



Sonoma-Marín Area Rail Transit
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Eddy Cumins

July 15, 2026

Sonoma- Marin Area Rail Transit Board of Directors
5401 Old Redwood Highway, Suite 200
Petaluma, CA 94954

SUBJECT: Fiscal Year 2026/2027 Budget Amendment #1

Dear Board Members:

RECOMMENDATIONS:

Adopt Resolution No. 2026-22, amending Resolution No. 2026-17, the Fiscal Year 2026/2027 Adopted Budget to modify spending authority.

BACKGROUND:

As SMART entered the new fiscal year, there were projects and costs expected to have been completed or expended in the previous fiscal year. These costs and revenues need to be rolled into the current fiscal year to ensure that work can continue efficiently. A more extensive roll-forward will be presented to the Board of Directors once all Fiscal Year 2026 project costs have been reconciled.

This action includes the remaining costs and revenues associated with Maintenance of Way's Mainline Surfacing Project. Most of the materials were procured in Fiscal Year 2026, but the contractor work needed to shift to Fiscal Year 2027. To complete this project, \$203,241 will be rolled into Fiscal Year 2027 from Fiscal Year 2026, funded by \$162,593 in federal state of good repair funds rolling into this year and \$40,648 of SMART's sales and use tax funding.

The Fiscal Year 2027 Budget included projects rolling from Fiscal Year 2026 for the purchase of a Hyrail Boom Truck to be utilized by the Maintenance of Way department and a Rail Car Mover to be utilized by the Vehicle Maintenance department. These purchases will utilize revenues from the Local Partnership Program (LPP) which were not included in the Fiscal Year 2027 budget. By integrating \$300,000 in LPP revenues for these projects, the sales and use tax funding in Fiscal Year 2027 will be reduced by \$300,000.

This Budget Amendment rolls forward Transit and Intercity Rail Capital Program (TIRCP) funds from Fiscal Year 2026 for the Healdsburg Extension project. These funds are dedicated to a specific scope within the design phase of the project and support utilities permitting, mitigation credit

purchases, crossing reductions, and easements. As they were not expended in Fiscal Year 2026, these TIRCP funds are available to be utilized in Fiscal Year 2027 in the amount of \$2,028,000.

The project to replace the 8th Street Cantilever on the Freight Line had been initiated in Fiscal Year 2026 with the purchase of the equipment to prepare the project for construction. However, the cantilever was unable to be delivered prior to the end of the fiscal year. This action moves \$38,774 of expenditures and funding through the California Legislative Budget Projects 2024 grant into Fiscal Year 2027.

The Shortline Railroad Improvement Program (SLRIP) funds had not been included in the Fiscal Year 2027 Freight budget as they were due to expire. However, those funds are now in the process of being extended by the California Legislature and California Transportation Commission. This action programs \$308,190 in SLRIP funds for planned Freight Projects and reduces the California State Legislative Budget Projects 2024 grant funds by the same amount. The SLRIP funds will be matched with revenues generated by Freight operations.

FISCAL IMPACT:

The increase in spending authority for freight is balanced by an increase in grant funding, therefore maintaining a fund balance of \$0. The passenger budget will add \$300,000 in revenues, increasing the fund balance to \$48,657,802.

Sincerely,

/s/

Claire Springer

Budget and Finance Manager

Attachments: 1.) Resolution No 2026-22
 2.) Revised Appendix A
 3.) Revised Appendix B

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA-MARIN AREA RAIL TRANSIT DISTRICT, STATE OF CALIFORNIA, AMENDING RESOLUTION NO. 2026-17, THE ANNUAL BUDGET FOR FISCAL YEAR 2026-2027 TO MODIFY SPENDING AUTHORITY

WHEREAS, as part of its approval of the Annual Budget for Fiscal Year 2026-2027, the Board of Directors considered the annual expenditures necessary for the Sonoma-Marín Area Rail Transit District; and

WHEREAS, the Board desires to amend the Annual Budget Resolution No. 2026-17 to increase expenditure authority; and

NOW, THEREFORE, BE IT RESOLVED that the expenditure authority in Resolution No. 2026-17, Fiscal Year 2026-2027 Adopted Budget Appendices A and B are hereby amended.

