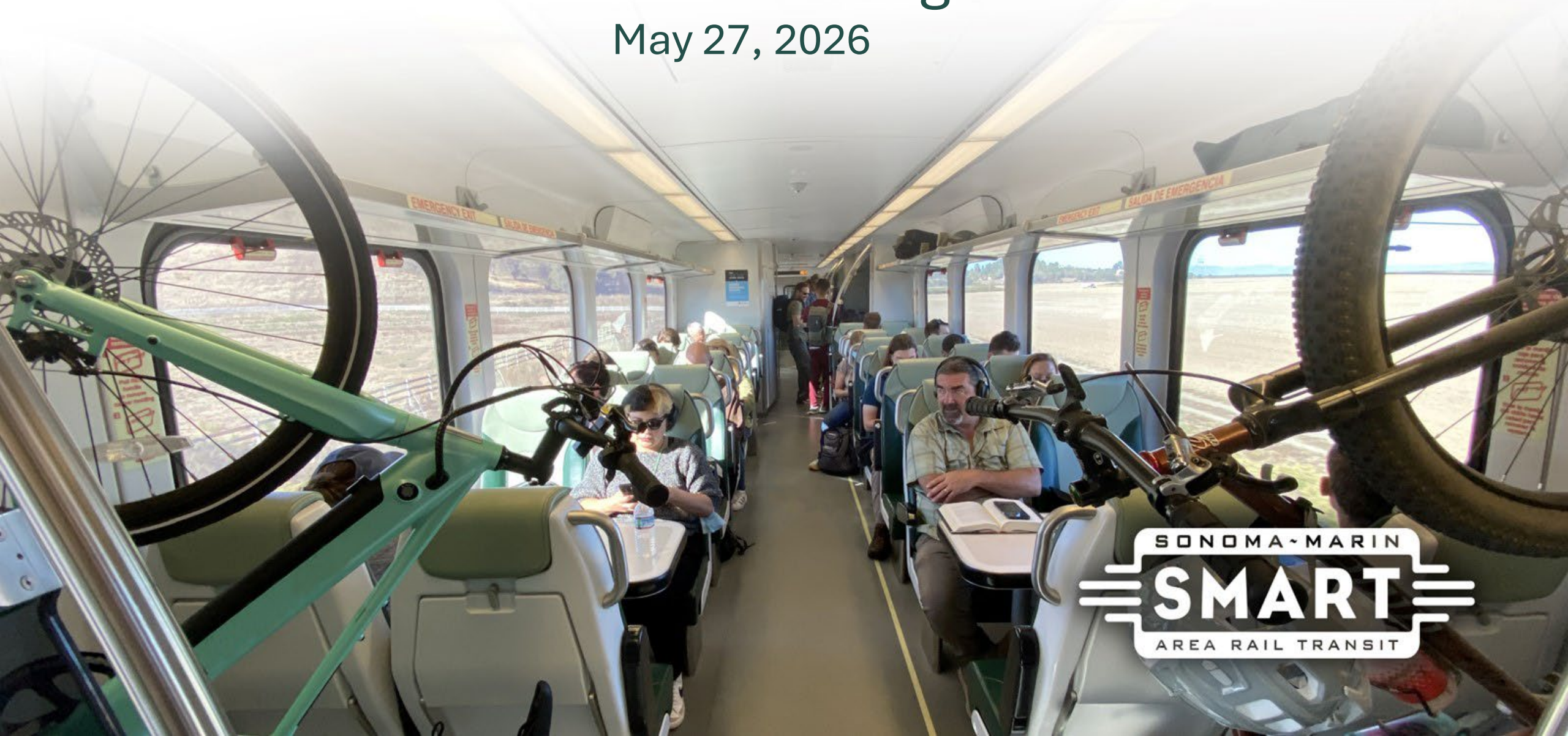


# Sonoma-Marin Area Rail Transit District

## FY 2026/2027 Budget Draft

May 27, 2026

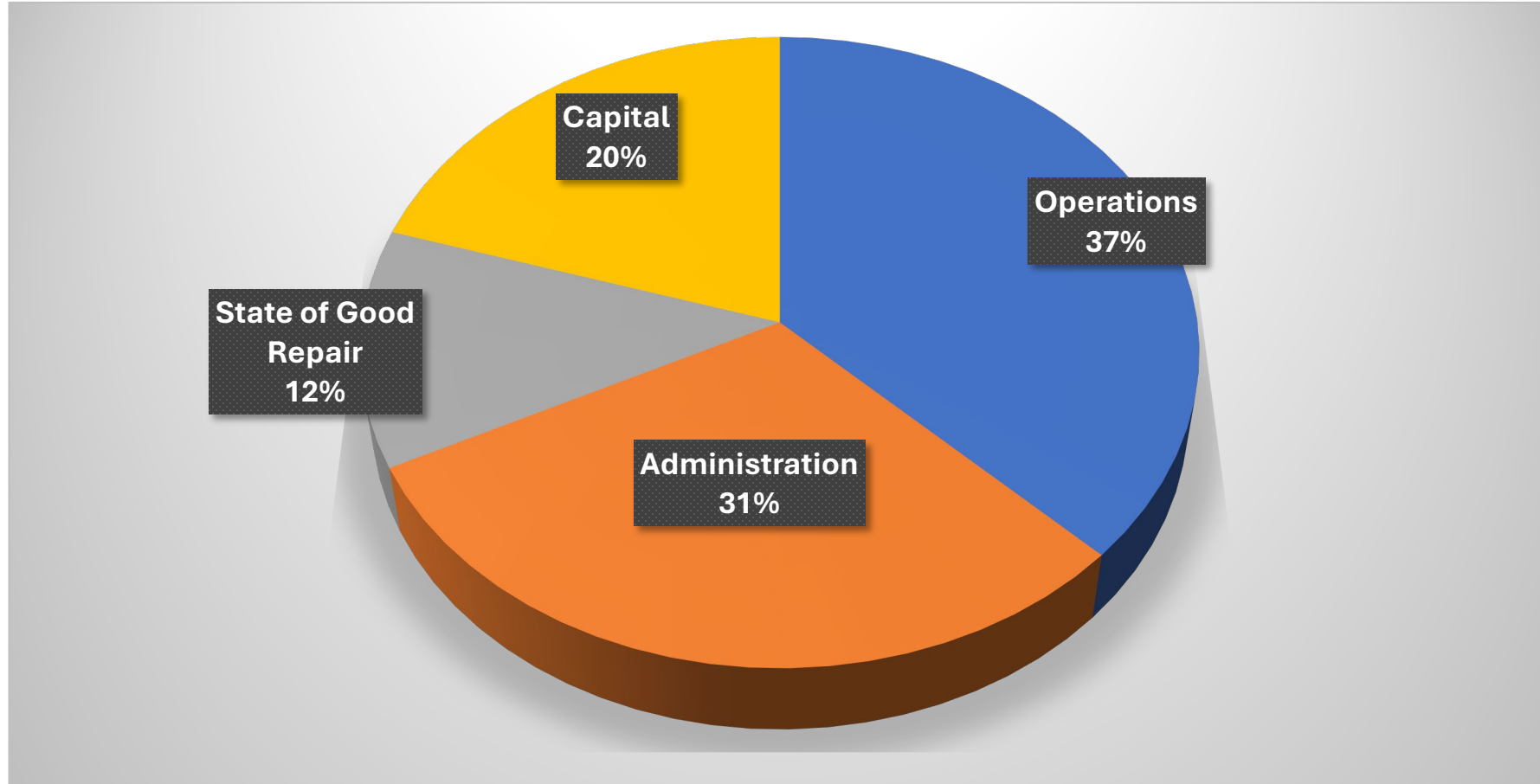


# Presentation Contents

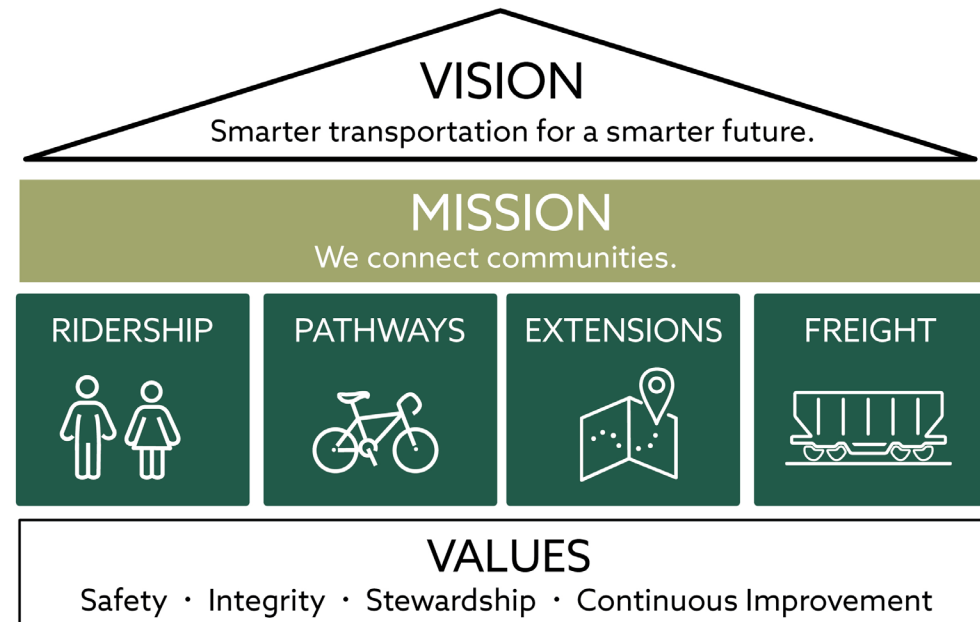
- Overview
- Strategic Plan
- Passenger Rail and Pathway
  - Goals
    - Ridership
    - Extension
    - Pathway
  - Revenues
  - Projects
    - Non-Capital
    - Capital
    - State of Good Repair
  - Fund Balance and Reserves
- Freight
  - Goals
    - Expenditures
  - Revenues
  - Fund Balance and Reserves



# Fiscal Year 2026/2027 Budget Overview



# What informs the Fiscal Year 2026/2027 Budget?



# Ridership Goals and Expenses

- Continue “Youth and Seniors Ride Free” program
- Undertake Preventative Maintenance and State of Good Repair projects to maintain the safety, quality, and efficiency of SMART’s rail system
- Maintain compliance requirements and regulations
- Continue the collaborative approach with other agencies through MASCOTS for increased service and improved first and last mile connections
- Continue monitoring the system/ridership
- Deliver improved website for ease of use
- Ridership estimate: 1,618,000

