



MARIN TRANSIT BUDGET **FY 2025/26**

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Marin Transit Budget Overview

The Marin County Transit District (Marin Transit) provides local transit service within Marin County. Marin Transit provides 3.0 million unlinked passenger trips per year and provides over 210,000 revenue hours of service with a fleet of 113 buses. The FY 2025/26 expenditure budget for operations and capital projects is \$56.7 million (Table 1). The FY 2025/26 budget allows for a fully funded Emergency Reserve of two months of operating expenses, a Contingency Reserve of four months of operating expenses, and a Capital Reserve of \$25.7 million. The District is still experiencing revenue fluctuations in major revenue sources, and the budget includes significant expenditure of carryforward revenue from Measure AA and state sources that were underspent due under projections and to availability of federal relief funding in prior years.

The budget maintains existing fixed route services and allows for some innovative program growth. Marin Transit's capital expenditure budget is \$10.0 million to fund transit vehicle replacements, bus stop improvements, and facility improvement projects. Marin Transit is actively working on facility projects to improve existing facilities and develop a new facility needed for parking, charging, and maintenance of fixed route buses. Two projects are actively in construction, the District's ADA bus stop project, and the 3010/3020 Kerner vehicle parking with electric vehicle charging and solar power generation. The District will also be completing the Environmental phase of the fixed route facility project.

Table 1: Budget Summary

	FY2023/24 Actual	FY2024/25 Revised Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget
Revenue				
Operations	46,688,114	45,786,750	45,577,475	51,046,004
Capital	2,441,429	34,352,213	24,988,325	10,044,837
Total Revenue	\$49,129,543	\$80,138,963	\$70,565,800	\$61,090,841
Expenditures				
Operations	41,350,242	45,290,112	42,745,308	46,615,197
Capital	2,400,336	35,799,713	24,656,791	10,044,837
Total Expenditures	\$43,750,578	\$81,089,825	\$67,402,099	\$56,660,034
Net Change in Fund Balance	\$5,378,965	-\$950,862	\$3,163,701	\$4,430,807
Emergency Reserve	7,156,636	7,548,352	7,548,352	7,769,200
Contingency Reserve	14,313,271	15,096,704	15,096,704	15,538,399
Capital Reserve	19,968,986	17,842,975	21,957,538	25,725,803
Fund Balance (total reserve)	\$41,438,893	\$40,488,031	\$44,602,594	\$49,033,401
Expenditure of Capital Reserve	0	1,447,500	0	0

Marin Transit delivers services through contract operators, including Golden Gate Bridge, Highway & Transportation District (GGBHTD); Marin Airporter; Bauer’s Intelligent Transportation, and Transdev. Marin Transit’s Short Range Transit Plan (SRTP) is the primary service and financial planning document for the District and includes ten years of financial projections for operations and capital programs. The FY2025/26 Budget is developed from adopted SRTP service and financial projections. The District’s Board adopted the most recent full SRTP on February 3, 2020 and a “mini” SRTP update on December 5, 2022. A new full STRP will be developed in FY2025/26 and include a public process to review services and develop options to address the projected 10 year operation deficits.

Budget Process and Timeline

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

The following is the timeline for fiscal year July 1, 2025 to June 30, 2026 (FY2025/26) budget development:

- February 2, 2025 – Budget kick-off meeting
- February-March 2025 – Program level budget meetings
- May 5, 2025 – Draft budget presented to Board of Directors
- June 2, 2025 – Adoption of Final budget

Relevant Financial Policies

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

Basis of Accounting

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

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

Annual Budget Adoption

The Marin Transit Board of Directors adopts an annual budget for Marin Transit's fiscal year starting July 1 and ending June 30. Under the direction of the Director of Finance, staff develops a balanced budget for the Board of Directors that provides sufficient and sustainable funding for local transit service needs using the following guidelines:

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

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

Budget Amendment

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

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

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

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

Reserve Policy

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

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

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

Contingency Reserve: Any reserve balance greater than two months of operating expenditures, but less than four months of operating expenditures, is defined as the contingency reserve. The contingency reserve is available to maintain current service levels during short-term periods of declining revenue or slower than anticipated revenue growth.

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

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

Indirect Costs

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

District Fund Balance

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

Marin Transit continues to be in a strong short term position with a fully funded reserve, the ability to contribute to needed capital projects, and additional Measure AA reserves held by TAM. Unfortunately, the current year budget heavily relies on carryforward funds that were accumulated due to under projections of state and local funds and the availability of federal funds in prior years. Seventeen percent

or \$10.3 million of the FY2025/26 operations funds are carryforward Measure AA and State Transit Assistance (STA) funding from prior years. Without the expenditure of reserves, the District's annual expenses exceed the District's annual revenues. Current revenue projections for sales tax grow by 1% and do not keep pace with projected cost increases. Without structural changes (service reductions, revenue increases, expense reductions etc.), the District will expend all reserves within the 10 year SRTP horizon.

The District will review this outlook in the upcoming SRTP process to update projected revenue and expenses, evaluate the sustainability of current service levels, look to realign revenues and expenses before reserves are fully expended.

Local Sales Tax – Measure A and Measure AA

On November 6, 2018, Marin County voters passed Measure AA, a renewal to the county's ½-cent transportation sales tax and new expenditure plan. The renewal measure (Measure AA) is a 30- year extension effective April 2019. The first ½-cent sales transportation sales tax (Measure A) was a 20-year measure passed in 2004 and establish a vital source for local transit funding in Marin County. Local sales tax funding provides approximately 45% of Marin Transit's operating revenues. The sales tax also provides a share of capital funds needed to match federal and state grants for vehicles.

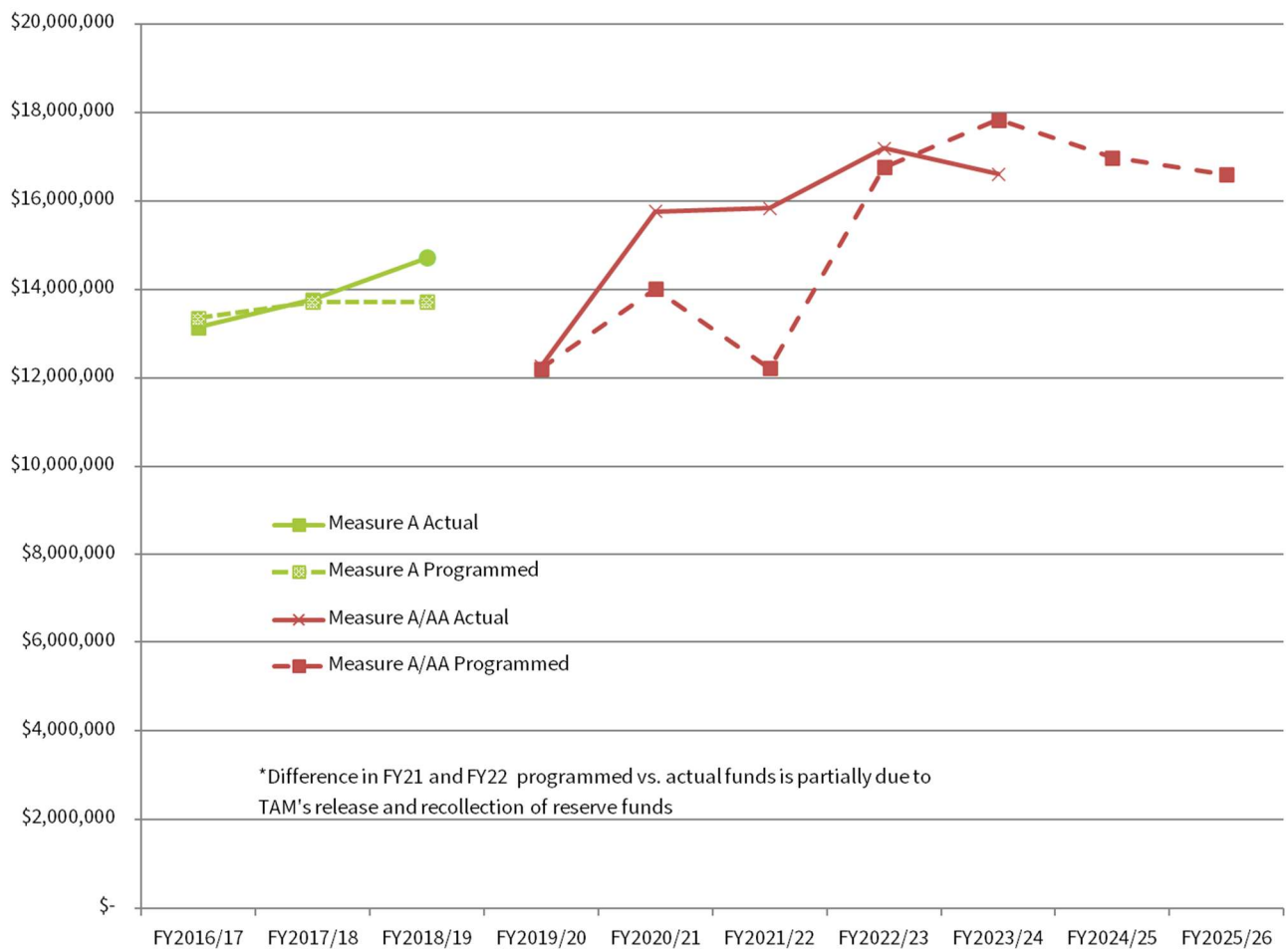
The Measure AA expenditure plan continues to prioritize transit service with 55% of allocated sales tax revenues going to local transit. The Measure AA expenditure plan changed the sub-strategies and their allocations within the overall transit strategy compared to Measure A, including committing funding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

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

Marin County saw strong sales tax returns during the pandemic due to the combination of strong sales and the Wayfair decision¹ that increased the collection of sales tax for purchases made online. Following the pandemic economic growth in Marin has slowed and is now starting to decline. TAM is projecting no growth in sales tax for the current year (FY2024/25) and a decline of 0.5% for FY2025/26(Figure 1).

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

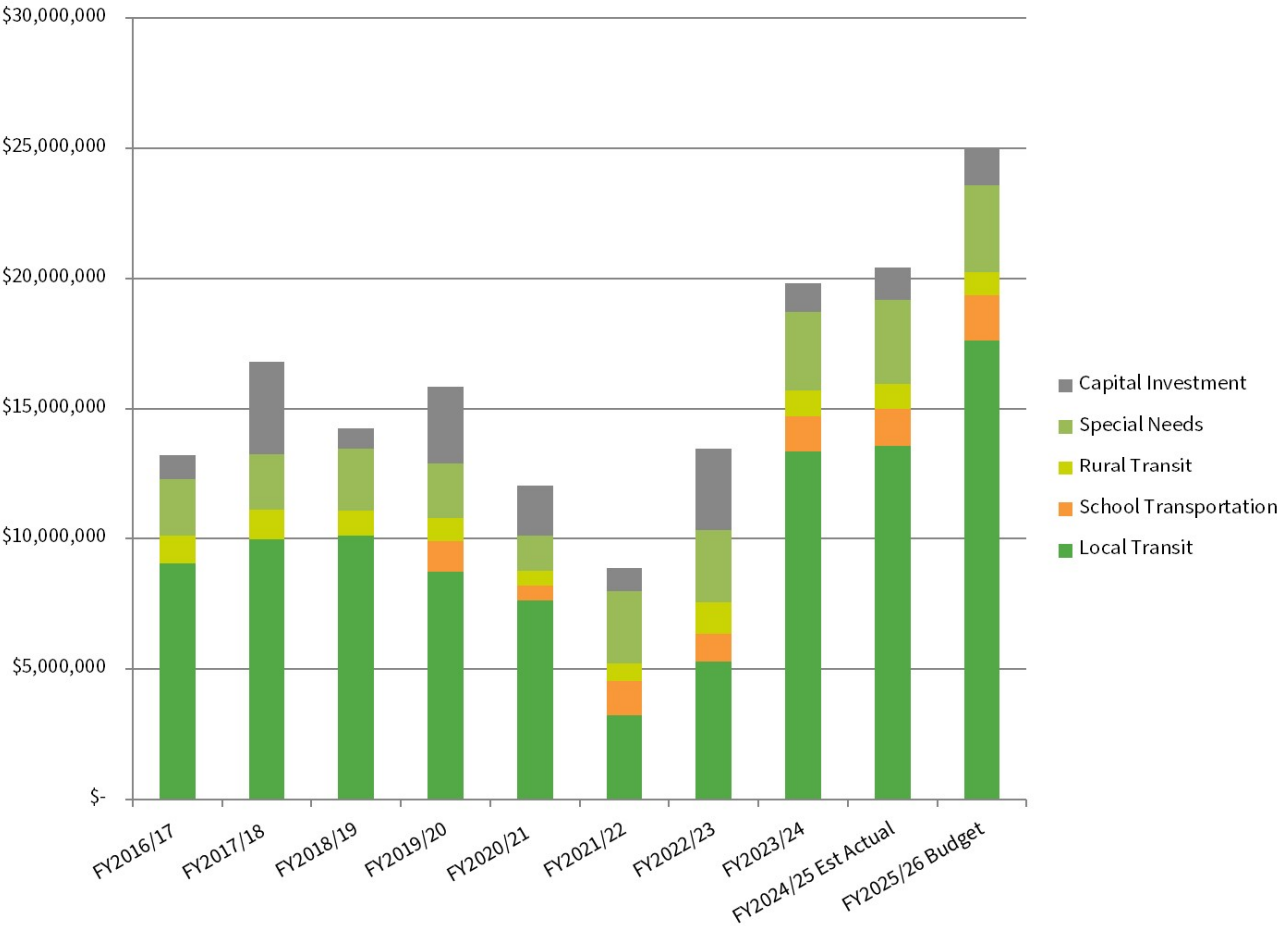
Figure 1: Ten-Year Measure A/AA Transit Funds by Fiscal Year (TAM Projection & Actual Receipts)



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

If the District does not fully claim or expend all available Measure AA funds in a given year, they are held by TAM and are available for Marin Transit to claim and expend in future years. With this budget and based on TAM revenue estimates, the District's Measure AA carryover will be \$2.0 million in Local Service subcategory, \$1.7 million in Schools subcategory, and \$1.0 million in Special Needs (Marin Access). TAM holds these unallocated funds, and they are not included in Marin Transit's Emergency or Contingency Reserve funds. These funds are programmed for expenditure in Marin Transit's ten-year operation and capital financial forecasts in the adopted SRTP.

