



711 Grand Ave, #110  
San Rafael, CA 94901  
ph: 415.226.0855  
[marintransit.org](http://marintransit.org)

## Board of Directors

### **Katie Rice**

President  
Supervisor District 2

### **Brian Colbert**

Vice President  
Town of San Anselmo

### **Eric Lucan**

2nd Vice President  
Supervisor District 5

### **Mary Sackett**

Director  
Supervisor District 1

### **Stephanie**

**Moulton-Peters**  
Director  
Supervisor District 3

### **Dennis Rodoni**

Director  
Supervisor District 4

### **Maribeth Bushey**

Director  
City of San Rafael

### **Fred Casissa**

Alternate  
Town of Corte Madera

November 6, 2023

Honorable Board of Directors  
Marin County Transit District  
3501 Civic Center Drive  
San Rafael, CA 94903

**Subject: Marin Transit FY 2022/23 Year End Financial Report**

Dear Board Members:

## **Recommendation**

Accept report.

## **Summary**

The attached report presents Marin County Transit District's (Marin Transit) Year End Financial Report for Fiscal Year 2022/23 (July 1, 2022 - June 30, 2023). The report provides numbers on a full accrual basis, consistent with Generally Accepted Accounting Principles (GAAP). These numbers may be subject to adjustments based on the Fiscal Year 2022/23 audited statements that will be completed in December 2023.

In FY2022/23, expenditures for the District's Operations and Capital Programs were \$44.6 million. Operation expenses were 12% higher than the prior year and 9% below budget. Operation revenues were 3% higher than the prior year and 90% of budget. The District's fund balance increased \$681,403 and at year end, the District had a fully funded Emergency and Contingency Reserves and \$16.0 million available in the Capital Reserve.

Fiscal Year 2022/23 was the fourth year marked by disruption in transit service operations and ridership demand due to the COVID-19 pandemic. Marin Transit's fixed route ridership was retained and recovered faster than any other Bay Area transit operator. Marin Transit maintained fixed route service levels and continued to gain ridership. After significant increases in Fiscal Year 2021/22, demand for Paratransit and other Marin Access services began to decline again.

The District had challenges with missed fixed route trips and service quality during part of the year, but worked with contractors to make changes to address labor shortages and increased costs due to inflation and changing service conditions. New contracts led to increased purchased transportation costs. Marin Transit started a new contract with Golden Gate Bridge Highway and Transportation District (GGBHTD) effective October 1, 2022, competitively bid new contracts for yellow school bus service and the Muir Woods Shuttles,



and negotiated a two year contract extension with Marin Airpporter effective July 1, 2023.

### **Future Financial Projections**

At their October 2023 commission meeting, the Metropolitan Transportation Commission (MTC) staff introduced a distribution plan for \$791 million in emergency operation funds to transit operators experiencing near term shortfalls. The amounts programmed are based on projected shortfalls using standardized assumptions developed by MTC. The majority of funds (84%) are planned for BART and SFMTA. About 4% of the funds, or \$32 million, are directed to Golden Gate Bridge Highway and Transportation District (GGBHTD). The Commission will consider adopting the plan for distributing funds in December 2023.

As part of this process, Marin Transit submitted five-year financial projections to MTC in accordance with the standardized assumptions. These assumptions were similar to those used in the District's 10 year financial model, but resulted in some lower revenue projections. With these reductions, the District's expenses are projected to exceed projected expenses starting in FY2025/26. Within a five year horizon, the projected deficit remains small (less that \$3.0 million per year) and is well within both the District's operating reserve level (\$20.2 million) and the margin error for projections. The trend of operations cost growth exceeding operations revenue growth is consistent with the District's projections over a ten year horizon. The Distrist will continue to actively look at how facility ownership and the structure of service agreements can help maintain a fiscally balanced operation and will present the updated 10 year financials and service plan as part of the Short Range Transit Plan update in 2024.

### **Fiscal/Staffing Impact**

None.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "L Gradia".

Lauren Gradia  
Director of Finance and Capital Programs

**Attachment A:** Marin Transit FY2023 Year End Financial Report

**Attachment B:** Marin Transit FY2023 Year End Capital Report

**Attachment C:** Presentation for FY2023 Year End Financial Report



## Year End FY 2022/23 Financial Report

Fiscal Year 2022/23 (July 1, 2022 - June 30, 2023) was the fourth year marked by disruption in transit service operations and ridership demand due to the COVID-19 pandemic. Marin Transit's fixed route ridership was retained and has recovered faster than any other Bay Area transit operator. Marin Transit maintained fixed route service levels and continued to gain ridership throughout the pandemic. After significant increases in Fiscal Year 2021/22, demand for Paratransit and other Marin Access services declined. The District had challenges with missed trips and service quality but worked with contractors to make changes to address increased costs due to inflation and changing service conditions. New contracts led to increased purchased transportation costs per hour (figure 1). Marin Transit started a new contract with Golden Gate Bridge Highway and Transportation District (GGBHTD) effective October 1, 2022; competitively bid new contracts for yellow school bus service and the Muir Woods Shuttles; and negotiated a two year contract extension with Marin Airporter effective July 1, 2023.

In FY2022/23, expenditures for the District's Operations and Capital Programs were \$44.6 million (table 1). Operation expenses were 12% higher than the prior year and 9% below budget. Operation revenues were 3% higher than the prior year and 90% of budget. The District's fund balance increased \$681,403 and at year end, the District had fully funded Emergency and Contingency Reserves and \$16.0 million available in the Capital Reserve.

**Table 1: Summary**

	FY 2021/22 Actual	FY2022/23 Original Budget	FY 2022/23 Revised Budget	FY 2022/23 Actual	Percent Total Budget Used
Operations	36,862,258	42,272,132	42,272,132	37,990,774	90%
Capital	5,967,701	9,999,380	10,856,336	7,325,565	67%
<b>Total Revenue</b>	<b>42,829,959</b>	<b>52,271,512</b>	<b>53,128,468</b>	<b>45,316,339</b>	<b>85%</b>
Operations	33,405,156	40,451,999	40,843,513	37,287,174	91%
Capital	10,631,869	13,099,380	15,068,051	7,347,763	49%
<b>Total Expenditures</b>	<b>44,037,025</b>	<b>53,551,379</b>	<b>55,911,564</b>	<b>44,634,937</b>	<b>80%</b>
<b>Net Change in Fund Balance</b>	<b>(\$1,207,066)</b>	<b>(\$1,279,867)</b>	<b>(\$2,783,096)</b>	<b>\$681,403</b>	
Emergency Reserve	5,896,957	6,742,000	6,742,000	6,742,000	
Contingency Reserve	11,793,914	13,484,000	13,484,000	13,484,000	
Capital Reserve	17,888,885	14,073,889	12,570,660	16,035,159	
<b>Fund Balance (total reserve)</b>	<b>\$35,579,756</b>	<b>\$34,299,889</b>	<b>\$32,796,660</b>	<b>\$36,261,159</b>	

In Fiscal Year 2022/23, the District provided the same amount of fixed route revenue service and less demand response services than the prior year. Figures 1 and 2 show the District's expenses by type and by program over the past five years.

Fiscal Year 2022/23 fare revenue was 18% below pre-COVID (FY2018/19) levels. Other revenues generated from sales tax (local and state), diesel tax, and property tax have continued to increase. For example, property tax revenue grew 5% compared to the prior year. Marin Transit expended the District's remaining \$3.8 million federal relief funds from the total of \$21.2 million received in from the three federal relief bills (Table 2). These funds required no local match and ensured continued service operations during and following the COVID-19 pandemic.

**Table 2: Federal Relief Funding**

Federal Relief Bill	Marin Transit Allocation	Expenditure Year
Coronavirus Aid, Relief, and Economic Security (CARES) Act	\$10.2 million	FY2020, FY2021
Coronavirus Response and Relief Supplemental Appropriation Act of 2021 (CRRSAA)	\$4.2 million	FY2022
American Rescue Plan Act of 2021 (ARPA)	\$6.8 million	FY2022, FY2023
<b>Total</b>	<b>\$21.2 million</b>	

Marin Transit's strong financial position before the pandemic combined with federal relief funds, stable economic conditions in Marin County and ridership retention has enabled the District to have a stable financial outlook over the next five years. The District's long term financial stability continues to be less certain and there are increasing challenges due to the tight labor market and the District's lack of sufficient facilities. It is increasingly difficult for our contractors to hire and retain frontline staff. This challenge is manifesting in missed service, difficulty adding service, increased costs to our contractors, and ultimately increased costs for the District as purchased transportation contracts are rebid or renegotiated.

The lack of ownership of sufficient zero emission bus charging, parking, and maintenance facilities continues to be a critical vulnerability in ensuring long term financial stability. The District purchased the Rush Landing bus parking facility, in Novato, in FY2019/20, purchased a paratransit maintenance facility, in San Rafael, in FY2021/22 and purchased a small parcel adjacent to the paratransit maintenance facility in FY2022/23. The District still needs an electric vehicle charging and fixed route maintenance facility and received a federal grant of \$31.5 million towards its purchase and construction.

## District Reserve Balance

Marin Transit's Board-adopted policy designates an Emergency Reserve equivalent to two months of operating expenses and a Contingency Reserve equivalent to an additional two to four months. If the reserve balance exceeds six months of operating expenditures, the policy allows for funding to be placed in a capital reserve. This reserve provides resources for high priority capital projects or grant matching funds. If total reserves exceed six months of operating expenditures over a prolonged period, the policy advises the Board to consider a range of options that include expanding transit service or decreasing fares to provide the optimal level of transit service and benefits to Marin County residents.

Marin Transit ended FY2022/23 with an increase of \$681,403 in reserves. After increasing operations reserves to the budgeted amounts, this resulted in a decrease of the capital reserve to \$16.0 million at June 30, 2023 (table 1). The Capital Reserve is \$3.0 million more than budgeted primarily due the availability of current year property tax revenue for capital projects and the delay in expenditures for planned facility improvements.

**Figure 1: Marin Transit Expenditures by Type**

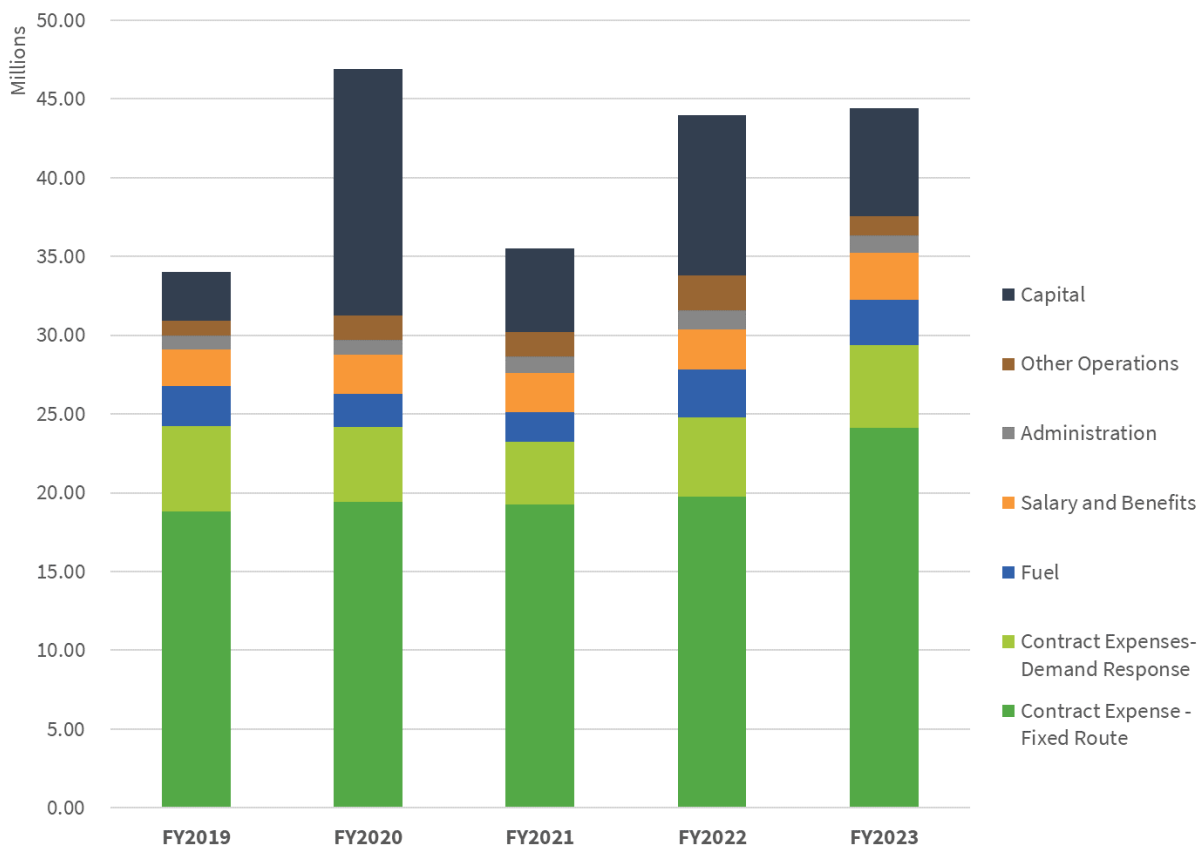
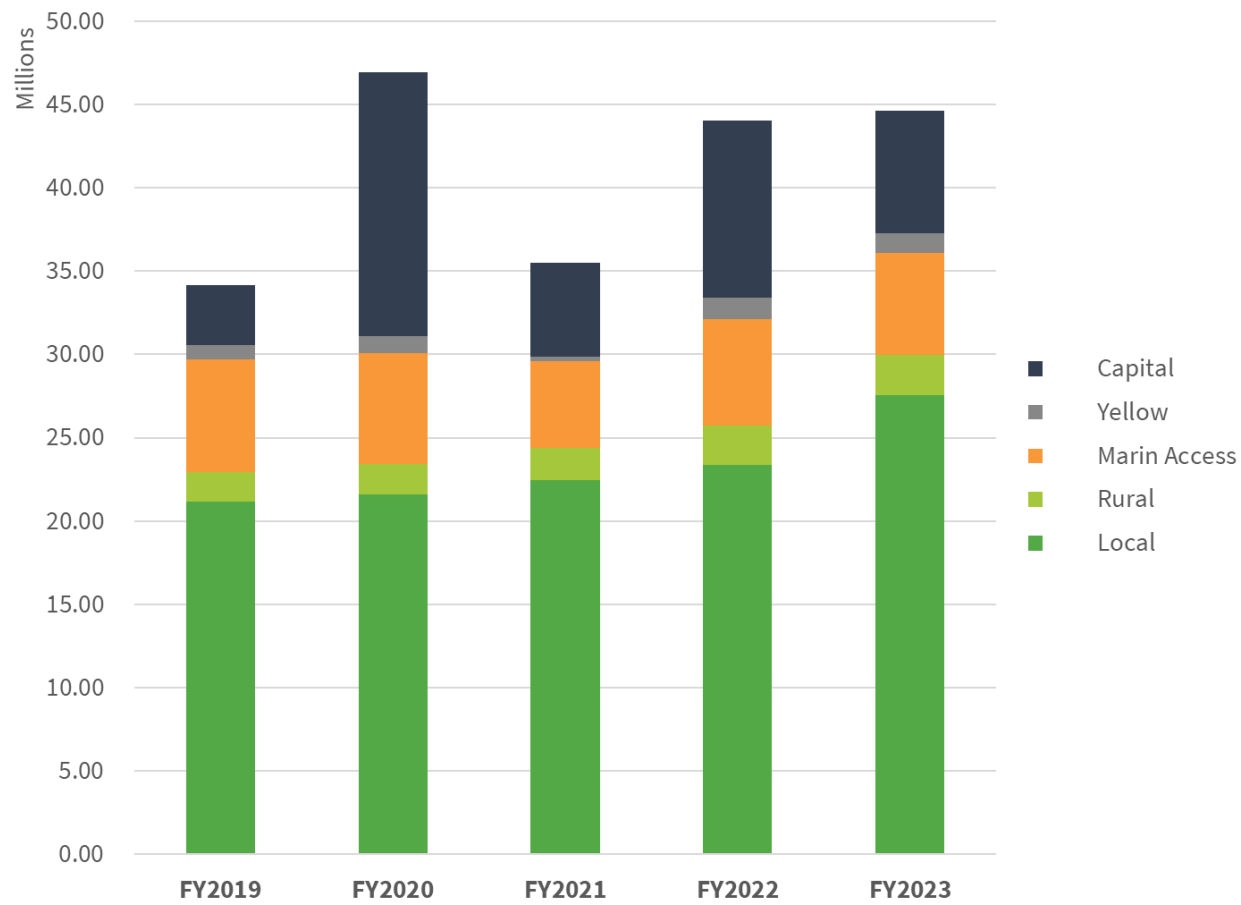


Figure 2: Marin Transit Expenditures by Program



## Operations

For the purposes of this report, the Operations Budget includes all revenues and expenses not directly related to purchasing or maintaining capital infrastructure or maintaining the Rush Landing facility. Table 4 shows actual FY 2022/23 operations revenues and expenses for the year as they compare to the adopted Budget. All Budget adjustments are shown in Attachment 1. Operations revenues and expenses were 3% and 12% higher than the prior year, respectively.

