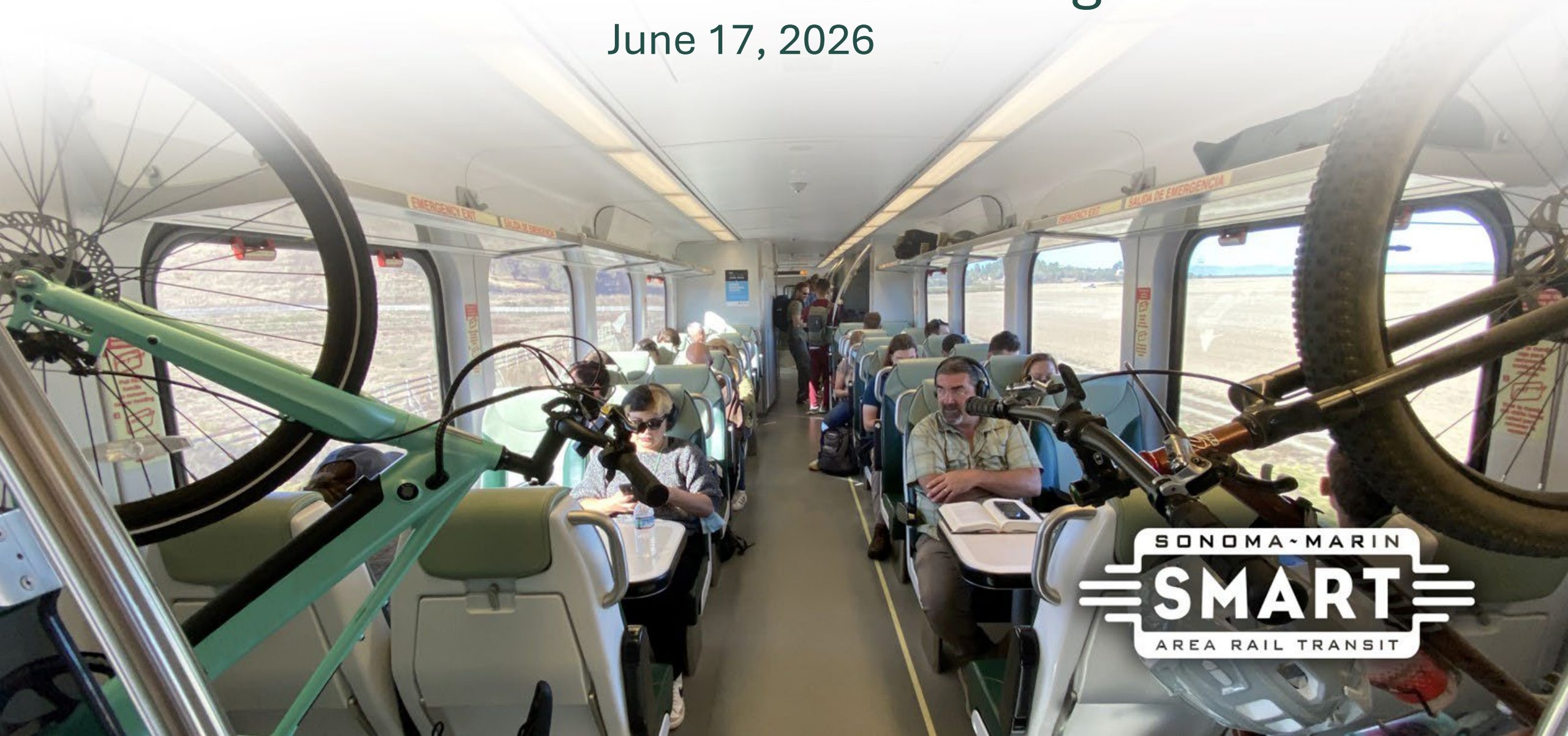


# Sonoma-Marin Area Rail Transit District

## FY 2026/2027 Final Budget

June 17, 2026

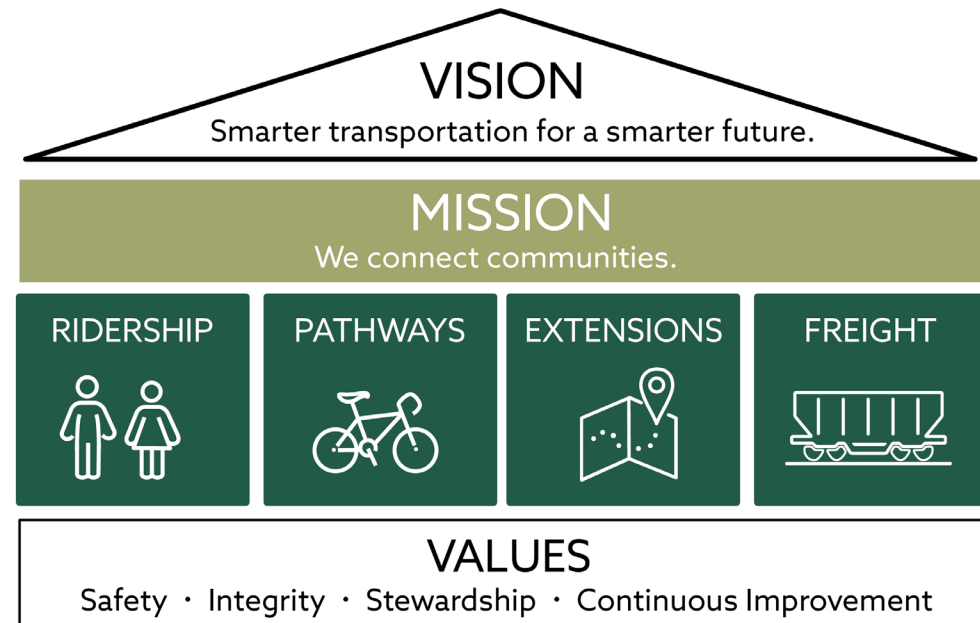
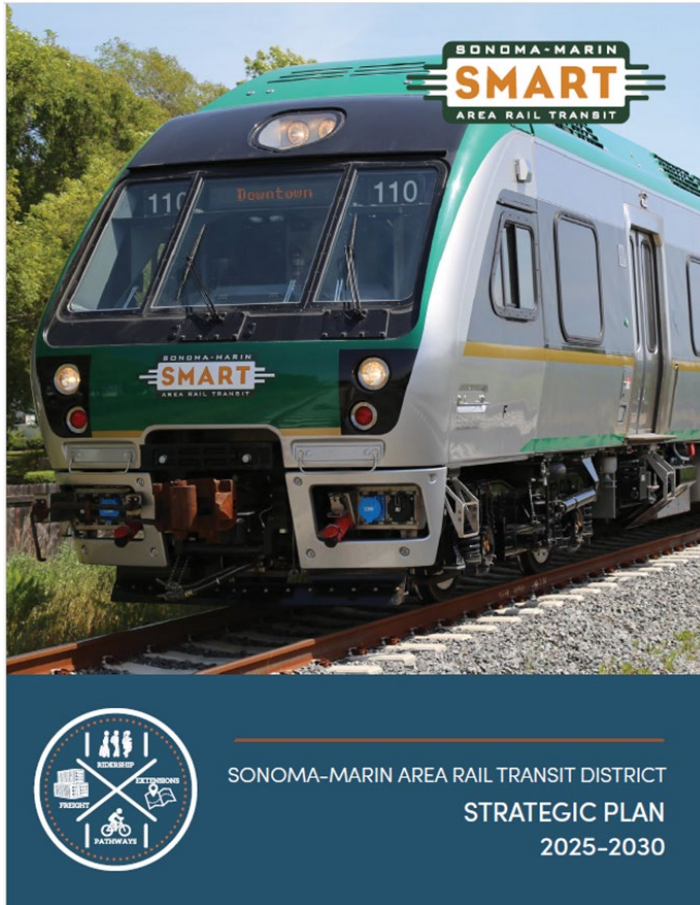


# Presentation Contents

- Strategic Plan
- Changes from Draft
- Passenger Rail and Pathway
  - Revenues
  - Expenditures
  - Projects
    - Non-Capital
    - Capital
    - State of Good Repair
  - Fund Balance and Reserves
- Freight
  - Revenues
  - Expenditures