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



Operations Budget

Marin Transit's FY2025/26 operations budget provides for operation of the following services:

Service	Service Level
Local Service	142,000 revenue hours
Community	24,000 revenue hours
Supplemental School and Partnership	1,700 revenue hours
Muir Woods Shuttle	4,200 revenue hours
Yellow School Bus Service	4 buses
West Marin Stagecoach Service	16,500 revenue hours
Marin Access Shuttle	1,500 revenue hours
Local Paratransit Service	30,500 revenue hours
Regional Paratransit Service	5,665 revenue hours
Mobility Wallet	25,000 trips
Volunteer Driver	10,000 trips

The operating expense budget (Table 2) of \$46.6 million is a three percent increase over the FY2024/25 budget and provides for a similar level of fixed route service (Figure 3) and a 1.6% increase in the budgeted level of Paratransit. Fixed route passengers by fiscal year are shown in Figure 4. Demand response service levels increase slightly based on projected demand and are show in the Marin Access section (Figures 10 &11).

Figure 3: Fixed Route Service Hours by Fiscal Year

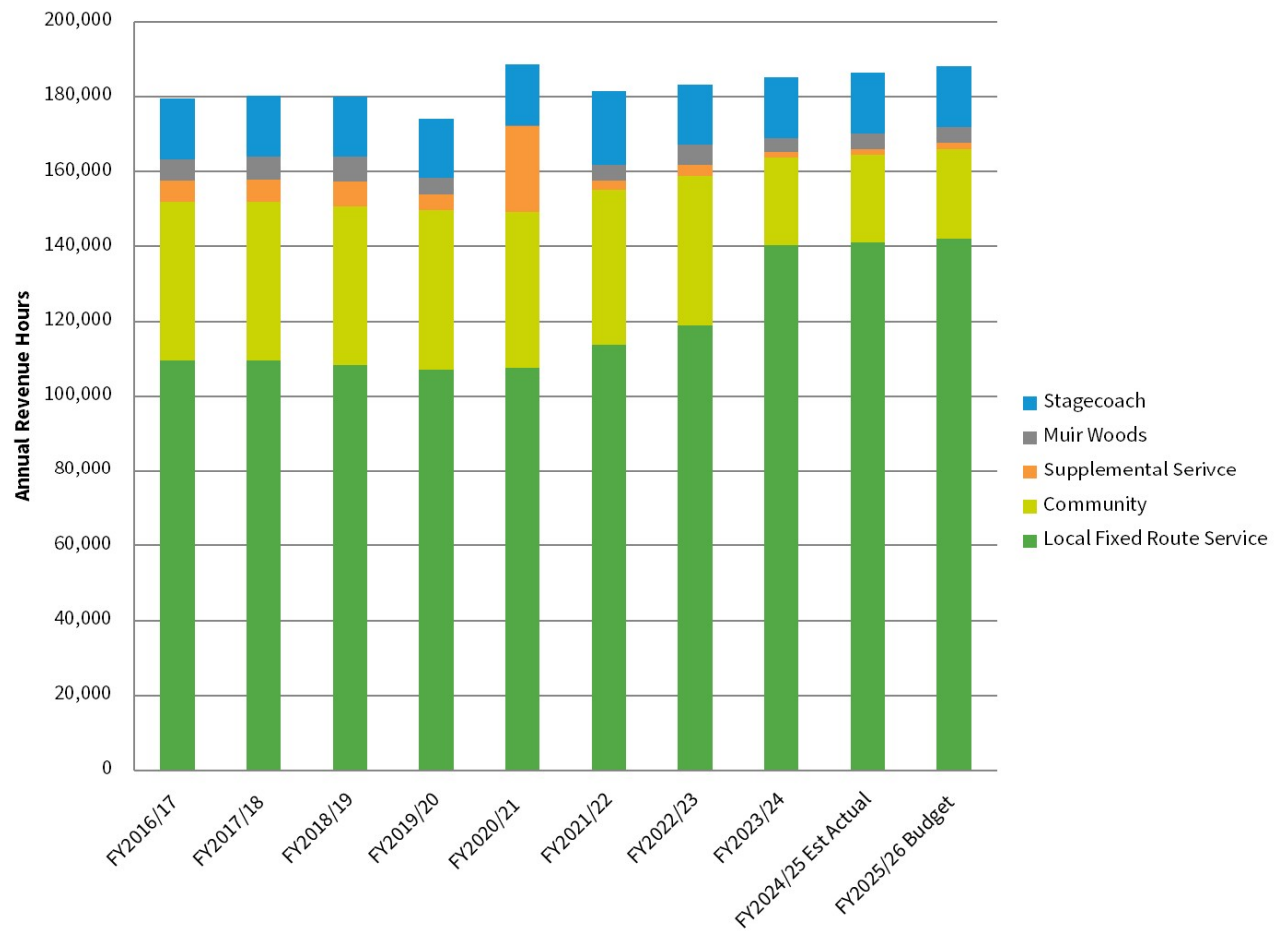


Figure 4: Fixed Route Passengers by Fiscal Year

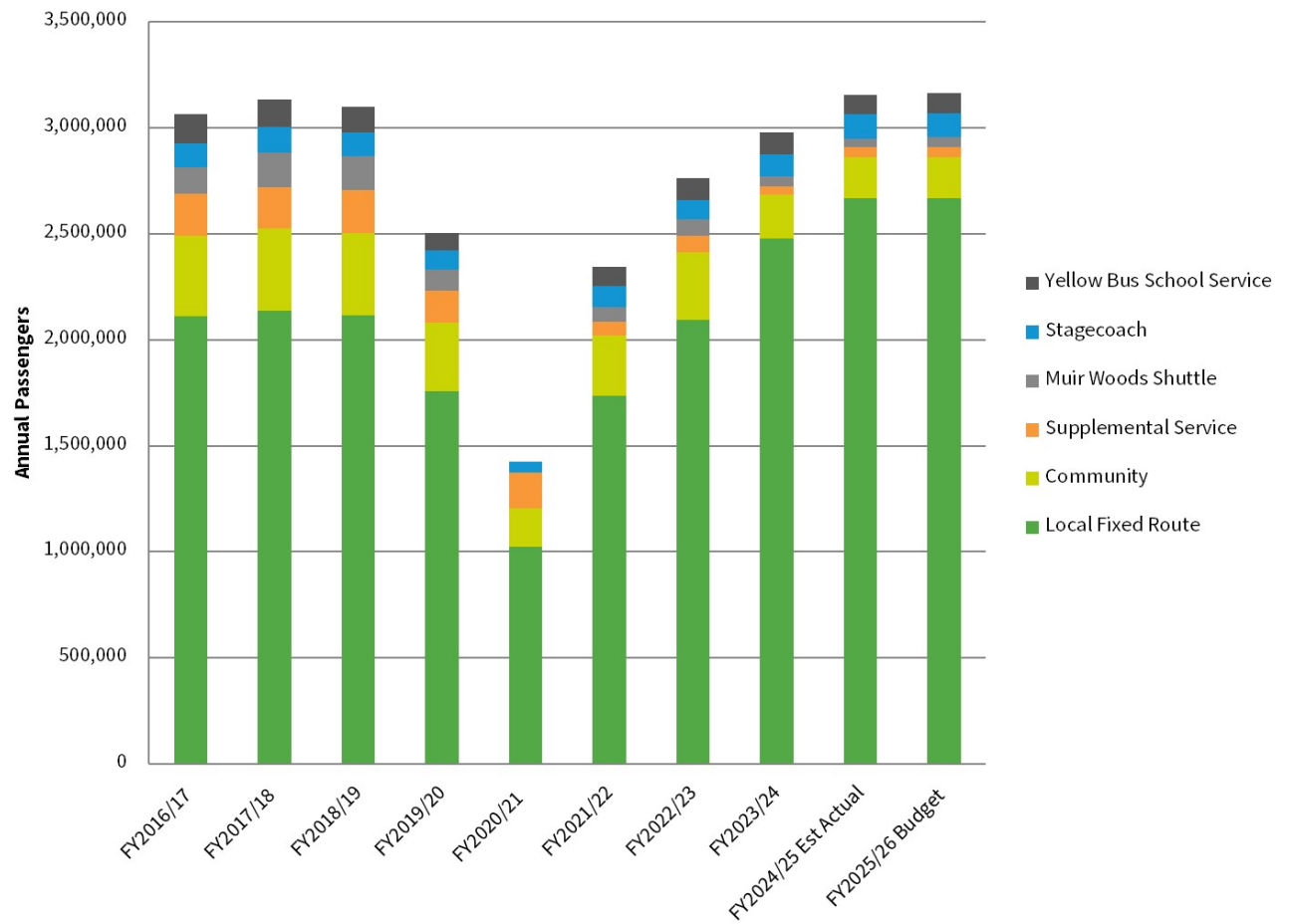


Table 2: Operations Budget (Admin, Local, Yellow Bus, Rural, & Marin Access)

