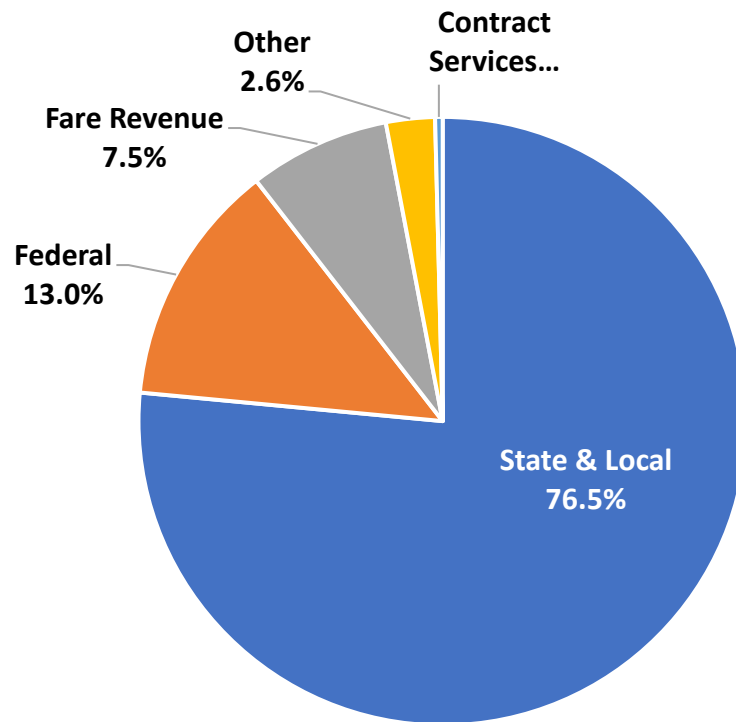


Operating Budget Summary

Revenues

FY 2026 Operating Revenue by Funding Source



(Dollars in Thousands)

Revenue Categories	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Budget	FY 2025 to FY 2026 \$ Change	FY 2025 to FY 2026 % Change
Fare Revenue	\$14,309	\$16,615	\$18,242	\$18,439	\$19,829	\$1,390	7.5%
Contract Services	825	842	1,292	1,150	1,150	0	0.0%
State & Local	144,508	159,055	160,124	219,223	203,658	(15,565)	-7.1%
Federal	56,676	56,876	63,953	23,760	34,710	10,950	46.1%
Other	5,239	9,500	11,533	4,490	6,990	2,500	55.7%
Total	\$221,557	\$242,888	\$255,144	\$267,062	\$266,337	(\$725)	-0.3%
Operating Surplus/(Deficit)	6,223	3,152	1,213	-	-		
Operating Revenue	\$215,334	\$239,736	\$253,931	\$267,062	\$266,337	(\$725)	-0.3%

Revenues (continued)**Fare Revenue**

This category includes the revenues from carrying passengers. This is money paid by the transit riders to use transit services, but also includes special transit fares such as fares from Los Rios Community College District (Los Rios), California State University, Sacramento (CSUS) and RydeFreeRT.

The FY 2026 Budget includes \$19.8 million in Fare Revenue, an increase of \$1.4 million (7.5%) from the FY 2025 Adopted Budget of \$18.4 million.

- FY 2025 fare revenue at the year-end is forecast to be above budget at approximately \$19.2 million
- The fare revenue increase is based on continued ridership growth.

Contracted Services

Contracted Services include the City of Rancho Cordova contract for transit services, as well as UC Davis Causeway Connection and Elk Grove Medical Center shuttle services.

The FY 2026 Budget includes \$1.2 million in Contracted Services revenue, which is the same level of funding as in the FY 2025 Adopted Budget.

- The Rancho Cordova contract is \$0.5 million based on current trend
- UC Davis Causeway Connection and Elk Grove Medical Center shuttle services are budgeted at \$0.3 million each

Revenues (continued)**State & Local**

State & Local funding includes formula-based allocations to SacRT from state and local government sales taxes. SacRT receives funding from the California Transportation Development Act Local Transportation Fund (TDA-LTF), the Transportation Development Act State Transit Assistance Program (TDA-STA), Sacramento County Measure A and State Cap and Trade Program revenue and Senate Bill 125 funding.

