

# County Connection

2477 Arnold Industrial Way    Concord, CA 94520-5326    (925) 676-7500    countyconnection.com

## ADMINISTRATION & FINANCE COMMITTEE

### MEETING AGENDA

Wednesday, June 3, 2026

9:00 a.m.

The A&F Meeting will be held in-person and via teleconference location:

County Connection Administration Office

2477 Arnold Industrial Way

3<sup>rd</sup> Floor Conference Room

Concord, CA 94520

The committee may take action on each item on the agenda, even items that are listed as “information only”. The action may consist of the recommended action, a related action or no action. Staff recommendations are subject to action and/or change by the committee.

Staff and members of the public may attend in-person or participate remotely via Zoom at:

<https://us02web.zoom.us/j/89474946162>

Or One tap mobile :

+14086380968,,89474946162# US (San Jose)

+16694449171,,89474946162# US

Meeting ID: 894 7494 6162

Should Zoom not be operational, please check online at: [www.countyconnection.com](http://www.countyconnection.com) for any updates or further instruction.

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2025/2026 A&F Committee

Laura Hoffmeister-Concord, Don Tatzin-Lafayette, Sue Noack-Pleasant Hill

Clayton • Concord • Contra Costa County • Danville • Lafayette • Martinez  
Moraga • Orinda • Pleasant Hill • San Ramon • Walnut Creek

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

1. Approval of Agenda
2. Public Communication
3. Approval of Minutes of May 8, 2026\*
4. Investment Report as of March 31, 2026\*
5. Income Statements for the Nine Months Ended March 31, 2026\*
6. AHSC Implementation and Cooperation Agreement for Route 4\*  
(Staff requests the Administration and Finance committee forward the AHSC Implementation and Cooperation Agreement to the Board of Directors for approval.)
7. Amending of the Conflict of Interest Code\*  
(Legal Counsel will recommend a series of routine updates of County Connection Conflict of Interest Code. Legal Counsel will request that the recommendations be forwarded to the Board for action.)
8. Adjustment to Non-Represented Administrative Employees Compensation\*  
(Staff requests that the Committee forward to the Board of Directors for approval a 4% increase adjustment in the compensation for Non-Represented Administrative Employees.)
9. Proposed Fiscal Year 2027 Operating and Capital Budget and Forecast\*  
(Staff requests that the A&F Committee review the proposed revisions to the draft Fiscal Year 2027 Budget and Forecast and forward to the Board of Directors with recommendation for approval.)
10. Adoption of Gann Appropriations Spending Limitation for FY 2026-2027\*  
(Staff requests that the Committee forward to the Board of Directors for approval the Gann appropriations spending limitation of \$110,938,391 for FY 2026-27.)
11. Review of Vendor Bills, April 2026\*\*
12. Approval of Legal Services Statement, April 2026 General and Labor\*\*
13. Next Scheduled Meeting – August 5, 2026
14. Closed Session: Conference with Legal Counsel – Existing litigation  
Pursuant to Government Code Section 54956.9(a)  
Camille Thompson v. CCCTA
15. Adjournment

\*Enclosure

\*\*Enclosure for Committee Members Only

\*\*Teleconference location: 4284 Baywood Ct., Concord Ca 94521

## General Information

Public Comment: Public comment may be submitted via email to [hill@cccta.org](mailto:hill@cccta.org). Please indicate in your email the agenda item to which your comment applies. Comments submitted before the meeting will be provided to the Committee before the meeting. Comments submitted after the meeting is called to order will be included in the correspondence that will be provided to the full Board.

Oral public comments will also be accepted during the meeting in person and through Zoom or the teleconference number listed above. If you have anything that you wish to be distributed to the committee and included for the official record, please include it in your email. Comments that require a response may be deferred for staff reply.

Availability of Public Records: This agenda, and all public records relating to an open session item on this agenda which are not exempt from disclosure pursuant to the California Public Records Act and are distributed to a majority of the legislative body, will be made available for public inspection by posting them to County Connection's website at [www.countyconnection.com](http://www.countyconnection.com).

Accessible Public Meetings: Upon request, County Connection will provide written agenda materials in appropriate alternative formats, and provide disability-related modifications or accommodations including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings and provide comments at or related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service, or alternative format requested at least two days before the meeting. Requests should be sent to the Assistant to the General Manager, Lathina Hill, at 2477 Arnold Industrial Way, Concord, CA 94520 or [hill@cccta.org](mailto:hill@cccta.org). Requests made by mail must be received at least two days before the meeting. Requests will be granted whenever possible and resolved in favor of accessibility.

Shuttle Service: With advance notice, a County Connection LINK shuttle can be provided from the North Concord / Martinez BART station for all individuals wishing to attend the meeting. To arrange for the shuttle service, please call (925) 938-7433 between 8:00 am and 5:00 pm at least one day prior to the meeting.

### Currently Scheduled Board and Committee Meetings

Board of Directors:	Thursday, June 18, 9:00 a.m. County Connection Board Room 2477 Arnold Industrial Way, Concord, CA 94520
Administration & Finance:	Wednesday, August 5, 9:00 a.m. County Connection Administrative Offices 2477 Arnold Industrial Way, Concord, CA 94520
Advisory Committee:	<i>None scheduled at this time</i>
Marketing, Planning & Legislative:	Thursday, June 4, 8:30 a.m. Lamorinda Office of County Supervisor Candace Andersen 3338 Mt. Diablo Blvd, Lafayette, CA 94549
Operations & Scheduling:	Friday, June 5, 8:00 a.m. Pleasant Hill City Hall, Small Community Meeting Room 100 Gregory Lane, Pleasant Hill. CA 94523

**The above meeting schedules are subject to change. Please check the County Connection Website ([www.countyconnection.com](http://www.countyconnection.com)) or contact County Connection staff at (925) 676-1976 to verify date, time, and location.**

**This agenda is posted on County Connection's Website ([www.countyconnection.com](http://www.countyconnection.com)) and at the County Connection Administrative Offices, 2477 Arnold Industrial Way, Concord, California**

**Summary Minutes  
Administration & Finance Committee**

**County Connection Administration Office  
2477 Arnold Industrial Way  
3<sup>rd</sup> Floor Conference Room  
Concord, CA 94520**

**Friday, May 8th, 2026 @ 3:00 p.m.**

**Directors:** Sue Noack, Laura Hoffmeister, Don Tatzin  
**Staff:** Bill Churchill, Ruby Horta, Amber Johnson, Andrew Smith

**Call to Order:** Meeting called to order at 3:09 p.m. by Director Noack.

**1. Approval of Agenda**

The Committee approved the agenda.

**2. Public Communication**

None.

**3. Approval of Minutes of April 1, 2026**

The Committee approved the minutes.

**4. Clipper BayPass Amendment No. 2**

Mr. Smith reported that the Clipper BayPass pilot was launched by the Metropolitan Transportation Commission (MTC) in 2022 to assess the impacts of an unlimited-use transit pass product at select higher education institutions. MTC funds this program in the form of reimbursements to operators at the standard adult Clipper card rate. In the case of County Connection, this rate is \$2.00 per passenger. In 2024, a second phase was launched to include additional participation by the San Francisco International Airport (SFO) and limited duration passes to special event organizers. MTC has proposed a second amendment to the program to extend the pilot, make some small administrative changes, and add language around incorporating Clipper discount programs into reimbursement to operators. County Connection has opted out of certain language around incorporating discounts, which has been agreed to by MTC.

The Committee provided direction to staff to continue this discussion with MTC and other operators and bring an update on this item to the full Board of Directors at the May meeting.

## **5. Review of Updates to Fiscal Year 2027 Draft Budget and Forecast**

Ms. Johnson presented updates to the FY 2027 draft budget, along with the 5-year financial forecast. Ms. Johnson reported that the FY 2027 draft budget was adopted by the Board of Directors in April, so that a timely Transportation Development Act (TDA) claim could be filed with MTC. Since that version, several refinements were made, including recognition of additional grant revenue provided by a grant awarded in conjunction with the City of Walnut Creek and Resources for Community Development (RCD), a revised increased estimate for Measure J sales tax, and reductions in insurance expenses. Additionally, the five-year forecast includes conservative assumptions for revenue and expense growth, plus planned capital improvement projects.

The Committee recommended that the updated FY 2027 Draft Budget and Forecast be forwarded to the Board of Directors for discussion.

## **6. Review of Vendor Bills, March 2026**

The Committee reviewed the vendor bills for March 2026.

## **7. Approval of Legal Services Statement, March 2026 General and Labor**

The Committee approved the legal services statements for March 2026 General and Labor.

## **8. Next Scheduled Meeting**

The next meeting is scheduled for Wednesday, June 3<sup>rd</sup>, 2026, at 9:00 a.m.

## **9. Closed Session: Conference with Labor Negotiator**

Pursuant to Government Code Section 54957.6

Agency designated representatives: Bill Churchill-General Manager

Employee Organization: Amalgamated Transit Union, Local 1605, AFL-CIO, Bus Operators Teamsters Union, Local 856, AFL-CIO, Transit Supervisors

There were no reportable actions taken.

## **10. Adjournment**

The meeting was adjourned at 4:05 p.m.

*Minutes prepared and submitted by: Amber Johnson, Chief Financial Officer*

To: Administration and Finance Committee

Date: 05/26/2026

From: Bill Churchill, General Manager *WC.*

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**SUBJECT: Investment Report as of March 31, 2026**

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**Background:**

This report is provided as required by the Authority's investment policy. Current investments are consistent with the investment policy and are allowable under current California law. Investments are selected to meet the priority principles of the policy: safety, liquidity, and yield.

**Investment Report:**

The total cash and investments held by the Authority as of March 31, 2026, is \$32,660,922 as follows:

Type of Investment	Issuer	Date of Maturity	Par Amount	Market Value
Cash – Cash on hand	N/A	April 1, 2026	\$3,150,184	\$3,150,184
Cash – Held in LAIF	N/A	April 1, 2026	\$29,510,738	\$29,510,738
<b>Total</b>			<b>\$32,660,922</b>	<b>\$32,660,922</b>

A detailed report of all cash and investments held in each individual bank account as of this date is included as Attachment 1.

It is noted that the funds held in the Authority's 115 Trust for Pensions and OPEB are outside of this policy and thereby not included in this report. Greater flexibility of the investment of 115 funds is permitted by California law under the condition that these funds are irrevocably committed to provide pension or OPEB benefits.

It is hereby affirmed that the Authority has the ability to meet its pool's expenditure requirements (cash flow) for the next six months.

**Financial Implications:**

No direct financial implication results from this report. However, adherence to the Authority's investment policy helps to ensure the Authority remains in strong financial health.

**Recommendation:**

None, information only.

**Action Requested:**

None, information only.

**Attachments:**

Attachment 1: CCCTA Bank Cash and Investment Accounts as of March 31, 2026

**CCCTA**  
**BANK CASH AND INVESTMENT ACCOUNTS**  
AS OF MARCH 31, 2026  
(ROUNDED OFF TO NEAREST \$)

FINANCIAL INST	ACCT #	TYPE	PURPOSE	PER BANK	PER BANK	PER BANK	PER GL*
				SEP 2025	DEC 2025	MAR 2026	MAR 2026
<b>FIXED ROUTE</b>							
BMO HARRIS	2087682	<b>CHECKING</b>	A/P GENERAL (including ParaTransit & Capital)	\$ 376,277	\$ 361,357	\$ 3,031,593	\$ 2,956,407
BMO HARRIS	2088565	<b>CHECKING</b>	PAYROLL	\$ 61,301	\$ 60,952	\$ 64,213	\$ 63,799
BMO HARRIS	2088706	<b>CHECKING</b>	WORKERS' COMP - Innovative Claims Solution	\$ 58,791	\$ 125,827	\$ 54,378	\$ 44,723
PAYPAL	27SAXUUFL9732	<b>ON-LINE</b>	PAYPAL-PASS SALES ( <i>Closed in October, 2025</i> )	\$ 25	\$ -	\$ -	\$ -
<b>TOTAL</b>				<b>\$ 496,394</b>	<b>\$ 548,136</b>	<b>\$ 3,150,184</b>	<b>\$ 3,064,929</b>
<b>LAIF FUND</b>							
<i>Effective Yield:</i>				<b>4.34%</b>	<b>4.20%</b>	<b>3.98%</b>	
LAIF ACCOUNT	4007001	<b>INT-INVEST</b>	OPERATING FUNDS	\$ 30,593,743	\$ 33,715,690	\$ 26,194,183	\$ 26,194,183
LAIF ACCOUNT		<b>INT-INVEST</b>	LCTOP - Monument Free #7 (Routes 11/14/16)	\$ -	\$ -	\$ 526,267	\$ 526,267
LAIF ACCOUNT		<b>INT-INVEST</b>	LCTOP - Martinez Amtrak #8	\$ -	\$ -	\$ 143,298	\$ 143,298
LAIF ACCOUNT		<b>INT-INVEST</b>	Pass-Through CA	\$ 845,652	\$ 854,890	\$ 863,930	\$ 863,930
LAIF ACCOUNT		<b>INT-INVEST</b>	Safe Harbor Lease Reserve	\$ 1,745,336	\$ 1,764,402	\$ 1,783,060	\$ 1,783,060
LAIF ACCOUNT		<b>FMV ADJ.</b>	Fair Market Value Adjustment for Year-End				
<b>TOTAL</b>				<b>\$ 33,184,731</b>	<b>\$ 36,334,982</b>	<b>\$ 29,510,738</b>	<b>\$ 29,510,738</b>
5/26/2026	<b>GRAND TOTAL</b>			<b>\$ 33,681,125</b>	<b>\$ 36,883,118</b>	<b>\$ 32,660,922</b>	<b>\$ 32,575,667</b>

KLM/AJ

\* GL balances reduced by outstanding checks and increased by deposits in transit, if any.

**To:** Administration & Finance Committee

**Date:** May 29, 2026

**From:** Amber Johnson, Chief Financial Officer

**Reviewed by:** *W.C.*

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**SUBJECT: Income Statements for the Nine Months Ended March 31, 2026**

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**Background:**

The quarterly income statement report is an opportunity for the Committee to review the Authority's financial status and to provide fiscal and operational accountability.

**Summary:**

The unaudited County Connection Income Statements for the third quarter of Fiscal Year (FY) 2026 are presented for review. Actual revenues and expenses are presented as compared to the adopted budget. The combined revenues were \$41.0 million (Schedule 1), representing 71.8% of the budget of \$57.1 million, including an estimated \$1.1 million in revenue available to transfer to the Authority's discretionary reserve fund at year end. The combined expenses of fixed route and paratransit for the period were \$39.9 million, which represents 70.4% of the of the budget of \$56.7 million.

**Fixed Route:**

Overall Fixed Route revenues and expenses are presented on Schedule 2. Revenues for the period were \$31.8 million or 72.5% of the total budget. Expenses for the period were \$30.8 million or 70.7% of the total budget.

The primary driver of the expense budget is wages and benefits. Actual expenditures on wages and benefits utilized 73.8% of the annual budget. All other Fixed Route expenditures are tracking as expected at this point in the year.

**Paratransit:**

Paratransit revenues and expenses are presented on Schedule 3. Expenses for the period were \$9.1 million, representing 69.3% of the total budget. TDA revenue is utilized as needed for Paratransit expenses, resulting in revenues that are equivalent to expenses.

Purchased transportation expenses are the primary driver of the paratransit budget. Actual expenditures on purchased transportation for the Authority's paratransit service has utilized 71.3% of the budget. Purchased transportation expenses related to paratransit services operated on behalf of our partners have been budgeted to a separate line, and these expenditures have utilized 61.3% of the budget.

**Statistics:**

Schedule 4 presents selected statistical information for FY 2026 compared with the same period in FY 2025 and FY 2024.

In the third quarter of FY 2024, the fixed route farebox recovery ratio was 9.6%, and the cost of service per passenger was \$13.88. In FY 2025, the farebox recovery ratio increased to 10.2%, while the cost per passenger declined slightly to \$13.52. In the most recent third quarter of FY 2026, the farebox recovery ratio decreased to 9.4%, and the cost per passenger rose to \$15.11.