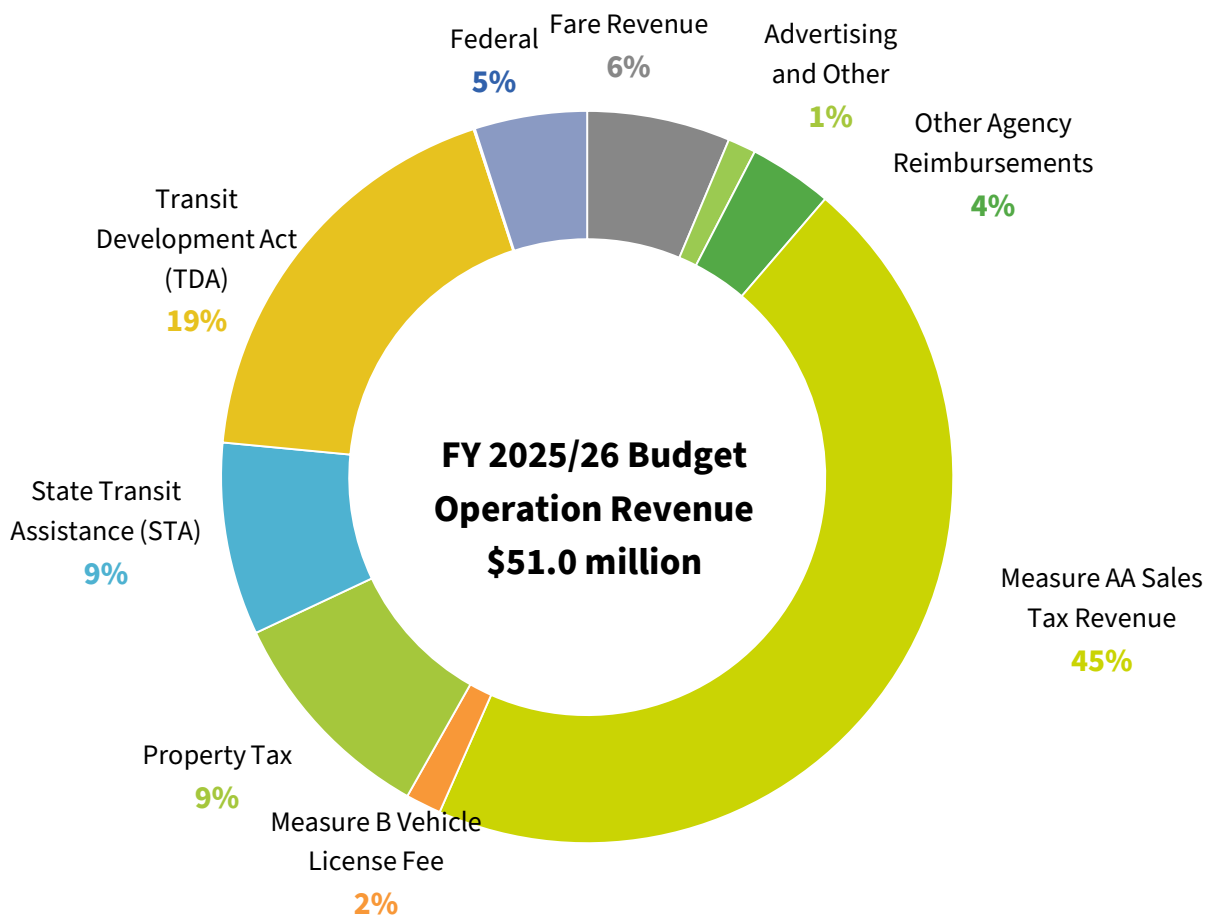
	FY2023/24 Actual	FY2024/25 Revised Budget	FY 2024/25 Estimated Actual	FY 2025/26 Budget	% Δ From FY2025 Budget
Revenue					
Fare Revenue	3,489,555	3,434,005	3,209,380	3,229,767	-6%
Advertising & Other Revenue	48,325	50,000	48,324	51,500	3%
Reimbursements (GGBHTD)	1,493,935	1,521,924	1,684,247	1,888,626	24%
Interest	922,103	800,700	637,195	580,700	-27%
Measure A/AA	18,697,863	18,642,700	18,362,618	23,140,921	24%
Measure B	793,674	913,000	884,372	800,000	-12%
Property Taxes	5,909,281	6,166,642	6,132,305	6,356,290	3%
Development Fees	84,675	84,000	78,592	81,300	-3%
State Transit Assistance (STA)	5,245,116	5,784,253	4,550,031	4,341,027	-25%
Transportation Development Act (TDA)	7,881,923	11,412,830	10,964,082	9,427,686	-17%
Other State	26,132	22,300	29,417	31,150	40%
FTA Funds	1,550,942	1,773,055	2,079,930	1,946,286	10%
National Park Service	548,596	658,047	621,172	585,299	-11%
Transfers to Capital Budget	(4,003)	(5,476,706)	(3,704,189)	(1,414,548)	-74%
Total Revenue	46,688,117	45,786,750	45,577,476	51,046,004	11%
Expenses					
Salaries and Benefits	3,317,126	3,833,506	3,719,431	4,224,739	10%
Professional Service	622,871	692,088	330,288	723,291	5%
Professional Service- Legal	27,563	154,500	40,448	159,135	3%
Security and Maintenance	195,017	260,783	175,078	189,464	-27%
Mobility Management Programs	6,472	63,506	5,877	543,500	756%
Grants to Other Agencies	771,899	768,388	779,367	715,915	-7%
Materials and Supplies	349,611	405,102	353,444	476,169	18%
General Insurance	125,419	162,000	143,826	193,000	19%
Purchased Transportation	32,699,205	35,065,755	34,414,784	36,064,095	3%
Membership & Prof Development	71,176	91,000	79,177	90,000	-1%
Mileage and Travel	23,933	26,500	18,089	26,000	-2%
Marketing	105,570	169,486	149,497	175,781	4%
Communication	171,859	268,648	250,745	336,295	25%
Fuel	2,948,794	3,563,954	2,635,189	3,324,895	-7%
Utilities (Facility)	55,363	70,072	66,820	77,416	10%
Vehicle and Vehicle Parking Leases	27,130	27,944	27,075	27,288	-2%
Office - Rental and Overhead	182,960	192,000	190,718	194,596	1%
Transfers to Capital Budget	(168,764)	(525,121)	(634,544)	(919,176)	75%
Total Expenses	41,533,204	45,290,111	42,745,309	46,622,403	3%
Net Revenue Over Expenditures	5,154,913	496,639	2,832,167	2,723,601	

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

Figure 5: Revenue Sources for FY 2025/26 Budget



To develop revenue projections for the FY 2025/26 budget, staff referred to Metropolitan Transportation Commission (MTC) revenue projections for STA and TDA, used TAM's allocation numbers for Measure AA, and reviewed recent economic indicators. Both Measure AA and state Transportation Development Act funds (TDA) are generated from Marin County sales tax. Sales tax numbers have not been growing and TAM projects no growth for FY2024/25 and a 0.5% decline for FY2025/26. The state revenues based on sales tax include more optimistic projections and may require revisions.

Revenue Variances

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

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

Revenue Category	FY 2025/26 Budget	Variance from Prior Year Budget		Notes
		Amount (\$)	%	
Reimbursements (GGBHTD & COM)	\$1,888,981	\$367,057	24%	GGBHTD payments for regional paratransit increase due to increases in service levels and the budget for College of Marin (COM) funds paying for service relative increases to reflect current revenue level.
State Transit Assistance (STA)	\$4,341,027	(\$1,443,226)	-25%	Decrease due to less funds available in FY 2025/26 combined with prior year having carryforward funds
Transportation Development Act (TDA)	\$9,427,686	(\$1,985,144)	-17%	Decrease due to less funds available in FY 2025/26 combined with prior year having carryforward funds
Transfers to Capital Budget	(\$1,414,548)	\$4,062,158	-74%	Less property tax revenue needed in FY2025/26 for capital projects. The prior year was atypical due to the purchase of fixed route facility property.

Reimbursements revenue increases due to increased costs for regional paratransit service funded by GGBHTD and due to increased allocation of funding from College of Marin for service operations.

State Transit Assistance Funds (STA) funds are allocated in accordance with state statute where 50% is based on (a) locally generated revenue expended on transit operations (revenue-based) and 50% is based on (b) the population of the County (population-based). The three eligible transit operators in Marin County – Marin Transit, GGBHTD, and Sonoma-Marín Area Rail Transit (SMART) – signed an agreement in FY 2017/18 to split population funds based on ridership and service provided to address MTC's STA Population-Based Policy (MTC Resolution 4321). Marin Transit's share of population-based funds has

increased post-pandemic due to the higher retention of passengers and service during the pandemic than other operators. For FY2025/26 the District's share is 52%, compared to 40% pre-pandemic. The budget includes the expenditure of \$2.5 million of revenue-based STA funds based on operations needs and will have a reserve of \$1.8 million in revenue-based funds.

Transportation Development Act (TDA) funding is generated from sales tax. The prior year claim, FY2024/25, includes significant carryforward, there is a baseline 2% increase included in the FY2025/26 projection but since there are no carryforward funds in FY2025/26, TDA revenue is 17% lower than the prior year budget. The County Auditor is also projecting 2% growth in FY2024/25 over the updated FY2023/24 projection. The District's share of TDA drops from 57.7% to 56.3% as Golden Gate Transit has slowly recovered ridership.

District Operations Expenses

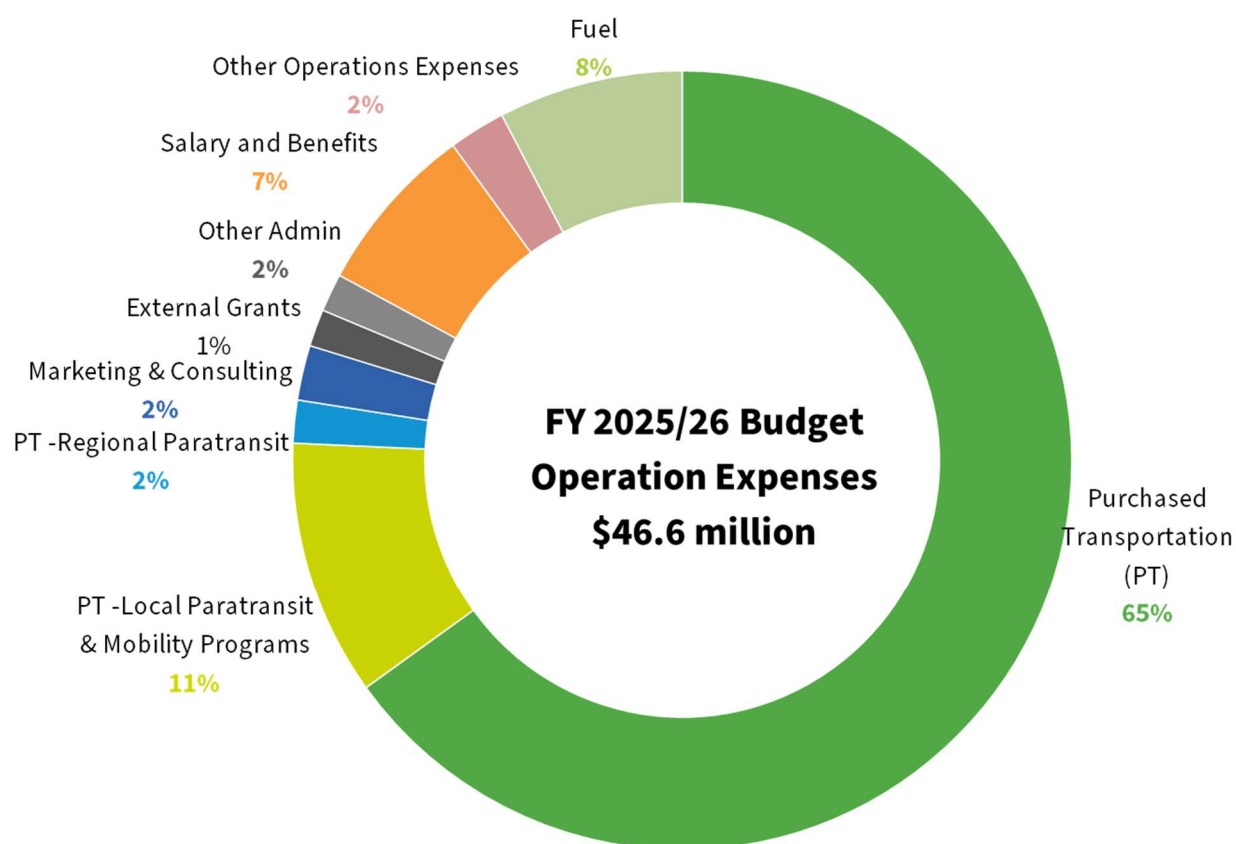
Marin Transit provides local transit service through purchased transportation contracts. Under this structure, the majority of District operations expenses (Figure 6) are for contract service operations (76%) and associated fuel (8%) and other operations expenses (2%). The contract service operations budget includes local paratransit, regional paratransit and fixed route purchased transportation.

The following sections discuss information and trends on general agency costs including staffing, consulting, fuel, and marketing. More detailed operations and service costs are discussed in later sections that correspond to the District's program areas: Local Service, Yellow Bus, Rural Service, and Marin Access. The District's operations budget is 3% higher than the FY2024/25 budget which is comparable to inflation. Specific budget categories with variances greater than \$100,000 and more than 5% are summarized in Table 4.

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

Expense Category	FY 2025/26 Budget	Variance from Prior Year Budget		Notes
		Amount (\$)	%	
Salaries and Benefits	\$4,224,739	\$391,233	10%	Additional grant funded position, additional operations position plus increase for merit based salary increases and promotions
Mobility Management Programs	\$543,500	\$479,994	756%	Shift of Catch -A-Ride rider subsidies from a Purchased Transportation Cost to Mobility Management cost
Transfers to Capital Budget	(\$919,176)	(\$394,055)	75%	Significant increase in staff time budgeted to capital projects including the new grant funded facilities position.

Figure 6: Operations Expenses for FY 2025/26 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 FY2025/26 budget includes the same number full-time staff and a slight change to the hours for the seasonal employees for the Muir Woods Shuttle. Table 5 and Figure 7 show the budgeted 21.5 Full Time Equivalents (FTEs) and organizational chart. The budget includes a 5% vacancy rate, which is lower than prior years (10%) since the District currently has no vacant positions.

