

FY 2022/2023 Draft Budget

May 18, 2022



FY 23 Budget Components

- SMART Overview
- Budget Overview
- Revenues
- Expenditures
- Freight
- Carryforward
- Reserves
- Next Steps

SMART Overview

- Board adopted Vision, Mission, Objectives, and Values
- Held 4 Listening Sessions
 - 193 participants on Zoom
 - 1,004 took a survey
 - 60 sent emails
- Will assist in developing goals, strategies, and measurements
- Will direct future budgets



Budget Overview

Funding

- Sales Tax – Almost 10% higher than FY 22
- Federal Funds - \$8.7 million
 - ARP Discretionary
 - 5307
- Grant Funds for Construction
 - Sonoma County Pathway Gap projects
 - Payran to Lakeville – Quick Strike funds

Budget Overview

Expenditures

- Salaries
 - Changed methodology
- Added 4 ½ positions
- Upgraded Assistant Engineer to Senior Engineer

Operating Budgets

- \$1.1 million less than FY 22 (6%)

Budget Overview

Projects/ Programs

- \$1.425 million planning projects
- \$0.883 million for environmental projects
- \$4.5 million for State of Good Repair
- \$15.4 million for new capital
- \$2 million for match

Reserves

- \$0.500 million for OPEB/ Pension Liability
- \$2 million capital asset replacement

