering positions have been added in Fiscal Year 2024 to accommodate the additional workload due to additional federal and state grants for pathway and extensions. A three percent (3%) cost of living increase has been included for all non-bargaining unit employees.

The Administrative Budget has increased by \$1.2 million (12%) over Fiscal Year 2023. Much of this increase is related to the following projects:

- \$400,000 for Quality of Life & Economic Analysis (Grant Funded)
- \$16,000 for Bike Locker Upgrades
- \$150,000 for wayfinding on the pathways
- \$500,000 for first/last mile to include the Airport Station Microtransit pilot.

The other large increase is in insurance, the largest driver being railroad liability insurance. We have not received our final insurance quotes but are anticipating a 15% to 20% increase. We have also formalized the tuition reimbursement program and budgeted \$131,535 for Fiscal Year 2024. The Maintenance of Radios line item was transferred from Operations to Information Systems.

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Account	Account Description	FY 23 Amended Budget	FY 24 Requested Budget
51042	Insurance	\$ 2,361,764	\$ 2,795,395
51045	Provisions for Claims	\$ 500,000	\$ 500,000
51062	Maintenance of Radios	\$ -	\$ 156,200
51206	Auditing/ Accounting Services	\$ 51,030	\$ 58,500
51207	Fiscal Accounting Services	\$ 3,600	\$ 6,000
51211	Legal	\$ 1,026,000	\$ 1,071,000
51214	Agency Extra Help	\$ 100,000	\$ 155,000
51225	Training & Travel Expense	\$ 157,000	\$ 336,535
51226	Contracted Services	\$ 222,040	\$ 192,000
51241	Printing Services	\$ 45,800	\$ 57,300
51242	Fiscal Agent Fees	\$ 5,000	\$ 5,000
51244	Permits/ Fees	\$ 30,500	\$ 30,500
51301	Public/ Legal Notices	\$ 41,500	\$ 54,800
51401	Rental/ Leases - Equipment	\$ 56,000	\$ 56,000
51421	Rental/ Leases - Buildings	\$ 460,866	\$ 460,867
51605	Mileage Reimbursement & Auto Tolls	\$ 40,320	\$ 40,560
51802	Contract Services - Administrative	\$ 1,890,574	\$ 3,093,200
51803	Contract Services - Personnel	\$ 248,850	\$ 186,000
51902	Communications	\$ 275,700	\$ 287,550
51918	Claims Processing Payroll	\$ 37,170	\$ 45,000
52021	Uniform Expense	\$ 5,000	\$ 5,000
52091	Memberships	\$ 53,879	\$ 62,510
52101	Miscellaneous Expense	\$ 1,000,000	\$ 1,000,000
52111	Office Expense	\$ 60,000	\$ 63,600
52115	Books/ Periodicals	\$ 10,500	\$ 3,500
52117	Postage	\$ 10,000	\$ 10,000
52141	Small Tools and Equipment	\$ 2,000	\$ 3,000
52142	Computer Hardware	\$ 116,000	\$ 163,500
52143	Computer Software	\$ 610,400	\$ 791,200
52161	Marketing/ Promotional Items	\$ 20,000	\$ 30,000
52162	Public Relations Expense	\$ 45,000	\$ 62,000
	Grand Total	\$ 10,389,058	\$ 11,781,717

Environmental Projects

As part of SMART’s expansions and pathway projects, riparian mitigation projects are often required by the environmental permits to compensate for temporary and permanent construction impacts. These projects entail restoring creeks and rivers by planting native trees and scrubs, removing invasive plant species, and removing trash. There are performance and monitoring criteria for each project for periods of 5 to 10 years to confirm success of the mitigation efforts.

Department	Project	FY 24 Amount
Environmental		
	San Rafael Creek (Larkspur Mitigation)	\$ 33,558
	McInnis Monitoring	\$ 133,575
	IOS Riparian Mitigation	\$ 220,000
	Las Gallinas Riparian Enhancement & Monitoring	\$ 16,188
	Mira Monte Mitigation	\$ 75,000
Total		\$ 478,321

Riparian Mitigation in Petaluma for Pathway Projects



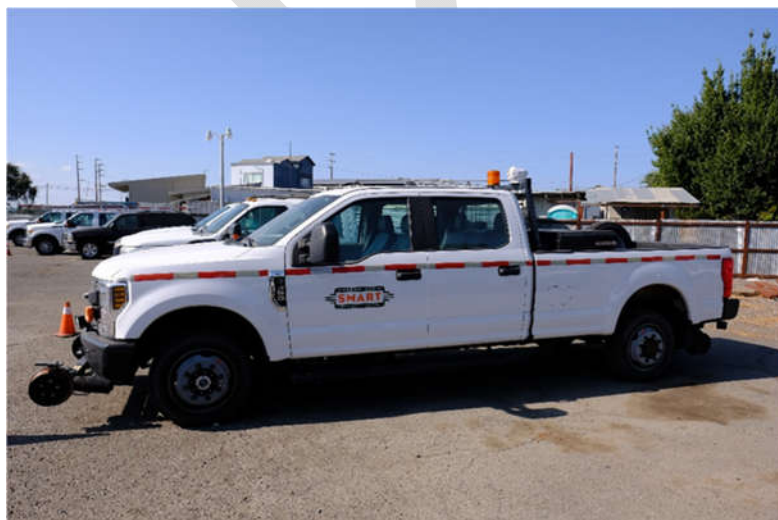
State of Good Repair and Capital Projects

49 CFR 625.5 defines State of Good Repair (SGR) as the condition in which a capital asset can operate at a full level of performance. Per FTA, “having well maintained, reliable transit infrastructure - track, signal systems, bridges, tunnels, vehicles and stations - will help ensure safe, dependable and accessible services.”

SMART has broken our costs into State of Good Repair and Capital Projects. State of Good Repair expenditures are those costs that keep our assets in a condition where the asset can operate at a full level of performance. This requires regular repairs and replacement of those assets.

Department	Project	FY 24 Amount
Bridges		
	MP 29.31 Basalt Creek Timber Trestle Replacement (#1)	\$ 4,000
	MP 31.47 San Antonio Tributary Timber Trestle (#2)	\$ 4,000
Total		\$ 8,000
Expansion		
	Santa Rosa Airport Station to Windsor Station	\$ 10,000,000
	Windsor Station to Healdsburg Station	\$ 5,000,000
	Petaluma North Station	\$ 6,027,063
	N. McDowell Boulevard Crossing Reconstruction	\$ 778,141
Total		\$ 21,805,204
Information Technology		
	Access Control Server	\$ 14,000
	Avaya Phone System and switch	\$ 9,000
	Fulton Admin Server	\$ 5,000
	Fulton 2 UPSs	\$ 6,500
	Petaluma CCTV Network PoE Switches (2)	\$ 10,000
	Petaluma Admin Server	\$ 6,000
	Petaluma Print Server	\$ 5,000
	Roblar Internal Router	\$ 18,000
	Roblar Internet Router	\$ 9,500
	Roblar Firewall	\$ 17,900
	Roblar WAN Router	\$ 9,500
	Roblar Wi-Fi (wireless controller, APs, PoE switch)	\$ 11,000
	ROC CCTV Network PoE Switches (2)	\$ 11,000
	ROC Data Network S&U Switches (2)	\$ 14,000
	ROC IPSec Router to Sonoma County AVL	\$ 26,000
	ROC UPS 8 in racks 1-6 CDC	\$ 56,000
	ROC UPS 1 for racks 7-12 CDC	\$ 7,000
Total		\$ 235,400
Miscellaneous		
	EV Charging Station (San Marin & Hamilton)	\$ 150,000
	Platform Real-Time Signage	\$ 250,000
Total		\$ 400,000