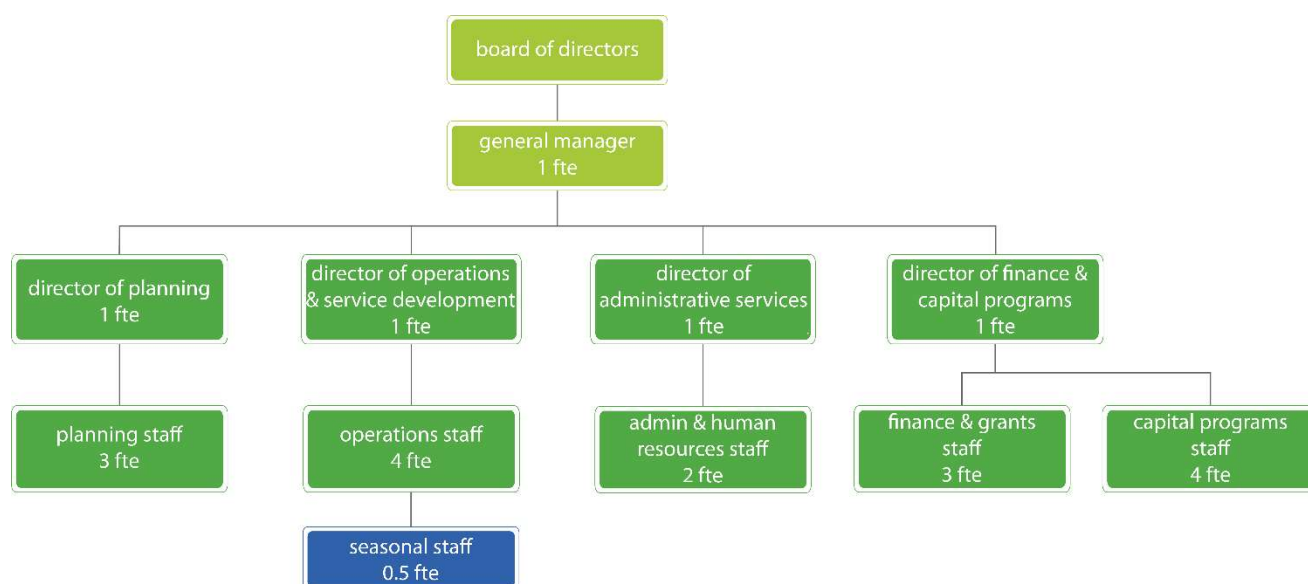
Table 5: Personnel Counts (FTE)

	FY 2023/24	FY 2024/25	FY 2025/26
Budget	20.2	21.3	21.5
Actual	17.2	18.6 (Est Actual)	-

The FY2025/26 salary and benefits budget increases 10% compared to the prior year budget. Six percent of this increase is due to the change in the vacancy rate. The remaining 4% increase allows for merit based salary increases and accounts for increases in benefit rates.

Based on the District's employment framework, the top and bottom of the salary band for each classification will be increased on July 1, 2026 by the consumer price index (CPI)² as of February. CPI increased more modestly by 2.7% in February and salary bands will be increased accordingly. Marin Transit has a merit-based salary framework and there is no guaranteed cost of living increases. The budget includes the capacity to account for inflation and for merit-based adjustments and promotions.

Figure 7: Marin Transit FY 2025/26 Organization Structure



Fuel

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

Fuel prices are known to be volatile and Marin Transit's budget includes capacity for price fluctuations. After diesel prices increased 80% in FY2021/22, prices started declining again in July 2022. Current prices have come down from the peak and there are signs the market is normalizing but prices remain high. The

² Bay Area CPI February 2025– 2.7%, bls.gov

FY2025/26 budget for fuel is 26% above the estimated actual for the current year and 7% lower than the current year budget.

The budget also includes electric power costs for the District's electric buses. Marin Transit owns six electric vehicles. Two are charged at the GGBHTD Andersen Drive facility and four are charged at Marin Transit's Rush Landing yard. The budget includes \$3,500 per month for electrical power to charge each vehicle.

Administration Budget

Expenses in the administration budget include: staff salaries and benefits, audit fees, insurance, travel costs, professional development expenses, office rental, and other associated costs. The administration budget (Table 6) includes revenues and expenses shared by all program areas. While these items are budgeted and recorded under administration, expenses are allocated to the program budgets based on a program's resource usage (i.e., billed staff time). This enables Marin Transit to track the full cost of programs.

For FY2025/26, there is an overall increase of 9% in expenses in the administration budget before program transfers. The Salaries budget increased 12% while the Benefits budget increased 8% (see staffing, page 15). The insurance budget increased to include new cyber security coverages and increases in the general liability and property insurance rates.

Table 6: Administration Budget

GL Code	GL Description	FY 2023/24 Actual	FY2024/25 Budget- Revised	FY2024/25 Estimated Actuals	FY2025/26 Budget	% Δ From FY2024/25 Budget
Revenue						
4070400	Interest	922,103	800,700	637,195	580,700	-27%
4079950	Development Fees	45,589	49,000	47,137	46,300	-6%
4079954	Residual ABX 126	39,086	35,000	31,455	35,000	0%
4080101	PropTax-CurrntSecured	5,185,538	5,468,100	5,429,151	5,646,317	3%
4080102	County Fee-Admin Basic Tax	(59,603)	(68,959)	(67,143)	(71,027)	3%
4080103	Property Tax-Unitary	53,542	50,000	51,000	52,000	4%
4080104	PropTax-CurrntUnSecur	108,969	90,000	90,000	95,000	6%
4080105	Educ Rev Augm Fund-Redist	510,865	513,500	520,435	520,000	1%
4080106	PropTax-Supp CY SECR	97,015	100,000	95,000	100,000	0%
4080107	PropTax-Supp Unsecured	6,279	5,000	4,801	5,000	0%
4080108	PropTax-Redemption	984	3,500	2,861	3,000	-14%
4080109	Property Tax-Prior Unsecured	5,692	5,500	6,200	6,000	9%
4119940	Other	192	300	191	150	-50%
Subtotal Revenue		6,916,251	7,051,641	6,848,283	7,018,440	0%
4700001	Property Tax Transfer	(1,643,981)	(6,032,032)	(3,795,691)	(2,116,476)	-65%
Net Revenue		5,272,270	1,019,609	3,052,592	4,901,964	381%
Expense						
5010200	Salaries	2,020,831	2,376,983	2,345,963	2,658,607	12%
5020000	Benefits	1,296,294	1,456,523	1,373,468	1,566,132	8%
5030301	Consultant Services	185,859	240,400	154,738	248,405	3%
5030304	Prof Svcs - Legal	27,563	154,500	40,448	159,135	3%
5030305	Prof Svcs - Audit	36,571	38,500	38,034	39,600	3%
5030701	Security Services	1,843	3,000	4,548	5,000	67%
5049901	Office Supplies	6,220	14,626	6,475	15,000	3%
5049902	Small Furn/Equip	7,306	10,300	6,830	10,500	2%
5049903	Software Maintenance	108,247	97,850	98,298	110,000	12%
5049904	Copier Suppl & Srvc	8,113	10,300	8,598	10,609	3%
5049905	Postage	4,970	9,000	199	5,000	-44%
5049906	Computers	32,525	23,690	18,000	24,000	1%
5050201	Communication - Phone	32,922	37,500	35,350	38,000	1%
5060301	Insurance	125,419	162,000	143,826	193,000	19%
5090101	Memberships & Prof Dev.	71,176	91,000	79,177	90,000	-1%
5090202	Mileage and Travel	23,933	26,500	18,089	26,000	-2%
5090801	Marketing	17,160	15,000	11,856	15,450	3%
5121200	Office Rental	180,444	192,000	190,718	194,596	1%
Subtotal Expense		4,187,396	4,959,672	4,574,615	5,409,034	9%
5100100	Salary/Benefit Transfers	(3,449,455)	(3,773,191)	(3,821,314)	(4,217,281)	12%
5100101	Transfer Overhead	(718,177)	(658,490)	(574,029)	(714,325)	8%
Net Expense		19,764	527,991	179,272	477,428	-10%

Local Fixed Route Service

The local service budget (Table 8) includes all revenues and expenses related to the provision of fixed route bus service, excluding rural bus service. Major programs in the local service budget include local fixed route, community service, supplemental school, and the Muir Woods seasonal shuttle. Purchased transportation and fuel account for 88% of the budgeted costs. Other major expenses in the local service budget include consultant services for stop-level ride checks, service contract audits and reviews, communications, marketing, and staff time for contract oversight. This budget also includes costs and revenues for special projects such as the youth pass and Homeward Bound tickets.

The local service budget for FY2025/26 is \$33.5 million (Table 8). It represents a 3% increase over the prior year revised budget and provides for a similar level of service (Figure 8).

Services are operated under contract to Marin Airporter (Local, Community, and Supplemental School). Select Local services are also operated through an inter-agency agreement with GGBHTD. A new simplified agreement with GGBHTD went into effect October 1, 2022; it includes additional components like customer service. The purchased transportation contract hourly rates for services are shown in Table 7.

Table 7: Local Budget Service Levels

Service Type	FY 2025/26 Budgeted Service (Rev Hrs)	Effective Contract Cost Per Rev. Hour (without fuel)	Notes
Fixed Route – Operated by GGBHTD	74,000	\$162.94	Contract rate increases 0.2%; contract includes customer service costs
Fixed Route – Operated by Marin Airporter	91,975	\$150.21	Fixed and variable contract, effective hourly rate increases 12%
Supplemental School – Operated by Marin Airporter	1,725	\$150.21	Fixed and variable contract, effective hourly rate increases 12%
Muir Woods Shuttle	4,200	\$190.60	Rate includes equipment and fuel, billed by vehicle per day

Local Service Revenue

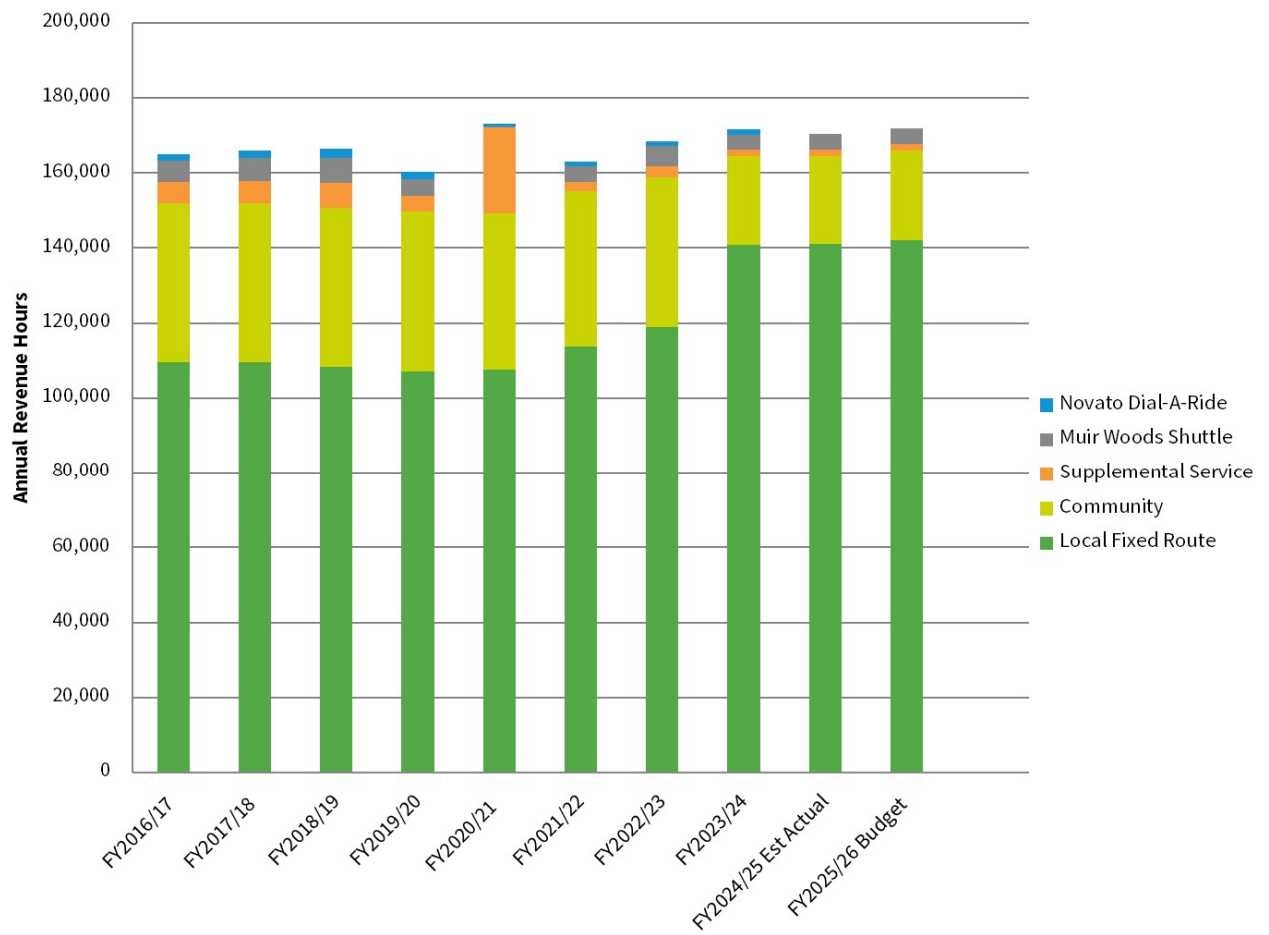
Local service is funded with a combination of fare revenue, advertising revenue, Measure AA local sales tax funds, Transportation Development Act (TDA), State Transit Assistance (STA), and federal grants. Measure AA sales tax funds in the local budget include both sub-strategy 4.1 - *Local Bus* funding and sub-strategy 4.4 - *School Service* funds for providing supplemental school service focused on high schools. Total Measure AA local sales tax revenues budgeted for local service are \$18.0 million and include expenditure of \$7.6 million in carryforward funds. Measure AA funding is critical for maintaining operations and is 54% of budgeted revenues for local service.

There continues to be large swings in state revenue due to under and over projections of prior year funds combined with the end of federal relief funds. Transportation Development Act (TDA) funds are 17% lower than last fiscal year and State Transit Assistance is 34% lower.

