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June 4, 2018

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

SUBJECT: Marin County Transit District Final Operating and Capital Budget for FY 2018/19

board of directors

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Dear Board Members:

RECOMMENDATION: Adopt FY 2018/19 Budget.

SUMMARY: Marin Transit's draft budget for July 1, 2018 to June 30, 2019 was distributed at your Board's May 7, 2018 meeting. At today's meeting, staff will describe changes to the draft budget since its distribution in May and present a proposed final budget.

The proposed budget reflects the priorities and financial projections in the District's Short Range Transit Plan (SRTP). These priorities include continuing to provide a high level of fixed route service, mobility options for seniors, and transportation for youth in Marin County. The budget sustains the funding and expenditures needed to support existing service levels and projected paratransit increases, and adds a new on-demand pilot service, Transit Connect.

The budget includes current Metropolitan Transportation Commission (MTC) revenue projections for State Transit Assistance (STA) and Transportation Development Act (TDA) funds, Measure A estimates from the Transportation Authority of Marin (TAM), and County of Marin estimates for property tax revenue.

There are two major ballot measures in November 2018 that will affect Marin Transit's financial outlook. Neither should affect the FY2018/19 budget and any impacts will be included the District's FY2019/20 budget.

First, there will likely be a ballot measure in November to repeal 2017 Senate Bill 1 (SB1) that increased the state gas tax and vehicle registration fees. The District's budget includes

increased and sustained state operations and capital funding from SB1. These funds have been key in returning state transit operations funding to historic levels. They also are providing funding to Marin Transit to purchase additional vehicles to relieve overcrowding on school routes, including three 29ft XHF's and one shuttle. If the ballot measure passes, SB1 will be repealed and the District will need to revisit service level assumptions in the adopted SRTP and identify service reductions for summer 2018.

Second, renewal of the local Measure A sales tax will provide long-term financial certainty for the District. Measure A currently provides 40% of Marin Transit's operations revenue. The proposed renewal continues to provide 55% of funds to local transit, though revisions to the expenditure plan will affect Marin Transit financial plans. The proposed expenditure plan:

- Moves 5% of Measure funding from local transit and transit capital projects to a new school transportation category. This will allow the public to understand the amount of resources dedicated to supplemental service to middle and high schools and in support of yellow bus programs. This funding amounts to about \$350,000 more per year than Marin Transit's current expenditure on school services. If the Measure A renewal is approved, the District will program the additional school service funding through a planning process. This will consist of direction from the Board's Ad Hoc Committee on School Transportation and updates to the SRTP. Additionally, the commensurate loss of Measure A revenue in the local bus program is expected to be filled with the increased state funding from SB1.
- Reduces funding allocated to the local bus program from 37% to 33%. The loss of funding will be offset by moving school transportation expenses to the new expenditure category and is expected to be backfilled with the increased state funding from SB1.
- Reduces funding available for capital projects from 6% or 4%. The District expects to continue to fund core capital projects. This may require that we rely more on state funding to match federal funding for vehicle purchases and take on fewer bus stop improvement projects.
- Creates a new expenditure category with 0.5% of revenues for access to ferries and regional transit. This is a reduction in the revenue share to Marin Transit and will be allocated to Golden Gate Transit.

The FY 2018/19 Expenditure Budget for Operations and Capital Projects is \$46,797,976 and is balanced with the expenditure of \$3.0 million in Capital Reserve funds. With this expenditure in the FY2018/19 budget, the District will maintain a fully-funded Emergency Reserve of two months operating expenses, a Contingency Reserve of four months of operating expenses, and a Capital Reserve of \$7.3 million.

The operating expense budget is \$32,464,675. This is an eight percent increase over the FY 2018/19 budget and provides for a similar level of fixed route service, a nine percent increase in paratransit service hours, and a new on-demand response pilot service, Transit Connect. In addition to the pilot program, the primary increases in the Operations Budget are from rising fuel costs and new service contracts that reflect increased wages and higher prices in a strong economy.

Table 1: Budget Summary

	FY 2016/17 Actual	FY 2017/18 Budget Revised	FY 2017/18 Estimated Actual	FY 2018/19 Draft Budget	FY 2018/19 Final Budget
Revenue					
Capital	4,401,584	20,522,639	12,982,041	11,333,301	11,333,301
Operations	30,469,431	32,874,780	32,502,325	35,552,323	35,552,323
Total Revenue	\$34,871,015	\$53,397,419	\$45,484,366	\$46,885,624	\$46,885,624
Expenditures					
Capital	4,401,584	20,554,173	12,982,041	14,333,301	14,333,301
Operations	26,764,206	29,952,222	28,511,359	32,464,675	32,464,675
Total Expenditures	\$31,165,790	\$50,506,395	\$41,493,400	\$46,797,976	\$46,797,976
Net Change in Fund Balance	\$3,705,225	\$2,891,024	\$3,990,966	\$87,648	87648
Emergency Reserve	4,460,701	4,992,037	4,751,893	5,410,779	5,410,779
Contingency Reserve	8,921,402	9,984,074	9,503,786	10,821,558	10,821,558
Capital Reserve	6,020,377	7,349,017	9,137,767	7,280,388	7,280,388
Fund Balance (total reserve)	\$19,402,487	\$22,325,135	\$23,425,077	\$23,512,725	\$23,512,725

Marin Transit's Capital expenditure budget is \$14,333,301. Over half of the budget is for purchasing right of way for parking and maintenance facilities. The budget includes funds to replace seven vehicles and for bus stop improvements for accessibility and passenger amenities. Fifty-one percent of the proposed FY 2018/19 capital budget is funded by state and federal grants.

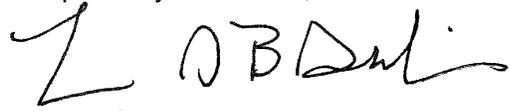
Final Budget Compared to Draft Budget

The proposed final operations and capital budget for FY 2018/19 includes the following changes from the draft budget:

- Adds projected ridership by program on page 10 to provide additional context on budgeted service levels;
- Adds two new figures to show ridership and services levels overtime;
- Modifies the operations expense graphic to show fuel expenses as a separate category;
- Reduces Measure B funding to match expected expenditures;
- Increases Measure A funds for Marin Access to balance the Marin Access Budget;
- Corrects Table 4: Expense Variances in Operations Budget (>\$100,000) to show correct dollar amount for Customer Service.
- Corrects Table 13 on page 30 to show the correct Transit Connect service level;
- Corrects the Federal share for the Capital project to purchase one shuttle.

FISCAL IMPACT: Board action will authorize FY2018/19 operations and capital expenditure levels.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "L Gradia". The signature is written in a cursive, flowing style.

Lauren Gradia
Director of Finance and Capital Projects

Attachment



MARIN TRANSIT BUDGET FY 2018/19

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Marin Transit Budget Overview

The Marin County Transit District (Marin Transit) is responsible for local transit service within Marin County, and provides over 3.2 million unlinked passenger trips per year and over 230,000 revenue hours of service. Marin Transit delivers services through contract operators. These include: Golden Gate Bridge Highway & Transportation District (GGBHTD), Marin Airporter, MV Transportation, Marin Senior Coordinating Council (Whistlestop), and Michael's Transportation. 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 District's Board adopted the most recent SRTP on December 18, 2017.

Budget Process and Timeline

The budget process begins in late February as a review of District and program level goals and objectives with finance and operations staff. In March, budget meetings focus on each program area. The Director of Finance compiles all the program data and develops a draft budget to present to the Board of Directors at their April meeting. The final budget incorporates any changes from the draft version, and the Board adopts the budget at its May or June meeting.

The following is the timeline for fiscal year July 1, 2018 to June 30, 2018 (FY 2018/19) budget development:

February 28, 2018	Budget kick-off meeting
March-April 2018	Program level budget meetings
May 7, 2018	Draft budget presented to Board of Directors
June 4, 2018	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 to and accounted for in the financial statements as an enterprise fund type of the proprietary fund group. 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. Proprietary funds further distinguish operating revenues and expenses from non-operating items. 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 total program level (administration, local, yellow bus, rural, Marin Access, capital). Deviations from budgeted line item amounts are acceptable if the total program expenses do not exceed the budget authority.

Budget authority transfers between programs require General Manager approval and must be made such that total budget expenditures are not exceeded.

In the event that 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 finance 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 fluctuation in funding and in accordance to 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 six months operating expenses based on the adopted budget.

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.

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.

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 Transportation Administration ("FTA").

Budget Summary

The FY 2018/19 expenditure budget for operations and capital projects is \$46,797,976. The expenditure budget allows for a fully funded Emergency Reserve (two months operating expenses), a Contingency Reserve of four months of operating expenses, and a Capital Reserve of \$7.3 million. The proposed budget continues existing service levels with two new operations contracts and increasing fuel prices. Capital expenditures are comparable with continued investments in the revenue service vehicles, bus stop improvements, operations facilities. The Capital budget include the expenditure of \$3.00 million in capital reserve to purchase a yellow bus parking facility.

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Fund Balance (total reserve)	\$19,402,487	\$22,325,135	\$23,425,077	\$23,512,725	\$23,512,725
Restricted Fund Balance	31,624	0	0	0	0
Expenditure of Rest.LCTOP	275,413	0	0	0	0
Expenditure of Rest. FTA veh.	0	31,624	31,624		
Expenditure of Capital Reserve	0			3,000,000	3,000,000

District Fund Balance

Marin Transit's fund balance represents the total unrestricted net position made up of. 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.

For the last three years, Marin Transit has been able to rebuild the District's fund balance based on strategic efforts to lower service contract rates and control administrative costs. In addition, increasing revenues from a strong economy have helped fully fund the emergency and contingency reserves and create a capital reserve. The next step in financial stability for the District is transitioning from leases operations and maintenance facilities to a District owned location. Marin Transit has a \$5.5 million project for the purchase of right of way for a bus facility. In addition, in accordance with the District's SRTP, the FY2018/19 Budget programs \$3.0 million of capital reserves for the purchase of a yellow bus parking facility.

With the Emergency and Contingency Reserves continuing to be fully funded with the equivalent of six months of operations funds, the Capital Reserve is reduced by \$1.3 million. The remaining Capital Reserve will be needed for the local match for the upcoming replacement of ten 60ft transit vehicles that will be beyond their 12 year useful life.

Local Sales Tax – Measure A

Marin County voters passed a half cent sales tax measure (Measure A) in 2004 to provide local funding and investment for transportation infrastructure and programs. Measure A is a 20-year measure, and FY 2024/25 will be the last year of the current measure. Measure A provides approximately 40% of Marin Transit's operating revenues and capital funds needed to match federal and state grant funding for vehicles. As shown in the District's Short Range Transit Plan, without the sales tax funding Marin Transit would need cut service levels significantly and end programs like the community shuttles, West Marin Stagecoach, Muir Woods Shuttle and school bus service. Marin Transit is working with the Transportation Authority of Marin (TAM), the county Sales Tax Authority, on a renewal measure that includes a 30-year extension that would be effective in January 2019.

Under the current Measure A sales tax expenditure plan, fifty-five percent is available for local transit service in the following four sub-strategies:

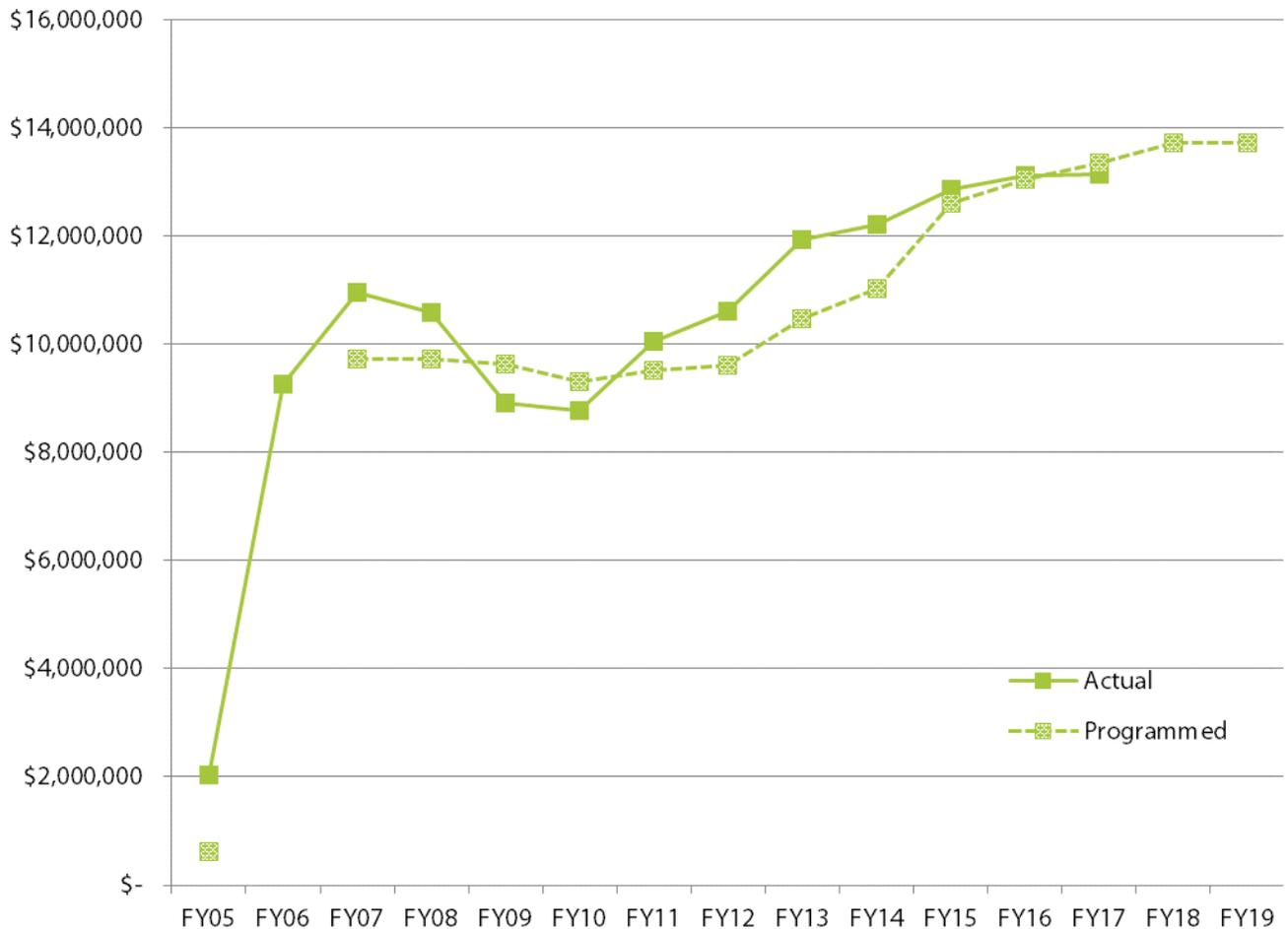
- Maintain and expand local bus transit service (37%);
- Maintain and expand rural bus transit system (3%);
- Maintain and expand transit services for those with special needs (9%); and
- Invest in bus transit facilities for clean and efficient transit system (6%).