Ridership	
Category	FY27 Budget Amount
Administration*	\$ 10,325,155
Operations*	\$ 30,744,842
Website*	\$ 42,553
CCTV State of Good Repair Camera Replacements*	\$ 80,000
On-Board Survey	\$ 50,000
IT Projects*	\$ 190,148
Bridges	\$ 445,000
Civic Center Kiss-n-Ride (Design)	\$ 50,000
Non-Revenue Vehicles	\$ 1,099,000
Maintenance of Way Activities and Upgrades	\$ 1,412,826
On-Board DMU Camera Replacement	\$ 2,871,334
Hi-Rail Excavator	\$ 1,012,000
Tow-Behind Scrubber	\$ 197,200
Train Wash Replacement	\$ 50,000
Siemens S-80 Smart Gate Pilot Program*	\$ 40,749
Rail Operations Center Building Feasibility Study	\$ 400,000
Shop Elevated Track & Catwalk OSHA Compliant Fall Protection	\$ 25,000
Security System for Fulton, Roblar, Healdsburg, Larkspur	\$ 250,000
UPS Node Batteries	\$ 100,000
DMU Overhaul and Maintenance Projects	\$ 4,780,615
Vehicle Maintenance Equipment	\$ 723,082
<b>Total</b>	<b>\$ 54,889,504</b>

# Extensions Goals and Expenses

- Continue design phase of Healdsburg Extension
- Continue participating in Highway 37 corridor activities to incorporate East/ West rail
- Conduct mitigation activities for the extension/station projects as required