The Operations expenditures (table 4) enabled Marin Transit to deliver the transit services detailed in table 3. Marin Transit operated the same amount of fixed route revenue service hours as the prior year and 4% less demand response service hours. After significant increases in FY2021/22, operated service hours on paratransit services declined and were 61% of the budgeted level.

**Table 3: Fiscal Year 2022/23 Transit Services**

Service	FY 2021/22 Revenue Hours	FY2022/23 Budgeted Revenue Hours	FY 2022/23 Actual Revenue Hours	% of Budget
Regular Local and Trunk Line	113,682	114,200	118,932	104%
Community Shuttles	41,489	42,000	39,938	95%
Supplemental School	4,569	5,000	2,938	59%
Muir Woods Shuttle	4,134	6,500	5,433	84%
West Marin Stagecoach Service	19,636	17,000	16,011	94%
<b>Fixed Route Subtotal</b>	<b>183,510</b>	<b>184,700</b>	<b>183,252</b>	<b>99%</b>
Novato Dial-A-Ride	1,267	2,000	1,290	65%
Rural Dial A Ride	391	400	386	97%
Transit Connect (Billable Hours)	5,566	6,500	3,041	47%
Local Paratransit Service	31,089	43,000	26,104	61%
<b>Demand Response Subtotal</b>	<b>38,313</b>	<b>75,135</b>	<b>30,821</b>	<b>41%</b>
Regional Paratransit Service	4,383	5,000	3,877	78%
Yellow School Bus Service	4 buses	5 buses	5 buses	0%
Service	FY 2021/22 Actual Trips	FY 2022/23 Estimated Trips	FY 2022/23 Actual Trips	% of Estimate
Catch A Ride	4,100	4,000	4,043	101%
Volunteer Driver	9,613	10,000	11,034	110%

**Table 4: Operations FY 2022/23 Actuals (Admin, Local, Rural & Marin Access)**

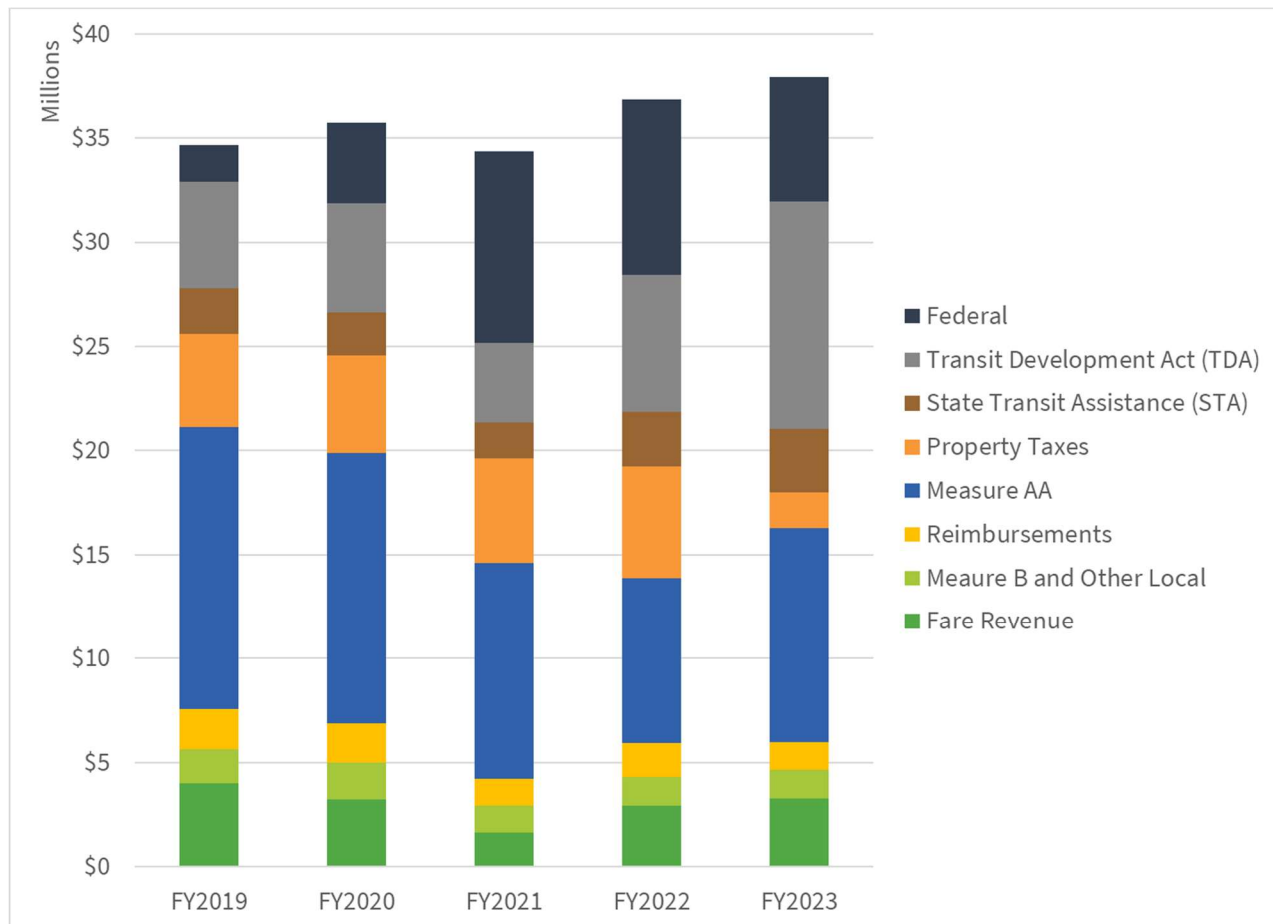
	FY 2021/22 Actual	FY2022/23 Budget- Revised	FY 2022/23 Actual	Percent Budget Used
<b>Revenue</b>				
Fare Revenue	2,931,085	3,246,145	3,359,930	101%
Advertising & Other Revenue	553,176	203,500	235,790	116%
Reimbursements (GGBHTD)	1,622,415	1,538,331	1,336,976	87%
Interest	3,027	25,700	285,133	1109%
Measure A	0	1,170,797	900,490	77%
Measure AA	7,956,597	12,350,558	9,403,780	76%
Measure B	808,354	950,000	825,310	87%
Property Taxes	5,341,685	5,245,000	5,615,424	107%
Development Fees	62,935	44,100	90,392	205%
State Transit Assistance (STA)	2,601,124	3,012,985	3,021,660	100%
Transit Development Act (TDA)	6,565,228	11,411,858	10,909,658	96%
Other State	32,156	32,300	25,419	79%
FTA Funds	8,115,859	4,925,943	5,421,507	110%
National Park Service	290,824	564,914	521,983	92%
Transfers to Capital Budget	-22,206	-2,450,000	-3,962,680	162%
<b>Total Revenue</b>	<b>36,862,259</b>	<b>42,272,131</b>	<b>37,990,772</b>	<b>90%</b>
<b>Expenses</b>				
Salaries and Benefits	2,592,222	3,182,288	3,015,440	95%
Professional Service	533,392	771,484	404,856	52%
Security and Maintenance	381,099	400,564	236,725	59%
Customer Service	782,340	672,695	126,842	19%
Mobility Management Programs	3,942	102,731	3,873	4%
Grants to External Agencies	591,935	525,000	514,606	98%
Office Supplies	318,788	410,191	342,750	84%
COVID Supplies and Cleaning	105,550	0	3,709	0%
General Insurance	88,026	115,000	104,159	91%
Contract Service Operation	24,814,294	30,495,780	29,349,517	96%
Membership & Prof Development	44,580	85,500	68,339	76%
Mileage and Travel	5,095	25,000	16,094	64%
Marketing	56,060	162,620	127,998	79%
Communication	196,614	248,487	189,448	76%
Fuel	2,997,168	3,735,285	2,902,027	78%
Utilities (Facilities)	36,723	66,050	55,362	84%
Vehicle and Parking Leases	26,640	26,210	26,210	100%
Office - Rental and Overhead	149,420	183,960	182,960	0%
Transfers to Capital Budget	-318,732	-365,333	-383,741	104%
<b>Total Expenses</b>	<b>33,405,156</b>	<b>40,072,028</b>	<b>37,287,174</b>	<b>93%</b>
Net Revenue Over Expenditures	4,097,801	2,200,103	703,599	

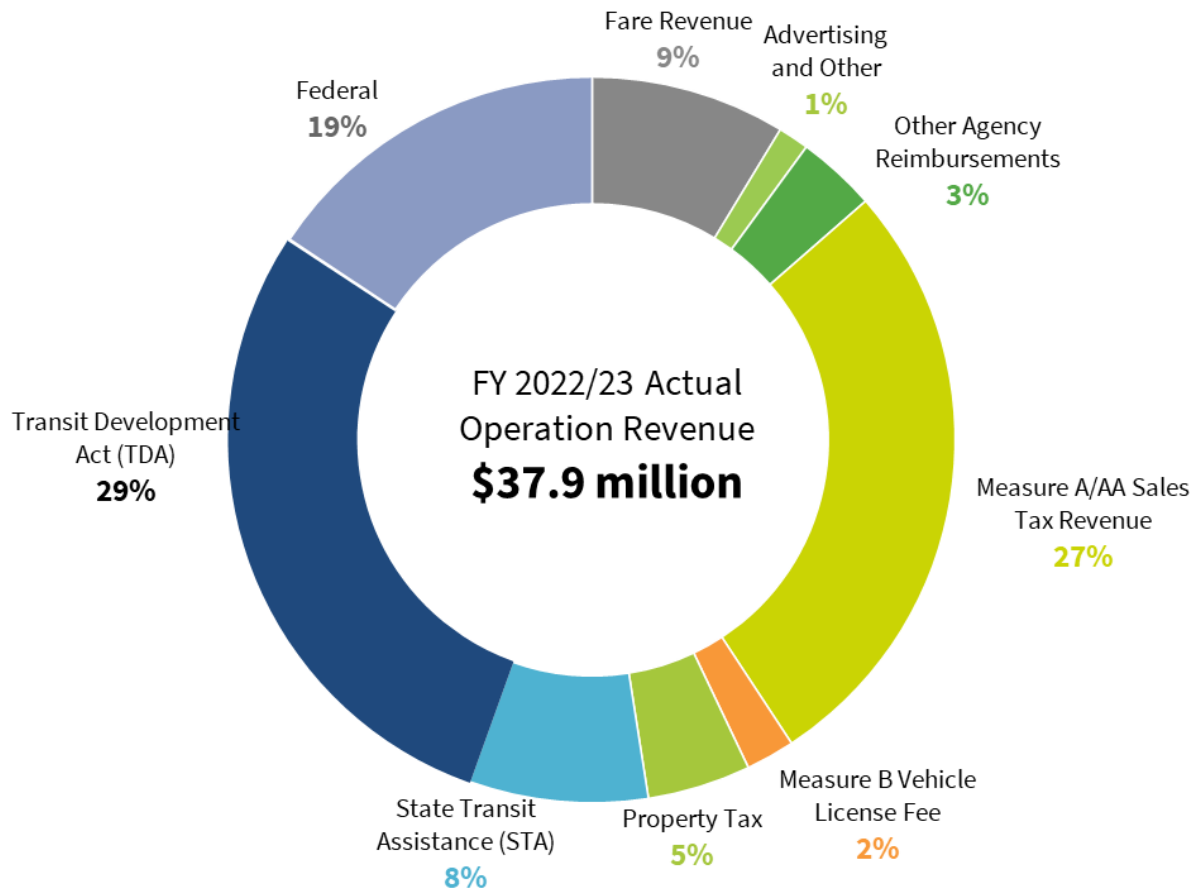


## Revenues

Marin Transit operations revenues were \$37.9 million in FY 2022/23. This represents an increase of \$1.1 million (3%) from the prior year (figure 3). The District continued to have a diverse set of revenue (figure 3 and figure 4), but for the third year the composition changed lower federal funds for operations from the federal relief bills, increased expenditure of Transit Development at Funds and lower expenditure of property tax on operations due transfers to the capital program (figure 3). The District claimed \$10.9 million in Measure AA revenues for operations. The District claims Measure AA funds on a reimbursement basis based on the District's expenditures. Sales tax based revenue has continued to grow and property tax revenue grew five percent compared to the prior year.

**Figure 3: Marin Transit Operations Revenues by Type**



**Figure 4: Operations Revenue Sources for FY 2022/23**

Revenue variances of more than \$100,000 and more than 10% over prior year are shown in table 5. Fare revenue increased 15% and is 82% of pre-COVID fares. The increase in fare revenue is directly related to the returning ridership.

The new operations agreement with GGBHTD, effective October 2022 reduced the District's share of advertising revenue and lowered GGBHTD obligation to fund local paratransit.

Recorded Measure A/AA funding is based on reimbursements and not a reflection of the County sales tax growth. Marin Transit expended significantly more Measure AA funding once the District's federal relief funding was fully expended.

Total federal funds for operations decreased by \$2.7 million as the final allocations of federal relief funds were fully expended.

State Transit Assistance and Transportation Development Act allocations were significantly higher than the prior year primarily due to increased allocations within the County based on the district's

relative ridership and services levels compared to GGBHTD and SMART. These increases may be temporary as other Marin County agencies recover from the impacts of the pandemic.