Fare revenues are budgeted based on ridership and average fare per passenger. The average fare per passenger in FY2024/25 shows a decline compared to the previous year. This is likely due to increases in monthly pass usage and additional promotional free fare days. Marin Transit recently implemented Automatic Passenger Counters that should result in more accurate and complete passenger counts. The implementation of the Next Generation Clipper system and the shift to a single tag system is anticipated to allow for a significant increase in passengers using Clipper for payment. This shift is not anticipated to have a significant impact on the value of fares collected, however there may be some additional costs associated with ongoing Clipper maintenance fees as usage increases.

Marin Transit provides fare subsidy programs for riders who demonstrate financial hardships. These programs reduce overall fare revenues and include the youth pass program which provides free fixed route transit to low-income youth, Homeward Bound that provides free fixed route transit to people participating in social service programs, and the regional Clipper Start program that provides fare discounts to low-income passengers. Marin Transit also maintains a low base fare and deeply discounted monthly and daily pass products to help ensure transit is affordable for all passengers. The low-income youth fare program is budgeted to distribute \$500,000 in free fares and Marin Transit distributes about \$100,000 in free fares through the Homeward Bound program.

Figure 8: Local Service Level by Fiscal Year



See Figure 4 for local passengers by fiscal year.

Table 8: Local Service Budget

GL Code	GL Description	FY 2023/24 Actual	FY2024/25 Budget- Revised	FY2024/25 Estimated Actuals	FY2025/26 Budget	% Δ From FY2024/25 Budget
Revenue						
4060301	Advertising Revenue	337,289	350,000	177,188	200,022	-43%
4070301	Lease of Property	48,324	50,000	48,324	51,500	3%
4090101	Local Government Payments	11,792	0	213,779	239,889	-
4092001	Measure A Sales Tax	712,000	61,039	61,038	0	-100%
4092005	Measure AA Sales Tax	12,905,349	13,500,000	13,462,153	17,950,000	33%
4110101	State Transit Assistance (STA)	5,185,116	4,224,253	2,990,031	2,781,027	-34%
4110102	Transit Development Act (TDA)	7,881,923	11,412,830	10,964,082	9,427,686	-17%
4119911	State SREC Credits	7,579	6,000	17,225	15,000	150%
4139912	Fed- FTA 5307	284,002	0	0	0	-
4139951	National Park Service	548,596	658,047	621,172	585,299	-11%
4140100	Fare Revenue	2,364,674	2,213,000	2,191,433	2,193,300	-1%
Subtotal Revenue		30,286,644	32,475,169	30,746,425	33,443,723	3%
4700001	Property Tax Transfer	137,566	100,000	19,130	60,798	-39%
4700002	Program Revenue Transfer	110,369	100,000	111,570	-	-100%
Total Revenue		30,534,579	32,675,169	30,877,125	33,504,521	3%
Expense						
5030301	Consultant Services	331,055	267,800	31,321	283,834	6%
5030310	Fare Processing Charges	51,234	23,340	35,611	36,000	54%
5030501	Bus Stop Maintenance	105,172	160,000	83,431	50,000	-69%
5030602	Coustodial Service	13,043	33,283	17,653	30,246	-9%
5030604	Facility Maintenance	33,638	41,200	39,497	42,436	3%
5040101	Fuel	2,131,968	2,471,839	1,771,830	2,269,600	-8%
5040160	Electrical Power	94,701	222,789	160,768	252,982	14%
5040180	Utilities (facility)	40,339	38,245	43,334	44,634	17%
5049902	Small Equipment	11,935	10,609	7,567	10,927	3%
5049904	Software	47,219	65,000	86,223	120,000	85%
5050205	Communication	94,517	157,430	152,322	224,442	43%
5080101	Purchased Transportation	24,373,401	25,987,128	25,489,982	26,992,746	4%
5090801	Marketing	55,020	95,000	89,786	97,850	3%
Subtotal Expense		27,383,242	29,573,663	28,009,325	30,455,697	3%
5100100	Salary/Benefit Transfers	2,608,290	2,664,770	2,463,744	2,599,839	-2%
5100101	Overhead Transfer	543,046	436,817	370,054	441,738	1%
Total Expense		30,534,578	32,675,250	30,843,123	33,497,274	3%

Yellow School Bus Service

Marin Transit strives to provide fixed route service to high schools in the urbanized areas of Marin County, but recognizes that school transportation for younger students, and in rural areas, is often more appropriately provided by yellow school bus service. Measure AA designated local sales tax resources to help fund yellow school bus services. The FY2025/26 budget (Table 9) includes revenue and expenses associated with the operations of the following components to support yellow bus service:

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

(A) Management of the Ross Valley yellow bus program - In FY 2025/26 Marin Transit will continue to manage operations, service contracts, and pass sales for four yellow buses serving Ross Valley schools. Annually, Marin Transit makes several assumptions to develop the budget and price the passes for the upcoming school year and presents a draft and final budget to the Ross Valley Yellow School Bus program Joint Exercise of Powers Agreement (JEPA) Joint Committee for its review and approval. These assumptions may need to be adjusted as additional information on service levels, pass prices and contributions from other local agency partners such as the County of Marin, the Town of San Anselmo, and the Town of Fairfax are finalized.

(B) Distribution of Measure AA funding to existing Marin County yellow bus programs - With the passage of Measure AA, a new sub-strategy for school transportation was established. The Marin Transit Board adopted guidelines for a third three-year distribution program at the April 2025 board meeting. The FY2025/26 program will continue the same distribution level of \$1.1 million, which includes a \$300,000 per year spend down of the Measure AA school strategy, carryforward balance. The allocations will be made to following school districts:

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

(C) General staffing support for the development of yellow bus service in Marin County- Marin Transit will continue to document need, facilitate and provide planning support for new service, and help develop and sustain yellow bus service in Marin County. For FY2025/26 this includes reimbursements from the Tiburon Peninsula Traffic Relief JPA for yellow bus parking and associated costs to support the Reed Union School District bus program, shown as Local Government Payment.

Table 9: Yellow School Bus Service Budget

GL Code	GL Description	FY 2023/24 Actual	FY2024/25 Budget- Revised	FY2024/25 Estimated Actuals	FY2025/26 Budget	% Δ From FY2024/25 Budget
Revenue						
4030000	Fares- Paid By Other Agencies	171,000	177,840	177,840	185,000	4%
4090101	Local Gov. Payments	14,110	18,969	14,560	14,244	-25%
4092005	Measure AA Sales Tax	1,092,330	1,108,348	1,119,715	1,106,436	0%
4140105	Fare Revenue - Yellow Bus	337,593	422,665	380,000	364,750	-14%
Subtotal Revenue		1,615,033	1,615,033	1,727,822	1,692,115	1,670,430
Expense						
5030301	Consultant Services	11,102	5,000	2,841	5,000	0%
5030310	Fare Processing Charges	11,961	13,803	11,069	11,145	-19%
5030602	Custodial Service	545	0	480	600	-
5049903	Software	1,383	0	1,168	0	-
5080103	Yellow Bus School Service	755,237	791,280	791,280	830,880	5%
5090801	Marketing	0	500	44	500	0%
5098050	Grants to External Yellow Bus Programs	771,899	768,388	779,367	715,915	-7%
5120401	Leases and Rentals	27,130	27,944	27,075	27,288	-2%
Subtotal Expense		1,579,257	1,606,915	1,613,324	1,591,328	-1%
5100100	Salary/Benefit Transfers	108,300	131,286	64,996	-19%	-19%
5100101	Transfer Overhead	22,548	19,719	18,220	-23%	-23%
Total Expenses		1,710,105	1,710,783	1,764,329	1,674,544	-2%

Rural Service

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

Rural service provides lifeline connections to the rural communities of Marin County and Marin Transit continues to provide 16,500 revenue hours of service (Figure 9, Table 10). During the COVID-19 pandemic, Marin Transit temporarily added 1,050 service hours to Route 61 to address overcrowding due to capacity limits. The increase can be seen in Figure 9 in FY2021/22. Ridership on the rural service was impacted by the pandemic but has normalized (Figure 10).