Department	Project	FY 24 Amount
Operations		
Vehicles	F150 Crew Cab XL	\$ 45,000
	F150 Crew Cab XL (2 axle)	\$ 45,000
	F150 Crew Cab XL (2 axle)	\$ 45,000
	F250 W/ Harbor Body (2 axle)	\$ 60,000
	F-350 Hi-Rail	\$ 66,000
	F350 Extended Cab XL (Hi-Rail)	\$ 15,000
	F350 Extended Cab XL (Hi-Rail)	\$ 58,000
	F450 (2 axle)	\$ 140,000
	Escape	\$ 5,000
	Ford Interceptor	\$ 45,000
	Fusion Energi	\$ 40,000
	HiRail Boom Truck	\$ 200,000
	Ram Truck	\$ 15,000
	Tahoe	\$ 55,000
	Trailer Heavy Equipment	\$ 30,000
	Transit Connect Van	\$ 55,000
Equipment	Telehandler, forks and high capacity bucket	\$ 65,000
	Grapple Bucket for Skid Steer	\$ 4,500
Miscellaneous	Air Supply Unit	\$ 500,000
	APS Motor Fan Replacement	\$ 70,000
	APS (Auxillary Power Supply) Overhaul	\$ 700,000
	Backup generator at Roblar	\$ 50,000
	DMU Air Brake overhaul - 5 Year Option cars	\$ 250,000
	Energy Cushion Device Crash System	\$ 150,000
	Generator Plug Retrofit at all Platforms	\$ 8,000
	Guideway & Trackwork for Commuter Operation - Mainline	\$ 225,000
	Joints (Insulated/ Welded)	\$ 27,300
	Radiator Fan Modification	\$ 115,000
	Stations	\$ 150,000
	Switches (4) Signal HP / year	\$ 60,000
	Upgrade platform/walkway/parking lot lighting to LED	\$ 25,000
Total		\$ 3,318,800

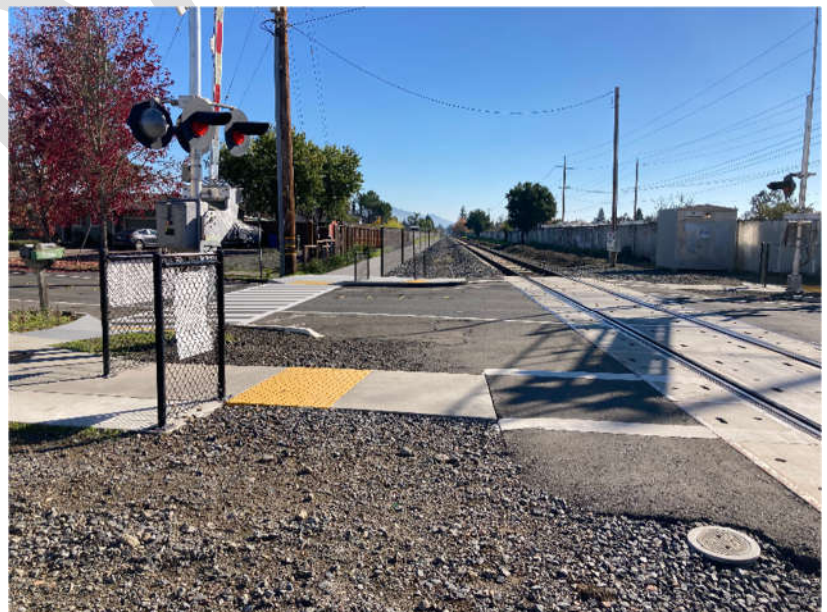


The FY 24 Budget significantly advances pathway development and delivery. The budget will support the construction of 6.9 miles of pathway (Golf Course to Bellevue, Petaluma to Penngrove, McInnis to Smith Ranch, Joe Rodota Trail to W. 3rd, and the completion of Lakeville segment). The budget also funds the design work for over 15 miles of pathway in both Marin and Sonoma County. This design work is readying over 5 miles of pathway that already has grant funding commitments that will eventually fund construction of those segments. Progressing the design on the other 9.8 miles of pathway will bring these segments closer to shovel-ready, which will allow SMART to pursue additional grant funds and support their near-term completion.

See the following link for pathway interactive maps:
https://sonomamarintrain.org/smart_pathway

Department	Project	FY 24 Amount
Pathways		
	Guerneville Road to Airport Boulevard Pathway	\$ 1,429,430
	Hanna Ranch to S. Rowland Blvd. Pathway	\$ 246,466
	Marin - Sonoma Pathway Design & Permitting	\$ 1,603,744
	Marin Pathway Design & Permitting	\$ 4,098,301
	McInnis Pkwy to Smith Ranch Rd Pathway	\$ 4,835,333
	Puerto Suello Tunnel Design	\$ 708,227
	SoCo Pathway Gap Closure	\$ 6,890,620
Total		\$ 19,812,122

Rendering of Future Pathway off San Miguel Road in Santa Rosa



FREIGHT

Freight

In July of 2022, SMART began in-house operations of freight services. Revenues for freight operations in Fiscal Year 2024 are estimated at \$2.4 million. We anticipate spending \$920,876 on salaries and benefits, \$1,170,629 on operations, and \$648,405 on capital repairs and replacements in Fiscal Year 2024.

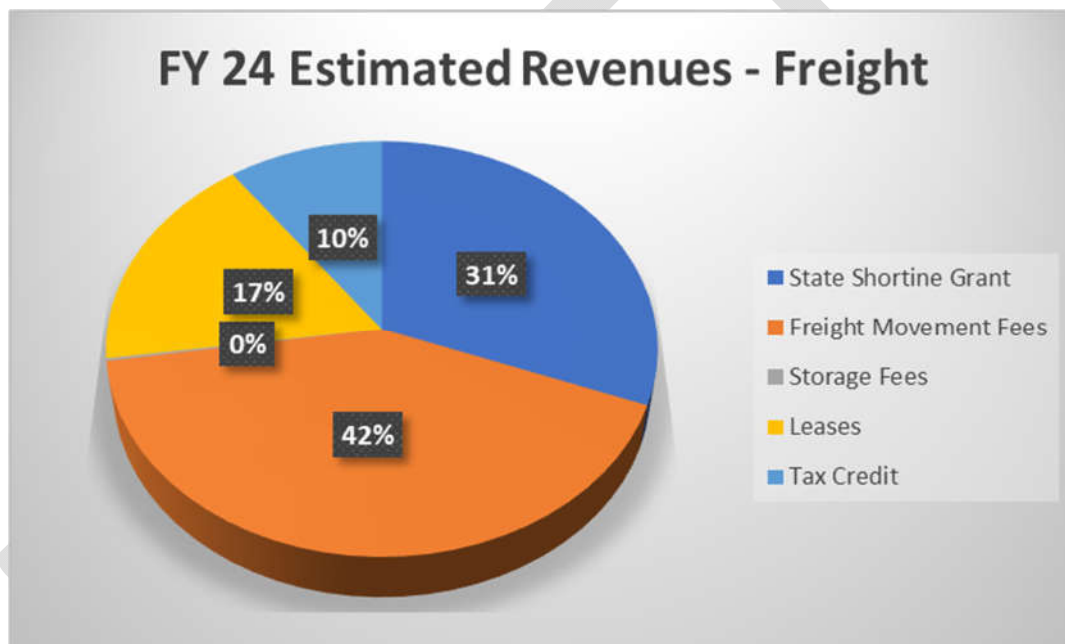
In March of 2022, SMART assumed the freight operations from the Northwestern Pacific Railroad Company (NWPCo) which had been operating service from Napa County to Petaluma since 2011. SMART began in-house operations on July 1, 2022. Currently there are three customers that receive primarily feed grain. In addition, there is a freight car storage location at the Schellville yard. Service consists of two round trips a week to Petaluma customers as well as two round trips to the California Northern Railroad to receive and deliver rail cars to and from the interchange.



Revenues and expenditures for freight operations are being tracked separately in Fund 60. Administrative expenses are allocated based on a ratio of total miles freight operated versus total miles passenger rail operated. In addition to the administrative allocation, this ratio will be used for other allocation of expenses such as radio maintenance and mainline track maintenance.

The SMART Board of Directors previously approved six (6) FTE to operate the Freight Division for the organization. The FY 24 budget for salaries and benefits for freight operations is estimated at \$920,876. The details regarding these positions can be found in Appendix C. A three percent (3%) cost of living increase is included for Fiscal Year 2024.