The increase in cost per passenger in FY 2026 is primarily due to a 10.8% rise in expenses, while passenger volumes declined by 0.9%. The increase in costs is attributable to several factors:

- **Wages and Benefits** increased by \$2.2 million compared to the prior period. Of this amount, \$400 thousand reflects a change in accounting for certain compensated absences (shifting the calculation from year-end to mid-year), and \$300 thousand relates to one-time payments to certain retiree health savings accounts authorized with changes to the Authority's post-employment benefit offering. The remaining \$1.5 million represents a 7% increase over the prior nine-month period, driven by contractual rate increases, higher workers' compensation insurance rates, and fewer operator vacancies.
- **Services** increased by \$300 thousand, primarily due to higher legal costs, contracted information technology services (such as Swiftly), and outsourced vehicle repair services.
- **Materials and Supplies** costs rose by \$300 thousand, largely due to increased fuel prices.
- **General liability and vehicle insurance** costs increased by \$160 thousand.

Although these cost increases contributed to a higher cost per passenger for the period, overall expenses remain within the approved budget authority. Additionally, some of these variances may be due to timing differences in expenditures compared to prior years and may normalize by year-end.

Last fiscal year, paratransit experienced rising operating expenditure costs, but this has stabilized in the current year to date. The farebox recovery ratio of 6.2% in FY 2024 improved to 6.6% in FY 2025 and 7.0% in FY 2026. The cost of service per passenger of \$89.45 in FY 2024 increased to \$91.84 in FY 2025, however this metric decreased back to \$90.03 in FY 2026.

**Financial Implications:**

There are no financial implications associated with this report.

**Recommendation:**

Staff recommends that the A&F Committee review the report for approval.

**Action Requested:**

Staff requests that the A&F Committee accept the report and provide the update to the Board.

**Attachments:**

Attachment 1: CCCTA Income Statements for FY2026 Q3 (Schedules 1 through 4)

Schedule 1

**County Connection**  
**COMBINED Income Statement - Actual vs Budget**  
**For Year to Date Through 3/31/2026**

	Y-T-D Actual	Annual Budget	Variance	% Budget
<b>REVENUES</b>				
Passenger Fares	2,629,017	3,473,593	(844,576)	75.69%
Special Service Revenue	792,872	931,791	(138,919)	85.09%
Total Fare Revenue	3,421,889	4,405,384	(983,495)	77.68%
Federal Operating	1,751,669	1,949,798	(198,129)	89.84%
State Transit Assistance	5,065,079	6,728,438	(1,663,359)	75.28%
BART Feeder Funds	802,469	802,469	0	100.00%
Other State Grants	161,976	361,767	(199,791)	44.77%
TDA Article 4.0	18,877,698	29,372,566	(10,494,868)	64.27%
TDA Article 4.5	825,592	1,077,864	(252,272)	76.60%
Measure J Sales Tax	6,720,339	8,980,938	(2,260,599)	74.83%
Other Local Grants and Charges	182,599	248,503	(65,904)	73.48%
Total Federal-State-Local Revenue	34,387,421	49,522,343	(15,134,922)	69.44%
Advertising Income	203,250	200,000	3,250	101.63%
Investment and Misc Income	966,532	275,000	691,532	351.47%
Total Other Revenue	1,169,782	475,000	694,782	246.27%
Fare Revenue - LAVTA	23,306	30,000	(6,694)	77.69%
LAVTA Fees	1,342,844	1,982,151	(639,307)	67.75%
Fare Revenue - One Seat Partners	44,213	39,000	5,213	113.37%
One Seat Ride Fees	594,136	663,891	(69,755)	89.49%
Go San Ramon Fees	8,090	5,000	3,090	161.80%
Total Paratransit Partners	2,012,589	2,720,042	(707,453)	73.99%
<b>TOTAL REVENUE</b>	<b>40,991,681</b>	<b>57,122,769</b>	<b>(16,131,088)</b>	<b>71.76%</b>
<b>EXPENSES</b>				
Wages	13,219,472	18,275,540	(5,056,068)	-72.33%
Fringe Benefits	10,997,573	14,514,672	(3,517,099)	-75.77%
Total Wages & Benefits	24,217,045	32,790,212	(8,573,167)	-73.85%
Services	2,222,038	4,134,434	(1,912,396)	-53.74%
Materials and Supplies	2,662,435	3,625,150	(962,715)	-73.44%
Utilities	377,989	516,150	(138,161)	-73.23%
Insurance	1,142,303	1,554,193	(411,890)	-73.50%
Taxes	303,985	390,372	(86,387)	-77.87%
Leases and Rentals	80,000	75,000	5,000	-106.67%
Miscellaneous	212,755	391,500	(178,745)	-54.34%
Purchased Transportation	7,010,211	9,975,718	(2,965,507)	-70.27%
Total Other Operating (non-wages)	14,011,716	20,662,517	(6,650,801)	-67.81%
Purchased Transp - Partners	1,667,825	2,720,040	(1,052,215)	-61.32%
Contingency	0	500,000	(500,000)	0.00%
<b>TOTAL EXPENSES</b>	<b>39,896,586</b>	<b>56,672,769</b>	<b>(16,776,183)</b>	<b>-70.40%</b>
Excess Revenue Over (Under) Expenditures	1,095,095	450,000	645,095	243.35%

Schedule 2

**County Connection**  
**Fixed Route Income Statement - Actual vs Budget**  
**For Year to Date Through 3/31/2026**

	Y-T-D Actual	Annual Budget	Variance	% Budget
<b>REVENUES</b>				
Passenger Fares	2,274,386	2,941,593	(667,207)	77.32%
Special Service Revenue	622,625	710,491	(87,866)	87.63%
Total Fare Revenue	2,897,011	3,652,084	(755,073)	79.32%
Federal Operating	108,682	285,303	(176,621)	38.09%
State Transit Assistance	4,315,079	5,728,438	(1,413,359)	75.33%
BART Feeder Funds	802,469	802,469	0	100.00%
Other State Grants	161,976	361,767	(199,791)	44.77%
TDA Article 4.0	17,584,095	26,271,231	(8,687,136)	66.93%
Measure J Sales Tax	4,809,300	6,353,000	(1,543,700)	75.70%
Total Federal-State-Local Revenue	27,781,601	39,802,208	(12,020,607)	69.80%
Advertising Income	203,250	200,000	3,250	101.63%
Investment and Misc Income	966,532	275,000	691,532	351.47%
Total Other Revenue	1,169,782	475,000	694,782	246.27%
<b>TOTAL REVENUE</b>	<b>31,848,394</b>	<b>43,929,292</b>	<b>(12,080,898)</b>	<b>72.50%</b>
<b>EXPENSES</b>				
Wages	12,943,840	17,956,414	(5,012,574)	-72.08%
Fringe Benefits	10,812,863	14,255,077	(3,442,214)	-75.85%
Total Wages & Benefits	23,756,703	32,211,491	(8,454,788)	-73.75%
Services	2,106,059	3,916,434	(1,810,375)	-53.77%
Materials and Supplies	2,660,862	3,621,150	(960,288)	-73.48%
Utilities	329,329	450,150	(120,821)	-73.16%
Insurance	1,128,119	1,533,195	(405,076)	-73.58%
Taxes	303,985	390,372	(86,387)	-77.87%
Leases and Rentals	80,000	75,000	5,000	-106.67%
Miscellaneous	208,966	381,500	(172,534)	-54.77%
Purchased Transportation	179,276	400,000	(220,724)	-44.82%
Total Other Operating (non-wages)	6,996,596	10,767,801	(3,771,205)	-64.98%
Contingency	0	500,000	(500,000)	0.00%
<b>TOTAL EXPENSES</b>	<b>30,753,299</b>	<b>43,479,292</b>	<b>(12,725,993)</b>	<b>-70.73%</b>
Excess Revenue Over (Under) Expenditures	1,095,095	450,000	645,095	243.35%

Schedule 3

**County Connection**  
**Paratransit Income Statement - Actual vs Budget**  
**For Year to Date Through 3/31/2026**

	Y-T-D Actual	Annual Budget	Variance	% Budget
<b>REVENUES</b>				
Passenger Fares	354,631	532,000	(177,369)	66.66%
Special Service Revenue	170,247	221,300	(51,053)	76.93%
Total Fare Revenue	524,878	753,300	(228,422)	69.68%
Federal Operating	1,642,987	1,664,495	(21,508)	98.71%
State Transit Assistance	750,000	1,000,000	(250,000)	75.00%
TDA Article 4.0	1,293,603	3,101,335	(1,807,732)	41.71%
TDA Article 4.5	825,592	1,077,864	(252,272)	76.60%
Measure J Sales Tax	1,911,039	2,627,938	(716,899)	72.72%
Other Local Grants and Charges	182,599	248,503	(65,904)	73.48%
Total Federal-State-Local Revenue	6,605,820	9,720,135	(3,114,315)	67.96%
Fare Revenue - LAVTA	23,306	30,000	(6,694)	77.69%
LAVTA Fees	1,342,844	1,982,151	(639,307)	67.75%
Fare Revenue - One Seat Partners	44,213	39,000	5,213	113.37%
One Seat Ride Fees	594,136	663,891	(69,755)	89.49%
Go San Ramon Fees	8,090	5,000	3,090	161.80%
Total Paratransit Partners	2,012,589	2,720,042	(707,453)	73.99%
<b>TOTAL REVENUE</b>	<b>9,143,287</b>	<b>13,193,477</b>	<b>(4,050,190)</b>	<b>69.30%</b>
<b>EXPENSES</b>				
Wages	275,632	319,126	(43,494)	-86.37%
Fringe Benefits	184,710	259,595	(74,885)	-71.15%
Total Wages & Benefits	460,342	578,721	(118,379)	-79.54%
Services	115,979	218,000	(102,021)	-53.20%
Materials and Supplies	1,573	4,000	(2,427)	-39.33%
Utilities	48,660	66,000	(17,340)	-73.73%
Insurance	14,184	20,998	(6,814)	-67.55%
Miscellaneous	3,789	10,000	(6,211)	-37.89%
Purchased Transportation				
Purchased Transportation	6,830,935	9,575,718	(2,744,783)	-71.34%
Total Other Operating (non-wages)	7,015,120	9,894,716	(2,879,596)	-70.90%
Purchased Transp - Partners				
Purchased Transp - Partners	1,667,825	2,720,040	(1,052,215)	-61.32%
<b>TOTAL EXPENSES</b>	<b>9,143,287</b>	<b>13,193,477</b>	<b>(4,050,190)</b>	<b>-69.30%</b>
Excess Revenue Over (Under) Expenditures	0	0	0	0.00%

Schedule 4

## County Connection Statistical Comparisons

For Year to Date Through 03/31/2026

	Actual FY 2026 through Q3	Actual FY 2025 through Q3	Variance FY 2026 to FY 2025	Actual FY 2024 through Q3	Variance FY 2026 to FY 2024
<b>Fixed Route</b>					
Fares & Fare Replacements	\$ 2,897,011	\$ 2,831,239	2.3%	\$ 2,590,816	11.8%
Operating Exp (Less leases)	\$ 30,673,299	\$ 27,678,718	10.8%	\$ 26,919,141	13.9%
<b>Farebox recovery ratio</b>	<b>9.4%</b>	<b>10.2%</b>	<b>-7.7%</b>	<b>9.6%</b>	<b>-1.9%</b>
Revenue Hours	145,047	143,648	1.0%	142,012	2.1%
<b>Cost per Rev Hour</b>	<b>\$ 211.47</b>	<b>\$ 192.68</b>	<b>9.8%</b>	<b>\$ 189.56</b>	<b>11.6%</b>
Passengers	2,029,334	2,046,977	-0.9%	1,940,012	4.6%
<b>Cost per Passenger</b>	<b>\$ 15.11</b>	<b>\$ 13.52</b>	<b>11.8%</b>	<b>\$ 13.88</b>	<b>8.9%</b>
<b>Passengers per Rev Hr</b>	<b>13.99</b>	<b>14.25</b>	<b>-1.8%</b>	<b>13.66</b>	<b>2.4%</b>
<b>Paratransit</b>					
Fares	\$ 524,878	\$ 455,126	15.3%	\$ 372,096	41.1%
Operating Exp (Less Partners)	\$ 7,475,462	\$ 6,845,721	9.2%	\$ 6,027,790	24.0%
<b>Farebox recovery ratio</b>	<b>7.0%</b>	<b>6.6%</b>	<b>5.6%</b>	<b>6.2%</b>	<b>13.7%</b>
Revenue Hours	50,047	49,888	0.3%	43,761	14.4%
<b>Cost per Rev Hour</b>	<b>\$ 149.37</b>	<b>\$ 137.22</b>	<b>8.9%</b>	<b>\$ 137.74</b>	<b>8.4%</b>
Passengers	83,030	74,536	11.4%	67,386	23.2%
<b>Cost per Passenger</b>	<b>\$ 90.03</b>	<b>\$ 91.84</b>	<b>-2.0%</b>	<b>\$ 89.45</b>	<b>0.7%</b>
<b>Passengers per Rev Hr</b>	<b>1.66</b>	<b>1.49</b>	<b>9.9%</b>	<b>1.54</b>	<b>7.7%</b>

**To:** Administration & Finance Committee

**Date:** April 29, 2026

**From:** Andrew M. Smith, Director of Planning & Marketing

**Reviewed by:** *Ref*

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**SUBJECT: AHSC Implementation and Cooperation Agreement for Route 4**

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**Background:**

County Connection partnered with the City of Walnut Creek and Resources for Community Development (RCD) on an Affordable Housing and Sustainable Communities (AHSC) Grant for the Civic Crossing project, a new affordable housing development at 699 Ygnacio Valley Road. The grant was awarded in April 2024 and provides funding for several transit-related improvements, including operating funds to restore 15-minute frequency on Route 4 (the “Downtown Trolley”) on weekdays from 7 a.m. to 9 p.m. The grant provides County Connection with a total of \$4.15 million over the course of approximately five years for the expanded service on Route 4.

**Implementation and Cooperation Agreement:**

The “AHSC Implementation and Cooperation Agreement” (Attachment 1) specifies the level of additional service provided on Route 4 and the payment structure whereby County Connection will be reimbursed for the related costs. Reimbursements will be provided annually based upon County Connection’s marginal operating costs.

**Financial Implications:**

The costs associated with operating the additional service are fully covered by the grant, which will fund these expenses for approximately five years. These revenues and associated expenditures were incorporated into the Fiscal Year 2027 Draft Budget that was presented to the Administration and Finance Committee at last month’s meeting.

**Recommendation:**

Staff recommends the Administration and Finance Committee authorize the General Manager to enter into contract with RCD on behalf of County Connection to accept grant funding paying for increased service on Route 4.

**Action Requested:**

Staff requests the Administration and Finance committee forward the AHSC Implementation and Cooperation Agreement to the Board of Directors for approval.

**Attachments:**

Attachment 1: AHSC Implementation and Cooperation Agreement

## AHSC IMPLEMENTATION AND COOPERATION AGREEMENT

This AHSC IMPLEMENTATION AND COOPERATION AGREEMENT (Agreement) is entered into effective this \_\_\_\_ day of \_\_\_\_\_, 2026, between the CENTRAL CONTRA COSTA TRANSIT AUTHORITY (“CCCTA”), a joint exercise of powers entity created, existing and in good standing under California Government Code Sections 6500, et seq., and the RESOURCES FOR COMMUNITY DEVELOPMENT (“RCD”), a California non-profit.

### RECITALS

THE PARTIES ENTER THIS AGREEMENT on the basis of the following facts, understandings and intentions:

- A. The State of California, the Strategic Growth Council (“SGC”) and the Department of Housing and Community Development (“HCD”) issued a Notice of Funding Availability dated January 19, 2024 (the “AHSC NOFA”), under the Affordable Housing and Sustainable Communities (“AHSC”) Program established under Division 44, Part 1 of the Public Resources Code, commencing with Section 75200.
- B. RCD was awarded an AHSC grant for mixed-use affordable housing development located at 699 Ygnacio Valley Road, Walnut Creek, CA 94596.
- C. RCD executed a Standard Agreement (STD 213, Rev. 4/2020, Agreement Number 23-AHSC-17966) (“Standard Agreement”) with HCD.
- D. The Standard Agreement includes a Sustainable Transportation Infrastructure (STI) project to restore and increase service frequency on CCCTA's Route 4.
- E. RCD will make payment to CCCTA for the implementation of service frequency increases on CCCTA's Route 4 (the “STI Work”).
- F. CCCTA is a non-applicant for the AHSC award but is committing to perform the STI Work, subject to the terms and conditions of this Agreement and the Standard Agreement.
- G. In consideration of the faithful performance of the terms and conditions set forth below, CCCTA and RCD agree that the undertaking described in this Agreement shall be implemented in accordance with the following.