The FY 2026 Budget includes \$203.7 million in state and local funding revenue, a reduction of \$15.6 million (7.1%) from the FY 2025 Adopted Budget of \$219.2 million. The FY 2026 state and local funding revenues include:

- Measure A increases \$2.0 million or 3.3% from the FY 2025 Adopted Budget to reflect expected upwards trends in sales tax collection
- \$5.5 million of Measure A is budgeted for Paratransit SacRT Go service
- TDA-LTF decreases \$7.1 million or 8.1% due to an adjustment done in FY 2025 to LTF allocation by SACOG, which reduced the base for future projections
- \$3.2 million from the Low Carbon Transit Operations Program (LCTOP) revenue, which is a State Cap and Trade program established in 2014 that provides funds to public transportation agencies throughout California for operations that reduce greenhouse gas emissions
- \$0.8 million in Neighborhood Shuttle Measure A for SacRT Flex service, which is the same amount as FY 2025 Adopted Budget
- \$51.0 million in Senate Bill 125 funding, which is a reduction of \$9.6 million (15.8%)

Federal

Federal revenue includes formula-based allocations to SacRT from the federal government. Each year Congress authorizes the appropriation, and the FTA allocates the dollars to the region. SacRT can use the funds for operating, planning, and capital expenditures, subject to specific regulations.

The FY 2026 Budget of \$34.7 million in federal funding, an increase of \$11.0 million (46.1%) from the FY 2025 Adopted Budget of \$23.8 million, includes funding from the following sources:

- \$1.1 million in Job Access/Reverse Commute (JARC) funding, the same level of funding as in FY 2025
- \$33.3 million in Section 5307 Urbanized Area funds
- \$0.25 million in Congestion Mitigation and Air Quality Improvement (CMAQ) funds for Causeway Connection to UC Davis.

Revenues (continued)**Other**

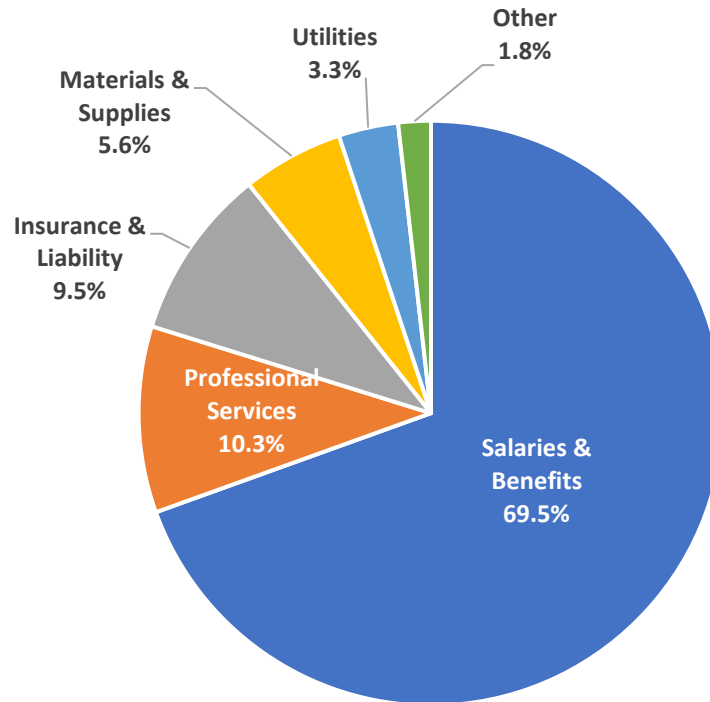
Other revenues include investment income, commercial real estate leases, advertising income, bus book sales, fare evasion fines, promotional item sales, and photo identification sales.