**Table 5: Operations Revenue Variances >\$100,000 and >10% over Prior Year**

Revenue Category	FY 2022/23 Actual	Variance from Prior		Notes
		Year		
		Amount (\$)	%	
Fare Revenue	\$3,359,930	\$428,845	15%	Returning fixed route ridership
Advertising & Other Revenue	\$235,790	(\$317,386)	-57%	New GGBHTD contract effective Oct 2022 reduced Advertising and Rental revenue for District
Reimbursements (GGBHTD)	\$1,336,976	(\$285,439)	-18%	New GGBHTD contract reduced GGBHTD's obligation to fund local paratransit
Interest	\$285,133	\$282,106	>100%	Increased interest rates
Measure A/AA	\$10,304,270	\$2,347,673	23%	Return to reliance on Measure AA after expending most of the federal relief funds.
State Transit Assistance	\$3,021,660	\$420,536	16%	Increase in District's allocation
Transportation Development Act	\$10,909,658	\$4,344,430	66%	Increase in District's allocation
FTA	\$5,421,507	(\$2,694,352)	-33%	Less Federal Relief funds available
NPS	\$521,983	\$231,159	79%	Return of Muir Woods service
Transfers to Capital budget	(\$3,962,680)	(\$3,962,680)	>100%%	Expenditures of property tax revenue on facility purchase and improvements

## Expenses

Marin Transit's FY 2022/23 operations expenses of \$37.3 million (table 4) were 12% higher than in FY2021/22 and 7% below the budget. Contract service operations expenses (purchased transportation) were 79% of total operations costs (figure 5), including 65% Fixed Route, 13% Local Paratransit, and 1% Regional Paratransit Operations.

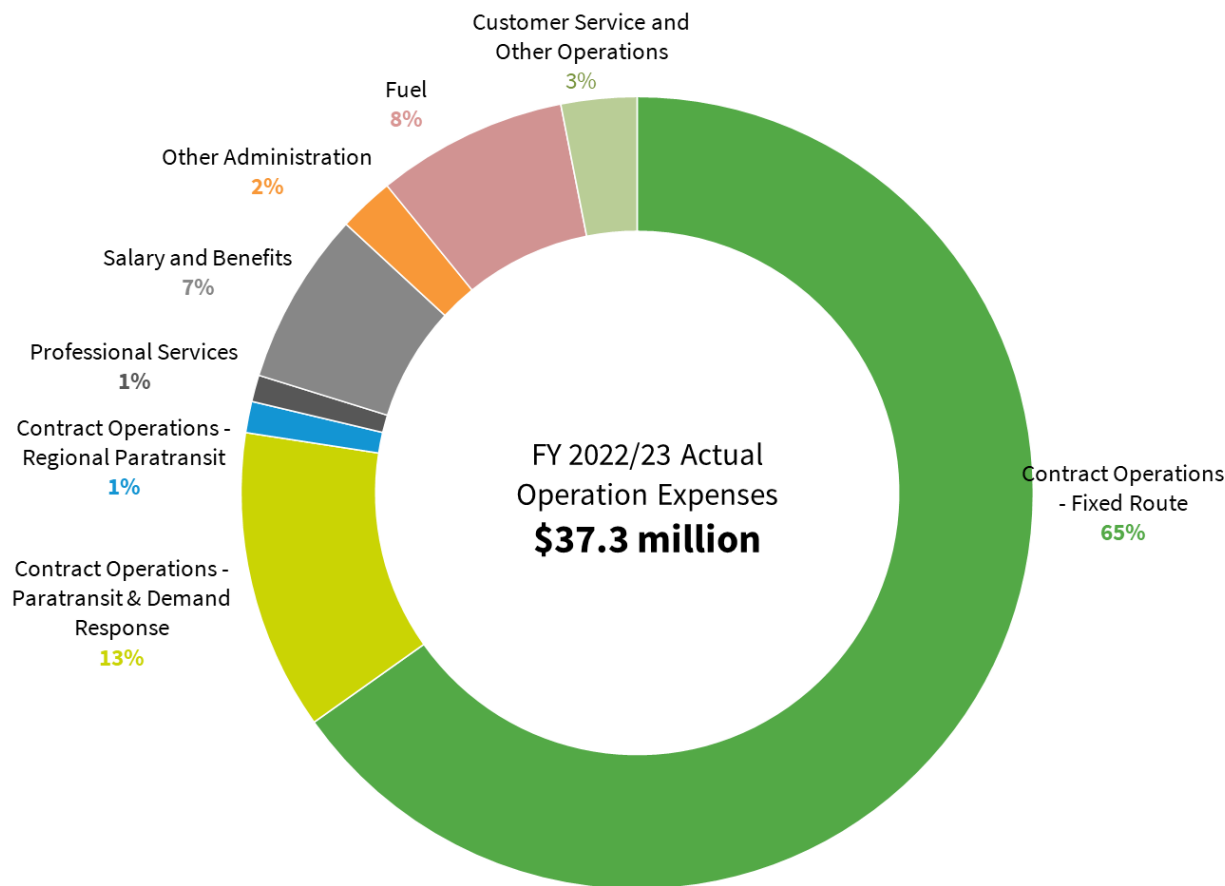
Expense variations greater than \$100,000 and greater than 10% from the prior year are shown in Table 6. Contract operations costs were within budget and 18% above the prior year. The increase in contract operations cost was primarily due to the new GGBHTD operations contract that had an increased hourly rate and removed the direct billing of Security and Customer Service costs. Fuel expenses decreased by 3% after significant increases in the prior year due to higher fuel prices.

The program area budgets provide a more detailed discussion of expenses.

**Table 6: Operations Expense Variances >\$100,000 and >10% from Prior Year**

Expense Category	FY 2022/23	Variance from Prior		Notes
	Actual	Year		
		Amount (\$)	%	
Salaries and Benefits	\$3,015,440	\$423,218	16%	Increased FTEs
Professional Services	\$404,856	(\$128,536)	-34%	Lower legal fees
Security and Maintenance	\$236,725	(\$144,374)	-18%	Under new GGBHTD contract costs for San Rafael Transit center security are included in Purchased Transportation
Customer Service	\$126,842	(\$655,498)	-84%	Under new GGBHTD contract costs for customer service are included in Purchased Transportation
COVID Supplies and Cleaning	\$3,709	(\$101,841)	-96%	Reduction in need
Contract Service Operation	\$29,349,517	\$4,535,223	18%	See table 9

Figure 5: Systemwide Operations Expense Categories for FY2022/23



Marin Transit accounts for expenses by program area: Administration, Local Fixed Route, Rural Service, Marin Access Service and Yellow Bus Service. Financial highlights from each program area are summarized below.

## Administration

The Administration budget includes revenues and expenses shared by all program areas. These items are budgeted and recorded in Administration, and expenses are allocated to the program budgets based on a program's resource usage (i.e., billed staff time). This enables Marin Transit to track administrative costs and identify the full cost of programs.

District Administrative revenues are primarily comprised of property tax revenue. Property tax revenue increased another 7% from the prior year and continued to show strong growth.

Marin Transit's Administrative expenses include staff salaries, benefits, and associated office space (table 8). Administrative costs were 11% under budget and increased 11% from the prior year. The District had one vacant position at the end of the fiscal year due to a new position that was unfilled. Based on payroll hours, Marin Transit employed 16.9 FTEs (table 7) and ended FY2022/23 with 18 regular employee FTE's, one part time employee, and one vacant full time position. All regular employees working a minimum of 20 hours a week receive contributions to a Governmental 401(a) single employer defined contribution pension plan (the Plan). District contributions are based on years of service and are posted into individual employee accounts under the Plan. A report of contributions, total balances, and investment returns is provided in Attachment 2. Marin Transit's closed defined benefit plan for employees hired under prior employment models was funded by agreements with CalPERS and Marin County in FY2020/21. In FY2022/23, the District paid \$48,000 in administrative fees and contributions for the plan.

**Table 7: Marin Transit Staffing Full Time Equivalents (FTEs)**

	FY 2021/22	FY2022/23
Budget	17.4	19.2
Actual	15.5	16.9

All other expenditures were close to their budgeted amounts.

**Table 8: Administration FY 2022/23 Actuals**

		FY2021/22 Actual	FY2022/23 Budget Original	FY2022/23 Budget Revised	FY2022/23 Actual	Percent Budget Used
<b>Revenue</b>						
4070400	Interest	3,027	25,700	25,700	285,133	1109%
4079950	Development Fees	27,505	24,100	24,100	38,459	160%
4079954	Residual ABX 126	35,430	20,000	20,000	51,933	260%
4080101	PropTax-CurrntSecured	4,553,967	4,676,000	4,676,000	4,861,117	104%
4080102	County Fee-Admin Basic Tax	-59,808	-65,000	-65,000	-62,795	97%
4080103	Property Tax-Unitary	45,468	40,000	40,000	49,892	125%
4080104	PropTax-CurrntUnSecur	83,978	82,500	82,500	88,184	107%
4080105	Educ Rev Augm Fund-Redist	551,990	420,000	420,000	489,524	117%
4080106	PropTax-Supp CY SECR	155,358	85,000	85,000	174,652	205%
4080107	PropTax-Supp Unsecured	3,396	1,500	1,500	5,711	381%
4080108	PropTax-Redemption	2,559	2,000	2,000	4,284	214%
4080109	PropTax-Prior Unsecured	4,777	3,000	3,000	4,855	162%
4119940	Other	369	450	450	84,839	18853%
<b>Subtotal Revenue</b>		<b>5,408,016</b>	<b>5,315,250</b>	<b>5,315,250</b>	<b>6,075,788</b>	<b>114%</b>
4700001	Property Tax Transfer	(1,343,479)	(3,633,135)	(3,633,135)	(5,060,645)	139%
<b>Net Revenue</b>		<b>4,064,537</b>	<b>1,682,115</b>	<b>1,682,115</b>	<b>1,015,143</b>	<b>60%</b>
<b>Expense</b>						
5010200	Salaries	1,496,824	2,044,287	2,044,287	1,828,834	89%
5030301	Benefits	1,095,399	1,138,001	1,138,001	1,186,605	104%
5030301	Consultant Services	142,827	212,180	212,180	136,861	65%
5030304	Prof Services – Legal	135,851	150,000	150,000	33,143	22%
5030305	Prof Svcs - Audit	39,867	45,000	45,000	31,682	70%
5049901	Office Supplies	7,099	13,800	13,800	6,193	45%
5049902	Small Furn/Equip	7,001	10,600	10,600	2,115	20%
5049903	Software Maintenance	93,898	92,700	92,700	93,803	101%
5049904	Copier Suppl & Srvs	7,903	10,300	10,300	7,836	76%
5049905	Postage	1,124	3,500	3,500	1,033	30%
5049906	Computers	15,931	22,800	22,800	22,223	97%
5049911	COVID -Supplies and Cleaning	2,704	0	0	0	NA
5050201	Communication - Phone	38,574	35,600	35,600	29,752	84%
5060301	Insurance - Gen Liability	88,026	115,000	115,000	104,159	91%
5090101	Memberships & Prof Dev.	44,580	85,500	85,500	68,339	80%
5090202	Mileage and Travel	5,095	25,000	25,000	16,094	64%
5090801	Marketing	5,440	14,000	14,000	6,522	47%
5121200	Office Rental	149,420	183,960	183,960	182,960	99%
<b>Subtotal Expense</b>		<b>3,377,563</b>	<b>4,202,228</b>	<b>4,202,228</b>	<b>3,758,154</b>	<b>89%</b>
5100100	Salary/Benefit Transfers	(2,263,258)	(3,315,440)	(3,018,952)	(2,800,830)	93%
5100101	Transfer Overhead	(496,732)	(722,907)	(627,881)	(636,698)	101%
<b>Net Expense</b>		<b>617,573</b>	<b>163,881</b>	<b>555,395</b>	<b>320,626</b>	<b>58%</b>

## Local Service

The Local Service budget (table 10) includes all revenues and expenses related to the provision of fixed route service and general purpose dial-a-ride (excluding rural services). Local service includes the regular trunk line routes, Community Shuttles, supplemental school service, general purpose on-demand services, and the Muir Woods Shuttle service.

Marin Transit is operating a similar level of fixed route service hours to pre-COVID service (figure 7). Ridership was 90% of pre-COVID ridership (figure 6). The District's annual performance report provides more analysis of ridership trends. The District struggled with service reliability on select programs in FY2022/23. A high number of missed trips plagued fixed route services, primarily concentrated on the Muir Woods Shuttle and Supplemental School services. To address service quality and reliability, Marin Transit worked with its contractors to negotiate higher wages for drivers and other key frontline staff. Through a competitive procurement, Marin Transit transitioned the Muir Woods Shuttle to a new contracting model that provides a higher level of service including providing vehicles and more contractor oversight.

Total expenses for local service increased 19.5% percent over the previous fiscal year (table 9). Purchased transportation costs were the primary reason for the increased costs. Table 9 summarizes the Contract Service rates for FY2022/23 and compares them to the prior year. The new contract with GGBHTD was effective on October 1, 2022 and, after accounting for the structural changes to the revenue hour rate, including removal of some revenue allocations and direct costs for customer service and security, resulted in an 18% net cost increase. The Board also approved a modification to Marin Airporter's contract option year to bring rates in line with market costs and inflation. Marin Airporter contract rate increased 28% to reflect increased fixed costs associated with service hours added in 2020 and allow for the hiring of additional maintenance, customer service, and dispatch staff.



**Table 9: Contractor Service Rates FY2022/23**

Contractor	Service	FY2023 Changes	FY23 Effective Rate (\$/rev. hr.)	Prior Year (FY22) (\$/rev. hr.)	% Change
Golden Gate Bridge Highway and Transportation System	Local Fixed Route	New Contract 10/1/2022, in addition to the rate change, revenue and other structural changes resulted in net cost increase of 18%	\$149.25	\$132.55	11%
MV Transportation	Muir Woods (2022), Supplemental School, and Stagecoach (Rural)	Significant missed trip penalties, lower hours due missed trips and shifting Muir Wood Shuttle Service.	\$ 116.18	\$113.16	3%
Marin Airporter	Local Fixed Route	Increased contract rates to reflect 20% more service added in 2020 - adding additional dispatch, customer service and maintenance staff	\$112.21	\$80.86	28%
Bauer's Transportation	Muir Woods (2023)	New contract, includes provision of vehicles	\$ 239.91	NA	NA

Local Service is primarily funded with State Transit Assistance (STA), Transportation Development Act (TDA), local Measure A/AA sales tax, and fare revenue. Fare revenue from local service was about 88% of pre-COVID fares. Marin Transit expended the final \$3.6 million available in federal relief funding for service operations in FY 2022/23.

Marin Transit had no discretionary grant funds for local service in FY 2022/23.

