



Recommended Operating and Capital Budgets

SR 26-079c 6-10-2026

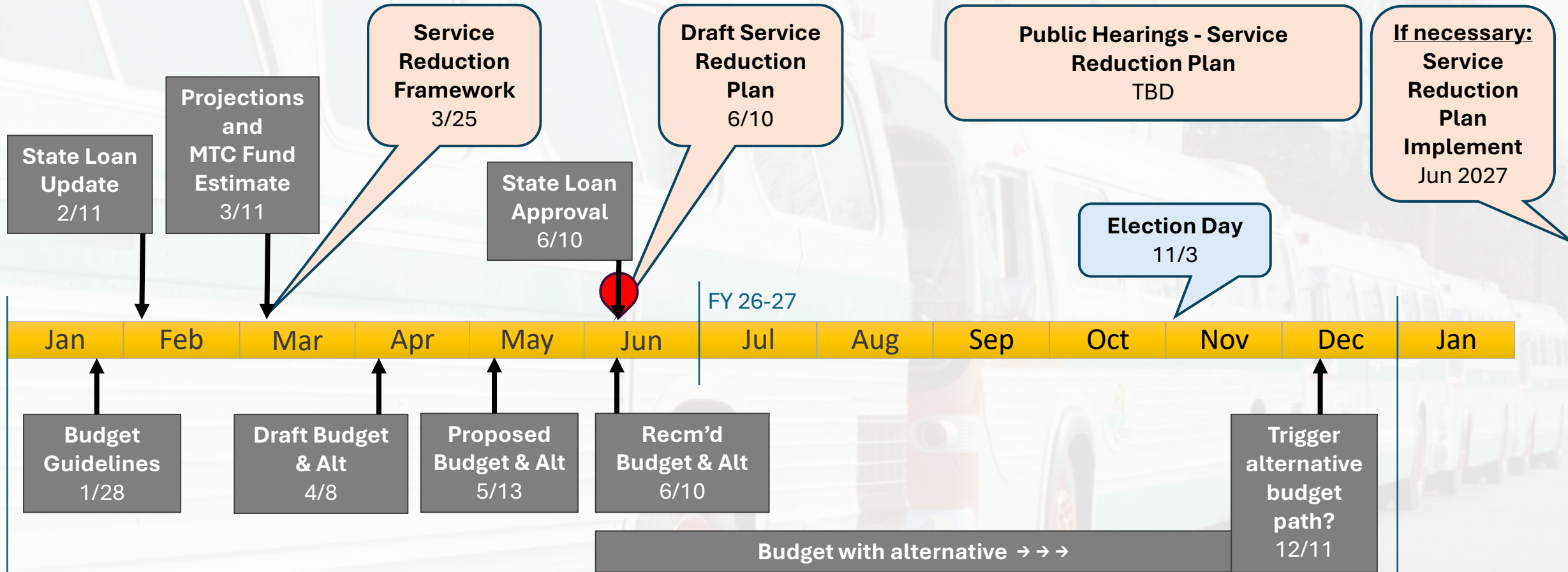


Agenda



- Budget Action Timeline
- Changes from Proposed Budgets
- Operating Budget
- Capital Budget

Budget Action Timeline



Changes from Proposed



- Board Direction:
 - Reduce the cost-of-living salary increase for unrepresented employees by from 3% to 2% (-\$271k)
 - No net increase in positions; use existing vacancies to support the EasyPass and Student Transit Pass Program (-\$234k)
 - No Board Member stipend increase (-\$4k)
 - Decrease travel/training for District staff by 20% (-\$92k)
 - Estimate impact of implementing a voluntary furlough program (-\$25k)
- Other Changes
 - Increase State loan interest payment expense (+\$1.2M)

Operating Budget



- Amount that staff feels is needed:
 - To achieve Board's 4 priorities
 - Maintain current service and achieve safe and reliable service for riders and staff
- Represented and unrepresented raises included
- District Capital \$7.0M spend

\$M	FY 25-26 Budget	FY 26-27 Rec/Funded
Operating Revenues	\$58.0	\$64.3
Subsidies	\$506.7	\$516.6
Reserves/State Loan	\$41.5	\$54.0
Total Revenue	\$606.3	\$634.9
Labor	\$416.0	\$430.3
Non-Labor	\$189.8	\$197.5
Total Expense	\$605.8	\$627.9
Surplus/(Deficit)	\$0.5	\$7.0
District Capital	\$11.3	\$7.0
Net Surplus/(Deficit)	(\$10.8)	\$0

Contingency (Unfunded) Plan



- Contingency plan if no new revenue - takes effect in second half of year
- Attrition starts reducing headcount for all groups (-\$2.8M)
- Mandatory furloughs – Unrepresented and some AFSCME (-\$4.8M)
- Reduce operator overtime budget (-\$1.5M)
- Reduce Prof. Services and Systems (-\$1.4M)
- Reduced travel/training/subs/incentives (-\$691k)

\$M	FY 26-27 Rec/Funded	FY 26-27 Contingency
Operating Revenues	\$64.3	\$63.5
Subsidies	\$516.6	\$516.6
State Loan	\$54.0	\$42.5
Total Revenue	\$634.9	\$622.6
Labor	\$430.3	\$421.6
Non-Labor	\$197.5	\$195.2
Total Expense	\$627.9	\$616.8
Surplus/(Deficit)	\$7.0	\$5.8
District Capital	\$7.0	\$5.8
Net Surplus/(Deficit)	\$0	\$0

Capital Budget



- Funded Capital Budget
 - \$12.8M District Capital Budget
 - \$7.0M expected spending in FY 26-27
- Contingency/Unfunded Capital Budget (-\$1.2M)
 - \$11.6M District Capital Budget
 - \$5.8M expected spending in FY 26-27
 - Cuts TIPA Capital Contribution, reduces yearly category projects

Funded		
District	\$12.8M	4%
Grants	\$330.9M	96%
Total	\$343.8M	

Unfunded		
District	\$11.6M	4%
Grants	\$330.9M	96%
Total	\$342.6M	