



# MARIN TRANSIT BUDGET FY 2024/25

**Table of Contents**

Marin Transit Budget Overview ..... 3

    Relevant Financial Policies ..... 4

    District Fund Balance ..... 6

    Local Sales Tax – Measure A and Measure AA ..... 7

Operations Budget ..... 10

    District Operations Revenue ..... 12

    District Operations Expenses ..... 14

    Administration Budget ..... 17

    Local Fixed Route Service ..... 19

    Yellow Bus Service ..... 22

    Rural Service ..... 24

    Marin Access (Paratransit and Mobility Management) ..... 27

Capital Budget ..... 32

    Vehicles ..... 32

    Bus Stop Improvements ..... 33

    Administrative and Operations Facilities ..... 34

    Technology Projects ..... 35

    Other Measure A/AA Capital Expenses ..... 35

## Tables

Table 1: Budget Summary.....	3
Table 2: Operations Budget (Admin, Local, Yellow Bus, Rural & Marin Access).....	11
Table 3: Revenue Variances in Operations Budget .....	13
Table 4: Expense Variances in Operations Budget.....	14
Table 5: Personnel Counts .....	16
Table 6: Administration Budget.....	18
Table 7: Local Fixed Route Service Levels .....	19
Table 8: Local Fixed Route Service Budget .....	21
Table 9: Yellow School Bus Budget .....	23
Table 10: Rural Service Levels.....	25
Table 11: Rural Service Budget.....	26
Table 12: Marin Access Service Levels .....	28
Table 13: Marin Access Grant Funding .....	30
Table 14: Marin Access Budget .....	31
Table 15: Facility Project Budget by Phase .....	34
Table 15: Capital Budget.....	36

## List of Figures

Figure 1: Ten-Year Measure A/AA Transit Funds by Fiscal Year .....	8
Figure 2: Local Sales Tax Expenditures by Fiscal Year (Measure A/AA) .....	9
Figure 3: Fixed Route Service Hours by Fiscal Year .....	10
Figure 4: Revenue Sources for FY 2024/25 Budget.....	12
Figure 5: Operations Expenses for FY 2024/25 Budget .....	15
Figure 6: Marin Transit FY 2024/25 Organization Structure.....	16
Figure 7: Local Passenger Trips by Program .....	20
Figure 8: Rural Revenue Hours.....	20
Figure 9: Rural Ridership Trends.....	25
Figure 10: Marin Access Revenue Hours by Program .....	29
Figure 11: Marin Access Passengers by Program .....	30
Figure 12: Capital Project Expenditures Budget by Type .....	32

# Marin Transit Budget Overview

The Marin County Transit District (Marin Transit) provides local transit service within Marin County. Marin Transit provides 2.8 million unlinked passenger trips per year and provides over 225,000 revenue hours of service with a fleet of 79 buses. The FY 2024/25 expenditure budget for operations and capital projects is \$55.0 million (Table 1). The FY 2024/25 budget allows for a fully funded Emergency Reserve of two months of operating expenses, a Contingency Reserve of four months of operating expenses, and a Capital Reserve of \$22.6 million. The District is still experiencing revenue fluctuations in major revenue sources, and the budget includes significant expenditure of carryforward revenue from Measure AA and state sources that were both (a) projected to have revenue losses that did not occur and (b) were underspent due to the availability of federal relief funding.

Marin Transit retained and recovered ridership during the pandemic at a higher rate than peer agencies. Currently, fixed route ridership is over 90% of pre-COVID levels. Ridership on ADA Paratransit and other Marin Access programs has recovered more slowly, and based on current demand the budget provides for demand response hours that are about 50% of pre-pandemic hours. The budget maintains existing fixed route services and allows for some innovative program growth and changes focused on adjusting to post-COVID needs. Marin Transit’s capital expenditure budget is \$9.8 million to fund transit vehicle replacements, bus stop improvements, and facility improvement projects. Marin Transit is actively working on facility projects to improve existing facilities and purchase additional right of way needed for parking and maintenance of electric buses and yellow buses. Two projects are anticipated to be in construction in FY2024/25, the District’s ADA bus stop project, and the 3010/3020 Kerner vehicle parking with electric vehicle charging and solar power generation. The District will also be completing the Environmental phase of the fixed route electric vehicle facility project

Table 1: Budget Summary

	FY2022/23 Actual	FY2023/24 Revised Budget	FY 2023/24 Estimated Actual	FY 2024/25 Budget
<b>Revenue</b>				
Operations	37,990,774	43,865,464	46,358,777	49,283,402
Capital	7,325,565	16,303,572	8,763,005	9,751,108
<b>Total Revenue</b>	<b>\$45,316,339</b>	<b>\$60,169,036</b>	<b>\$55,121,782</b>	<b>\$59,034,510</b>
<b>Expenditures</b>				
Operations	37,287,174	43,789,813	41,386,978	45,290,112
Capital	7,347,763	18,795,570	8,763,005	9,751,108
<b>Total Expenditures</b>	<b>\$44,634,937</b>	<b>\$62,585,383</b>	<b>\$50,149,983</b>	<b>\$55,041,220</b>
Net Change in Fund Balance	\$681,402	-\$2,416,347	\$4,971,799	\$3,993,290
Emergency Reserve	6,742,000	7,298,302	7,298,302	7,548,352
Contingency Reserve	13,484,000	14,596,604	14,596,604	15,096,704
Capital Reserve	16,035,158	11,949,905	19,338,051	22,581,191
Fund Balance (total reserve)	\$36,261,158	\$33,844,811	\$41,232,957	\$45,226,247
Expenditure of Capital Reserve	22,198	2,491,998	0	0

Marin Transit delivers services through contract operators, including Golden Gate Bridge, Highway & Transportation District (GGBHTD); Marin Airporter; Bauer’s Intelligent Transportation, and Transdev. Marin Transit’s Short Range Transit Plan (SRTP) is the primary service and financial planning document for the District and includes ten years of financial projections for operations and capital programs. The FY2024/25 Budget is developed from adopted SRTP service and financial projections. The District’s Board adopted the most recent full SRTP on February 3, 2020 and a “mini” SRTP update on December 5, 2022.

### ***Budget Process and Timeline***

The budget process begins in late February with a review of District- and program-level goals and objectives with finance, operations, and planning staff. Staff then held internal meetings focused on each program area. The Director of Finance compiled all the program data and developed a draft budget for presentation to the Board of Directors’ May meeting. If needed, staff will make changes to the draft budget based on public comments and Board input, and the Board will consider adoption of the final budget at their June meeting.

The following is the timeline for fiscal year July 1, 2024 to June 30, 2025 (FY2024/25) budget development:

- February 6, 2024 – Budget kick-off meeting
- February-April 2024 – Program level budget meetings
- May 6, 2024 – Draft budget presented to Board of Directors
- June 3, 2024 – Adoption of Final budget

## **Relevant Financial Policies**

This section details financial policies relevant to the District’s annual budget and budget process. The Board has adopted these policies as part of the FN-01 policy document.

### ***Basis of Accounting***

Marin Transit’s resources are allocated and accounted for in the financial statements as an enterprise fund. Enterprise funds are accounted for on a flow of economic resources measurement focus. Marin Transit also uses the accrual basis of accounting, recording revenues when earned, and recording expenses at the time the liability is incurred. Grant revenue is recognized when program expenditures are incurred in accordance with program guidelines. As a proprietary funds, the audited financial statements further distinguish operating revenues and expenses from non-operating revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations.

When both restricted and unrestricted revenues are available for use, it is Marin Transit’s policy to use restricted revenues first then unrestricted revenues as they are needed.

### ***Annual Budget Adoption***

The Marin Transit Board of Directors adopts an annual budget for Marin Transit’s fiscal year starting July 1 and ending June 30. Under the direction of the Director of Finance, staff develops a balanced budget for

the Board of Directors that provides sufficient and sustainable funding for local transit service needs using the following guidelines:

- Maintain adopted reserve level.
- Preserve a balance of revenues and expenditures over a ten-year horizon.
- Provide for Short Range Transit Plan (SRTP)-adopted service levels.
- Allow for innovative growth.

The Board adopts the annual budget for the coming fiscal year no later than the June Board of Directors meeting.

### ***Budget Amendment***

Budget control occurs at the program level. Program budgets are: Administration, Local, Yellow bus, Rural, Marin Access, and Capital. Deviations from budgeted line-item amounts are acceptable if the total expenses at the Program Budget level area do not exceed the budget authority.

Mid-year budget transfers between program budgets require General Manager approval and must be made such that total budget expenditures are not exceeded.

If overall expenditures are anticipated to exceed the approved annual budget authority, Board of Directors' approval is required prior to incurring the expense. Requests for budget amendments must include adequate supporting documentation and identification of available revenue to support the expenditure. If circumstances require immediate action, the General Manager may act in place of the Board of Directors and must present the expenditure to the Board of Directors at the next possible opportunity.

All budget amendments are reported to the Board quarterly, as part of the quarterly financial reports.

### ***Reserve Policy***

Marin Transit maintains an unrestricted reserve consisting primarily of property tax revenues. The District is dependent on many diverse funding sources for the operation of its services that are subject to state and federal funding availability and administrative processes. The reserve balance is essential to mitigate current and future risk of revenue shortfalls and unanticipated expenditures. The following reserve balance policy provides parameters on desired levels and uses of unrestricted reserve funds. The reserve balance levels are defined to minimize disruptions to the District's services due to fluctuations in funding or expenditures and in accordance with the Government Finance Officers Association (GFOA) recommendations.

The District shall strive to maintain a reserve balance equivalent to a minimum of two months and up to a maximum of six months' operating expenses based on the adopted budget.

**Emergency Reserve:** Any reserve balance equal to but not exceeding two months' operating expenditures is defined as the emergency reserve. The emergency reserve will be available for use during prolonged revenue shortages to sustain District operations until service reductions, program cuts, or fare increases are made to reestablish a balanced budget and restore the emergency reserve.

**Contingency Reserve:** Any reserve balance greater than two months of operating expenditures, but less than four months of operating expenditures, is defined as the contingency reserve. The contingency

reserve is available to maintain current service levels during short-term periods of declining revenue or slower than anticipated revenue growth.

Capital Reserve: When the emergency reserve is fully funded and the contingency reserve is funded with the equivalent of at least two months of operations funds, the District may fund a capital reserve through the budgeting process. The capital reserve is available to provide resources for high priority capital projects or grant matching funds. The reserve is designed to reduce the District's future needs for borrowing or bonding for large capital projects. With Board approval, capital reserve funds can be transferred to the contingency reserve or the emergency reserve if these funds fall below the target levels.

If, for a prolonged period, the total reserve balance held in emergency and contingency reserves exceeds six months of operating expenditures, Marin Transit will consider options such as, but not limited to, expanding transit service or decreasing fares in an effort to provide the optimal level of transit service and benefits to Marin County.

### **Indirect Costs**

To provide for the reasonable and consistent allocation or distribution of costs to its various grants and funding programs, Marin Transit develops an Indirect Cost Rate Proposal (ICRP) annually. The ICRP is designed in accordance with Federal Title 2 CFR 200 and is approved by the Federal Transit Administration (FTA).

## **District Fund Balance**

Marin Transit's fund balance represents the total unrestricted net position made up of local property tax funding. Each year, the fund balance increases or decreases by the net difference between total revenue and total expenses for the year. 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 of operating expenses. Marin Transit staff and Board Members review 10-year projections of revenues and expenses in the SRTP to ensure long term financial stability while maximizing mobility for local transit riders.

Marin Transit was in a strong financial position before the COVID-19 pandemic and had the resources to maintain services throughout the pandemic even when future revenue sources were uncertain. Federal relief funds allowed Marin Transit to continue to have a balanced budget during the COVID-19 pandemic and to back fill for drops in fare revenue, and state operations revenue. Marin Transit's largest challenge is ownership of sufficient property to allow for the future charging and maintenance of electric vehicles required under the District's Zero Emission Bus Rollout Plan, in accordance with state mandates. The lack of a parking and maintenance facility also impacts the ability of the District to attract contractors and negotiate cost competitive contracts with service providers, posing a risk of ongoing increases in contract costs. Marin Transit was awarded a competitive federal Bus and Bus Facilities grant in 2023 for \$31.5 million for the purchase of a site and development of a Zero Emission Bus Facility. The District is actively completing environmental review of possible locations.

With healthy reserves and stable property tax and sales tax revenues, Marin Transit continues to be in a stable financial position for the next five years. There are larger financial uncertainties in the 10-year projections. The District will review this outlook in the upcoming SRTP process to update projected revenue and expenses, evaluate the sustainability of current service levels, look at opportunities for growth

and understand the significant capital needs to convert to a zero emission fleet and purchase and construct a fixed route maintenance facility.

## Local Sales Tax – Measure A and Measure AA

On November 6, 2018, Marin County voters passed Measure AA, a renewal to the county’s ½-cent transportation sales tax and new expenditure plan. The first ½-cent sales transportation sales tax (Measure A) was a 20-year measure passed in 2004 and FY2024/25 would have been the last year of the sales tax. The renewal measure (Measure AA) is a 30- year extension effective April 2019. Local sales tax funding provides approximately 39% of Marin Transit’s operating revenues. The sales tax also provides a share of capital funds needed to match federal and state grants for vehicles.