# What informs the Fiscal Year 2026/2027 Budget?



# SMART System



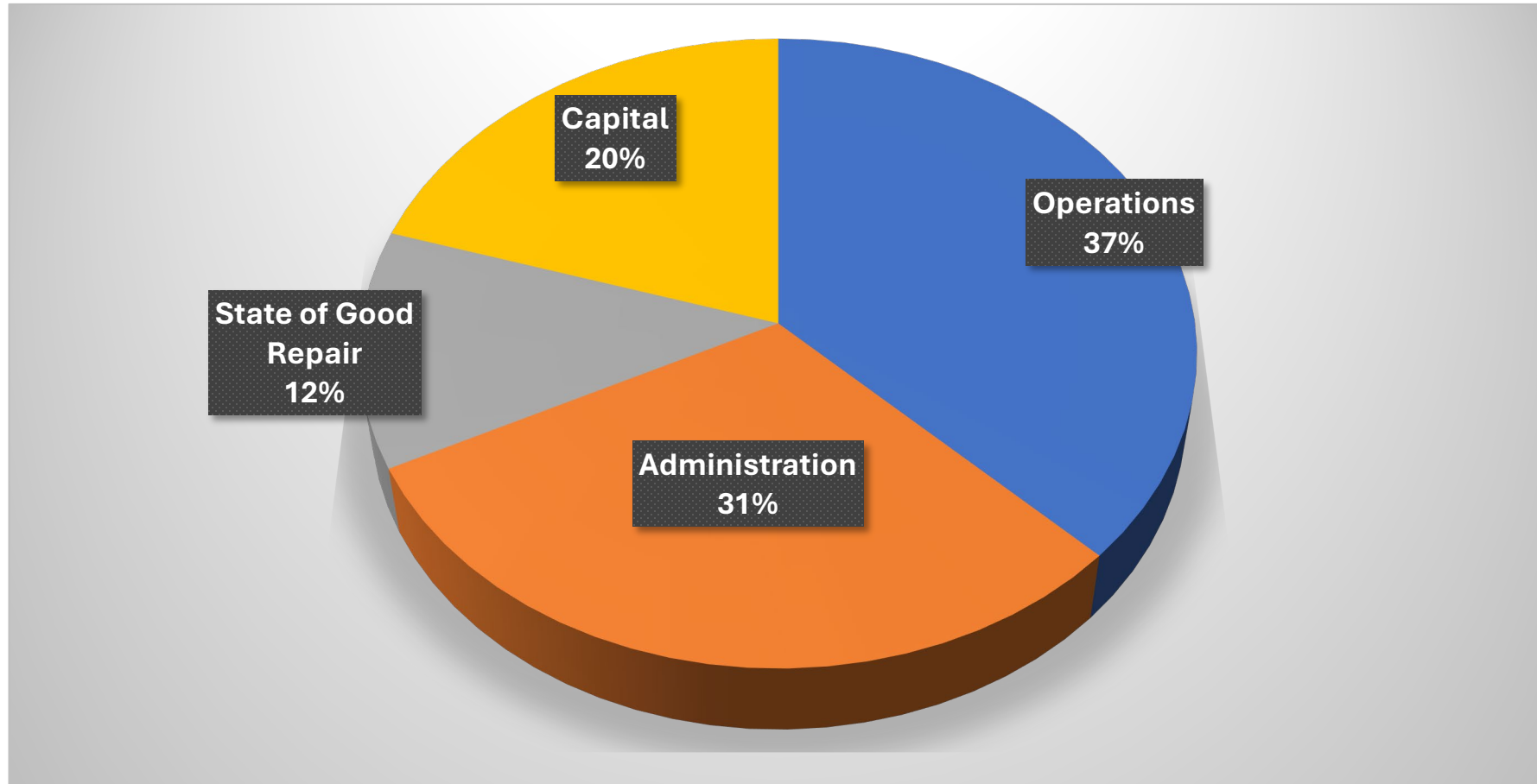
# Changes from the Fiscal Year 2026/2027 Draft Budget

## Revenues

- Low Carbon Transit Operations Program (LCTOP) funds increased by \$36,099 from \$763,868 to \$799,967
- State Rail Assistance (SRA) increased by \$1,476 from \$5,085,000 to \$5,086,476
- State Transit Assistance (STA) – Revenue decreased by \$266,844 from \$2,156,953 to \$1,890,109
- State Transit Assistance (STA) – Population amounts for Marin and Sonoma were combined onto one line and increased by \$206,538 from \$1,114,982 to \$1,321,520
- State Transit Assistance (STA) State of Good Repair funds increased by \$14,797 to \$752,058
- SMART was informed that all MASCOT funding would come through the State Transit Assistance, so MASCOTS funding is now listed under State Funds
- These changes in funding estimates reduce the fund balance available at the end of Fiscal Year 2026/2027 by \$7,934