Figure 6: Local Unlinked Passenger Trips by Program

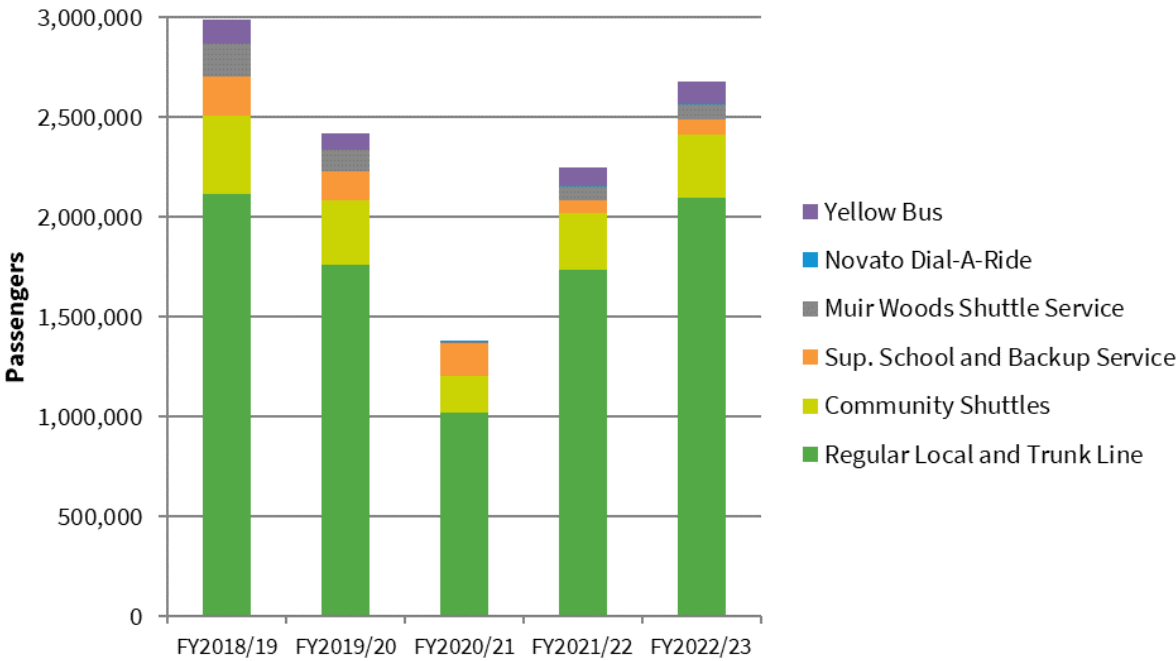
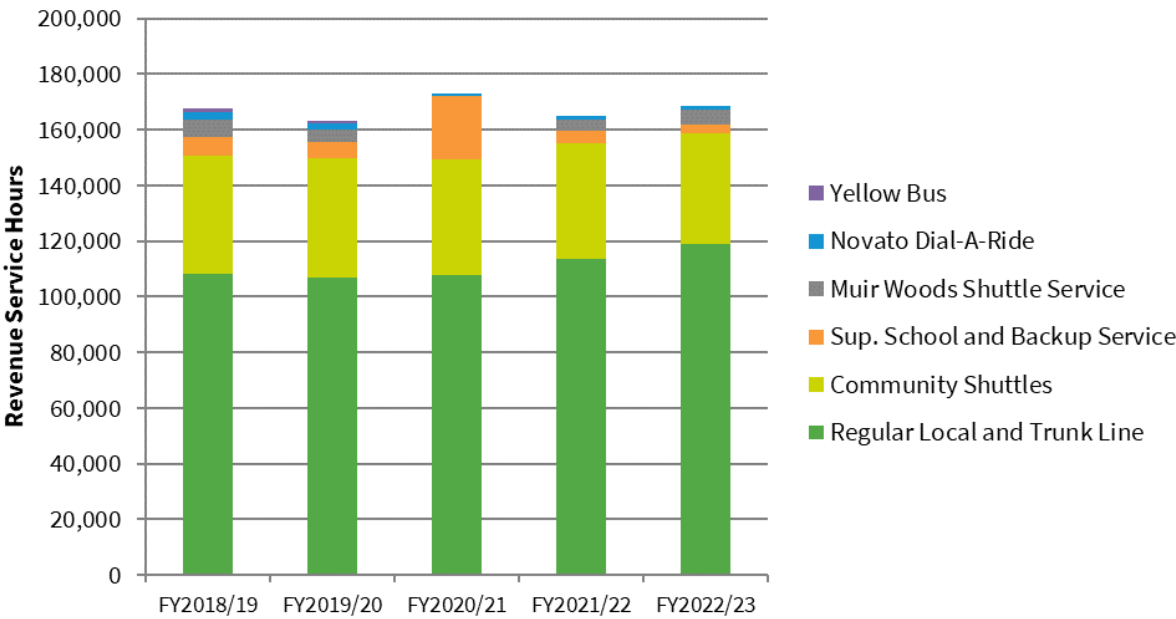


Figure 7: Local Revenue Service Hours by Program



**Table 10: Local Service FY 2022/23 Actuals**

		FY2021/22 Actual	FY2022/23 Budget Original	FY2022/23 Budget Revised	FY2022/23 Actual	Percent Budget Used
<b>Revenue</b>						
4070400	Interest	3,027	25,700	25,700	285,133	1109%
4079950	Development Fees	27,505	24,100	24,100	38,459	160%
4079954	Residual ABX 126	35,430	20,000	20,000	51,933	260%
4080101	PropTax-CurrntSecured	4,553,967	4,676,000	4,676,000	4,861,117	104%
4080102	County Fee-Admin Basic Tax	-59,808	-65,000	-65,000	-62,795	97%
4080103	Property Tax-Unitary	45,468	40,000	40,000	49,892	125%
4080104	PropTax-CurrntUnSecur	83,978	82,500	82,500	88,184	107%
4080105	Educ Rev Augm Fund-Redist	551,990	420,000	420,000	489,524	117%
4080106	PropTax-Supp CY SECR	155,358	85,000	85,000	174,652	205%
4080107	PropTax-Supp Unsecured	3,396	1,500	1,500	5,711	381%
4080108	PropTax-Redemption	2,559	2,000	2,000	4,284	214%
4080109	PropTax-Prior Unsecured	4,777	3,000	3,000	4,855	162%
4119940	Other	369	450	450	84,839	18853%
<b>Subtotal Revenue</b>		<b>5,408,016</b>	<b>5,315,250</b>	<b>5,315,250</b>	<b>6,075,788</b>	<b>114%</b>
4700001	Property Tax Transfer	(1,343,479)	(3,633,135)	(3,633,135)	(5,060,645)	139%
<b>Net Revenue</b>		<b>4,064,537</b>	<b>1,682,115</b>	<b>1,682,115</b>	<b>1,015,143</b>	<b>60%</b>
<b>Expense</b>						
5010200	Salaries	1,496,824	2,044,287	2,044,287	1,828,834	89%
5030301	Benefits	1,095,399	1,138,001	1,138,001	1,186,605	104%
5030301	Consultant Services	142,827	212,180	212,180	136,861	65%
5030304	Prof Services – Legal	135,851	150,000	150,000	33,143	22%
5030305	Prof Svcs - Audit	39,867	45,000	45,000	31,682	70%
5049901	Office Supplies	7,099	13,800	13,800	6,193	45%
5049902	Small Furn/Equip	7,001	10,600	10,600	2,115	20%
5049903	Software Maintenance	93,898	92,700	92,700	93,803	101%
5049904	Copier Suppl & Srvs	7,903	10,300	10,300	7,836	76%
5049905	Postage	1,124	3,500	3,500	1,033	30%
5049906	Computers	15,931	22,800	22,800	22,223	97%
5049911	COVID -Supplies and Cleaning	2,704	0	0	0	NA
5050201	Communication - Phone	38,574	35,600	35,600	29,752	84%
5060301	Insurance - Gen Liability	88,026	115,000	115,000	104,159	91%
5090101	Memberships & Prof Dev.	44,580	85,500	85,500	68,339	80%
5090202	Mileage and Travel	5,095	25,000	25,000	16,094	64%
5090801	Marketing	5,440	14,000	14,000	6,522	47%
5121200	Office Rental	149,420	183,960	183,960	182,960	99%
<b>Subtotal Expense</b>		<b>3,377,563</b>	<b>4,202,228</b>	<b>4,202,228</b>	<b>3,758,154</b>	<b>89%</b>
5100100	Salary/Benefit Transfers	(2,263,258)	(3,315,440)	(3,018,952)	(2,800,830)	93%
5100101	Transfer Overhead	(496,732)	(722,907)	(627,881)	(636,698)	101%
<b>Net Expense</b>		<b>617,573</b>	<b>163,881</b>	<b>555,395</b>	<b>320,626</b>	<b>58%</b>

## Rural Service

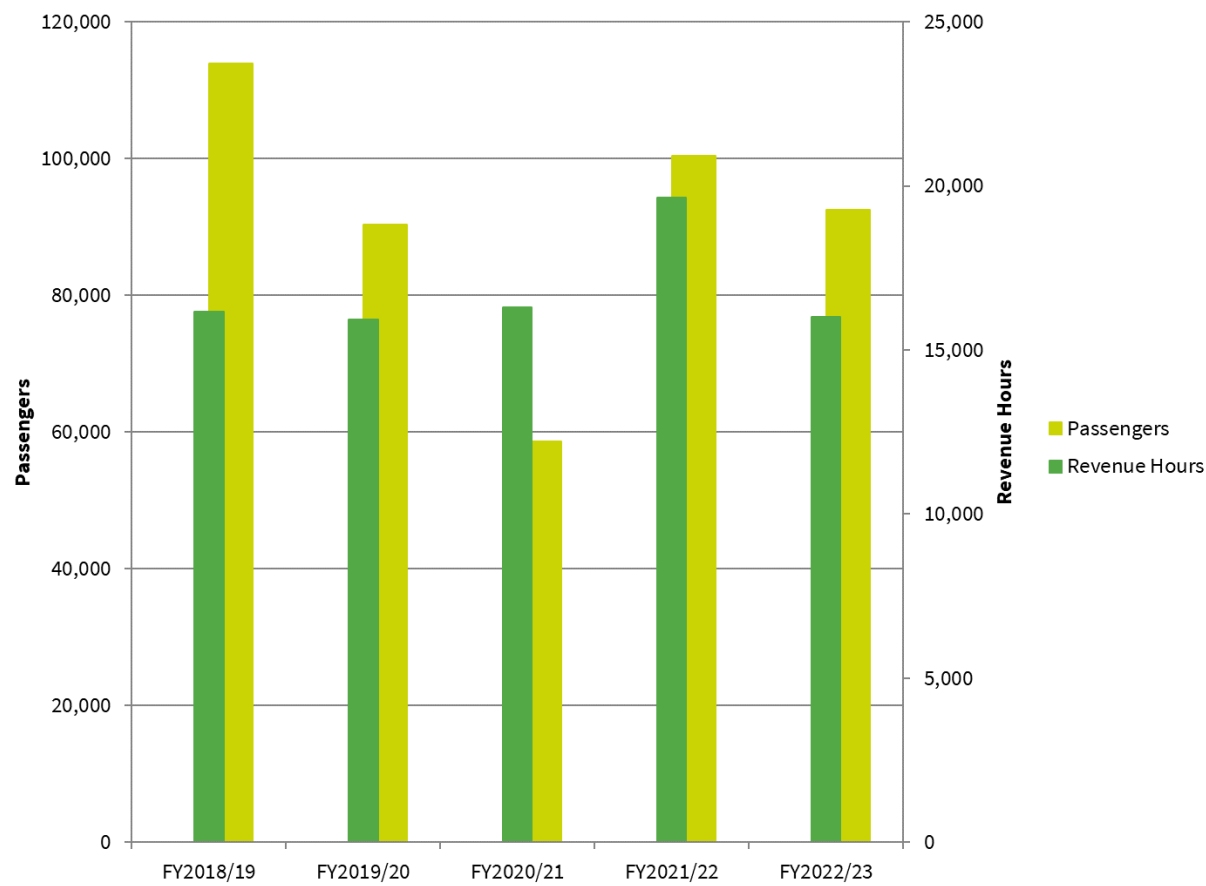
Rural Service is operated as the West Marin Stagecoach Service and includes the North Route 68, the South Route 61, and limited Dial A Ride service in Point Reyes, Dillon Beach, and Tomales. All Rural revenues and expenses are shown in Table 11. After operating increased service FY2021/22, the District returned to the baseline service operation (Figure 8). Ridership from the increases was retained and the percent decline in ridership was less than the percent decline in service. Actual expenses were close to budgeted amounts. Marin Transit has continued to operate rural services throughout the COVID-19 pandemic to provide lifeline services to rural communities.

The District expended \$246,00 in Federal 5311 ARPA funding and \$297,303 in FTA Section 5307 funds.

**Table 11: Rural Service FY 2022/23 Actuals**

		FY2021/22 Actual	FY2022/23 Budget Original	FY2022/23 Budget Revised	FY2022/23 Actual	Percent Budget Used
<b>Revenue</b>						
4092001	Measure A Sales Tax	0	325,387	325,387	55,080	17%
409005	Measure AA Sales Tax	664,630	1,131,141	1,131,141	1,131,141	100%
4139920	Fed-FTA 5311 Rural	228,695	297,303	297,303	297,303	100%
4139923	Fed-FTA 5311 Federal Relief	304,048	0	0	246,000	N/A
4140100	Fare Revenue	84,194	100,706	100,706	71,688	71%
<b>Subtotal Revenue</b>		<b>1,281,567</b>	<b>1,854,537</b>	<b>1,854,537</b>	<b>1,801,212</b>	<b>97%</b>
4700001	Property Tax Transfer	1,072,698	600,000	600,000	598,419	100%
<b>Total Revenue</b>		<b>2,354,265</b>	<b>2,454,537</b>	<b>2,454,537</b>	<b>2,399,631</b>	<b>98%</b>
<b>Expense</b>						
5030301	Consultant Services	7,059	16,391	16,391	23,180	141%
5040101	Fuel	367,930	396,468	396,468	296,310	75%
5040180	Utilities - facility	37	0	0	60	N/A
5049902	Equipment	0	5,000	5,000	0	0%
5049911	COVID-Supplies and Cleaning	103	0	0	0	N/A
5050205	Communication-AVL	12,454	15,000	15,000	11,824	79%
5080101	Purchased Transportation	1,843,963	1,814,694	1,814,694	1,907,873	105%
5090801	Marketing	5,379	20,600	20,600	11,229	55%
<b>Subtotal Expense</b>		<b>2,236,925</b>	<b>2,268,153</b>	<b>2,268,153</b>	<b>2,250,476</b>	<b>99%</b>
5100100	Salary/Benefit Transfers	97,385	138,360	138,360	122,629	89%
5100101	Transfer Overhead	19,954	44,345	44,345	26,525	60%
<b>Total Expense</b>		<b>2,354,264</b>	<b>2,450,858</b>	<b>2,450,858</b>	<b>2,399,630</b>	<b>98%</b>

Figure 8: Rural Stagecoach Revenue Hours and Unlinked Passenger Trips



## Marin Access (Paratransit and Mobility Management)

The Marin Access FY2022/23 actuals (table 12) include revenues and expenses for Paratransit Services for Local and Regional trips (Intra- and Inter-county) and Marin Transit's mobility management programs for the County's older adults, persons with disabilities, and low-income residents. These programs include on demand CONNECT service, Catch A Ride taxi service, and a volunteer driver program.

The COVID-19 pandemic reduced paratransit demand more significantly than fixed route service and the demand has returned more slowly. Marin Access ridership was 7% lower than the prior year (Figure 9) and 44% of pre- COVID (FY2018/19) levels. With fewer revenue hours operated (figure 10), Marin Access costs are below pre- COVID expenses (90% of FY2018/19 expenses) and were 74% of budget (table 12).