Budget Overview - Freight

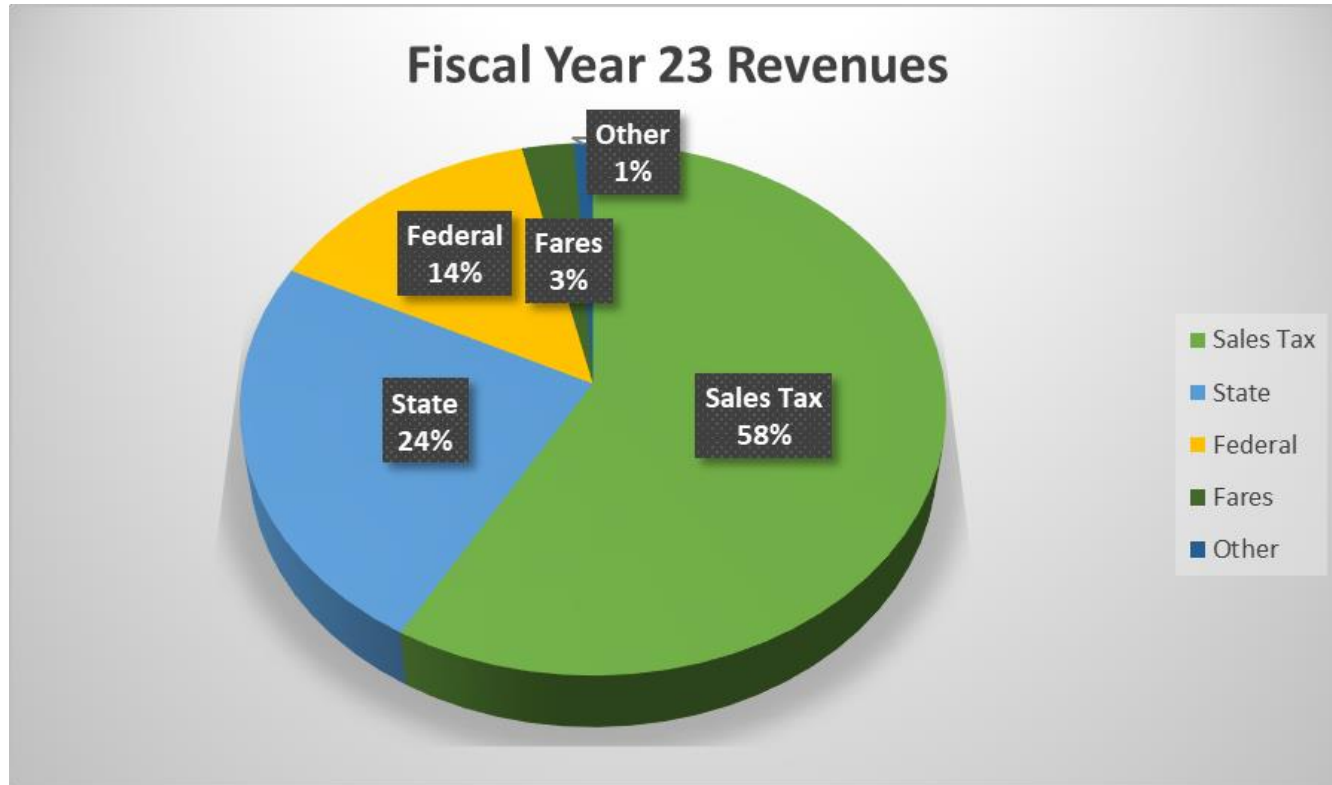
Revenues

- \$5.5 million

Expenditures

- Salaries & Benefits - \$0.786 million
- Operations - \$0.979 million
- Capital Repair & Replacement - \$2.2 million

Revenue



Revenues

Sales Tax

- Largest funding source (58%)
- Estimated to generate \$51.6 million in FY 23
 - MuniServices most recent forecast
- Expires in FY 29

State Grants

- 2nd largest funding source (24%)
- 4 programs are reoccurring formula funds
- Other funds available on application / project specific basis
- Includes \$11.5 million for pathway construction



Revenues

Federal Funds

- 3rd largest funding source (14%)
- 5307 funds, ARP Discretionary, and Quick Strike grant

Fare Revenues

- Estimated at \$2.3 million
- Assumes current fare structure continues through FY 2023
- Dependent on ridership and fare revenue policy