Figure 9: Rural Service Revenue Hours by Fiscal Year

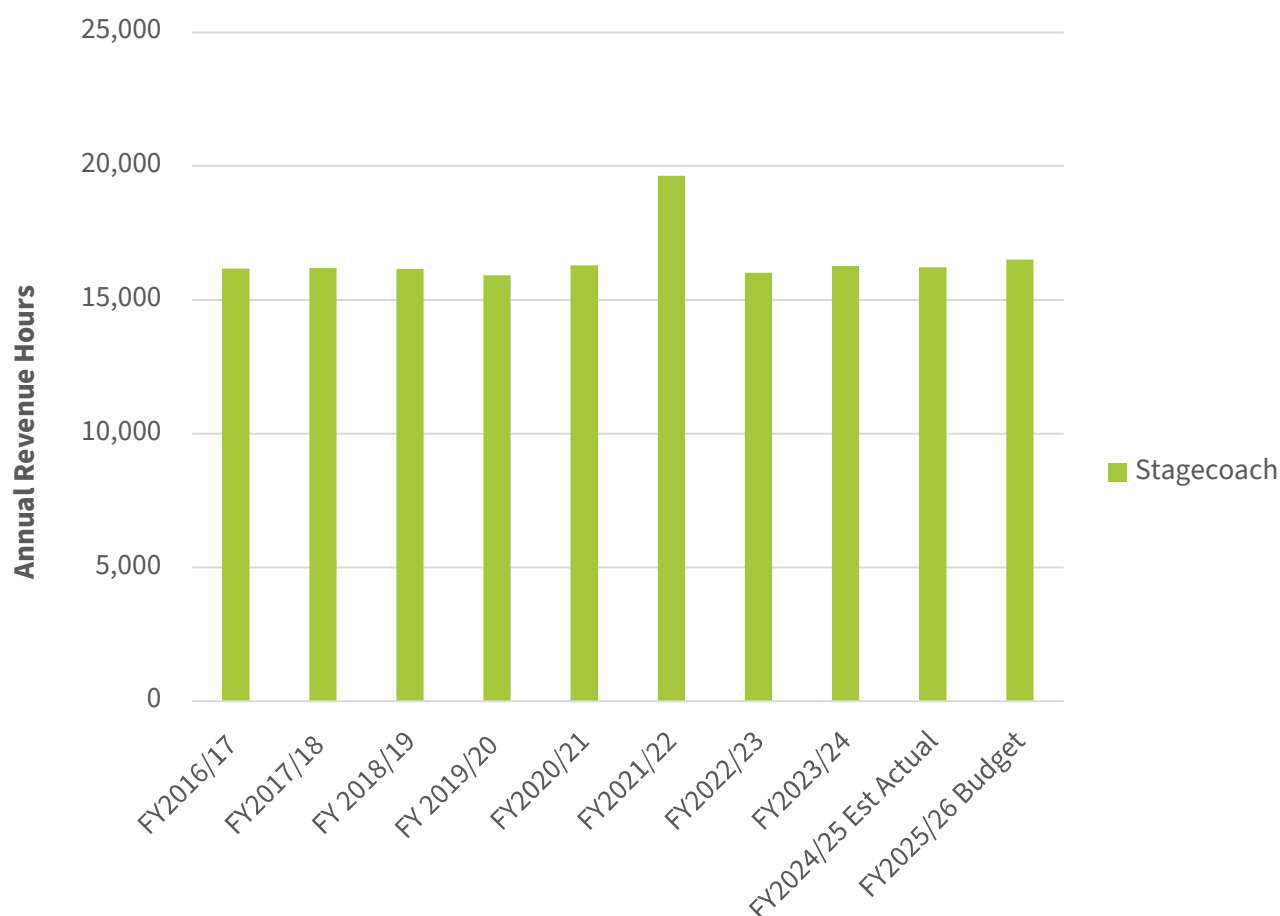


Figure 10: Rural Service Ridership by Fiscal Year

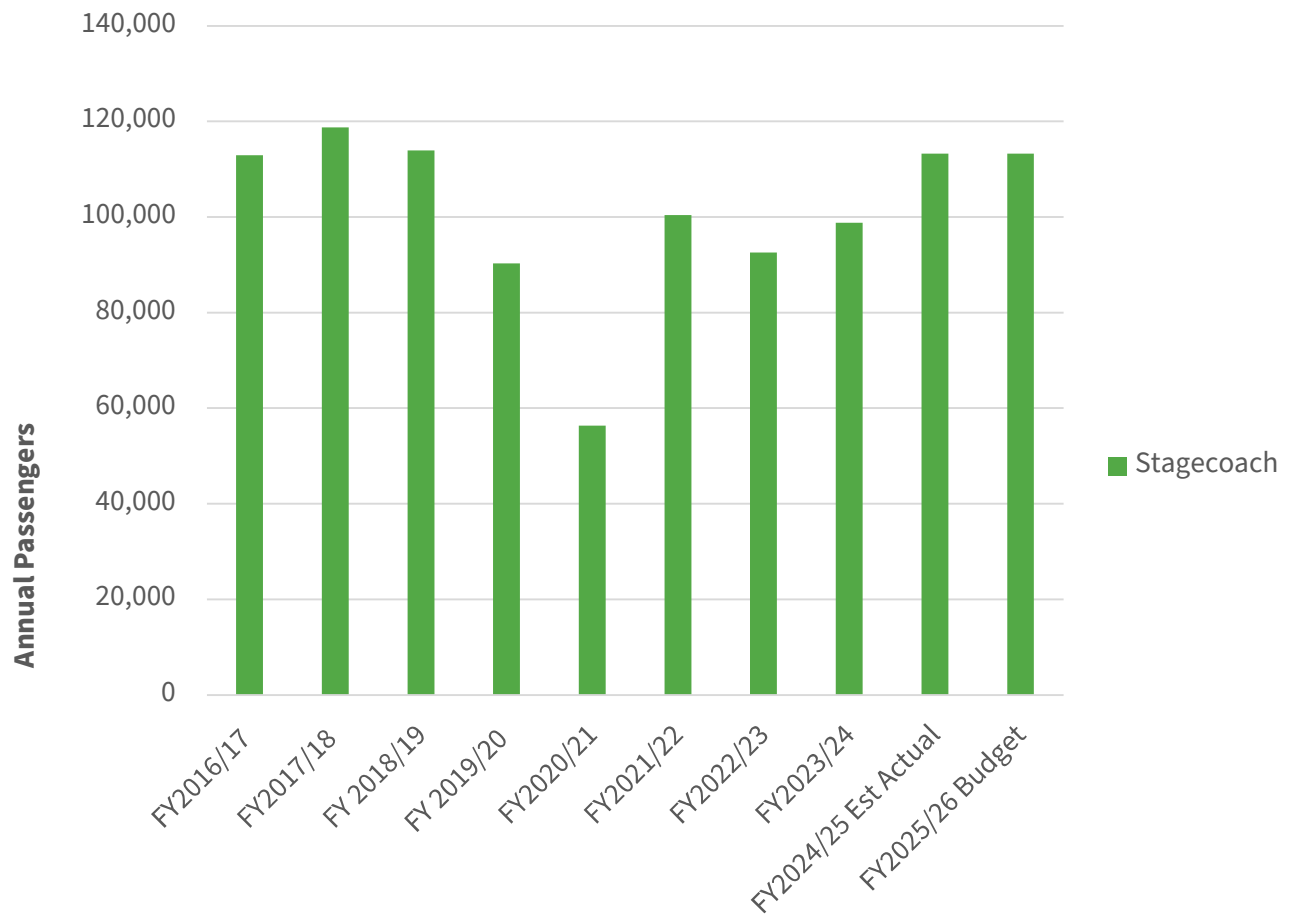


Table 10: Rural Budget Service Levels

Service Type	Service Level (Revenue Hours)	Contract Cost Per Hour (without fuel)	Notes
West Marin Stagecoach	16,500	\$150.29	Fixed and variable contract, effective hourly rate increases 12%

The rural service budget (Table 11) includes contract service operations, marketing, fuel, communications, and Marin Transit staff expenses. Rural service has historically been funded with a combination of local sales tax funds and Federal Transit Administration (FTA) Section 5311 rural funding. Marin Transit receives 3% of the County Measure AA local sales tax funds for Rural service and all funding is program to the Stagecoach service. Marin Transit is not in the current programming of Section 5311 funds due to Caltrans notifying staff our contract was ineligible. This policy has been recently reversed, and staff will apply for funding in the next funding cycle. STA revenue-based funds are budgeted to fully fund the rural operations

costs. These roll-over funds from prior years will help fund the program until the Section 5311 funds are restored.

Table 11: Rural Service Budget

GL Code	GL Description	FY 2023/24 Actual	FY2024/25 Budget- Revised	FY2024/25 Estimated Actuals	FY2025/26 Budget	% Δ From FY2024/25 Budget
Revenue						
4092001	Measure A Sales Tax	57,672	4,944	4,944	0	-100%
4092005	Measure AA Sales Tax	926,812	933,109	860,212	884,485	-5%
4110101	State Transit Assistance (STA)	0	1,500,000	1,500,000	1,500,000	0%
4139920	Fed-FTA 5311 Rural	413	0	285,237	0	-
4140100	Fare Revenue	77,818	70,000	76,272	76,000	9%
Subtotal Revenue		1,062,715	2,508,053	2,726,665	2,460,485	-2%
4700001	Property Tax Transfer	1,442,593	255,326	0	634,885	149%
Total Revenue		2,505,308	2,763,379	2,726,665	3,095,370	12%
Expense						
5030301	Consultant Services	0	16,480	0	16,975	3%
5040101	Fuel	268,984	338,697	320,256	359,995	6%
5049902	Small Equipment	118	5,000	0	5,000	0%
5050205	Communication-AVL	-1,359	19,868	15,984	18,215	-8%
5080101	Purchased Transportation	2,051,073	2,207,290	2,208,525	2,478,505	12%
5090801	Marketing	5,882	21,855	16,023	22,510	3%
Subtotal Expense		2,324,698	2,609,190	2,560,788	2,901,200	11%
5100100	Salary/Benefit Transfers	149,488	140,495	144,216	151,657	8%
5100101	Transfer Overhead	31,123	41,273	21,661	42,513	3%
Total Expenses		2,505,309	2,790,958	2,726,665	3,095,370	11%

Marin Access (Paratransit and Mobility Management)

The Marin Access budget includes Marin Access mandated ADA paratransit services for both local and regional trips and Marin Access shuttles and includes associated costs for fuel, customer service, scheduling and dispatch software, and marketing. The Marin Access budget also includes Marin Transit's Mobility Management services which include complementary mobility programs (volunteer driver and new Mobility Wallet) and enrollment/eligibility, program referral, travel training, and financial assistance via the Marin Access Fare Assistance program.

The purpose of the Mobility Management program is to increase mobility for the County's older adults and those with disabilities in need of transportation services and provide cost effective and improved alternatives to paratransit. The program goes beyond the legal requirements of the Americans with Disabilities Act (ADA) using funding from local Measure B and Measure AA. Demand for ADA paratransit has been lower following the pandemic in part because there are new mobility providers and alternative ways to access services and goods for this population of riders. Marin Transit staff continuously monitors these programs to ensure they meet the mobility needs of the populations they are designed to serve.

The FY 2025/26 budget for Marin Access (Table 14) is \$7.9 million, a 4% increase compared to the prior year's budget. The increase is due to raising the budget for billed staff time to align with current actuals, an increase in regional paratransit service demand, and annual cost increases for purchased transportation. The budgeted Regional paratransit hours are 15% high than the prior year budget. The budgeted Local paratransit hours are only 2% higher than prior year budget, but because fewer hours are being operated than projected, the FY2025/26 budgeted local paratransit hours are 10% higher than the current year estimated actuals. This allows for an increase in demand for ADA mandated service (Figure 11). Passengers by program are shown in Figure 12.

Current Services are described below and shown in Table 12:

Marin Access ADA paratransit service provides demand-response trips to passengers certified as unable to use the fixed route system either all, or some of the time. This includes trips mandated under the federal Americans with Disabilities Act (ADA) as well as trips that go beyond the legal ADA requirements. This service, and a regional paratransit service managed on behalf of GGBHTD, are operated under a single contract to Transdev. Local paratransit service is budgeted at 30,500 revenue hours. GGBHTD pays a share of mandated local paratransit based on their share of fixed route transit service within Marin County (currently 13.58%). The method of calculation was changed in FY2023 with the new GGBHTD service contract and the GGBHTD share was reduced by approximately 5%. 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.

Regional ADA paratransit is fully funded by GGBHTD. The FY 2025/26 budget includes 5,665 revenue hours for regional paratransit service.

Marin Access Shuttles are a rebranded program (as of July 1, 2024) operated by Transdev and includes components previously operated as Rural Dial-A-Ride. There are currently four shuttles providing service and an expansion of service hours for two of the existing shuttles planned for FY2025/26. The budget includes capacity for additional shuttles and the planned expansion of service hours. FTA Section 5310 funds (Table 13) and Measure B funds are available for the program.

Table 12: Marin Access Budget Service and Program Levels

Service Type	Service Level (Revenue Hours)	Contract Cost Per Hour (without fuel)	Notes
Local Paratransit	30,500	\$148.30	Budgeted hours are 10% over prior year estimated actual and 2% above prior year budget; 13.6% of service is funded by and allocated to GGBHTD.
Regional Paratransit	5,665	\$145.90	Fully funded by GGBHTD
Marin Access Shuttles	1,500	\$108.00	Shuttle program offered in the urbanized and rural areas of the County to fill service gaps; partially funded by FTA 5310 grant funding.
Complementary Mobility Options	Trips/Users	Expense	Notes
Volunteer Driver Reimbursement (STAR/TRIP)	10,000 trips	\$90,000	Financial assistance supporting rider choice mobility. Fully funded by Measure B.
Mobility Wallet - Intro to Mobility	500 users	\$620,000	Into to Marin Access programs including travel training, education and \$200 one-time subsidy for range of mobility providers
Mobility Wallet - MAFA	150 users		Into to Marin Access programs for low-income riders, including travel training, education and \$200 per month subsidy for range of mobility providers
Mobility Management Program	Users	Funding Level	Notes
Travel Navigators	13,000	\$140,000	Support provided to help new users learn how to navigate the transit system and use the programs that are available to them.
Innovation Incubator	NA	\$20,000	Opportunities to support external agencies for innovation projects.
Marin Access Fare Assistance (MAFA)	375	\$120,000	Fare assistance in addition to the mobility wallet program, primarily for paratransit service. Funded by Measure B

Complementary Mobility Programs offered as part of the Mobility Management Program are described below and shown in Table 12:

Marin Transit’s **TRIP and STAR volunteer driver programs** allow Marin County residents that are 65+ or ADA-eligible to identify trusted drivers and provide mileage reimbursements for up to 100 miles per month in urbanized Marin (STAR program) or 400 miles per month in West Marin (TRIP program). The program has a \$90,000 budget and is projected to carry 10,000 passengers per year. This financial assistance supports rider choice mobility.

The new **Mobility Wallet** program is a new offering (as of July 1, 2025). It is a payment card/mobility wallet for subsidy distribution that is expected to improve the experience for riders and program administrators. The payment card, or “mobility wallet,” will allow the District to issue a digital or physical payment card to enrolled riders with pre-loaded value to use with a variety of transportation providers. This program has two components:

Intro to Mobility – For newly eligible riders without income barriers to introduce them to the mobility options available in advance of a critical need. New riders receive a one-time monthly bus pass to use on Marin Transit local bus service, travel training, and a one-time mobility wallet with \$200 to use with external providers such as taxis, Transportation Network Companies (TNCs) like Uber and Lyft, and Non-emergency Medical Transportation (NEMT) providers; and

The **Mobility Wallet** for riders eligible for the Marin Access Fare Assistance (MAFA) provides ongoing subsidies to riders with income barriers to support riders using external transportation providers. MAFA riders will receive up to \$200 per month via the mobility wallet to use on external providers such as taxis, Transportation Network Companies (TNCs) like Uber and Lyft, and Non-emergency Medical Transportation (NEMT) providers.

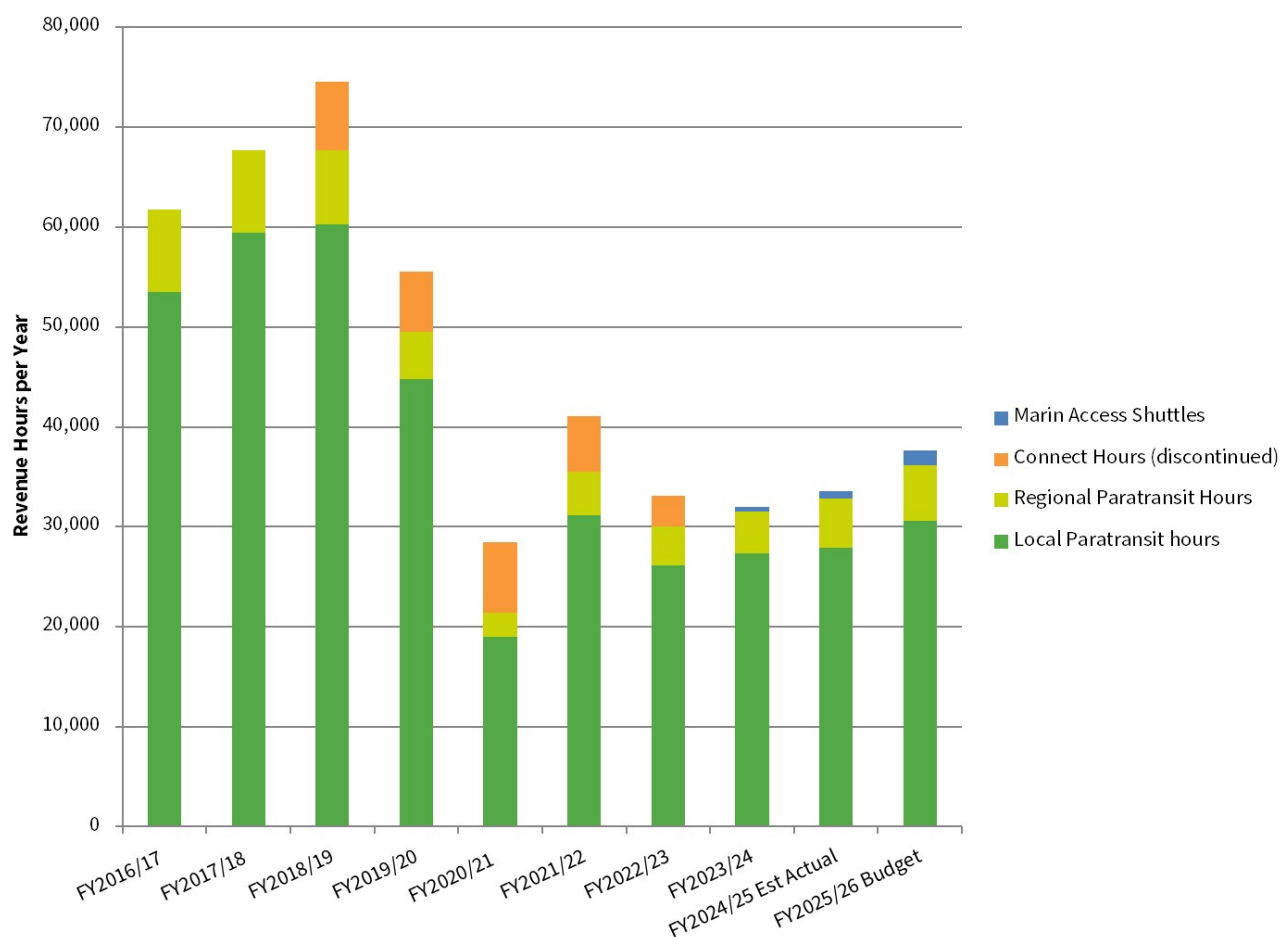
The Marin Access Mobility Management Center supports the Marin Access program by providing enrollment and eligibility determinations, program referral, travel training, and fare assistance for riders with income barriers.