1. TERM

- a. Term: This Agreement is subject to formal approval by the CCCTA Board of Directors at its meeting on \_\_\_\_\_. If approved, the Agreement will commence on \_\_\_\_\_, and remain in effect until terminated in accordance with this Agreement.

2. CCCTA RESPONSIBILITIES

- a. *Minimum Level of Service.* CCCTA shall provide a minimum level of service of three trips an hour on weekdays between 7:00 am and 8:30pm at its sole cost and expense.

- b. *Additional Service Hours*: CCCTA will operate increased service levels to increase Route 4 weekday frequency from 20 to 15 minutes between 7:00 AM and 9:00 PM (one additional bus per hour) and extend service from 8:30 PM to 9:00 PM. ("Additional Service Hours.") The Additional Service Hours are scheduled to become operationally effective on March 29, 2026.
- c. *Invoices*: CCCTA will submit invoices to RCD on an annual basis for reimbursement of Additional Service Hours costs in a form acceptable to RCD. The hourly rate for Additional Service Hours is set at \$175.43 for Calendar Year 2026. The hourly rate for Additional Service Hours will be adjusted annually on January 1, based on the change in marginal operating cost per hour from the previous fiscal year (ending June 30).  
*Holidays*: Service will not operate on New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day or Christmas Day. CCCTA shall be responsible for paying all costs required for the STI Work irrespective of whether such costs exceed the portion of the AHSC grant designated for the STI Work.
- d. *Fare Structure*: CCCTA currently operates fare-free service on Route 4. CCCTA retains full discretion to revise fare structures as necessary. Should the route cease to be fare-free, CCCTA reserves the right to retain all fare revenue to support Route 4 operations.
- e. *Indemnification*: CCCTA acknowledges if the STI Work is not completed within the schedule of performance deadlines, as such dates may be extended by HCD, and otherwise in accordance with the AHSC Standard Agreement, RCD is at risk of having negative points assessed by HCD, loss of funding of AHSC grant and/or AHSC loan funds and the recapture of previously disbursed AHSC grant or AHSC loan funds, among other consequences. CCCTA shall indemnify, defend, and hold harmless RCD, its officers, directors, employees, agents, and volunteers from and against any and all liability, loss, expense (including attorneys' fees), or claims for injury or damages arising out of its performance under this Agreement, or its failure to comply with any of its obligations contained herein, except such loss or damage which was caused by the negligence or willful misconduct of RCD.
- f. *Monitoring Performance and Reporting*: CCCTA will monitor the performance of Route 4 quarterly in accordance with its customary practice for reviewing fixed route service, and meet with the RCD as needed. CCCTA shall provide RCD ridership and performance reports and such other information as needed for RCD to comply with the terms and conditions of RCD's funding sources. CCCTA and RCD shall mutually agree upon a format and the content of such reports, and the frequency with which the reports shall be provided to RCD
- g. *Financial Records*: CCCTA shall maintain true and complete records in connection with the service and all transactions related thereto, and shall retain all such records for at least thirty-six (36) months after the end of the calendar year in which the service is performed or such longer period as may be required by HCD. RCD may from time to time and at any time during the foregoing period of record retention make an audit of all records of

CCCTA relating to the service; but only for the purpose of assessing the accuracy of reports or information received from CCCTA.

3. RCD Responsibilities

- a. RCD will process invoices submitted by CCCTA and shall issue a reimbursement payment to CCCTA within thirty (30) days following receipt of the AHSC grant funds from HCD. The total payments will not exceed \$4,154,266 under this Agreement. RCD will have no obligation to pay for any work until the Disbursement Agreement has been executed and HCD disburses portions of the AHSC funds to RCD for payment to CCCTA.
- b. RCD shall indemnify, defend, and hold harmless CCCTA, its officers, directors, employees, agents, and volunteers from and against any and all liability, loss, expense (including attorneys' fees), or claims for injury or damages arising out of its performance under this Agreement or its failure to comply with any of its obligations contained herein, except such loss or damage which was caused by the negligence or willful misconduct of CCCTA.

4. Notices: Any notices which may be required under this Agreement shall be in writing, effective when received and given electronically, or by personal service, or by certified or registered mail to the following. Until notified otherwise in writing, CCCTA shall send or deliver all such communications relating to this Agreement to the following address:

Resources for Community Development  
Attention: Daniel Sawislak, Executive Director  
2220 Oxford Street  
Berkeley, CA 94704

And, RCD shall send all such communications to the following address:

Central Contra Costa Transit Authority  
Attention: Andrew M. Smith, Director of Planning and Marketing  
2477 Arnold Industrial Way  
Concord, CA 94520

5. TERMINATION OF AGREEMENT:

- a. This Agreement shall terminate upon the earlier of: (i) completion of all obligations under the AHSC grant documents; or (ii) mutual agreement of the parties hereto.
- b. As of the effective date of termination, CCCTA shall be released from any obligations under this Agreement.

6. SEVERABILITY: Should any part of this Agreement be declared unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect

the validity of the remainder of this Agreement, which shall continue in full force and effect; provided that, the remainder of this Agreement can, absent the excised portion, be reasonably interpreted to give effect to the intentions of the parties.

7. HEADINGS: The descriptive headings used in this Agreement are for convenience only and shall not control or affect the meaning or construction of any of its provisions.
8. WAIVER: No waiver by either party of any default or breach of any covenant by the other hereunder shall be implied from any omission to take action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the waiver and then said waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. No waiver of any provision under this Agreement shall be effective unless in writing and signed by the waiving party.
9. ASSIGNMENT: This Agreement shall not be assigned to any third party.
10. DISPUTES: Any disputes arising under this Agreement between the parties shall be resolved by the Executive Director for RCD, and the General Manager for CCCTA, or their designees. If RCD and CCCTA are unsuccessful in informally resolving any dispute, the parties shall attempt to mediate the dispute by a mediator jointly selected by the parties before initiating any litigation. Such mediation may be requested by either party and shall be performed within 60 days of the request, unless extended by mutual agreement. The obligation to mediate shall be terminated if the parties are unable to mutually agree upon a mediator. The parties shall equally bear the costs of any third-party alternative dispute resolution process.
11. CONTROLLING LAW: This Agreement and all matters relating to it shall be governed by the laws of the State of California.
12. AUTHORITY: All parties executing this Agreement represent and warrant that they are authorized to do so.

*[Signatures on next page]*

IN WITNESS WHEREOF, the parties have hereunto set their hands the date and year first above written.

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

\_\_\_\_\_  
By: Bill Churchill, General Manager

Date: \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
By: Julie Sherman, Legal Counsel  
Hanson Bridgett LLP

RESOURCES FOR COMMUNITY DEVELOPMENT

\_\_\_\_\_  
By: Daniel Sawislak

Date: \_\_\_\_\_

## Memorandum

**TO:** Administration and Finance Committee  
Board of Directors

**FROM:** Julie A. Sherman, Legal Counsel

**DATE:** March 27, 2026

**RE:** **Amending Conflict of Interest Code**

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### ACTION

It is recommended that the Board of Directors adopt the attached revised Conflict of Interest Code and Appendices.

### SIGNIFICANCE

California Government Code Section 87306.5 requires every local agency to review its Conflict of Interest Code in each even-numbered year and to amend the Code if necessitated by changed circumstances.

Accordingly, we have updated the designated positions to reflect the agency's reorganization that occurred after the last review of the Code. Specifically, the following positions have been added: Director of ADA & Specialized Services, Director of Maintenance, Facilities Superintendent, Manager of Human Resources, Manager of Maintenance, and Manager of Training. The following positions have been removed: Director of Innovation and Mobility, Director of Recruitment & Employee Development/DBE Officer, and Manager of Customer Service & Public Outreach. Additionally, the following positions have been reclassified and the titles have been updated: Manager of Purchasing & Grants (from Manager of Facilities & Grants) and Manager of Marketing & Communications (from Manager of Marketing & Customer Service).

### ATTACHMENTS

For reference, the following documents are attached:

1. The proposed Conflict of Interest Code, including the revised Appendices of Designated Positions and Disclosure Categories; and
2. Resolution No. 2026-27 to adopt the amended Conflict of Interest Code.

## **CONFLICT OF INTEREST CODE**

### **CENTRAL CONTRA COSTA TRANSIT AUTHORITY**

Adopted on February 19, 1981 pursuant to Resolution No. 1981-001

Amended on July 16, 1988 pursuant to Resolution No. 1988-043

Amended on September 15, 1994 pursuant to Resolution No. 1995-008

Amended on September 19, 1996 pursuant to Resolution No. 1997-001

Amended on September 17, 1998 pursuant to Resolution No. 1999-02

Amended on September 21, 2000 pursuant to Resolution No. 2001-007

Amended on September 19, 2002 pursuant to Resolution No. 2003-007

Amended on September 16, 2004 pursuant to Resolution No. 2005-003

Amended on September 21, 2006 pursuant to Resolution No. 2007-009

Amended on August 21, 2008 pursuant to Resolution No. 2009-004

Amended on September 16, 2010 pursuant to Resolution No. 2011-003

Amended on September 16, 2012 pursuant to Resolution No. 2013-003

Amended on December 18, 2014 pursuant to Resolution No. 2015-016

Amended on February 15, 2018 pursuant to Resolution No. 2018-010

Amended on June 18, 2026 pursuant to Resolution No. 2026-27

## **CONFLICT OF INTEREST CODE FOR THE CENTRAL CONTRA COSTA TRANSIT AUTHORITY**

The Political Reform Act of 1974 (Government Code Sections 81000, *et seq.*) requires State and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730), which contains the terms of a standard Conflict of Interest Code and can be incorporated by reference into an agency's code.

Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission, along with the attached Appendices, designating positions and establishing disclosure categories, shall constitute the Conflict of Interest Code of the Central Contra Costa Transit Authority (County Connection).

Individuals holding designated positions shall file their statements of economic interests with County Connection, which will make the statements available for public inspection and reproduction. (Gov. Code Sec. 81008.) County Connection will retain a copy of each statement and forward the originals to the Contra Costa County Board of Supervisors, which shall be the filing officer.

## APPENDIX A

### DESIGNATED POSITIONS

<u>Designated Positions</u>	<u>Disclosure Category(ies)</u>
Assistant General Manager of Administration	1, 2, 3
Chief Operating Officer & Safety/EOC	1, 2, 3
Director of ADA & Specialized Services	2, 3
Director of Human Resources	2, 3
Director of IT	2, 3
Director of Maintenance	2, 3
Director of Planning and Marketing	2, 3
Director of Transportation	2, 3
Facilities Superintendent	2, 3
Manager of Accounting	2, 3
Manager of Accessible Services	2, 3
Manager of Purchasing & Grants	2, 3
Manager of Human Resources	2, 3
Manager of Maintenance	2, 3
Manager of Marketing & Communications	2, 3
Manager of Planning	2, 3
Manager of Training	2, 3
Manager of Transportation	2, 3
Buyer	2, 3
Legal Counsel	1, 2, 3
Consultants/New Positions	*

\*Pursuant to Title 2, Division 6, California Code of Regulations, Section 18734, Consultants/New Positions that make or participate in the making of decisions that may foreseeably have a material effect on any financial interest are included in the list of designated positions and shall disclose

pursuant to the broadest disclosure category in the Conflict of Interest Code, subject to the following limitation:

The General Manager may determine in writing that a particular consultant or a new position, although a “designated position,” is hired to perform a range of duties that are limited in scope and thus not required to comply with the disclosure requirements described in this section. Such determination shall include a description of the consultant's or a new position's duties, and, based upon that description, a statement of the extent of disclosure requirements. The determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Section 81008.) Nothing herein excuses any such consultant from any other provision of this Conflict of Interest Code.

### **Officials Who Manage Public Investments**

The positions listed below are NOT covered by the Conflict of Interest Code because they must file a statement of economic interests pursuant to Government Code Section 87200 and, therefore, are listed for information purposes only:

Members of the County Connection Board of Directors  
Alternate Members of the County Connection Board of Directors  
Chief Financial Officer  
General Manager

An individual holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe their position has been categorized incorrectly. The Fair Political Practices Commission makes the determination whether a position is covered by Section 87200.

## **APPENDIX B**

### **DISCLOSURE CATEGORIES**

**Category 1:** Interests in real property located within or not more than two miles outside the boundaries of the jurisdiction of or within a two mile radius of any land owned or used by County Connection.

**Category 2:** Investments and business positions in business entities, and income, including receipt of gifts, loans, and travel payments, from sources that provide products, services, supplies, materials, machinery, or equipment of the type utilized by County Connection or in projects funded by County Connection, including buses, insurance, information technology, telecommunications, public utilities, consultants, transportation companies, and manufacturers.

**Category 3:** Investments and business positions in business entities, and income, including receipt of gifts, loans, and travel payments, from, sources that filed a claim with or against County Connection during the previous two years, or have a claim pending with or against County Connection.

**RESOLUTION NO. 2026-27**

**BOARD OF DIRECTORS, CENTRAL CONTRA COSTA TRANSIT AUTHORITY  
STATE OF CALIFORNIA**

\* \* \*

**ADOPTING AMENDED CONFLICT OF INTEREST CODE**

WHEREAS, the County of Contra Costa and the Cities of Clayton, Concord, the Town of Danville, Lafayette, Martinez, the Town of Moraga, Orinda, Pleasant Hill, San Ramon and Walnut Creek (hereinafter "Member Jurisdictions") have formed the Central Contra Costa Transit Authority ("CCCTA"), a joint exercise of powers agency created under California Government Code Section 6500 *et seq.*, for the joint exercise of certain powers to provide coordinated and integrated public transportation services within the area of its Member Jurisdictions and certain unincorporated portions of Contra Costa County;

WHEREAS, pursuant to Resolution No. 1981-001, dated February 19, 1981, CCCTA adopted a Conflict of Interest Code ("Code") as required by the Political Reform Act of 1974;

WHEREAS, California Government Code Section 87306.5 requires that CCCTA review its Conflict of Interest Code every even-numbered year, and revise it if necessary;

WHEREAS, Legal Counsel and staff have reviewed the current Conflict of Interest Code and have determined that the Code and its Appendices should be updated to reflect current staffing positions and organization; and

WHEREAS, Legal Counsel, the Administration & Finance Committee, and staff recommend adopting the amended Conflict of Interest Code.

NOW, THEREFORE, BE IT RESOLVED by the Central Contra Costa Transit Authority Board of Directors that the amended Conflict of Interest Code is hereby adopted, in the form presented to the Board of Directors; and

BE IT FURTHER RESOLVED that the Board Clerk is directed to transmit a copy of the amended Conflict of Interest Code to the Board of Supervisors of Contra Costa County for its review and approval, and to make any revisions that may be required by the County for approval of the Code.

Regularly passed and adopted this 16th day of April 2026, by the following vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

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Robert Storer, Chair, Board of Directors

ATTEST:

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Lathina Hill, Clerk to the Board

**To:** Administration & Finance Committee

**Date:** May 27, 2026

**From:** Kristina Martinez, Director of Human Resources

**Reviewed by:** *W.C.*

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**SUBJECT: Adjustment to Non-Represented Administrative Employees Compensation**

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**Background:**

County Connection employees consist of the following groups: Transit Operators, Transit Supervisors, Maintenance, and Administrative staff. The Administrative employee group is the only non-represented group. The other three employee groups are all represented by a separate union with distinct Memorandums of Understanding (MOU).

**Summary of Issues:**

It looks reasonably certain that for fiscal year (FY) 27 the Authority can afford an increase for the non-represented employees. The General Manager requests a 4% cost of living adjustment ("COLA") for all satisfactorily performing administrative employees effective July 1, 2026 (see Attachment 1). This is the same percentage increase included in all three of the recently negotiated MOUs for the represented employees, effective as of September 28, 2025 for the ATU Local 1605 and Automotive Machinists Lodge No. 1173, and June 1, 2026 for the Teamsters Local 856.

Due to the economic uncertainty surrounding Senate Bill (SB) 63, and the anticipated \$6.0 million operating deficit that County Connection will be facing next year, staff has begun evaluating austerity measures that balance the agency's financial stability alongside operational needs.

