

Item 9:

FY 26 Budget Assumptions

Presented by:

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FY 26 Budget Assumptions

- The CFO and Department Directors are working on developing the draft budgets for FY 26.
- Major Assumptions are that that service levels will be maintained to same levels as last year.
- Cost saving / revenue generating initiatives continued
 - Paratransit Transition now complete
 - 3rd party fueling continued / increased
- GCTD will continue to be able to utilize funding from SB 125 (State Funds) to support Operations and Capital projects.



Revenue Assumptions

Revenues:	FY 2025 Approved Budget	FY 2026 Budget Assumption (Key Factors)	Changes
Passenger Fares	\$ 2,534,000	*Farebox revenue increases / ridership increases	↑
		* LCTOP (youth , college ride free)	↑
Non- Operating Revenues	\$ 996,970	* Fueling program for 3rd parties.	↑
		* Investment Income, Advertising Revenue	↑
		* Energy credit/Fuel Credit	=
Local Assistance	\$ 20,631,299	*TDA funding is slightly lower than FY 2025.	↓
State Assistance	\$ 5,775,005	* SB125 Operating Assistance	↑
		* SGR, STA	↑
Federal Assistance	\$ 8,696,270	*5307 formula grant - Preventative Maintenance	↓
		*5307 Formula grant- Funds used for cost of contracting will be used for Operating	Now Operated In House
		*5307 formula grant - Operating	↑
Total Revenues	\$ 38,633,544	Overall Revenues	↑



Expense Assumptions

Revenues:	FY 2025 Approved Budget	FY 2026 Budget Assumption (Key Factors)	Changes
Salary/Wage	\$ 14,624,401	*More employees as a result of bringing paratransit service in house in FY 2025 + wages will be increased based on labor agreements	↑
Fringe Benefits	\$ 11,269,021	same as above	↑
Services	\$ 2,580,550	*MV contract service was ended in 4th period of FY 25, service expenses will be eliminated in FY 6	↓
Materials and Supplies	\$ 3,618,300	*Paratransit vehicle parts increase,	↑
		* CNG rate remain stable	=
Utilities	\$ 450,000	* Electricity and Gas cost increase	↑
Casualty and Liability	\$ 1,340,000	* Worker compensation expenses increase	↑
		* District's unfunded liabilities increases.	↑
Miscellaneous	\$ 509,498	* Add more training programs on employees to sharpen their skills.	↑
Debt Service	\$ 1,384,272	* fixed schedule payment. Unchanged.	=
5 Members Jurisdiction TDA Contribution	\$ 2,857,502	* increase based on CPI	↑
Total Expenses	\$ 38,633,544	Overall Expenses	↑



Recommendation

This report is for information only.

Staff will continue to work on developing a draft budget for the Board to review in May 2024.