Figure 1 shows Marin Transit's share of Measure A projected revenues and actual receipts. TAM programs Measure A funding to the District based on projections and adjusts future year balances to account for actual receipts. Based on the programmed amounts, Marin Transit requests annual allocations of funds from TAM.

The growth rate of sales tax slowed to 0.2% in FY2016/17 after recovering from the decline in FY2007/08. Receipts for the first half of FY2017/18 show renewed growth (4.96%). TAM is projecting FY2018/19 at the projected level for FY2017/18 and then with 2.2% growth rate in FY2018/19 and beyond. Growth of sales tax in Marin County is

typically low due to limited population and job growth that typically impact retail sales. The projected growth is slightly below expected inflation and will slowly impact the District’s ability to sustain service.

Figure 1: Measure A Transit Funds by Fiscal Year (Programmed/Projected vs Actual Receipts)



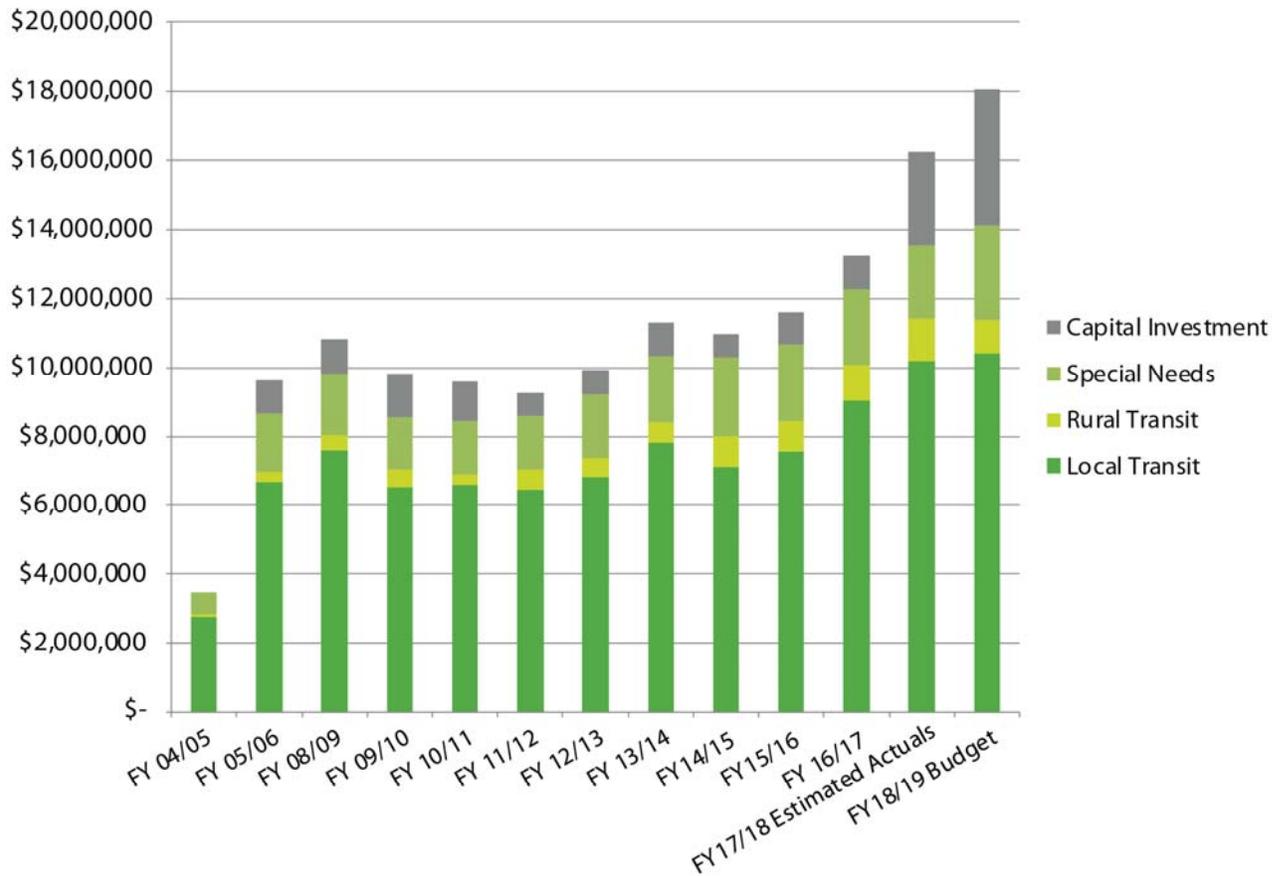
The District’s actual expenditure of Measure A revenue varies due to capital replacement cycles and the availability of other grant funds in a particular year (Figure 2). In a given year, any unclaimed Measure A revenue is available for TAM to allocate to Marin Transit in future years.

After finance staff incorporate Measure A allocations for the FY 2018/19 budget along with assumptions for FY 2017/18 actuals, the District will have \$4.8 million in Measure A reserves. This amount consists of \$3.7 million in local, and \$1.1 million in capital funds. TAM holds these reserves, 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 shows the increase in local Measure A expenditures anticipated in the budget year (FY 2016/17) will to pay for service increases. The Rural transit reserve enabled the

District to expand service on the Stagecoach and is being spent down over a five-year period ending in FY2018/19. Future Stagecoach service is programmed to continue with additional funding from property tax revenues.

The Capital Measure A reserve is at a historic low due to recent vehicle replacements which require 18% local matching funds.

Figure 2: Measure A Expenditures by Fiscal Year



Operations Budget

Marin Transit's FY 2018/19 operations budget provides for operation of the following services:

Service	Budgeted Service Level	Projected Mobility
Regular Local and Trunk Line	116,000 revenue hours	2,123,000 passenger trips
Community Shuttles	43,500 revenue hours	388,000 passenger trips
Supplemental School and Partnership	7,100 revenue hours	198,000 passenger trips
Muir Woods Shuttle	6,810 revenue hours	163,000 passenger trips
Novato Dial-A-Ride	2,400 revenue hours	4,300 passenger trips
Yellow School Bus Service	6 buses	130,000 passenger trips
West Marin Stagecoach Service	16,400 revenue hours	116,000 passenger trips
Rural Dial-A-Ride Service	435 revenue hours	750 passenger trips
Local Paratransit Service	62,491 revenue hours	135,000 passenger trips
Regional Paratransit Service	9,500 revenue hours	7,308 passenger trips
Catch-A-Ride	Not Applicable	15,000 trips
Volunteer Driver	Not Applicable	14,800 trips
Transit Connect (new)	10,988 revenue hours	55,000 trips

Historic service levels and unlinked passenger trips are also shown in Figures 3 and 4.

The operating expense budget of \$32,464,675 is an 8% increase over the FY 2017/18 budget (Table 2), and provides for a new pilot service, Transit Connect, increasing paratransit service hours, and increased Muir Woods Shuttle service. The largest cost increases are from contract service operations, both for increased service and for increased contract rates. Wage pressure and increasing fuel prices are increasing transit operations costs faster than inflation.

Figure 3: Marin Transit Ridership Over Time

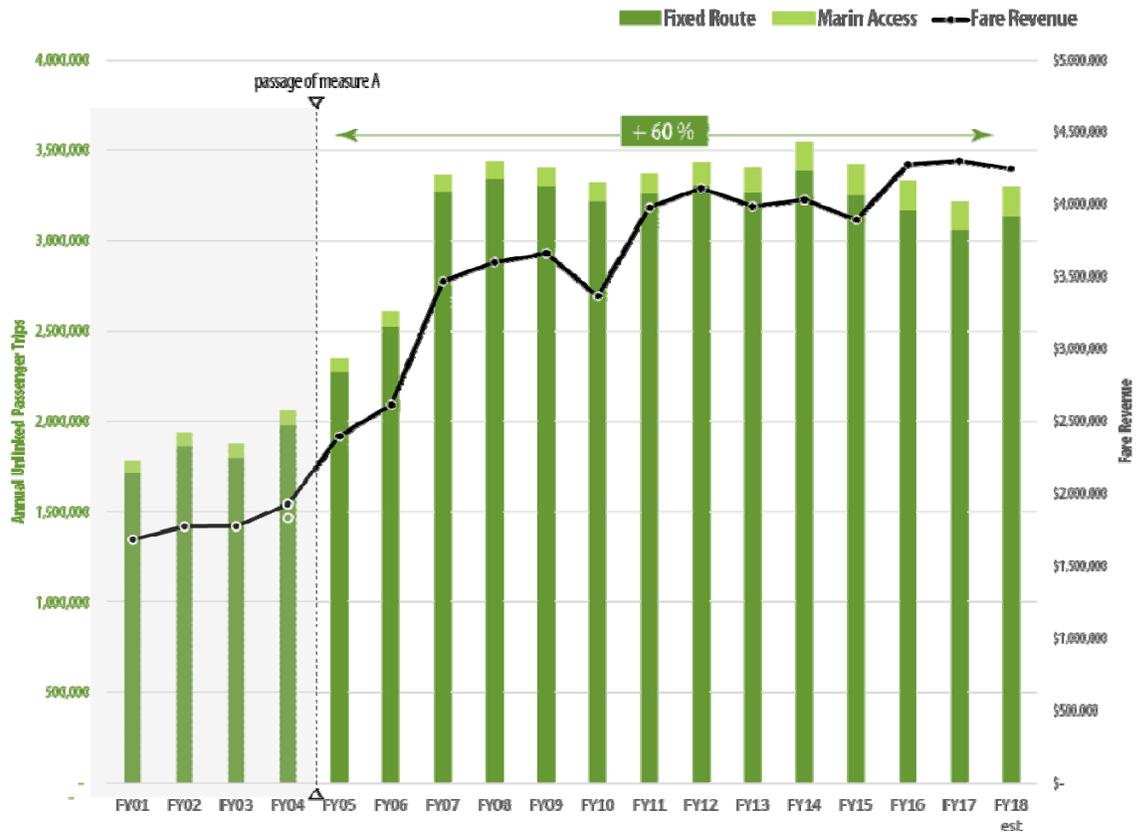


Figure 4: Marin Transit Service Levels Over Time

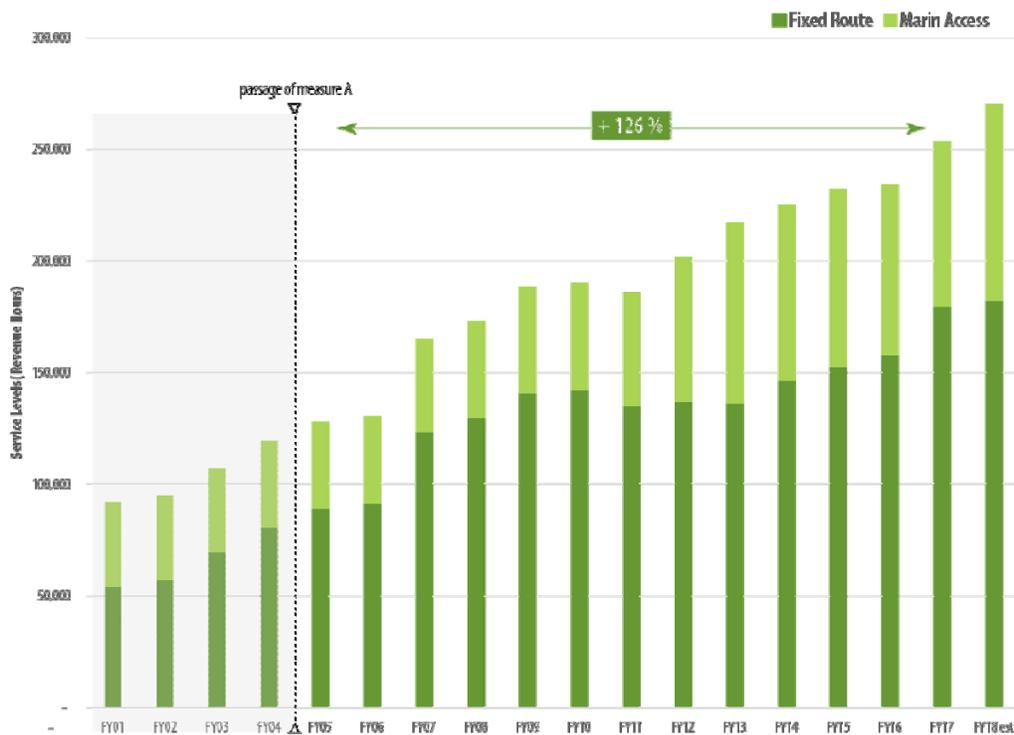


Table 2: Operations Budget (Admin, Local, Yellow Bus, Rural, & Marin Access)