At the April Board of Directors meeting, the Board adopted an Alternative Service Plan to address the budget reductions necessary should voters not approve the sales tax measure in November. At the Board's direction, this plan included both service reductions as well as austerity measures impacting departmental budgets, travel and raises. With this in mind and following careful review, the General Manager has determined that it is necessary to place a temporary hold on any merit or step increases for Administrative staff as of July 1, 2026. Thus, the merit pool request which is generally included at the time of the COLA request made to the Administration & Finance (A&F) Committee as well as the Board, will not be included for FY27. Additional measures, including departmental budgets and travel will be brought to the Board under the budget discussion.

**Financial Implications:**

The cost for the cost-of-living adjustment (COLA) totals approximately \$243,000 and is included in the proposed FY27 budget.

**Recommendation:**

Staff recommends that the A&F Committee review and discuss the proposed 4% COLA and the austerity measures proposed for FY27.

**Action Requested:**

Staff requests the A&F Committee forward the COLA to the full Board of Directors for discussion and with a recommendation for approval at the June meeting.

**Attachments:**

Attachment 1: Proposed FY27 Pay Scale



**PROPOSED PAY SCALE FY 2027**  
**Annual Salary Amounts**

GRADE	STEPS								
	1	2	3	4	5	6	7	8	9
POSITION	(MIN)								(MAX)
<b>GRADE 9</b>									
ASST. FACILITIES SUPER.	\$ 82,151	\$ 85,464	\$ 88,814	\$ 92,410	\$ 96,042	\$ 99,955	\$ 103,904	\$ 108,135	
MAINTENANCE ASSISTANT	\$ 82,151	\$ 85,464	\$ 88,814	\$ 92,410	\$ 96,042	\$ 99,955	\$ 103,904	\$ 108,135	
ASSOCIATE PLANNER/SCHEDULER	\$ 82,151	\$ 85,464	\$ 88,814	\$ 92,410	\$ 96,042	\$ 99,955	\$ 103,904	\$ 108,135	
TRANSPORTATION ASSISTANT	\$ 82,151	\$ 85,464	\$ 88,814	\$ 92,410	\$ 96,042	\$ 99,955	\$ 103,904	\$ 108,135	
MAINTENANCE DATA ANALYST	\$ 82,151	\$ 85,464	\$ 88,814	\$ 92,410	\$ 96,042	\$ 99,955	\$ 103,904	\$ 108,135	
MARKETING ASSISTANT	\$ 82,151	\$ 85,464	\$ 88,814	\$ 92,410	\$ 96,042	\$ 99,955	\$ 103,904	\$ 108,135	
ACCOUNTING ANALYST	\$ 82,151	\$ 85,464	\$ 88,814	\$ 92,410	\$ 96,042	\$ 99,955	\$ 103,904	\$ 108,135	
<b>GRADE 8</b>									
ACCOUNTING TECHNICIAN II	\$ 74,605	\$ 77,567	\$ 80,705	\$ 83,843	\$ 87,263	\$ 90,753	\$ 94,420	\$ 98,122	
ASSISTANT PLANNER/SCHEDULER	\$ 74,605	\$ 77,567	\$ 80,705	\$ 83,843	\$ 87,263	\$ 90,753	\$ 94,420	\$ 98,122	
DESKTOP SUPPORT SPECIALIST	\$ 74,605	\$ 77,567	\$ 80,705	\$ 83,843	\$ 87,263	\$ 90,753	\$ 94,420	\$ 98,122	
HUMAN RESOURCES SPECIALIST	\$ 74,605	\$ 77,567	\$ 80,705	\$ 83,843	\$ 87,263	\$ 90,753	\$ 94,420	\$ 98,122	
SR. ACCOUNTING ASSIST.	\$ 74,605	\$ 77,567	\$ 80,705	\$ 83,843	\$ 87,263	\$ 90,753	\$ 94,420	\$ 98,122	
FACILITY SPECIALIST	\$ 74,605	\$ 77,567	\$ 80,705	\$ 83,843	\$ 87,263	\$ 90,753	\$ 94,420	\$ 98,122	
SENIOR CUSTOMER SERVICE REP	\$ 74,605	\$ 77,567	\$ 80,705	\$ 83,843	\$ 87,263	\$ 90,753	\$ 94,420	\$ 98,122	
<b>GRADE 7</b>									
ACCOUNTING TECHNICIAN I	\$ 67,801	\$ 70,621	\$ 73,371	\$ 76,297	\$ 79,435	\$ 82,538	\$ 85,852	\$ 89,273	
HUMAN RESOURCES ASSISTANT	\$ 67,801	\$ 70,621	\$ 73,371	\$ 76,297	\$ 79,435	\$ 82,538	\$ 85,852	\$ 89,273	
ADMINISTRATIVE ASSISTANT III	\$ 67,801	\$ 70,621	\$ 73,371	\$ 76,297	\$ 79,435	\$ 82,538	\$ 85,852	\$ 89,273	
<b>GRADE 6</b>									
CUSTOMER SERVICE REPRESENTATIVE	\$ 61,630	\$ 64,169	\$ 66,743	\$ 69,352	\$ 72,172	\$ 75,063	\$ 78,025	\$ 81,127	
ADA SPECIALIST	\$ 61,630	\$ 64,169	\$ 66,743	\$ 69,352	\$ 72,172	\$ 75,063	\$ 78,025	\$ 81,127	
<b>GRADE 5</b>									
LEAD CUSTODIAN	\$ 50,841	\$ 52,851	\$ 55,002	\$ 57,188	\$ 59,480	\$ 61,912	\$ 64,310	\$ 66,919	
<b>GRADE 4</b>									
CUSTODIAN	\$ 46,258	\$ 48,091	\$ 49,995	\$ 52,075	\$ 54,120	\$ 56,306	\$ 58,528	\$ 60,890	

**To:** Administration & Finance Committee

**Date:** May 29, 2026

**From:** Amber Johnson, Chief Financial Officer

**Reviewed by:** WC.

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**SUBJECT: Fiscal Year 2027 Proposed Budget and Forecast Update**

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**Background:**

County Connection's Fiscal Year (FY) 2027 Operating and Capital Budget is presented to the Administration and Finance Committee for review, discussion, and referral to the Board of Directors for their approval following a public hearing.

The draft budget was originally presented to the Administration & Finance Committee and approved by the Board in April to allow staff to submit a Transportation Development Act (TDA) claim to the Metropolitan Transportation Commission (MTC). A revised version, including a five-year forecast, was discussed by the Committee and Board in May. The final proposed budget document is attached to this staff report, along with a summary of key changes since the previous version.

The budget includes an Operating Budget, a Capital Budget, and a multiyear forecast of revenues and expenditures. Staff has taken a conservative approach to forecasting while continuing to propose services levels that meet the needs of Central Contra Costa County transit riders.

**Revisions from Draft Budget:**

In response to the structural deficit facing the Authority, the draft budget has been updated to include targeted cost-control measures. These actions include a freeze on merit and step increases for non-represented staff, as well as reductions in staff and Board travel expenditures.

**AB 2561:**

Assembly Bill (AB) 2561 was signed into law by Governor Newsom to address staffing levels in public agencies. The bill requires agencies to report on vacancy rates, as well as recruitment and retention efforts, at a public hearing prior to adoption of the final budget each fiscal year.

In compliance with AB 2561, staff is using the FY 2026 budget as a baseline to conduct a comprehensive review of staffing levels across all bargaining units, including Amalgamated Transit Union (ATU), Local 1605, Teamsters Local 856, and Machinists Automotive Trades District Lodge No. 1173. Additional reporting requirements may be included if the number of vacancies within a single bargaining unit meet

or exceed 20% of the total number of authorized full-time positions. The final report will be presented as part of the budget hearing prior to final adoption of the FY 2027 budget.

County Connection remains committed to its employees and the communities it serves. Staff continues to monitor staffing levels to maintain efficiency, protect current service levels, and respond to evolving service demands. Recruitment efforts include postings on the County Connection website, online job platforms, local publications, participation in job fairs, and collaboration with the California Employment Development Department (EDD) and the Workforce Development Board of Contra Costa County.

**Budget Summary:**

County Connection’s proposed budget for July 1, 2026, to June 30, 2027 (FY 2027) includes \$59.3 million in operating expenses for fixed route and paratransit services with corresponding revenue to offset these costs. An additional \$3.2 million is proposed for capital expenditures and associated revenues.

The fixed route operating expense budget of \$45.4 million represents a 4.5 percent increase over the FY 2026 budget. This increase supports the continuation of current fixed route service levels, based on the assumption that operator positions remain fully staffed. A primary driver of the higher operating costs is fuel. Fuel prices have reached historically high levels, and there remains significant uncertainty regarding future pricing due to ongoing international conflicts.

The paratransit operating expense budget of \$10.0 million reflects a 1.3 percent increase over the FY 2026 budget. Following a period of rapid growth over the past two years, demand has stabilized and is expected to grow modestly in FY 2027. The paratransit purchased transportation budget assumes a 4% contract escalation and a 2% increase in ridership over FY 2026 levels.

The FY 2027 capital budget totals \$3.2 million and includes facility and vehicle maintenance and modernization projects such as in-ground hydraulic lift replacements, a bus wash overhaul, roof replacements, an automated fuel system upgrade, and on-board technology improvements. These projects will be implemented over multiple years and funded with TDA capital funds.

**Table 1: Budget Summary**

**County Connection  
FY 2027 Draft Budget  
BUDGET SUMMARY**

Category	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget	% Change from FY 2026 Budget
<b>Revenue:</b>					
Fixed Route Operations	\$ 39,690,896	\$ 43,929,292	\$ 42,773,016	\$ 46,139,925	5.0%
Paratransit Operations	11,905,224	13,193,477	12,857,491	13,884,200	5.2%
Capital	9,941,400	13,591,400	13,591,400	3,182,500	-76.6%
<b>Total Revenue</b>	<b>61,537,520</b>	<b>70,714,169</b>	<b>69,221,907</b>	<b>63,206,625</b>	<b>-10.6%</b>
<b>Expenditures:</b>					
Fixed Route Operations	38,159,521	43,479,292	41,665,766	45,439,925	4.5%
Paratransit Operations	11,905,224	13,193,477	12,857,491	13,884,200	5.2%
Capital	9,941,400	13,591,400	13,591,400	3,182,500	-76.6%
<b>Total Expenditures</b>	<b>60,006,145</b>	<b>70,264,169</b>	<b>68,114,657</b>	<b>62,506,625</b>	<b>-11.0%</b>
<b>Net Change in Fund Balance</b>	<b>\$ 1,531,375</b>	<b>\$ 450,000</b>	<b>\$ 1,107,250</b>	<b>\$ 700,000</b>	
<b>Operating and Capital Reserve</b>					
TDA Reserve Balance	49,081,517	41,512,566	43,662,078	33,794,932	
Discretionary Reserve Balance	2,915,529	3,365,529	4,022,779	4,722,779	
<b>Total Operating and Capital Reserve</b>	<b>\$ 51,997,046</b>	<b>\$ 44,878,095</b>	<b>\$ 47,684,857</b>	<b>\$ 38,517,711</b>	

The budget document attached to this report provides additional information and trends for the fixed route and paratransit operations budget and associated revenue.

**Financial Implications:**

Adoption of the proposed FY 2027 Operating and Capital Budget as presented will result in total expenditure authority of \$62,506,625.

**Recommendation:**

Staff recommends the Committee review and provide comment on the proposed FY 2027 Operating and Capital Budget.

**Action Requested:**

Staff requests that the Committee provide comments and forward a recommendation to the Board of Directors to adopt the FY 2027 Operating and Capital Budget following a public hearing.

**Attachments:**

Attachment 1: Proposed FY 2027 Operating and Capital Budget

*County Connection*

**OPERATING  
& CAPITAL  
BUDGET**

FY 26/27



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# County Connection Overview

The Central Contra Costa Transit Authority (the “Authority” or “County Connection”) is a public transit agency operating fixed-route bus and ADA paratransit (County Connection LINK) service in and around Central Contra Costa County in the San Francisco Bay Area. County Connection is a Joint Powers Authority (JPA) formed in 1980, with one member of each jurisdiction comprising its 11-member Board of Directors. The jurisdictions that make up County Connection are the cities of Clayton, Concord, Lafayette, Martinez, Orinda, Pleasant Hill, San Ramon, Walnut Creek; the towns of Danville and Moraga; and certain unincorporated areas of Central Contra Costa County.

County Connection serves a dynamic and diverse modern suburban area that is spread out over a wide geographic area. County Connection patrons are economically diverse, and often transit dependent. Without County Connection services, many central Contra Costa County residents would have no transportation available for work, school, medical appointments or to take advantage of recreational opportunities. More information about County Connection can be found at [www.countyconnection.com](http://www.countyconnection.com).

## County Connection Service Profile

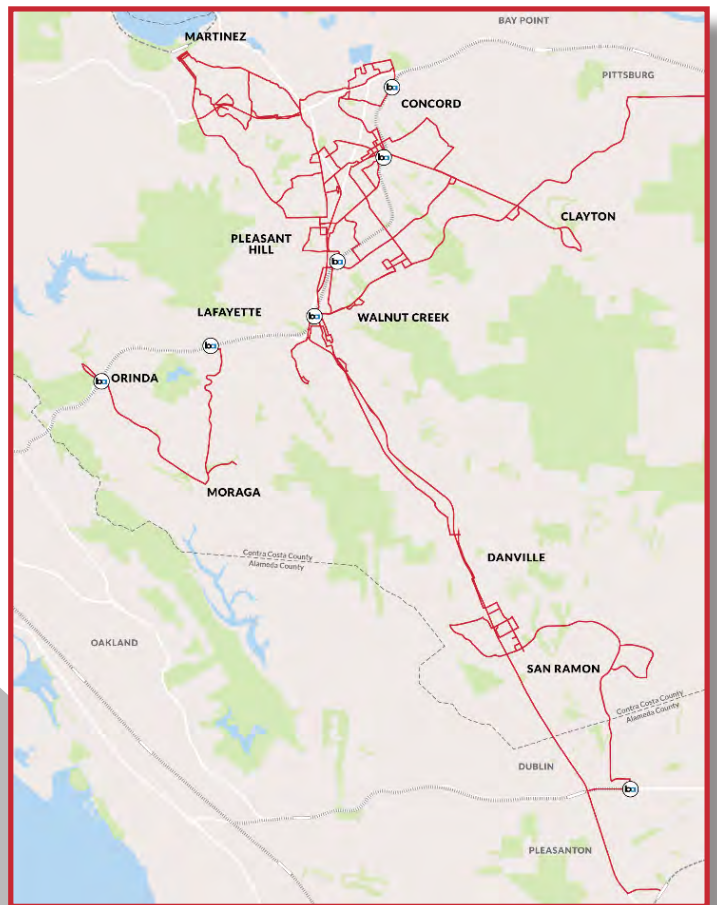
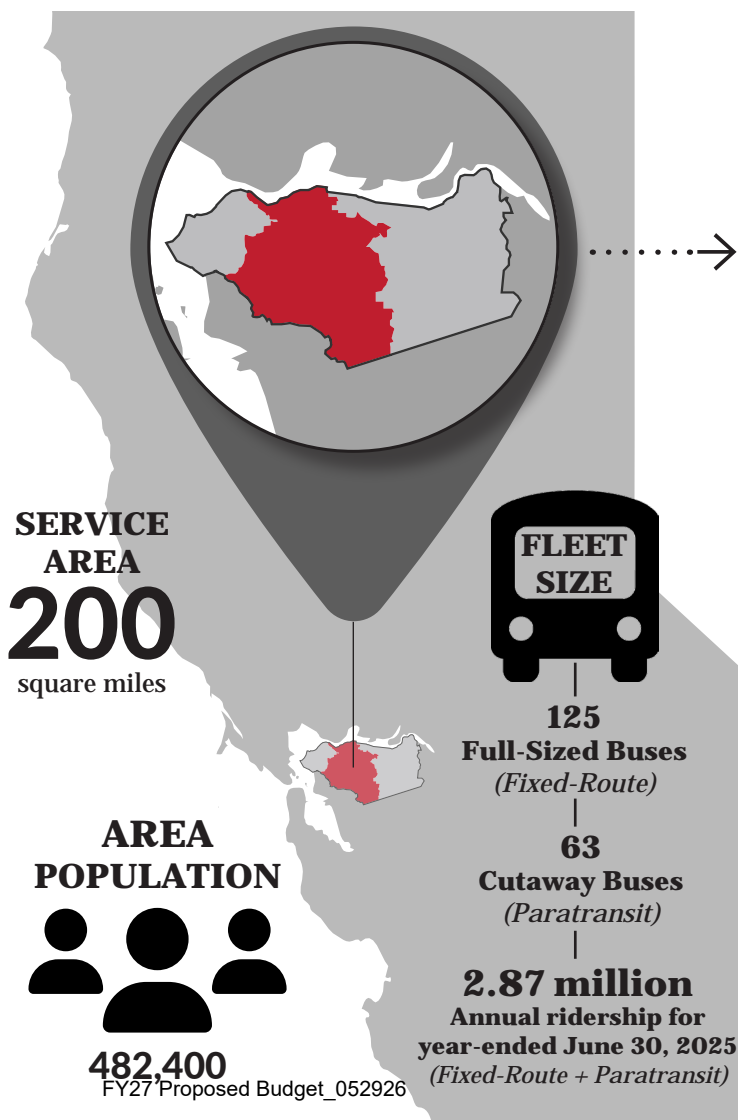


Figure 1: Service Area Map

# Budget Summary

The FY 2027 Budget proposes \$59.3 million in operating expenses for fixed route and paratransit services, with corresponding revenues to offset these costs. An additional \$3.2 million is proposed in capital expenditures and associated revenues in the budget year.