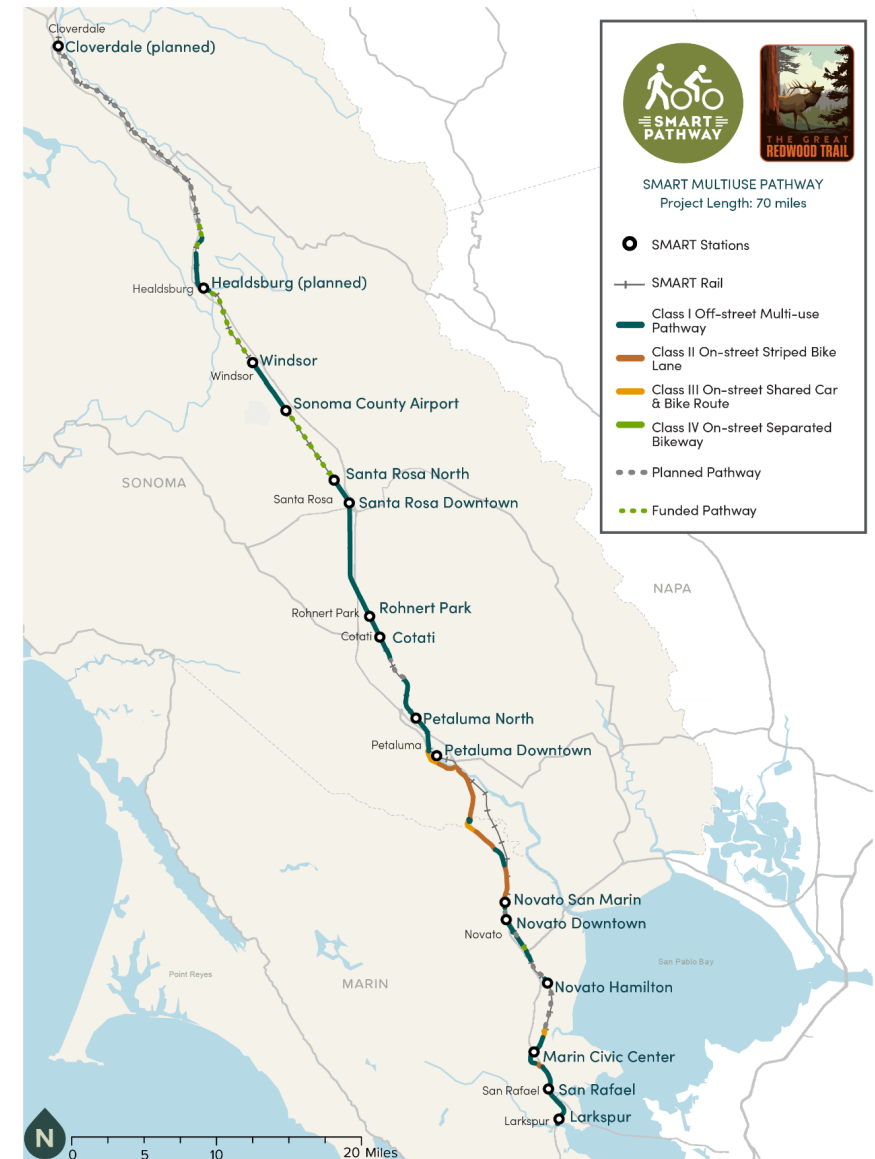
Extensions	
Category	FY27 Budget Amount
Administration *	\$ 7,897,988
Engineering *	\$ 781,434
Website*	\$ 42,553
CCTV State of Good Repair Camera Replacements*	\$ 80,000
IT Projects*	\$ 190,148
Siemens S-80 Smart Gate Pilot Program*	\$ 40,749
State Route 37 Study	\$ 6,000
Healdsburg to Geyserville Fire Abatement	\$ 200,000
Mitigate Extension Projects	
- San Rafael Creek Riparian Construction & Monitoring	\$ 35,829
- Las Gallinas Riparian Enhancement & Monitoring	\$ 14,633
- Mira Monte Restoration	\$ 15,000
- IOS-1 Riparian Mitigation	\$ 1,260,000
Windsor to Healdsburg*	\$ 8,686,000
<b>Total</b>	<b>\$ 19,250,333</b>



# Pathway Goals and Expenses

- Construct funded segments of the pathway
  - Hanna Ranch Rd to Vintage Way
  - Guerneville Rd to Airport Blvd
  - Joe Rodota to 3rd Street
- Complete design and permitting of pathway segments
- Continue mitigation projects as required
- Maintain pathway in a state of good repair
- Expand pathway information on SMART's website

Pathways	
Category	FY27 Budget Amount
Administration*	\$ 2,290,987
Operations*	\$ 63,000
Engineering*	\$ 319,177
Website*	\$ 42,553
CCTV State of Good Repair Camera Replacements*	\$ 80,000
IT Projects*	\$ 190,148
Code Compliance Vehicle*	\$ 35,000
Code Compliance Vehicle*	\$ 35,000
Mitigate Pathway Segments	
- Petaluma Riparian Construction & Monitoring	\$ 29,000
- Crane Creek - Poppy Drainage Riparian Monitoring	\$ 121,532
- Crane Creek - Fiddleneck Drainage Riparian Monitoring	\$ 236,071
- Helen Putnam Riparian Monitoring	\$ 52,899
- Windsor Riparian Mitigation Monitoring	\$ 23,560
Design Pathway Segments	
- Marin-Sonoma Pathway - Design	\$ 1,201,251
Pathway Repairs & Rehab	\$ 165,000
Olive Avenue Path-of-Travel	\$ 200,000
Windsor to Healdsburg - Pathway*	\$ 1,414,000
Advance Pathway Segments	
- Joe Rodota Trail to 3rd Street	\$ 715,000
- Hanna Ranch Road to Vintage Way	\$ 120,000
- Guerneville Road to Airport Boulevard	\$ 24,000
<b>Total</b>	<b>\$ 7,358,179</b>