	FY 2017 Actual	FY 2018 Budget Revised	FY 2018 Estimated Actuals	FY 2019 Final Budget	% Δ from FY 2018 Budget
Revenue					
Fare Revenue	3,942,533	4,276,928	4,125,231	4,085,620	-4%
Advertising & Other Revenue	397,790	400,200	395,360	412,206	3%
Reimbursements (GGBHTD, WSW)	1,837,557	2,102,476	1,952,696	2,026,564	-4%
Interest	51,968	55,000	75,903	70,250	28%
Measure A	12,265,745	13,342,614	13,399,120	14,046,065	5%
Measure A Interest	85,000	85,000	85,000	85,000	0%
Measure B	627,198	1,045,000	839,855	1,120,000	7%
Property Taxes	4,086,532	4,180,831	4,246,148	4,436,683	6%
Development Fees	57,964	52,032	50,711	58,200	12%
State Transit Assistance (STA)	1,576,690	1,274,981	1,285,220	1,841,702	44%
Transit Development Act (TDA)	4,440,516	4,453,555	4,614,306	5,109,399	15%
Other State	19,273	148,114	147,950	354,524	139%
FTA Funds	1,065,347	1,366,509	1,193,844	1,351,823	-1%
National Park Service	89,010	91,540	191,824	600,000	555%
Transfers to Capital Budget	(73,692)	0	(100,842)	(45,712)	NA
Total Revenue	30,469,431	32,874,780	32,502,326	35,552,324	8%
Expenses					
Salaries and Benefits	2,082,294	2,411,546	2,135,170	2,556,016	6%
Professional Service	325,848	523,363	547,739	555,532	6%
Professional Service- Legal	27,403	100,000	93,858	150,000	50%
Security and Maintenance	268,349	286,326	266,277	296,504	4%
Customer Service	559,208	604,384	529,677	783,263	30%
Indirect County Overhead	2,009	2,500	670	2,575	3%
Mobility Management Support Programs	4,770	59,548	14,711	24,835	-58%
Office Supplies	170,781	193,520	170,208	217,536	12%
General Insurance	22,324	29,000	27,860	29,870	3%
Contract Service Operation	21,417,881	23,306,597	22,557,665	25,119,706	8%
Membership & Prof Development	25,322	60,000	24,041	61,800	3%
Mileage and Travel	15,883	23,000	20,363	23,690	3%
Marketing	114,823	231,157	117,963	246,882	7%
Communication	139,935	178,400	208,383	198,436	11%
Fuel	1,818,940	2,126,218	2,026,853	2,431,546	14%
Misc. Services	4,897	0	642	1,044	NA
Vehicle and Vehicle Parking Leases	23,983	23,625	18,624	23,980	2%
Office - Rental and Overhead	96,668	113,440	98,110	137,000	21%
Partner Agency Pass Through	85,000	85,000	85,000	85,000	0%
Transfers to Capital Budget	(442,113)	(405,401)	(432,455)	(480,538)	19%

Total Expenses	26,764,205	29,952,223	28,511,359	32,464,677	8%
Net Revenue Over Expenditures	<u>3,705,226</u>	<u>2,922,557</u>	<u>3,990,967</u>	<u>3,087,647</u>	

District Revenue

Marin Transit derives its revenues from multiple sources (Figure 5), 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 sales tax operating funds;
- Transportation Development Act (TDA) funds;
- State Transit Assistance (STA) funds;
- Passenger fares; and
- Property taxes.

To develop revenue projections for the FY 2018/19 budget, staff referred to Metropolitan Transportation Commission (MTC) revenue projections for STA and TDA, TAM's Measure A allocations, and discussed estimates for property tax revenue with the County of Marin.

Based on current receipts, Marin County sales tax revenue is expected to increase by 5% in FY2017/18. In addition to Measure A sales tax revenue, TDA revenue is generated from sales tax. The County Auditor Controller is projecting a 3.7% increase in TDA revenue in FY2018/19. Marin Transit splits Marin County TDA with the Golden Gate Bridge Highway and Transportation District based on ridership and service provided. Marin Transit will receive 39.92% of funds in FY 2018/19, which is a 1.89% increase from the prior year.

State Transit Assistance funds from the diesel sales tax have either experienced no growth or declined. New state legislation (SB1) increased the state gas tax to restore state transit funds back to historic levels. These funds are allocated to transit operators in two ways, (a) based on locally generated revenue expended on transit operations (revenue based) and (b) the population of the County (population based). The transit operators in Marin County, Marin Transit, Golden Gate Bridge Highway and Transportation District, and SMART signed a new agreement based on MTC's new STA Population-Based Policy (MTC Resolution 4321), to split population funds based on ridership and service provided. Marin Transit will continue to use these funds for paratransit operations and fixed route services. In FY 2018/19 Marin Transit expects an allocation of \$806,445 in population based funds. This appears to be significantly more than Marin Transit's share of FY2017/18 (\$610,924¹) population based funds but \$192,575 in STA lifeline funding for FY 2017/18 is still pending award to transit operators. If the pending amount is awarded to Marin Transit, the increase in these funds in FY 2018/19 will be minimal.

As authorized by the Marin Transit Board in December 2017, some of the increased STA revenue is being used for the purchase of additional vehicles needed to reduce overcrowding on school routes.

¹ \$513,179 FY18 northern operators, \$54,351 FY18 regional paratransit plus

Passenger fare revenue is budgeted based on current program receipts or estimated using a linear projection to account for service level increases or reductions. Muir Woods Shuttle fares are being subsidized by the National Park Service (NPS) and starting in January 2017 passengers will pay \$3 round trip and NPS will contribute the remaining \$2 to allow Marin Transit to continue to collect the \$5 per round trip fare.

The operating revenue budget of \$35,552,324 is an 8% increase from the prior year budget (Table 2).

The increase in budgeted operations revenue mirrors the increase in Operations expenses. Prior year allocations of Measure A will be used to fund the increase expenses. In addition, Marin Transit will use increased state revenues from Senate Bill 1 (SB1) to fund operations.

Eight revenue categories have variances greater than \$100,000 between the FY 2018/19 budget and FY 2017/18 budget (Table 3). The fare revenue decline is based on the change in pricing for Muir Woods Shuttle riders from \$5 per round trip to \$3 round trip. The loss in fare revenue will be funded with additional National Park Service funding.

Measure A funding is higher due to an expenditure of \$478,486 in prior year funds in Marin Access for paratransit and other services for seniors and people with disabilities. Marin Transit is expending \$200,000 more Measure A for Local fixed route services and \$200,000 less for Rural services than in the prior year. Measure B expenditures increase temporarily to expend prior year funds and to provide funding to the new Transit Connect pilot project that will provide on demand transit service.

Table 3: Revenue Variances in Operations Budget

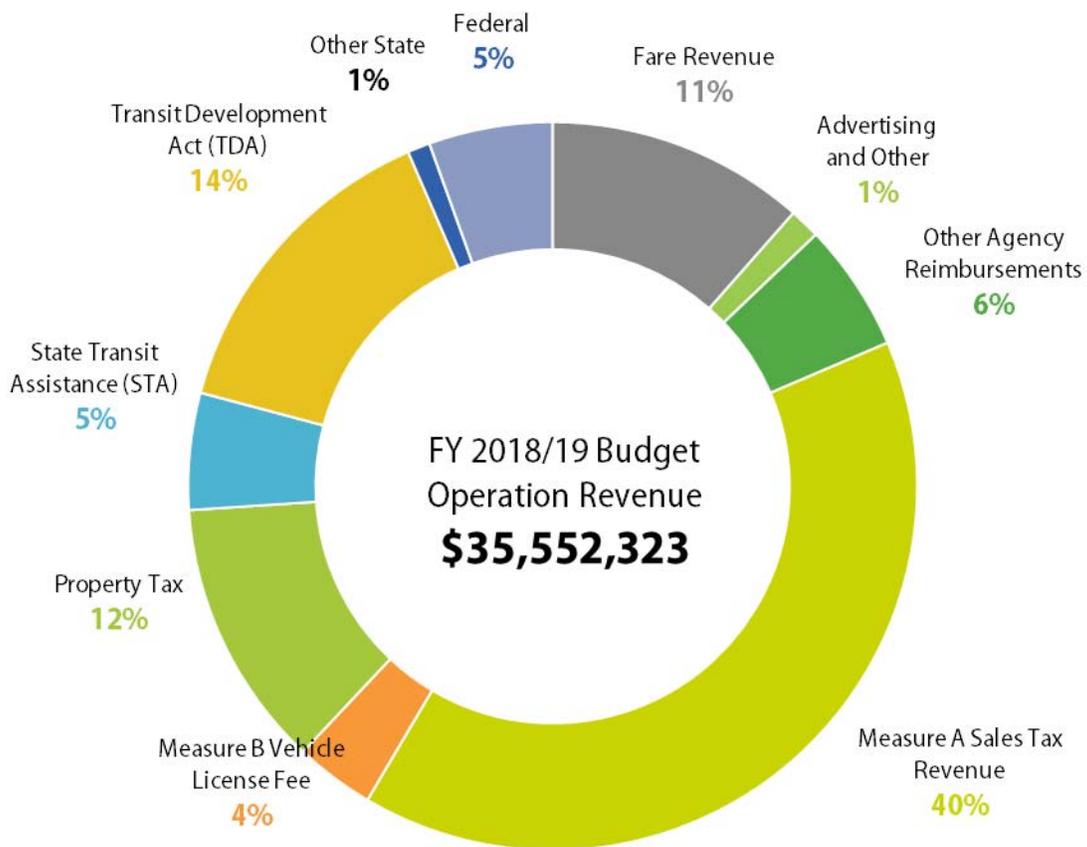
Revenue Category	FY 2018/19 Budget	Variance from Prior Year Budget		Notes
		Amount (\$)	%	
Fare Revenue	\$4,085,620	(\$191,308)	-5%	Reduction due to Muir Woods passenger fare reduction to \$3 per round trip (balance paid by NPS), and alignment with estimated actuals.
Measure A	\$14,046,065	\$703,451	5%	Budgeted expenditure of funds is higher
Property Tax	\$4,436,683	\$255,852	6%	Continued strong growth of Marin County property tax
State Transit Assistance	\$1,841,702	\$566,721	44%	Prior year carryforward of funds plus an increased allocation from SB1.
Transportation Development Act	\$5,109,399	\$655,844	14%	Increase based on County Auditor's projection and MCTD's increased share of the County revenue
Other State	\$354,524	\$206,410	140%	The third year of Cap and Trade funds in Low Carbon Transit Operations Program (LCTOP) increased by a factor of two based on higher proceeds from state bond sales
National Park Service	\$600,000	\$508,460	85%	Under new grant agreement, NPS will fund expanded service and fund a reduction in passenger fares. New contract rates and rising fuel cost have also increased NPS's financial obligation

Property tax revenue indicators point to continued revenue growth. FY 2018/19 property tax receipts are expected to grow another 5% after an expected 5.4% growth in FY 2017/18.

Marin Transit’s share of Transit Development Act (TDA) funding is projected to increase 14%. This partially due to the County Auditors projection of a 4.7% increase of the prior year estimate and due to Marin Transit’s share of the funding increasing to 39.92% from 38.03%.

The “Other State Revenues” category includes a new operations funding source for new service under the Cap and Trade, Low Carbon Transit Operations Program. The available funding for allocation under the LCTOP program increased 50% due to higher state bond sales. Lastly, NPS funding has increased significantly due to the new grant agreement and change in Muir Woods Shuttle service.