Now that SMART has acquired the freight operations, we have been evaluating and prioritizing the work that needs to be done to run the service and comply with all Federal Railroad Administration requirements. Work to clean up Schellville Depot was done in Fiscal Year 2023 and repairs to high priority bridges continue. In addition, the Freight Manager continues to reach out to returning and potential new customers to increase revenues to replace the revenues lost with the elimination of storage fees from Liquid Petroleum Gas (LPG) tank cars.



Revenues	FY 24
State Shortline Grant	\$ 740,000
Freight Movement Fees	\$ 1,000,000
Storage Fees	\$ 4,800
Leases	\$ 415,000
45(g) Tax Credit	\$ 239,190
Total Revenues	\$ 2,398,990



Account	Account Description	FY 23 Amended Budget	FY 24 Requested Budget
50995	Cost Allocation - Salaries & Benefits	\$ 39,503	\$ 59,975
51042	Insurance	\$ 68,000	\$ 73,704
51061	Maintenance of Equipment	\$ 64,850	\$ 33,250
51062	Maintenance of Radios	\$ 2,034	\$ 2,034
51063	Maintenance of Signals	\$ 25,000	\$ 15,000
51064	Maintenance of Revenue Vehicles	\$ 162,500	\$ 95,000
51071	Maintenance of Facilities	\$ 25,000	\$ 25,000
51074	Maintenance of Railway	\$ 79,300	\$ 60,000
51211	Legal	\$ 25,000	\$ -
51225	Training & Travel Expense	\$ 25,000	\$ 10,000
51244	Permits/ Fees	\$ 110,000	\$ 110,000
51401	Rental/ Leases - Equipment	\$ 65,000	\$ 55,000
51605	Mileage Reimbursement & Auto Tolls	\$ 2,500	\$ 2,500
51802	Contract Services - Administrative	\$ 471,875	\$ 223,206
51902	Communications	\$ 16,000	\$ 15,000
52021	Uniform Expense	\$ 5,000	\$ 5,000
52061	Fuel and Lubricants	\$ 105,000	\$ 115,000
52091	Memberships	\$ 975	\$ 1,000
52101	Miscellaneous Expense	\$ 68,074	\$ 102,500
52141	Small Tools and Equipment	\$ 40,000	\$ 15,000
52142	Computer Hardware	\$ 9,000	\$ -
52143	Computer Software	\$ 33,100	\$ 33,640
52191	Utilities	\$ 15,000	\$ 15,000
52195	Cost Allocation - Services & Supplies	\$ 158,012	\$ 104,120
Grand Total		\$ 1,615,723	\$ 1,170,929

There are four projects scheduled for Fiscal Year 2024. They are the completion of the Brazos Branch Project Phase I, Brazos Branch Phase II, tie replacement, and grade crossing repair.

Account Description	FY24 Requested Budget
Brazos Branch - Phase I	\$ 58,405
Brazos Branch - Phase II	\$ 440,000
Tie Replacement	\$ 50,000
Grade Crossing Repair	\$ 100,000
	\$ 648,405

The freight fund doesn't not have reserves and the fund balance is estimated at \$960,091 at the end of Fiscal Year 2024.

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CARRYFORWARD FUNDS/EXPENDITURES

As part of the FY 24 budget, we are anticipating carrying forward \$3,534,576 from Fiscal Year 2023 to Fiscal Year 2024 for passenger rail. This includes projects and programs that are not estimated to be completed or expended in Fiscal Year 2023. Both the revenues and expenditures will be rolled forward. Because we are estimating what will be spent between now and June 30, 2022, this number will most likely change and will be adjusted in Fiscal Year 2024 once we know actual expenditures in Fiscal Year 2023.

Account Description	FY 23 Amended Budget	Amount to Roll to FY24
Information Systems		
Bridge/Tunnel CCTV Servers and Video Appliance	\$ 40,530	\$ 40,530
Pathways		
Joe Rodota Trail to 3rd Street	\$ 445,902	\$ 387,015
Marin Pathway Design & Permitting	\$ 2,402,974	\$ 277,130
Marin - Sonoma Pathway Design & Permitting	\$ 2,567,394	\$ 160,560
McInnis Pkwy to Smith Ranch Rd Permitting	\$ 379,311	\$ 49,196
Pathway Wayfinding - Design	\$ 175,000	\$ 130,000
SoCo Pathway Gap Closure	\$ 2,481,284	\$ 1,305,390
Bridges		
MP 29.31 Basalt Creek Timber Trestle Replacement (#1)	\$ 107,401	\$ 10,000
MP 31.47 San Antonio Tributary Timber Trestle (#2)	\$ 118,840	\$ 10,000
Expansions		
Petaluma North Station	\$ 1,519,892	\$ 127,405
State Route 37 Planning Staff Time	\$ 14,000	\$ 9,000
Environmental		
SoCo Monitoring Segment 1 and 2	\$ -	\$ 48,426
Mira Monte Mitigation	\$ 260,000	\$ 217,000
Fleet Advanced from FY 24 to FY 23		
F250 Crew Cab w/ Harbor Body	\$ 60,000	\$ 60,000
F-350 Hi-Rail	\$ 75,000	\$ 75,000
F350 Extended Cab XL (Hi-Rail)	\$ 45,000	\$ 45,000
F350 Extended Cab XL (Hi-Rail)	\$ 83,000	\$ 83,000
Escape	\$ 35,000	\$ 35,000
Ram Truck	\$ 35,000	\$ 35,000
Buildings & Infrastructure		
Freight Sidings/Turnouts	\$ 76,650	\$ 79,330
Healdsburg Warehouse Roof Repairs	\$ 105,000	\$ 110,000
Vehicles Maintenance		
DMU Side Skirting	\$ 130,000	\$ 130,000
Permanent Magnet Alternator (PMA) Overhaul	\$ 82,400	\$ 31,692
Miscellaneous		
FRA Suicide Prevention Grant	\$ 80,000	\$ 78,902
Totals	\$ 11,319,579	\$ 3,534,576

As part of the FY 24 budget, we are anticipating carrying forward \$496,692 from Fiscal Year 2023 to Fiscal Year 2024 for freight. The Brazos Branch bridge repair project is not expected to be completed and fully expended in Fiscal Year 2023. Both the revenues and expenditures will be rolled forward. Because we are estimating what will be spent between now and June 30, 2022, this number will most likely change and will be adjusted in Fiscal Year 2024 once we know actual expenditures in Fiscal Year 2023.

Project Description	FY 23 Amended Budget	Amount to Roll to FY24
Brazos Branch - Bridge Repairs (Emergency & Phase I)	\$ 1,845,963	\$ 496,692

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Reserves

SMART has several reserves that have been established for various purposes.

Pension & OPEB Liability Reserve

This reserve is to ensure that we have funds set aside for future pension costs. We have set aside \$500,000 for Fiscal Year 2024. The Fiscal Year 2024 balance is \$4,574,676.

Vehicles & Equipment Reserve

This reserve is used to accumulate funds for future capital equipment needs such as DMU replacement. The Fiscal Year 2023 balance is \$9,625,000. We are adding an additional \$1,000,000 for a total reserve of \$10,625,000 in Fiscal Year 2024.

Corridor Completion Reserve

This reserve was established in the FY 2020/2021 amended budget to set aside funds for design, environmental, or leveraging grants. The current balance is \$7,000,000.

Operating Reserve

The Fiscal Year 2023 operating reserve was \$10 million. We have calculated 25% of the operating costs for Fiscal Year 2024 which would result in a reserve of \$11,278,617 or an increase of \$1,278,617.

Fund Balance

The estimated fund balance for Fiscal Year 2024 year-end is \$27,683,704.

Debt

In October of 2020, SMART pursued a successful taxable advance refunding of the 2011A bonds. The refunding matched the existing March 1, 2029, final maturity of the 2011A bonds. These bonds are secured by a gross lien of SMART's ¼ cent sales tax. The bonds were rated "AA" by Standard & Poor's. The new debt service schedule is listed below.