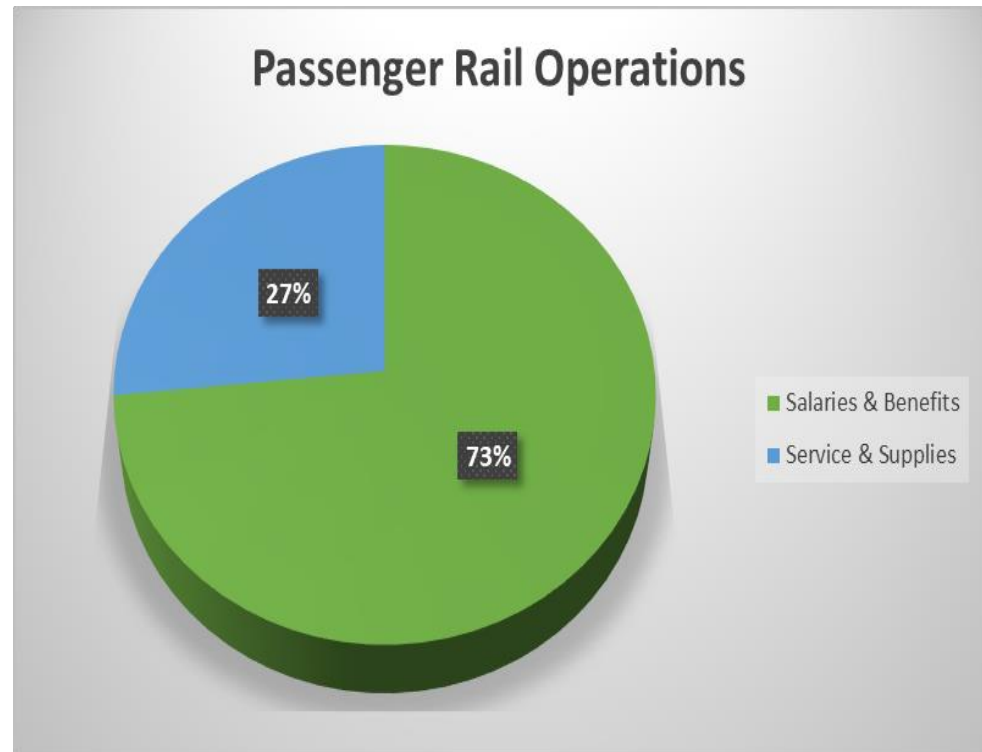
Parking

- Assumed no fees for parking through FY 23

Expenditures

Operations

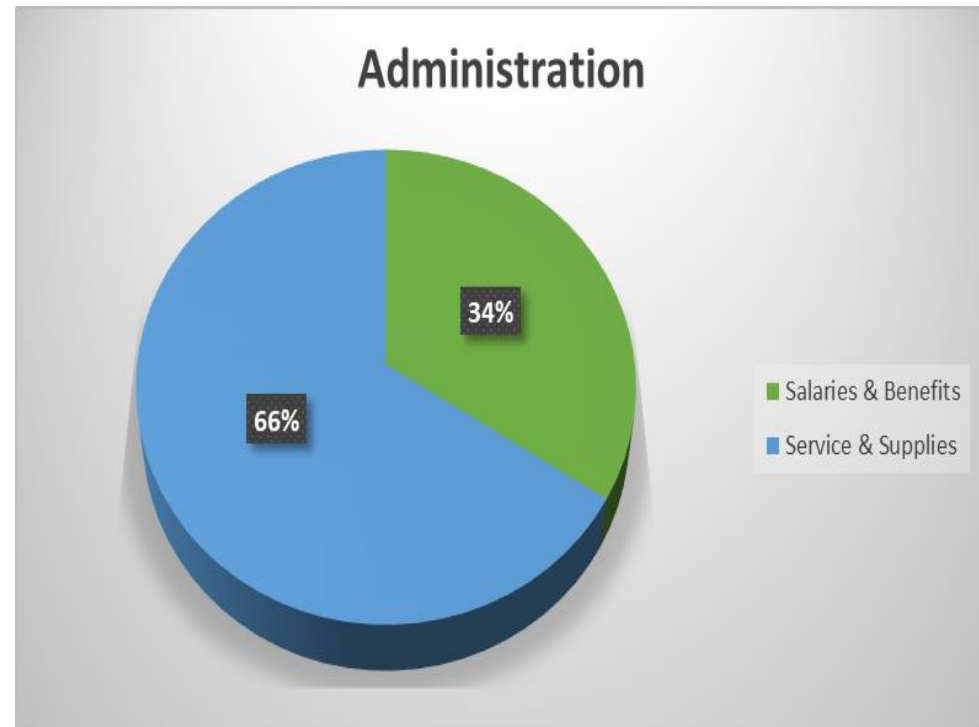
- Includes funding and personnel for 36 weekday trips and 12 trips on Saturday and 12 trips on Sunday
- Salaries & Benefits is largest percentage of cost (73%)
- Service & Supplies is 23% of cost
- Largest cost line item is fuel – increased due to cost of fuel not necessarily quantity



Expenditures

Administration

- Includes Human Resources, Information Systems, Finance, Accounting, Procurement, Legal, Real Estate, Planning, and Communications & Marketing
 - Addition of 4 FTEs
- Opposite of Operations - Salaries & Benefits is 34% and Service & Supplies is 66%
- Largest line item is Insurance 26% of total service & supplies