No further changes to Expenditures or the Freight Budget were made

# Fiscal Year 2026/2027 Budget Overview



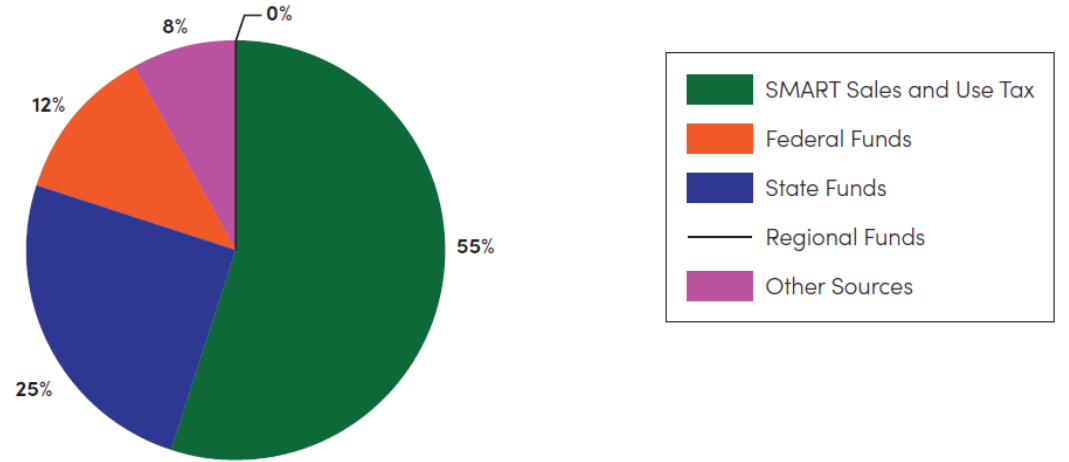
# Revenues



# 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	\$23,027,021	\$(11,442,970)
Regional Funds	\$2,224,000	\$50,000	\$(2,174,000)
Other Sources	\$4,258,926	\$7,110,300	\$2,851,374
<b>Total Revenues</b>	<b>\$96,602,961</b>	<b>\$91,785,099</b>	<b>\$(4,817,862)</b>