Figure 5: Revenue Sources for FY 2018/19 Budget



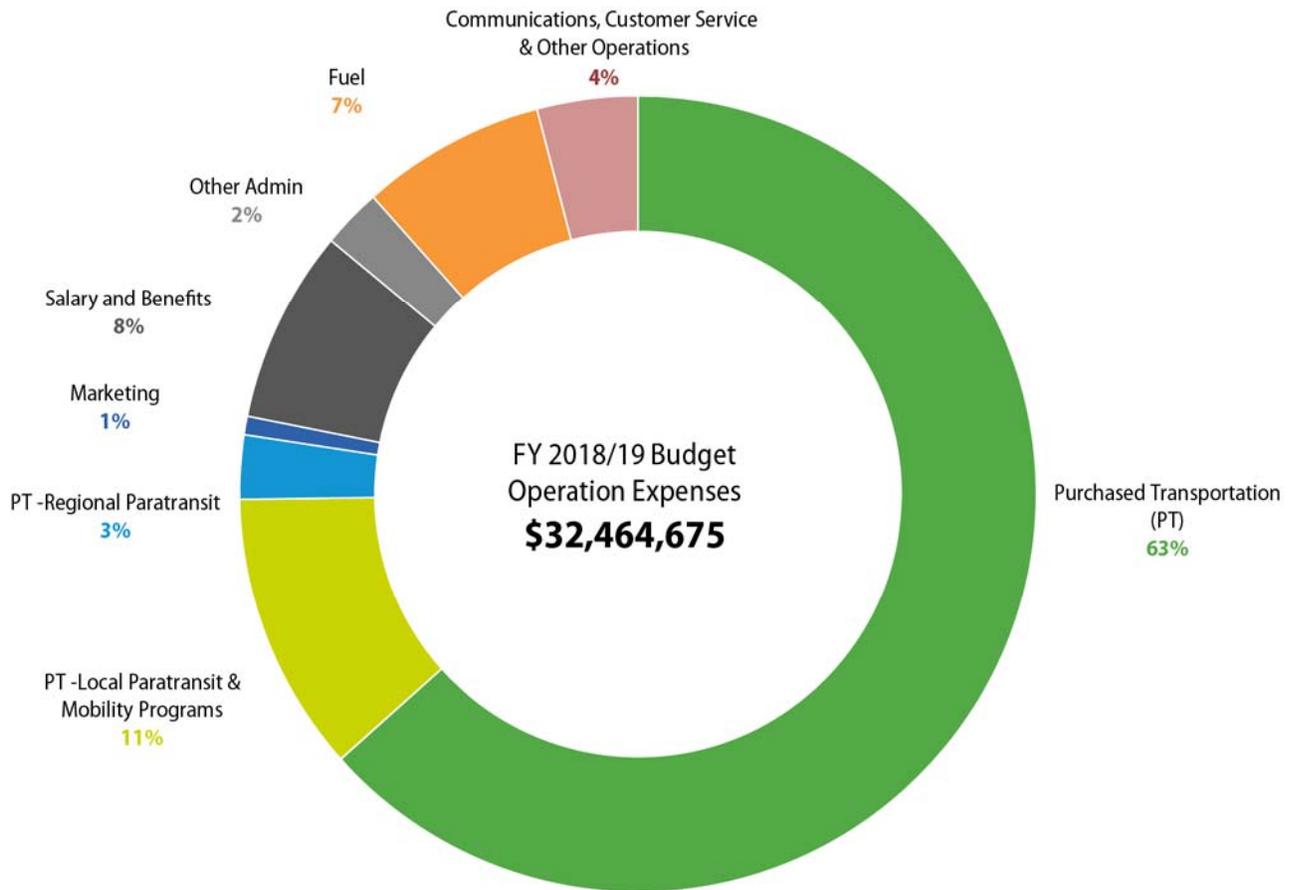
District Expenses

Marin Transit provides local transit service through purchased transportation contracts. Under this structure, the majority of district operations expenses (Figure 6) are for contract service operation (77%) and associated fuel and other operations expenses (12%). Contract service operations 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. Categories with variances greater than \$100,000 are summarized in Table 4.

Table 4: Expense Variances in Operations Budget (>\$100,000)

Expense Category	FY 2018/19 Budget	Variance from Prior Year Budget		Notes
		Amount (\$)	%	
Salaries and Benefits	\$2,556,016	\$144,470	6%	Increase to add additional human resources position
Customer Service	\$783,263	\$178,879	30%	Budget increase for potential increases in travel navigator costs under new contract
Contract Service Operation	\$25,119,706	\$1,813,109	8%	Increases in contract rates under new contracts effective July 1, 2018, particularly on Stagecoach, Muir Woods and Supplemental School service
Fuel	\$2,431,546	\$305,328	14%	Fuel prices are expected to increase based on trend analysis and price of crude oil

Figure 6: Operations Expenses for FY 2018/19 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 FY 2018/19 budget includes 16.4 regular full-time equivalent positions (Table 5 and Figure 7) and additional seasonal and temporary staff for Muir Woods Shuttle greeters, staff interns, and supplemental staff support. This includes an additional administrative position focused on human resources and office administration.

Marin Transit is currently completing a salary study to compare the District’s compensation level to other neighboring agencies and ensure the compensation is appropriate and sufficient to attract and retain staff. Results from this study may inform an update to the employment framework that would be brought to the Marin Transit board for approval. Based on the employment framework adopted by the Board in August 2013, top salary ranges for each classification will increase by the consumer price index (CPI)². This does not affect individual salaries. Any

² Bay Area CPI February 2018 – 3.6%

potential salary increases are subject to the agency review process and will be in accordance with Board-adopted employment policies.

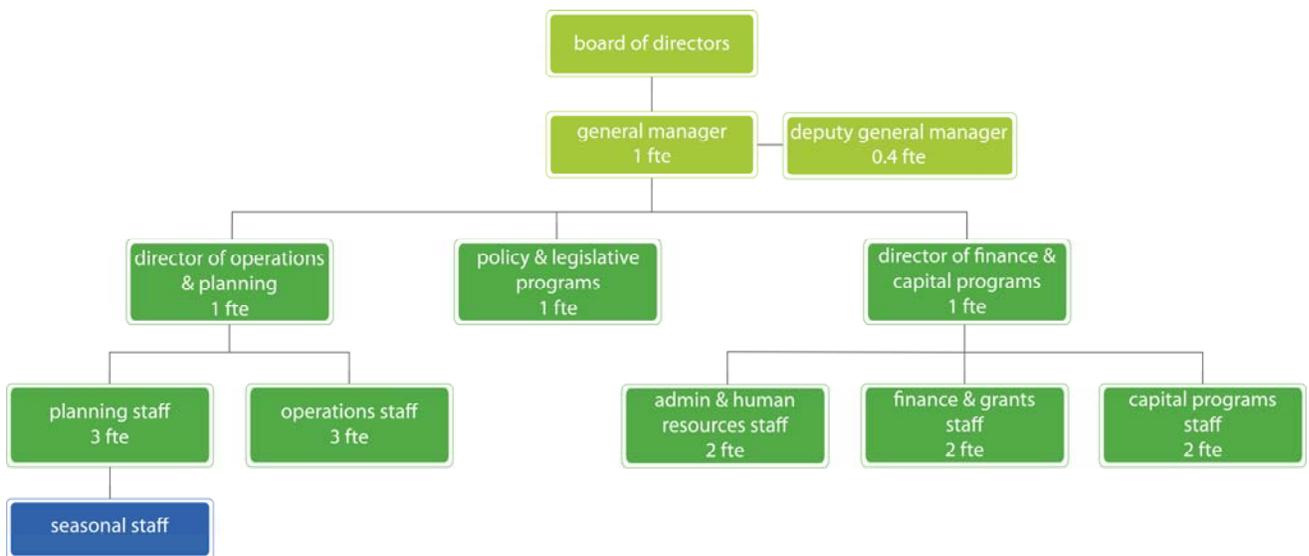
The salary and benefits budget increases 6% or \$142,000. This includes an additional administrative position focused on human resources and office administration and an allowance for merit-based salary increases and promotions. Benefit costs are on a calendar year and there were no significant increases to benefit rates in 2018. Marin Transit currently has three vacant positions. The budget assumes these positions are filled quickly. If there is a need to delay filling the positions to locate the right candidates, Marin Transit will continue to underspend in this budget category.

Table 5: Personnel Counts

	FY 2016/17	FY 2017/18	FY2018/19
Budget	15.6	15.6	16.4
Actual	13.5	14.1	

Notes: 1) Stated in Full Time Equivalents (FTE's)
 2) Does not include temporary seasonal workers

Figure 7: Marin Transit FY 2018/19 Organization Structure



Fuel

As of FY 2015/16, Marin Transit pays directly for fuel used in all purchased transportation contracts. This structure shifts the risks for fuel price fluctuations to the District. In exchange, the contractors provide lower contract rates as they do not need to hedge against potential fuel price increases.

The method for purchasing fuel varies between contracts depending on the volume of service, existing infrastructure, and location of service. GGBHTD maintains its own fuel contract and delivery system. Two contractors purchase fuel through the County of Marin, and a fourth contractor uses a combination of commercial pumps and onsite delivery. In general, the bulk contract purchases by the County of Marin and GGBHTD provide a lower cost per gallon and result in a delayed market effect. The County of Marin applies a 10% service charge that reduces effective cost-savings. As the District identifies future facility locations, the potential for fuel savings should be considered.

Fuel costs increased significantly in FY2017/18 and are expected to be about 10% higher than the previous year. Fuel price continue to be volatile and the budget allow for another 10% increase in diesel fuel prices in FY 2018/19. The continued increase is based on the US Energy Information Administration's, May 9, 2018, projected price of \$2.90 per gallon in 2019.

Marin Transit will have its first two electric buses in service in FY2018/19. The electric power costs will be segmented from GGBHTD's San Rafael maintenance yard based on vehicle charging reports. The budgeted costs are based on 100 miles per day per vehicle and an effective rate of 0.34 cents a mile. This assumes overnight charging without significant demand charges.

Administration

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.

Expenses in the administration budget include: staff salaries and benefits, audit fees, insurance, travel costs, professional development expenses, office rental, and other associated costs. Marin Transit's Board authorized a lease extension for expanded office space that is anticipated to begin June 2018 and extend for five years, through June 2023.

Table 6: Administration Budget

	FY 2017 Actual	FY 2018 Budget - Revised	FY 2018 Estimated Actuals	FY 2019 Budget	% Δ from FY 2018 Budget
Revenue					
4070400 Interest	51,968	55,000	75,903	70,250	28%
4079950 Development Fees	17,940	15,634	28,509	18,200	16%
4079954 Residual ABX 126	40,024	36,398	22,202	40,000	10%
4080101 PropTax-CurrntSecured	3,577,553	3,759,249	3,759,249	3,947,211	5%
4080102 County Fee-Admin Basic Tax	(57,683)	(60,856)	(59,624)	(62,681)	3%
4080103 Property Tax-Unitary	33,188	32,057	34,912	35,000	9%
4080104 PropTax-CurrntUnSecur	72,363	67,380	70,000	73,000	8%
4080105 Educ Rev Augm Fund-Redist	365,940	280,915	346,393	350,000	25%
4080106 PropTax-Supp CY SECR	87,685	97,091	88,000	87,685	-10%
4080107 PropTax-Supp Unsecured	1,149	1,000	1,327	1,000	0%
4080108 PropTax-Redemption	3,561	1,500	1,923	1,500	0%
4080109 Property Tax-Prior Unsecured	2,776	2,494	3,968	3,968	59%
4090101 Other Local	520	-	-	-	-
4119940 Other State	320	300	334	300	0%
Subtotal Revenue	4,197,304	4,288,162	4,373,096	4,565,433	6%
4700001 Property Tax Transfer	(73,692)	(1,047,312)	(138,194)	(961,797)	-8%
Net Revenue	4,123,612	3,240,850	4,234,902	3,603,636	11%
Expense					
5010200 Salaries	1,307,083	1,769,932	1,366,222	1,673,909	-5%
5020000 Benefits	768,995	641,614	768,948	882,107	37%
5030301 Consultant Services	63,753	125,000	130,257	175,000	40%
5030304 Prof Svcs - Legal	27,403	100,000	93,858	150,000	50%
5030305 Prof Svcs - Audit	38,315	31,827	29,510	32,561	2%
5049901 Office Supplies	10,630	13,000	9,583	14,000	8%
5049902 Small Furn/Equip	7,876	12,730	6,995	13,000	2%
5049903 Software Maintenance	48,981	61,267	47,501	60,000	-2%
5049904 Copier Suppl & Srv	8,333	9,500	8,878	9,167	-4%
5049905 Postage	2,492	3,000	1,470	3,090	3%
5049906 Computers	12,787	15,000	18,699	20,000	33%
5050201 Communication - Phone	23,854	29,000	27,257	31,230	8%
5060301 Insurance - Gen Liability	22,324	29,000	27,860	29,870	3%
5090101 Memberships & Prof Dev.	25,322	60,000	24,041	61,800	3%
5090202 Mileage and Travel	15,883	23,000	20,363	23,690	3%
5090801 Marketing	5,441	12,360	8,010	12,731	3%
5100401 County Fee - Special District	2,009	2,500	670	2,575	3%
5121200 Office Rental	96,668	113,440	98,110	137,000	21%
Subtotal Expense	2,488,149	3,052,170	2,688,232	3,331,730	9%
5100100 Salary/Benefit Transfers	(1,934,963)	(2,181,125)	(1,932,812)	(2,341,936)	7%
5100101 Transfer Overhead	(410,212)	(552,750)	(321,574)	(473,809)	-14%
Net Expense	142,974	318,295	433,846	515,985	62%

Local Service

The local service budget (Table 8) includes all revenues and expenses related to the provision of fixed route service and general purpose dial-a-ride, excluding rural service. Major programs in the local service budget include local fixed route, Community Shuttle service, supplemental school, Muir Woods seasonal shuttle, and Novato Dial-A-Ride. In the prior year, revenues and expenses for yellow bus service were included in the local service budget. 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.