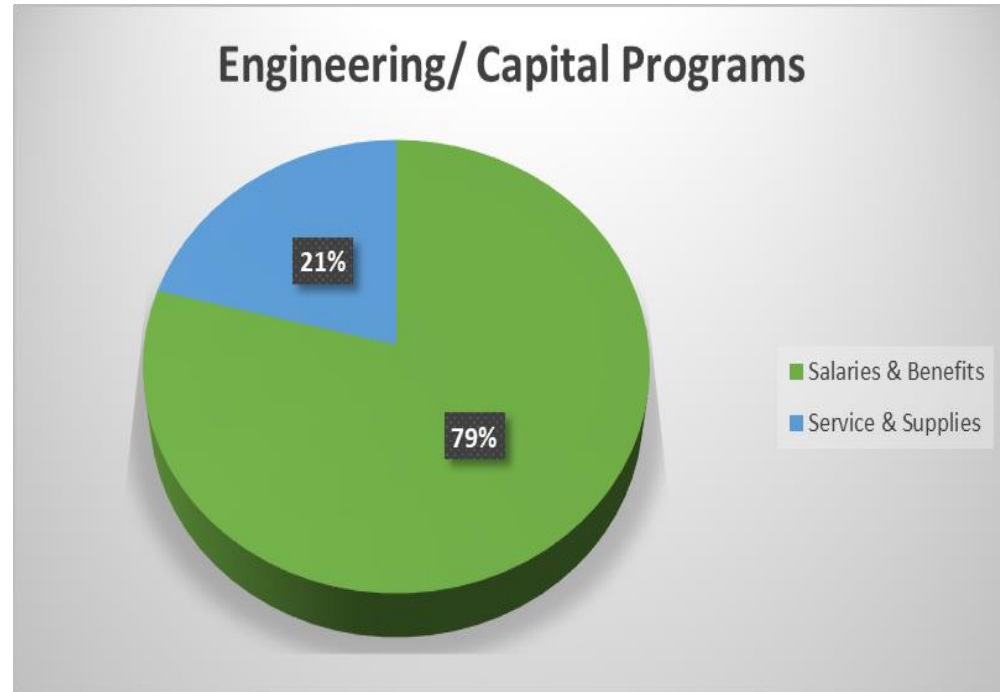
Debt Service (*not included in pie chart*):

- \$15.6 million in FY 22

Expenditures

Engineering/ Capital Programs

- Largest expense is salaries & benefits (79%)
 - Upgrade an Assistant Engineer to Senior Engineer
- 80% of salaries & benefits charged to projects



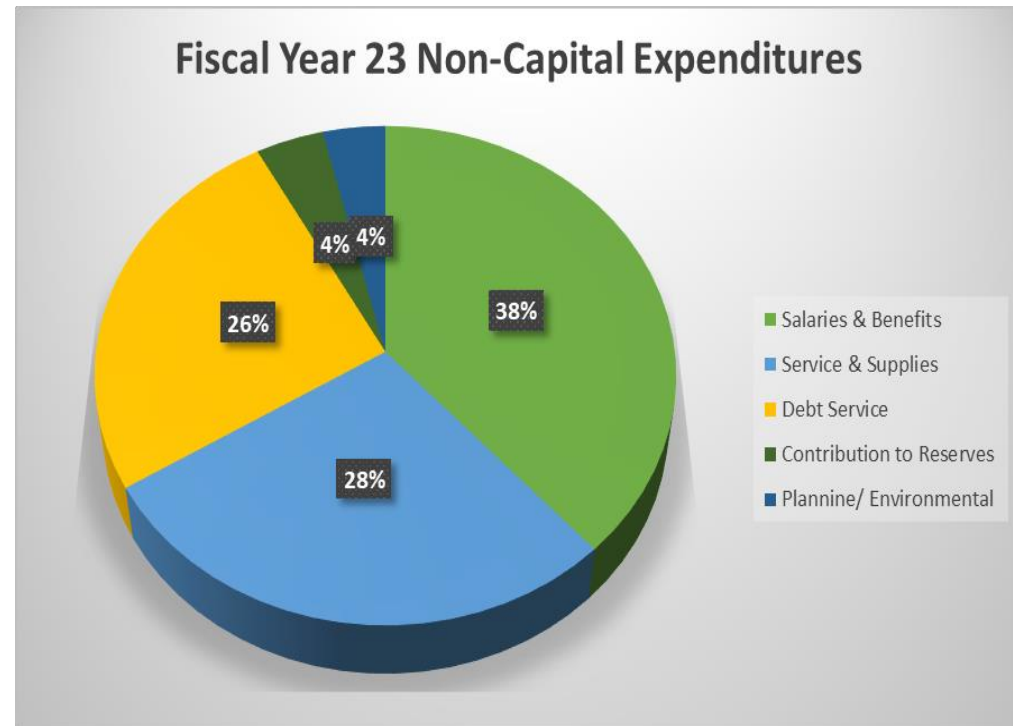
FY 23 Non-Capital Expenditures

Planning Projects

- Onboard Survey
- Pathway Wayfinding
- Corridor Level Service Planning Study (Grant Funded)