FY27 ESTIMATED REVENUES



# Expenditures

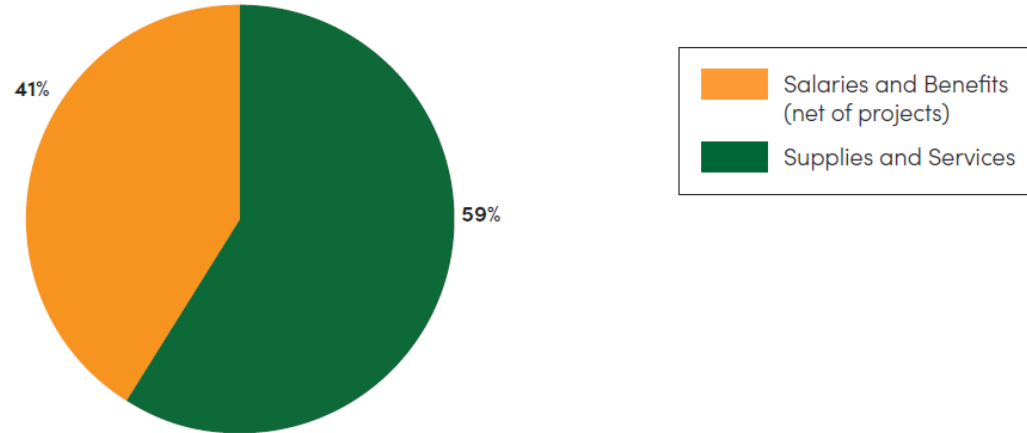


# Expenditures

- 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

## FY27 ADMINISTRATION BUDGET

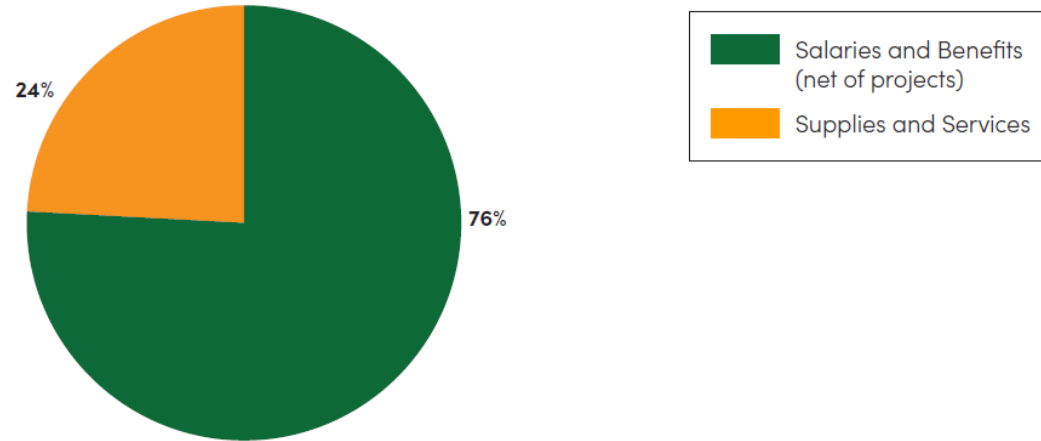


Administration Salaries & Benefits	FY27
Finance	\$3,846,711
Information Systems	\$758,626
Human Resources	\$542,899
Legal	\$771,890
Marketing and Outreach	\$665,891
Board Activities	\$174,150
Real Estate	\$593,685
Planning	\$383,470
Planning - Pathway	\$194,809
Engineering (non-Project Specific)	\$962,011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

Account Description	FY26 Amended Budget	FY27 Requested Budget
Insurance	\$3,513,275	\$4,384,475
Provisions for Claims	\$450,000	\$435,000
Freight for goods (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

## FY27 OPERATIONS EXPENDITURES



Operations Salaries & 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 of goods (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>

# 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

# Projects



# Non-Capital Projects

Non-Capital Environmental Mitigation Projects	FY27 Budget Amount
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	\$52,898
Windsor Riparian Mitigation Monitoring	\$23,560
IOS-1 Riparian Mitigation	\$1,260,000
<b>Total Non-Capital Environmental Mitigation Projects</b>	<b>\$1,788,523</b>

Non-Capital Projects		
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	W. 3rd St Traffic Signal Construction (City of Santa Rosa)	\$400,000
Engineering	Olive Avenue Path-of-Travel	\$200,000
Engineering	Healdsburg to Geyserville 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>\$2,234,911</b>

# Project-Specific Capital Costs

Project Specific		
Department	Project Name	Total Project Costs FY27
Engineering	Healdsburg Extension (Windsor Station to Healdsburg Station)	\$10,100,000
	Civic Center Kiss-and-Ride Design	\$50,000
Total		\$10,150,000
Engineering – Pathway	Joe Rodota Trail to 3rd St NMP Construction	\$715,000
	Hanna Ranch Rd to Vintage Wy NMP Construction	\$120,000
	Guerneville Rd to Airport Blvd NMP Construction	\$24,000
Total		\$859,000
Maintenance of Way	Hi-Rail Excavator	\$1,012,000
	Tow-Behind Scrubber	\$197,000
	Hi-Rail Boom Truck	\$400,000
Total		\$1,609,000
Vehicle Maintenance	DMU Pneumatic Test Bench Equipment	\$378,582
	DMU Car Mover	\$200,000
Total		\$578,582
<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
Total		\$240,000
Engineering - Bridges	St. Vincent's Culvert Repair	\$225,000
	Basalt Creek Timber Trestle Replacement	\$110,000
	San Antonio Tributary Timber Trestle	\$110,000
Total		\$445,000
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
Total		\$1,577,826
Maintenance of Way - Pathway	FY27 Pathway Repairs and Rehabilitation (slurry seal)	\$165,000
Total		\$165,000
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 Suppression System	\$60,000
	DMU LED Light Replacement Project	\$200,000
	Cummins End of Life Replacement	\$3,075,000
	Battery Overhaul	\$200,000
Total		\$7,651,949
<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
Total		\$570,444
Operations Administration	Non-Revenue Vehicles	\$1,169,000
	Operations Inventory/Supervisors Modulares	\$300,000
Total		\$1,469,000
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
Total		\$366,497
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
Total		\$169,500
<b>Total Projects/Capital</b>		<b>\$2,575,441</b>



# 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

Revenues	FY27 Budget
SMART Sales and Use Tax	\$ 51,184,044
Federal Funds	\$ 11,189,778
State Funds	\$ 23,027,021
Regional Funds	\$ 50,000
Other Sources	\$ 7,110,300
<b>Total Revenues</b>	<b>\$ 92,561,143</b>

