

# Agenda Item 12 - Marin Civil Grand Jury – Recommendation #1 September 20, 2023



# Marin Civil Grand Jury – Responses to Recommendations

## Recommendation #1

By December 1 ,2023, the Board of Directors should initiate a fully transparent, public process to be completed by April 1, 2024, that examines how SMART might continue funding its operations beyond April 2029, including evaluation of when the voters would decide whether to continue levying a sales Tax for SMART's operations.

- SMART staff said it would prepare a financial analysis beyond April 2029 for presentation at the September Board meeting.

# Scenarios

## Base Plan

- Sales/ Use tax extended prior to FY 29
- Service levels continue as planned
- Reserves continue to grow for capital replacement
- Match is available for future grants

# Scenarios

## Scenario #1:

- Sales/Use Tax is not extended prior to FY 29
- Service levels continue as planned through FY 29
- Service levels are reduced slightly (7%) in FY 30 until funds run out
- No funds available for dissolution of SMART if doesn't pass a sales/use tax extension in FY 30
- Only reserve is OPEB/Pension which can't be used for dissolution

# Scenarios

## Scenario #2:

- Sales/Use Tax is not extended prior to FY 29
- Service levels continue as planned through FY 28
- Service levels are reduced by 50% in FY 29 and 30
- Leaves some reserves if sales/use tax is extended in FY 30
- Leaves funds for disposition in FY 31 if extension is not successful in FY 30

# Revenues

Revenues	Base Plan - FY 30	Scenario #1 - FY 30	Scenario #2 - FY 30
<b>Local - SMART</b>			
Sales/Use Tax - Measure Q	Extended Prior to FY 29	Not Extended Prior to FY 29	Not Extended Prior to FY 29
<b>Federal</b>			
Federal 5307 - Preventative Maintenance	Indefinitely	Through FY 30	Through FY 30
Federal 5337 - State of Good Repair	Start in FY 25 - Indefinitely	Start in FY 25 through FY 30	Start in FY 25 through FY 30
Federal Project Specific Grants	Continue through Project Completion	Continue through Project Completion	Continue through Project Completion
<b>State</b>			
Operating Related - STA, SRA, LCTOP	Indefinitely	Through FY 30	Through FY 30
Capital Related - SGR & LPP	Indefinitely	Through FY 30	Through FY 30
State Project Specific	Continue through Project Completion	Continue through Project Completion	Continue through Project Completion
<b>Additional Grants</b>			
Grants for Windsor to Healdsburg	Assumed Grants are Received to Complete to Healdsburg	Assumed Grants are Received to Complete to Healdsburg	Assumed Grants are Received to Complete to Healdsburg
Grants to Finish Pathways	Assumed 50% of Funding comes from Grants	No grants are Pursued as Match is not Available	No grants are Pursued as Match is not Available
<b>Other Revenues Sources</b>			
Fares	Continue to Increase as Ridership Increases	Continue to Increase as Ridership Increases	Continue to Increase as Ridership Increases - Cut in FY 29 as Service is Cut
All Other	Continue to increase with CPI	Continue to increase with CPI	Continue to increase with CPI

# Expenditures

Expenditures	Base Plan - FY 30	Scenario #1 - FY 30	Scenario #2 - FY 30
Debt Service	Paid off in FY 29	Paid off in FY 29	Paid off in FY 29
<b>Extensions</b>			
Petaluma North Station	Completed in FY 25	Completed in FY 25	Completed in FY 25
Santa Rosa to Windsor	Completed in FY 25	Completed in FY 25	Completed in FY 25
Windsor to Healdsburg	Completed in FY 27	Completed in FY 27	Completed in FY 27
Healdsburg to Cloverdale	Not completed by FY 29	Not completed by FY 29	Not completed by FY 29
<b>Pathways</b>			
McInnis to Smith Ranch	Under Construction	Under Construction	Under Construction
Hanna Ranch to Vintage Way	Completed by FY 29	Completed by FY 29	Completed by FY 29
Guerneville Road to Airport Road	Completed by FY 29	Completed by FY 29	Completed by FY 29
Southpoint to Main Street	Out to Bid	Out to Bid	Out to Bid
Golf Course to Bellevue Avenue	Out to Bid	Out to Bid	Out to Bid
Santa Rosa to Windsor	Completed by FY 25	Completed by FY 25	Completed by FY 25
Windsor to Healdsburg	Completed by FY 27	Completed by FY 27	Completed by FY 27
Smith Ranch to Main Gate Road	Completed by FY 30	Not Completed	Not Completed
State Access Ped Crossing to Bay Trails	Completed by FY 30	Not Completed	Not Completed
Vintage Way to south side of Novato Creek	Completed by FY 30	Not Completed	Not Completed
Grant Avenue to Olive Avenue	Completed by FY 30	Not Completed	Not Completed
Olive Avenue to Rush Creek Place	Completed by FY 30	Not Completed	Not Completed
Main Street to E. Railroad Avenue	Completed by FY 30	Not Completed	Not Completed
Santa Rosa Downtown Station to 6th Street	Completed by FY 30	Not Completed	Not Completed
<b>State of Good Repair</b>			
State of Good Repair	Ongoing	Ongoing through FY 30	Ongoing through FY 30
<b>Service Levels</b>			
Service Levels	Assumes current levels to include Windsor & Healdsburg	Assumes current levels to include Windsor & Healdsburg through FY 30	Assumes current levels to include Windsor & Healdsburg through FY 29, 50% reduction in FY 29 & 30

# Reserves and Fund Balance

Reserves	Base Plan - FY 30	Scenario #1 - FY 30	Scenario #2 - FY 30
Operating Reserve	\$ 14,313,615	\$ -	\$ 13,609,492
Capital Reserves	\$ 22,625,000	\$ -	\$ 12,304,699
Corridor Planning	\$ 7,000,000	\$ -	\$ -
Fund Balance	\$ 15,762,787	\$ 141,046	\$ -
<b>Total</b>	<b>\$ 59,701,402</b>	<b>\$ 141,046</b>	<b>\$ 25,914,191</b>
OPEB/ Pension	\$ 11,074,676	\$ 11,074,676	\$ 11,074,676



# Next Steps

- Feedback
- Additional Scenarios?
- Timeline

# Questions?

# Connect with us:

[www.SonomaMarinTrain.org](http://www.SonomaMarinTrain.org)



## Customer Service:

[CustomerService@SonomaMarinTrain.org](mailto:CustomerService@SonomaMarinTrain.org)

(707) 794- 3330