Environmental Projects

- Mira Monte Mitigation
- Riparian Mitigation
- San Rafael Creek
- Las Gallinas Riparian Enhancement & Monitoring



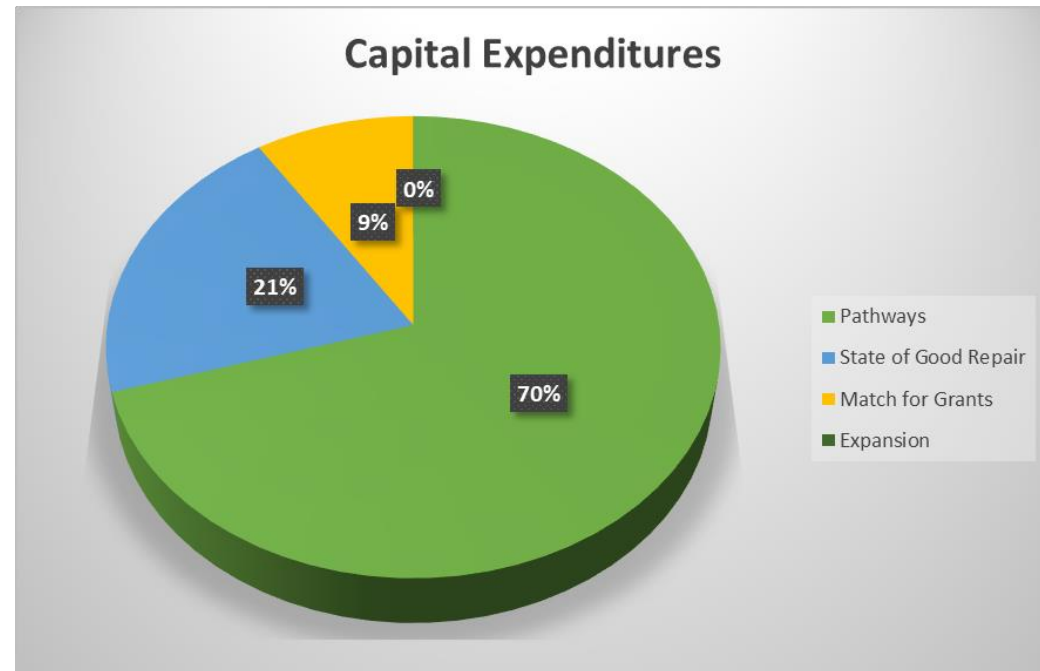
FY 23 Capital Expenditures

Pathways

- Sonoma County Gap Pathway Project (Grant Funded)
- Payran to Lakeville (Grant Funded)
- Design & Permitting Pathways in Marin and Sonoma Counties