The Measure AA expenditure plan reflects the needs of Marin County and projects that were completed under Measure A and to prioritize local transit with 55% of allocated sales tax revenues going to local transit. The Measure AA expenditure plan changed the sub-strategies and their allocations within the overall transit strategy compared to Measure A, including committing funding to school transportation and ferry access and reducing funding for Bus Transit Facilities. TAM allocates funds to Marin Transit by five sub-strategies specified in the overall transit strategy in the expenditure plan: Capital investment, Special Needs, Rural Transit, School Transportation, and Local Transit.

The Transportation Authority of Marin (TAM) programs Measure A/AA funding to the District based on sales tax projections and adjusts future year balances to account for actual sales tax receipts. Based on the programmed amounts, Marin Transit requests annual allocations of funds from TAM. Figure 1 shows Marin Transit’s share of Measure A and Measure AA projected revenues compared to actual receipts. TAM established a reserve fund under Measure A to account for potential economic declines that could adversely impact sales tax collections. TAM is releasing Measure A reserves as it establishes a new Measure AA reserve fund over five years.

Marin County saw strong sales tax returns during the pandemic due to the combination of strong sales and the Wayfair decision<sup>1</sup> that increased the collection of sales tax for purchases made online. Following the pandemic economic growth in Marin has slowed but not declined. TAM is projecting no growth in sales tax for the current year (FY2023/24) and almost no growth (0.2%) for FY2024/25. The minimal growth plus a timing shift in final collection of reserves, caused a drop in Measure A/AA projections for FY2024/25 (Figure 1).

---

<sup>1</sup> California Assembly Bill No. (AB) 147 (April 25, 2019) required retailers located outside of California to register with the California Department of Tax and Fee Administration (CDTFA) and collect California use tax. Source: <https://www.cdtfa.ca.gov/industry/wayfair.htm>



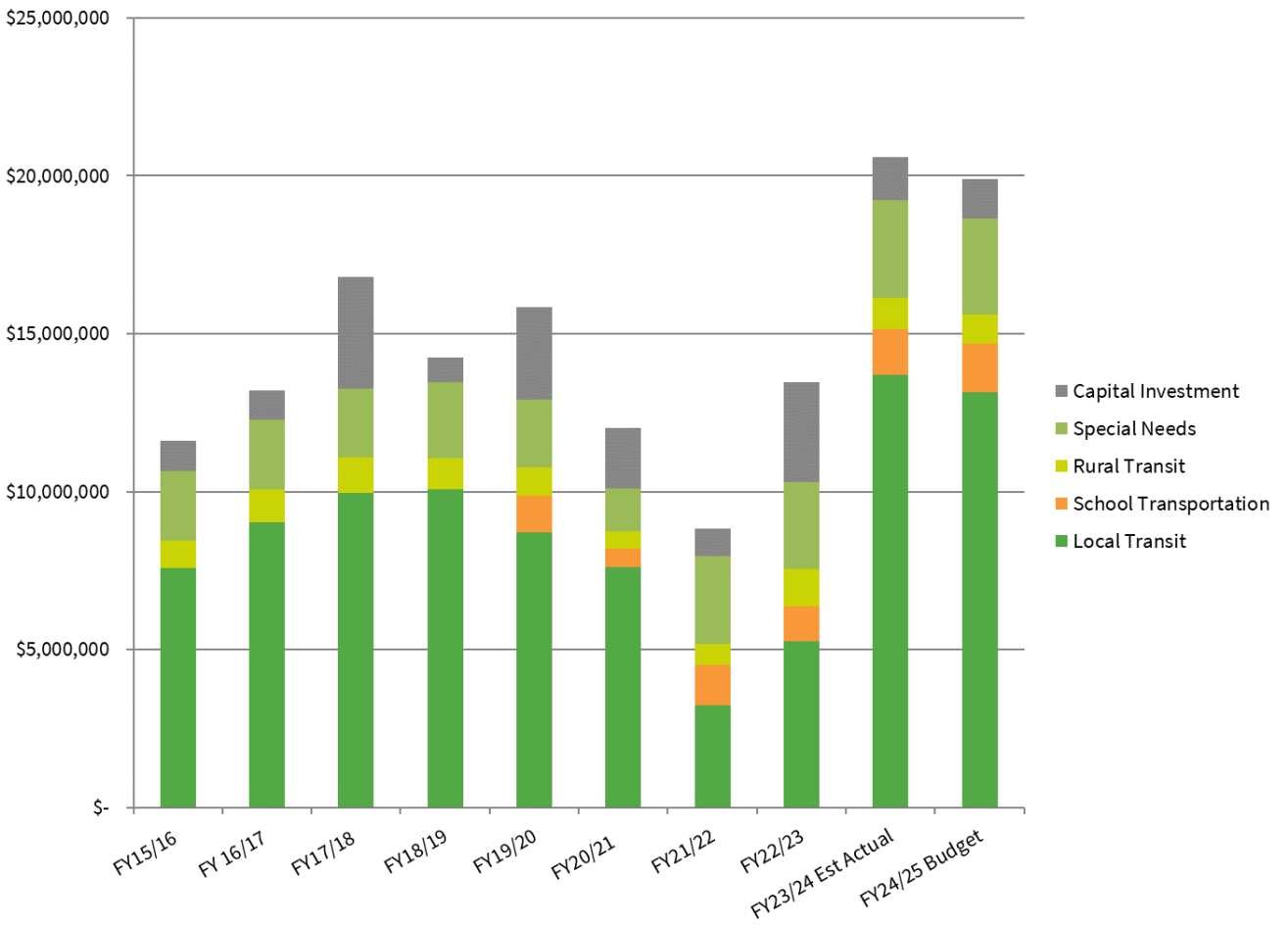
Figure 1: Ten-Year Measure A/AA Transit Funds by Fiscal Year (TAM Projection & Actual Receipts)



The District’s actual expenditure of Measure A/AA revenue varies due to capital replacement cycles and the availability of other grant funds in a particular year (Figure 2). During the pandemic, Marin Transit needed less sales tax funding for operations due to the availability of federal relief funds for operations. Starting in FY2023/24, federal relief funds were fully expended and the expenditure of Measure AA funds increased to a level consistent with the historic trend line (Figure 2).

In any given year, unclaimed Measure A/AA revenue is available for TAM to allocate to Marin Transit in future years. With this budget and based on TAM revenue estimates, the District’s Measure AA carryover will be \$9.1 million in Local Service subcategory, \$1.4 million in Schools subcategory, and \$1.3 million in Special Needs (Marin Access). TAM holds these unallocated funds, and they are not included in Marin Transit’s Emergency or Contingency Reserve funds. Instead, Marin Transit programs these funds in the ten-year operation and capital financial forecasts in the adopted SRTP.

Figure 2: Local Sales Tax Expenditures by Fiscal Year (Measure A/AA)



# Operations Budget

Marin Transit’s FY2024/25 operations budget provides for operation of the following services:

Service	Revenue Hours
Local Basic and Local Trunkline	143,000 revenue hours
Local Connector (Community Shuttles)	24,000 revenue hours
Supplemental School and Partnership	1,725 revenue hours
Muir Woods Shuttle	4,200 revenue hours
Yellow School Bus Service	4 buses
West Marin Stagecoach Service	16,500 revenue hours
Marin Access Shuttle	2,500 revenue hours
Local Paratransit Service	30,000 revenue hours
Regional Paratransit Service	5,000 revenue hours
Catch-A-Ride	16,000 trips
Volunteer Driver	10,000 trips

The operating expense budget (Table 2) of \$45.3 million is a three percent increase over the FY2023/24 budget and provides for a similar level of fixed route service, increased Marin Access shuttles and lower levels of Paratransit service reflect demand (Figure 3).

Figure 3: Fixed Route Service Hours by Fiscal Year

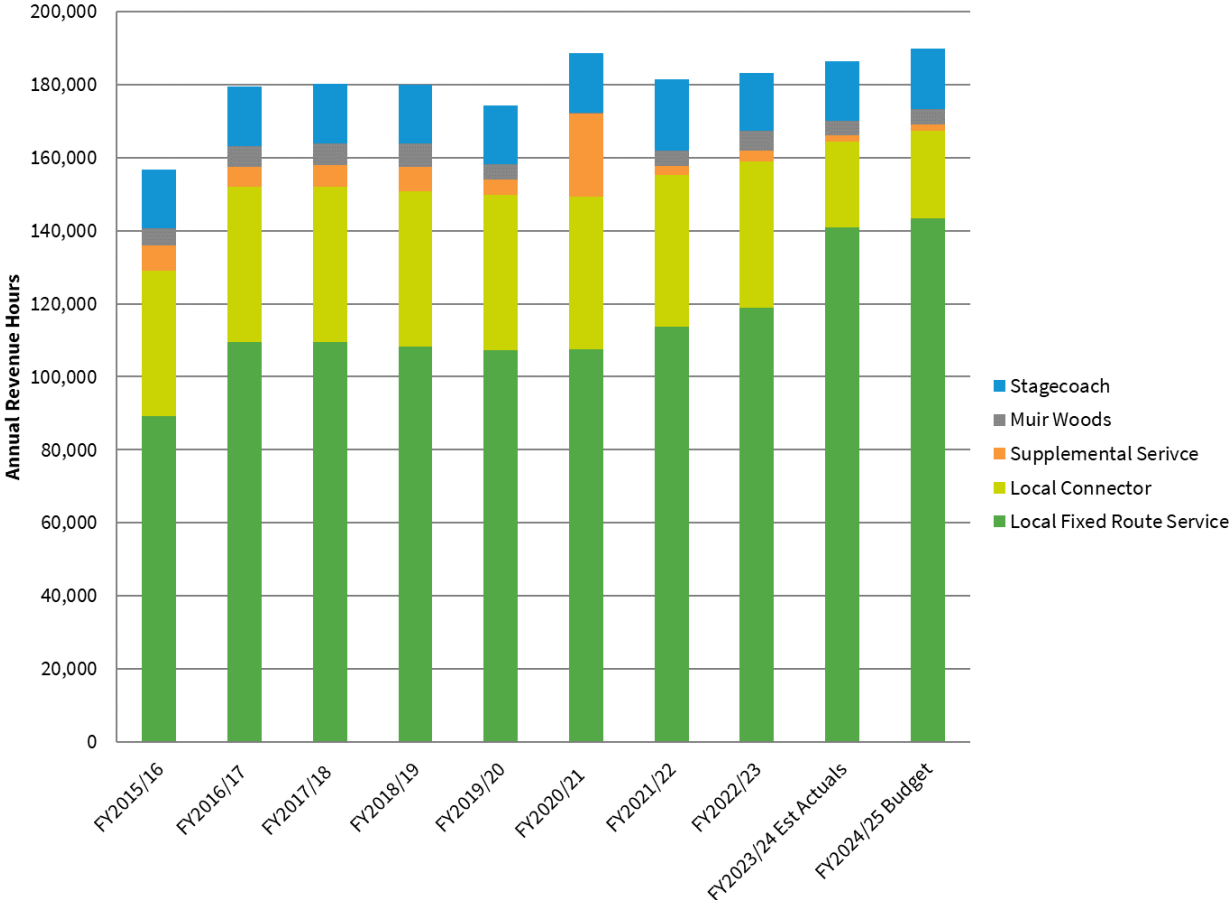


Table 2: Operations Budget (Admin, Local, Yellow Bus, Rural, & Marin Access)

