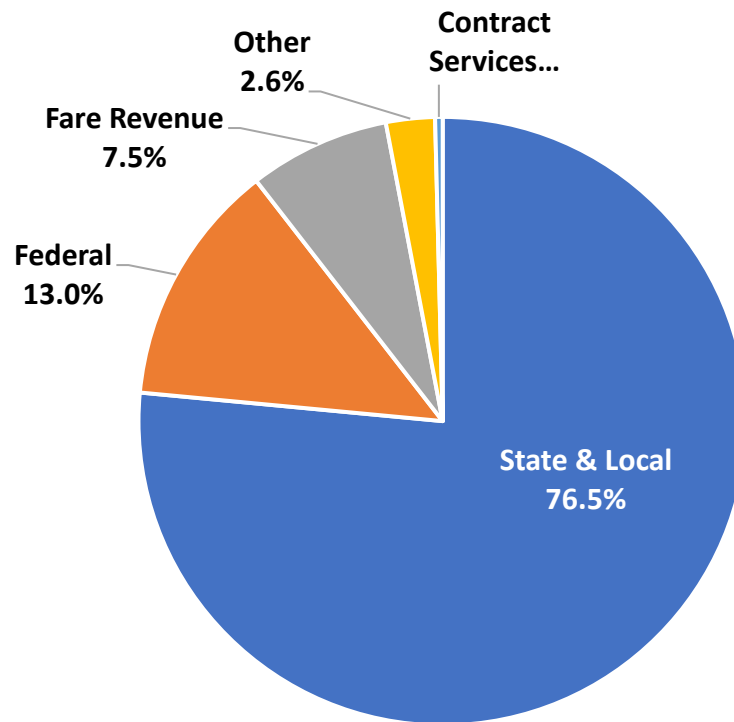


Operating Budget Summary

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**

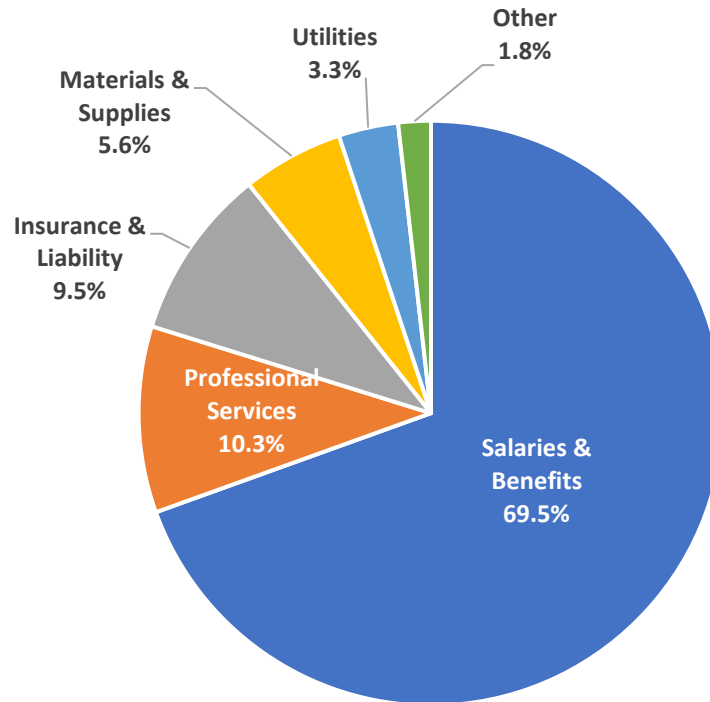
Other revenues include investment income, commercial real estate leases, advertising income, bus book sales, fare evasion fines, promotional item sales, and photo identification sales.

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%)