Expansion

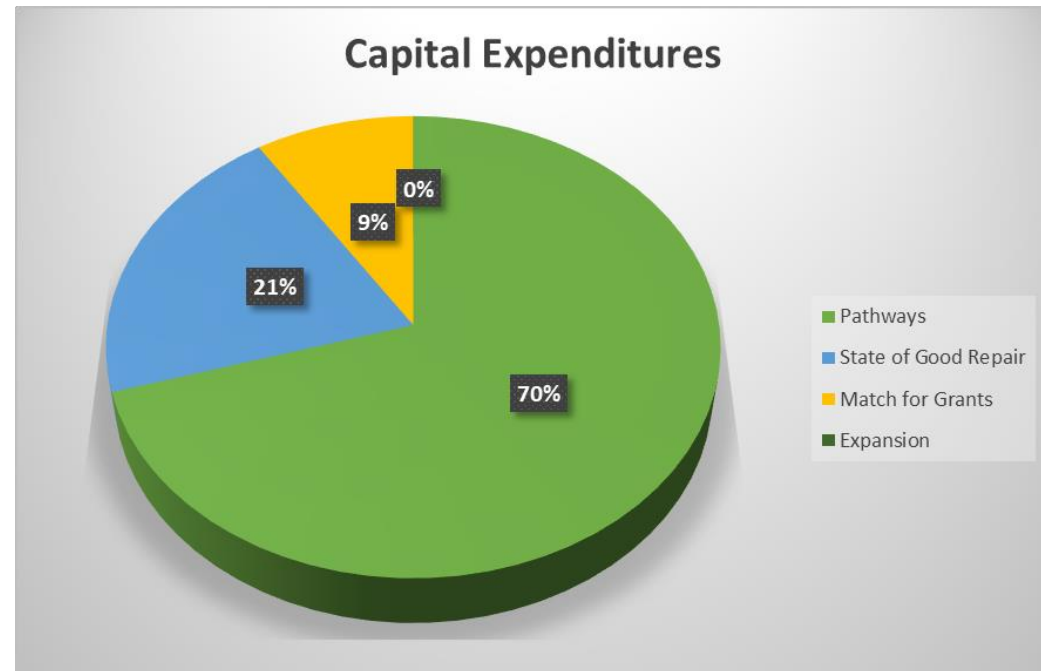
- Windsor project on hold
 - Pending resolution of RM3 court case
 - Currently seeking other funding sources to complete



FY 23 Capital Expenditures

State of Good Repair (SOGR)

- Track, MOW, & Facilities
- Safety & Security
- DMUs
- Bridges
- Other Construction
- Information Technology
- Non-Revenue Vehicles
- Equipment



Match

- Match for grants that are being pursued

Freight - Revenues

State Grants

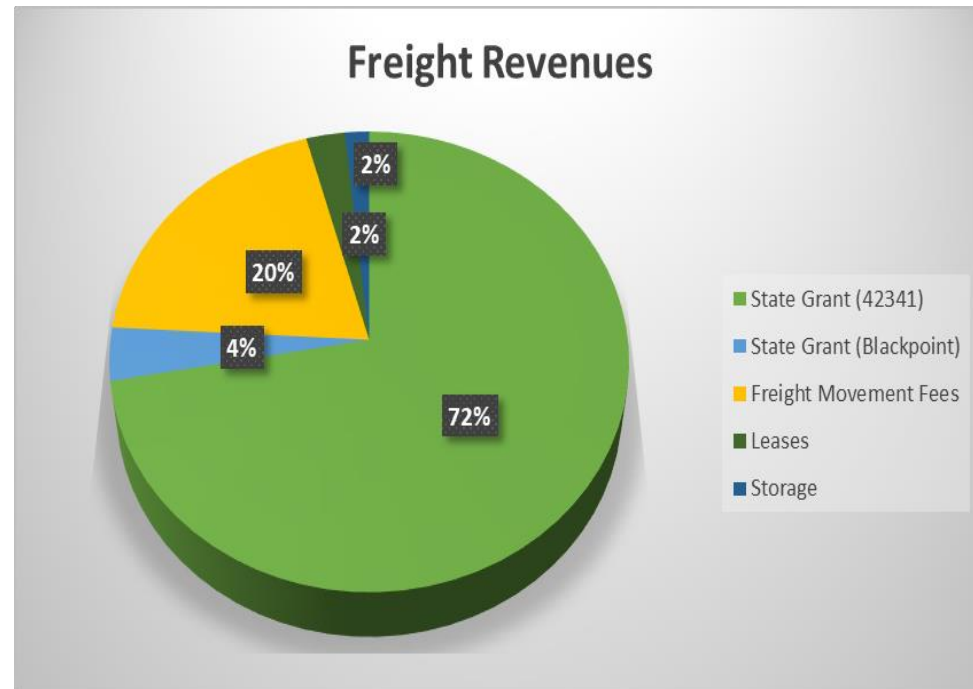
- \$4 million for operations/ maintenance/ repairs
- \$206,000 for Blackpoint Bridge