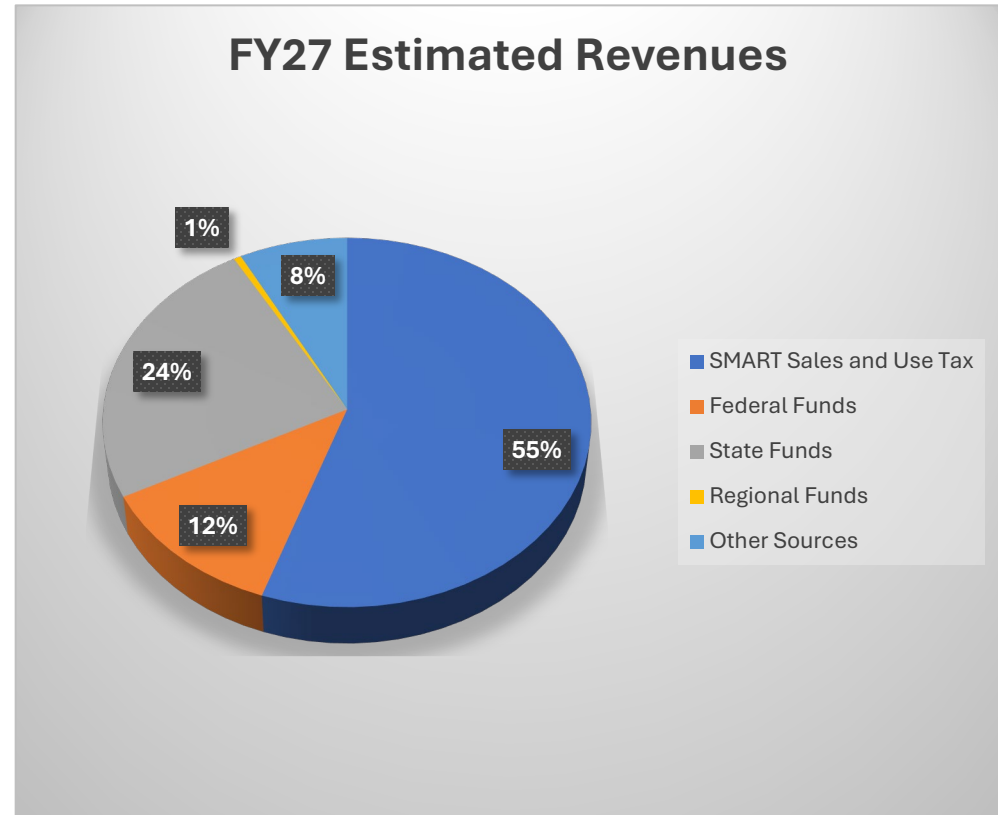


# Revenues



# Fiscal Year 2026/2027 Passenger Revenues

Revenues	FY26 Amended Budget	FY27 Budget	Difference
SMART Sales and Use Tax	\$ 48,300,300	\$ 50,408,000	\$ 2,107,700
Federal Funds	\$ 7,349,744	\$ 11,189,778	\$ 3,840,034
State Funds	\$ 34,469,991	\$ 22,603,435	\$ (11,866,556)
Regional Funds	\$ 2,224,000	\$ 481,520	\$ (1,742,480)
Other Sources	\$ 4,258,926	\$ 7,110,300	\$ 2,851,374
<b>Total Revenues</b>	<b>\$ 96,602,961</b>	<b>\$ 91,793,033</b>	<b>\$ (4,809,928)</b>



# Revenues by Funding Sources (detail)

Revenues by Funding Sources	FY26	FY27
<b>Sales and Use Tax</b>		
Measure Q	\$ 48,300,300	\$ 50,408,000
Measure Q Cost of Collection	\$ (839,870)	\$ (850,000)
Net Sales & Use Tax	\$ 47,460,430	\$ 49,558,000
Measure Q Roll Forward	\$ 4,411,345	\$ 1,626,044
<b>Subtotal</b>	<b>\$ 53,371,775</b>	<b>\$ 51,184,044</b>
<b>Federal Funds</b>	<b>FY26</b>	<b>FY27</b>
5307 - Urbanized Area Formula Funds (Preventative Maintenance)	\$ 4,246,710	\$ 4,202,279
5337 - Federal State of Good Repair Funds	\$ 1,485,890	\$ 6,987,499
<b>Subtotal</b>	<b>\$ 7,349,744</b>	<b>\$ 11,189,778</b>
<b>State Funds</b>	<b>FY26</b>	<b>FY27</b>
AHSC - Affordable Housing and Sustainable Communities	\$ 85,000	\$ 290,000
LCTOP - Low Carbon Transit Operating	\$ 760,918	\$ 763,868
LPP - Local Partnership Program	\$ 300,000	\$ 1,151,291
SRA - State Rail Assistance	\$ 3,700,000	\$ 5,085,000
STA - State Transit Assistance (Population)	\$ 1,266,953	\$ 1,114,982
STA - State Transit Assistance (Revenue)	\$ 2,094,129	\$ 2,156,953
STA - SGR (State of Good Repair)	\$ 363,183	\$ 737,261
STA - MTC - MASCOTS	\$ 800,000	\$ 500,000
STA - STCTA - MASCOTS	\$ -	\$ 704,080
TIRCP - Windsor to Healdsburg Phase I	\$ 23,259,000	\$ 10,100,000
<b>Subtotal</b>	<b>\$ 34,469,991</b>	<b>\$ 22,603,435</b>
<b>Regional Funds</b>	<b>FY26</b>	<b>FY27</b>
Regional Measure 3 (RM3)	\$ 2,224,000	\$ 50,000
Marin - MASCOTS	\$ -	\$ 431,520
<b>Subtotal</b>	<b>\$ 2,224,000</b>	<b>\$ 481,520</b>
<b>Other Sources</b>	<b>FY26</b>	<b>FY27</b>
Advertising	\$ 175,000.00	\$ 140,595
Charges for Services	\$ 112,850.92	\$ 124,002
Fare Revenues - Passenger Rail	\$ 2,541,000.00	\$ 3,333,189
Fare Revenues - Shuttle	\$ 8,000.00	\$ 12,941
Interest Earning	\$ 800,000.00	\$ 1,500,000
Misc.	\$ 55,884.71	\$ 60,000
Parking	\$ 17,580.00	\$ 55,727
Rent - Real Estate	\$ 494,025.08	\$ 508,846
Other Governments/Private Sector	\$ 54,585.36	\$ 1,375,000
<b>Subtotal</b>	<b>\$ 4,258,926.07</b>	<b>\$ 7,110,300</b>
<b>Total Revenues</b>	<b>\$ 101,674,435.67</b>	<b>\$ 92,569,076</b>

# Expenses

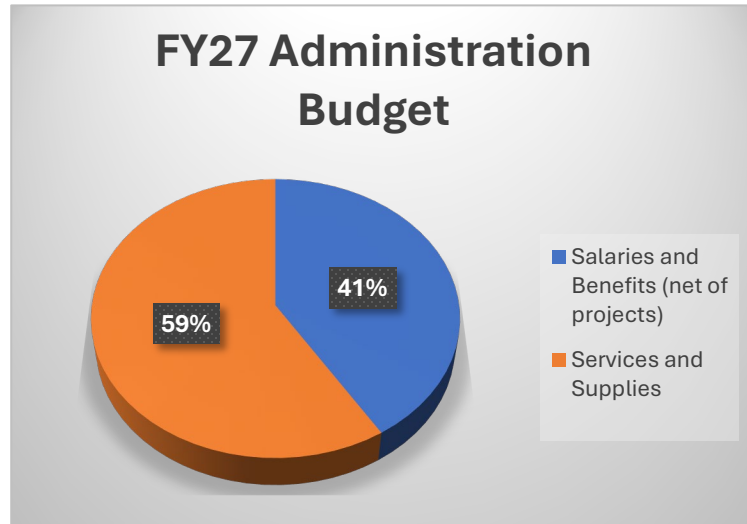


# Expenses

- Salaries and Benefits make up the highest proportion of the operating budget
  - Collective Bargaining Agreements determine increases for unionized employees
  - Includes non-unionized employees' cost of living increase to salary range of 3%
  - Benefits budgeted to increase by 10% for Fiscal Year 2027
  - Seven (7) new full-time equivalent (FTE) positions and three (3) position upgrades authorized in this budget
- Supplies and Services
  - 4.1% increase, or \$797,906 largely due to additional operations costs
    - MASCOTS funding to offset increases
    - Examples: insurance and fuel costs, usage of inventory to support system maintenance
- Project Costs
  - Aligned with priorities and funding
  - Evaluated based on whether included in Capital Plan
- Overall costs distributed between the pillars according to allocation calculation