BE IT FURTHER RESOLVED except as specifically amended or supplemented by this Resolution, Resolution No. 2026-17, together with all supplements, amendments, and exhibits thereto is, and shall continue to be, in full force and effect as originally adopted, and otherwise contained herein shall, or shall be construed to, modify, invalidate, or otherwise affect and provision of Resolution No. 2026-17.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sonoma-Marín Area Rail Transit District held on the 15th day of July 2026, by the following vote:

DIRECTORS:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chris Coursey, Chair, Board of Directors
Sonoma-Marín Area Rail Transit District

ATTEST:

Kyreen Jorgensen, Clerk of the Board of Directors
Sonoma-Marín Area Rail Transit District

Appendix A - Passenger Rail/Pathway Sources & Uses				
FISCAL YEAR 2026-2027 BUDGET - SOURCES				
		FY27 Requested Budget	Amendment #1	Total
1	Beginning Fund Balance *	\$ 57,338,843	\$ -	\$ 57,338,843
2	Revenues			
3	SMART Sales and Use Tax			
4	Measure Q	\$ 50,408,000	\$ -	\$ 50,408,000
5	Measure Q Cost of Collection	\$ (850,000)	\$ -	\$ (850,000)
6	Net Sales & Use Tax	\$ 49,558,000	\$ -	\$ 49,558,000
7	Measure Q Roll Forward	\$ 1,626,044	\$ 40,648	\$ 1,666,692
8	Transfer from Capital Fund	\$ -	\$ -	\$ -
9	Transfer from Corridor Reserve	\$ -	\$ -	\$ -
10	Subtotal	\$ 51,184,044	\$ 40,648	\$ 51,224,692
11	Federal Funds			
12	5307 - Urbanized Area Formula Funds (Preventative Maintenance)	\$ 4,202,279	\$ -	\$ 4,202,279
13	5337 - Federal State of Good Repair Funds	\$ 6,987,499	\$ 162,593	\$ 7,150,092
15	Subtotal	\$ 11,189,778	\$ 162,593	\$ 11,352,371
16	State Funds			
17	AHSC - Affordable Housing and Sustainable Communities	\$ 290,000	\$ -	\$ 290,000
18	LCTOP - Low Carbon Transit Operating	\$ 799,967	\$ -	\$ 799,967
19	LPP - Local Partnership Program	\$ 1,151,291	\$ 300,000	\$ 1,451,291
20	SRA - State Rail Assistance	\$ 5,086,476	\$ -	\$ 5,086,476
21	STA - State Transit Assistance (Population)	\$ 1,321,520	\$ -	\$ 1,321,520
22	STA - State Transit Assistance (Revenue)	\$ 1,890,109	\$ -	\$ 1,890,109
23	MASCOTS - Marin	\$ 431,520	\$ -	\$ 431,520
24	STA - MASCOTS - MTC	\$ 500,000	\$ -	\$ 500,000
25	STA - MASCOTS - SCTCA	\$ 704,080	\$ -	\$ 704,080
26	STA - SGR (State of Good Repair)	\$ 752,058	\$ -	\$ 752,058
27	TIRCP - Windsor to Healdsburg Phase I	\$ 10,100,000	\$ 2,028,000	\$ 12,128,000
28	Subtotal	\$ 23,027,021	\$ 2,328,000	\$ 25,355,021
29	Regional Funds			
30	Regional Measure 3 (RM3)	\$ 50,000	\$ -	\$ 50,000
31	Subtotal	\$ 50,000	\$ -	\$ 50,000
32	Other Sources			
33	Advertising	\$ 140,595	\$ -	\$ 140,595
34	Charges for Services	\$ 124,002	\$ -	\$ 124,002
35	Fare Revenues - Passenger Rail	\$ 3,333,189	\$ -	\$ 3,333,189
36	Fare Revenues - Shuttle	\$ 12,941	\$ -	\$ 12,941
37	Interest Earning	\$ 1,500,000	\$ -	\$ 1,500,000
38	Misc.	\$ 60,000	\$ -	\$ 60,000
39	Parking	\$ 55,727	\$ -	\$ 55,727
40	Rent - Real Estate	\$ 508,846	\$ -	\$ 508,846
41	Other Governments/Private Sector	\$ 1,375,000	\$ -	\$ 1,375,000
42	Subtotal	\$ 7,110,300	\$ -	\$ 7,110,300
43	Total Revenues	\$ 92,561,143	\$ 2,531,241	\$ 95,092,384
44	Total Revenues + Fund Balance	\$ 149,899,986	\$ 2,531,241	\$ 152,431,227