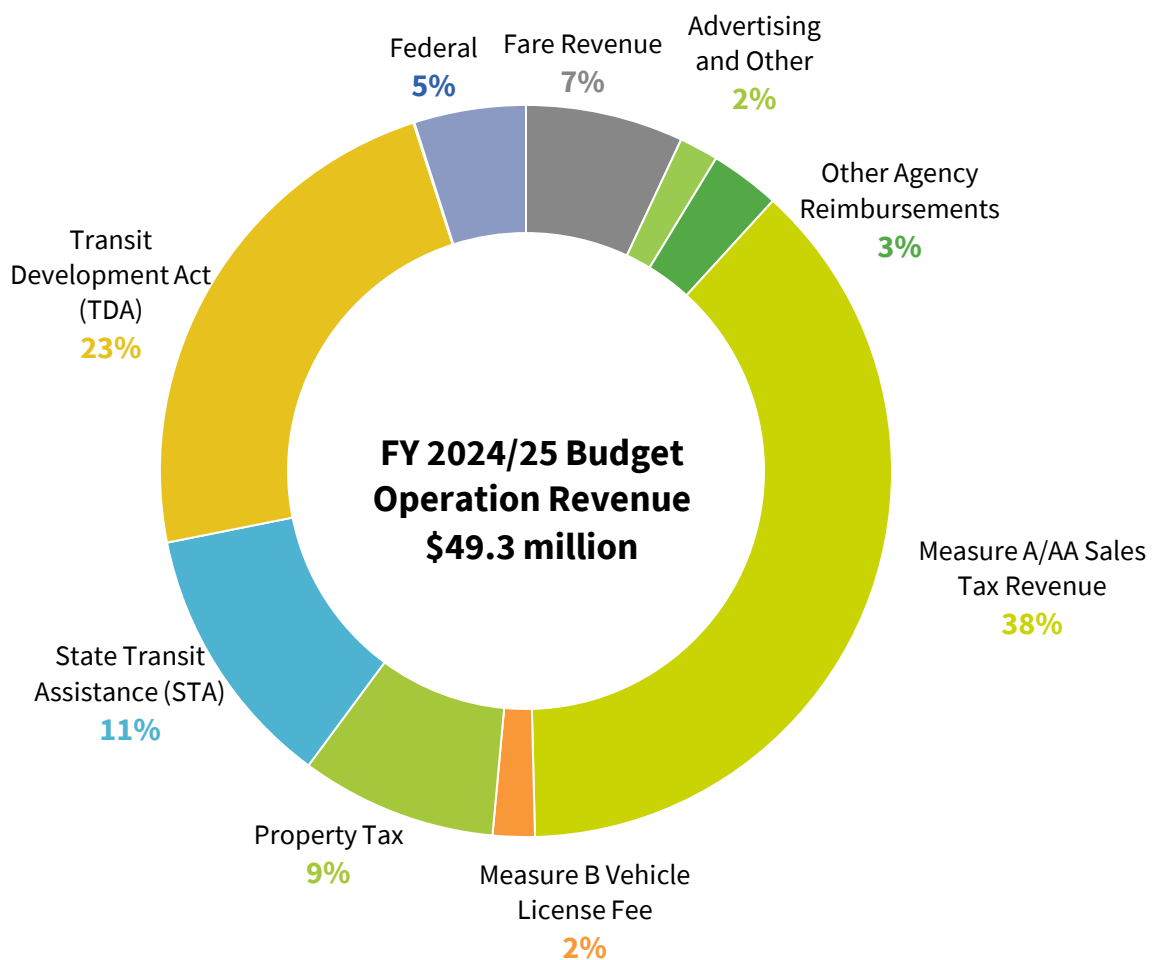
	FY2022/23 Actual	FY2023/24 Revised Budget	FY 2023/24 Estimated Actual	FY 2024/25 Budget	% Δ From FY2024 Budget
<b>Revenue</b>					
Fare Revenue	3,359,930	3,367,118	3,367,382	3,434,005	2%
Advertising & Other Revenue	235,790	60,000	48,324	50,000	-17%
Reimbursements (GGBHTD)	1,336,976	1,441,552	1,450,871	1,521,924	6%
Interest	285,133	90,700	873,374	800,700	783%
Measure A/AA	10,304,270	18,646,585	19,241,834	18,642,700	0%
Measure B	825,310	895,000	650,006	913,000	2%
Property Taxes	5,615,424	5,682,781	5,910,851	6,166,642	9%
Development Fees	90,392	67,500	73,344	84,000	24%
State Transit Assistance (STA)	3,021,660	5,158,794	5,236,693	5,784,253	12%
Transportation Development Act (TDA)	10,909,658	7,881,923	7,881,923	11,412,830	45%
Other State	25,419	32,300	17,105	22,300	-31%
FTA Funds	5,421,507	1,681,360	1,546,990	1,773,055	5%
National Park Service	521,983	655,985	705,653	658,047	0%
Transfers to Capital Budget	(3,962,680)	(1,796,134)	(645,573)	(1,980,054)	10%
<b>Total Revenue</b>	<b>37,990,772</b>	<b>43,865,464</b>	<b>46,358,777</b>	<b>49,283,402</b>	<b>12%</b>
<b>Expenses</b>					
Salaries and Benefits	3,015,440	3,523,449	3,278,292	3,833,506	9%
Professional Service	369,148	654,585	556,867	692,088	6%
Professional Service- Legal	35,708	150,000	7,601	154,500	3%
Security and Maintenance	236,725	272,628	194,361	260,783	-4%
Customer Service	126,842	0	0	0	-
Mobility Management Programs	3,873	63,113	5,842	63,506	1%
Grants to Other Agencies	514,606	758,571	734,466	768,388	1%
Materials and Supplies	342,750	398,997	351,595	405,102	2%
COVID Cleaning and Supplies	3,709	0	0	0	-
General Insurance	104,159	122,000	123,396	162,000	33%
Purchased Transportation	29,349,517	33,551,974	32,724,662	35,065,755	5%
Membership & Prof Development	68,339	88,065	78,686	91,000	3%
Mileage and Travel	16,094	25,750	20,772	26,500	3%
Marketing	127,998	167,483	62,283	169,486	1%
Communication	189,448	255,623	191,593	268,648	5%
Fuel	2,902,027	3,662,108	3,000,218	3,563,954	-3%
Utilities (Facility)	55,362	68,032	50,077	70,072	3%
Vehicle and Vehicle Parking Leases	26,210	32,556	27,130	27,944	-14%
Office - Rental and Overhead	182,960	189,479	186,838	192,000	1%
Transfers to Capital Budget	(383,741)	(194,600)	(207,701)	(525,121)	170%
<b>Total Expenses</b>	<b>37,287,174</b>	<b>43,789,813</b>	<b>41,386,978</b>	<b>45,290,111</b>	<b>3%</b>
<b>Net Revenue Over Expenditures</b>	<b><u>703,598</u></b>	<b><u>75,651</u></b>	<b><u>4,971,799</u></b>	<b><u>3,993,291</u></b>	<b><u>3%</u></b>

## District Operations Revenue

Marin Transit derives its revenues from multiple sources (Figure 4), with no single revenue source providing the majority of the District's operating funds. The primary revenue sources for Marin Transit operations are:

- Measure A /Measure AA sales tax operating funds;
- Transportation Development Act (TDA) funds;
- State Transit Assistance (STA) funds;
- Passenger fares; and
- Property taxes.

Figure 4: Revenue Sources for FY 2024/25 Budget



To develop revenue projections for the FY 2024/25 budget, staff referred to Metropolitan Transportation Commission (MTC) revenue projections for STA and TDA, used TAM's allocation numbers for Measure AA,

and reviewed recent economic indicators. Both Measure AA and state Transportation Development Act funds (TDA) are generated from Marin County sales tax. Sales tax numbers have not been growing and TAM projects no growth for FY2024/25. The state revenues based on sales tax include more optimistic projections.

### Revenue Variances

All budgeted revenues that have changed more than \$100,000 and more than 10% compared to the prior year’s budget are listed in Table 3 and are described below.

Table 3: Revenue Variances in Operations Budget (>\$100,000 and >10% compared to prior year budget)

Revenue Category	FY 2024/25 Budget	Variance from Prior Year Budget		Notes
		Amount (\$)	%	
Interest	\$800,700	\$710,000	783%	Significant increase in investment earnings of the fund balance held by County of Marin due to market conditions.
State Transit Assistance (STA)	\$5,784,253	\$625,459	12%	Increased availability of funds primarily due to pandemic volatility creating carryforward funds.
Transportation Development Act (TDA)	\$11,412,830	\$3,530,907	45%	Increased availability of funds primarily due to pandemic volatility creating carryforward funds.

Interest revenue has been higher than in prior years due to a significant increase in investment earnings on the District’s fund balance held by the County of Marin due to market conditions. These are anticipated to continue and the budget for interest revenue is 783% of the FY2023/24 budget and 81% of the current year’s estimated actual.

State Transit Assistance Funds (STA) funds are allocated in accordance with state statute where 50% is based on (a) locally generated revenue expended on transit operations (revenue-based) and 50% is based on (b) the population of the County (population-based). The three eligible transit operators in Marin County – Marin Transit, GGBHTD, and SMART – signed an agreement in FY 2017/18 to split population funds based on ridership and service provided to address MTC’s new STA Population-Based Policy (MTC Resolution 4321). Marin Transit’s share of population-based funds has increased post-pandemic due to the higher retention of passengers and service during the pandemic than other operators. For FY2023/24 the District’s share is 54%, compared to 40% pre-pandemic. The budget includes the expenditure of \$2.5 million of revenue-based STA funds based on operations needs and will have a reserve of \$1.8 million in revenue-based funds.

Transportation Development Act (TDA) funding is generated from sales tax which has had receipts significantly over the County Auditor’s FY2023/24 projections. This creates significant roll forward funds that can be claimed in FY2024/25. The County Auditor is also projecting 2% growth in FY2024/25 over the updated FY2023/24 projection. The District’s share of TDA drops slightly from 60.72% to 57.7% as Golden Gate Transit has slowly recovered ridership.

# District Operations Expenses

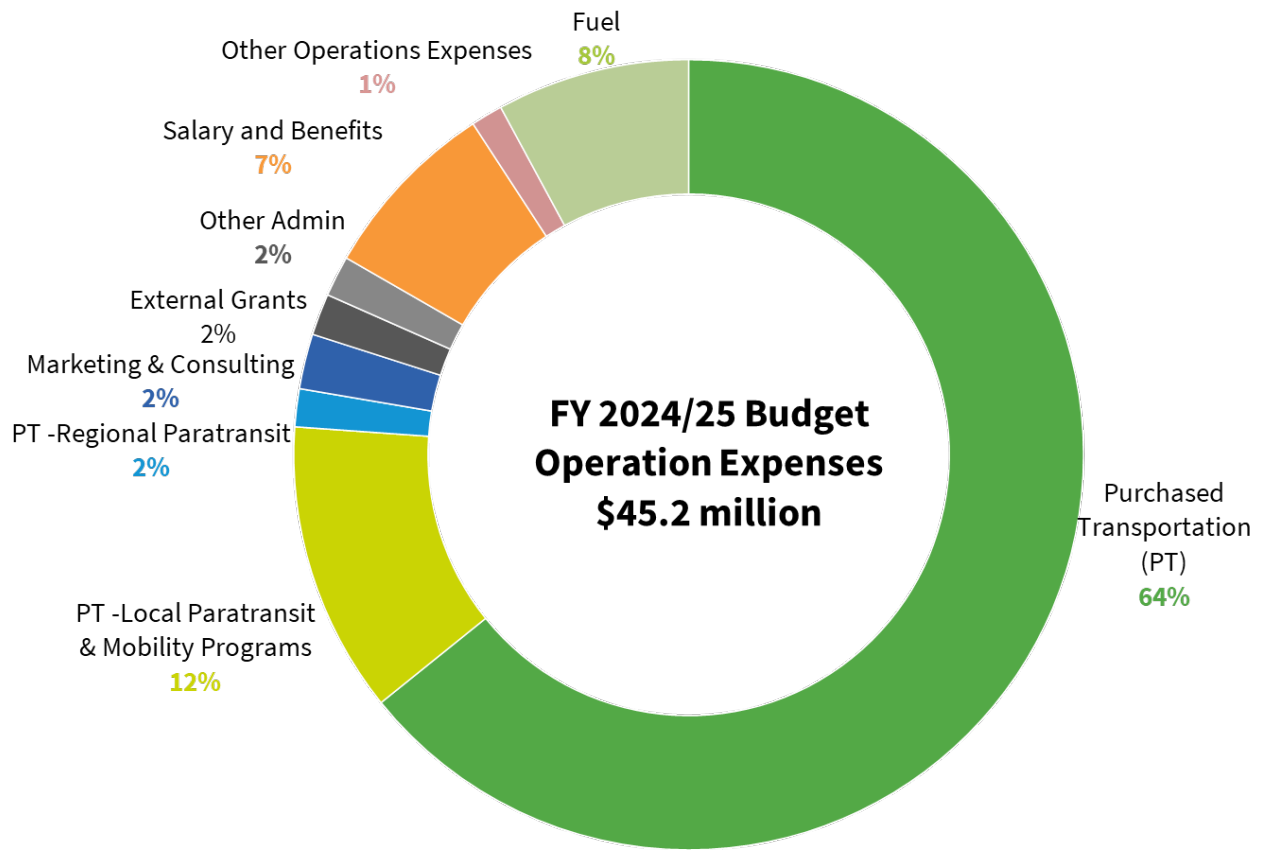
Marin Transit provides local transit service through purchased transportation contracts. Under this structure, the majority of district operations expenses (Figure 5) are for contract service operation (78%) and associated fuel (8%) and other operations expenses (1%). The contract service operations budget includes local paratransit, regional paratransit and fixed route purchased transportation.

The following sections discuss information and trends on general agency costs including staffing, consulting, fuel, and marketing. More detailed operations and service costs are discussed in later sections that correspond to the District’s program areas: Local Service, Yellow Bus, Rural Service, and Marin Access. The District’s operations budget is 3% higher than the FY2023/24 budget which is comparable to inflation and includes budget for program growth in areas like the Marin Access shuttle program. Specific budget categories with variances greater than \$100,000 and more than 5% are summarized in Table 4.

Table 4: Expense Variances in Operations Budget (>\$100,000 and >5% compared to prior year budget)

Expense Category	FY 2024/25 Budget	Variance from Prior Year Budget		Notes
		Amount (\$)	%	
Salaries and Benefits	\$3,833,506	\$310,057	9%	Additional grant funded position, additional operations position plus increase for merit-based salary increases and promotions
Purchased Transportation	\$35,065,755	\$1,513,781	5%	Contract cost escalations
Transfers to Capital Budget	(\$525,121)	(\$330,521)	170%	Significant increase in staff time budgeted to capital projects including the new grant funded facilities position.

Figure 5: Operations Expenses for FY 2024/25 Budget



### Staffing

Marin Transit directly employs all District staff. Benefits for regular employees include medical benefits coordinated through the County of Marin and an employer-funded defined contribution retirement program.

The FY2024/25 budget increases the staffing level of 21.4 Full Time Equivalents (Table 5 and Figure 6)) with an estimated 10% vacancy rate to account for vacant positions. This includes an additional operations position added in FY2023/24, a new Facility Development Project Manager that is primarily grant funded, and an increase in hours for the Muir Woods Shuttle Greeter part time position.