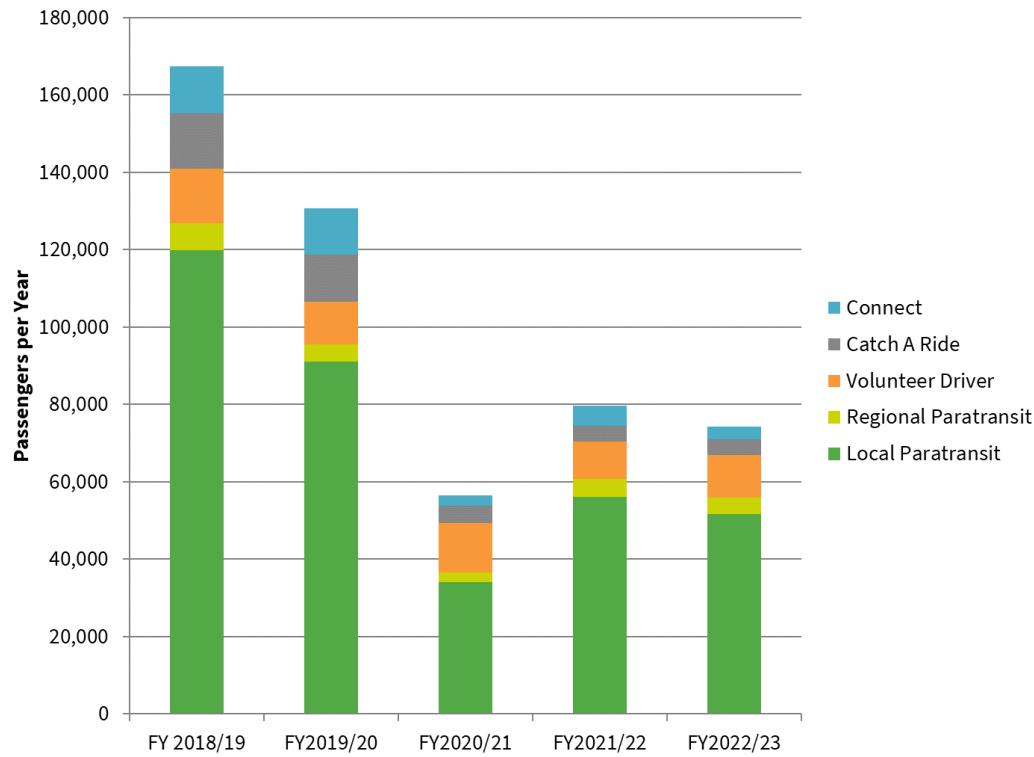
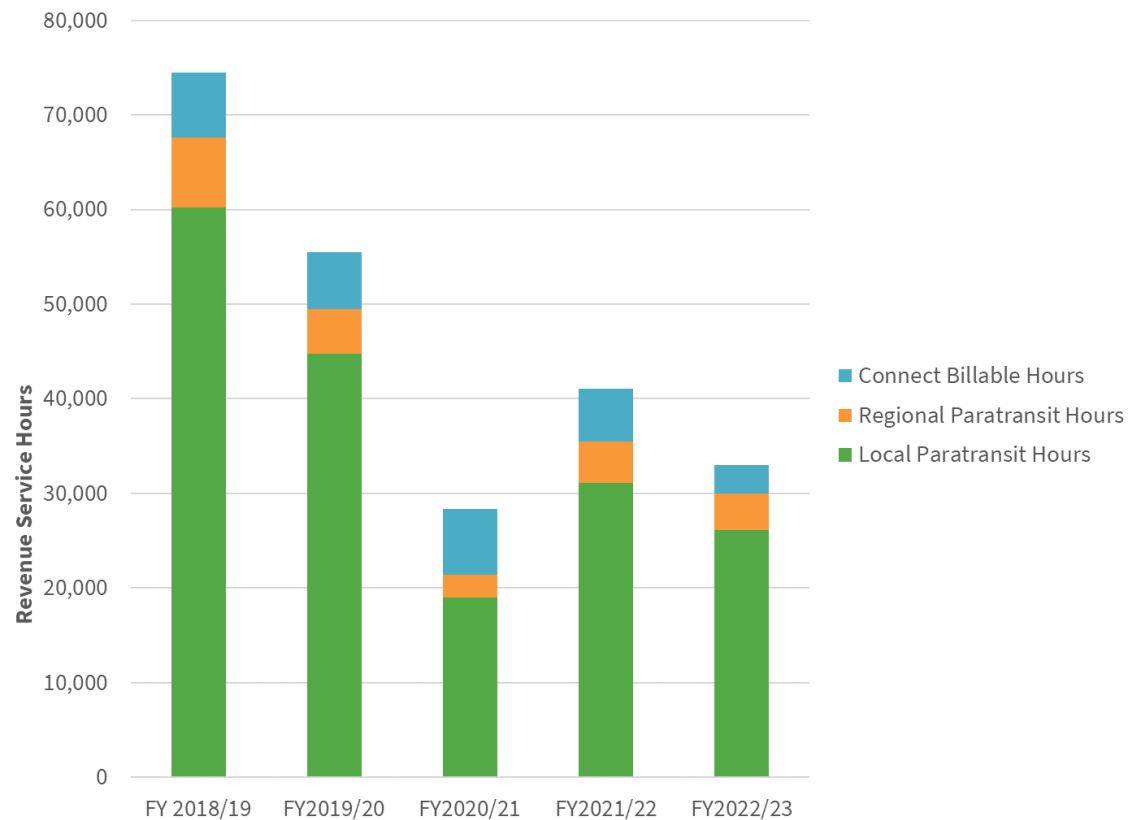
The demand response contractor is based out of the Marin Transit owned paratransit maintenance facility at 3000 Kerner in San Rafael, with vehicle park outs at GGBHTD properties in San Rafael and Novato. The purchased transportation contract has fixed and variable price components and with lower demand the total contract payment decreases. With low passenger levels the blended cost per trip for Marin Access services is higher due to the fixed costs of providing service. The blended costs per trip for Local Paratransit, Connect, Volunteer Driver and Catch A Ride was \$80.79 in FY2022/23 while Pre-Covid, the Marin Access cost per trip was \$37.76.

Fuel prices declined and fuel expenses were 11% less than the prior year and 41% below budget (table 12).

Measure AA sales tax is the largest single funding source for Marin Access. Marin Transit expended \$2.6 million of Measure AA Category 4.3 funds to deliver mobility services for seniors and people with disabilities. Marin Transit receives Measure B funds from the County vehicle license fee to fund special mobility programs and staff. Marin Transit also pays for Marin Access programs with property tax, federal Americans with Disabilities Act (ADA) set-aside Section 5307 funds, and additional grant funding. Fare revenue was 7% less than the prior year and 54% of pre COVID (FY2018/19) fares. GGBHTD reimburses all direct costs for providing regional paratransit and provides funding for a share of local paratransit. With the new GGBHTD contract their share of local paratransit expenses dropped about 10% to 14.63% based on a new allocation formula.

Marin Transit expended the following discretionary grant funds for Marin Access service in FY 2022/23:

FY 2022/23 Expenditure	Total Grant Award	Program	Source
\$9,330	\$162,800	Mobility Management	FTA Section 5310 discretionary

**Figure 9: Marin Access Ridership****Figure 10: Marin Access Revenue Hours**

**Table 12: Marin Access FY 2022/23 Actuals**

		FY2021/22 Actual	FY2022/23 Budget Original	FY2022/23 Budget Revised	FY2022/23 Actual	Percent Budget Used
<b>Revenue</b>						
4092001	Measure A Sales Tax	0	165,410	165,410	165,410	100%
4092005	Measure AA Sales Tax	2,767,189	4,159,467	4,159,467	2,594,817	62%
4099950	Measure B	808,354	950,000	950,000	825,310	87%
4110101	State Transit Assistance	60,000	60,000	60,000	60,000	100%
4119910	State Prop Tx Relief HOPTR	18,412	16,000	16,000	18,298	114%
4139910	Fed-FTA 5307 Urbanized Area Formula	802,802	1,039,640	1,039,640	1,039,640	100%
4139941	Fed-FTA 5310 Mobility	80,146	0	0	9,330	N/A
4139917	Fed-FTA 5310 Federal Relief	45,354	0	0	0	N/A
4140100	Fare Revenue	219,082	318,964	318,964	203,095	64%
4601003	GGBHTD – Local Paratransit Payment	921,650	879,922	879,922	682,849	78%
4601004	GGBHTD – Regional Paratransit Payment	654,653	633,569	633,569	525,969	83%
<b>Subtotal Revenue</b>		<b>6,377,642</b>	<b>8,222,972</b>	<b>8,222,972</b>	<b>6,124,718</b>	<b>74%</b>
4700001	Property Tax Transfer	48,134	455,000	455,000	63,558	14%
4700002	Program Revenue Transfer	-44,431	-80,000	-80,000	-72,367	90%
<b>Total Revenue</b>		<b>6,381,345</b>	<b>8,597,972</b>	<b>8,597,972</b>	<b>6,115,909</b>	<b>71%</b>
<b>Expense</b>						
5030301	Consultant Services	107,001	84,827	84,827	8,238	10%
5030310	Fare Processing Charges	1,173	0	0	1,403	N/A
5030320	Customer Service	198,002	72,695	72,695	0	0%
5030602	Custodial Service	5,188	24,000	24,000	20,769	87%
5030701	Security Services	4,662	0	0	0	N/A
5040101	Fuel	497,434	744,253	744,253	441,837	59%
5040180	Utilities (Facility)	10,525	30,000	30,000	12,488	42%
5049902	Small Furn/Equip	23	10,000	10,000	1,253	N/A
5049903	Software	131,383	182,434	182,434	130,942	72%
5049911	COVID- Supplies and Cleaning	33,174	0	0	3,578	N/A
5050201	Communication - Phone	567	0	0	0	N/A
5050204	Communication-MERA Radio	22,962	27,035	27,035	25,963	96%
5050206	Communication-Data	14,129	18,000	18,000	12,330	69%
5080101	Purchased Transportation	4,281,305	5,737,163	5,737,163	4,568,889	80%
5080102	Purchased Transportation - Regional	597,625	566,158	566,158	476,339	84%
5090801	Marketing	12,630	35,000	35,000	9,425	27%
5098001	Misc-Exp Transit User Training	3,942	12,731	12,731	3,873	30%
5098002	Gap Grant	0	90,000	90,000	0	0%
<b>Subtotal</b>		<b>5,921,725</b>	<b>7,634,296</b>	<b>7,634,296</b>	<b>5,717,327</b>	<b>75%</b>
5100100	Salary/Benefit Transfers	380,269	494,144	494,144	327,701	66%
5100101	Transfer Overhead	77,917	158,376	158,376	70,882	45%
<b>Total Expense</b>		<b>6,379,911</b>	<b>8,286,816</b>	<b>8,286,816</b>	<b>6,115,910</b>	<b>74%</b>



## Yellow Bus Program

The Yellow Bus Service budget (table 13) includes full operation of yellow bus service for the Ross Valley School District, oversight of yellow bus operations for the Reed Union School District, and administration of a Measure AA yellow bus grant program.

The Ross Valley School District yellow bus program operated for the Joint Exercise of Powers Authority (JEPA) ran a five bus program funded with Measure AA (\$225,144), fare revenue and contributions from the Town of Fairfax, Town of San Anselmo and Marin County. Marin Transit's yellow bus program also includes making grants of Measure AA funds to other eligible county yellow bus programs. These grants were distributed by formula to:

San Rafael School District	\$254,100
Miller Creek School District	\$42,168
Reed Union/Cove (Tiburon JPA)	\$206,168
Sausalito/Marin City School District	\$26,445

**Table 13: Yellow Bus Service FY 2022/23 Actuals**

		FY2021/22 Actual	FY2022/23 Budget Original	FY2022/23 Budget Revised	FY2022/23 Actual	Percent Budget Used
<b>Revenue</b>						
4030000	Fares - Paid by Another Agency	151,000	171,000	171,000	171,000	100%
4090101	Fee For Service	46,112	24,840	24,840	23,526	95%
4092005	Measure AA Sales Tax	814,883	750,000	750,000	739,750	99%
4140105	Fare Revenue - Yellow Bus	277,307	282,000	282,000	298,871	106%
<b>Total Revenue</b>		<b>1,289,302</b>	<b>1,227,840</b>	<b>1,227,840</b>	<b>1,233,147</b>	<b>100%</b>
<b>Expense</b>						
5030301	Consultant Services	3,420	5,000	5,000	11,799	236%
5030310	Fare Processing Charges	10,206	19,786	19,786	10,533	53%
5030602	Custodial Service	1,767	2,076	2,076	1,885	91%
5049903	Equipment	15	500	500	0	0%
5049903	Software	978	1,500	1,500	848	57%
5080103	Yellow Bus School Service	573,174	597,900	597,900	603,356	101%
5090801	Marketing	0	500	500	0	0%
5098008	Measure AA Ylw Bus Grants	591,935	525,000	525,000	514,606	98%
5120401	Leases and Rentals	26,640	26,210	26,210	26,210	100%
<b>Subtotal Expense</b>		<b>1,208,135</b>	<b>1,178,472</b>	<b>1,178,472</b>	<b>1,169,237</b>	<b>99%</b>
5100100	Salary/Benefit Transfers	60,141	59,297	59,297	44,723	75%
5100101	Transfer Overhead	12,323	19,005	19,005	9,674	51%
<b>Total Expenses</b>		<b>1,280,599</b>	<b>1,256,774</b>	<b>1,256,774</b>	<b>1,223,634</b>	<b>97%</b>

## Capital

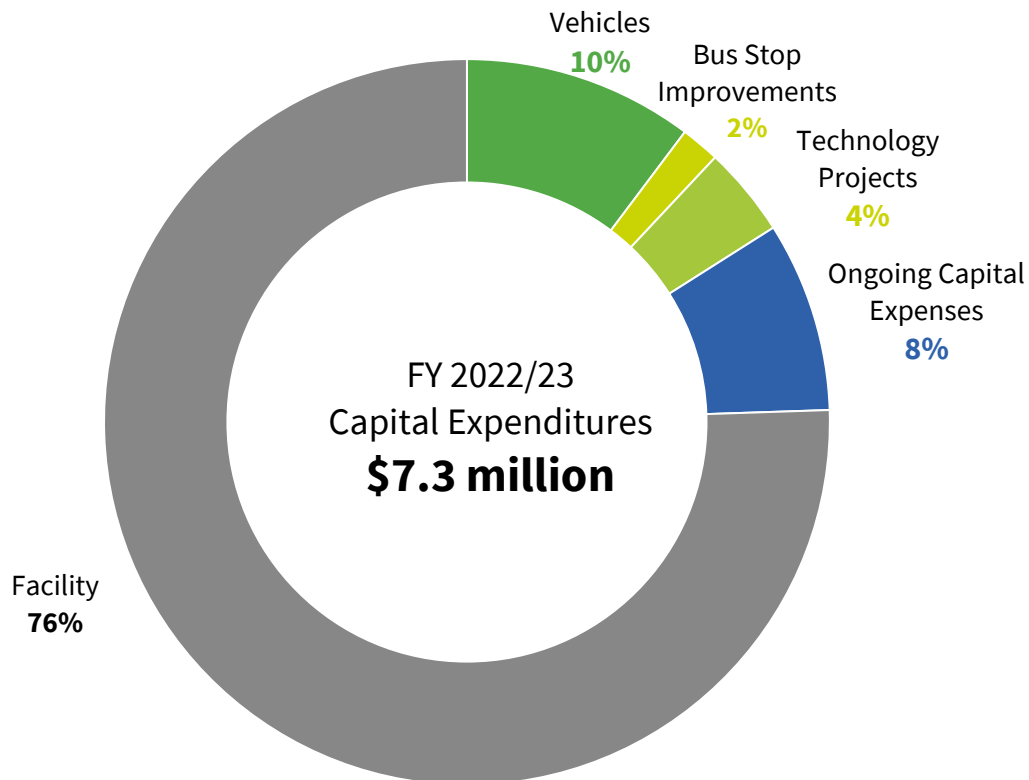
Marin Transit's Capital Program includes all expenses related to purchasing and maintaining the transit system's capital assets (table 14). This includes vehicle purchases, bus stop improvements, technology projects, communication systems, facilities purchases and facility improvements (table 14). A more detailed status report of the District's capital projects is included in Attachment B - FY 2022/23 Capital Report.

In FY 2022/23, capital expenditures were \$7.34 million. The expenditures included the following major projects:

- Purchase of 3010/3020 Kerner Parking Facility;
- Rush Landing Facility Improvements (EV Charging, Fencing and Lighting);
- Mid-Life Hybrid Bus Battery Replacements; and
- Design of ADA bus stop improvements.

Facility purchases were 76% of the total expenditures and vehicle purchases were 10% of total expenditures (Figure 11).