Freight Fees

- \$1.1 million freight movement fees
- \$0.092 million freight storage fees

Leases

- \$0.146 million



Freight - Expenditures

Salaries

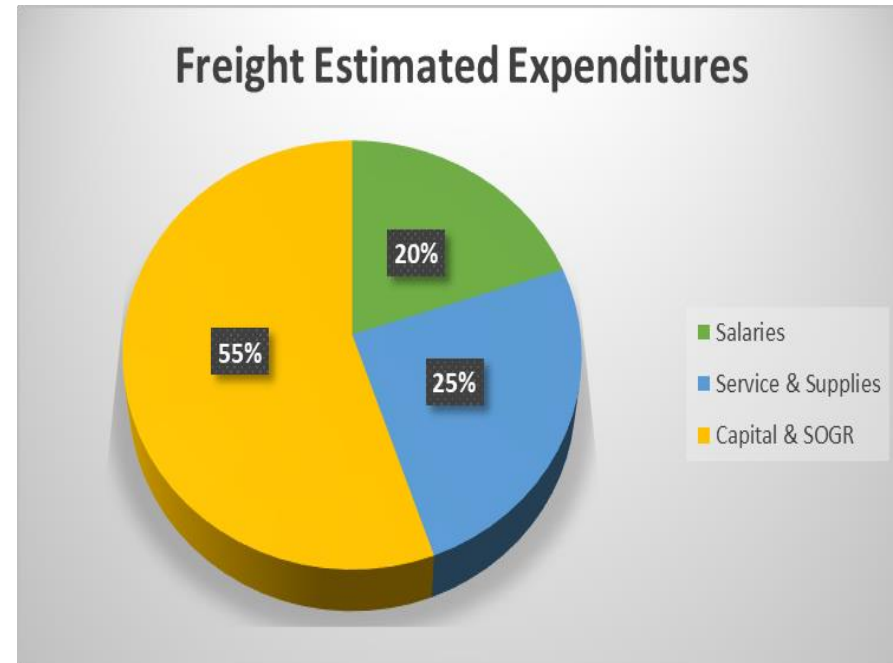
- \$0.786 million
- 6 FTE

Service and Supplies:

- \$0.979 million
- Largest issue is condition of assets

Capital and State of Good Repair:

- \$2.2 million
- Blackpoint Bridge
- SH 37 Grade Crossing
- Brazos Branch Bridges
- Brakes
- PTC



Carryforward Funds/ Expenditures

Carryforward

- Projects or programs not completed or spent in FY 22
- Working on projected carryforward
- Will change once year end information is known
- Will be updated in FY 23 amended budget after the financial audit is completed and actual numbers are known

Reserves and Estimated Fund Balance

Reserves

- Pension Liability Reserve – Contributing \$500,000 in FY 23. Balance will be \$4,074,676
- Equipment Reserve – Contributing \$2 million in FY 23. Balance will be \$9,625,000
- Corridor Completion Reserve – Not contributing anything additional in FY 23. Balance is \$7,000,000
- Operating Reserve – Current policy is 25% of operations or minimum of \$10 million

Next Steps

- Draft Budget out for public review and comment
 - Comments due Friday, June 3rd
- Final Budget presented at June 15th Board meeting
 - List of comments will be provided to the Board
 - Any changes from draft budget will be noted
- Board approved budget effective July 1, 2022

QUESTIONS?

Connect with us:

www.SonomaMarinTrain.org



Customer Service:

CustomerService@SonomaMarinTrain.org

(707) 794- 3330