Based on the District’s employment framework, the top and bottom of the salary band for each classification can be increased by the consumer price index (CPI)<sup>2</sup> as of February of each year. After two years of significant inflation, CPI increased more modestly by 2.4% in February and salary bands will be increased accordingly. The Directors’ salary band was increased an additional 7.7% to incorporate the adjustment to meet the market rate recommended in the 2023 Salary Survey Report. Marin Transit has a

<sup>2</sup> Bay Area CPI February 2024– 2.4%, bls.gov



merit-based salary framework and there is no guaranteed cost of living increases. The budget includes the capacity to account for inflation and for merit-based adjustments and promotions.

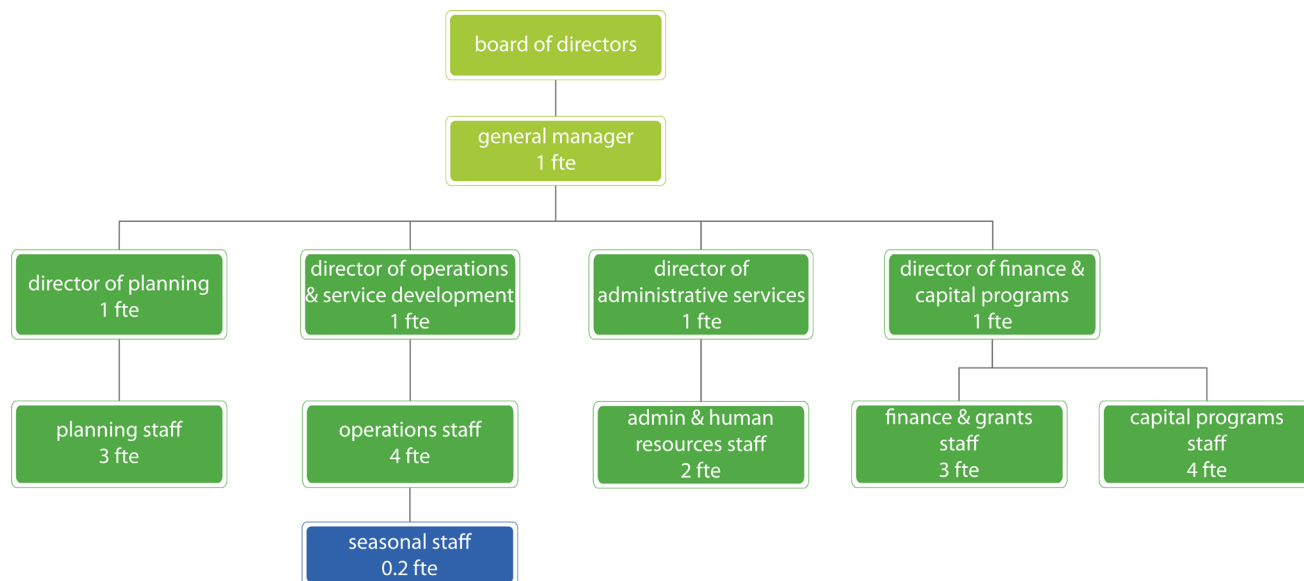
Benefit costs have been rising faster than inflation due to both the increase in health care rates (16% in 2024) and increased usage of sick leave. The budget for benefits in FY2024/25 is 5% higher than the prior year. Health care premiums are set on a calendar year and there is some capacity in the budget to accommodate benefit rate adjustments in January 2025.

Accounting for merit-based salary increases and the increased benefit costs and usage, the FY2024/25 salary and benefits budget increases 9% compared to the prior year budget.

Table 5: Personnel Counts (FTE)

	FY 2022/23	FY 2023/24 (revised)	FY 2024/25
Budget	19.2	20.2	21.3
Actual	16.9	17.35 (estimate)	-

Figure 6: Marin Transit FY 2024/25 Organization Structure



## Fuel

Marin Transit pays directly for fuel used in all purchased transportation contracts except for the Muir Woods shuttle and yellow bus contracts. This structure shifts the risks for fuel price fluctuations to the District. In exchange, the contractors provide lower hourly contract rates as they do not need to hedge against potential fuel price increases.

Fuel prices are known to be volatile and Marin Transit’s budget includes capacity for price fluctuations. After diesel prices increased 80% in FY2021/22, prices started declining again in July 2022. Current prices

have come down from the peak and there are signs the market is normalizing but prices remain high. The total budget for fuel is 3% lower than the prior year and 19% more than the FY2023/24 estimated actual. The decline from the prior year budget reflects lower post-pandemic service levels and removing direct payment for fuel from the Muir Woods contract.

The budget also includes electric power costs for the District's electric buses. Marin Transit owns six electric vehicles. Two are charged at the GGBHTD Anderson Drive facility and four are charged at Marin Transit's Rush Landing yard. The budget includes \$3,000 per month for electrical power to charge each vehicle.

## **Administration Budget**

Expenses in the administration budget include: staff salaries and benefits, audit fees, insurance, travel costs, professional development expenses, office rental, and other associated costs. The administration budget (Table 6) includes revenues and expenses shared by all program areas. While these items are budgeted and recorded under administration, 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 the full cost of programs.

For FY2024/25, there is an overall increase of 9% in expenses in the administration budget before program transfers. The Salaries budget increased 11% while the Benefits budget increased 5% (see staffing, page 15). The Postage budget was increased to accommodate paratransit voucher mailings and the budget for Insurance also increased 33% to accommodate anticipated increases in rates.

Table 6: Administration Budget

GL Code	GL Description	FY 2022/23 Actual	FY2023/24 Budget- Revised	FY2023/24 Estimated Actuals	FY2024/25 Budget	% Δ From FY2023/24 Budget
<b>Revenue</b>						
4070400	Interest	285,133	90,700	873,374	800,700	783%
4079950	Development Fees	38,459	27,500	47,225	49,000	78%
4079954	Residual ABX 126	51,933	40,000	26,119	35,000	-13%
4080101	PropTax-CurrntSecured	4,861,117	5,006,731	5,207,715	5,468,100	9%
4080102	County Fee-Admin Basic Tax	(62,795)	(66,950)	(59,604)	(68,959)	3%
4080103	Property Tax-Unitary	49,892	45,000	53,600	50,000	11%
4080104	PropTax-CurrntUnSecur	88,184	85,000	108,969	90,000	6%
4080105	Educ Rev Augm Fund-Redist	489,524	500,000	510,057	513,500	3%
4080106	PropTax-Supp CY SECR	174,652	100,000	78,163	100,000	0%
4080107	PropTax-Supp Unsecured	5,711	4,000	6,279	5,000	25%
4080108	PropTax-Redemption	4,284	3,500	681	3,500	0%
4080109	Property Tax-Prior Unsecured	4,855	5,500	4,991	5,500	0%
4119940	Other	84,839	450	383	300	-33%
<b>Subtotal Revenue</b>		<b>6,075,788</b>	<b>5,841,431</b>	<b>6,857,952</b>	<b>7,051,641</b>	<b>21%</b>
4700001	Property Tax Transfer	(5,060,645)	(4,137,308)	(2,136,470)	(2,535,380)	-39%
<b>Net Revenue</b>		<b>1,015,143</b>	<b>1,704,123</b>	<b>4,721,482</b>	<b>4,516,261</b>	<b>165%</b>
<b>Expense</b>						
5010200	Salaries	1,828,834	2,133,390	2,039,194	2,376,983	11%
5020000	Benefits	1,186,605	1,390,059	1,239,098	1,456,523	5%
5030301	Consultant Services	135,533	220,000	164,558	240,400	9%
5030304	Prof Svcs - Legal	33,143	150,000	7,601	154,500	3%
5030305	Prof Svcs - Audit	31,682	37,000	35,000	38,500	4%
5030701	Security Services	1,328	5,000	1,548	3,000	-40%
5049901	Office Supplies	6,193	14,200	7,883	14,626	3%
5049902	Small Furn/Equip	2,115	10,000	11,769	10,300	3%
5049903	Software Maintenance	93,803	95,000	94,397	97,850	3%
5049904	Copier Suppl & Srvc	7,836	10,000	8,102	10,300	3%
5049905	Postage	1,033	3,500	7,912	9,000	157%
5049906	Computers	22,223	23,000	12,000	23,690	3%
5050201	Communication - Phone	29,752	36,350	32,964	37,500	3%
5060301	Insurance	104,159	122,000	123,396	162,000	33%
5090101	Memberships & Prof Dev.	68,339	88,065	78,686	91,000	3%
5090202	Mileage and Travel	16,094	25,750	20,772	26,500	3%
5090801	Marketing	6,522	14,420	13,951	15,000	4%
5121200	Office Rental	182,960	189,479	186,838	192,000	1%
<b>Subtotal Expense</b>		<b>3,758,154</b>	<b>4,567,213</b>	<b>4,085,669</b>	<b>4,959,672</b>	<b>9%</b>
5100100	Salary/Benefit Transfers	(2,800,830)	(3,117,902)	(3,471,386)	(3,773,191)	21%
5100101	Transfer Overhead	(636,698)	(592,663)	(721,322)	(658,490)	11%
<b>Net Expense</b>		<b>320,626</b>	<b>856,648</b>	<b>(107,039)</b>	<b>527,991</b>	<b>-38%</b>

## Local Fixed Route Service

The local service budget (Table 8) includes all revenues and expenses related to the provision of fixed route service, excluding rural service. Major programs in the local service budget include local fixed route, Community Shuttle service, supplemental school, and Muir Woods seasonal shuttle. Other major expenses in the local service budget include consultant services for stop-level ride checks, service contract audits and reviews, communications, marketing, and staff time for contract oversight. This budget also includes costs and revenues for special projects such as the youth pass and Homeward Bound tickets.

The local service budget for FY2024/25 is \$32.6 million (Table 8). It represents a 5% increase over the prior year revised budget. Fixed route ridership is projected at 97% of pre-COVID levels. Marin Transit implemented service adjustments in June 2023 to reflect ridership changes from the pandemic and reduced peak-hour resource needs to minimize missed trips and improve service quality. This change reduced the number of dedicated supplemental school trips and embedded school services in the local routes.

Services are operated under contract to Marin Airporter (Local Basic, Community Connector and Supplemental School). Local Basic and Trunkline services are also operated through an inter-agency agreement with GGBHTD. A new simplified agreement went into effect October 1, 2022. The purchased transportation contract hourly rates for services are shown in Table 7.

Table 7: Local Budget Service Levels

Service Type	FY 2024/25 Budgeted Service (Rev Hrs)	Effective Contract Cost Per Hour (without fuel)	Notes
Fixed Route - Operated by GGBHTD	77,400	\$162.78	Contract rate increases 2.9%; contract includes customer service costs
Fixed Route – Operated by Marin Airporter	90,000	\$135.56	Fixed and variable contract, effective hourly rate increases 7.3%
Supplemental School – Operated by Marin Airporter	1,725	\$135.56	Fixed and variable contract, effective hourly rate increases 7.3%
Muir Woods Shuttle	4,200	\$212.39	Includes fuel, billed by vehicle per day

Local service is funded with a combination of fare revenue, advertising revenue, Measure A/AA local sales tax funds, Transportation Development Act (TDA), State Transit Assistance (STA), and federal grants. Measure AA sales tax funds in the local budget include both sub-strategy 4.1 - *Local Bus* funding and sub-strategy 4.4 - *School Service* funds for providing supplemental school service to middle and high schools. Total Measure AA local sales tax revenues budgeted for local service are \$13.9 million and include expenditure of \$2.6 million in carryforward funds. Measure AA funding is critical for maintaining operations and is 42% of budgeted revenues for local service.

As discussed in prior sections, due to under and over projections of prior year funds combined with the end of federal relief funds there continue to be large swings in operations revenue sources. Transportation Development Act (TDA) funds were 31% lower last fiscal year and are 45% higher this fiscal year.

Fare revenues are budgeted based on ridership and average fare per passenger. FY2024/25 ridership is expected to be 97% of pre-pandemic levels. Marin Transit provides fare subsidy programs that reduce fare revenue. These include the youth pass program which provides free fixed route transit to low-income youth, Homeward Bound that provides free fixed route transit to people participating in County programs, and the regional Clipper Start program that provides fare discounts to low income passengers. Marin Transit also maintains a low base fare and deeply discounted pass products to help ensure transit is affordable for all passengers. The low-income youth fare program is budgeted to distribute \$500,000 in free fares and Measure B funds up to \$80,000 in free fares through the Homeward Bound program.