**Figure 11: Capital Expenditures by Categories**



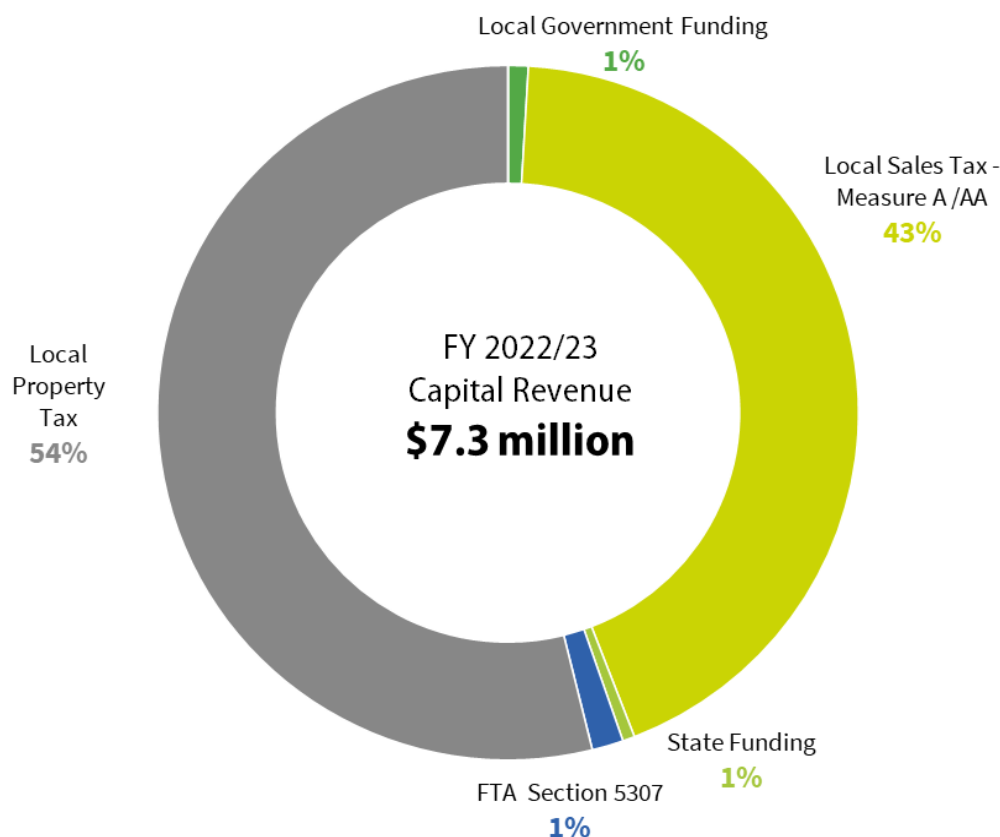
### Capital Revenue

Marin Transit's capital program is typically funded primarily with federal funds and matching local funds. Federal Section 5307 funds are available through regional programming for up to 80% of vehicle replacement costs. Marin Transit seeks Federal and State discretionary grants for facility projects and was recently awarded \$35 million in Federal Section 5339 funds for a fixed route electric bus charging and maintenance facility.

In FY2022/23, most of Marin Transit's capital expenses were for facility projects including the purchase of right of way at 3010/3020 Kerner Blvd, adjacent to the new paratransit maintenance facility and capital improvements at Rush Landing (Novato) and 3000 Kerner (San Rafael). These projects were primarily funded with \$3.96 million in current year property tax funds (equivalent to expending capital reserve funds). Since there were no major expenditures on vehicle replacements that are typically funded with 80% with Federal Transit Administration Section 5307 funding, the District also claimed significantly less federal funding in the fiscal year.

Capital revenues by type are shown in Figure 12. Marin Transit's allocation of local sales tax (Measure A and Measure AA) is critical for providing grant matching funds, maintenance of capital assets and facility costs. Marin Transit is allocated approximately \$900,000 per year in Measure AA capital funds. This fiscal year the District expended significant prior year Measure A/AA funding for a total expenditure of \$3.1 million or 43% of total revenues (figure 12).

**Figure 12: Capital Revenue Categories**



**Table 14: Capital FY 2022/23 Actuals**

		Total Project Budget	FY2022/23 Budget	FY2022/23 Revised	FY2022/23 Actual	Total Project Expenditures
EA	Replace 2 Artics with 4 - 40ft Electric	4,366,507	0	293,568	42,987	4,115,926
LE	Purchase 7 35 ft Hybrids	6,423,974	0	10,000	1,363	1,363
PD	Purchase 5 paratransit replacements	505,000	497,000	502,594	4,907	7,313
PE	Purchase 1 electric paratransit	677,208	677,208	677,208	4,295	4,295
PF	Purchase 5 paratransit replacements	515,000	515,000	515,000	4,438	4,438
HY	Hybrid Battery Replacements	630,000	250,000	630,000	660,413	660,413
NR	Staff Car	49,000	48,000	48,679	36,899	37,220
<b>Subtotal Vehicles</b>		<b>13,166,689</b>	<b>1,987,208</b>	<b>2,677,049</b>	<b>755,301</b>	<b>4,830,968</b>
BN	Novato Bus Stop Shelters	61,115	60,215	60,052	1,909	2,972
BP	ADA Bus Stop Improvements	1,703,000	1,400,000	1,567,278	125,609	261,331
<b>Subtotal Bus Stop Improvements</b>		<b>1,764,115</b>	<b>1,460,215</b>	<b>1,627,330</b>	<b>127,518</b>	<b>264,303</b>
FS	Facility - Rush Landing Improvements	2,800,000	1,537,957	2,051,186	1,731,754	2,480,568
FD	Facility - Kerner Improvements	1,100,000	130,000	103,780	135,544	1,131,764
FE	Facility- Parking Facility ROW	3,850,000	3,650,000	3,674,707	3,514,715	3,690,008
FG	Facility Maintenance Facility	20,000,000	300,000	300,000	44,098	44,098
FH	Facility - 3010/3020 Kerner Improvements	300,000	0	300,000	121,927	121,927
YF	Yellow Bus Parking Facility	3,000,000	3,000,000	3,000,000	0	0
<b>Subtotal Facility</b>		<b>31,050,000</b>	<b>8,617,957</b>	<b>9,429,673</b>	<b>5,548,037</b>	<b>7,468,365</b>
OC	On Board Vehicle Equipment	550,000	250,000	550,000	294,737	294,737
<b>Subtotal Technology Projects</b>		<b>550,000</b>	<b>250,000</b>	<b>550,000</b>	<b>294,737</b>	<b>294,737</b>
GG	Golden Gate Capital Costs (GG)	24,000	24,000	24,000	17,036	17,036
BM	Bus Stop Maintenance (BM)	160,000	160,000	160,000	106,583	106,583
VR	Major Vehicle Repairs (VR)	200,000	200,000	200,000	70,486	70,486
IF	Infrastructure Support (IF)	400,000	400,000	400,000	428,065	428,065
<b>Subtotal Ongoing Capital Expenses</b>		<b>784,000</b>	<b>784,000</b>	<b>784,000</b>	<b>622,170</b>	<b>622,170</b>
<b>Total Expenditures</b>		<b>47,314,804</b>	<b>13,099,380</b>	<b>15,068,052</b>	<b>7,347,765</b>	<b>13,480,543</b>

## Attachment 1: FY 2022/23 Budget Amendments

Number	Board Authorizatio n	Description	Function	Program	Project	GL	Original	Change	Final
2023-01	12/5/2022	Roll forward of FY2022 Capital Project expenditures.	Capital	Capital	EA	5230101 Vehicles	\$0	\$293,568	\$293,568
					PD	5230101 Vehicles	\$497,000	\$5,594	\$502,594
					HY	5230101 Vehicles	\$250,000	\$50,500	\$300,500
					NR	5230101 Vehicles	\$48,000	\$679	\$48,679
					BN	5230104 Facilities	\$60,215	(\$163)	\$60,052
					BP	5230104 Facilities	\$1,400,000	\$167,278	\$1,567,278
					FS	5230104 Facilities	\$1,537,957	\$513,229	\$2,051,186
					FD	5230104 Facilities	\$130,000	(\$26,220)	\$103,780
					FE	5230104 Facilities	\$3,650,000	\$24,707	\$3,674,707
				Total Change for 2023-01					

						5230101 Vehicles	\$300,500	\$329,500	\$630,000
2023-02	12/5/2022	Hybrid Refresh	Capital	Capital	HY	4139910 Fed- FTA 5307	\$200,000	\$284,000	\$484,000
						4092006 Measure AA Cap	\$100,500	\$45,500	\$146,000
2023-03	12/5/2022	Add 3010/3020 Kerner Improvement Project	Capital	Capital	FH	5230104 Facilities	\$0	\$300,000	\$300,000
2023-04 (was 2023-02)	1/9/2023	Add Project for 7 Hybrid Replacements	Capital	Capital	LE	Project Budget	\$0	\$6,423,974	\$6,423,974
						5230101 Vehicles	\$0	\$10,000	\$10,000
						4092006 Measure AA Cap	\$0	\$10,000	\$10,000
2023-05	3/6/2023	Add funds to OC for AVL System	Capital	Capital	OC	5230102 Communications & Data	\$250,000	\$300,000	\$550,000
2023-06	6/05/2023	Correction to salary/benefit transfer to capital programs	Operations	Admin	NA	5100102 Contra Salary	(\$2,105,72)	\$190,463	(\$1,915,264)
						5100103 Contra Benefits	(\$1,209,714)	\$106,025	(\$1,103,689)
						5100101 Contra Overhead	(\$722,907)	\$95,026	(\$627,881)
		Total Changes for 2023-06						\$391,514	

## Attachment 2: Annual Report of Marin Transit's Defined Contribution Retirement Account 401(a)

The Marin County Transit District established a Governmental 401(a) single employer defined contribution pension plan (the Plan) in October 2013. The plan is available to all employees who have attained twenty-one years of age and have more than 1,000 hours of service. Based on years of service, the District is required to contribute 10% to 15% of each employee's compensation into an individual employee account under the Plan. In FY2019/20 Marin Transit completed a review of plan administration options and based on the review moved the plan from Nationwide to a new plan with Principal to reduce employee fees. Marin Transit also hired a financial consultant to help with the selection and maintenance of investment options. The following statement of balances is intended to provide a report of contributions and allow for review of plan effectiveness.

### Investment Balances

	July 1, 2021– June 30, 2022	July 1, 2022– June 30, 2023
<b>Starting Balance</b>	\$2,015,736	\$1,820,656
<b>Contributions<sup>1</sup></b>	\$247,087	\$276,854
<b>Admin Expenses</b>	(\$9,858)	(\$9,350)
<b>Withdrawals</b>	(\$109,099)	(\$76,946)
<b>Earnings</b>	(\$389,918)	\$230,728
<b>Ending Balance</b>	\$1,820,656	\$2,241,943
<b>Estimated Average Annual Rate of Return<sup>2</sup></b>	(17%)	11%
<b>Total Participants</b>	24	27
<b>Prior Employee Participants</b>	9	9
<b>Active Participants</b>	15	18
<b>Ineligible employees</b>	2	2
Tier 1(15%)	7	8
Tier 2 (13%)	5	3
Tier 3 (10%)	3	7

<sup>1</sup> Through 6/30 payroll (full accrual basis)

<sup>2</sup> Calculated based on an average of the quarterly returns on invested assets



## Capital Projects Report FY2022/23

This capital project report provides details for FY2022/23. Project descriptions and status are given for all major capital projects. Projects are grouped according to project type as shown below.

	Total Project Budgets	Total Expended FY2023	Total Project Expenditures
Vehicles	\$13,166,689	\$755,301	\$4,830,968
Bus Stop Improvements	\$1,764,115	\$127,518	\$264,303
Facility	\$31,050,000	\$5,548,037	\$7,468,365
Technology Projects	\$212,394	\$294,737	\$294,737
Ongoing Capital Expenses	\$784,000	\$622,170	\$622,170 (annual)
	\$46,977,198	\$7,347,763	\$13,480,543

### Purchase Four 40ft Electric Vehicles (Replacement)

Total Project Budget

\$4,366,507

Concept: Replace three 60ft Artics with four 40ft Electric Buses

Funding: \$2,753,357 Federal Section 5307

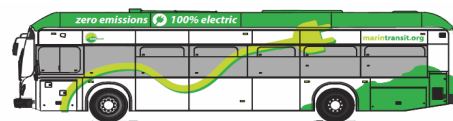
\$1,356,076 State LCTOP

\$255,474 Measure AA

\$1,601 Property Tax

Description: Purchase of four 40-foot Battery Electric Buses to replace three 60-foot Articulated buses beyond their useful life

Status: These vehicles will replace three 60-ft articulated buses in a seat for seat replacement. Board authorized the purchase of four 40ft Electric buses in October 2020. All vehicles have been delivered and this project has been finalized.



VEHICLES

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Anticipated</u> <u>Completion</u> <u>Date</u>
EA	\$4,366,507	\$4,115,926	100%	Sep-22

### Purchase Seven 35ft Hybrid Vehicles (Replacement)

Total Project Budget

\$6,423,974

Concept: Replace seven 35ft Hybrid vehicles to replace vehicles beyond their useful life.

Funding: \$4,882,220 Federal Section 5307

\$770,877 State

\$770,877 Measure AA

Description: Purchase seven 35ft Hybrid vehicles

Status: Vehicles have been ordered and delivery is expected in January 2024

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Anticipated</u> <u>Completion</u> <u>Date</u>
LE	\$6,423,974	\$1,363	0%	Mar-24

VEHICLES





VEHICLES

**Purchase 5 Paratransit Vehicles (Replacements)****Total Project Budget****\$505,000**Concept: Purchase 5 Paratransit ReplacementsFunding: \$404,000 Federal 5307

\$101,000 Measure AA

Description: Purchase 5 Paratransit Vehicles to replace vehicles beyond their useful life.Status: Board authorized purchase of these vehicles in November 2021 but the vendor canceled order due to supply chain issues. Board authorized new purchase to the board in November 2022 and delivery is estimated in late 2023.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Anticipated</u>
		<u>Date</u>	<u>Percent Complete</u>	<u>Completion</u>
PD	\$505,000	\$7,313	30%	Dec-23

VEHICLES

**Purchase 5 Paratransit Replacements****Total Project Budget****\$515,000**Concept: Purchase 5 paratransit replacementsFunding: \$412,000 Federal Section 5307

\$103,000 Measure AA

Description: Replace 5 paratransit vehicles beyond their useful lifeStatus: This purchase was combined with the paratransit replacement above. Board authorized new purchase to the board in November 2022 and delivery is expected in late 2023.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Anticipated</u>
		<u>Date</u>	<u>Percent Complete</u>	<u>Completion</u>
PF	\$515,000	\$4,438	30%	Dec-23

VEHICLES

**Purchase 1 Electric Paratransit****Total Project Budget****\$677,208**Concept: Purchase One Electric ParatransitFunding: \$677,208 State LCTOPDescription: Replace 1 paratransit vehicles that is beyond its useful lifeStatus: Marin Transit will replace one paratransit vehicle with an electric paratransit vehicle. Staff plans to bring this purchase to the Board for authorization in 2023.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Anticipated</u>
		<u>Date</u>	<u>Percent Complete</u>	<u>Completion</u>
PE	\$677,208	\$4,295	1%	Mar-24



## VEHICLES

**Purchase Hybrid Battery (Replacement)****Total Project Budget****\$630,000**Concept: Purchase replacement batteries for Hybrid busesFunding: \$516,600 Federal Section 5307

\$113,400 Measure AA

Description: Purchase replacement batteries for Hybrid buses

Status: As a preventive maintenance measure, the batteries on the 2015 Hybrid Buses were refreshed. Board authorized contract to do this work in December 2022 and it was completed in completed in March 2023.