Beginning with FY 2017/18, yellow bus service is shown in a separate budget (page 25).

The local service budget for FY 2018/19 is \$21,961,627 (Table 8) provides for one percent service increase over the prior year budget (Table 7). The Local Service budget has the following significant changes in FY2018/19:

- (A) Two new operations contracts for Muir Woods, Supplemental School, Community Shuttle Service and Local Basic
- (B) Route adjustments to June 2016 service expansion to reduce unproductive service
- (C) First full year of increased Muir Woods Service, reduced passenger fare and new National Park contract

(A) New Contracts. As the result of a competitive procurement, Marin Transit issued two new contracts for service operations with Marin Airporter and MV Transportation. Marin Airporter will continue to operate the Shuttle Services and expand the number of Local Basic routes they operate. The contract rates are similar to the prior year contract. MV Transportation will continue to operate the Muir Woods Shuttle service, the supplemental school routes and the Rural Stagecoach service. The hourly rates are similar to the prior year contract, but the fixed fee amount increases significantly to include additional staffing for the Muir Woods Shuttle service and to reflect the higher administrative, overhead, and deadhead costs associated with peak period service like the supplemental school routes.

(B) Service Adjustments. Marin Transit is implementing route adjustments in June 2018 based on the performance of service expansion that was done in June 2016. The route adjustments reduce unproductive service and reallocate service hours to supplemental school service.

(C) Muir Woods Shuttle Service. The Muir Woods Shuttle service was modified in January 1, 2018 to provide year round weekend service and seasonal weekday service. This service is operated in partnership with the National Park System (NPS) and they provide federal grant funds for 50% of the baseline operation costs, 100% of the service expansion cost and for subsidizing a reduction of the round trip passenger fare from \$5 to \$3. This has proven to be a successful service for Marin County to reduce traffic in TAM Valley and help address parking limitations at the National Monument. The service will be operated under the new MV Transportation contract, effective July 1, 2018 and the contract service costs (without fuel) increase to \$120 per hour. This is an 86% percent rate increase that includes adding a dedicated Muir Woods Staff member, and a part time Muir Woods coordinator, along with updates to reflect the current labor market. Additionally, the prior rate was artificially low due to an older contract.

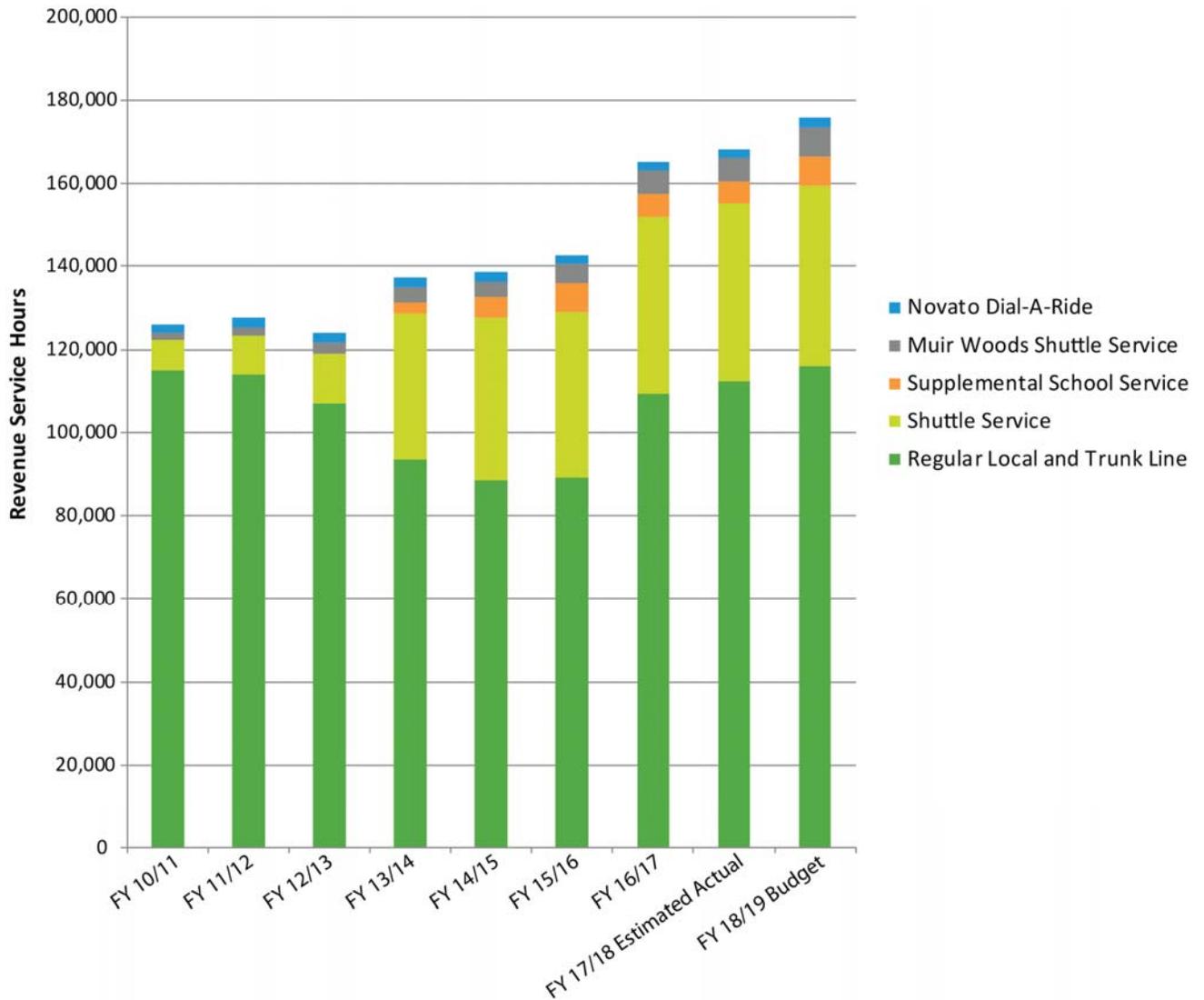
This budget includes the continuation of the College of Marin funded partnership service, Route 122. This route is funded with student fees that also pay for bus passes for College of Marin students.

Table 7: Local Budget Service Levels

Service Type	FY 2018/19 Budgeted Service (Rev Hrs.)	Average Contract Cost Per Hour (without fuel)	Notes
Local Basic and Trunk Line	116,000	\$107.10	Service level similar to prior year; service adjustments being made in June 2018 to reallocate unproductive service; service provide by two contractors; blended contract rate increases 3.6%
Community Shuttles	43,500	\$76.27	Service level similar to prior year, contract rate increases 5.4%
Supplemental School and Partnership	7,100	\$112.38	Service level similar to prior year, contract rate increases 20%
Muir Woods Shuttle	6,810	\$120.37	Increased service level to provide year round weekend service and summer weekday service, contract rate increases 86%
Novato Dial-A-Ride	2,400	\$65.71	Service level similar to prior year, contract rate increases 6%

Local service is funded with a combination of fare revenue, advertising revenue, Measure A local sales tax funds, State Transit Assistance (STA), and federal grants. Measure A sales tax funds budgeted for local service are \$10,173,000 and 46% of budgeted revenues, down from 50% in the FY 2017/18 budget. State operations funding from Transportation Development Act (TDA) and STA are an increasing percentage of the local budget revenues. State funds are 33% of the local budget, up from 28% in the prior year budget. Fare revenues are estimated to be 14% of the budget, with a slight drop from the lowering of the Muir Woods Shuttle fares. Marin Transit also provides two significant fare subsidy programs that reduce fare revenue. These are the youth pass program for free fixed route transit to low income youth and Homeward Bound that provides free fixed route transit to people participating in County programs.

Figure 8: Local Revenue Service Hours by Program



In FY 2018/19, Marin Transit expects to expend the following state and federal grant awards for local service:

<u>Amount</u>	<u>Program</u>	<u>Source</u>
\$335,724	Local Service Expansion	Low Carbon Transit Operations Program (LCTOP)

Marin Transit also has applications pending review from TAM for additional State Transit funds and FTA Section 5307 funds for lifeline projects that serve low income and disadvantages communities.

Table 8: Local Service Budget

	FY 2017 Actual	FY 2018 Budget - Revised	FY 2018 Estimated Actuals	FY 2019 Budget	% Δ from FY 2018 Budget
Revenue					
4060301 Advertising Revenue	245,018	238,400	250,932	245,552	3%
4070301 Lease of Property	152,772	161,800	144,428	166,654	3%
4090101 Other Gov Agency Payments	1,635	0	1,679	0	NA
4092001 Measure A Sales Tax	8,716,638	10,079,224	9,949,671	10,173,000	1%
4092003 Measure A Sales tax - Interest	85,000	85,000	85,000	85,000	0%
4110101 State Transit Assistance	1,021,043	1,214,815	1,224,816	1,744,814	44%
4110102 Transit Development Act (TDA)	4,440,516	4,453,555	4,614,306	5,109,399	15%
4110103 State Transit Assistance - Lifeline	502,218	0	0	0	NA
4119904 State - LCTOP	0	128,676	128,676	335,724	161%
4139910 Fed-FTA 5307- JARC	0	222,210	222,210	0	-100%
4139912 Fed-FTA 5307 STP	123,080	0	0	0	NA
4139951 National Park Service	87,654	91,540	191,824	600,000	555%
4140100 Fare Revenue	2,773,985	3,031,479	2,883,924	2,773,337	-9%
4020000 Special Fares - Paid by Another Agency	269,244	277,276	270,550	274,387	-1%
Subtotal Revenue	18,418,803	19,983,975	19,968,016	21,507,867	8%
4700001 Property Tax Transfer	-	250,000	88,868	373,760	50%
4700002 Program Revenue Transfer	77,810	100,000	-	80,000	-20%
Total Revenue	18,496,613	20,333,975	20,056,884	21,961,627	8%
Expense					
5010200 Salaries and Benefits	6,216	0	0	0	NA
5030301 Consultant Services	144,334	200,000	252,779	206,000	3%
5030310 Fare Processing Charges	37,694	37,922	46,719	14,653	-61%
5030320 Customer Service	279,495	284,384	271,972	301,393	6%
5030602 Custodial Service	13,588	14,602	19,981	21,315	46%
5030701 Security Services	253,525	270,224	245,086	273,389	1%
5040101 Fuel	1,246,749	1,406,954	1,401,764	1,695,743	21%
5049904 Software	23,750	22,000	20,750	22,660	3%
5050205 Communication-AVL	57,071	78,094	108,412	91,592	17%
5050206 Communication-Data	2,799	2,731	2,589	2,925	7%
5080101 Purchased Transportation	15,336,943	16,371,183	16,089,216	17,539,220	7%
5090801 Marketing	69,781	90,500	83,831	101,065	12%
5100404 Expense Transfer - GGT Wave	85,000	85,000	85,000	85,000	0%
5122010 Signs	4,897	0	642	1,044	NA
Subtotal Expense	17,561,842	18,863,594	18,628,741	20,355,999	8%
5100100 Salary/Benefit Transfers	998,502	1,165,498	1,109,566	1,417,739	22%
5100101 Overhead Transfer	211,683	304,881	184,521	187,889	-38%
Total Expense	18,772,027	20,333,973	19,922,828	21,961,627	8.0%

Yellow Bus Service

In FY 2018/19 Marin Transit will continue to manage operations, service contracts, and pass sales for six yellow buses serving Ross Valley schools. Marin Transit will also continue to provide operations oversight for the Reed Union and Mill Valley School Districts, which pay Marin Transit directly for services and staff time to help manage their yellow bus services. Services included in the budget are shown in Table 9.

Revenues and expenses associated with yellow bus service (Table 10) are recorded in a separate fund in the District's accounting system. The program is constrained by available funding, the lack of adequate parking and maintenance facilities, and the ability to attract and retain qualified drivers. An ongoing ad hoc school transportation committee of the Marin Transit Board has been meeting to discuss school transportation needs and Marin Transit's role in providing home to school bus service. Guidance from this task force will be incorporated in the District's ongoing planning and ultimately in the next Short Range Transit Plan update.