County Connection’s primary revenue source is Transportation Development Act (TDA) 4.0 funding through the Metropolitan Transportation Commission (MTC). The budget includes \$33.9 million in TDA funding, which exceeds MTC’s projected allocation of \$24 million by \$9.9 million. This difference will be funded through the use of TDA reserves, including \$3.2 million allocated to the capital program.

At the end of FY 2027, the Authority’s combined Operating and Capital reserves are projected to be \$38.5 million.

**Table 1: Budget Summary**

## County Connection FY 2027 Draft Budget BUDGET SUMMARY

Category	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget	% Change from FY 2026 Budget
<b>Revenue:</b>					
Fixed Route Operations	\$ 39,690,896	\$ 43,929,292	\$ 42,773,016	\$ 46,139,925	5.0%
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Discretionary Reserve Balance	2,915,529	3,365,529	4,022,779	4,722,779	
<b>Total Operating and Capital Re</b>	<b>\$ 51,997,046</b>	<b>\$ 44,878,095</b>	<b>\$ 47,684,857</b>	<b>\$ 38,517,711</b>	

## Operating & Capital Reserve Balance

In April of 2024, the Board revised its Operating & Capital Reserve policy, introducing significant changes to a framework that had remained unchanged since its adoption in 1987. The revised policy allows discretionary revenues—such as advertising income and investment earnings—to be transferred into a reserve account maintained directly by County Connection, separate from TDA reserves held by MTC.

The discretionary reserve is projected to total approximately \$4.0 million at the end of FY 2026. An additional \$700,000 transfer is anticipated in FY 2027, increasing the balance to approximately \$4.7 million. Expanding the definition of reserves to include discretionary revenues strengthens the Authority’s financial position and enhances resilience to future uncertainties.

## SB 63 Impacts

Senate Bill (SB) 63, the Connect Bay Area Act, authorizes a potential tax measure for the November 2026 ballot to support the long-term sustainability and improvement of transit across five Bay Area counties.

If the measure is not approved, transit agencies—including County Connection—will face significant financial and operational challenges. In April 2026, the Board adopted an Alternative Service Plan to address funding shortfalls. The plan, which would take effect in FY 2029, includes service reductions and agency-wide cost-containment measures.

Select cost-control measures are already incorporated into the FY 2027 budget, including a freeze on merit and step increases for non-represented staff, a freeze on the employee referral program, and reductions in travel expenditures.

## Operating Revenues

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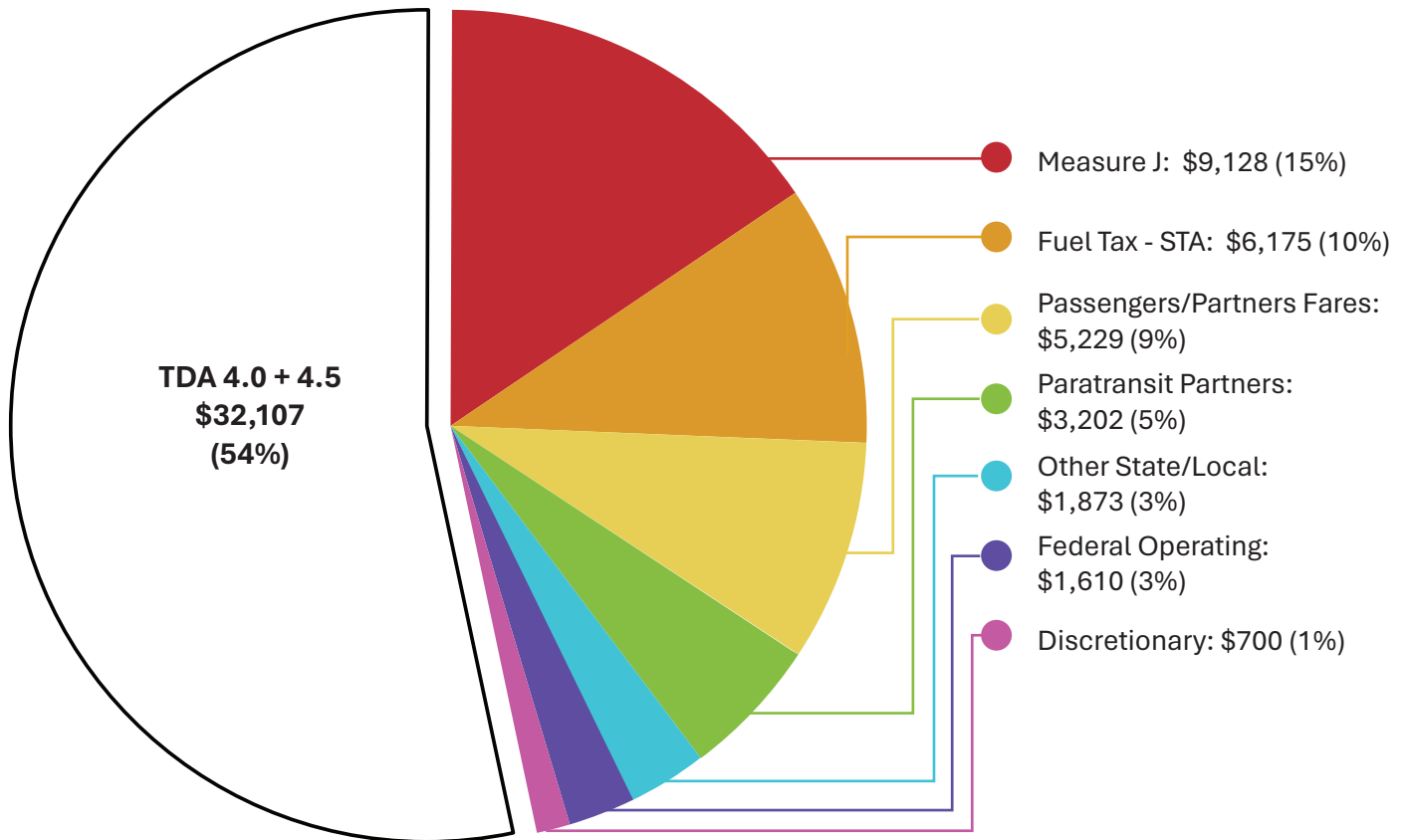
County Connection relies on a mixed portfolio of revenue sources. TDA provides the majority of the Authority’s operating funds. The primary revenue sources for County Connection operations are:

- Transportation Development Act (TDA)
- Measure J
- State Transit Assistance (STA)
- Federal operating funds
- Passenger fares

To develop revenue projections for the FY 2027 budget, staff referred to the Metropolitan Transportation Commission (MTC) revenue projections for STA, TDA and federal operating funds, used Contra Costa Transportation Authority (CCTA) estimates for Measure J, and applied conservative projections to passenger fares.

**Chart 1: Operating Revenues**

**FY 2027 Operating Revenues**  
**\$60.0 Million**  
*\$ in thousands*



## Fare Revenues

Fare revenues are presented in two main categories – Fares and Special Services revenue. Low Carbon Transit Operations Program (LCTOP) funding also contributes to fare revenues, as discussed below.

### Fares

Fare revenues include payment collected from passengers and other organizations who provide funding to replace passenger fares. After a dramatic drop in fare collection during the pandemic, ridership and fares collected have rebounded, with an estimated \$3.6 million to be collected in FY 2026. Ridership growth appears to have plateaued, so the budget anticipates fare collection to be flat in the budget year and 5-year forecast.

### Special Services

Special services revenue represents agreements with various agencies such as BART (bus bridges), the City of Walnut Creek, St. Mary's, and others to provide transit services for agreed upon amounts. Revenues from agreements that were not renewed during the pandemic have been replaced by youth pass subsidies and increased bus bridge revenues, bringing increased stability to this revenue source. Additionally, a grant awarded by the Affordable Housing and Sustainable Communities (AHSC) in partnership with the City of Walnut Creek and Resources for Community Development (RCD) is increasing this revenue category by \$760 thousand in the budget year.

### Low Carbon Transit Operations Program (LCTOP)

The Low Carbon Transit Operations Program (LCTOP) provides cap-and-trade funding for transit to reduce greenhouse gas (GHG) emissions and improve mobility, with a priority on serving disadvantaged communities (DACs). The Board of Directors has approved the utilization of these funds on fare subsidies on routes serving the Monument Corridor. In FY 2027, \$1.2 million in LCTOP fare subsidies will be recorded as Fares. The Board has also approved the utilization of these funds on service within DACs in the County Connection service area. In FY 2027, \$300 thousand in LCTOP operating assistance will be recorded as Special Services revenue. Altogether, County Connection has been allocated \$1.5 million in LCTOP funds in FY 2027, about \$50 thousand less than FY 2026.

## Federal Operating Funds

County Connection was awarded a grant from the Federal Highway Administration (FHWA) in the amount of \$450 thousand for a transit corridors study. Approximately \$352 thousand of these funds have been utilized through FY 2026, and the remaining \$98 thousand is budgeted to FY 2027 federal operating revenue under fixed route services.

Federal funds are also made available to transit operators for ADA Paratransit operations under the Section 5307 Urbanized Area Formula Program. MTC is the designated recipient of FTA Section 5307 formula funds in the Concord urbanized area and determines the allocation of these funds among area operators. The most recent allocation of these funds from MTC indicated that County Connection will receive \$1.5 million in FTA 5307 paratransit funds in the budget year.

## State Transit Assistance (STA)

State Transit Assistance Funds (STA) funds are collected from the sales tax on diesel fuel. In FY 2018, Senate Bill 1 (SB1) increased the state gas tax to restore state transit funds back to historic levels. The State Controller's Office (SCO) follows a statutory allocation method to distribute funds to transit operators. In accordance with the statute, STA funding is split 50% based on (a) locally generated revenue expended on transit operations (revenue based) and 50% based on (b) the population of the County (population based).

In FY 2019, MTC converted the STA population-based funds from a formula-based allocation to a County Block Grant that is administered by the local County Transportation Agency (CTA), Contra Costa Transportation Authority (CCTA). Under the County Block Grant, 60% of block funds are guaranteed to small operators, including County Connection. The remaining 40% is subject to CCTA's process for allocation and is commonly referred to as "non-guaranteed". The non-guaranteed amount for FY 2027 is approximately \$2 million. Changes to the allocation of these non-guaranteed funds could have a lasting impact on the ability of County Connection to provide services in the future.

A stronger than expected economy led to robust diesel consumption growth through the pandemic, and STA revenues reached an all-time high in FY 2023 with high diesel consumption and diesel prices. However, STA revenue collection has steadily decreased since that time. The current fund estimate from MTC projects that County Connection will receive \$6.2 million in total STA funds in FY 2027, which is approximately \$0.5 million less than was received in FY 2026.

## BART Feeder Funds

A 1997 agreement between BART and four East Bay bus operators (County Connection, LAVTA, Tri-Delta, and WestCAT) established a funding mechanism for BART to support feeder bus operators using BART's STA Revenue-Based and TDA sales tax funds. Initial payment amounts were established by transition agreements, and subsequent payments over a 25+ year period were calculated based on changes to AB 1107 ½-cent sales tax revenues. Due to the critical budgetary issues faced by BART, discussions between BART, MTC, county transportation agencies, and the four East Bay bus operators regarding these funding arrangements took place over the past few years to partner with BART on temporary fiscal relief. These discussions resulted in temporary decreases to this revenue source in FY 2023 through FY 2026. BART has indicated that it will no longer provide this funding in FY 2027 and beyond. A loan from MTC to replace these funds in the budget year is discussed in the next section.

## Other State Grants

Other State Grant revenue includes the Road Repair and Accountability Act, Senate Bill 1 (SB1) and bridge tolls collected under Regional Measures 2 and 3 (RM2/RM3).

SB1 provides annual funding to transit operators for eligible transit maintenance, rehabilitation, and capital projects. These funds are also commonly referred to as State of Good Repair (SGR) funds. The SCO usually releases funding allocations in September. The budget presumes that SGR funds will continue at the same level as FY 2026, approximately \$160 thousand.

RM2 and RM3 are toll increases approved by Bay Area voters to help support transportation projects and transit services. County Connection utilizes these operating funds on express route services. Current MTC estimates indicate County Connection will receive \$120 thousand in RM2 funds, which is about the same amount received for the past few years. However, MTC has increased the allocation of RM3 funds to County Connection in the budget year to \$500 thousand, from \$100 thousand in FY 2026.

Additionally, MTC has extended a one-time loan of RM3 funds to the Authority in the amount of \$802 thousand in the budget year to offset the loss of BART Feeder Fund revenues. If SB 63 does not pass voter approval, repayment of these funds will not be required. If SB 63 does pass voter approval, repayment of the loan will be made from future RM3 allocations.

## Transportation Development Act (TDA) Articles 4.0 and 4.5

TDA revenue is a ¼ cent state sales tax to finance transportation programs and projects. TDA revenue is not accrual based – it is based on actual cash receipts in the fiscal year. TDA Article 4.0 funding is utilized on both fixed-route and paratransit expenses, while TDA Article 4.5 funding is limited to usage on specialized transportation services only, such as paratransit.

Sales taxes in the region are projected to remain flat or slightly decrease in the budget year. The current MTC projections estimate that County Connection will be allocated \$24 million in TDA 4.0 funding in FY 2027. Unused TDA revenue allocation is held by MTC and is available in future years. The budget proposes the use of \$30.7 million in TDA operating and \$3.2 million in TDA capital funds, which is \$9.9 million more than the MTC estimate of \$24 million, with the difference drawing upon past reserves.

MTC estimates that County Connection will receive \$1.4 million in TDA 4.5 revenue, which will be utilized solely on paratransit services.

## Measure J – Contra Costa Transportation Authority (CCTA)

Measure J is a ½ cent sales tax in Contra Costa County administered by CCTA for transportation planning, projects, and programs. Measure J provides funding for fixed route and paratransit services to County Connection. CCTA projects that sales tax will increase by 2.5% in FY 2027 as compared to FY 2026, at roughly \$120 million in Measure J revenue for the county. County Connection’s share of this revenue is estimated to be \$9.1 million, with \$6.5 million in fixed route program revenue and \$2.6 million in paratransit program revenue.

## Advertising Revenue

Advertising revenue is generated by advertisements on the interior and exterior of the Authority’s fixed route buses. After conducting a request for proposals, a new advertising contract was implemented in FY 2025. The new contract includes a Minimum Annual Guarantee (MAG) of \$200 thousand per year.

## Investment and Miscellaneous Income

County Connection’s idle cash is held in an account with the State of California’s Local Agency Investment Fund (LAIF). LAIF is a voluntary investment program created by California state statute in 1977 to provide local governments, special districts, and other eligible agencies with a safe, liquid, and yield-generating investment option. It is administered by the State Treasurer’s Office and is part of the Pooled Money Investment Account (PMIA), which also includes the State’s Surplus Money Investment Fund and the General Fund. Investment returns in recent years have outperformed estimates. The budget estimates that \$700 thousand will be earned in investment income during the year.