Fiscal Year	Series 2020 Bonds Principal	Series 2020 Bonds Interest	Debt Service
2021	\$3,365,000.00	\$566,576.35	\$3,931,576.35
2022	13,280,000.00	1,656,755.80	14,936,755.80
2023	14,015,000.00	1,581,192.60	15,596,192.60
2024	14,765,000.00	1,479,443.70	16,244,443.70
2025	15,580,000.00	1,324,115.90	16,904,115.90
2026	15,860,000.00	1,136,844.30	16,996,844.30
2027	16,105,000.00	893,869.10	16,998,869.10
2028	16,385,000.00	614,930.50	16,999,930.50
2029	13,615,000.00	284,281.20	13,899,281.20
Total	\$122,970,000.00	\$9,538,009.45	\$132,508,009.45

APPENDIX A - PASSENGER RAIL OVERVIEW OF SOURCES & USES

	A	B	C	
	FY 23 Amended Budget	FY 24	Difference	
1	Beginning Fund Balance *	\$ 37,393,310	\$ 39,066,717	\$ 1,673,407
2	Revenues			
3	Rollforward from FY 2023	\$ 3,730,989	\$ 2,111,381	\$ (1,619,608)
4	SMART S&U Tax			
5	Measure Q	\$ 51,090,000	\$ 51,103,000	\$ 13,000
6	Federal Funds			
7	5307 - Urbanized Area Formula Funds (Preventative Maintenance)	\$ 4,148,529	\$ 3,997,642	\$ (150,887)
8	American Rescue Plan	\$ 7,507,797	\$ -	\$ (7,507,797)
9	FRA Suicide Prevention Grant	\$ 80,000	\$ -	\$ (80,000)
10	Quick Strike (CMAQ) (Pathway Payran to Lakeville)	\$ 806,000	\$ 1,857,999	\$ 1,051,999
11	Discretionary Earmark	\$ -	\$ 1,800,000	\$ 1,800,000
12	State Funds			
13	STA - State Transit Assistance (Revenue)	\$ 2,291,573	\$ 3,170,013	\$ 878,440
14	STA-State Transit Assistance (Population)	\$ 534,918	\$ 653,792	\$ 118,874
15	SB1 - SRA - State Rail Assistance	\$ 3,700,000	\$ 5,026,754	\$ 1,326,754
16	LCTOP - Low Carbon Transit Operating	\$ 534,762	\$ 520,218	\$ (14,544)
17	State - TIRCP SH 37 Network Integration	\$ 750,000	\$ -	\$ (750,000)
18	STA-SGR (State of Good Repair)	\$ 318,586	\$ 330,712	\$ 12,126
19	SB1 - Local Partnership Program	\$ -	\$ 1,857,999	\$ 1,857,999
20	AHSC - Windsor	\$ -	\$ 1,093,230	\$ 1,093,230
21	ITIP - Windsor Systems	\$ -	\$ 2,186,460	\$ 2,186,460
23	SCC - Windsor	\$ -	\$ 6,559,379	\$ 6,559,379
24	ATP - SoCo Pathway - CTC/Caltrans/MTC	\$ 2,567,394	\$ 5,210,927	\$ 2,643,533
25	TIRCP - Petaluma North and McDowell Crossing	\$ -	\$ 4,125,768	\$ 4,125,768
26	TIRCP - Windsor to Healdsburg	\$ -	\$ 3,200,000	\$ 3,200,000
27	Caltrans Sustainability Communities Competative Planning Grant	\$ -	\$ 400,000	\$ 400,000
28	Other Sources			
29	Fare Revenues	\$ 1,600,000	\$ 1,803,384	\$ 203,384
30	Parking	\$ -	\$ 15,000	\$ 15,000
31	Interest Earning	\$ 450,000	\$ 627,926	\$ 177,926
32	Advertising	\$ 100,000	\$ 70,000	\$ (30,000)
33	Rent - Real Estate	\$ 266,631	\$ 423,721	\$ 157,090
34	Misc.	\$ 130,000	\$ 5,659	\$ (124,341)
35	Charges for Services	\$ 28,235	\$ 75,637	\$ 47,402
36	Sale of Property	\$ 15,000	\$ -	\$ (15,000)
37	Regional Funds			
38	Other Governments	\$ 153,855	\$ 2,000,000	\$ 1,846,145
39	Measure M - SCTA		\$ 480,108	\$ 480,108
40	County Intergovernmental Funds -SCTA TIF (SoCo Pathway)	\$ 1,519,892	\$ -	\$ (1,519,892)
41	Total Revenues	\$ 78,593,172	\$ 98,595,328	\$ 20,002,156
42	Total Revenues + Fund Balance	\$ 115,986,482	\$ 137,662,045	\$ 21,675,563
43				

	FY 23 Amended Budget	FY 24	Difference
44			
45	Debt Service		
46	Salaries & Benefits		
47	Reduction for Salaries Charged to Projects		
48	Reduction for Allocation of Salaries/ Services/ Supplies to Freight		
49	Service & Supplies		
50	Total Salaries, Benefits, Service, & Supplies		
51	Contribution to OPEB/ CalPERS Liability Fund		
52	Contribution to Capital Sinking Fund		
53	Operating Reserve		
54	Total Reserve Contributions		
55	Planning		
56	Environmental		
57	Total Planning & Environmental		
58	Total Debt Service, Operating, Reserves, Environmental/ Planning		
59	Balance		
60			
61			
62			
63	State of Good Repair		
64	Track, MOW, and Facilities		
65	Safety and Security		
66	DMU		
67	Bridges		
68	Other Construction		
69	Information Technology		
70	Non-Revenue Vehicles		
71	Equipment		
72	Total State of Good Repair		
73			
74			
75			
76	Capital Projects		
77	Pathways		
78	Expansion		
79	Land Purchase		
80	Total Capital Expenditures		
81			
82			
83			
84	Future Match for Federal/ State Funds		
85	Ending Fund Balance		
	* Excludes Reserves		

APPENDIX B - FREIGHT OVERVIEW OF SOURCES & USES

FISCAL YEAR 2023-2024 BUDGET: SOURCES AND USES				
		A	B	C
		FY 23	FY 24	Difference
1	Beginning Fund Balance	\$ 1,107,702	\$ 1,301,011	\$ 193,309
2	Revenues			
3	State Grant (42341)	\$ 4,000,000	\$ -	\$ (4,000,000)
4	State Shortline Grant (Blackpoint)	\$ 206,000	\$ 740,000	\$ 534,000
5	Freight Movement Fees	\$ 1,100,000	\$ 1,000,000	\$ (100,000)
6	Leases	\$ 245,000	\$ 415,000	\$ 170,000
7	Storage	\$ 25,000	\$ 4,800	\$ (20,200)
8	45(g) Tax Credit	\$ 239,190	\$ 239,190	\$ -
9	Total Revenues	\$ 5,815,190	\$ 2,398,990	\$ (3,416,200)
10	Total Revenues + Fund Balance	\$ 6,922,892	\$ 3,700,001	\$ (3,222,891)
11				
12		FY 23	FY24	Difference
13				
14	Salaries	\$ 786,060	\$ 920,876	\$ 134,816
15	Service & Supplies	\$ 1,615,723	\$ 1,170,629	\$ (445,094)
16	Total Salaries, Benefits, Service, & Supplies	\$ 2,401,783	\$ 2,091,505	\$ (310,278)
17	Balance	\$ 4,521,109	\$ 1,608,496	\$ (2,912,613)
18				
19		FY 23	FY24	Difference
20				
21	Blackpoint Bridge	\$ 725,741	\$ -	\$ (725,741)
22	Highway 37 Grade Crossing Reconstruction	\$ 505,394	\$ -	\$ (505,394)
23	Brazos Branch - Bridge Repairs (High Priority)	\$ 1,845,963	\$ 58,405	\$ (1,787,558)
24	Brazos Branch - Phase II	\$ -	\$ 440,000	\$ 440,000
25	New York Air Brake	\$ 68,000	\$ -	\$ (68,000)
26	PTC	\$ 75,000	\$ -	\$ (75,000)
27	Tie Replacement	\$ -	\$ 50,000	\$ 50,000
28	Grade Crossing Repair		\$ 100,000	\$ 100,000
29	Total Capital & SOGR	\$ 3,220,098	\$ 648,405	\$ (2,571,693)
30	Balance	\$ 1,301,011	\$ 960,091	\$ (340,920)