Table 9: Yellow School FY 2018/19 Budgeted Program

	Ross Valley School District	Mill Valley School District	Reed Union School District
Program Structure			
Does Marin Transit directly contract with a yellow bus operator?	Yes	No	No
Contract Type	Marin Transit owns contract with service provider. Marin Transit responsible for all aspects of program management.	Marin Transit provides Operational Support.	Marin Transit provides Operational Support
Service Provider	Michael's Transportation	Michael's Transportation	First Student
Operations			
Number of Buses	6	2	7
Number of Schools Served	3	3	3
Number of Trips Daily (Routes)	17	6	26
One-way Passes	1,014	276	1,400

Table 10: Yellow School Bus Service Budget

	FY 2017 Actual	FY 2018 Budget - Revised	FY 2018 Estimated Actuals	FY 2019 Budget	% Δ from FY 2018 Budget
Revenue					
4090101 Fee For Service	145,000	145,000	145,000	109,910	-32%
4092001 Measure A Sales Tax	307,397	175,042	158,178	227,000	23%
4030000 Yellow Bus Fares- Paid By Oth	145,000	145,000	145,000	145,000	0%
4140105 Fare Revenue - Yellow Bus	328,066	407,400	407,400	402,740	-1%
Subtotal Revenue	925,463	872,442	855,578	884,650	1%
Expense					
5030310 Fare Processing Charges	8,108	12,222	11,895	15,521	27%
5030602 Custodial Service	1,236	1,500	1,210	1,800	20%
5049902 Small Furn/Equip	0	0	0	1,800	NA
5049903 Software	215	0	0	0	NA
5050205 Communication-AVL	2,630	12,000	13,180	12,825	7%
5050206 Communication-Data	8,697	9,000	8,376	9,270	3%
5080103 Yellow Bus School Service	593,822	624,456	624,456	624,240	0%
5090801 Marketing	1,945	2,000	2,384	3,000	50%
5120401 Leases and Rentals - Passeng	23,983	23,625	18,624	23,980	2%
Subtotal Expense	640,636	684,803	680,125	692,436	1%
5100100 Salary/Benefit Transfers	182,547	131,744	132,092	147,462	12%
5100101 Transfer Overhead	38,700	30,095	21,967	44,753	49%
Total Expenses	861,883	846,642	834,184	884,651	4%

corrected labels

Rural Service

Rural service is operated as the West Marin Stagecoach, and includes northern Route 68, southern Route 61, and the rural Dial-A-Ride program. No changes are planned to the rural service levels (Table 11). The rural service budget (Table 12) includes contract service operations, marketing, fuel, communications, and Marin Transit staff expenses.

Table 11: Rural Budget Service Levels

Service Type	Service Level (Revenue Hours)	Contract Cost Per Hour (without fuel)	Notes
West Marin Stagecoach	16,400	\$87.07	Service level similar to prior year.
Rural Dial-A-Ride	435	\$59.06	Proposed service increase from once a month to twice a month between Point Reyes to Novato service twice month

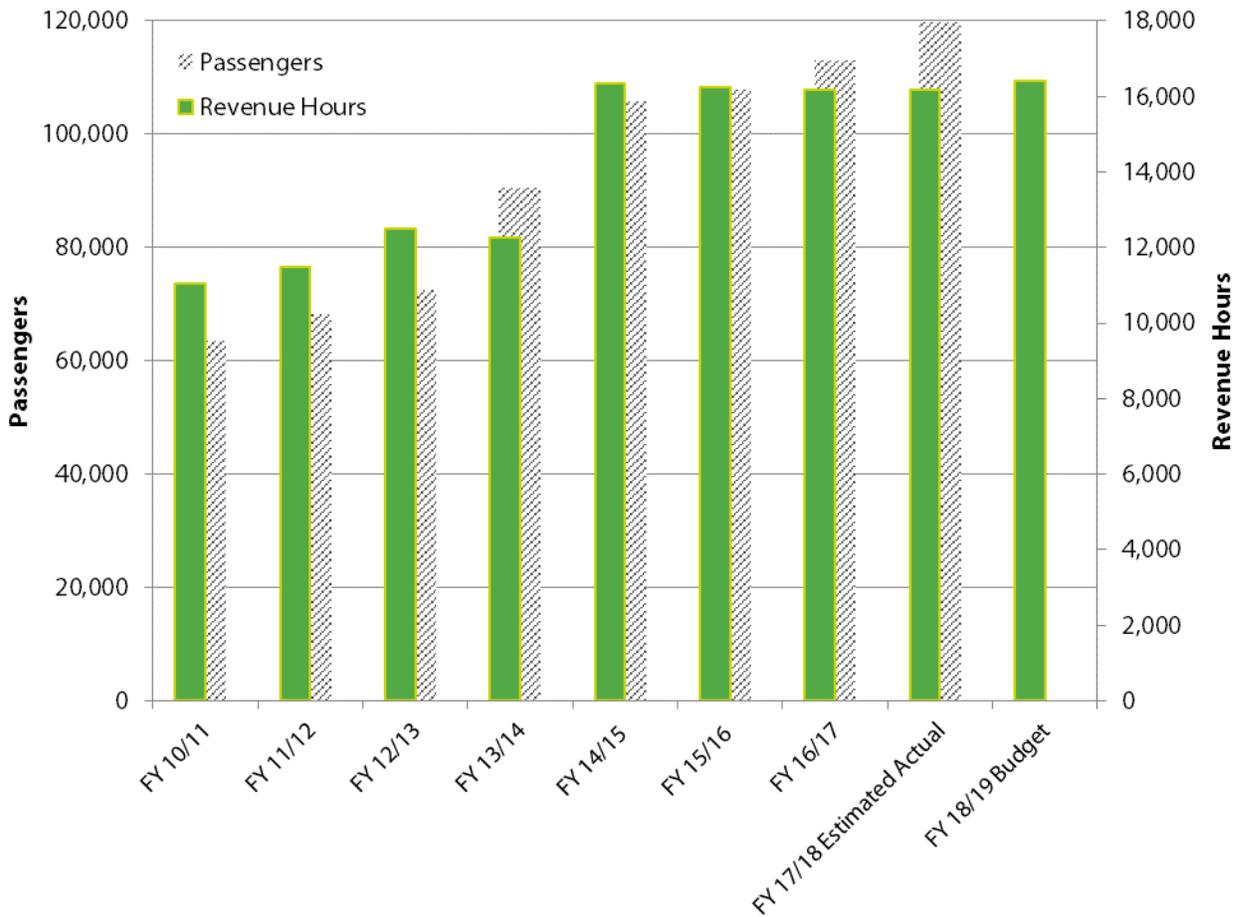
The West Marin Stagecoach, Routes 68 and 61, will be operated under a new operations contract with MV Transportation effective July 1, 2018. The prior contract extends through June 30, 2018, and the service was re-bid as part of a competitive procurement in fall 2017. The fixed fees on the contract increased and as a result the contract rate increases 34% to \$87.07 per hour. While the increase is substantial, the contract reset provides increased wages and the prior rate was artificially low due to an older contract.

The rural Dial-A-Ride service is operated by the paratransit contractor.

The FY 2018/19 rural budget will fund a similar level of Stagecoach service as the prior year and includes 16,540 fixed route revenue hours. The solid green bar in Figure 9 shows that this is the fifth (5th) year of expanded service on Stagecoach. Ridership has continued to grow on the expanded service.

The Dial-A-Ride includes one round trip a week from Tomales and Dillon Beach to Petaluma and two round trips a month from Point Reyes to Novato.

Figure 9: Rural Service Level and Ridership Trends



Rural service is funded with a combination of local sales tax funds and Federal Transit Administration (FTA) Section 5311 rural funding. Marin Transit receives an annual allocation of 3% of Measure A sales tax funds (\$748,372 for FY 2018/19) for rural service. In addition to the current year allocation, the rural service budget (Table 11) includes the expenditure of \$240,275 of unspent prior year rural Measure A funding. This is the last year of five years of expending prior year funds to provide expanded service. The service expansion in 2014, was successful in attracting more passenger trips and based on the Short Range Transit Plan this service will be continued. Property tax revenues will be used to continue funding contract operations.

Caltrans and MTC have historically programmed FTA Section 5311 funding based on rural populations and service hours. Prior programming changes at the regional level had created more predictability in funding. However, recent contracting and programming delays at the federal and state level have slowed the process of allocating and receiving funds. The budget bases FTA 5311 funding on historic levels, but this funding is not secure. Marin Transit has experienced an overall decline in FTA 5311 funding over several years.

Table 12: Rural Service Budget

		FY 2017 Actual	FY 2018 Budget - Revised	FY 2018 Estimated Actuals	FY 2019 Budget	% Δ from FY 2018 Budget
Revenue						
4092001	Measure A Sales Tax	1,061,315	1,133,976	1,117,728	988,648	-13%
4139920	Fed-FTA 5311 Rural	206,437	193,063	195,398	198,750	3%
4139951	National Park Service	1,355	0	0	0	NA
4140100	Fare Revenue	121,370	123,264	122,807	121,794	-1%
Subtotal Revenue		1,390,477	1,450,303	1,435,933	1,309,192	-10%
4700001	Property Tax Transfer	0	25,457	28,484	542,325	2030%
Total Revenue		1,390,477	1,475,760	1,464,417	1,851,517	25%
Expense						
5030301	Consultant Services	3,697	16,391	22,168	16,883	3%
5040101	Fuel	155,735	185,034	176,656	203,676	10%
5050205	Communication-AVL	12,743	14,027	15,936	15,931	14%
5050206	Communication-Data	831	1,000	831	1,030	3%
5080101	Purchased Transportation	1,096,113	1,090,787	1,158,616	1,453,681	33%
5080102	Purchased Trans –Exc ¹	1,355	0	0	0	NA
5090801	Marketing	15,565	31,236	12,524	32,173	3%
Subtotal Expense		1,286,039	1,338,475	1,386,731	1,723,374	29%
5100100	Salary/Benefit Transfers	86,169	107,973	66,609	98,308	-9%
5100101	Transfer Overhead	18,268	29,312	11,077	29,835	2%
Total Expenses		1,390,476	1,475,760	1,464,417	1,851,517	25%

Notes:

- 1) Fort Baker service operated for National Park Service

Marin Access (Paratransit and Mobility Management)

The Marin Access budget (Table 14) includes Marin Access paratransit services for both local and regional trips (intra- and inter-county) and associated costs for fuel, communications, and marketing. The Marin Access budget also includes Marin Transit's Mobility Management services. The purpose of the Mobility Management efforts is to increase mobility for the County's senior, disabled, and low-income residents and to help manage the increasing demand for paratransit services. The Mobility Management services include the Catch-A-Ride subsidized taxi program, a volunteer driver reimbursement program, the new "Marin Transit Connect" on demand service, Travel Navigators, and travel training.

The FY 2018/19 budget for Marin Access (Table 13) is \$7.25 million, which funds the service and programs shown in Table 12 and is a 4% increase over the prior year budget. The budget provides for paratransit service levels that are 9% above current year estimated actuals. The budget also includes additional revenue hours to add a new pilot program (Marin Transit Connect) that will test on demand accessible transit service. These services were also budgeted for in FY 2017/18, but implementation was delayed.

While paratransit demand was rapidly increasing along with the growth of the aging population in Marin, paratransit ridership has leveled off, now showing modest growth. Riders with disabilities and those who are aging have a diverse set of mobility needs and not all riders require paratransit to travel. Marin Transit recognizes this and instead of offering paratransit as the only alternative to fixed route, a program that is both costly to provide and more restrictive to the rider, the District has been successful in implementing a mobility management approach that matches riders with the most efficient and attractive option for both the rider and provider. As Marin Transit expands the mobility management program, staff are looking to provide lower cost options to riders that also provide more flexibility to a diverse population. Moving forward, the District recognizes the mobility management program as an opportunity to test new partnerships and incorporate additional non-profit or private transportation providers in order to increase mobility and contain costs.

Paratransit

The local component of 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 Americans with Disabilities Act (ADA) federal law as well as trips that go beyond the ADA requirements. While demand for paratransit in Marin County has historically grown year-over-year as Marin County ages, the previous two fiscal years saw ridership declines and corresponding declines in revenue service hours. Based on the ridership in the first half of FY2017/18, these trends are reversing as ridership is now growing at a similar rate to historic growth. While staff continue to evaluate and monitor paratransit trends, ridership may have declined over the two-year period due to many factors including weather, the economy, and the availability of new or expanded services that also fill the needs of paratransit riders. These services include:

- Non-Emergency Medical Transportation services arranged by managed care organizations;
- Private transportation providers hired under contract to institutions typically served by paratransit, such as adult day care centers;
- Trips taken on Uber or Lyft; and

- Volunteer transportation services that Marin Transit may support that carry riders that are not reported in the District's performance statistics.

Regional paratransit continues to experience a decline in requests for mandated trips in FY 2017/18. GGBHTD determines regional paratransit service levels and has programmed a 10% increase in revenue hours to account for any future changes in regional demand.

The FY 2018/19 paratransit service levels are budgeted at 9% higher than the FY 2017/18 budget (Table 13). This reflects approximately the same amount of growth projected for this year (8%) and enables Marin Access to serve a small increase in non-mandated trips.