## Fees From Partner Agencies – LAVTA and One Seat

Fees from partner agencies are collected to offset the cost of managing shared paratransit and One Seat program expenses. Additional details about these programs is provided in the expenses section of the budget document.



**Table 2: Operating Revenues**

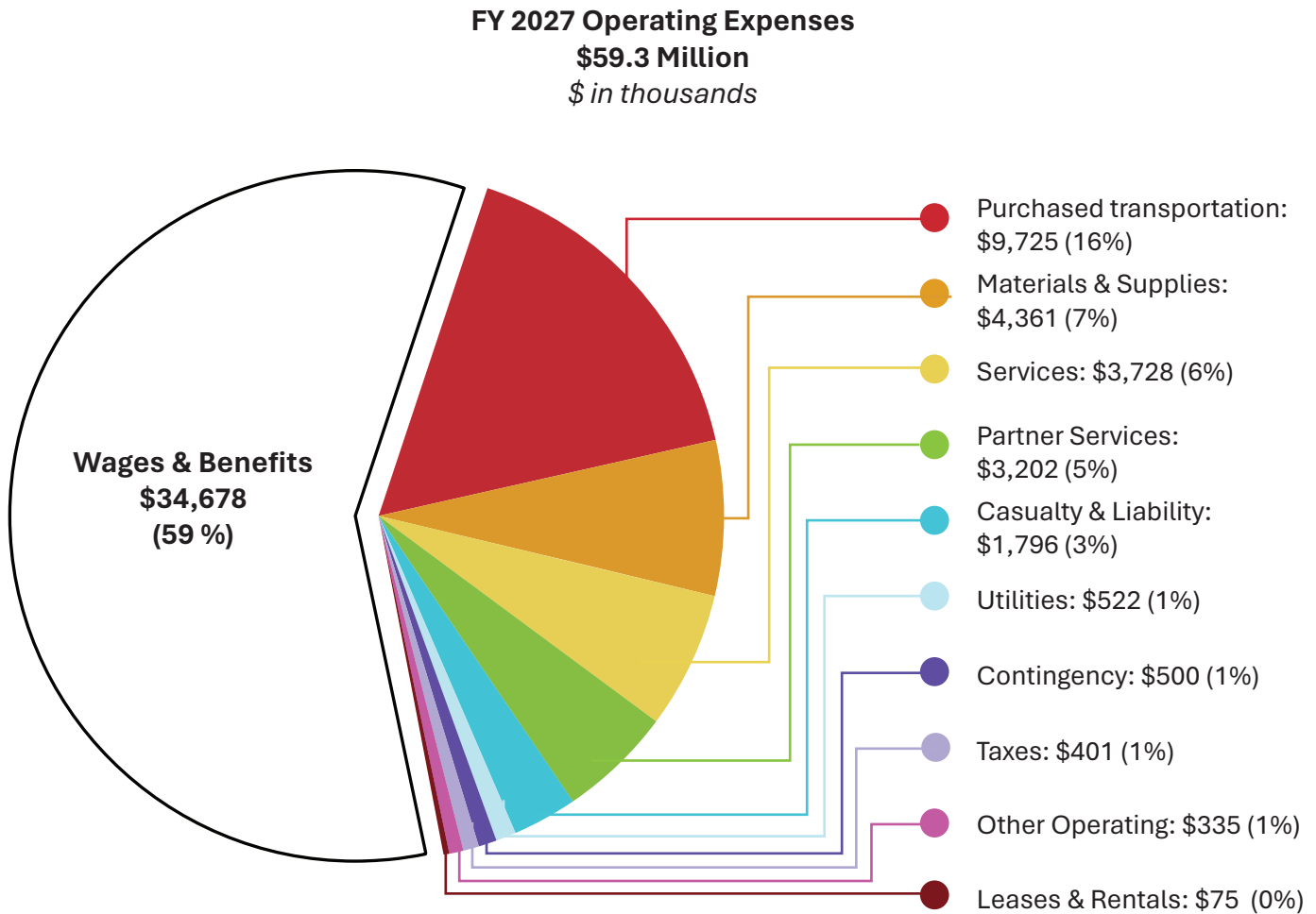
**County Connection  
FY 2027 Draft Budget  
OPERATING REVENUES**

Category	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget	% Change from FY 2026 Budget
<b>FIXED ROUTE</b>					
Fare Revenue	\$ 2,991,881	\$ 2,941,593	\$ 3,064,417	\$ 3,182,200	8.2%
Special Service Revenue	798,401	710,491	655,000	1,273,000	79.2%
<b>Total Fare Revenue</b>	<b>3,790,282</b>	<b>3,652,084</b>	<b>3,719,417</b>	<b>4,455,200</b>	<b>22.0%</b>
Federal Operating	166,604	285,303	163,000	98,000	-65.7%
State Transit Assistance	6,690,946	5,728,438	5,728,000	5,175,000	-9.7%
BART Feeder Funds	820,003	802,469	802,000	-	-100.0%
Other State Grants	371,460	361,767	385,342	1,578,000	336.2%
TDA Article 4.0	19,614,755	26,271,231	24,410,007	27,575,725	5.0%
Measure J Sales Tax	6,353,000	6,353,000	6,353,000	6,513,000	2.5%
<b>Total Federal-State-Local Revenue</b>	<b>34,016,768</b>	<b>39,802,208</b>	<b>37,841,349</b>	<b>40,939,725</b>	<b>2.9%</b>
Advertising Income	279,312	200,000	203,250	200,000	0.0%
Investment and Misc Income	1,604,534	275,000	1,009,000	545,000	98.2%
<b>Total Other Revenue</b>	<b>1,883,846</b>	<b>475,000</b>	<b>1,212,250</b>	<b>745,000</b>	<b>56.8%</b>
<b>TOTAL FIXED ROUTE REVENUE</b>	<b>39,690,896</b>	<b>43,929,292</b>	<b>42,773,016</b>	<b>46,139,925</b>	<b>5.0%</b>
<b>PARATRANSIT</b>					
Fare Revenue	580,967	532,000	535,000	546,000	2.6%
Special Service Revenue	221,302	221,300	227,000	228,000	3.0%
<b>Total Fare Revenue</b>	<b>802,269</b>	<b>753,300</b>	<b>762,000</b>	<b>774,000</b>	<b>2.7%</b>
Federal Operating	1,590,376	1,664,495	1,643,000	1,512,000	-9.2%
State Transit Assistance	1,036,880	1,000,000	1,000,000	1,000,000	0.0%
TDA Article 4.0	2,148,035	3,101,335	2,576,491	3,135,200	1.1%
TDA Article 4.5	1,079,292	1,077,864	1,087,000	1,396,000	29.5%
Measure J Sales Tax	2,619,266	2,627,938	2,547,000	2,615,000	-0.5%
Other Local Grants and Charges	239,981	248,505	245,000	250,000	0.6%
<b>Total Federal-State-Local Revenue</b>	<b>8,713,830</b>	<b>9,720,137</b>	<b>9,098,491</b>	<b>9,908,200</b>	<b>1.9%</b>
<b>Subtotal Paratransit Revenue</b>	<b>9,516,099</b>	<b>10,473,437</b>	<b>9,860,491</b>	<b>10,682,200</b>	<b>2.0%</b>
<b>Paratransit Partners</b>					
Fare revenue - LAVTA ADA	29,348	30,000	32,000	32,000	6.7%
Operating revenue - LAVTA ADA	1,743,964	1,982,151	1,809,000	1,989,000	0.3%
Fare revenue - One Seat	36,056	39,000	49,000	49,000	25.6%
Operating revenue - One Seat	574,025	663,889	1,097,000	1,122,000	69.0%
Operating revenue - Go San Ramon	5,732	5,000	10,000	10,000	100.0%
<b>Subtotal Partner Revenue</b>	<b>2,389,125</b>	<b>2,720,040</b>	<b>2,997,000</b>	<b>3,202,000</b>	<b>17.7%</b>
<b>TOTAL PARATRANSIT REVENUE</b>	<b>11,905,224</b>	<b>13,193,477</b>	<b>12,857,491</b>	<b>13,884,200</b>	<b>5.2%</b>
<b>TOTAL REVENUE</b>	<b>\$ 51,596,120</b>	<b>\$ 57,122,769</b>	<b>\$ 55,630,507</b>	<b>\$ 60,024,125</b>	<b>5.1%</b>

# Operating Expenses

County Connection’s operating expenses consist of nine categories: Wages & Benefits, Services, Materials & Supplies, Utilities, Casualty & Liabilities, Taxes & Fees, Leases & Rentals, Other Operating, and Purchased Transportation. In addition, the budget includes a contingency allocation to protect against unknown future budget volatility.

**Chart 2: Operating Expenses**



Major expenditure categories are discussed in greater detail below, and pages 22 to 32 of this report provide operating expense detail by general ledger account.

## Wages and Benefits

The public services delivered by County Connection are labor-intensive, which results in wages and benefits representing the Authority's largest expense. Memorandums of Understanding (MOUs) were successfully negotiated with all three of the represented bargaining groups in FY 2026 for three-year terms. The financial impacts to the terms of these agreements are represented in the budget and forecast. All three employee MOUs will expire in 2029. Negotiations of the new MOUs will begin in the fall of 2028.

Thanks to successful recruiting efforts and incentives, the Transportation Department has made considerable progress in filling Operator vacancies over the past few years, and recruitment efforts for new Operators have been paused. The budget and forecast assume other vacancies will be filled during the fiscal year; however, overall budgeted positions are not increasing over the prior year. Refer to Table 5 (page 18) of this report for a detailed breakdown of positions by department.

## Pensions

County Connection contracts with the California Public Employees' Retirement System (CalPERS) for its employee defined-benefit pension plans. The Authority is statutorily required to pay the Annual Required Contribution (ARC) to CalPERS. The ARC comprises two elements; the Normal Cost (NC), which is the annual cost of service accrual, and the Unfunded Accrued Liability (UAL) payment, which represents the catch-up portion of costs. CalPERS calculates the NC and the UAL based on a 6.8% discount rate, which mirrors its 6.8% expected return on plan assets. In FY 2023, the Authority also opened a 115 trust for pensions to begin setting aside additional pension funds.

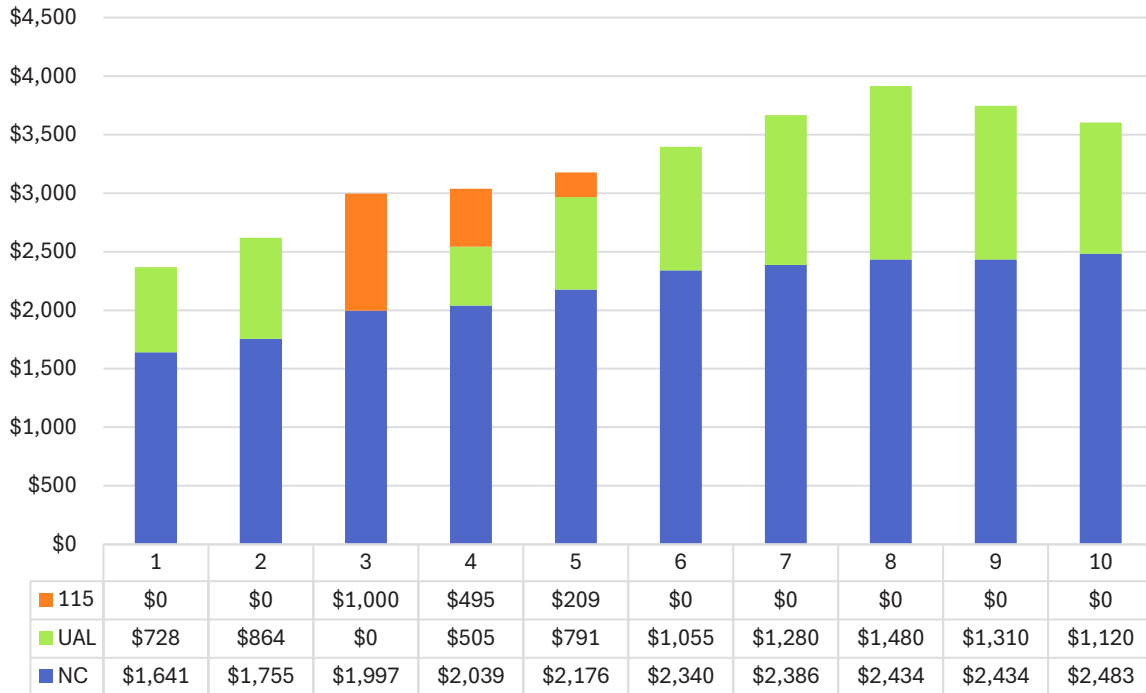
CalPERS reported a net return of 9.3% on its investments for the year ended June 30, 2024. While this return outpaced the expected 6.8% return on investments, a UAL is still required by CalPERS in the budget year. The required UAL payment for FY 2027 is \$1.09 million, or \$1.05 million after utilizing the annual prepay discount option. Since the UAL surpassed \$1 million, the budget does not include a contribution to the 115 trust for pensions.

CalPERS reported a net return of 11.6% on its investments for the year ended June 30, 2025. Since this return represents outpaced the expected 6.8% return on investments, the resulting UAL amount required in FY 2028 will likely decrease as compared to FY 2027. This information will be made available in July 2026 when the plan valuation reports are released. The budget forecast assumes continued 115 trust contributions and UAL payments in alignment with the prior year forecasts and will continue to be adjusted to maximize diversification of pension assets and continued stability in pensions promised to both retired and current Authority employees.

Chart 3: Pension Costs

### Pension Costs

\$ in thousands



## Services

Expenses in the services category include legal fees, service repair, promotions, software, and on-call planning contracts. These expenses are projected to come in lower in the budget year as compared to the prior budget year, due to the end of grant-funded planning study and reduced legal fees after successful labor negotiations in FY 2026.

## Materials and Supplies

The largest expense within materials and supplies is diesel fuel, which has increased significantly in recent months due to global market conditions. The FY 2027 budget reflects a 28% increase in fuel costs compared to the prior year.

This category also includes lower-cost furniture and equipment purchases that were historically capitalized. Beginning in FY 2024, these items are expensed in the year of purchase due to their relatively low value.

## Casualty and Liability

General liability premiums and workers compensation are projected to increase significantly due to the impact of natural disasters and large settlements on the insurance market.

## Purchased Transportation

Purchased transportation for paratransit services is the Authority's second largest expense and is provided under contract with Transdev. After a period of rapid growth over the past two years, paratransit demand has stabilized in the current year. This trend is expected to continue, with demand projected to see modest growth in the budget year. The FY 2027 paratransit purchased transportation budget is based on a 4% contract escalation, plus a 2% increase in ridership over the FY 2026 demand.

## Purchased Transportation – Partner Agencies

In 2022 the Authority partnered with Livermore Amador Valley Transit Authority (LAVTA) on a pilot shared services contract to serve riders in the regions of both agencies with collaborative and efficient service delivery. In addition, the "One Seat" ride paratransit program with adjacent operators proved to be a successful service delivery model, resulting in cost savings and an enhanced rider experience. Therefore, each of these shared services will continue under the new contract for paratransit services in the coming year. These costs are budgeted, but do not impact County Connection's bottom line since they are reimbursed in full by the partner agencies.