# Administration Costs

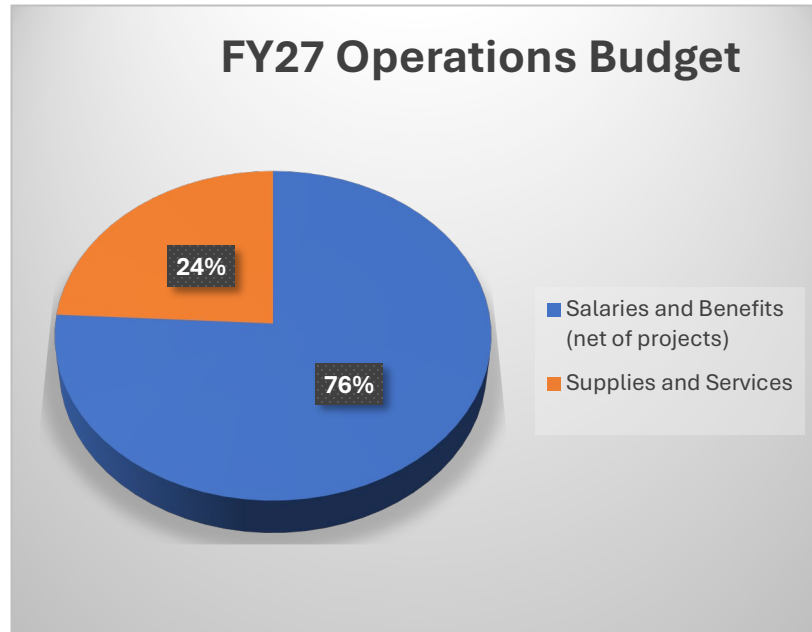
Administration Salaries & Benefits	FY27
Finance	\$ 3,846,711
Information Systems	\$ 758,626
Human Resources	\$ 542,899
Legal	\$ 771,890
Marketing and Outreach	\$ 665,891
Board Activities	\$ 174,150
Real Estate	\$ 593,685
Planning	\$ 383,470
Planning - Pathway	\$ 194,809
Engineering (non-project specific)	\$ 962,011
<b>Total</b>	<b>\$ 8,894,143</b>



Account Description	FY 26 Amended Budget	FY27 Requested Budget
Insurance	\$3,513,275	\$4,384,475
Provisions for Claims	\$450,000	\$435,000
Freight (in-bound)	\$1,725	\$1,725
Maintenance of Radios	\$233,931	\$270,777
Maintenance of Facilities	\$12,000	\$0
Auditing/ Accounting Services	\$59,870	\$73,319
Fiscal Accounting Services	\$5,000	\$4,000
Legal Services	\$1,890,000	\$744,000
Agency Extra Help	\$90,866	\$120,000
Training & Travel Expense	\$161,520	\$204,276
Contracted Services	\$110,000	\$100,000
Printing Services	\$66,662	\$76,000
Fiscal Agent Fees	\$3,000	\$3,000
Permits/ Fees	\$30,180	\$30,180
Fare Collection Fees	\$160,883	\$266,144
Public/ Legal Notices	\$36,460	\$45,600
Rental/ Leases - Equipment	\$51,440	\$51,440
Rental/ Leases - Buildings	\$453,667	\$465,812
Mileage Reimbursement & Auto Tolls	\$38,846	\$40,658
Contract Services - Administrative	\$2,257,888	\$2,296,849
Contract Services - Personnel	\$231,150	\$257,000
Communications	\$298,483	\$296,412
Claims Processing Payroll	\$39,100	\$42,000
Facility Services	\$6,000	\$6,000
Uniform Expense	\$3,200	\$4,700
Personal Protective Equipment	\$1,600	\$1,000
Memberships	\$41,660	\$46,722
Miscellaneous Expense	\$1,000,000	\$1,000,000
Office Expense	\$81,450	\$81,600
Books/ Periodicals	\$2,500	\$2,700
Postage	\$6,600	\$6,000
Small Tools and Equipment	\$700	\$700
Computer Hardware	\$171,450	\$76,800
Computer Software	\$1,254,292	\$1,231,891
Marketing/ Promotional Items	\$42,000	\$42,000
Public Relations Expense	\$25,000	\$27,000
Utilities	\$3,600	\$3,600
<b>Grand Total</b>	<b>\$12,835,997</b>	<b>\$12,739,380</b>

# Operations Costs

Operations Salaries and Benefits	FY27
Operations General	\$ 1,315,745
Maintenance of Way	\$ 5,281,323
Transportation	\$ 10,746,803
Vehicle Maintenance	\$ 4,944,861
Safety and Security	\$ 1,082,901
<b>Total</b>	<b>\$ 23,371,633</b>



Account Description	FY26 Amended Budget	FY27 Requested Budget
Freight (in-bound)	\$ 16,173	\$ 38,099
Maintenance of Equipment	\$ 432,863	\$ 464,940
Maintenance of Signals	\$ 204,356	\$ 161,606
Maintenance of Revenue Vehicles	\$ 579,606	\$ 925,000
Maintenance of Facilities	\$ 287,619	\$ 294,200
Maintenance of Railway	\$ 282,906	\$ 305,000
Maintenance of Pathway	\$ 25,500	\$ 63,000
Training & Travel Expense	\$ 59,209	\$ 128,275
Rental/ Leases - Equipment	\$ 39,900	\$ 34,900
Mileage Reimbursement & Auto Tolls	\$ 1,380	\$ 1,950
Contract Services - Administrative	\$ 248,852	\$ 189,978
Contract Services - Transportation	\$ 786,249	\$ 988,081
Communications	\$ 65,700	\$ 54,280
Uniform Expense	\$ 75,200	\$ 52,600
Personal Protective Equipment	\$ 35,500	\$ 25,000
Fuel and Lubricants	\$ 1,856,000	\$ 2,168,000
Memberships	\$ 3,350	\$ 1,700
Office Expense	\$ 63,433	\$ 70,000
Postage	\$ 39,000	\$ 87,500
Consumables	\$ 93,667	\$ 83,500
Small Tools and Equipment	\$ 200,418	\$ 288,000
Software	\$ 25,863	\$ 27,620
Public Relations Expense	\$ 29,800	\$ 30,000
Utilities	\$ 1,000,500	\$ 952,980
<b>Grand Total</b>	<b>\$ 6,453,044</b>	<b>\$ 7,436,209</b>