Table 13: Marin Access Budget Service and Program Levels

Service Type	Service Level (Revenue Hours)	Contract Cost Per Hour (without fuel)	Notes
Local Paratransit	62,491	\$59.10 ¹	Allows for 9% growth, FY17/18 growth is projected to be 8%, service area was expanded to include East San Rafael
Regional Paratransit	9,500	\$88.40 ²	Allows for 10% growth
Transit Connect	10,988	\$59.10	New same day accessible service in limited San Rafael area

Service/Program	Service Level (Projected Ridership)	Funding Level	Notes
Catch A Ride	15,000	\$350,000	Funded with Measure B
Volunteer Driver	14,800	\$130,000	Program at similar service level with additional funds to provide program support and develop community-based volunteer driver programs
Gap Grants	NA	\$15,000	Planned expenditure of funds from a call for projects in Spring 2017
Low Income Scholarships	NA	\$30,000	Provides free paratransit fares for low-income riders. Scholarships are funded with Measure B. Funding level is based on current expenditure level.

Notes:

- 1) This is the effective rate at the projected service level. Actual costs are billed as a fixed monthly administrative cost with a \$38.74 hourly rate.
- 2) This is the effective rate at the projected service level. Actual costs are billed as a fixed monthly administrative cost with a \$45.29 hourly rate.

The budget includes other related program costs such as scheduling software, operation of on-vehicle equipment, and fuel. A Marin Access consulting budget is available for information technology costs related to hosting software and for evaluating the Marin Transit Connect pilot program.

The paratransit program purchases fuel directly from the County of Marin. The FY 2018/19 fuel budget provides for the increase in hours and a 10% increase in price to respond to the recent and significant price crude oil price increases.

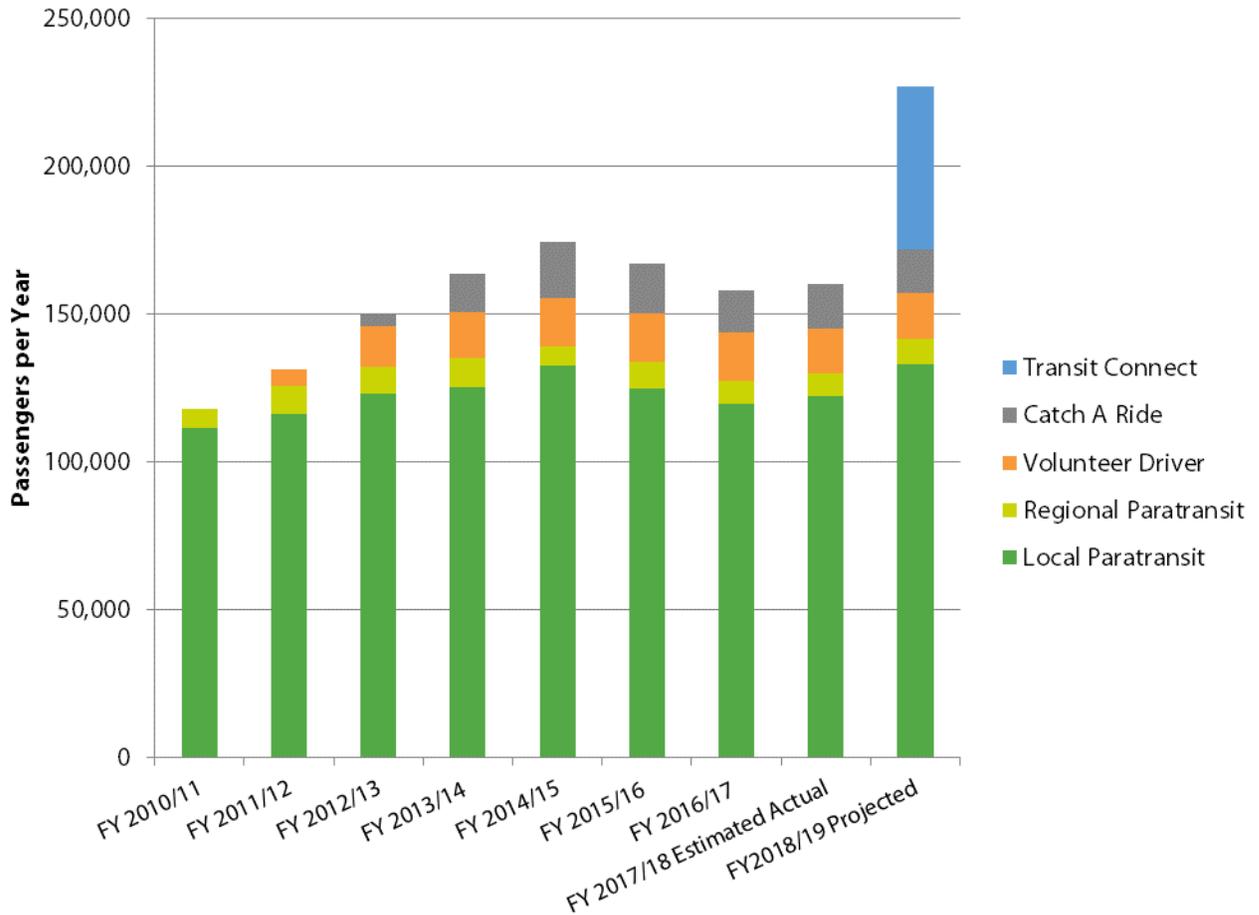
Mobility Management

Marin Transit established the Mobility Management Office in 2009, with initial funding from a Federal New Freedom Grant. In October 2010, Marin Transit established the Marin Access Mobility Management Center (Travel Navigator program), as a one-stop-shop for information and eligibility on all Marin Access programs. The Mobility Management Center serves as an umbrella for paratransit, volunteer driver, a subsidized taxi program (Catch-A-Ride), and travel training. Travel training activities include: local informational presentations, individualized travel training, monthly “satellite office hours” at four locations around Marin County, and a weekly training bus for the developmentally disabled. There are currently three full-time Travel Navigators and one full-time Travel Navigator Supervisor.

Marin Transit issued a competitive procurement for the Marin Access Mobility Management Center in the Spring of 2018. The procurement requested a merged operation to include all Travel Navigator services in addition to the scheduling of any same day transportation service. The results of this procurement are not finalized and based on initial indicators, the costs for the program may increase. The budget includes a 50% increase in Travel Navigators costs which may not be sufficient due to the changing labor market and increasing costs for office space. If Marin Transit is unable to procure these services at a cost-effective price, the District may look at other delivery models including reducing contract staffing, adding direct staffing, and using on-call eligibility review.

Catch A Ride and the Volunteer Driver programs are expected to provide similar levels of service and passenger trips as provided in FY 2017/18. The new Transit Connect program is projected to provide 54,900 new passenger trips and provide new mobility to both Marin Access consumers and the general public. Additional costs are associated with scheduling of Transit Connect trips through the Travel Navigators.

Figure 10: Marin Access Passengers by Program



Mobility Management initiatives in the FY 2018/19 budget include:

- Piloting and evaluating Marin Transit Connect: an accessible same-day transportation service available to the general public within a limited geographic area;
- Engaging a consultant to develop resources that will support and train local community-based organizations to administer their own volunteer driver programs;
- Providing gap grant funding and technical assistance to Technology4Life to continue offering “Tech Tips 4 Transportation” classes at no cost to the public, and begin developing instructional videos that will be available online;
- Providing gap grant funding to research and develop a program to expand shuttle services that meet unmet transportation needs for seniors and riders with disabilities, including food shopping and social interaction;
- Conducting outreach in venues easily accessible and commonly frequented by older adults and people with disabilities; and

- Improving coordination between human service agencies and transportation providers.

Any proposed new Mobility Management programs will be considered for approval by the Marin Transit Board.

Marin Transit provides 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.

Marin Access Revenue

Local paratransit is primarily funded by local sources including Measure A and property tax.

GGBHTD pays for all costs related to regional paratransit along with their share of mandated local paratransit based on their share of transit in Marin County. As of FY 2015/16, 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.

Under the 2015 GGBHTD contract, Marin Transit’s share of Federal Transit Administration Section 5307 for Marin County paratransit operations increased from 50% to 80%. This source accounts for 10% of Marin Access revenue.

Marin Access receives 9% of Measure A sales tax revenue. As of FY 2011/12, Marin Transit receives 35% of the Measure B vehicle license fee to support the mobility management initiatives. Marin Transit is budgeting \$1,250,000 of Measure B funding in FY 2018/19, which includes \$468,625 in unspent prior year allocations.

Fare revenue makes up approximately 5% of the Marin Access budget and is expected to increase with the new Transit Connect program. Based on a fare study and SRTP recommendations, Marin Transit plans to consider restructuring paratransit fares and other mobility management program fees in FY 2018/19, but this is aimed creating passenger price incentives between Mobility Programs rather than increasing fare revenues.

In FY 2018/19, Marin Transit expects to expend the following state and federal grant awards for Marin Access:

<u>FY2018/19</u>	<u>Total Grant Award</u>	<u>Program</u>	<u>Source</u>
<u>Expenditure</u> \$100,000	\$300,000	Mobility Management – Additional Staffing	Federal Section 5310
\$337,500	\$700,000	Same day accessible service, Transit Connect Pilot	Federal Section 5310

Table 14: Marin Access Budget

	FY 2017 Actual	FY 2018 Budget - Revised	FY 2018 Estimated Actuals	FY 2019 Budget	% Δ from FY 2018 Budget
Revenue					
4092001 Measure A Sales Tax	2,180,396	1,954,372	2,117,690	2,657,417	36%
4099950 Measure B	627,198	1,045,000	839,855	1,120,000	7%
4110101 State Transit Assistance	53,429	60,166	60,404	96,888	61%
4119910 State Prop Tx Relief HOPTR	18,953	19,138	18,940	18,500	-3%
4139910 Fed-FTA 5307 Urbanized Area Formula	627,012	701,236	701,236	715,573	2%
4139915 Fed-FTA 5310 Mobility	49,157	250,000	75,000	437,500	75%
4139941 Fed-FTA 5317 New Freedom	59,661	0	0	0	NA
4140100 Fare Revenue	325,787	332,509	321,069	408,362	23%
4140110 Low Income Rider Scholarships	-20,920	-40,000	-25,520	-40,000	0%
4601001 Misc.-Reimbursement	8,841	0	8,381	9,000	0%
4601003 GGBHTD – Local Paratransit Payment	1,010,628	1,114,848	1,022,049	1,051,448	-6%
4601004 GGBHTD – Regional Paratransit Payment	734,514	868,428	796,981	856,206	-1%
Subtotal Revenue	5,674,656	6,305,697	5,936,085	7,330,894	16%
4700001 Property Tax Transfer	0	771,855	0	0	-100%
4700002 Program Revenue Transfer	-77,810	-100,000	-80,000	-80,000	-20%
Total Revenue	5,596,846	6,977,552	5,856,085	7,250,894	4%
Expense					
5030301 Consultant Services	29,947	100,000	54,411	94,913	-5%
5030320 Customer Service	279,713	320,000	257,705	481,870	51%
5040101 Fuel	416,456	534,230	448,433	532,126	0%
5049903 Software	55,717	57,022	56,332	73,819	29%
5050203 Communication- Mobile Data Terminal	4,685	4,750	4,825	5,000	5%
5050204 Communication-MERA Radio	18,824	19,765	19,178	20,358	3%
5050206 Communication-Data	7,800	8,033	7,800	8,275	3%
5080101 Purchased Transportation - In Report	3,659,036	4,384,838	3,919,616	4,662,727	6%
5080102 Purchased Transportation - Regional	730,612	835,334	765,761	839,839	1%
5090801 Marketing	22,091	95,061	11,214	97,913	3%
5098001 Misc-Exp Transit User Training	4,770	9,548	4,211	9,835	3%
5098002 Gap Grant	0	50,000	10,500	15,000	-70%
Subtotal	5,229,651	6,418,581	5,559,986	6,841,675	7%
5100100 Salary/Benefit Transfers	302,966	454,283	253,879	309,769	-32%
5100101 Transfer Overhead	64,229	104,687	42,220	99,450	-5%
Total Expense	5,596,846	6,977,551	5,856,085	7,250,894	4%

Notes:

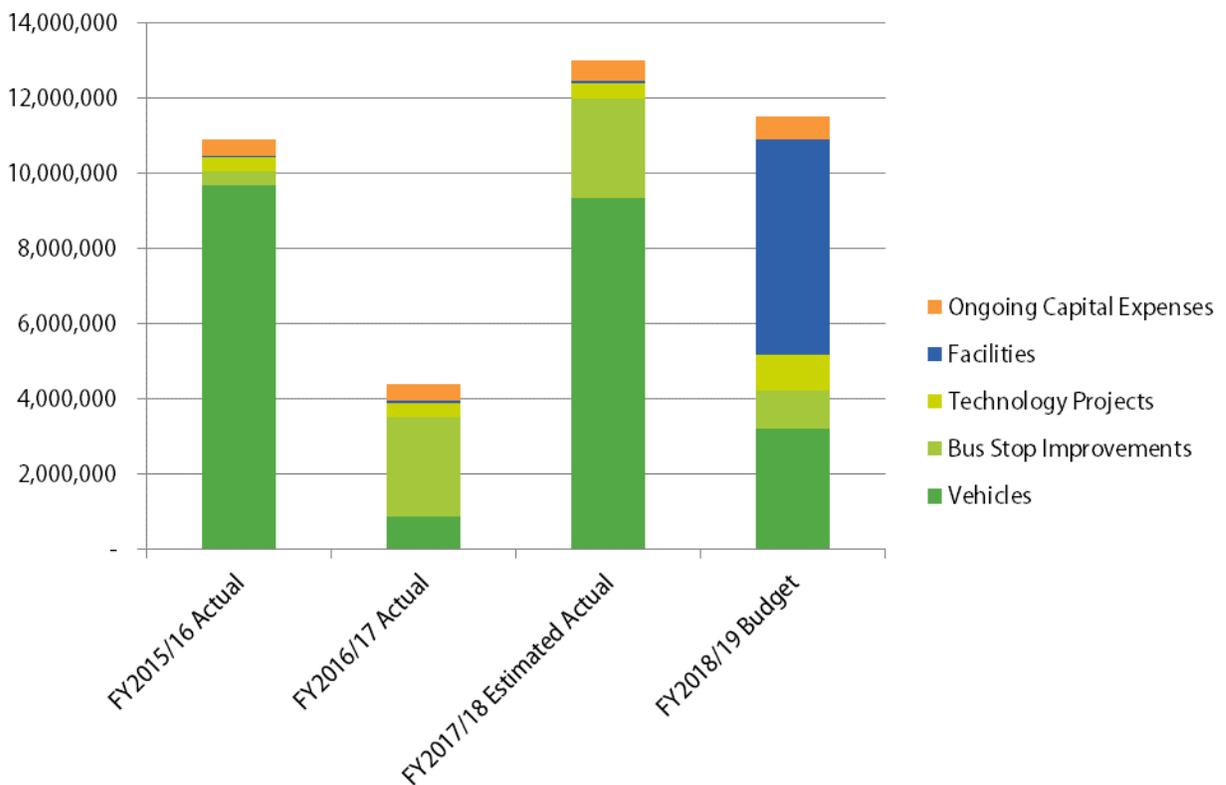
- 1) Low income rider scholarships accounted for as a revenue reduction rather than an expense start in FY2017.

Capital Budget

Marin Transit’s capital budget (Table 15) of \$14.3 million provides funding for transit vehicles, bus stop and transit hub improvements, transit technology projects, and other capital expenses. 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.

Figure 11 provides capital expenditures and budget by project type to show the significant variation in expenditures by year. In the FY 2018/19 budget 51% of capital project costs are funded by state and federal grants. This is a lower percentage than in prior years due to yellow bus expenditures and expansion vehicles which are not typically eligible for state and federal grants.

Figure 11: Capital Project Budget by Type



The following capital projects will be active for FY 2018/19:

Vehicles

Purchase Two 35ft Electric Vehicles (Replacements) – Marin Transit is purchasing two all-electric BYD 35ft vehicles in partnership with the Transportation Authority of Marin and GGBHTD. These vehicles will replace two 40ft diesel vehicles previously operated by GGBHTD. The Marin Transit Board authorized the purchase of these vehicles in November 2016, and the vehicles are expected to be delivered in June 2018. The vehicles will be built in Lancaster, California, and will be operated and maintained by Golden Gate Transit. Marin Transit and our partners will use this pilot electric bus project to gain experience and expertise related to electric vehicle operations. This will inform any potential expansion of all-electric vehicles to the rest of the fleet.

The vehicles have a range of 145 miles per charge, and will be charged overnight at the GGBHTD's yard to minimize electrical costs. The expenditure of \$1,662,022 is funded 72% with Federal 5307 funds and 22% with a combination of Bay Area Air Quality funds, Measure A, and Measure B.

In FY2018/19, Marin Transit will finish infrastructure improvements and project closeout activities.

Purchase Three Paratransit Vehicles Replacements (PA) – Marin Transit will purchase three 24ft paratransit vehicles. They will replace contractor-owned vehicles that are no longer available for service. These vehicles are expected to be delivered in FY2017/18 and project closeout activities will be completed in FY2018/19.

Purchase One Shuttle (SA) – Marin Transit will purchase one shuttle vehicle for use on the Community Shuttle routes. The purchase expands Marin Transit's fleet by one vehicle and allows a retired active vehicle to be taken out of service. This purchase was authorized by the Marin Transit board on December 18, 2017 and delivery is expected in FY2017/18. Marin Transit staff will complete project closeout activities in FY2018/19.

Purchase One Shuttle Replacement (SB) – Marin Transit will purchase one shuttle vehicle for use on the Community Shuttle routes. The purchase will replace a vehicle that is beyond its useful life.

Purchase Two 35ft XHF Vehicles (XA) – Marin Transit will purchase two 30ft XHFs for use on Supplemental School service and Muir Woods Shuttle. This purchase is an expansion of Marin Transit's fleet, and allows for the retirement of 2 retired active vehicles. The Marin Transit board authorized this purchase on December 18, 2017 and delivery is expected in FY2018/19.

Purchase Four 30ft XHF Rural Replacement Vehicles (XB) – Marin Transit will purchase four 30ft XHFs to replace four 30ft cutaway vehicles to be used on rural stagecoach service. Marin Transit is upgrading this vehicle type as the XHFs have proven to be more reliable and sturdy on the steep grades and challenging roads of West Marin Routes.

Hybrid Mid Life Battery Replacements (HM)- This project will replacement the batteries on the 2007 Hybrid Vehicles operated by GGBHTD. This preventative maintenance will ensure that the vehicles meet their expected useful life and is planned to occur when vehicles reach 185,000 miles. GGBHTD will complete the project under the major vehicle repairs clause in our operations contract. The project is currently 100% locally funded but if state or federal funding is identified it will be added to the project.

Bus Stop Improvements and Transit Hubs

Bus Stop Improvements(BI) – In FY 2018/19, Marin Transit will be constructing the final round of bus stop improvements funded by a \$41.6 million federal State of Good Repair grant. This project will improve accessibility and passenger amenities at 10 stops. The FY 2018/19 budget increases the total project budget by \$150,000 to include additional stop improvement. Marin Transit applied to TAM for State Transit Assistance grant funding through the Lifeline Program for this increase.

Bus Stop Assessment(BA) –Marin Transit is updating the 2005 bus stop condition assessment to reflect recent improvements, and to better quantify needs and prioritize future stop improvements throughout the county. In FY 2018/19 the consultant will be using the new inventory data to identify future priorities for bus stop improvements. The FY 2018/19 budget increases the total project budget by \$15,000 to allow for additional work and staff time.

Muir Woods Shuttle Infrastructure(BW) – Marin Transit received \$638,000 in Federal Transit in the Parks (Paul S Sarbanes) funding for additional capital improvements related to the Muir Woods Shuttle. Marin Transit has been working with the National Park Service on potential site improvements to the Pohono Street Park and Ride, where many passengers pick up the shuttle, to make the site more visitor-friendly. Plans include signage and wayfinding improvements as well as the purchase of a mobile information vehicle. The vehicle will be parked in the Pohono lot on weekends to provide additional information support for visitors.

San Rafael Transit Center(TR) – In preparation for SMART service extending to Larkspur from the terminal in San Rafael, Marin Transit is working with the City of San Rafael, Golden Gate Bridge Highway and Transportation District, and SMART to further refine and develop an integrated bus and rail operation at the San Rafael Transit Center.

Until a relocated facility is identified, funded, and constructed, efforts are continuing to modify the existing transit center with minimal impact to bus operations, vehicular traffic, pedestrians, and bicyclists. Marin Transit will use \$100,000 of Measure A sales tax funding for staff time and associated cost related to the design and construction of the new facility.

Administrative and Operations Facilities

Operations and Maintenance Facility (FC &FR) –The District has been evaluating potential opportunities and is seeking cost-effective solutions for purchasing property for contractors to store and maintain vehicles at a consolidated operations facility. Securing a well-located, long-term site for operations of fixed route, paratransit, and yellow bus services is a high priority. A Marin Transit-owned facility will lead to efficiencies in contract management, operations, and maintenance practices, and reduce ongoing operations costs. The facility will be designed to support expansion of alternative fuel vehicles, included hybrid and all-electric buses.

The Design and Engineering work for the project is almost complete and funded with \$174,000 in federal STP funds and Measure A funds.

Marin Transit has \$5.5 million for the purchase of right-of-way comprised of a federal discretionary award of \$4.4 million in Section 5339 funds and a \$1.1 million local match of Measure A sales tax funding.

Yellow Bus Parking Facility(YF)- The District currently has a temporary leased parking lot for vehicles, but this lease is not available after June 2018. This project includes local funding for the identification and purchase of land for yellow bus parking.

Office Furniture (OF)- The District is expanding administrative offices at 711 Grand Avenue in San Rafael. This project includes new furniture and office equipment needed for the new space. This project is funded with 100% local funds and will be partially completed in FY 2017/18.

Technology Projects

On Board Equipment – (OA) –This federally-funded project will pay for fareboxes and associated on-board equipment for the 2016 vehicle replacements. In FY 2018/19, Marin Transit will expend the remaining funds for on board equipment associated with the vehicle replacements.

Mobility Management Technology Backbone (TB) –This grant-funded technology project adds to Marin Transit’s technological capabilities for ride-matching, mobility management, and electronic fare payments. The project uses Federal Job Access Reverse Commute (JARC) grant funds to upgrade the website and purchase software.

AVL Replacement – This federally-funded project will replace on board AVL equipment. The \$180,000 project is expected to be funded 82% with FTA 5307 funding.

Clipper Independence – This project will simplify Marin Transit’s regional fare payment implementation from a dual tag zone based system with GGBHTD’s system to an independent system with a single tag flat fare. The goal of the project is to increase Clipper usage which speeds passenger boarding times and reduces cash handling.

Other Measure A Capital Expenses

Other capital and infrastructure expenses include: Marin Emergency Radio (MERA) radio capital bond payments, the capital contribution to GGBHTD as required under contract, major vehicle repairs, and bus stop maintenance expenses. In FY 2018/19, the major vehicle repairs include mid-life battery replacements and engine rebuilds on seven 2007 hybrid vehicles. Expenditures that do not meet the District’s policy for capitalization will be included as operations expenses on financial statements.

Table 14: Capital Budget by Project

		Total Project	Prior Years	FY2018/19	Future Years	Measure A / Local Funding	State Funding	Federal Funding
EV	Purchase 2 Electric Vehicles (Replacements)	1,662,022	1,498,389	163,633	-	20%	8%	72%
PA	Purchase Three Paratransit Vehicles (Replacements)	267,000	262,000	5,000	-	18%	-	82%
SA	Purchase One Shuttle (Expansion)	130,000	125,000	5,000	-	0%	100%	0%
SB	Purchase 1- Replacement Shuttle	125,000	-	125,000	-	18%	0%	82%
XA	Purchase 2 New XHF Vehicles	925,000	-	920,000	-	100%	0%	0%
XB	Purchase 4 Replacement Rural Vehicles	1,600,000	-	1,600,000	-	64%	5%	32%
HM	Hybrid Mid-Life Battery Replacements	-	-	400,000	-	100%	0%	0%
Subtotal Vehicles		4,709,022	1,885,389	3,218,633	-			
BI	Bus Stop Improvements SGR (BI)	2,201,130	1,509,334	691,796.00	-	7%	18%	73%
BS	Bus Stop Assessment Update	115,000	100,018	14,982	-	100%	0%	0%
BW	Muir Woods Infrastructure Improvements	638,000	420,271	217,729	-	0%	0%	100%
TR	San Rafael Transit Center	100,000	-	100,000	-	100%	0%	0%
Subtotal Bus Stop Improvements		3,054,130	2,029,623	1,024,507	-			
FC	Facility Preliminary Design & Env	174,418	156,020	18,398	-	30%	0%	70%
FR	Facility ROW Purchase	5,500,000	-	5,500,000	-	20%	0%	80%
OF	Office Furniture	45,000	-	45,000	-	100%	0%	0%
YF	Yellow Bus Parking Facility	3,000,000	-	3,000,000	-	100%	0%	0%
Subtotal Facility		8,719,418	156,020	8,563,398	-			
OA	On Board Equipment - 2016	210,000	144,045	65,955	-	18%	0%	82%
TB	Mobility Management Technology Backbone	375,000	219,681	155,319	-	20%	0%	80%
ME	MERA	29,000	-	29,000	-	100%	0%	0%
RD	Radio Communication Upgrade	168,000	46,305	121,695	46,305	18%	0%	170%
AY	AVL Replacement Equipment	180,000	-	180,000	-	18%	0%	82%
CR	Clipper	400,000	-	300,000	-	100%	0%	0%
Subtotal Technology Projects		782,000	410,031	851,969	46,305			
GG	Golden Gate Capital Costs (GG)	NA	-	18,000	NA	100%	0%	0%
BM	Bus Stop Maintenance (BM)	NA	-	100,000	NA	100%	0%	0%
VR	Major Vehicle Repairs (VR)	NA	-	200,000	NA	100%	0%	0%
IF	Infrastructure Support (IF)	NA	-	356,794	NA	100%	0%	0%
Subtotal Ongoing Capital Expenses		-	-	674,794	-			
Total Expenditures		17,264,570	4,481,063	14,333,301	46,305			