APPENDIX C - POSITION AUTHORIZATION

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APPENDIX D - STATISTICAL INFORMATION

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APPENDIX E - STATEMENT OF INVESTMENT POLICY

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APPENDIX F: APPROPRIATION CALCULATION

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APPENDIX G - ORGANIZATION CHART

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SMART COC Meeting – May 24, 2023 FY 2023/2024 Budget



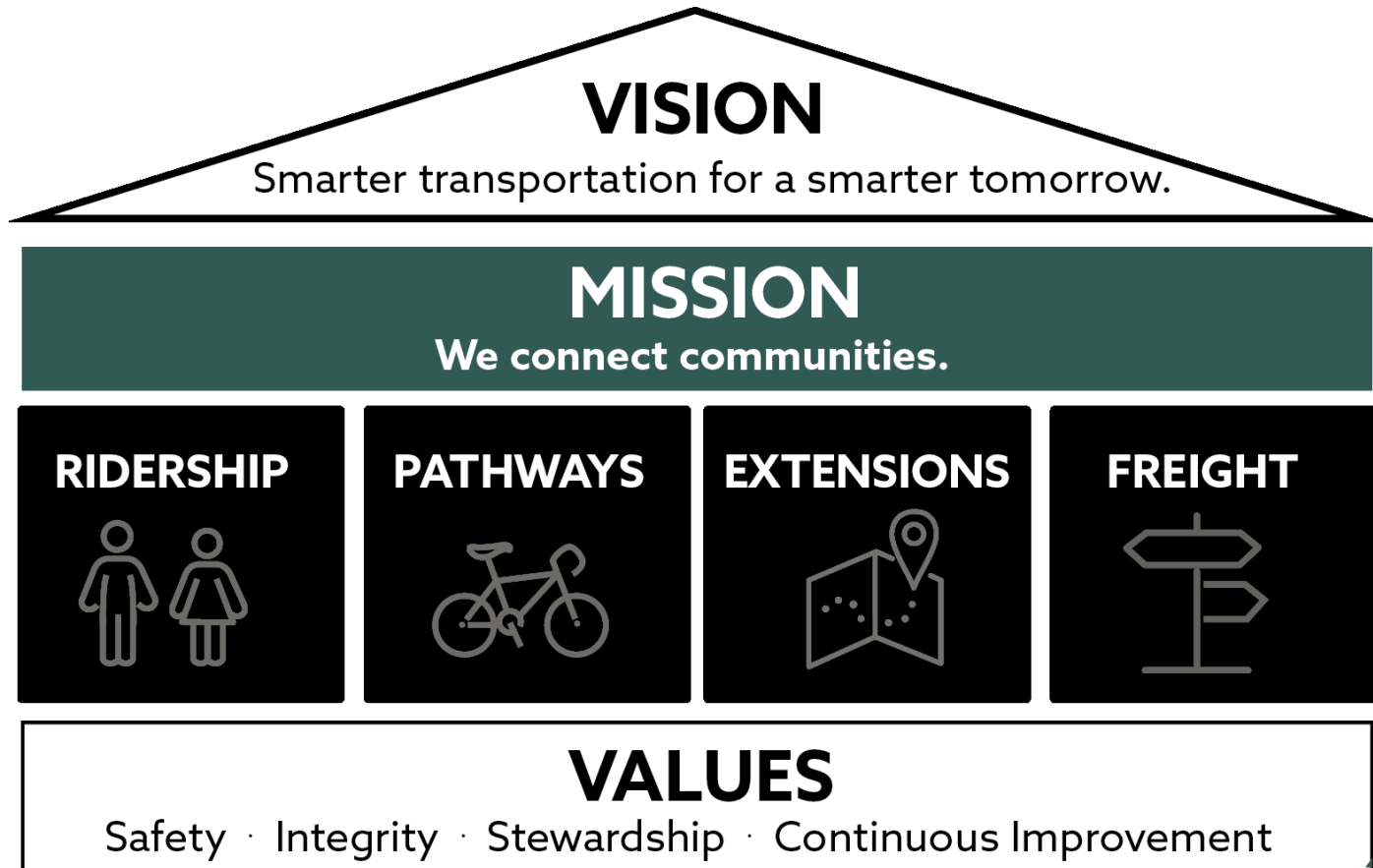
Contents

- Review of 2019 Strategic Plan Expenditure Principles
- Revenues – Passenger
- Expenditures by Objectives – Ridership
- Expenditures by Objectives – Pathway
- Expenditures by Objectives – Extensions
- Capital and State of Good Repair
- Carryforward – Passenger
- Fund Balance and Reserves – Passenger
- Freight – Revenues and Expenditures

2019 Strategic Plan Principles

- Provide for ongoing Operations and Maintenance of the Current System
- Prioritize Safety and Security Maintenance and Improvements
- Provide for Capital Investment: Completion of all projects underway:
 - Completion of Windsor Extension
 - Completion of Healdsburg
 - Completion of Cloverdale
 - Completion of pathway projects
 - Completion of second station in Petaluma
 - Purchase additional train sets
 - Double tracking where feasible