# Projects



# Non-Capital Projects

## Environmental Mitigation Projects

Project Name	Total Project Costs FY27
San Rafael Creek Riparian Construction & Monitoring	\$ 35,829
Las Gallinas Riparian Enhancement & Monitoring	\$ 14,633
Mira Monte Restoration	\$ 15,000
Cedar Grove (Petaluma) Riparian Construction & Monitoring	\$ 29,000
Crane Creek Poppy Drainage Riparian Monitoring	\$ 121,532
Crane Creek Fiddleneck Drainage Riparian Monitoring	\$ 236,071
Helen Putnam Riparian Monitoring	\$ 52,899
Windsor Riparian Mitigation Monitoring	\$ 23,560
IOS-1 Riparian Mitigation	\$ 1,260,000
<b>Total</b>	<b>\$ 1,788,523</b>

## Other Non-Capital Projects

Non Capital Projects		Total Project Costs FY27
Department	Project Name	Total Project Costs FY27
Marketing and Outreach	New Website	\$ 127,660
Planning	On-Board Passenger Survey	\$ 50,000
Engineering	Marin - Sonoma Pathway Design & Permitting	\$ 1,201,251
Engineering	Olive Avenue Path-of-Travel	\$ 200,000
Engineering	Healdsburg to Geyersville Fire Abatement	\$ 200,000
Engineering	State Route 37 Planning Staff Time	\$ 6,000
Maintenance of Way	Engle Ave. Tree Removal	\$ 50,000
	<b>Total Non-Capital Projects</b>	<b>\$ 1,834,911</b>

# Project-Specific Capital Costs

Project Specific		
Department	Project Name	Total Project Costs FY27
Engineering	Healdsburg Extension Phase I	\$ 10,100,000
	Civic Center Kiss-and-Ride Design	\$ 50,000
<b>Total</b>		<b>\$ 10,150,000</b>
Engineering - Pathway	Joe Rodota Trail to 3rd St NMP Construction	\$ 715,000
	Hanna Ranch Rd to Vintage Wy NMP	\$ 120,000
	Guerneville Rd to Airport Blvd NMP	\$ 24,000
<b>Total</b>		<b>\$ 859,000</b>
Maintenance of Way	Hi-Rail Excavator	\$ 1,012,000
	Tow-Behind Scrubber	\$ 197,000
	Hi-Rail Boom Truck	\$ 400,000
<b>Total</b>		<b>\$ 1,609,000</b>
Vehicle Maintenance	DMU Pneumatic Test Bench Equipment	\$ 378,582
	DMU Car Mover	\$ 200,000
<b>Total</b>		<b>\$ 578,582</b>
	<b>Total Project Specific</b>	<b>\$ 13,196,582</b>

# State of Good Repair Projects

State of Good Repair Projects		
Department	Project Name	Total Project Costs FY27
IT	CCTV State of Good Repair Camera Replacements	\$ 240,000
<b>Total</b>		<b>\$ 240,000</b>
Engineering	Bridges	\$ 445,000
<b>Total</b>		<b>\$ 445,000</b>
Maintenance of Way	FY26 Switches Signal - Perle	\$ 137,026
	Replace Standby battery banks for wayside signals	\$ 70,400
	Guideway and Track Mainline Surfacing	\$ 750,000
	Train Control Systems CIL Battery Replacement	\$ 70,400
	Rail Operations Center Building Feasibility Study	\$ 400,000
	Train Wash Replacement	\$ 50,000
	UPS Node Batteries	\$ 100,000
<b>Total</b>		<b>\$ 1,577,826</b>
Maintenance of Way - Pathway	FY27 Pathway Repairs and Rehabilitation (slurry seal)	\$ 165,000
<b>Total</b>		<b>\$ 165,000</b>
Vehicle Maintenance	DMU Air Brake Overhaul and Air Supply Unit	\$ 600,000
	DMU Coupler & Crash Energy Management Overhaul	\$ 645,615
	On-board DMU Cameras	\$ 2,871,334
	Fire Sup. System, PKP	\$ 60,000
	DMU LED Light Replacement Project	\$ 200,000
	Cummins End of Life Replacement	\$ 3,075,000
	Battery Overhaul	\$ 200,000
<b>Total</b>		<b>\$ 7,651,949</b>
	<b>Total State of Good Repair</b>	<b>\$ 10,079,775</b>

# Capital Administration and Operations Projects

Capital Administration and Operations Projects		
Department	Project Name	Total Project Costs FY27
IT	IT Equipment	\$ 570,444
<b>Total</b>		<b>\$ 570,444</b>
Operations Administration	Non-Revenue Vehicles	\$ 1,169,000
	Operations Inventory/Supervisors Modulars	\$ 300,000
<b>Total</b>		<b>\$ 1,469,000</b>
Maintenance of Way	Power drop - Fulton	\$ 35,000
	Siemens S-80 Smart Gate Pilot Program	\$ 81,497
	Security System for Fulton, Roblar, Healdsburg, Larkspur	\$ 250,000
<b>Total</b>		<b>\$ 366,497</b>
Vehicle Maintenance	Shop Elevated Track & Catwalk OSHA Compliant Fall Protection	\$ 25,000
	Shop Utility Carts	\$ 28,000
	DMU Door Force Measuring Gauge	\$ 6,500
	Shop DMU Access and Work Platforms	\$ 50,000
	Shop Engine Stand, Jigs, & Test Bench	\$ 60,000
<b>Total</b>		<b>\$ 169,500</b>
	<b>Total Capital and Operations Projects</b>	<b>\$ 2,575,441</b>

# Reserves



- Pension and Other Post-Employment Benefits Liability Reserve
  - Funding for future pension costs
  - Adding \$500,000 in Fiscal Year 2027
  - Total Reserve of \$7,074,676
- Vehicles & Equipment Reserve
  - Funding future capital equipment (i.e. DMUs)
  - Adding \$1,000,000 in Fiscal Year 2027
  - Total Reserve of \$13,317,250
- Corridor Completion Reserve
  - Set aside for design or environmental work, or to leverage grant funds
  - Not utilized in Fiscal Year 2027, total reserve balance of \$5,500,000
- Operating Reserve
  - Maintaining fund equivalent to 25% operating costs
  - Adding \$170,299 in Fiscal Year 2026 to maintain 25%
  - Total Reserve of \$13,130,289

# Revenues vs Expenses

- Utilizing \$9 million fund balance in Fiscal Year 2027
- Leaves \$48.4 million in fund balance for future years