The FY 2026 Budget of \$7.0 million in other revenue, which is an increase of \$2.5 million (55.7%) from the FY 2025 Adopted Budget of \$4.5 million, includes the following sources:

- \$3.25 million in investment income, which is a \$2.5 million increase compared to FY 2025 Adopted Budget. However, the FY 2026 revenue assumption is below current year trends of \$3.7 million
- \$0.4 million for the sale of Low Carbon Credits through the State Cap and Trade program and \$0.7 million for RINs credits
- \$0.8 million in advertising revenue
- \$1.5 million in Miscellaneous Income

Expenses

FY 2026 Operating Expenses by Expense Category



(Dollars in Thousands)

Expense Categories	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Budget	FY 2025 to FY 2026	Changes %
Salaries & Benefits	\$153,685	\$160,613	\$176,215	\$184,263	\$185,346	\$1,083	0.6%
Professional Services	16,497	19,401	22,696	26,515	27,311	796	3.0%
Materials & Supplies	14,748	18,955	17,783	16,562	14,814	(1,748)	-10.6%
Utilities	7,425	7,988	8,204	8,427	8,665	238	2.8%
Insurance & Liability	19,783	28,248	23,641	25,560	25,326	(234)	-0.9%
Other	2,634	2,784	3,022	5,735	4,875	(860)	-15.0%
Total Operating Exp	214,772	237,989	251,561	267,062	266,337	(725)	(0.3%)
GASB 87 Lease	562	1,747	2,370	0	0	0	
Total Expenses	\$215,334	\$239,736	\$253,931	\$267,062	\$266,337	(\$725)	(0.3%)

Expenses (continued)**Salaries & Benefits**

Salaries and benefits include payroll and benefits for all positions authorized by the Board of Directors. It accounts for wages, overtime, pension, dental, medical, FICA, vision, and all other SacRT-paid employee benefits.

The FY 2026 Budget of \$185.3 million for salaries and benefits, an increase of \$1.1 million (0.6%) from the FY 2025 Adopted Budget of \$184.3 million, includes the following:

- 1,393 funded positions, a decrease of 59 funded positions from the Fiscal Year 2025 Adopted Budget of 1,452 funded positions. See the Positions section on page 24 for details.
- Straight time pay, overtime and personal service contract costs increased by \$0.5 million (0.5%) from the FY 2025 Adopted Budget of \$104.3 million. This reflects CBA (Collective Bargaining Agreement) salary increases and overtime adjustments.
- Fringe Benefit costs increased by \$1.0 million (1.2%) from the FY 2025 Adopted Budget of \$82.1 million. This reflects an increase of \$0.1 million in FICA costs, \$0.3 million in pension and defined contribution costs, \$0.4 million in medical, dental, life and vision costs, and \$0.2 million in vacation and sick leave accrual, etc.
- Capital recovery and indirect savings increased by \$0.4 million (18.1%) from the FY 2025 Adopted Budget of \$2.1 million. This represents labor charged to capital projects and other initiatives.

Professional Services

Professional services include transit security, equipment maintenance, facilities maintenance, legal services, and services provided by outside consultants.

The FY 2026 Budget of \$27.3 million for Professional Services, an increase of \$0.8 million (3.0%) from the FY 2025 Adopted Budget of \$26.5 million, includes the following:

- Security services cost increases \$0.03 million from the FY 2025 Adopted Budget in an effort to further increase security presence in stations and trains
- Outside services costs were reduced by \$0.7 million
- SacRT Go vehicle maintenance contract increased by \$0.5 million
- Purchased Transportation costs for supplemental ADA and FLEX services increased by \$1.9 million due to increased demand and introduction of FLEX service in FY 2025
- The FY 2026 portion of multi-year contracts for professional services

Materials & Supplies

Materials and supplies include fuel, bus and light rail parts, small maintenance tools and equipment, cleaning supplies, printing materials, and general office supplies.

The FY 2026 Budget of \$14.8 million for materials and supplies, a reduction of \$1.7 million (10.6%) from the FY 2025 Adopted Budget of \$16.6 million, includes the following:

Expenses (continued)

- \$3.3 million in gasoline cost. This is a reduction of \$0.4 million in gasoline costs due to elimination of Smart Ride service
- CNG costs are reduced by \$0.6 million to reflect current trends
- The Light rail vehicle parts budget decreased by \$0.3 million due to operating new S700 light rail trains
- Reductions in COVID-19 supplies, connect card supplies, ticket printing cost, equipment purchases, etc. to reflect current trends

Utilities

Utilities include electricity, water, gas, refuse, and telephone for bus, light rail, and administrative facilities.