<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Anticipated</u> <u>Completion</u> <u>Date</u>
HY	\$630,000	\$660,413	100%	Mar-23

## VEHICLES

**Staff Car****Total Project Budget****\$49,000**Concept: Purchase an electric staff carFunding: \$45,000 State STA

\$4,000 Measure AA

Description: Purchase an electric staff car to replace a retired-active vehicle

Status: Board approved the purchase of a new electric staff car on May 4, 2020. This purchase is complete and the vehicle is in service.



<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Completion</u> <u>Date</u>
NR	\$49,000	\$37,220	100%	Jun-23

## BUS STOP IMPROVEMENTS

**Bus Stop Improvements - Novato Bus Shelters****Total Project Budget****\$61,115**Concept: Replace Bus Shelters in NovatoFunding: \$48,892 Federal Lifeline Program

\$12,223 Measure AA

Description: Purchase up to eight shelters in Novato

Status: Marin Transit will replace up to eight advertising shelters previously under contract with an advertising company through the City of Novato with low-maintenance shelters.



<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Completion</u> <u>Date</u>
BN	\$61,115	\$2,972	5%	Jun-24

**County Wide Stop Improvements****Total Project Budget****\$1,703,000**Concept: Complete construction of Bus Stop Improvements

Funding: \$1,362,400 Federal  
\$340,600 Measure AA

Description: Design & Construction for ADA Bus Stop Improvements

Status: A task order for final design was initiated through Marin Transit's general engineering services contract. Design and coordination with local jurisdictions is underway.



<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Completion</u>	
		<u>Date</u>	<u>Percent Complete</u>	<u>Date</u>	
BP	\$1,703,000	\$261,331	15%	Dec-24	

**Facility - Capital Improvements****Total Project Budget****\$2,800,000**Concept: Acquire property and develop a maintenance facility

Funding: \$2,696,747 Measure AA/Capital Reserves  
\$103,253 FTA 5339

Description: Make improvements to Rush Landing Facility

Status: Marin Transit successfully completed the purchase of right of way at 600 Rush Landing Rd in Novato. Additional improvements are being constructed. Phase 1, which included Bus Charging infrastructure installation is complete. Phase 2 including enhanced fencing and lighting is almost complete.



<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Anticipated Completion</u>	
		<u>Date</u>	<u>Percent Complete</u>	<u>Date</u>	
FS	\$2,800,000	\$2,480,568	89%	Oct-23	

ADMIN AND OPERATIONS FACILITY

**Maintenance Facility - Capital Improvements****Total Project Budget****\$1,100,000**Concept: Capital improvement for maintenance facility

Funding: \$1,100,000 Measure AA/Capital Reserves

Description: Capital Improvements at 3000 Kerner Blvd

Status: Marin Transit will perform modifications to 3000 Kerner to convert the space into a paratransit vehicle maintenance facility. Improvements included retrofitting warehouse space for effective use for vehicle maintenance and reconfiguration of office space. Marin Transit has completed this project.



<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u>		<u>Completion</u>	
		<u>Date</u>	<u>Percent Complete</u>	<u>Date</u>	
FD	\$1,100,000	\$1,131,764	100%	Mar-23	

**Facility - Kerner Parking ROW****Total Project Budget \$3,850,000**Concept: Purchase Parking FacilityFunding: \$3,850,000 Capital ReserveDescription: Replace temporary leased parking with a permanent location

Status: Marin Transit closed on property at 3010/3020 Kerner Blvd in July 2022. The project to purchase the ROW is complete.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Completion</u> <u>Date</u>
FE	\$3,850,000	\$3,690,008	100%	Aug-22

**Facility - Maintenance Facility****Total Project Budget \$20,000,000**Concept: Purchase/Build Fixed Route Maintenance FacilityFunding: \$20,000,000 Capital ReserveDescription: Purchase/Build Fixed Route Maintenance FacilityStatus: Marin Transit is actively looking for a site to purchase.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Anticipated</u> <u>Completion</u> <u>Date</u>
FG	\$20,000,000	\$44,098	0%	Jul-25

**Facility - 3010/3020 Kerner Improvement****Total Project Budget \$300,000**Concept: Improvements to the 3010/3020 Kerner Parking FacilityFunding: \$300,000 Capital ReserveDescription: Prepare site for vehicle parking and electric bus charging

Status: Board authorized contract for design of a new parking facility at 3000 Kerner Blvd in December 2022. Staff anticipates completing the design in November 2023 and having construction to begin in 2024



<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Anticipated</u> <u>Completion</u> <u>Date</u>
FH	\$300,000	\$121,927	41%	Dec-24

**Yellow Bus Parking Facility****Total Project Budget \$3,000,000**Concept: Identify and purchase property for vehiclesFunding: \$3,000,000 Capital ReserveDescription: Replace temporary leased parking with a permanent locationStatus: Marin Transit is evaluating and identifying opportunities for land acquisition.

<u>Project ID</u>	<u>Budget</u>	<u>Expended to</u> <u>Date</u>	<u>Percent Complete</u>	<u>Anticipated</u> <u>Completion</u> <u>Date</u>
YF	\$3,000,000	\$0	0%	NA



TECHNOLOGY PROJECTS		Total Project Budget		\$550,000
TECHNOLOGY PROJECTS	<u>Concept:</u>	District technology projects		
	<u>Funding:</u>	\$550,000 Measure AA \$0 Federal Section 5307		
	<u>Projects:</u>		<u>Total Project Cost</u>	<u>Expended to Date</u>
	OC	On Board Vehicle Equipment	\$550,000	\$294,737
<u>Description:</u>		Marin Transit provides technology acquisitions for vehicle operations, fare collection, and passenger information		
<u>Status:</u>		Staff replaced real-time information equipment on the fixed route fleet.		
Ongoing Capital Expenses		Annual Budget		\$784,000
ONGOING CAPITAL EXPENSES	<u>Concept:</u>	Ongoing capital expenses		
	<u>Funding:</u>	\$784,000 Measure A		
	<u>Projects:</u>	<u>Total Project Budgets</u>	<u>Annual Budget</u>	<u>Expended in FY2023</u>
	GG	Golden Gate Capital Costs	\$24,000	\$12,777
	BM	Bus Stop Maintenance	\$160,000	\$77,689
	VR	Major Vehicle Repairs	\$200,000	\$66,141
	IF	Infrastructure Support	\$400,000	\$304,797
<u>Description:</u>		Ongoing capital costs associated with the Golden Gate operations		
<u>Status:</u>		Capital depreciation expenses for equipment owned by Golden Gate Transit are billed monthly. Major vehicle repairs, such as transmissions, are expended as needed. Infrastructure support includes small capital projects, staff support, and work on partner agency capital projects.		







# **FY2022/23 Financial Report**

**JULY 1, 2022- JUNE 30, 2023**



November 6, 2023

[marintransit.org](https://www.marintransit.org)

# Overview – Budget Summary

	FY 2021/22 Actual	FY2022/23 Original Budget	FY 2022/23 Revised Budget	FY 2022/23 Actual	Percent Total Budget Used
<i>Operations</i>	36,862,258	42,272,132	42,272,132	37,990,774	90%
<i>Capital</i>	5,967,701	9,999,380	10,856,336	7,325,565	67%
<b>Total Revenue</b>	<b>42,829,959</b>	<b>52,271,512</b>	<b>53,128,468</b>	<b>45,316,339</b>	<b>85%</b>
<i>Operations</i>	33,405,156	40,451,999	40,843,513	37,287,174	91%
<i>Capital</i>	10,631,869	13,099,380	15,068,051	7,347,763	49%
<b>Total Expenditures</b>	<b>44,037,025</b>	<b>53,551,379</b>	<b>55,911,564</b>	<b>44,634,937</b>	<b>80%</b>
<b>Net Change in Fund Balance</b>	<b>(\$1,207,066)</b>	<b>(\$1,279,867)</b>	<b>(\$2,783,096)</b>	<b>\$681,403</b>	
<i>Emergency Reserve</i>	5,896,957	6,742,000	6,742,000	6,742,000	
<i>Contingency Reserve</i>	11,793,914	13,484,000	13,484,000	13,484,000	
<i>Capital Reserve</i>	17,888,885	14,073,889	12,570,660	16,035,159	
<b>Fund Balance (total reserve)</b>	<b>\$35,579,756</b>	<b>\$34,299,889</b>	<b>\$32,796,660</b>	<b>\$36,261,159</b>	

# Total Expenditures

## \$44.6 million for FY2023

- \$37.3 for operations
- \$7.3 for capital

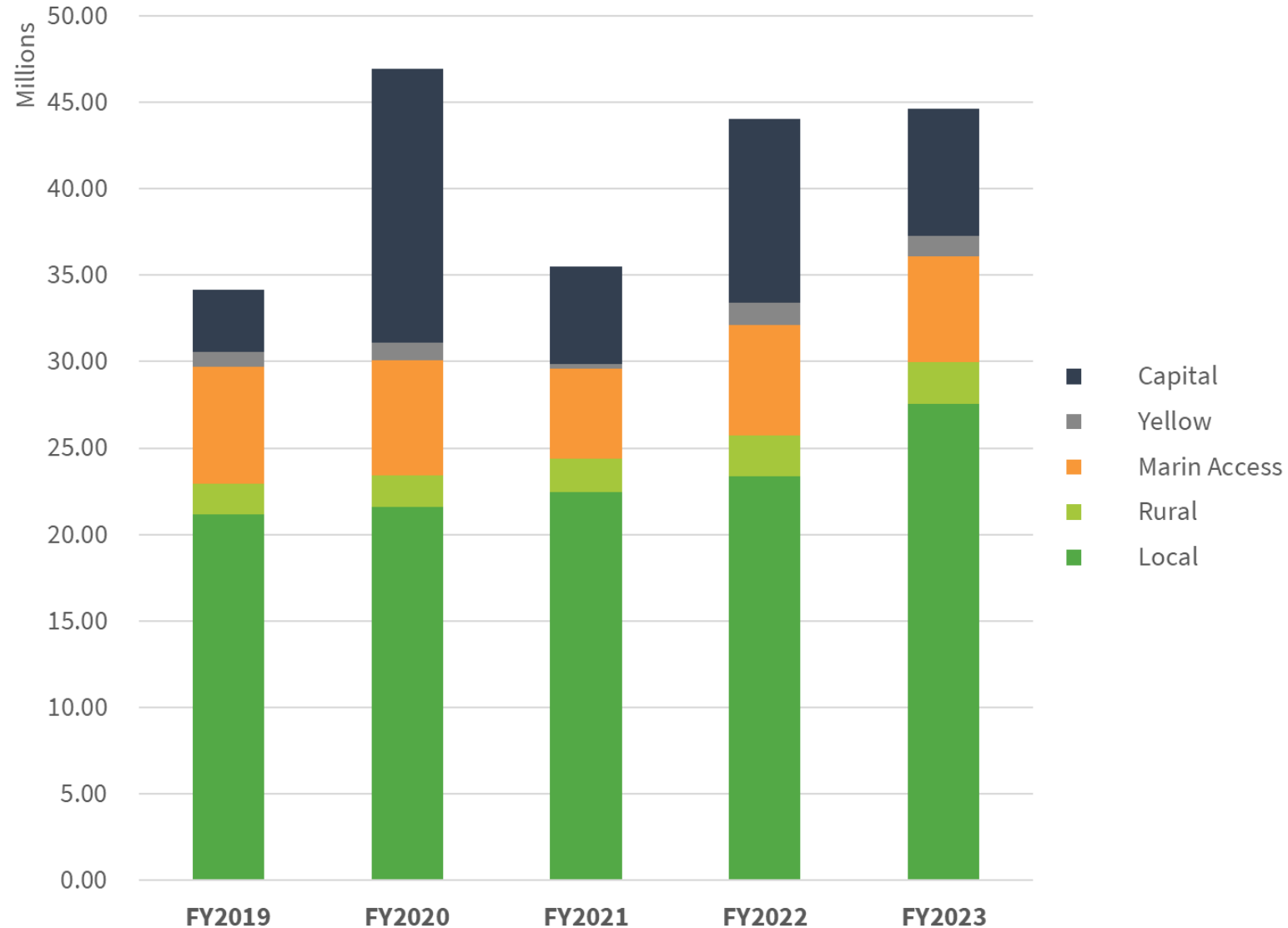
Compared to prior year

- 31% decrease in capital expenditures
- 12% increase in operations expenses

Majority of expenses for Local Fixed Route service

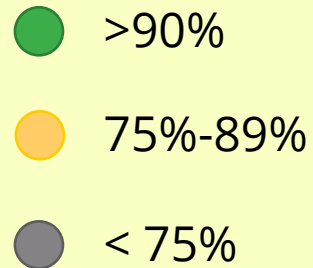


Expenses by Program Area





# Percent of Budgeted Service Provided



99% of budget Fixed Route

41% of budgeted Demand Response Service

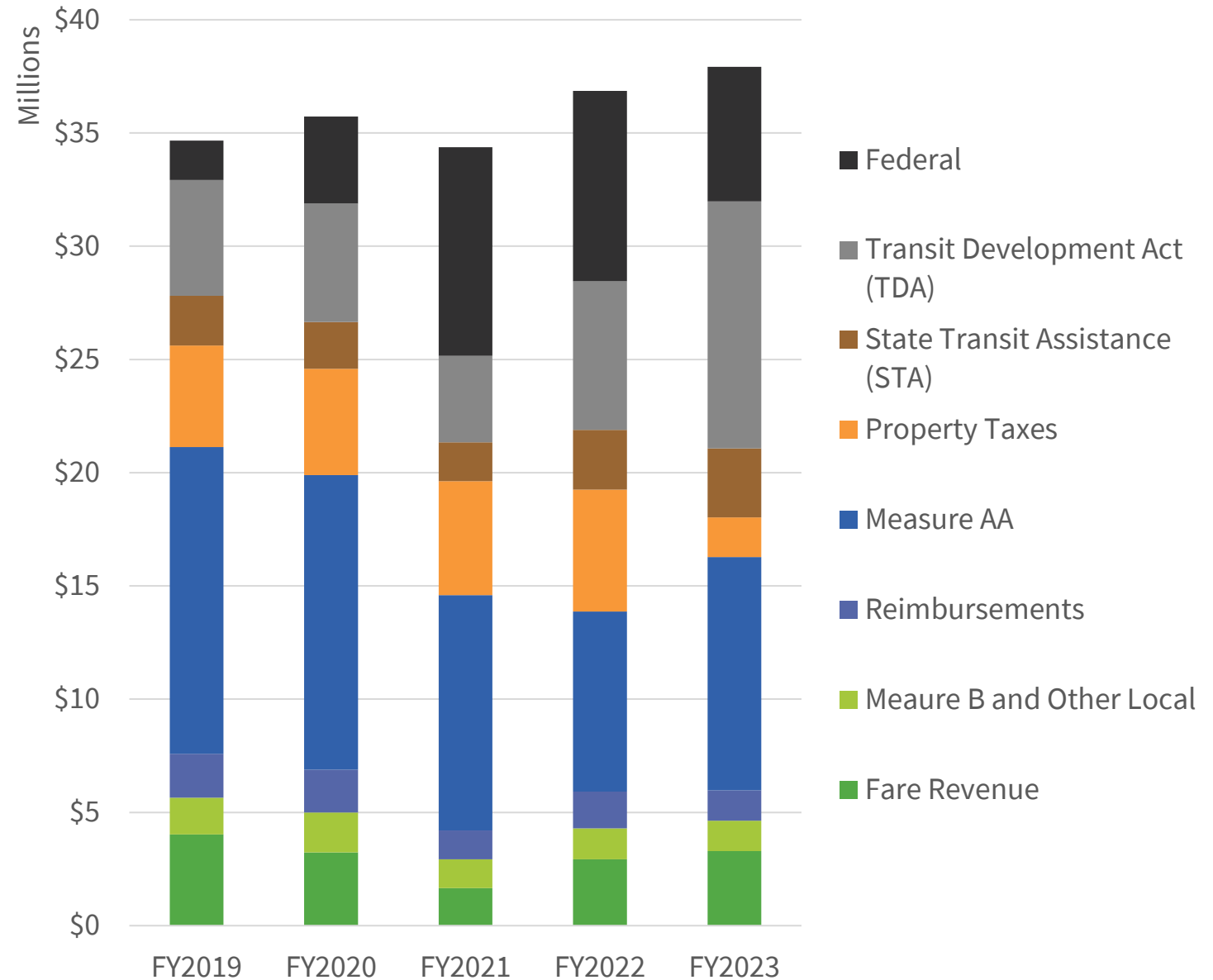


Service	FY 2022/23 Actual Revenue Hours	% of Budget
Regular Local and Trunk Line	118,932	<span style="color: orange;">●</span> 104%
Community Shuttles	39,938	<span style="color: teal;">●</span> 95%
Supplemental School	2,938	<span style="color: gray;">●</span> 59%
Muir Woods Shuttle	5,433	<span style="color: gray;">●</span> 84%
West Marin Stagecoach Service	16,011	<span style="color: teal;">●</span> 94%
<b>Fixed Route Subtotal</b>	<b>183,252</b>	<span style="color: teal;">●</span> 99%
Novato Dial-A-Ride	1,290	<span style="color: gray;">●</span> 65%
Rural Dial A Ride	386	<span style="color: teal;">●</span> 97%
Transit Connect (Billable Hours)	3,041	<span style="color: gray;">●</span> 47%
Local Paratransit Service	26,104	<span style="color: gray;">●</span> 61%
<b>Demand Response Subtotal</b>	<b>30,821</b>	<span style="color: gray;">●</span> 41%
Regional Paratransit Service	3,877	<span style="color: gray;">●</span> 78%
Yellow School Bus Service	5 buses	<span style="color: gray;">●</span> 0%
Service	FY 2022/23 Actual Trips	% of Estimate
Catch A Ride	4,043	<span style="color: orange;">●</span> 101%
Volunteer Driver	11,034	<span style="color: orange;">●</span> 110%