FISCAL YEAR 2026-2027 BUDGET - USES

45		FY27 Requested Budget	Amendment #1	Total
46	Debt Service	\$ 16,998,869	\$ -	\$ 16,998,869
47	Salaries & Benefits	\$ 33,997,748	\$ -	\$ 33,997,748
48	Reduction for Salaries Charged to Projects	\$ (1,731,972)	\$ -	\$ (1,731,972)
49	Reduction for Allocation of Salaries/ Services/ Supplies to Freight	\$ (18,782)	\$ -	\$ (18,782)
50	Service & Supplies	\$ 20,175,589	\$ -	\$ 20,175,589
51	Total Salaries, Benefits, Service, & Supplies	\$ 52,422,583	\$ -	\$ 52,422,583
52	Contribution to OPEB/ CalPERS Liability Fund	\$ 500,000	\$ -	\$ 500,000
53	Contribution to Capital Sinking Fund	\$ 1,000,000	\$ -	\$ 1,000,000
54	Operating Reserve	\$ 170,299	\$ -	\$ 170,299
55	Total Reserve Contributions	\$ 1,670,299	\$ -	\$ 1,670,299
56	Total Debt Service, Operating, Reserves	\$ 71,091,751	\$ -	\$ 71,091,751
57	Balance	\$ 78,808,234	\$ 2,531,241	\$ 81,339,475
58				
59				
60	Non-Capital Projects	\$ 4,023,434	\$ -	\$ 4,023,434
61	Total Non-Capital Projects	\$ 4,023,434	\$ -	\$ 4,023,434
62	State of Good Repair and Projects	\$ 10,079,775	\$ 203,241	\$ 10,283,016
63	Total State of Good Repair	\$ 10,079,775	\$ 203,241	\$ 10,283,016
64	Capital Projects			
65	Equipment	\$ 2,502,726	\$ -	\$ 2,502,726
66	Facilities	\$ 11,619,000	\$ 2,028,000	\$ 13,647,000
67	Infrastructure	\$ 1,056,497	\$ -	\$ 1,056,497
68	Non-Revenue Vehicles	\$ 1,169,000	\$ -	\$ 1,169,000
69	Total Capital Expenditures	\$ 16,347,223	\$ 2,028,000	\$ 18,375,223
70	Ending Fund Balance	\$ 48,357,802	\$ 300,000	\$ 48,657,802

Appendix B - Freight Sources and Uses				
FISCAL YEAR 2026-2027 BUDGET - SOURCES				
		FY27 Requested Budget	Amendment #1	Total
1	Beginning Fund Balance	\$ -		
2	Revenues			
3	CA Priority Legislative Budget Projects 2024	\$ 1,540,254	\$ (269,416)	\$ 1,270,838
4	Caltrans SR 37 Construction Support	\$ 6,000	\$ -	\$ 6,000
5	Caltrans Novato Creek Bridge Construction Support	\$ -	\$ -	\$ -
6	State Shortline Grant	\$ -	\$ 308,190	\$ 308,190
7	Freight Movement Fees	\$ 800,000	\$ -	\$ 800,000
8	Leases	\$ 278,100	\$ -	\$ 278,100
9	Storage	\$ -	\$ -	\$ -
10	45(g) Tax Credit	\$ 261,970	\$ -	\$ 261,970
11	Total Revenues	\$ 2,886,324	\$ 38,774	\$ 2,925,098
12	Total Revenues + Fund Balance	\$ 2,886,324	\$ 38,774	\$ 2,925,098
FISCAL YEAR 2026-2027 BUDGET - USES				
		FY27 Requested Budget	Amendment #1	Total
13	Expenditures			
14	Salaries & Benefits	\$ 1,217,673	\$ -	\$ 1,217,673
15	Services & Supplies	\$ 1,056,271	\$ -	\$ 1,056,271
16	Brazos Branch Bridge Repairs Phase III	\$ 360,000	\$ -	\$ 360,000
17	8th Street Cantilever Replacement	\$ 121,380	\$ 38,774	\$ 160,154
18	SR 37 Grade Crossing PE Review	\$ 6,000	\$ -	\$ 6,000
19	Tie Replacement	\$ 125,000	\$ -	\$ 125,000
20	Total	\$ 2,886,324	\$ 38,774	\$ 2,925,098
21	Ending Fund Balance	\$ -	\$ -	\$ -