Table 3: Operating Expenditures

**County Connection  
FY 2027 Draft Budget  
OPERATING EXPENDITURES**

Category	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget	% Change from FY 2026 Budget
<b>FIXED ROUTE</b>					
Wages	\$ 16,646,563	\$ 17,956,414	\$ 16,933,620	\$ 18,832,925	4.9%
Fringe Benefits	12,987,371	14,255,077	14,793,146	15,191,500	6.6%
<b>Total Wages &amp; Benefits</b>	<b>29,633,934</b>	<b>32,211,491</b>	<b>31,726,766</b>	<b>34,024,425</b>	<b>5.6%</b>
Services	2,558,940	3,916,434	3,029,600	3,529,100	-9.9%
Materials & Supplies	3,190,925	3,621,150	3,844,400	4,356,900	20.3%
Utilities	441,873	450,150	449,000	456,000	1.3%
Casualty and Liability	1,407,007	1,533,195	1,600,000	1,770,000	15.4%
Taxes and Fees	364,931	390,372	389,000	401,000	2.7%
Leases and Rentals	84,195	75,000	100,000	75,000	0.0%
Other Operating	258,117	381,500	347,000	327,500	-14.2%
Purchased Transportation	219,599	400,000	180,000	-	-100.0%
<b>Total Other Exp (non-wages)</b>	<b>8,525,587</b>	<b>10,767,801</b>	<b>9,939,000</b>	<b>10,915,500</b>	<b>1.4%</b>
Contingency	-	500,000	-	500,000	
<b>TOTAL FIXED ROUTE EXPENSES</b>	<b>38,159,521</b>	<b>43,479,292</b>	<b>41,665,766</b>	<b>45,439,925</b>	<b>4.5%</b>
<b>PARATRANSIT</b>					
Wages	\$ 315,758	\$ 319,126	\$ 354,604	\$ 371,000	16.3%
Fringe Benefits	220,592	259,595	257,287	283,000	9.0%
<b>Total Wages &amp; Benefits</b>	<b>536,350</b>	<b>578,721</b>	<b>611,891</b>	<b>654,000</b>	<b>13.0%</b>
Services	144,079	218,000	174,000	199,000	-8.7%
Materials & Supplies	6,215	4,000	4,500	4,500	12.5%
Utilities	61,466	66,000	65,000	66,000	0.0%
Casualty and Liability	16,582	20,998	22,000	26,000	23.8%
Other Operating	3,216	10,000	6,000	7,500	-25.0%
Purchased Transportation	8,748,191	9,575,718	8,977,100	9,725,200	1.6%
<b>Total Other Exp (non-wages)</b>	<b>8,979,749</b>	<b>9,894,716</b>	<b>9,248,600</b>	<b>10,028,200</b>	<b>1.3%</b>
<b>Subtotal Paratransit Expenses</b>	<b>9,516,099</b>	<b>10,473,437</b>	<b>9,860,491</b>	<b>10,682,200</b>	<b>2.0%</b>
<b>Paratransit Partners</b>					
Purchased Transp - for partners	2,389,125	2,720,040	2,997,000	3,202,000	17.7%
<b>Subtotal Partner Expense</b>	<b>2,389,125</b>	<b>2,720,040</b>	<b>2,997,000</b>	<b>3,202,000</b>	<b>17.7%</b>
<b>TOTAL PARATRANSIT EXPENSES</b>	<b>11,905,224</b>	<b>13,193,477</b>	<b>12,857,491</b>	<b>13,884,200</b>	<b>5.2%</b>
<b>TOTAL EXPENSES</b>	<b>\$ 50,064,745</b>	<b>\$ 56,672,769</b>	<b>\$ 54,523,257</b>	<b>\$ 59,324,125</b>	<b>4.7%</b>

## Capital Expenditures

The FY 2027 capital budget includes a range of facility and vehicle maintenance and modernization projects, including in-ground hydraulic lift replacements, a bus wash overhaul, roof replacements, an automated fuel system upgrade, and on-board technology improvements. These projects will be implemented over the next several years and funded with TDA capital funds.

The five-year capital forecast also incorporates ongoing fleet replacement based on useful life schedules and MTC pricing assumptions for transit buses, paratransit cutaways, and minivans. Beginning in FY 2030, bus procurements will transition to zero-emission vehicles in accordance with the Board-adopted Zero Emission Bus (ZEB) rollout plan.

The forecast reflects timing changes to major initiatives, including the \$15 million solar array project—fully funded through TIRCP—which has been deferred to FY 2029 and FY 2030. It also includes a \$7.5 million placeholder in FY 2029 for a hydrogen fueling station expected to be primarily funded through an FHWA grant from a joint TIRCP application with LAVTA.

Additionally, facility improvements to support the ZEB transition are planned between FY 2028 and FY 2031 at a total cost of \$3.8 million, with the assumption that 80% of costs will be covered by a yet-to-be-identified funding source.

**Table 4: Capital Program – Budget Year**

**County Connection  
FY 2027 Draft Budget  
CAPITAL PROGRAM**

Capital Category	Funding Source	
	MTC	
	TDA	Total
Non Revenue Fleet	\$ 70,000	\$ 70,000
Facility Maintenance and Modernization	1,700,000	\$ 1,700,000
Street Amenities	50,000	\$ 50,000
Information Technology	150,000	\$ 150,000
Maintenance Equipment & Tools	200,000	\$ 200,000
Office Furniture and Equipment	25,000	\$ 25,000
Bus Equipment	987,500	\$ 987,500
<b>Total</b>	<b>\$ 3,182,500</b>	<b>\$ 3,182,500</b>

The multi-year capital program can be found at page 19 of this report.

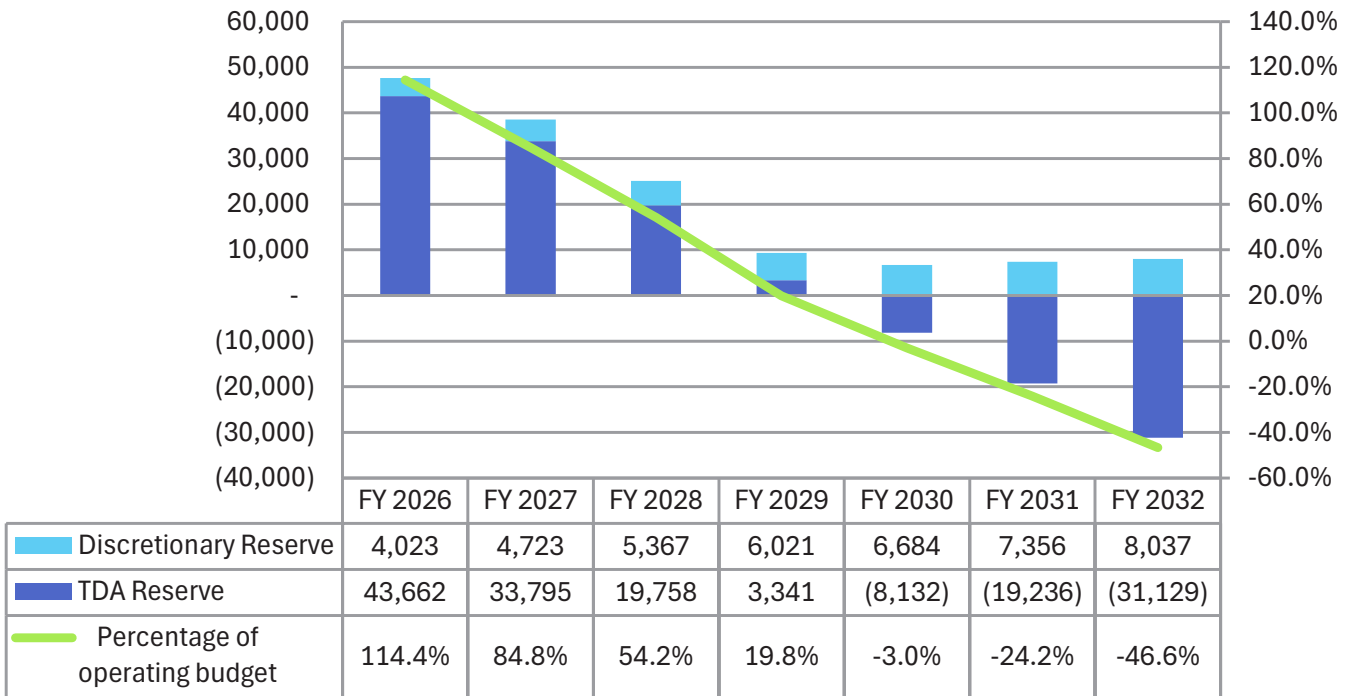
# Forecast

Based on current assumptions, the Authority is projected to maintain sufficient operating and capital reserves through FY 2028, defined as at least 25% of annual operating expenditures. Beginning in FY 2029, reserves are projected to fall below this threshold and are expected to become negative by FY 2030.

As operating costs continue to outpace revenue growth—and as zero-emission vehicle and infrastructure investments require increased capital funding—identifying and securing additional revenue sources will be critical to maintaining long-term financial stability.

**Chart 4: Operating and Capital Reserve Projections**

## Operating and Capital Reserves \$ in thousands



A financial forecast of capital and operating expenditures can be found at pages 19 to 20 of this document. A breakdown of TDA reserve utilization and projected fund balance can be found at page 21.

# ADDITIONAL SCHEDULES

Table 5: Positions by Department

**County Connection  
FY 2027 Proposed Budget  
POSITIONS BY DEPARTMENT**

	FY25 Positions	FY26 Positions	Proposed Positions
<b>TRANSPORTATION</b>			
Bus Operators	155	150	150
Safety/Training	2	2	2
Transit Admin	4	4	4
Transit Supervisors	11	12	12
<b>TRANSPORTATION TOTAL</b>	<b>172</b>	<b>168</b>	<b>168</b>
<b>MAINTENANCE</b>			
Building Maintenance	7	7	7
Maintenance Admin	4	5	5
Mechanics	18	18	18
Service Workers	11	11	11
<b>MAINTENANCE TOTAL</b>	<b>40</b>	<b>41</b>	<b>41</b>
<b>PARATRANSIT</b>			
Accessible Services/Paratransit	4	4	4
<b>PARATRANSIT TOTAL</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>ADMINISTRATION</b>			
Customer Service	6	6	6
Finance	5	5	5
General Admin	5	4	4
Human Resources	3	4	4
Information Technology	3	3	3
Planning and Marketing	6	6	6
Procurement and Inventory	4	4	4
Scheduling	1	1	1
<b>ADMINISTRATION TOTAL</b>	<b>33</b>	<b>33</b>	<b>33</b>
<b>TOTAL POSITIONS</b>	<b>249</b>	<b>246</b>	<b>246</b>

**Table 6: Capital Program**

**County Connection  
FY 2027 Draft Budget  
CAPITAL PROGRAM**

Fiscal Years 2027 - 2032  
\$ In Thousands

Capital Program (a):	actuals		estimated		5-year projection					
	FY 2025	FY 2026	FY 2027	BUDGET	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Non Revenue Fleet	\$ 400	\$ -	\$ 70	\$ 70	\$ 70	\$ 100	\$ 75	\$ -	\$ -	\$ -
Revenue Fleet	\$ 7,956	\$ 11,306	\$ -	\$ -	\$ 26,000	\$ 37,685	\$ 5,000	\$ -	\$ -	\$ -
ZEB Infrastructure	\$ -	\$ -	\$ -	\$ -	\$ 200	\$ 10,000	\$ 500	\$ 500	\$ 500	\$ -
Facility Maintenance & Modernization	\$ 1,859	\$ 1,572	\$ 1,700	\$ 1,700	\$ 1,050	\$ 7,750	\$ 7,750	\$ 150	\$ 150	\$ 150
Street Amenities	\$ 370	\$ 100	\$ 50	\$ 50	\$ -	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Information Technology	\$ 100	\$ 100	\$ 150	\$ 150	\$ 100	\$ 350	\$ 150	\$ 150	\$ 150	\$ 150
Maintenance Equipment & Tools	\$ 250	\$ 50	\$ 200	\$ 200	\$ 50	\$ 150	\$ 50	\$ 50	\$ 125	\$ 125
Office Furniture and Equipment	\$ -	\$ -	\$ 988	\$ 988	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Capital Program</b>	<b>\$ 10,935</b>	<b>\$ 13,129</b>	<b>\$ 3,158</b>	<b>\$ 3,158</b>	<b>\$ 27,470</b>	<b>\$ 56,085</b>	<b>\$ 13,575</b>	<b>\$ 975</b>	<b>\$ 975</b>	<b>\$ 475</b>
Capital Program by Service:										
Fixed-Route	\$ 10,669	\$ 6,552	\$ 3,158	\$ 3,158	\$ 27,470	\$ 54,077	\$ 13,575	\$ 975	\$ 975	\$ 475
Paratransit	266	6,577	-	-	-	2,008	-	-	-	-
<b>Total Capital Program by Service</b>	<b>\$ 10,935</b>	<b>\$ 13,129</b>	<b>\$ 3,158</b>	<b>\$ 3,158</b>	<b>\$ 27,470</b>	<b>\$ 56,085</b>	<b>\$ 13,575</b>	<b>\$ 975</b>	<b>\$ 975</b>	<b>\$ 475</b>
Capital Funding by Source										
Federal 5307	\$ 5,944	\$ 9,045	\$ -	\$ -	\$ 20,800	\$ 30,148	\$ 4,000	\$ -	\$ -	\$ -
FHWA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,591	\$ -	\$ -	\$ -	\$ -
Bridge Toll Revenue	\$ 906	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TIRCP	\$ -	\$ -	\$ -	\$ -	\$ 950	\$ 7,500	\$ 7,500	\$ -	\$ -	\$ -
Transportation Development Act	\$ 4,135	\$ 2,564	\$ 3,183	\$ 3,183	\$ 5,770	\$ 7,385	\$ 1,725	\$ 625	\$ 625	\$ 525
Regional Measure 3	\$ -	\$ 1,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TBD - ZEB Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,511	\$ 400	\$ 400	\$ 400	\$ -
<b>Total Capital Funding by Source</b>	<b>\$ 10,985</b>	<b>\$ 13,209</b>	<b>\$ 3,183</b>	<b>\$ 3,183</b>	<b>\$ 27,520</b>	<b>\$ 56,135</b>	<b>\$ 13,625</b>	<b>\$ 1,025</b>	<b>\$ 1,025</b>	<b>\$ 525</b>
Revenue Fleet Replacements										
# Fixed Route Vehicles	10	7	-	-	37	27	4	-	-	-
# Paratransit Vehicles	3	45	-	-	-	18	-	-	-	-
<b>Total Revenue Fleet Replacement</b>	<b>13</b>	<b>52</b>	<b>-</b>	<b>-</b>	<b>37</b>	<b>45</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Capital Program includes projected costs to convert the Authority's fleet to a zero-emission bus (ZEB) mixed fleet of electric and fuel cell buses, including infrastructure costs, per the adopted ZEB Rollout Plan. Funding for future ZEB infrastructure projects is still being identified.

Table 7: Operating Forecast

**County Connection  
FY 2027 Draft Budget  
OPERATING FORECAST**

Fiscal Years 2027 - 2031

\$ In Thousands

	actuals		estimated	5-year projection				
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
<b>FIXED ROUTE OPERATING REVENUE</b>			<b>BUDGET</b>					
<i>Revenue Hours</i>	<b>191,384</b>	<b>191,000</b>	<b>194,919</b>	<b>194,919</b>	<b>194,919</b>	<b>194,919</b>	<b>194,919</b>	<b>191,000</b>
Fare Revenue	2,992	3,064	3,182	3,182	3,182	3,182	3,182	3,182
Special Service Revenue	798	655	1,273	1,311	1,351	1,391	1,433	595
Federal Operating Funds	167	163	98	-	-	-	-	-
State Transit Assistance	6,691	5,728	5,175	5,279	5,384	5,492	5,602	5,714
BART Feeder Funds	820	802	-	-	-	-	-	-
Other State Grants	371	385	1,578	792	807	823	840	857
TDA Article 4.0	19,615	24,410	27,576	29,031	29,662	30,305	30,961	31,847
Measure J Sales Tax	6,353	6,353	6,513	6,643	6,776	6,912	7,050	7,191
Advertising Income	279	203	200	200	200	200	200	200
Investment and Misc Income	1,605	1,009	545	556	567	578	590	602
<b>TOTAL FIXED ROUTE OPERATING REVENUE</b>	<b>39,691</b>	<b>42,773</b>	<b>46,140</b>	<b>46,993</b>	<b>47,929</b>	<b>48,884</b>	<b>49,858</b>	<b>50,186</b>
<b>TOTAL FIXED ROUTE OPERATING EXPENSES</b>	<b>38,160</b>	<b>41,666</b>	<b>45,440</b>	<b>46,349</b>	<b>47,276</b>	<b>48,221</b>	<b>49,186</b>	<b>49,505</b>
% change over prior year	4.09%	9.19%	9.06%	2.00%	2.00%	2.00%	2.00%	0.65%
<b>PARATRANSIT OPERATING REVENUE</b>								
<i>Revenue Hours</i>	<b>95,114</b>	<b>99,870</b>	<b>104,863</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>	<b>105,000</b>
Fare Revenue	581	535	546	546	546	546	546	546
Special Service Revenue	221	227	228	235	242	249	257	264
Federal Operating	1,590	1,643	1,512	1,527	1,542	1,558	1,573	1,589
State Transit Assistance	1,037	1,000	1,000	1,010	1,020	1,030	1,041	1,051
TDA Article 4.0	2,148	2,576	3,135	3,382	3,638	3,830	4,028	4,155
TDA Article 4.5	1,079	1,087	1,396	1,410	1,424	1,438	1,453	1,467
Measure J Sales Tax	2,619	2,547	2,615	2,667	2,721	2,775	2,831	2,887
Other Local Grants and Charges	240	245	250	258	265	273	281	290
Revenue from Partners	2,389	2,997	3,202	3,266	3,331	3,398	3,466	3,535
<b>TOTAL PARATRANSIT OPERATING REVENUE</b>	<b>11,905</b>	<b>12,857</b>	<b>13,884</b>	<b>14,301</b>	<b>14,730</b>	<b>15,098</b>	<b>15,475</b>	<b>15,785</b>
<b>TOTAL PARATRANSIT OPERATING EXPENSES</b>	<b>11,905</b>	<b>12,857</b>	<b>13,884</b>	<b>14,301</b>	<b>14,730</b>	<b>15,098</b>	<b>15,475</b>	<b>15,785</b>
% change over prior year	12.3%	8.0%	8.0%	3.0%	3.0%	2.5%	2.5%	2.0%
<b>TOTAL OPERATING EXPENSES*</b>	<b>50,065</b>	<b>54,523</b>	<b>59,324</b>	<b>53,649</b>	<b>55,005</b>	<b>56,319</b>	<b>57,661</b>	<b>65,290</b>

\* Total expenses will not equal audited financial statement expenses due to certain GASB adjustments required for financial statement presentation.