Travel Navigators –Marin Transit established the Marin Access Travel Navigator program in 2010, as a one-stop-shop for information and eligibility on all Marin Access programs. There is currently one full-time Travel Navigator and one full-time Travel Navigator Coordinator staffing the program. This team provides support to riders as they enroll in the programs and determine which mobility options best suit their needs. They also provide travel training, including informational presentations and individualized travel training.

The **Innovation Incubator** program is funded with Measure B funds and provides funding to initiate programs outside of Marin Transit to help fill mobility gaps for Marin Access populations.

The **Marin Access Fare Assistance (MAFA) Program** offers a variety of financial benefits to income-qualified riders including: a free bus pass to use on Marin local bus service, discounted fares on paratransit and the mobility wallet subsidies described above. These discounts are funded by Measure B.

Figure 11: Marin Access Revenue Hours by Program



Marin Access Revenue

Marin Access programs are primarily funded by local sources including Measure AA, Measure B, and property tax, and with federal Section 5307 formula grants. Marin Access receives 9.5% of Measure AA sales tax revenue. In FY2025/26, Marin Transit has \$3.2 million in Measure AA funding for expenditures including \$333,000 in carryforward revenues. Marin Transit receives 35% of the county Measure B vehicle license fee to support the mobility management initiatives. Marin Transit is budgeting \$800,000 of Measure B funding in FY 2025/26, which includes an estimated \$100,000 in unspent prior year allocations.

Fare revenue is projected to be 3% of Marin Access revenues. Marin Transit offers the Marin Access Fare Assistance program to provide fare subsidies to qualified riders with income barriers.

In FY 2025/26, Marin Transit expects to expend \$2.2 million in federal grant awards for Marin Access (Table 13).

Table 13: Marin Access Grant Funding

Program	Source	Total Grant Award	Estimated FY2025/26 Expenditure
Paratransit Operations	FTA Section 5307	\$1,062,610	\$1,062,610
Operating Assistance – Same day Rural (Award year 2021)	FTA Section 5310	\$375,000	\$204,428
Mobility Management - Travel Navigator Project (Award year 2023)	FTA Section 5310	\$597,958	\$502,958
5310 Operating Assistance – Catch A Ride Voucher Project (Award year 2023)	FTA Section 5310	\$760,539	\$380,270
Total		\$2,796,107	\$2,150,266

Figure 12: Marin Access Passenger Trips by Program

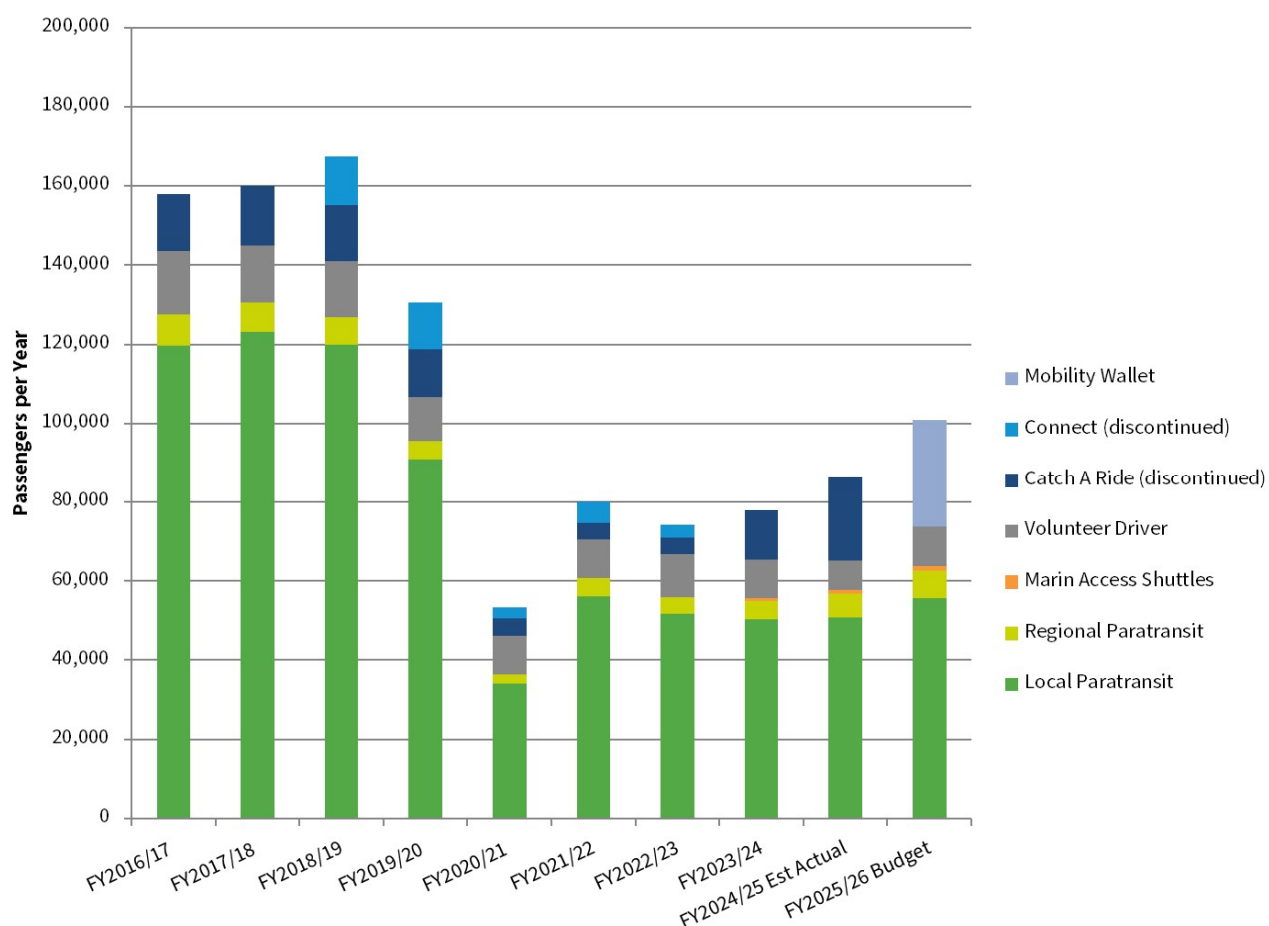


Table 14: Marin Access Budget

GL Code	GL Description	FY2023/24 Actual	FY2024/25 Budget- Revised	FY2024/25 Estimated Actuals	FY2025/26 Budget	% Δ From FY 2024/25 Budget
Revenue						
4092001	Measure A Sales Tax	173,194	14,848	14,848	0	-100%
4092005	Measure AA Sales Tax	2,830,506	3,020,411	2,839,708	3,200,000	6%
4099950	Measure B	793,674	913,000	884,372	800,000	-12%
4110101	State Transit Assistance	60,000	60,000	60,000	60,000	0%
4119910	State Prop Tx Relief HOPTR	18,361	16,000	12,000	16,000	0%
4139910	Fed-FTA 5307 Urbanized Area Form.	1,065,277	1,006,374	1,208,899	1,062,610	6%
4139915	Fed-FTA 5310 Mobility	201,250	766,681	585,794	883,676	15%
4140100	Fare Revenue	201,181	200,500	206,647	210,694	5%
4601003	GGBHTD – Local Paratransit Pmt	668,028	736,916	670,514	726,211	-1%
4601004	GGBHTD – Regional Paratransit Pmt	800,005	766,040	785,395	908,283	19%
Subtotal Revenue		6,811,476	7,500,770	7,268,177	7,867,474	5%
4700001	Property Tax Transfer	59,819	200,000	72,372	6,245	-97%
4700002	Program Revenue Transfer	(110,369)	(100,000)	(111,570)	0	-100%
Total Revenue		6,760,926	7,600,770	7,228,979	7,873,719	4%
Expense						
5030301	Consultant Services	18,156	88,265	63,712	90,333	2%
5030602	Services - Facility	17,707	21,800	22,432	24,444	12%
5040101	Fuel	453,142	530,629	382,334	442,318	-17%
5040160	Utilities (Facility)	15,024	31,827	23,487	32,782	3%
5049902	Small Furn/Equip	0	10,000	0	10,000	0%
5049903	Software	121,751	148,727	120,386	155,133	4%
5050204	Communication-MERA Radio	33,742	34,754	34,463	35,797	3%
5050206	Communication	11,863	19,096	12,326	19,843	4%
5080101	Purchased Transportation - In Report	4,781,903	5,380,048	5,189,692	4,956,742	-8%
5080102	Purchased Transportation - Regional	737,591	700,009	735,305	826,754	18%
5090801	Marketing	27,507	37,132	31,789	39,470	6%
5098001	Misc-Exp Transit User Training	6,390	13,506	5,877	10,000	-26%
5098002	Marin Access Innovation Incubator	82	50,000	0	20,000	-60%
5098004	Misc-exp Mobility Management	0	0	0	513,500	-
Subtotal		6,224,858	7,065,793	6,621,803	7,177,116	2%
5100100	Salary/Benefit Transfers	443,695	401,414	530,444	541,633	35%
5100101	Transfer Overhead	92,377	117,923	79,673	151,833	29%
Total Expense		6,760,930	7,585,130	7,231,920	7,870,582	4%

Capital Budget

Marin Transit's annual capital budget (Table 16) of \$10.0 million provides funding for transit vehicles, bus stop improvements, facilities, and other capital expenditures. Figure 13 depicts capital expenditures and budget by project type to show significant variation in expenditures by year. Recently, facility projects are a growing share of the Capital Budget as the District has invested in securing agency-owned facilities required for electrification and future sustainability of operations. Details for each capital project are included below by project type: Vehicles, Bus Stop Improvement, Facility, Technology and Ongoing Capital Projects.

In FY2025/26 Marin Transit will have an open order for nine fixed route bus replacements and will initiate an order for 22 replacement paratransit vehicles.

The FY2025/26 Capital Budget includes \$5.6 million in facility projects. Marin Transit's largest capital project to date is a major fixed route facility project at 1075 Francisco Blvd. E in San Rafael. The team is working to complete the environmental phase in this fiscal year. The District is also in the construction phase for a parking facility, solar canopy and initial electrification project at the District's 3010/3020 Kerner property in San Rafael. Construction will be complete in FY2025/26. Additional facility projects included in the FY2025/26 budget include local funds for the design phase of needed improvements at both the 3000 Kerner Paratransit maintenance building (San Rafael) and the Rush Landing (Novato) office buildings. The construction phase for these projects is currently unfunded and staff will be actively looking for grant opportunities.

The FY2025/26 budget also includes three bus stop improvement projects. The ADA Bus Stop Improvements project will be completed in FY2025/26 and includes improvements to 19 existing locations and adds three new stops to the system. Marin Transit will continue work on the Capital Corridors project focused on improvements in key ridership corridors and will start planning and design on the new Bus Stop Revitalization project.

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

The projects included in the FY2025/26 budget are 65% funded with state and federal grant funds (Table 15). The budget includes the expenditure of \$1.4 million in Measure AA local sales tax funds and \$1.4 million in current-year property tax funds. With this budget, the District will have a Capital reserve of \$25.7

million which is needed for the local match for the fixed route facility project and available for other capital needs.