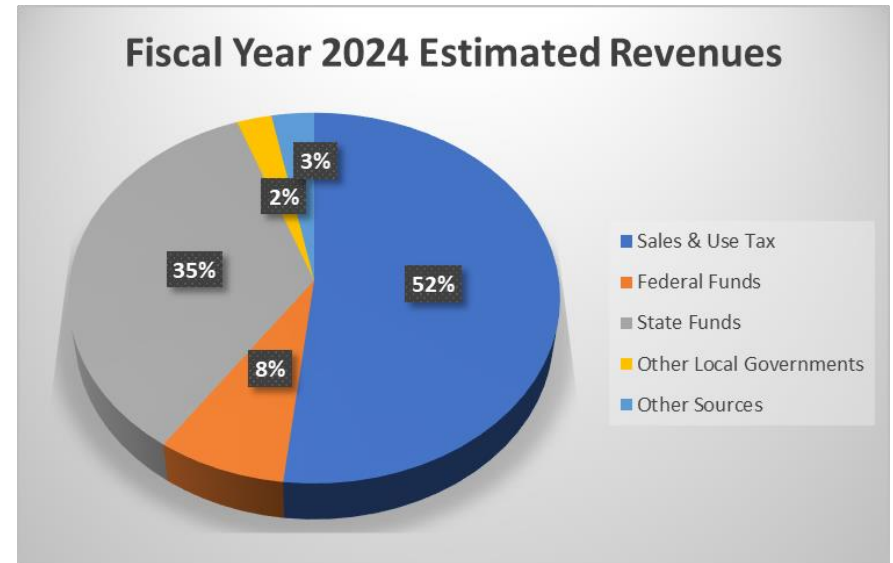
Mission and Vision



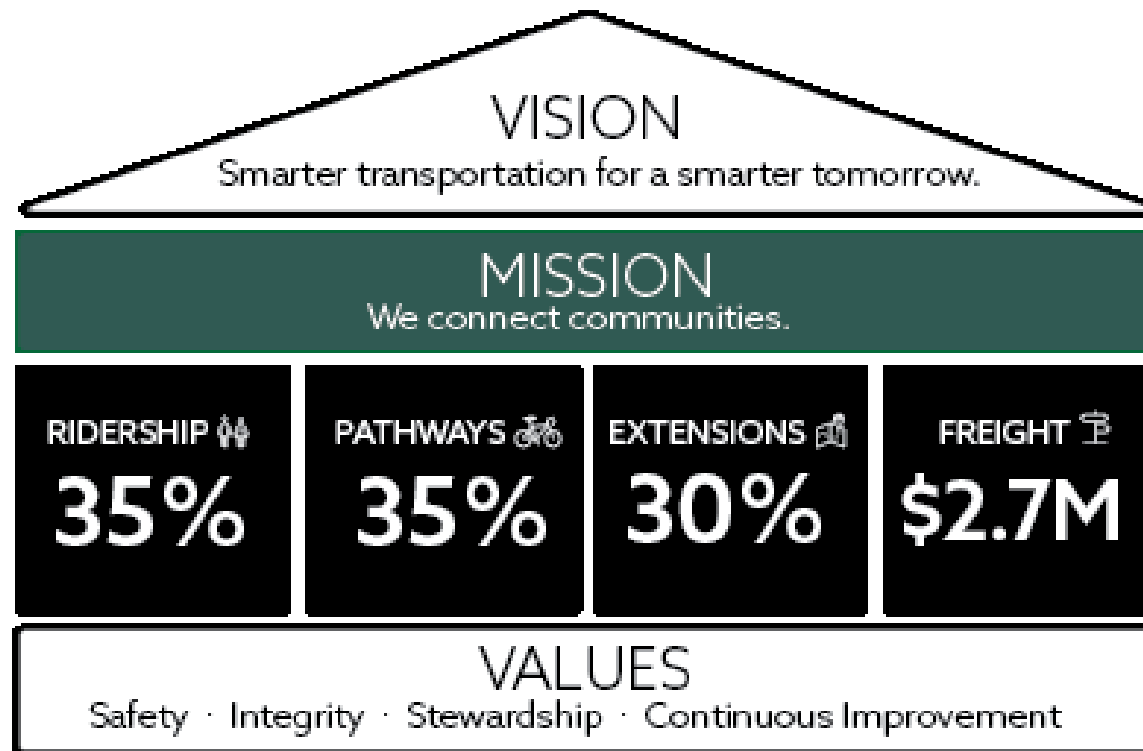
Revenues - Passenger

Estimated Revenues – FY 2024

Revenues	FY 24
SMART S&U Tax	
Measure Q	\$ 51,103,000
Total Sales & Use Tax	\$ 51,103,000
Federal Funds	
5307 - Urbanized Area Formula Funds (Preventative Mtce)	\$ 3,997,642
Discretionary Earmark	\$ 1,800,000
FTA Quick Strike Funds (CMAQ)	\$ 1,857,999
Total Federal Funds	\$ 7,655,641
State Funds	
AHSC - Windsor	\$ 1,093,230
ATP - Sonoma County Pathway	\$ 5,210,927
Caltrans Sustainability Communities Competative Planning Grant	\$ 400,000
ITIP - Windsor Systems	\$ 2,186,460
LCTOP	\$ 520,218
LPP	\$ 1,857,999
SCC - Windsor	\$ 6,559,379
STA - Population	\$ 653,792
STA - Revenue	\$ 3,170,013
STA -SGR	\$ 330,712
SRA	\$ 5,026,754
TIRCP - Petaluma North	\$ 4,125,768
TIRCP - Windsor to Healdsburg	\$ 3,200,000
Total State Funds	\$ 34,335,252
Other Local Governments	
City of Petaluma	\$ 2,000,000
Measure M - SCTA	\$ 480,108
Total Other Local Governments	\$ 2,480,108
Other Sources	
Advertising	\$ 70,000
Charges for Services	\$ 75,637
Fare Revenues	\$ 1,803,384
Interest Earning	\$ 627,926
Miscellaneous	\$ 5,659
Parking	\$ 15,000
Rent - Real Estate	\$ 423,721
Total Other Sources	\$ 3,021,327
Total Revenues	\$ 98,595,328



Proposed Expenditures by Objective



Ridership - Strategies

Ridership - Strategies

- ✓ Implement Micro-transit Pilot Program at the Airport Station
- ✓ Additional Evening Service
- ✓ Additional Event Service Based on Demand
- ✓ Work with Transit Providers to improve Bus/Ferry Connections
- ✓ Allow Overnight Parking at SMART Park-n-Ride Lots
- ✓ Reprice Monthly Pass for 3-day Work Week
- ✓ Implement Aggressive Marketing Plan
- ✓ Pursue Grant for Quality of Life Study
- ✓ Free K-12 Summer Program
- ✓ Public Information Display Signs at Platforms
- ✓ Closely Monitor System/Ridership and Adjust as Necessary

Ridership	FY 24
First/ Last Mile Connections - Implement Microtransit at Airport Station	\$ 500,000
Implement Aggressive Marketing Plan	\$ 175,000
Quality of Life & Economic Impact Assessment	\$ 400,000
Public Information Display Signs at Platforms	\$ 250,000
Bike Locker Upgrades	\$ 16,000
Customer Service Support Software	\$ 4,500
Direct Operations	\$ 18,308,409
- Additional Evening Service	
- Additional Event Service Based on Demand	
Operations	\$ 4,878,605
Administration	\$ 6,714,329
Total	\$ 31,246,843

Expenditures - Ridership

- Convert One (1) Signal Technician Position to a Vehicle Maintenance Supervisor
 - 24/7 with three (3) shifts
 - Currently have shifts that are not covered
- Three (3) New Engineer/ Conductor Positions
 - Will be used as flex positions
 - Will allow us to continually recruit and limit the impact of vacancies in this area
- Bike Locker Upgrades
 - \$16,000
- Fare collection fee increases - \$216,000 up 10%
 - Increased ridership
 - Implementation of Clipper 2
- Customer Service Support Software
 - \$4,500

Pathway - Strategies

Pathway - Strategies

- ✓ Construct funded segments of the Pathway
- ✓ Continue to design and permit pathways
- ✓ Publish updated Pathway maps
- ✓ Develop and implement wayfinding program

Pathways	FY 24
Construct Funded Segments of the Pathway	
- McInnis to Smith Ranch Pathway	\$ 4,835,333
- Hanna Ranch to Vintage Way Pathway	\$ 246,466
- Guerneville Road to Airport Blvd. Pathway	\$ 1,429,430
- Sonoma County Pathways	\$ 6,890,620
Design and Permit Pathways	
- Marin- Sonoma Pathways	\$ 1,603,744
- Marin Pathways	\$ 4,098,301
- Puerto Suello to San Pedro Road	\$ 708,227
Wayfinding Program	\$ 150,000
Pathway Specific Maintenance	\$ 30,500
Operations	\$ 4,943,977
Administration	\$ 6,810,593
Total Pathways	\$ 31,747,190

Pathways - Expenditures

- ✓ Construct funded segments of the Pathway
 - McInnis to Smith Ranch Pathway - \$4,835,333
 - Hanna Ranch to Vintage Way Pathway - \$246,466
 - Guerneville Road to Airport Blvd Pathway - \$1,429,430
 - Sonoma County Pathways - \$6,513,660

- ✓ Develop and implement wayfinding program
 - Fabrication and Installation \$150,000

Pathways - Expenditures

- ✓ Continue to design and permit pathways
 - Marin-Sonoma Pathways - \$1,603,744
 - McInnis Parkway to Smith Ranch Road
 - Main Street to East Railroad Avenue
 - Joe Rodota Trail 3rd Street
 - Santa Rosa Downtown Station to 6th Street
 - Guerneville Road to West Steele Lane
 - West Steele Lane to San Miguel Boulevard
 - San Miguel Boulevard to Airport Boulevard
 - Marin Pathways - \$4,098,301
 - Smith Ranch Road to Main Gate Road/ Novato Hamilton Station
 - State Access Road to Bay Trail
 - Hanna Ranch Road to South Side of Novato Creek
 - Grant Avenue to Olive Avenue
 - Olive Avenue to Rush Creek Place
 - Puerto Suello to San Pedro Road - \$708,277

Extensions - Strategies

Extensions - Strategies

- ✓ Construct Petaluma North infill station.
- ✓ Northern Extensions to Windsor, Healdsburg, and Cloverdale:
 - ✓ Complete Caltrans rail service plan analysis
 - ✓ Design and Build Portions that are funded
 - ✓ Continue to Seek Federal and State Capital Grants
- ✓ East/ West:
 - ✓ Continue participation in Highway 37 corridor activities
 - ✓ Work with partners to incorporate rail into the project
 - ✓ Complete Caltrans rail service plan analysis
 - ✓ Partner with Caltrans and FRA Corridor ID Program through SMART East-West project development and subsequent phases