Expenditures	FY27 Budget
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>

Fund Balance	FY27 Budget
Final Fund Balance	\$ 48,357,803

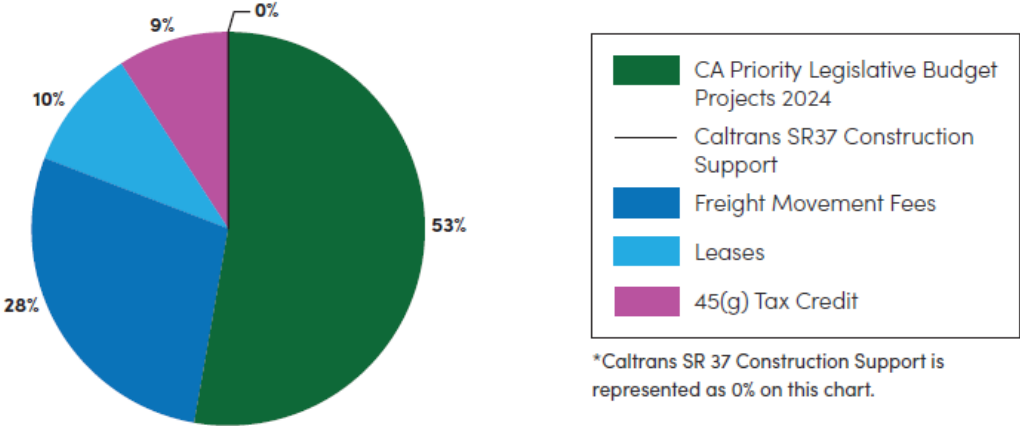
# Freight Budget



# Freight Revenues

Revenues	
CA Priority 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 Revenues</b>	<b>\$2,886,324</b>

FY27 FREIGHT REVENUES - ESTIMATED\*



\*Caltrans SR 37 Construction Support is represented as 0% on this chart.

# Freight – Expenditures

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

Account Description	FY26 Amended Budget	FY27 Requested Budget
Salaries and Benefits	\$1,087,589	\$1,217,673
Salaries and Benefits Cost Allocation	\$22,538	\$18,782
Provisions for Claims	\$500,000	\$25,000
Freight (in-bound)	\$938	\$938
Maintenance of Equipment	\$45,085	\$35,085
Maintenance of Signals	\$8,050	\$13,500
Maintenance of Revenue Vehicles	\$64,637	\$86,000
Maintenance of Facilities	\$10,500	\$25,000
Maintenance of Railway	\$134,688	\$132,000
Permits and Fees	\$123,090	\$73,098
Training & Travel Expense	\$ -	\$8,000
Rental/ Leases - Equipment	\$59,205	\$61,328
Mileage Reimbursement & Auto Tolls	\$1,000	\$1,000
Contract Services - Administrative	\$279,448	\$292,500
Communications	\$10,000	\$12,000
Uniform Expense	\$3,500	\$4,500
Personal Protective Equipment	\$ -	\$4,000
Fuel and Lubricants	\$90,200	\$91,800
Memberships	\$2,150	\$1,100
Miscellaneous Expense	\$66,751	\$101,500
Postage	\$2,932	\$4,500
Small Tools and Equipment	\$15,625	\$16,000
Computer Hardware	\$13,500	\$15,000
Computer Software	\$8,640	\$8,640
Utilities	\$22,000	\$25,000
<b>Subtotal</b>	<b>\$2,572,066</b>	<b>\$2,273,944</b>
Projects	FY26 Amended Budget	FY27 Requested Budget
Brazos Branch Bridge Repairs - Phase II	\$679,658	\$ -
Brazos Branch Bridge Repairs - Phase III	\$ -	\$360,000
Caltrans SR 37 Grade Crossing Engineering Review	\$13,022	\$6,000
Tie Replacement	\$93,840	\$125,000
Black Point Bridge Emergency Repair	\$306,954	\$ -
Emergency Repair: Hwy 37 Crossing	\$100,000	\$ -
8th Street Cantilever Replacement	\$44,000	\$121,380
Grandview Grade Crossing Repair	\$154,240	\$ -
<b>Subtotal Projects</b>	<b>\$1,391,714</b>	<b>\$612,380</b>
<b>Grand Total</b>	<b>\$3,963,780</b>	<b>\$2,886,324</b>

# Calendar

June 17<sup>th</sup> – BOD  
approval FY  
2026/2027 budget

# Comments or Questions