Figure 7: Local Passenger Trips by Program

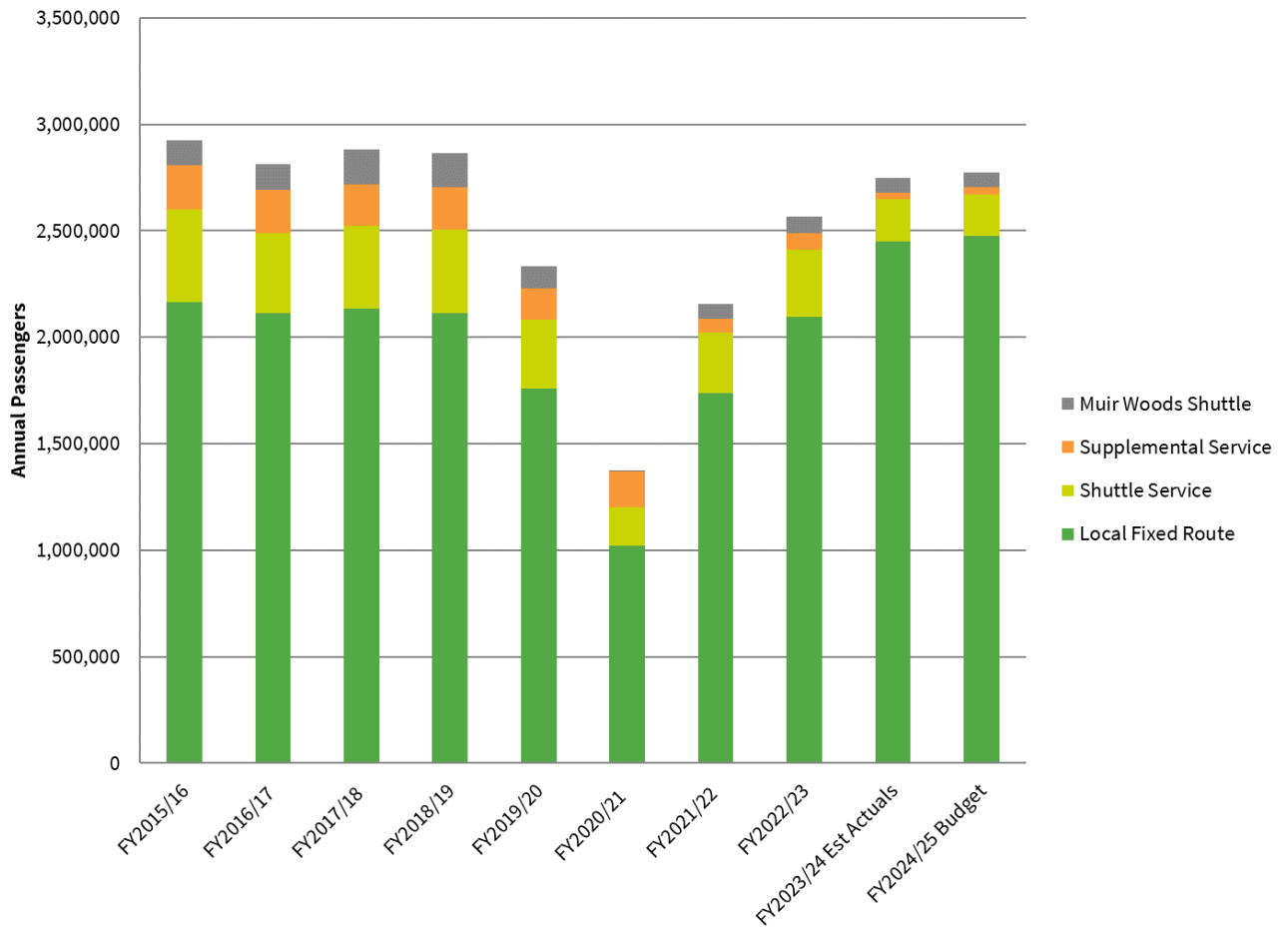


Table 8: Local Service Budget

GL Code	GL Description	FY 2022/23 Actual	FY2023/24 Budget-Revised	FY2023/24 Estimated Actuals	FY2024/25 Budget	% Δ From FY2023/24 Budget
<b>Revenue</b>						
4060301	Advertising Revenue	142,601	60,000	48,324	50,000	-17%
4070301	Lease of Property	93,189	0	0	0	-
4090101	Local Government Payments	20,000	0	0	0	-
4092001	Measure A Sales Tax	680,000	712,006	712,000	61,039	-91%
4092005	Measure AA Sales Tax	4,938,072	12,768,830	13,382,356	13,500,000	6%
4110101	State Transit Assistance (STA)	2,961,660	5,098,794	5,176,693	4,224,253	-17%
4110102	Transit Development Act (TDA)	10,909,658	7,881,923	7,881,923	11,412,830	45%
4119911	State SREC Credits	6,915	16,000	5,705	6,000	-63%
4139912	Fed- FTA 5307	239,570	40,400	284,002	0	-100%
4139912	Fed-FTA 5307 Relief Funds	3,589,664	0	0	0	-
4139951	National Park Service	521,982	655,835	705,653	658,047	0%
4140100	Fare Revenue	2,117,981	2,081,000	2,186,521	2,213,000	6%
4020000	Fares - Paid by Ext Agency	497,295	566,783	339,853	350,000	-38%
<b>Subtotal Revenue</b>		<b>26,718,587</b>	<b>29,881,571</b>	<b>30,723,030</b>	<b>32,475,169</b>	<b>9%</b>
4700001	Property Tax Transfer	435,988	320,000	72,763	100,000	-69%
4700002	Program Revenue Transfer	72,367	80,000	102,098	100,000	25%
<b>Total Revenue</b>		<b>27,226,942</b>	<b>30,281,571</b>	<b>30,897,891</b>	<b>32,675,169</b>	<b>8%</b>
<b>Expense</b>						
5030301	Consultant Services	204,507	260,000	290,675	267,800	3%
5030603	Services (Facility)	132,001	81,490	67,782	74,483	-9%
5030310	Fare Processing Charges	25,579	22,660	34,915	23,340	3%
5030320	Customer Service	126,842	0	0	0	-
5030501	Bus Stop Maintenance	0	160,000	101,195	160,000	0%
5040101	Fuel	2,104,339	2,525,811	2,155,841	2,471,839	-2%
5040160	Electrical Power	59,541	216,300	80,983	222,789	3%
5040180	Utilities (facility)	42,814	37,132	36,972	38,245	3%
5049902	Small Equipment	13,935	10,300	3,556	10,609	3%
5049904	Software	62,570	60,000	50,660	65,000	8%
5049911	COVID-19 Supplies and Cleaning	131	0	0	0	-
5050205	Communication	109,580	157,887	106,552	157,430	0%
5080101	Purchased Transportation	21,793,060	23,798,817	24,721,534	25,987,128	9%
5090801	Marketing	100,822	95,295	32,110	95,000	0%
<b>Subtotal Expense</b>		<b>24,775,721</b>	<b>27,425,692</b>	<b>27,682,775</b>	<b>29,573,663</b>	<b>8%</b>
5100100	Salary/Benefit Transfers	2,015,664	2,325,271	2,696,765	2,664,770	<b>15%</b>
5100101	Overhead Transfer	435,988	375,989	561,467	436,817	16%
<b>Total Expense</b>		<b>27,227,373</b>	<b>30,126,952</b>	<b>30,941,007</b>	<b>32,675,250</b>	<b>8%</b>

## Yellow Bus Service

Marin Transit strives to provide fixed route service to high schools in the urbanized areas of Marin County, but recognizes that school transportation for younger students, and in rural areas, is often more appropriate for yellow school bus service. Measure AA designated local sales tax resources to help fund yellow bus services. The FY2024/25 budget (Table 9) includes revenue and expenses associated with the operations of the following components to support yellow bus service:

- (A) Operation of the Ross Valley yellow bus program with four buses;
- (B) Distribution of Measure AA funding to existing eligible Marin County Yellow Bus Programs; and
- (C) General staffing support for the development of yellow bus services in Marin County.

(A) Management of the Ross Valley yellow bus program - In FY 2024/25 Marin Transit will continue to manage operations, service contracts, and pass sales for four yellow buses serving Ross Valley schools. Annually, Marin Transit makes several assumptions to develop the budget and price the passes for the upcoming school year and presents a draft and final budget to the Ross Valley Yellow School Bus program Joint Exercise of Powers Agreement (JEPA) Joint Committee for its review and approval. These assumptions may need to be adjusted as additional information on service levels, pass prices and contributions from other local agency partners such as the County of Marin, the Town of San Anselmo, and the Town of Fairfax are finalized.

(B) Distribution of Measure AA funding to existing Marin County yellow bus programs - With the passage of Measure AA, a new sub-strategy for school transportation was established. After an initial three-year distribution program, the Marin Transit Board adopted guidelines for a second three-year program at the April 2022 board meeting and the FY2024/25 distribution amounts will be approved at the May 2024 meeting. The FY2024/25 distribution of \$1.1 million is a 4.64% increase in the base funding assuming a 2% growth in sales tax allocations in FY2024/25. The allocations will be made to following school districts:

- Reed Union/Cove
- Ross Valley
- San Rafael School District
- Miller Creek
- Sausalito/Marin City

(C) General staffing support for the development of yellow bus service in Marin County- Marin Transit will continue to document need, facilitate and provide planning support for new service, and help develop and sustain yellow bus service in Marin County. For FY2024/25 this includes reimbursements from the Tiburon Peninsula Traffic Relief JPA for yellow bus parking and associated costs to support the Reed Union School District bus program, shown as Local Government Payment.

Table 9: Yellow School Bus Service Budget

GL Code	GL Description	FY2022/23 Actual	FY2023/24 Budget-Revised	FY2023/24 Estimated Actuals	FY2024/25 Budget	% Δ From FY2023/24 Budget
<b>Revenue</b>						
4030000	Fares- Paid By Other Agency	171,000	171,000	171,000	177,840	4%
4090101	Local Gov. Payments	23,526	18,416	14,045	18,969	3%
4092005	Measure AA Sales Tax	739,750	1,073,171	1,054,897	1,108,348	3%
4140105	Fare Revenue - Yellow Bus	298,871	297,460	402,508	422,665	42%
<b>Subtotal Revenue</b>		<b>1,233,147</b>	<b>1,560,047</b>	<b>1,642,450</b>	<b>1,727,822</b>	<b>11%</b>
<b>Expense</b>						
5030301	Consultant Services	11,799	4,000	10,182	5,000	25%
5030310	Fare Processing Charges	10,533	9,143	14,821	13,803	51%
5030602	Custodial Service	1,885	2,138	480	0	-100%
5049903	Software	848	1,000	1,196	0	-100%
5080103	Yellow Bus School Service	603,356	753,840	666,592	791,280	5%
5090801	Marketing	0	500	0	500	0%
5098050	Grants to Yellow Bus Programs	514,606	758,571	734,466	768,388	1%
5120401	Leases and Rentals	26,210	32,556	27,130	27,944	-14%
<b>Subtotal Expense</b>		<b>1,169,237</b>	<b>1,561,748</b>	<b>1,454,867</b>	<b>1,606,915</b>	<b>3%</b>
5100100	Salary/Benefit Transfers	44,723	27,599	101,330	80,283	191%
5100101	Transfer Overhead	9,674	8,176	21,097	23,585	188%
<b>Total Expenses</b>		<b>1,223,634</b>	<b>1,597,523</b>	<b>1,577,294</b>	<b>1,710,783</b>	<b>7%</b>



## Rural Service

Rural service is operated as the West Marin Stagecoach (Stagecoach) and includes northern Route 68 and southern Route 61. The West Marin Stagecoach, Routes 68 and 61, has been operated by Marin Airporter since July 1, 2023. Other West Marin services are provided with demand response shuttles included in the Marin Access budget.

Since Rural service provides lifeline connections to rural communities, these services continued to operate throughout the COVID-19 pandemic. Marin Transit temporarily added 1,050 service hours to Route 61 to address overcrowding due to capacity limits in FY2021/22. Service levels are now back to the pre-COVID level of 16,500 revenue hours per year (Table 10, Figure 8). Ridership on the rural service has not recovered as quickly at the more urbanized service and is 87% of pre-COVID ridership (Figure 9).