Extensions	FY 24
Santa Rosa to Windsor	\$ 10,000,000
Windsor to Healdsburg	\$ 5,000,000
Petaluma North Station	\$ 6,027,063
McDowell Crossing	\$ 778,141
Administration	\$ 5,955,358
Total	\$ 27,760,562

Extensions - Expenditures

- ✓ Santa Rosa to Windsor
 - \$10,000,000

- ✓ Windsor to Healdsburg
 - \$5,000,000

- ✓ Petaluma North Station
 - \$6,027,063

- ✓ McDowell Crossing
 - \$778,141

Expenditures – Pathways and Extensions

■ Administration

- One (1) New Procurement Position
 - Senior Buyer

■ Engineering

- Convert one (1) position from Associate Engineer to Assistant Engineer (Existing position)
- One (1) New Assistant Engineer
- One (1) New Junior Engineer

Efficiencies

- Commercial Drivers License and Hi-Rail Inspection Training
 - \$18,500

- Software
 - Oracle Projects & Grants Implementation & Licenses
 - One time implementation \$200,000
 - Ongoing licenses \$82,000

Compliance

- Operations
 - One (1) New Parts Clerks
 - Currently have two (2) positions
 - Based on workload
 - One (1) New Inventory Manager/ Asset Management Specialist
 - Need centralized point of contact for purchasing, inventory, and asset tracking
- EEO consultant – Plan update required

Expenditures – Salaries and Benefits

- Pay Increases
 - Represented Employees
 - Consistent with CBAs
 - Non-Represented Employees
 - 3% COLA effective 1st full pay period in July (July 28th Pay Day)

- Benefits
 - Overall Increase of 10%
 - Formalize Tuition Reimbursement
 - Up to \$2,500 per year/ employee

- Classification & Compensation Study
 - Still finalizing results
 - Expectation of title changes & limited classification changes
 - Won't be ready for July 1, 2023 implementation

Expenditures – Services and Supplies

■ Utilities

- Increased by 7%
- \$775,520 to \$830,120

■ Insurance

- Increase by 18%
- \$2,361,764 to \$2,795,395

Capital and State of Good Repair

Department	Project	FY 24 Amount
Bridges		
	MP 29.31 Basalt Creek Timber Trestle Replacement (#1)	\$ 4,000
	MP 31.47 San Antonio Tributary Timber Trestle (#2)	\$ 4,000
Total		\$ 8,000
Expansion		
	Santa Rosa Airport Station to Windsor Station	\$ 10,000,000
	Windsor Station to Healdsburg Station	\$ 5,000,000
	Petaluma North Station	\$ 6,027,063
	N. McDowell Boulevard Crossing Reconstruction	\$ 778,141
Total		\$ 21,805,204
Information Systems		
	Access Control Server	\$ 14,000
	Avaya Phone System and switch	\$ 9,000
	Fulton Admin Server	\$ 5,000
	Fulton 2 UPSs	\$ 6,500
	Petaluma CCTV Network PoE Switches (2)	\$ 10,000
	Petaluma Admin Server	\$ 6,000
	Petaluma Print Server	\$ 5,000
	Roblar Internal Router	\$ 18,000
	Roblar Internet Router	\$ 9,500
	Roblar Firewall	\$ 17,900
	Roblar WAN Router	\$ 9,500
	Roblar Wi-Fi (wireless controller, APs, PoE switch)	\$ 11,000
	ROC CCTV Network PoE Switches (2)	\$ 11,000
	ROC Data Network S&U Switches (2)	\$ 14,000
	ROC IPSec Router to Sonoma County AVL	\$ 26,000
	ROC UPS 8 in racks 1-6 CDC	\$ 56,000
	ROC UPS 1 for racks 7-12 CDC	\$ 7,000
Total		\$ 235,400
Miscellaneous		
	Platform Real-Time Signage	\$ 250,000
Total		\$ 250,000

Capital and State of Good Repair

Department	Project	FY 24 Amount
Operations		
Vehicles	F150 Crew Cab XL	\$ 45,000
	F150 Crew Cab XL (2 axle)	\$ 45,000
	F150 Crew Cab XL (2 axle)	\$ 45,000
	F250 W/ Harbor Body (2 axle)	\$ 60,000
	F-350 Hi-Rail	\$ 66,000
	F350 Extended Cab XL (Hi-Rail)	\$ 15,000
	F350 Extended Cab XL (Hi-Rail)	\$ 58,000
	F450 (2 axle)	\$ 140,000
	Escape	\$ 5,000
	Ford Interceptor	\$ 45,000
	Fusion Energi	\$ 40,000
	HiRail Boom Truck	\$ 200,000
	Ram Truck	\$ 15,000
	Tahoe	\$ 55,000
	Trailer Heavy Equipment	\$ 30,000
	Transit Connect Van	\$ 55,000
Equipment	Telehandler, forks and high capacity bucket	\$ 65,000
	Grapple Bucket for Skid Steer	\$ 4,500
Miscellaneous	Air Supply Unit	\$ 500,000
	APS Motor Fan Replacement	\$ 70,000
	APS (Auxillary Power Supply) Overhaul	\$ 700,000
	Backup generator at Roblar	\$ 50,000
	DMU Air Brake overhaul - 5 Year Option cars	\$ 250,000
	Energy Cushion Device Crash System	\$ 150,000
	Generator Plug Retrofit at all Platforms	\$ 8,000
	Guideway & Trackwork for Commuter Operation - Mainline	\$ 225,000
	Joints (Insulated/ Welded)	\$ 27,300
	Radiator Fan Modification	\$ 115,000
	Stations	\$ 150,000
	Switches (4) Signal HP / year	\$ 60,000
	Upgrade platform/walkway/parking lot lighting to LED	\$ 25,000
Total		\$ 3,318,800

Capital and State of Good Repair

Department	Project	FY 24 Amount
Pathways		
	Guerneville Road to Airport Boulevard Pathway	\$ 1,429,430
	Hanna Ranch to S. Rowland Blvd. Pathway	\$ 246,466
	Marin - Sonoma Pathway Design & Permitting	\$ 1,603,744
	- McInnis Parkway to Smith Ranch Road	
	- Main Street to East Railroad Avenue	
	- Joe Rodota Trail 3rd Street	
	- Santa Rosa Downtown Station to 6th Street	
	- Guerneville Road to West Steele Lane	
	- West Steele Lane to San Miguel Boulevard	
	- San Miguel Boulevard to Airport Boulevard	
	Marin Pathway Design & Permitting	\$ 4,098,301
	- Smith Ranch Road to Main Gate Road/ Novato Hamilton Station	
	- State Access Road to Bay Trail	
	- Hanna Ranch Road to South Side of Novato Creek	
	- Grant Avenue to Olive Avenue	
	- Olive Avenue to Rush Creek Place	
	McInnis Pkwy to Smith Ranch Rd Pathway	\$ 4,835,333
	Puerto Suello to San Pedro Road	\$ 708,227
	SoCo Pathway Gap Closure	\$ 6,890,620
Total		\$ 19,812,122