The FY 2026 Budget of \$8.7 million for Utilities, an increase of approximately \$0.2 million (2.8%) from the FY 2025 Adopted Budget of \$8.4 million, includes the following:

- \$0.2 million reduction in traction power costs to reflect trends
- \$0.4 million increase in telephone costs \$0.4 million increase in telephone costs primarily due to new services being implemented that will briefly run concurrently with existing services. SacRT anticipates cost savings in the future once the older services are retired.

Insurance & Liability

Insurance and liability include premiums, claims, and attorney fees related to personal liability insurance, property damage insurance, workers' compensation claims, and commercial insurance for amounts in excess of self-insured amounts.

The FY 2026 Budget of \$25.3 million for Insurance & Liability, a reduction of approximately \$0.2 million (0.9%) from the FY 2025 Adopted Budget of \$25.6 million, includes the following:

- A reduction of \$0.4 million in liability and workers compensation claims estimates.
- Other adjustments in insurance premiums based on current market conditions.
- FY 2026 insurance costs are estimated based on current information with final values not available until June 2025.

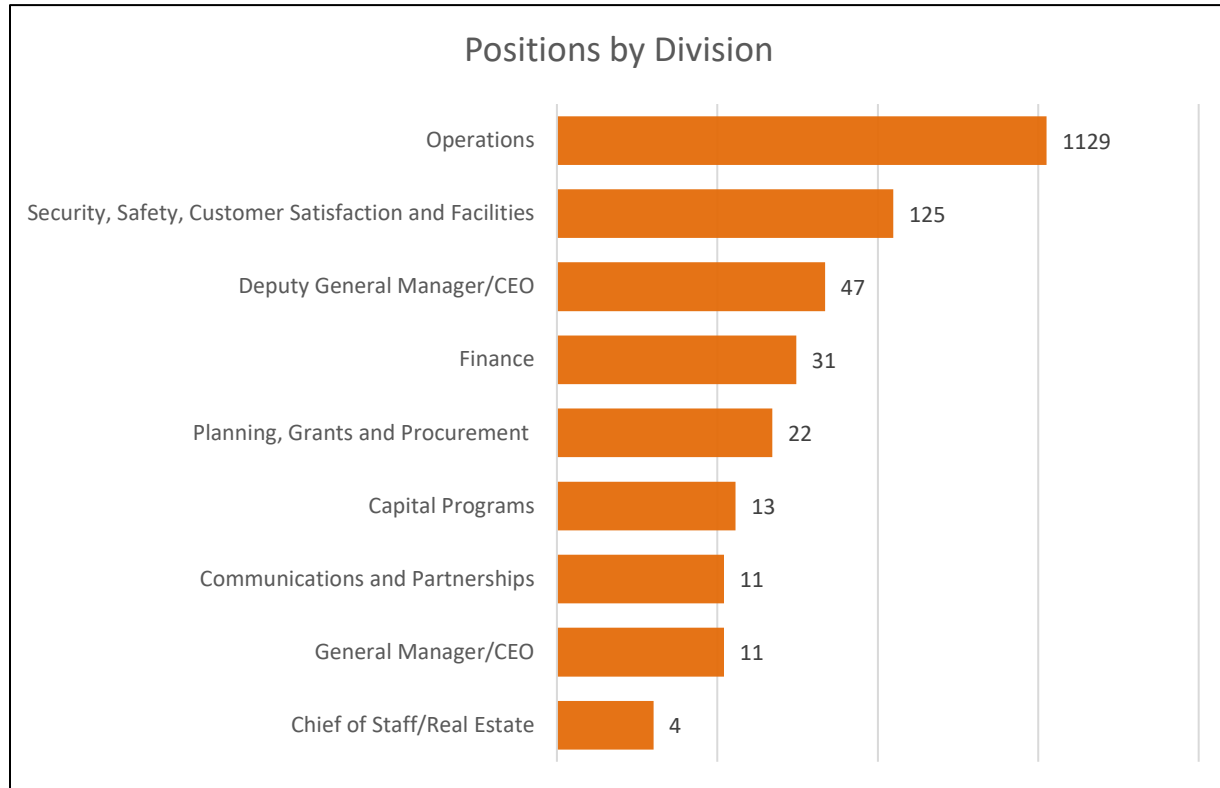
Other

Other expenses include, but is not limited to, travel and training, seminars, dues and subscriptions, awards and ceremonies, building leases, equipment leases, taxes, freight, advertising, legal notices, and banking fees.

The FY 2026 Budget of \$4.9 million for other expenditures, a reduction of \$0.9 million (15.0%) from the FY 2025 Adopted Budget of \$5.7 million, includes the following:

- Connect card fees decreased by \$0.15 million to reflect changes in fare payment system.
- Uniform cost decreased by \$0.05 million to reflect changes in Operators position count.
- A reduction of \$0.3 million in contingency funds.

Positions



Division	FY 2022 Funded	FY 2023 Funded	FY 2024 Funded	FY 2025 Funded	FY 2026 Funded	FY 2025 to FY 2026
General Manager/CEO	9	10	10	9	11	2
Chief of Staff/ Real Estate	0	0	0	4	4	0
Planning, Grants and Procurement	58	59	67	22	22	0