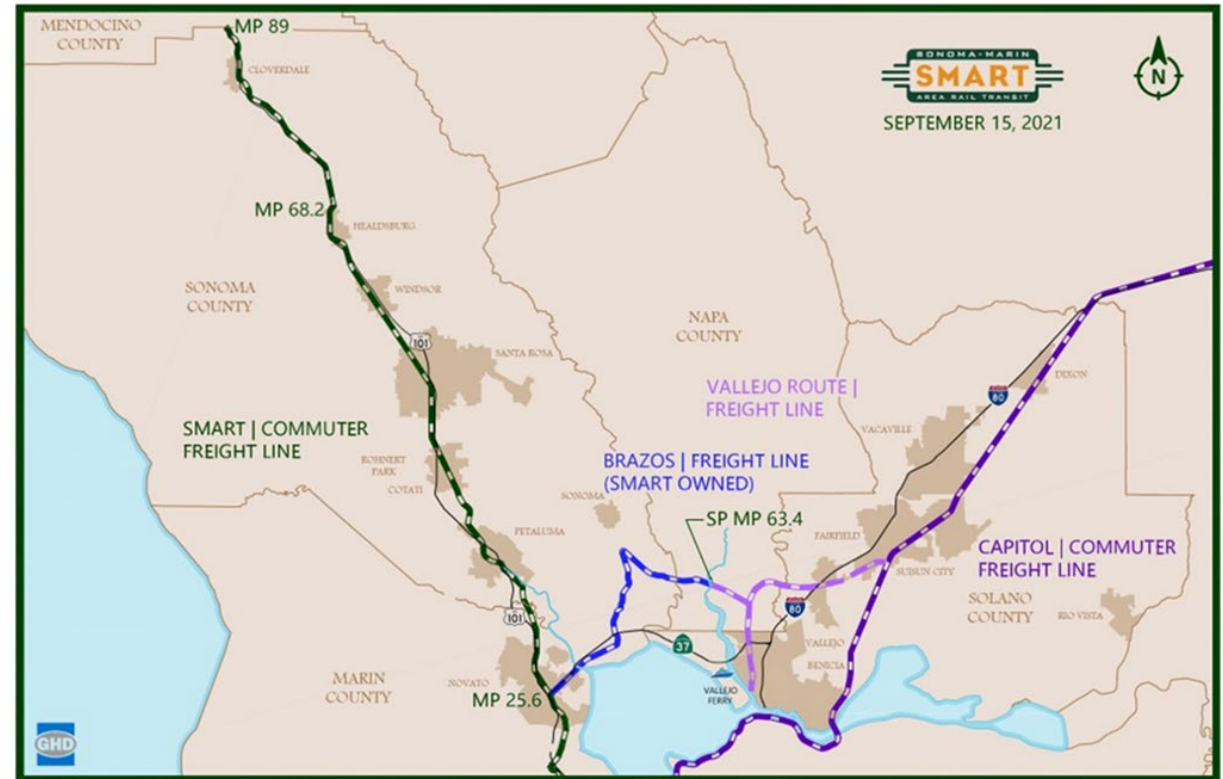
Fund Balance	FY27 Budget
Beginning Fund Balance	\$ 57,338,843
<b>Revenues</b>	
<b>FY27 Budget</b>	
SMART Sales and Use Tax	\$ 51,184,044
Federal Funds	\$ 11,189,778
State Funds	\$ 21,899,355
Regional Funds	\$ 1,185,600
Other Sources	\$ 7,110,300
<b>Total Revenues</b>	<b>\$ 92,569,077</b>
<b>Expenditures</b>	
<b>FY27 Budget</b>	
Debt Service	\$ 16,998,869
Salaries & Benefits	\$ 33,997,748
- Reduction for Salaries Charged to Projects	\$ (1,731,972)
- Reduction for Admin Salaries and Services to Freight	\$ (18,782)
Services & Supplies	\$ 20,175,589
Contribution to OPEB/CalPERS Liability Fund	\$ 500,000
Vehicle/Equipment Capital Reserve	\$ 1,000,000
Operating Reserve	\$ 170,299
<b>Projects</b>	
Non-Capital	\$ 4,023,434
State of Good Repair	\$ 10,079,775
Equipment	\$ 2,502,726
Facilities	\$ 11,619,000
Infrastructure	\$ 1,056,497
Non-Revenue Vehicles	\$ 1,169,000
<b>Total Expenditures</b>	<b>\$ 101,542,183</b>
<b>Fund Balance</b>	
<b>FY27 Budget</b>	
Final Fund Balance	\$ 48,365,736