Carryforward - Passenger

Carryforward - Passenger

Account Description	FY 23 Amended Budget	Amount to Roll to FY24
Information Systems		
Bridge/Tunnel CCTV Servers and Video Appliance	\$ 40,530	\$ 40,530
Pathways		
Joe Rodota Trail to 3rd Street	\$ 445,902	\$ 387,015
Marin Pathway Design & Permitting	\$ 2,402,974	\$ 277,130
Marin - Sonoma Pathway Design & Permitting	\$ 2,567,394	\$ 160,560
McInnis Pkwy to Smith Ranch Rd Permitting	\$ 379,311	\$ 49,196
Pathway Wayfinding - Design	\$ 175,000	\$ 130,000
SoCo Pathway Gap Closure	\$ 2,481,284	\$ 1,305,390
Bridges		
MP 29.31 Basalt Creek Timber Trestle Replacement (#1)	\$ 107,401	\$ 10,000
MP 31.47 San Antonio Tributary Timber Trestle (#2)	\$ 118,840	\$ 10,000
Expansions		
Petaluma North Station	\$ 1,519,892	\$ 127,405
State Route 37 Planning Staff Time	\$ 14,000	\$ 9,000
Environmental		
SoCo Monitoring Segment 1 and 2	\$ -	\$ 48,426
Mira Monte Mitigation	\$ 260,000	\$ 217,000
Fleet Advanced from FY 24 to FY 23		
F250 Crew Cab w/ Harbor Body	\$ 60,000	\$ 60,000
F-350 Hi-Rail	\$ 75,000	\$ 75,000
F350 Extended Cab XL (Hi-Rail)	\$ 45,000	\$ 45,000
F350 Extended Cab XL (Hi-Rail)	\$ 83,000	\$ 83,000
Escape	\$ 35,000	\$ 35,000
Ram Truck	\$ 35,000	\$ 35,000
Buildings & Infrastructure		
Freight Sidings/Turnouts	\$ 76,650	\$ 79,330
Healdsburg Warehouse Roof Repairs	\$ 105,000	\$ 110,000
Vehicles Maintenance		
DMU Side Skirting	\$ 130,000	\$ 130,000
Permanent Magnet Alternator (PMA) Overhaul	\$ 82,400	\$ 31,692
Miscellaneous		
FRA Suicide Prevention Grant	\$ 80,000	\$ 78,902
Street Signal at W. Third Street & SMART Pathway	\$ 153,855	\$ 153,855
Totals	\$ 11,473,433	\$ 3,688,431

Estimated
Carryforward -
\$3,688,431

Summary - Passenger

Revenues	FY 23 Amended Budget	FY 24	Difference
SMART S&U Tax	\$ 51,090,000	\$ 51,103,000	\$ 13,000
Federal Funds	\$ 12,542,326	\$ 7,655,641	\$ (4,886,685)
State Funds	\$ 10,697,233	\$ 34,335,252	\$ 23,638,019
Other Sources	\$ 2,589,866	\$ 3,021,327	\$ 431,461
Regional Funds	\$ 1,673,747	\$ 2,480,108	\$ 806,361
Total Revenues	\$ 78,593,172	\$ 98,595,328	\$ 20,002,156
Expenditures	FY 23 Amended Budget	FY 24	Difference
Debt Service	\$ 15,596,193	\$ 16,244,444	\$ 648,251
Salaries & Benefits	\$ 23,318,136	\$ 25,525,661	\$ 2,207,525
Service & Supplies	\$ 15,873,763	\$ 19,429,772	\$ 3,556,009
Contribution to OPEB/ CalPERS Liability Fund	\$ 500,000	\$ 500,000	\$ -
Vehicle/ Equipment Capital Reserve	\$ 2,000,000	\$ 1,000,000	\$ (1,000,000)
Operating Reserve	\$ -	\$ 1,278,617	\$ 1,278,617
Planning	\$ 675,000	\$ 250,000	\$ (425,000)
Environmental	\$ 451,350	\$ 478,321	\$ 26,971
State of Good Repair	\$ 3,952,447	\$ 3,504,200	\$ (448,247)
Capital Projects	\$ 12,552,876	\$ 41,617,326	\$ 29,064,450
Future Match for Federal/ State Funds	\$ 2,000,000	\$ -	\$ (2,000,000)
Total	\$ 76,919,765	\$ 109,828,341	\$ 32,908,576

Fund Balance & Reserves

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Reserves and Fund Balance - Passenger

- Pension and OPEB Liability Reserve
 - FY 2023 Year End - \$4,074,676
 - + \$500,000 = FY 2024 Year End - \$4,574,676

- Vehicles and Equipment Reserve
 - FY 2023 Year End - \$9,625,000
 - +\$1,000,000 = FY 2024 Year End - \$10,625,000

- Corridor Completion
 - FY 2023 Year End - \$7,000,000
 - FY 2024 Year End - \$7,000,000

Reserves and Fund Balance - Passenger

- Operating Reserve
 - FY 2023 Year End - \$10,000,000
 - +\$1,278,617 = FY 2024 Year End - \$11,278,617

- Fund Balance
 - Estimated FY 2023 Year End - \$39,066,717
 - - \$11,233,013 = FY 2024 Estimated Year End - \$27,833,704

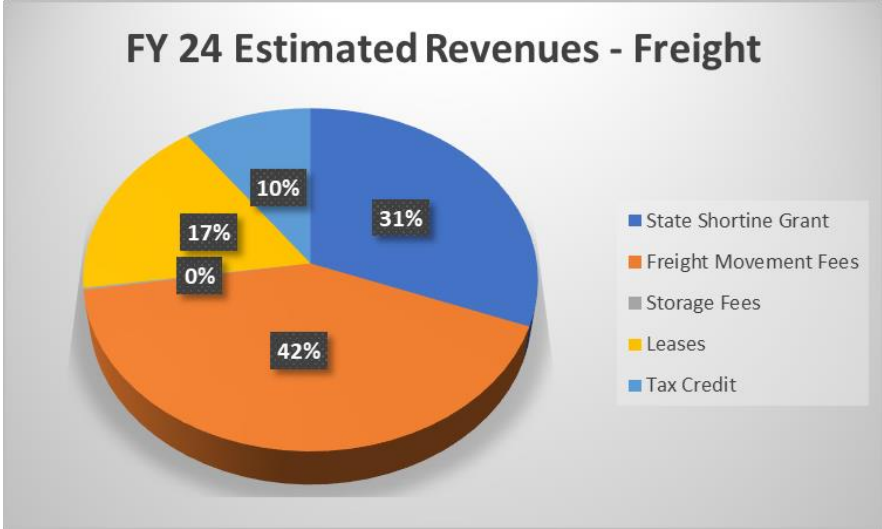
Revenues - Freight

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Revenues - Freight

Revenues	FY 24
State Shortline Grant	\$ 740,000
Freight Movement Fees	\$ 1,000,000
Storage Fees	\$ 4,800
Leases	\$ 415,000
45(g) Tax Credit	\$ 239,190
Total Revenues	\$ 2,398,990



Expenditures - Freight

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Freight - Strategies

Freight - Strategies

- ✓ Manage maintenance requirements
 - ✓ Bridges, tracks, crossings, equipment, etc.
- ✓ Decrease expenditures by \$100,000+
- ✓ Increase annual revenue by \$500,000+
- ✓ Secure funding for capital/ SGR improvement (\$8.2 million)
- ✓ Market freight and storage opportunities at SMART
- ✓ Leverage storage track at Schellville and Burdell
- ✓ Promote transload opportunities at Victory Station (Schellville)
- ✓ Acquire new business
- ✓ Examine freight tariffs and consider increasing fees
- ✓ Reduce car hire fees

Freight	FY 24
Operations	\$ 2,091,505
Capital	\$ 648,405
Total Freight	\$ 2,739,910

Projects - Freight

Working on highest priority improvements

Account Description	FY24 Requested Budget
Brazos Branch - Phase I	\$ 58,405
Brazos Branch - Phase II	\$ 440,000
Tie Replacement	\$ 50,000
Grade Crossing Repair	\$ 100,000
	\$ 648,405

Freight Carryforward Request - \$496,692

Project Description	FY 23 Amended Budget	Amount to Roll to FY24
Brazos Branch - Bridge Repairs (Emergency & Phase I)	\$ 1,845,963	\$ 496,692

Reserves and Fund Balance - Freight

- Operating Reserve - none

- Fund Balance
 - Estimated FY 2023 Year End - \$1,301,011
 - - \$340,920 = FY 2024 Estimated Year End - \$960,091



Next Steps

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Next Steps

- Draft Budget Published for Public Review
 - May 22nd
- COC meeting on May 24th
- Public Comments Due on June 5th
- Incorporate comments
- Final Budget for Board Approval June 21st

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