Operations	1200	1211	1198	1192	1129	-63
Deputy General Manager/CEO	41	22	23	23	47	24*
Employment Development & Engagement	0	0	24	24	0	-24*
Capital Programs	0	0	0	13	13	0
Finance	51	29	23	31	31	0
Procurement, Real Estate & Special Projects	0	22	23	0	0	0
Communications and Partnerships	9	16	16	11	11	0
Security, Safety, Customer Satisfaction and Facilities	82	79	79	123	125	2
Total	1450	1448	1463	1452	1393	-59

*Employee Development & Engagement division was transferred to the Deputy Manager/CEO Division in FY 2025.

FY 2026 Positions by Division

Division	Positions	Added	Eliminated	Total
10 General Manager/CEO	Attorney I	2		2
General Manager/CEO Total		2	0	2
30 Operations	Bus Operator	14		14
	Program Analyst		-1	-1
	Bus Service Worker - S/R		-2	-2
	Mechanic C - S/R		-3	-3
	Administrative Technician	1		1
	Paratransit Operations Manager		-1	-1
	Program Analyst (Paratransit Services)		-1	-1
	Facilities Service Worker		-3	-3
	Materials Management Supervisor	1		1
	Administrative Technician		-1	-1
	Community Bus Services Dispatcher		-6	-6
	Community Bus Services Dispatcher - S/R		-1	-1
	Community Bus Services Operator		-35	-35
	Community Bus Services Operator - S/R		-22	-22
	Director, Community & Contract Bus Serv		-1	-1
	Folsom Operator		-2	-2
	Administrative Technician	1		1
	Program Analyst - EG		-1	-1
Operations Total		17	-80	-63
40 Deputy General Manager/CEO	VP, Employee Development and Engagement		-1	-1
	Director, Labor Relations	1		1
	Sr. Manager, Strategic Project & Performance		-1	-1
	IT Project Coordinator	1		1
Deputy General Manager/CEO Total		2	-2	0
50 Capital Programs	Senior Engineering Technician		-1	-1
	Director, Project Management - Streetcar	1		1
Capital Programs Total		1	-1	0
90 Security, Safety, Customer Satisfaction and Facilities	Transportation Supervisor - Police Services		-1	-1
	SOC Specialist	2		2
	SOC Manager	1		1
	Lead SOC Specialist	2		2
	Director, Facilities Maintenance		-1	-1
	Senior Customer Advocate		-1	-1
	Customer Advocacy Supervisor	1		1
	Elk Grove Facilities and Grounds Worker I		-1	-1
Security, Safety, Customer Satisfaction and Facilities Total		6	-4	2
Grand Total		28	-87	-59