# Freight Budget



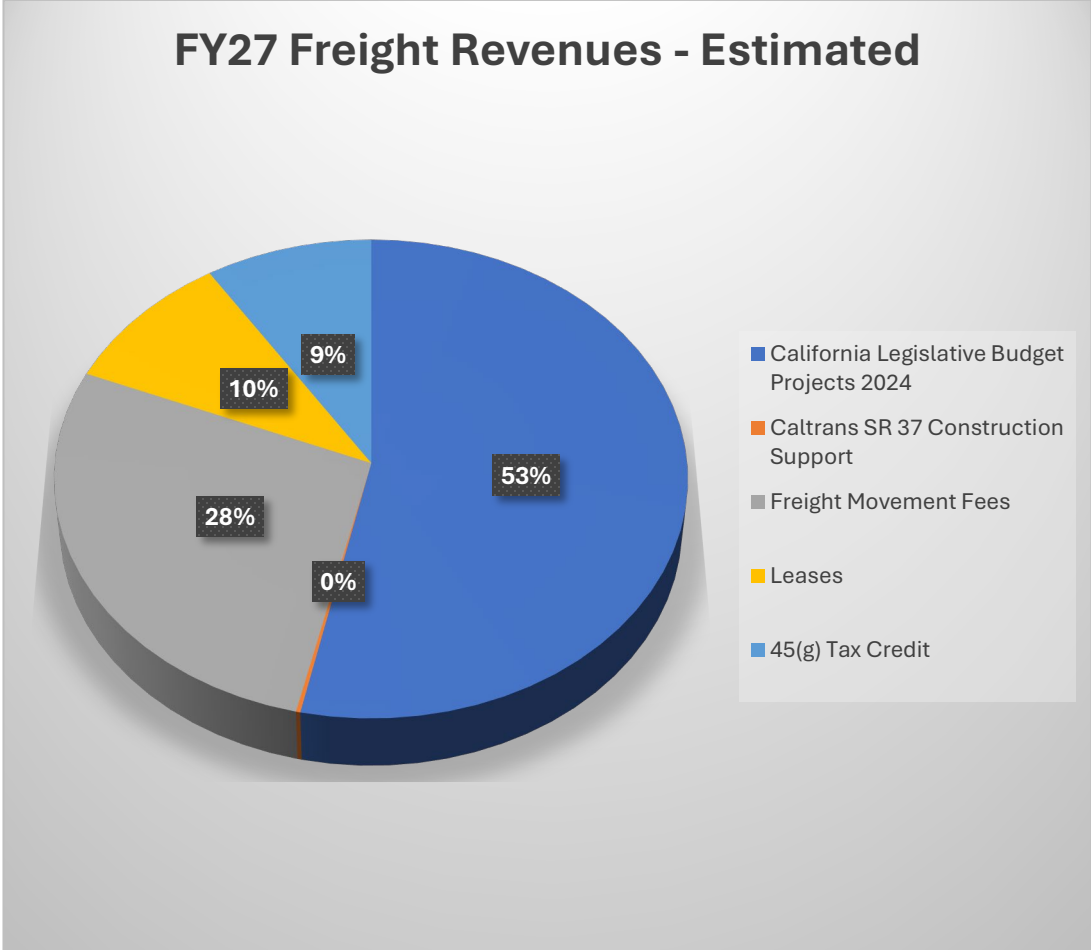
# Freight – Goals

- Manage maintenance requirements
- Fiscal Year 2027 budgets funds to for Phase III of the Brazos Branch bridge rehabilitation project
- Replace the 8<sup>th</sup> Street Cantilever
- Railroad tie replacement to maintain freight right-of-way
- Continue to market freight and storage opportunities at SMART
- Leverage storage track at Schellville and Burdell
- Promote transload opportunities at Victory Station (Schellville)



# Freight Revenues

Revenues by Funding Sources	FY27
California Legislative Budget Projects 2024	\$ 1,540,254
Caltrans SR 37 Construction Support	\$ 6,000
Freight Movement Fees	\$ 800,000
Leases	\$ 278,100
45(g) Tax Credit	\$ 261,970
<b>Total</b>	<b>\$ 2,886,324</b>

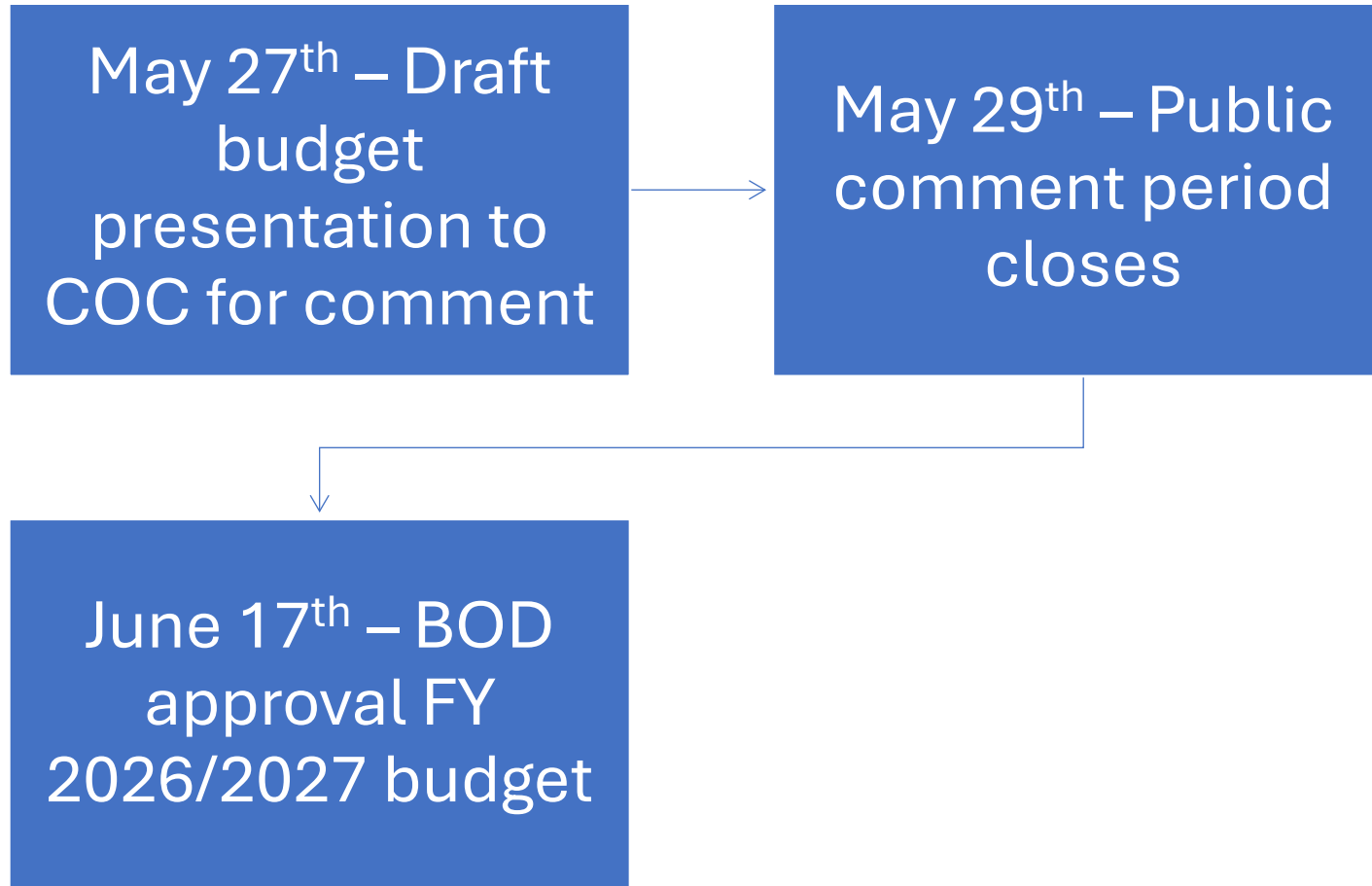


# Freight – Expenses

- Maintaining freight system in a state of good repair
  - Tie replacement
  - General maintenance
- Replacing/improving bridges and cantilever

Freight	
Category	FY27 Budget Amount
Salaries and Benefits	\$ 1,217,673
Freight Services and Supplies	\$ 1,056,271
Brazos Branch Bridge Repairs Phase III	\$ 360,000
8th Street Cantilever Replacement	\$ 121,380
SR 37 Grade Crossing PE Review	\$ 6,000
Tie Replacement	\$ 125,000
<b>Total</b>	<b>\$ 2,886,324</b>

# Calendar



# Comments or Questions