Figure 8: Rural Service Annual Revenue Hours

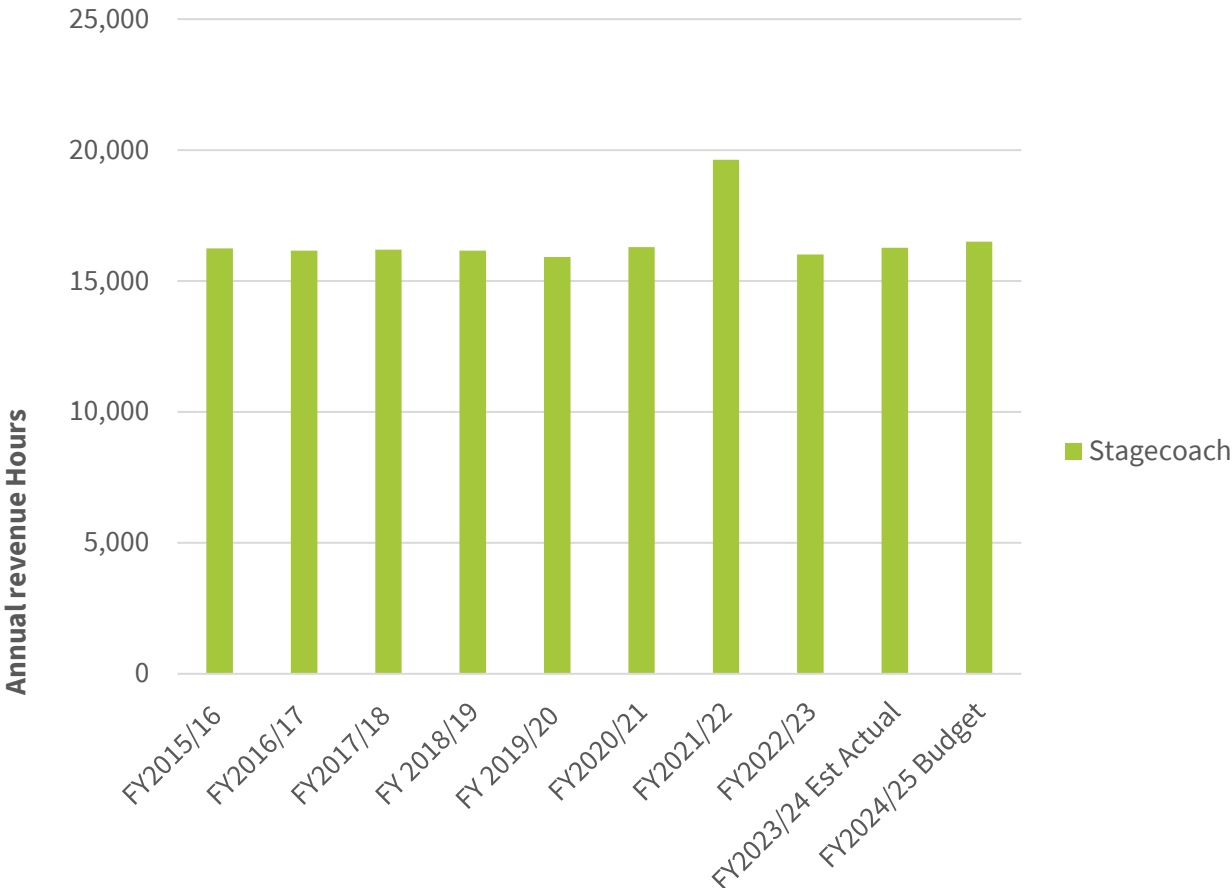


Figure 9: Rural Service Annual Ridership Trends

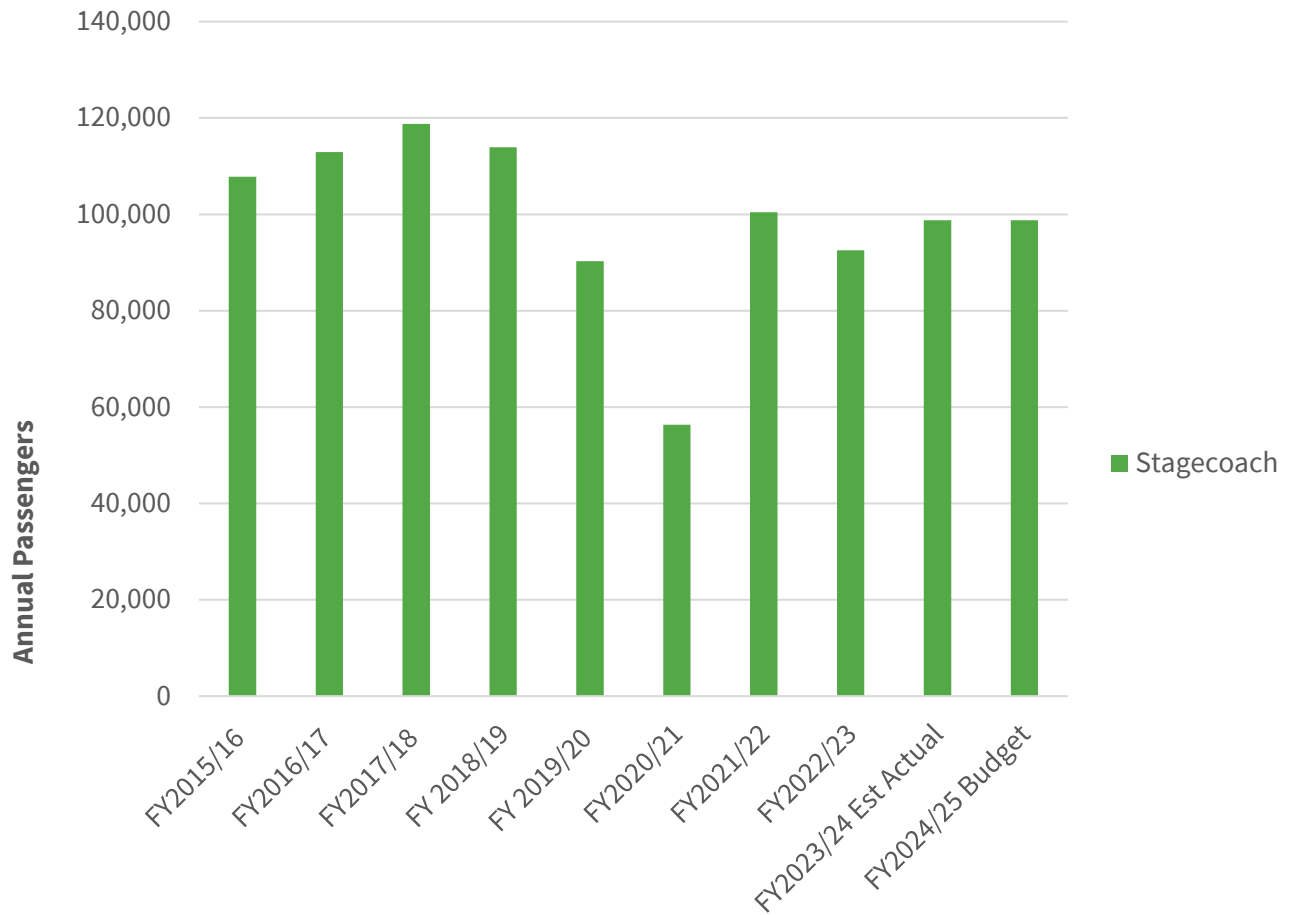


Table 10: Rural Budget Service Levels

Service Type	Service Level (Revenue Hours)	Contract Cost Per Hour (without fuel)	Notes
West Marin Stagecoach	16,500	\$135.42	No changes to service level.

The rural service budget (Table 11) includes contract service operations, marketing, fuel, communications, and Marin Transit staff expenses. Rural service has historically been funded with a combination of local sales tax funds and Federal Transit Administration (FTA) Section 5311 rural funding. Marin Transit receives 3% of the County Measure AA local sales tax funds for Rural service and all funding is program to the service. Based discussion with Caltrans, the District anticipates that no FTA Section 5311 funds will be available until the District has a new Caltrans approved fixed route contract in July 1, 2025. STA revenue based funds are budgeted to fund the rural service for the first time. These roll-over funds from prior years will help fund the program until the Section 5311 funds are restored.

Table 11: Rural Service Budget

GL Code	GL Description	FY2022/23 Actual	FY2023/24 Budget-Revised	FY2023/24 Estimated Actuals	FY2024/25 Budget	% Δ From FY2023/24 Budget
<b>Revenue</b>						
4092001	Measure A Sales Tax	55,080	57,672	57,672	4,944	-91%
4092005	Measure AA Sales Tax	1,131,141	926,812	926,812	933,109	1%
4110101	State Transit Assistance (STA)	0	0	0	1,500,000	-
4139920	Fed-FTA 5311 Rural	297,303	303,249	0	0	-100%
4139951	Fed-FTA 5311 Relief Funds	246,000	0	0	0	-
4140100	Fare Revenue	71,688	80,000	66,720	70,000	-13%
<b>Subtotal Revenue</b>		<b>1,801,212</b>	<b>1,367,733</b>	<b>1,051,204</b>	<b>2,508,053</b>	<b>83%</b>
4700001	Property Tax Transfer	598,419	1,318,000	1,418,134	255,326	-81%
<b>Total Revenue</b>		<b>2,399,631</b>	<b>2,685,733</b>	<b>2,469,338</b>	<b>2,763,379</b>	<b>3%</b>
<b>Expense</b>						
5030301	Consultant Services	23,180	16,000	0	16,480	3%
5040101	Fuel	296,310	322,568	315,436	338,697	5%
5040180	Utilities (Facility)	60	0	0	0	-
5049902	Small Equipment	0	5,000	0	5,000	0%
5050205	Communication-AVL	11,824	15,000	6,767	19,868	32%
5080101	Purchased Transportation	1,907,873	2,057,149	2,069,411	2,207,290	7%
5090801	Marketing	11,229	21,218	7,800	21,855	3%
<b>Subtotal Expense</b>		<b>2,250,476</b>	<b>2,436,935</b>	<b>2,399,414</b>	<b>2,609,190</b>	<b>7%</b>
5100100	Salary/Benefit Transfers	122,629	140,938	131,999	140,495	0%
5100101	Transfer Overhead	26,525	41,751	27,482	41,273	-1%
<b>Total Expenses</b>		<b>2,399,630</b>	<b>2,619,624</b>	<b>2,558,895</b>	<b>2,790,958</b>	<b>7%</b>

## Marin Access (Paratransit and Mobility Management)

The Marin Access budget includes Marin Access paratransit services for both local and regional trips and associated costs for fuel, customer service, scheduling and dispatch software, and marketing. The Marin Access budget also includes Marin Transit's Mobility Management programs and services. The purpose of the Mobility Management program is to increase mobility for the County's older adults and those with disabilities in need of transportation services and provide cost effective and improved alternatives to paratransit. The program goes beyond the legal requirements of the Americans with Disabilities Act (ADA) using funding from local Measure B and Measure AA. Demand for and usage of Marin Access is lower following the pandemic and Marin Transit staff is making service changes and improvements to respond to the change in conditions.

The FY 2024/25 budget for Marin Access (Table 14) is \$7.6 million, a 2% decrease compared to the prior year's budget. The decrease in budget is primarily due to lowering the estimated level of service for paratransit. Marin Access demand has leveled off at around 50% of pre-COVID levels and the service hour budget is lower than the prior year, but allows for modest growth from the actual service demand in FY2023/24 (Figure 9). Passengers by program are shown in Figure 10.

Current programs are described below and shown in Table 12:

Marin Access **paratransit service** provides demand-response trips to passengers certified as unable to use the fixed route system either all or some of the time. This includes trips mandated under the federal Americans with Disabilities Act (ADA) as well as trips that go beyond the ADA requirements. This service, and a regional paratransit service managed on behalf of GGBHTD, are operated under a single contract to Transdev. Service is budgeted at 36,000 hours. GGBHTD pays a share of mandated local paratransit based on their share of transit in Marin County (currently 13.95%). The method of calculation was changed in FY2023 with the new GGBHTD service contract and the GGBHTD share was reduced by about 5%. As of FY2015/16, GGBHTD directly reports the ridership, fares, and costs associated with their share of paratransit to the National Transit Database (NTD) and the State Controller's Office.

Marin Transit's **volunteer driver programs** allow Marin County residents that are 65+ or ADA-eligible to identify trusted drivers and provide mileage reimbursements for up to 100 miles per month in urbanized Marin (STAR program) or 400 miles in West Marin (TRIP program). The program has \$138,000 budget and is projected to carry 10,000 passengers per year.

**Catch-A-Ride** is a subsidized voucher program for Marin County residents that are 65+ or ADA eligible. The program was expanded in FY2024/25 and riders can take up to 30 trips per quarter at a subsidy of up to \$20 per trip after paying a base fare of \$5. Riders eligible for the Marin Access Fare Assistance program are eligible for additional subsidy and trips due to demonstrated income barriers. Catch-A-Ride trips are scheduled, dispatched, and provided directly North Bay Taxi and Uber. This program is budgeted at \$500,242 per year and funded with FTA Section 5310 funds (Table 13).

**Marin Access Shuttles** are a new program as of July 1, 2024 operated by Transdev and include components that were previously operated as Rural Dial-A-Ride. In FY2024/25 the program will pilot the new west Marin coastal shuttle authorized by the Board in April 2024. The budget

includes capacity for additional shuttles. FTA Section 5310 funds (Table 13) and Measure B funds are available for the program.

**Regional paratransit** is fully funded by GGBHTD. The FY 2024/25 budget includes 5,000 revenue hours for regional paratransit service.