Each capital project is described below by project type and listed with the District's two-letter project code.

Vehicles

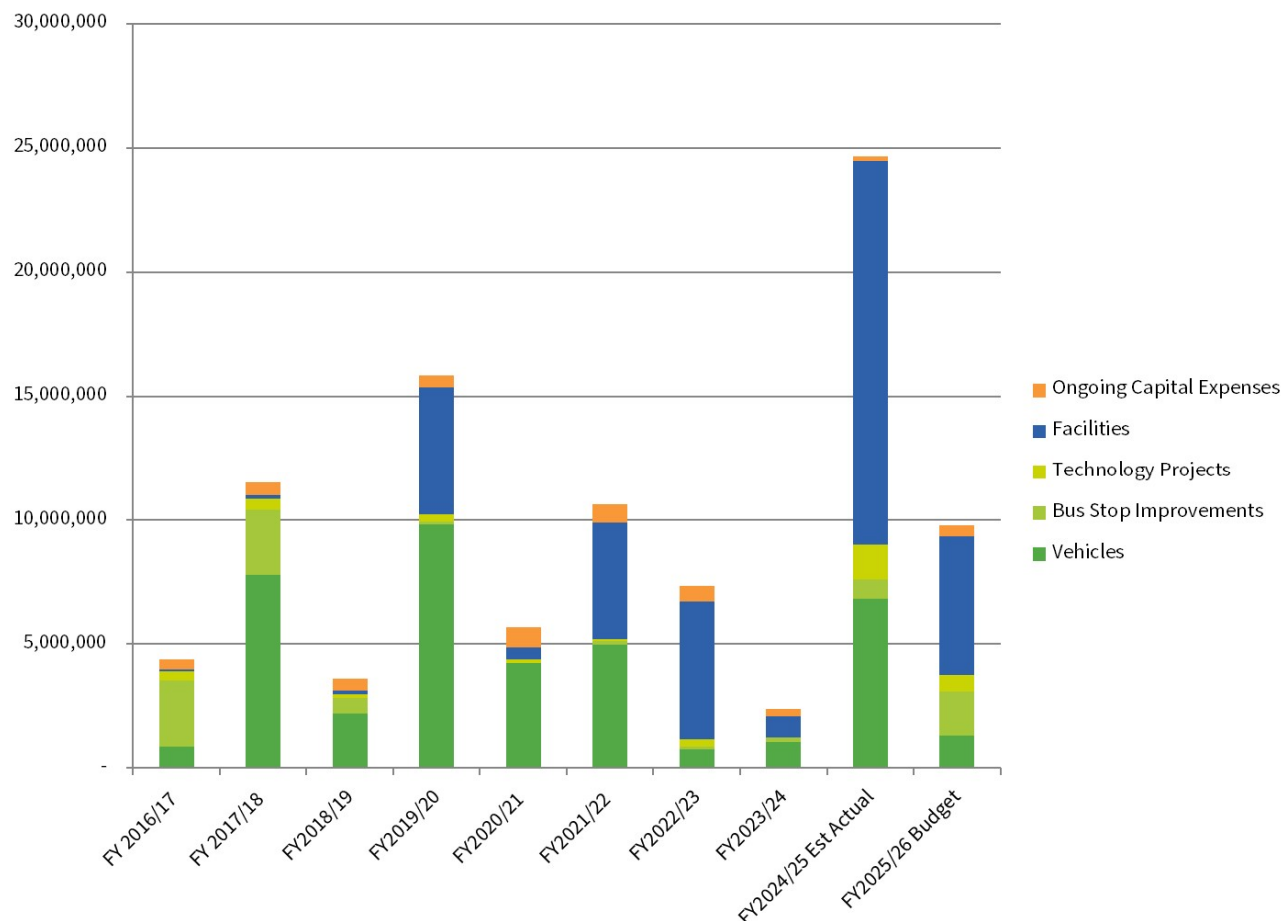
Purchase Four 30ft and Five 40ft Buses (LF) – Marin Transit will purchase four 30-foot buses and five 40-foot buses to replace three shuttles, eight narrow XHF vehicles, and a 40ft hybrid that was retired early due to an accident. These vehicles are not programmed as zero-emission vehicles in the District's zero-emission transition plan. Staff evaluated whether there was an opportunity to convert to battery electric buses and determined it was beneficial to stick to the current transition plan since additional charging infrastructure is needed to include more electric buses in the fleet. The four 30-foot vehicles will be diesel vehicles because hybrid buses are not available in this size. The five 40-foot buses will be diesel-electric hybrids. The \$9.5 million budget includes Section 5307 funds for 80% of costs, \$546,992 in State, State of Good Repair funds, \$887,000 in Regional Measure 3 (RM3) funds and local Measure AA sales tax funding.

Purchase Two Electric Paratransit Vehicles (PE) – Marin Transit will purchase two electric paratransit vehicles and associated charging infrastructure. This purchase will be the first battery electric vehicle purchase for the demand response fleet. This project is funded with State Low Carbon Transit Operations Program (LCTOP) funding. Vehicles are expected to be delivered in 2026.

Purchase 22 Paratransit Vans (PG) - Marin Transit delayed prior replacements and will start a project for the replacement of 22 paratransit vans. These vehicles have a 5-year useful life and will provide paratransit and Marin Access shuttle services. The vans replace current cutaway vehicles from multiple fleet years (2018 and 2021). These replacements were postponed due to the drop in paratransit ridership during the post-pandemic period. This reduction in ridership led to a reduced number of vehicles required day-to-day and also decreased the intensity of vehicle usage. Grouping the purchases together will reduce staff time for the vehicle procurement. The \$2.9 million project is 80% funded with FTA Section 5307 funds with a local match from Measure AA funds. The vehicle order will be initiated in FY2025/26, and delivery is anticipated in FY2026/27. Marin Transit participates in a joint procurement for vehicles through CalAct and anticipates purchasing the vehicles through that contract.

Mid Life Hybrid Battery Refresh (HZ) – This project is for the required mid-life hybrid battery refresh on the District's nine 2017 35ft hybrid buses and eleven 2019 hybrids. The refreshes for the nine 2017 buses are anticipated to be completed in FY2025/26. The FY2025/26 budget includes funding for the nine 2017 buses. Due to price increases, an additional \$250,000 in funding is needed for the refresh. The \$1.3 million project budget is 80% funded with FTA Section 5307 funds.

Figure 13: Capital Project Expenditures and Budget by Type



Bus Stop Improvements

ADA Bus Stop Improvements (BP) – Marin Transit will complete construction of bus stop improvements at 22 locations in Marin County. The stops were identified for improvement after a 2017 Bus Stop Conditions assessment and 100% stop-level survey of ridership. They were prioritized by need for accessibility improvements, ridership, and lack of amenities. Improvements at 19 locations are focused on providing ADA wheelchair landing pads and basic passenger amenities. The project also includes the construction of three new bus stops that will improve access to the bus system. The construction of this project is 80% funded with Federal funds awarded to Marin Transit through the regional Quick Strike Program.

Capital Corridors Improvements (BQ) – This project will evaluate and make improvements to three high ridership corridors: 4th Street, San Rafael, Lincoln Ave, San Rafael, and South Novato Blvd, Novato. These improvements will include updates to amenities, passenger information, and ADA Accessibility at stops in this corridor. The \$2.0 million project is 80% funded with federal funding from region’s third One Bay Area Grant (OBAG3) program.

Bus Stop Revitalization (BR) – This project will focus on bus stop improvements through adding amenities to 25-30 stops and upgrading 20 stops to be ADA accessible. Included in this work will be an updated Bus Stop Conditions assessment, which will incorporate new ridership data since our last assessment was conducted in 2017. Bus stop improvements will be prioritized based on the updated conditions assessment and will target both “easy-win” stops that need simple updates, such as adding shelters or benches, and stops that require more intensive construction to include ADA accessibility requirements. 100% of this \$2.5 million project is funded by MTC’s Regional Measure 3 grant, which Marin Transit won in FY 2024/25.

Administrative and Operations Facilities

Facility Purchase – Fixed Route Electric Vehicle Maintenance Facility (FG) – The District was awarded a competitive FTA Section 5339 Bus and Bus Facilities grant of \$31.5 million for the purchase and construction of a zero-emission fixed route bus facility. Marin Transit purchased a 3.5-acre site in November 2024 and is currently working on the environmental clearance phase of the project, with required construction completion by 2030. Table 15 shows the project budget by phase.

Table 15: Facility Project Budget by Phase

Project Phase	Federal Share	Budget	Est Prior Expenditures	FY2025/26 Budget	Future Years
Environmental	60%	\$1,250,000	\$850,000	\$400,000	\$0
Right of Way	75%	\$13,931,037	\$13,931,037	0	\$0
Design/Engineering	60%	\$3,350,000	\$0	\$1,000,000	\$2,350,000
Construction	60%	\$25,931,963	\$0	0	\$25,931,963
Workforce Development	80%	\$2,215,000	\$25,000	\$500,000	\$1,690,000
Total Project	67%	\$46,678,000	\$14,806,037	\$1,900,000	\$29,971,963

Facility Improvements – Kerner (FH) – This project funds facility improvements at the vehicle parking facility at 3010/3020 Kerner Blvd. Improvements include demolition of an existing office building, paving, fencing, lighting, a solar canopy, and installation of initial electric vehicle charging stations. The project is funded with State Low Carbon Transit Operations Program (LCTOP) funding and Federal 5339 Zero Emission Bus (ZEB) funding.

Facility Improvements – Kerner Blvd (FI) – Marin Transit needs to make improvements to the Kerner Maintenance Facility to provide drivers with a Break Room and additional restrooms. Design work will be initiated in FY 2025/26. The project design is funded with local property tax funds and additional funding will be needed for construction.

Facility Improvements – Rush Landing (FJ) – Marin Transit needs to make improvements to both the building and the bus parking lot at 600 Rush Landing in Novato. Building improvements will include adding an elevator to the second floor, reconfiguring space to improve operations, and upgrading employee

bathrooms. The parking lot needs to be resurfaced and made ready with additional charging infrastructure for the next fleet of Battery Electric vehicles. Design for the building improvements will be combined with the Kerner Blvd Driver Break Room. The design for the project is funded with local property tax funds and Marin Transit is actively seeking additional grant funding to complete the improvements.

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

Technology Projects

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

Other Measure A/AA Capital Expenses

Other capital and infrastructure expenses include major vehicle repairs and small capital projects for infrastructure support. Expenditures for the Golden Gate contract capital costs were moved to the operations budget to align with federal and state reporting. Infrastructure support costs in project IF, include other smaller projects, typically related to repairs and equipment needed at the District's facilities.

Table 16: Capital Budget by Project

		Total Project Budget	Prior Year Expenditures	FY2025/26 Budget	Future Years	Measure AA / Local Funding	State Funding	Federal Funding
LF	Purchase 4 30ft and 5 40ft Bus Replacements	8,186,912	1,250	1,000	7,808,145	20%	0%	80%
PE	Purchase 2 electric paratransit	677,208	10,185	667,023	0	0%	100%	0%
PG	Purchase 22 Paratransit Replacements	2,948,000	0	2,500	2,945,500	20%	0%	80%
HZ	20 Hybrid Bus Battery Replacements	1,300,000	670,000	630,000	0	20%	0%	80%
Subtotal Vehicles		13,112,120	681,435	1,300,523	10,753,645	20%	0	80%
BP	ADA Bus Stop Improvements	2,053,000	847,092	1,205,908	0	20%	0%	80%
BQ	Capital Corridor Improvements	2,000,000	288,244	611,756	1,100,000	20%	0%	80%
BR	Bus Stop Revitalization (RM3)	2,500,000	0	210,000	2,290,000	100%	0%	0%
Subtotal Bus Stop Improvements		6,553,000	1,135,336	2,027,664	3,390,000	51%	0%	49%
FG	Facility - Fixed Route Maintenance Facility	46,678,000	14,806,038	1,900,000	29,971,963	32%	0%	68%
FH	Facility - 3010/3020 Kerner Improvements	4,635,967	1,395,317	3,240,650	0	23%	32%	45%
FI	Facility - Kerner Driver Break Room	650,000	0	70,000	580,000	100%	0%	0%
FJ	Rush Landing Improvements - Design	380,000	0	380,000	0	100%	0%	0%
YF	Yellow Bus Parking Facility	3,000,000	0	0	3,000,000	100%	0%	0%
Subtotal Facility		55,343,967	16,201,355	5,590,650	33,551,963	37%	3%	61%
OD	On Board Equipment	2,050,000	1,378,000	672,000	0	20%	0%	80%
Subtotal On Board Equipment		2,050,000	1,378,000	672,000	0	20%	0%	80%
VR	Major Vehicle Repairs (VR)	200,000	80,000	200,000	0	100%	0%	0%
IF	Infrastructure Support (IF)	250,000	108,000	250,000	0	100%	0%	0%
Subtotal Ongoing Capital Expenses		450,000	188,000	450,000	0	100%	0%	0%
Total Expenditures		77,509,087	19,584,127	10,040,838	47,695,608	35%	2%	63%