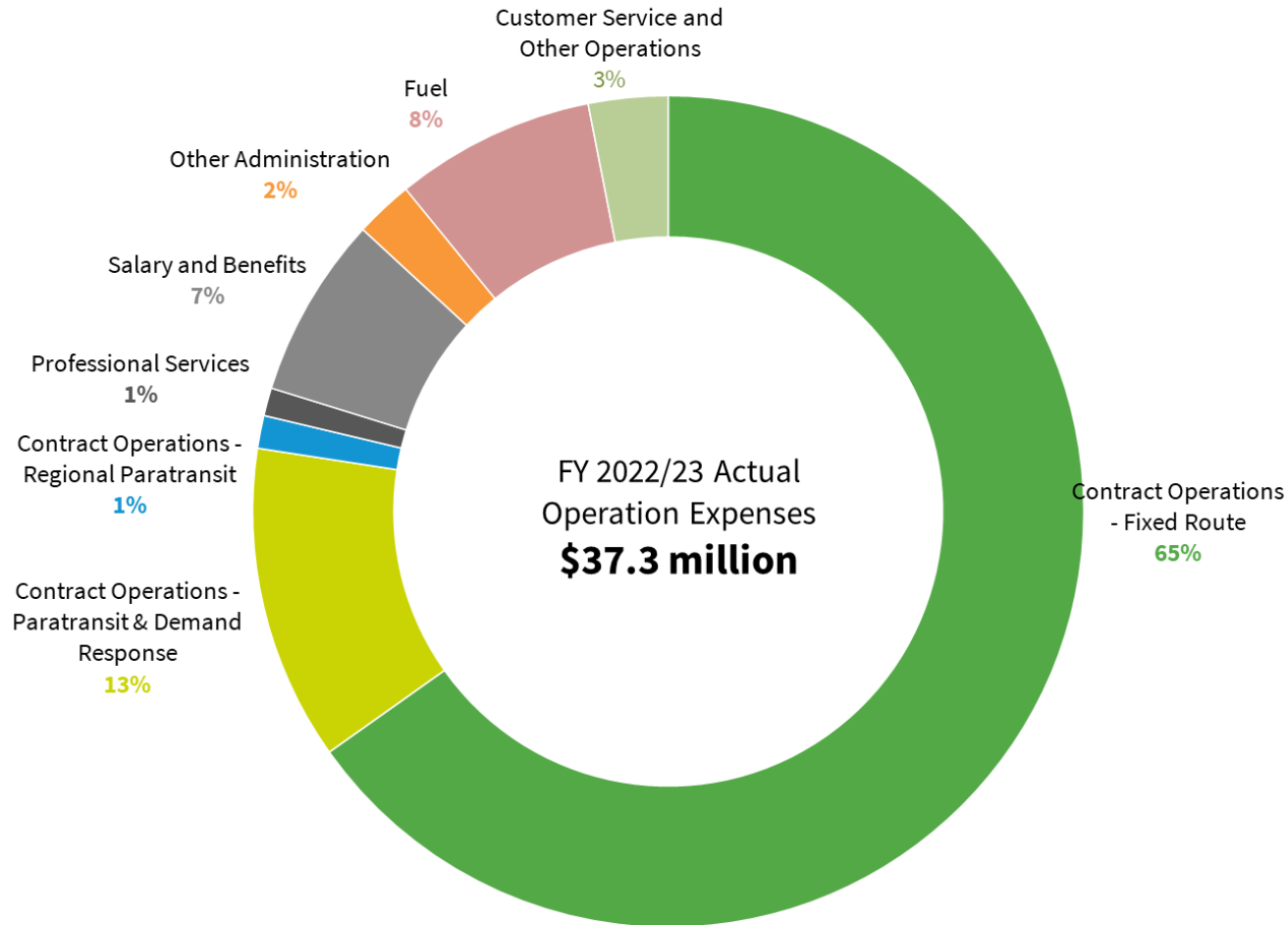
# Operations Revenues

- Federal relief funds fully expended
- Increased TDA allocation
- Increased usage of Measure A/AA

Federal Relief Bill	Marin Transit Allocation
Coronavirus Aid, Relief, and Economic Security (CARES) Act	\$10.2 million
Coronavirus Response and Relief Supplemental Appropriation Act of 2021 (CRRSAA)	\$4.2 million
American Rescue Plan Act of 2021 (ARPA)	\$6.8 million
<b>Total</b>	<b>\$21.2 million</b>



# Operations Expenses by Type



## Budget Areas

### Administration

- District Staffing

### Local Fixed Route

- Fixed Route service
- Muir Woods Shuttle
- Supplemental School service

### Rural Service

- West Marin Stagecoach
- Rural Dial A Ride

### Marin Access

- Local and Regional Paratransit
- Catch A Ride
- Volunteer Driver
- Mobility Management

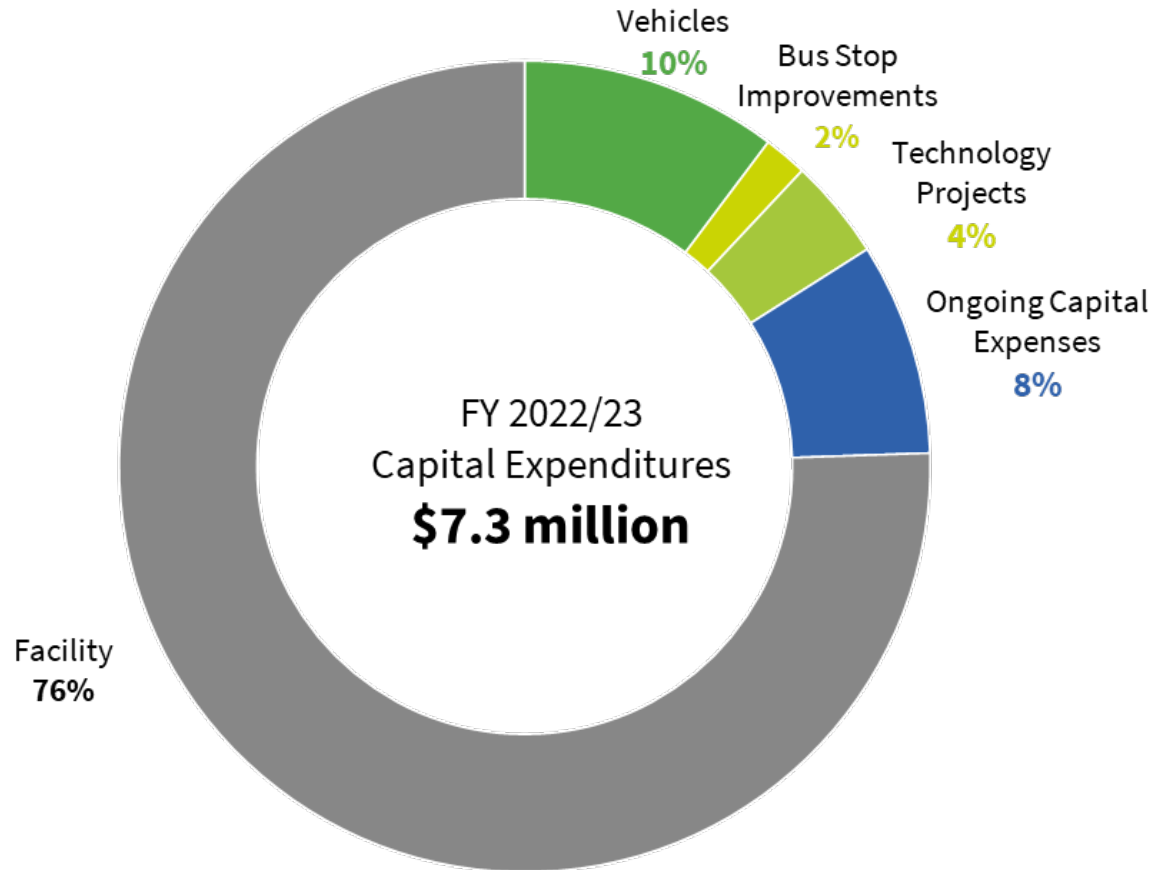
### Yellow Bus Service

- Ross Valley Operation
- Measure AA grants

# Fixed Route Purchase Transportation Contracts

Contractor	Service	FY2023 Changes	FY23 Effective Rate (\$/rev. hr.)	Prior Year (FY22) (\$/rev. hr.)	% Change
Golden Gate Bridge Highway and Transportation System	Local Fixed Route	New Contract 10/1/2022, in addition to the rate change, revenue and other structural changes resulted in net cost increase of 18%	\$149.25	\$132.55	11%
MV Transportation	Muir Woods (2022), Supplemental School, and Stagecoach (Rural)	Significant missed trip penalties, lower hours due missed trips and shifting Muir Wood Shuttle Service.	\$ 116.18	\$113.16	3%
Marin Airporter	Local Fixed Route	Increased contract rates to reflect 20% more service added in 2020 - adding additional dispatch, customer service and maintenance staff	\$112.21	\$80.86	28%
Baur Transportation	Muir Woods (2023)	New contract, includes provision of vehicles	\$ 239.91	NA	NA

# Capital Expenditures



## Largest Expenditures:

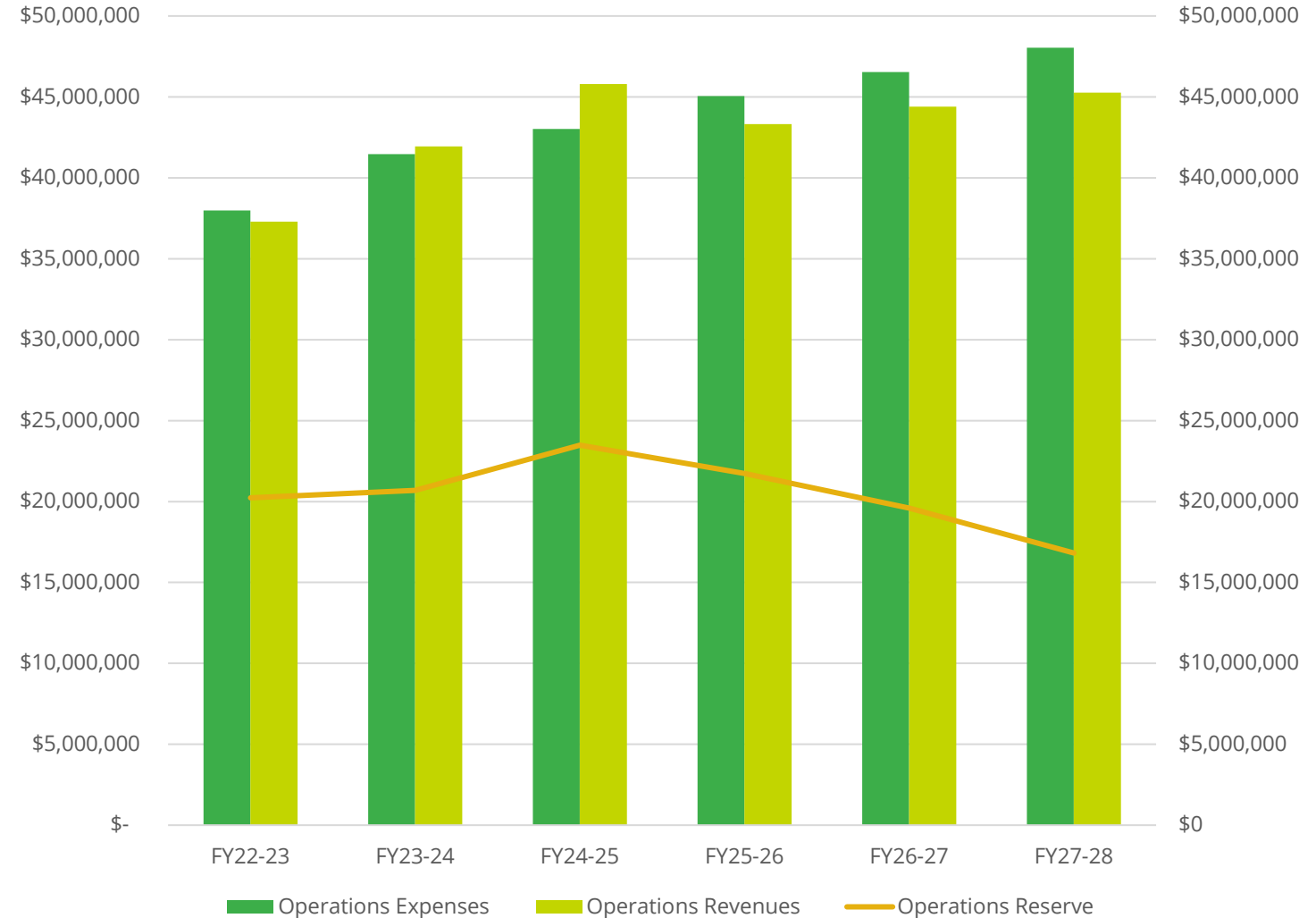
- \$3.5 Kerner ROW
- \$1.7 Rush Landing Electrification
- \$660,000 Hybrid mid life battery replacements

# Financial Projections

MTC collected fiscal cliff information from all operators

- Standardizing assumptions
- Lowers District's revenue projection
- Expenses exceed revenues in FY2025/26
- With reserve level and margin of error for projections

Marin Transit 5 year Financial Projections



# Thank you

## CONTACT

**Lauren Gradia**

**Director of Finance and Capital Programs**