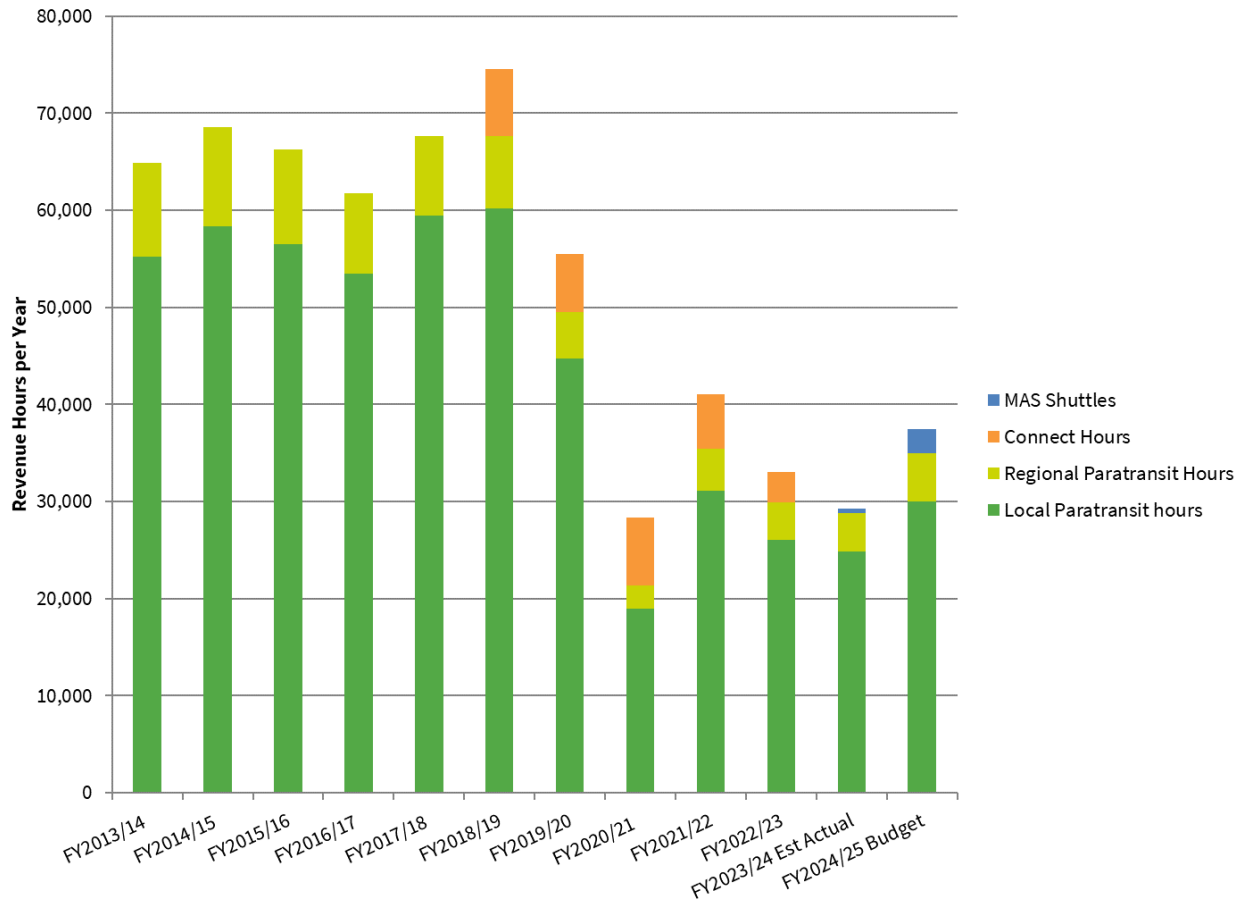
## Mobility Management

Marin Transit established the Mobility Management Office in 2009, with initial funding from a Federal New Freedom Grant. The program has continued to receive Federal Section 5310 grants to fund staffing costs (Table 13). Marin Transit established the Marin Access Travel Navigator program in 2010, as a one-stop-shop for information and eligibility on all Marin Access programs. The Mobility Management Office serves as an umbrella for the suite of Marin Access programs including paratransit, volunteer driver, Catch-A-Ride, and travel training. Travel training activities include local informational presentations and individualized travel training. There is currently one full-time Travel Navigator and one full-time Travel Navigator Coordinator.

Table 12: Marin Access Budget Service and Program Levels

Service Type	Service Level (Revenue Hours)	Contract Cost Per Hour (without fuel)	Notes
Local Paratransit	30,000	\$145	Budgeted hours are 20% over prior year estimated actual and 17% below prior year budget; projected at 50% of pre-COVID service demand. 14% of service is allocated to GGBHTD.
Regional Paratransit	5,000	\$140	Fully funded by GGBHTD
Marin Access Shuttle	2,500	\$125	Shuttle program in West Marin
Program	Service Level (Projected Ridership)	Funding Level	Notes
Catch A Ride	16,000	\$500,242	Taxi and Uber voucher program, funded with FTA Section 5310 grant and Measure B.
Volunteer Driver	10,000	\$138,000	Fully funded by Measure B.
Innovation Incubator / Gap Grants	NA	\$50,000	Opportunities to support to external agencies for innovation projects.
Low Income Fare Assistance Program	NA	\$90,000	Provides fare assistance for low-income riders. Fare assistance is funded with Measure B.

Figure 10: Marin Access Revenue Hours by Program



### Marin Access Revenue

Marin Access programs are primarily funded by local sources including Measure AA, Measure B, and property tax. Marin Access receives 9.5% of Measure AA sales tax revenue. In FY2024/25, Marin Transit has \$3.0 million in Measure AA funding for expenditures includes \$100,000 in carryforward revenues. Marin Transit receives 35% of the county Measure B vehicle license fee to support the mobility management initiatives. Marin Transit is budgeting \$913,000 of Measure B funding in FY 2024/25, which includes an estimated \$148,000 in unspent prior year allocations.

Fare revenue is projected to be 3% of Marin Access revenues. Marin Transit has a low-income fare program to reduce fares for income qualified riders. Marin Access funds are also used to provide free fixed route tickets valued at \$100,000 to Marin County’s Homeward Bound program for participating residents. The cost of this program is represented as a revenue transfer from the Marin Access program to the local program.

In FY 2024/25, Marin Transit expects to expend \$1.96 million in state and federal grant awards for Marin Access (Table 13).

Table 13: Marin Access Grant Funding

Estimated FY2024/25 Expenditure	Total Grant Award	Program	Source
\$1,006,374	\$1,006,374	Paratransit Operations	FTA Section 5307
\$88,750	\$177,500	Mobility Management (Award year 2021)	FTA Section 5310
\$187,500	\$375,000	Operating Assistance – Same day Rural (Award year 2021)	FTA Section 5310
\$298,979	\$597,958	Mobility Management - Travel Navigator Project (Award year 2023)	FTA Section 5310
\$380,270	\$760,539	5310 Operating Assistance – Catch A Ride Voucher Project (Award year 2023)	FTA Section 5310

Figure 11: Marin Access Passengers by Program

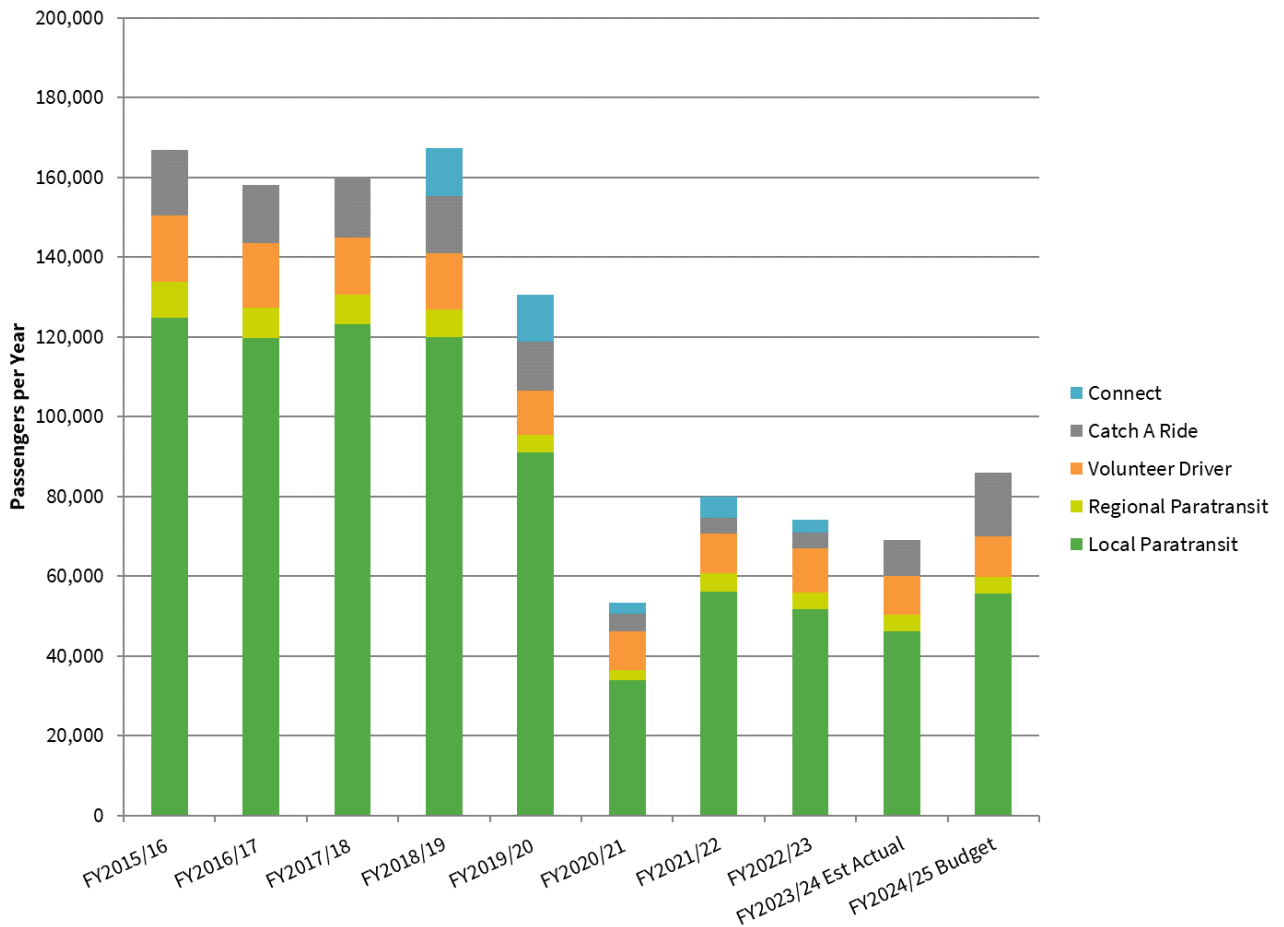


Table 14: Marin Access Budget

GL Code	GL Description	FY2022/23 Actual	FY2023/24 Budget-Revised	FY2023/24 Estimated Actuals	FY2024/25 Budget	% Δ From FY 2023/24 Budget
<b>Revenue</b>						
4092001	Measure A Sales Tax	165,410	173,191	173,194	14,848	-91%
4092005	Measure AA Sales Tax	2,594,817	2,934,903	2,934,903	3,020,411	3%
4099950	Measure B	825,310	895,000	650,006	913,000	2%
4110101	State Transit Assistance	60,000	60,000	60,000	60,000	0%
4119910	State Prop Tx Relief HOPTR	18,298	16,000	11,017	16,000	0%
4139910	Fed-FTA 5307 Urbanized Area Formula	1,039,640	1,061,461	1,061,738	1,006,374	-5%
4139915	Fed-FTA 5310 Mobility	9,330	276,250	201,250	766,681	178%
4140100	Fare Revenue	203,095	170,875	200,781	200,500	17%
4601003	GGBHTD – Local Paratransit Payment	682,849	786,640	655,862	736,916	-6%
4601004	GGBHTD – Regional Paratransit	525,969	636,495	780,964	766,040	20%
<b>Subtotal Revenue</b>		<b>6,124,718</b>	<b>7,010,815</b>	<b>6,729,715</b>	<b>7,500,770</b>	<b>7%</b>
4700001	Property Tax Transfer	63,558	703,174	0	200,000	-72%
4700002	Program Revenue Transfer	(72,367)	(80,000)	(102,098)	(100,000)	25%
<b>Total Revenue</b>		<b>6,115,909</b>	<b>7,633,989</b>	<b>6,627,617</b>	<b>7,600,770</b>	<b>0%</b>
<b>Expense</b>						
5030301	Consultant Services	9,641	85,782	8,948	88,265	3%
5030602	Services - Facility	20,769	24,000	21,124	21,800	-9%
5040101	Fuel	441,837	597,429	447,958	530,629	-11%
5040160	Utilities (Facility)	12,488	30,900	13,105	31,827	3%
5049902	Small Furn/Equip	1,253	10,000	0	10,000	0%
5049903	Software	130,942	156,997	154,121	148,727	-5%
5049911	COVID-Supplies and Cleaning	3,578	0	0	0	-
5050204	Communication-MERA Radio	25,963	27,846	33,742	34,754	25%
5050206	Communication	12,330	18,540	11,567	19,096	3%
5080101	Purchased Transportation - In Report	4,568,889	5,525,452	4,559,569	5,380,048	-3%
5080102	Purchased Transportation - Regional	476,339	566,716	707,556	700,009	24%
5090801	Marketing	9,425	36,050	8,422	37,132	3%
5098001	Misc-Exp Transit User Training	3,873	13,113	5,842	13,506	3%
5098002	Gap Grant	0	50,000	0	50,000	0%
<b>Subtotal</b>		<b>5,717,327</b>	<b>7,142,825</b>	<b>5,971,954</b>	<b>7,065,793</b>	<b>-1%</b>
5100100	Salary/Benefit Transfers	327,701	459,980	368,207	401,414	-13%
5100101	Transfer Overhead	70,882	136,262	76,661	117,923	-13%
<b>Total Expense</b>		<b>6,115,910</b>	<b>7,739,067</b>	<b>6,416,822</b>	<b>7,585,130</b>	<b>-2%</b>



# Capital Budget

Marin Transit’s annual capital budget (Table 15) of \$9.75 million provides funding for transit vehicles, bus stop improvements, facilities, and other capital expenditures. Figure 11 provides capital expenditures and budget by project type to show the significant variation in expenditures by year. In FY2024/25 Marin Transit will complete fewer vehicle replacement projects but will have several capital projects in construction. These include the construction of the paratransit parking and electrification project at 3010/3020 Kerner and construction of bus stop improvements throughout the County. The District also anticipates completion of environmental work on the fixed route electric vehicle facility.

The FY2024/25 Capital Budget includes \$4.2 million in facility projects. Marin Transit successfully purchased a two-and-a-half-acre parcel (Rush Landing) in FY2019/20, a paratransit maintenance facility in San Rafael in FY2021/22, and an adjacent property in San Rafael for future parking and charging of small vehicles in FY2022/23. Construction of the parking, a solar canopy and initial electrification is anticipated to be in construction during FY2024/25. Marin Transit is actively purchasing right-of-way for a fixed route electric vehicle parking and maintenance site as part of the awarded FTA 5339 Bus and Bus Facilities grant.

The FY2024/25 budget also includes the construction of the federally funded project for ADA bus stop improvements and corridor improvement project.

Capital expenditures are defined in the District’s fixed asset management policy. A “Fixed Asset” includes equipment, supplies and rolling stock with a unit purchase value of at least \$5,000 and a service life of more than one year. All projects that meet the requirements of the District’s fixed asset policy are capitalized and depreciated over the defined life of the associated asset type. Expenditures not meeting the District’s policy for capitalization will be included as operations expenses on financial statements.

The projects included in the FY2024/25 budget are 64% funded with state and federal grant funds (Table 15). The budget includes the expenditure of \$1.3 million in Measure AA local sales tax funds and \$2.0 million in current year property tax funds. With this budget the District will have a Capital reserve of \$22.6 million that is needed for the local match for the fixed route facility project and available for other capital needs.

Specific capital expenditures are described below by project type and listed with the District’s two letter project code.

## Vehicles

Purchase One Electric Paratransit Vehicle (PE) – Marin Transit will purchase one electric paratransit vehicle and associated charging infrastructure. This project is funded with State Low Carbon Transit Operations Program (LCTOP) funding. Vehicles are expected to be delivered in 2025.

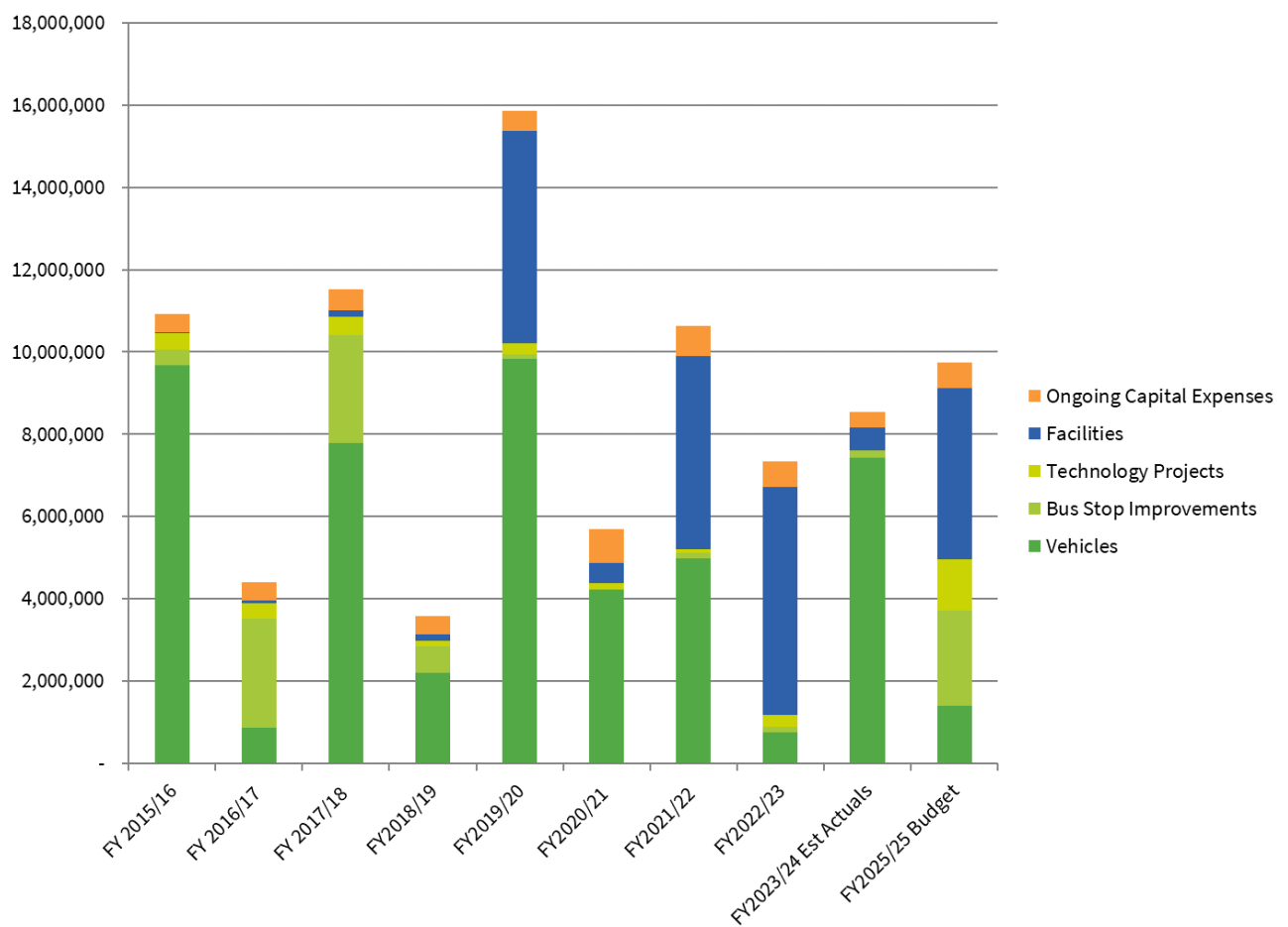
Purchase 12 Paratransit Vans (PG) - Marin Transit will purchase twelve vans as replacement vehicles for operation in the Marin Access program. These vehicles have a 5-year useful life and will provide paratransit and Marin Access shuttle services. The vans replace current cutaway vehicles from multiple fleet years (2016, 2017, and 2021). These replacements were postponed due to the drop in paratransit ridership during and post pandemic, reduced number of vehicles needed and the intensity of usage of the fleet. Grouping the purchases together will reduce staff time for the vehicle procurement. The purchase will be 80% funded with FTA Section 5307 funds with a local match from Measure AA funds. The vehicle order will be

initiated in FY2024/25 once the Federal Section 5307 funds are available, and delivery is anticipated in FY2025/26. Marin Transit participates in a joint procurement for vehicles through CalAct and anticipates purchasing the vehicles through that contract.

Purchase Three Hybrid Vehicles (LF) – Marin Transit will purchase three 35-foot hybrid vehicles to replace one shuttle and narrow XHF vehicles that are no longer available. The budget includes Section 5307 funds for 76% of costs but final funding amount will be established through MTC’s TCP process and maybe higher.

Mid Life Hybrid Battery Refresh (HZ) – Marin Transit will perform the required mid-life hybrid battery refresh on the District’s ten 2017 35ft buses.

Figure 3: Capital Project Expenditures and Budget by Type



## Bus Stop Improvements

Novato Bus Stop Shelters (BN) – Marin Transit will purchase eight shelters to replace advertising shelters that are out of contract in Novato. The new shelters will require lower maintenance with perforated metal walls instead of glass. Regular maintenance of the installed shelters is included in Bus Stop Maintenance. This project is 80% funded with federal funds through the regional Lifeline program and matched with

local Measure AA sales tax funding. The shelters should be delivered in July 2024 and installed in the fall of 2024.

ADA Bus Stop Improvements (BP) – Marin Transit will complete construction of bus stop improvements at up to 20 stops in Marin County. The stops were identified for improvement after a 2017 Bus Stop Conditions assessment and 100% stop-level survey of ridership. They were prioritized by need for accessibility improvements, ridership, and lack of amenities. Improvements will be focused on providing ADA wheelchair landing pads and basic passenger amenities. The construction of this project is 80% funded with Federal funds awarded to Marin Transit through the regional Quick Strike Program.

Capital Corridors Improvements (BQ) – This project will evaluate and make improvements to three high ridership corridors: 4<sup>th</sup> Street, San Rafael, Lincoln Ave, San Rafael, and South Novato Blvd, Novato. The project is 80% funded with federal funding from region’s third One Bag Area Grant (OBAG3) program.

## Administrative and Operations Facilities

Facility Purchase – Fixed Route Electric Vehicle Maintenance Facility (FG) – The District is was awarded a competitive FTA Section 5339 Bus and Bus Facilities grant of \$31.5 million for the purchase and construction of a zero emission fixed route bus facility. Marin Transit is actively working on the environmental clearance phase of the project with anticipated right of way acquisition in FY2025/26. Table 15 shows the project budget by phase.

Table 15: Facility Project Budget by Phase

Project Phase	Federal Share	Budget	Est Prior Expenditures	FY2024/25 Budget	Future Years
Environmental	60%	\$550,000	194,098	\$355,902	
Right of Way	75%	\$19,750,000			\$19,750,000
Design/Engineering	60%	\$2,350,000			\$2,350,000
Construction	60%	\$21,813,000			\$21,813,000
Workforce Development	80%	\$2,215,000		\$50,000	\$2,165,000
<b>Total Project</b>	<b>67%</b>	<b>\$46,678,000</b>	<b>\$194,098</b>	<b>\$405,902</b>	<b>\$46,078,000</b>

Facility Improvements – Kerner (FH) – This project funds facility improvements at the vehicle parking facility. Improvements include demolition of an existing office building, fencing, lighting, a solar canopy and installing initial electric vehicle charging stations. The project is funded with State Low Carbon Transit Operations Program (LCTOP) funding and Federal 5339 Zero Emission Bus (ZEB) funding.

Facility Improvements – Kerner Blvd (FI) – Marin Transit will be making improvements to the Kerner Maintenance Facility to provide drivers with a Break Room area. This project may start in FY2024/25 depending on staff availability. The project is funded with local property tax funds.

Yellow Bus Parking Facility (YF)- The District currently leases a parking lot for 16 yellow buses, but the future of this lease is unknown. This project is for the purchase of a parking site for yellow buses and is funded with \$1.1 Million in Measure A interest and \$1.9 million in capital reserve funding (prior year local property tax).

## Technology Projects

On Board Technology – This project will fund the purchase of equipment needed for the farebox transition establish as part of the 2023 fare analysis study. This includes new passenger counting equipment, replacement fareboxes, and associated advanced vehicle location equipment. The project is 80% funded with FTA Section 5307 funds.

## Other Measure A/AA Capital Expenses

Other capital and infrastructure expenses include the capital contribution to GGBHTD as required under the contract and major vehicle repairs. Infrastructure support costs in project IF, include staff salary to support the capital program and other smaller projects, typically related to repairs and equipment needed at the District's facilities.

Table 16: Capital Budget by Project

		Total Project Budget	Prior Expenditures	FY2024/25 Budget	Future Years	Measure AA/Local Funding	State Funding	Federal Funding
PE	Electric Paratransit Vehicle and Charging Infrastructure	677,208	9,295	667,913	0	0%	100%	0%
PG	Purchase 12 Paratransit Replacements	1,308,000	0	5,000	\$1,303,000	20%	0%	80%
LF	Purchase 3 -35ft Hybrid Replacement Vehicles	2,850,000	0	5,000	\$2,845,000	24%	0%	76%
HZ	10 Hybrid Bus Battery Replacements	716,431	0	716,431	0	20%	0%	80%
<b>Subtotal Vehicles</b>		<b>5,551,639</b>	<b>9,295</b>	<b>1,394,344</b>	<b>\$4,148,000</b>	<b>20%</b>	<b>12%</b>	<b>68%</b>
BN	Novato Bus Stop Shelters	61,115	5,972	55,143	0	20%	0%	80%
BP	ADA Bus Stop Improvements	1,803,000	341,321	1,461,679	0	20%	0%	80%
BQ	Capital Corridors	2,000,000	85,000	800,000	1,115,000	20%	0%	80%
<b>Subtotal Bus Stop Improvements</b>		<b>3,864,115</b>	<b>432,293</b>	<b>2,316,822</b>	<b>\$1,115,000</b>	<b>20%</b>	<b>0%</b>	<b>80%</b>
FG	Facility - Fixed Route Maintenance Facility	45,678,000	244,098	355,902	45,078,000	33%	0%	67%
FH	Facility -3010/3020 Kerner Improvements	3,535,967	371,927	3,164,040	0	39%	22%	39%
FI	Facility - Kerner Driver Break Room	650,000	0	650,000	0	100%	0%	0%
YF	Yellow Bus Parking Facility	3,000,000	0	0	3,000,000	100%	0%	0%
<b>Subtotal Facility</b>		<b>52,863,967</b>	<b>616,025</b>	<b>4,169,942</b>	<b>48,078,000</b>	<b>38%</b>	<b>1%</b>	<b>61%</b>
OD	On Board Technology	1,250,000	0	1,250,000	0	20%	0%	80%
<b>Subtotal Technology Projects</b>		<b>1,250,000</b>	<b>0</b>	<b>1,250,000</b>	<b>0</b>	<b>20%</b>	<b>0%</b>	<b>80%</b>
GG	Golden Gate Capital Costs (GG)	24,000	0	20,000	0	100%	0%	0%
VR	Major Vehicle Repairs (VR)	200,000	0	200,000	0	100%	0%	0%
IF	Infrastructure Support (IF)	400,000	0	400,000	0	100%	0%	0%
<b>Subtotal Ongoing Capital Expenses</b>		<b>624,000</b>	<b>0</b>	<b>620,000</b>	<b>0</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>
<b>Total Expenditures</b>		<b>64,153,721</b>	<b>1,057,613</b>	<b>9,751,108</b>	<b>\$53,341,000</b>	<b>37%</b>	<b>2%</b>	<b>61%</b>