Table 8: Reserve Projections

**County Connection  
FY 2027 Draft Budget  
RESERVES PROJECTIONS**

Fiscal Years 2027 - 2031

\$ In Thousands

	actuals		estimated		BUDGET				
	FY 2025	FY 2026	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
TDA Beginning Balance	51,196	49,082		43,662	33,795	19,758	3,341	(8,132)	(19,236)
Interest & other MTC adjustments	1,031	1,080							
TDA 4.0 Allocation	22,752	23,050		24,026	24,146	24,267	24,388	24,510	24,633
% change over prior year	-2.4%	1.3%		4.2%	0.5%	0.5%	0.5%	0.5%	0.5%
TDA 4.0 Utilized:									
Fixed Route Operations	(19,615)	(24,410)		(27,576)	(29,031)	(29,662)	(30,305)	(30,961)	(31,847)
Paratransit Operations	(2,148)	(2,576)		(3,135)	(3,382)	(3,638)	(3,830)	(4,028)	(4,155)
Capital Program	(4,135)	(2,564)		(3,183)	(5,770)	(7,385)	(1,725)	(625)	(525)
<b>Total TDA Utilized</b>	<b>(25,897)</b>	<b>(29,550)</b>		<b>(33,893)</b>	<b>(38,183)</b>	<b>(40,685)</b>	<b>(35,861)</b>	<b>(35,615)</b>	<b>(36,527)</b>
<b>Additions to/(subtractions from) TDA Reserve</b>	<b>(3,145)</b>	<b>(6,500)</b>		<b>(9,867)</b>	<b>(14,036)</b>	<b>(16,418)</b>	<b>(11,472)</b>	<b>(11,104)</b>	<b>(11,894)</b>
<b>TDA Reserve Balance</b>	<b>49,082</b>	<b>43,662</b>		<b>33,795</b>	<b>19,758</b>	<b>3,341</b>	<b>(8,132)</b>	<b>(19,236)</b>	<b>(31,129)</b>
Discretionary Reserve Balance	2,916	4,023		4,723	5,367	6,021	6,684	7,356	8,037
<b>Total Operating &amp; Capital Reserve</b>	<b>51,997</b>	<b>47,685</b>		<b>38,518</b>	<b>25,126</b>	<b>9,362</b>	<b>(1,448)</b>	<b>(11,880)</b>	<b>(23,092)</b>
% of operating budget	136.3%	114.4%		84.8%	54.2%	19.8%	-3.0%	-24.2%	-46.6%

Table 9: Operating Expense Detail

**County Connection**  
**FY 2027 Draft Budget**  
**OPERATING EXPENSE DETAIL**

Account Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget
<b>FIXED ROUTE</b>				
<b>Wages</b>				
Wages - Regular _Admin	770,825	829,269	714,024	860,284
Wages - Regular _Bldg Maint	499,723	531,164	488,629	551,030
Wages - Regular _Board	18,300	18,674	18,481	19,372
Wages - Regular _Cust Svc	424,342	441,696	408,828	458,216
Wages - Regular _Finance	564,419	589,070	556,765	611,102
Wages - Regular _Hum Res	267,112	256,406	331,288	265,996
Wages - Regular _Info Tech	343,284	361,027	353,776	374,530
Wages - Regular _Mech	1,224,216	1,253,297	1,198,179	1,300,171
Wages - Regular _OP-FT	8,763,918	10,367,085	9,098,625	10,754,825
Wages - Regular _Plan/Mktg	603,543	609,113	627,698	631,894
Wages - Regular _Proc/Inv	243,042	258,990	210,009	268,676
Wages - Regular _Sched	117,975	108,564	0	112,624
Wages - Regular _Sfty & Train	80,897	41,958	136,689	43,527
Wages - Regular _Svc Work	563,280	615,676	562,516	638,703
Wages - Regular _Transp	1,282,000	1,322,957	1,380,142	1,372,437
Wages - Regular _Veh Maint Adm	385,429	351,468	323,150	364,613
Wages - Overtime _Mech	37,605	0	28,560	0
Wages - Overtime _OP-FT	435,158	0	472,123	0
Wages - Overtime _Plan/Mktg	1,891	0	795	0
Wages - Overtime _Proc/Inv	1,595	0	56	0
Wages - Overtime _Svc Work	13,113	0	4,617	0
Wages - Overtime _Transp	4,896	0	18,670	0
<b>Wages Total</b>	<b>16,646,563</b>	<b>17,956,414</b>	<b>16,933,620</b>	<b>18,628,000</b>
<b>Fringe Benefits</b>				
Vacation _Admin	76,839	67,026	62,730	71,603
Vacation _Bldg Maint	36,493	32,753	38,135	34,990
Vacation _Cust Svc	40,687	35,633	33,528	38,066
Vacation _Finance	46,531	37,867	48,077	40,453
Vacation _Hum Res	20,656	17,734	16,969	18,945
Vacation _Info Tech	31,045	26,144	29,287	27,929
Vacation _Mech	82,239	75,038	80,726	80,162
Vacation _OP-FT	555,142	567,161	567,401	605,891
Vacation _Plan/Mktg	42,329	36,637	45,596	39,139
Vacation _Proc/Inv	20,462	18,958	15,305	20,253
Vacation _Sched	8,212	8,718	0	9,313
Vacation _Sfty & Train	6,685	3,625	8,904	3,873
Vacation _Svc Work	28,808	27,412	30,684	29,284

Account Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget
Vacation _Transp	67,830	1,520	0	1,624
Vacation _Veh Maint Adm	33,927	29,071	22,485	31,056
Sick _Admin	45,270	20,157	22,116	21,533
Sick _Bldg Maint	20,150	14,375	19,094	15,357
Sick _Cust Svc	28,152	31,742	21,556	33,910
Sick _Finance	25,363	22,460	19,546	23,994
Sick _Hum Res	12,301	15,256	8,740	16,298
Sick _Info Tech	9,557	2,489	8,930	2,659
Sick _Mech	70,352	49,968	59,675	53,380
Sick _OP-FT	464,517	280,398	366,442	299,546
Sick _Plan/Mktg	22,317	23,027	27,040	24,599
Sick _Proc/Inv	11,275	8,474	5,764	9,053
Sick _Sched	3,393	3,728	0	3,983
Sick _Sfty & Train	5,813	912	8,639	974
Sick _Svc Work	33,844	17,286	16,748	18,466
Sick _Transp	72,578	33,662	84,522	35,961
Sick _Veh Maint Adm	14,756	10,778	7,294	11,514
Holiday _Admin	22,089	27,254	20,052	29,115
Holiday _Bldg Maint	13,601	15,513	16,117	16,572
Holiday _Cust Svc	11,482	12,780	12,846	13,653
Holiday _Finance	14,770	16,319	18,438	17,433
Holiday _Hum Res	6,084	5,739	10,601	6,131
Holiday _Info Tech	8,127	7,988	11,333	8,533
Holiday _Mech	31,387	32,344	38,419	34,553
Holiday _OP-FT	209,748	242,383	259,012	258,935
Holiday _Plan/Mktg	14,208	13,511	21,016	14,434
Holiday _Proc/Inv	5,566	5,005	5,241	5,347
Holiday _Sched	2,303	2,263	0	2,418
Holiday _Sfty & Train	2,076	912	4,724	974
Holiday _Svc Work	13,411	16,086	16,963	17,184
Holiday _Transp	34,409	36,532	45,280	39,027
Holiday _Veh Maint Adm	10,205	10,921	11,281	11,667
Floating Holiday _Admin	19,429	705	39,089	753
Floating Holiday _Bldg Maint	18,565	8,557	33,176	9,141
Floating Holiday _Cust Svc	15,348	7,641	24,677	8,163
Floating Holiday _Finance	16,918	4,811	39,467	5,140
Floating Holiday _Hum Res	9,640	2,146	21,482	2,293
Floating Holiday _Info Tech	14,587	12,314	15,904	13,155
Floating Holiday _Mech	32,422	33,087	84,874	35,346
Floating Holiday _OP-FT	344,850	168,979	546,587	180,518
Floating Holiday _Plan/Mktg	18,345	3,849	34,005	4,112
Floating Holiday _Proc/Inv	9,268	5,848	8,067	6,247
Floating Holiday _Sched	4,666	1,863	0	1,990
Floating Holiday _Sfty & Train	3,322	0	3,703	0
Floating Holiday _Svc Work	12,303	13,424	39,157	14,341

Account Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget
Floating Holiday _Transp	54,602	32,913	91,617	35,161
Floating Holiday _Veh Maint Adm	11,717	2,803	19,184	2,994
Other Paid Absence _OP-FT	9,075	9,887	390	10,562
Other Paid Absence _Transp	81,791	84,703	68,170	90,487
Medicare Expense _Admin	9,709	10,339	9,487	11,045
Medicare Expense _Bldg Maint	8,365	8,551	7,938	9,135
Medicare Expense _Board	1,400	1,428	1,391	1,526
Medicare Expense _Cust Svc	7,057	7,395	7,003	7,900
Medicare Expense _Finance	9,378	9,972	9,502	10,653
Medicare Expense _Hum Res	4,664	4,499	5,581	4,806
Medicare Expense _Info Tech	5,622	5,875	5,655	6,276
Medicare Expense _Mech	19,393	19,483	19,299	20,813
Medicare Expense _OP-FT	144,331	151,697	147,541	162,056
Medicare Expense _Plan/Mktg	9,638	9,640	10,403	10,298
Medicare Expense _Proc/Inv	4,065	4,146	3,773	4,429
Medicare Expense _Sched	2,145	1,626	0	1,737
Medicare Expense _Sfty & Train	1,289	635	2,189	678
Medicare Expense _Svc Work	9,443	9,933	9,066	10,611
Medicare Expense _Transp	21,810	21,689	22,875	23,170
Medicare Expense _Veh Maint Adm	6,294	5,774	5,013	6,168
SUI Expense _Admin	448	877	485	937
SUI Expense _Bldg Maint	784	692	970	739
SUI Expense _Board	85	53	136	57
SUI Expense _Cust Svc	672	637	948	680
SUI Expense _Finance	560	787	808	841
SUI Expense _Hum Res	551	442	821	472
SUI Expense _Info Tech	336	518	485	553
SUI Expense _Mech	1,821	2,059	2,502	2,200
SUI Expense _OP-FT	17,628	15,613	25,739	16,679
SUI Expense _Plan/Mktg	817	1,158	1,084	1,237
SUI Expense _Proc/Inv	336	393	343	420
SUI Expense _Sched	112	143	0	153
SUI Expense _Sfty & Train	112	138	257	147
SUI Expense _Svc Work	1,319	688	1,675	735
SUI Expense _Transp	1,792	2,399	2,586	2,563
SUI Expense _Veh Maint Adm	470	582	547	622
PERS _Admin	183,661	185,345	187,411	198,002
PERS _Bldg Maint	102,546	103,411	98,392	110,473
PERS _Board	0	0	3,441	0
PERS _Cust Svc	76,808	77,498	72,586	82,790
PERS _Finance	104,471	105,035	105,929	112,208
PERS _Hum Res	47,964	48,353	55,502	51,655
PERS _Info Tech	54,897	54,987	63,463	58,742
PERS _Mech	223,279	225,369	219,278	240,759
PERS _OP-FT	1,504,264	1,597,184	1,475,873	1,706,252

Account Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget
PERS _Plan/Mktg	145,371	147,021	127,992	157,061
PERS _Proc/Inv	40,301	40,574	45,881	43,345
PERS _Sched	26,887	27,387	21,031	29,257
PERS _Sfty & Train	11,611	11,148	12,540	11,909
PERS _Svc Work	108,175	109,019	107,830	116,464
PERS _Transp	282,538	289,022	285,891	308,759
PERS _Veh Maint Adm	88,713	89,489	68,370	95,600
GM Retirement _Admin	5,325	0	30,275	0
GM Retirement _Gen Admin	13,846	19,570	0	20,906
Exec Retirement _Admin	10,054	0	15,109	0
Exec Retirement _Finance	4,825	0	7,975	0
Medical Insurance _Admin	327,661	536,677	40,514	573,325
Medical Insurance _Bldg Maint	45,524	61,881	69,253	66,107
Medical Insurance _Cust Svc	35,978	47,555	46,448	50,802
Medical Insurance _Finance	21,266	25,519	38,105	27,262
Medical Insurance _Gen Admin	0	0	4,151	0
Medical Insurance _Hum Res	3,293	26,248	8,264	28,040
Medical Insurance _Info Tech	20,890	26,248	32,977	28,040
Medical Insurance _Mech	353,068	419,684	401,159	448,343
Medical Insurance _OP-FT	539,869	880,757	1,063,127	940,902
Medical Insurance _Plan/Mktg	34,654	42,618	55,176	45,528
Medical Insurance _Proc/Inv	21,708	29,153	27,413	31,144
Medical Insurance _Retirees	0	0	374,453	0
Medical Insurance _Sched	6,767	8,498	876	9,078
Medical Insurance _Sfty & Train	18,459	21,970	19,611	23,470
Medical Insurance _Svc Work	326,070	419,018	308,681	447,632
Medical Insurance _Transp	85,172	120,312	125,220	128,528
Medical Insurance _Veh Maint Adm	26,218	35,212	53,561	37,617
Cafeteria Plan _Admin	53,632	79,246	31,684	84,658
Cafeteria Plan _Bldg Maint	76,942	96,865	55,753	103,480
Cafeteria Plan _Cust Svc	76,031	94,282	45,611	100,720
Cafeteria Plan _Finance	48,044	57,194	34,728	61,100
Cafeteria Plan _Hum Res	3,647	0	5,855	0
Cafeteria Plan _Info Tech	35,682	41,304	26,384	44,125
Cafeteria Plan _OP-FT	1,542,600	1,875,156	1,108,475	2,003,206
Cafeteria Plan _Plan/Mktg	68,614	80,564	49,097	86,066
Cafeteria Plan _Proc/Inv	37,156	44,187	26,880	47,204
Cafeteria Plan _Sched	13,791	15,611	0	16,677
Cafeteria Plan _Sfty & Train	15,846	10,172	17,794	10,867
Cafeteria Plan _Transp	188,274	218,193	143,826	233,093
Cafeteria Plan _Veh Maint	0	0	476	0
Cafeteria Plan _Veh Maint Adm	46,557	49,859	34,075	53,264
OPEB _Admin	0	0	0	0
OPEB _Gen Admin	291,494	375,000	541,097	400,608
Dental _Admin	5,786	7,594	5,285	8,113

Account Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget
Dental _Bldg Maint	16,148	21,801	14,246	23,290
Dental _Cust Svc	8,800	11,550	6,427	12,339
Dental _Disp & Sup	24,401	33,012	26,759	35,266
Dental _Finance	7,358	9,584	7,222	10,238
Dental _Hum Res	3,961	4,544	4,443	4,854
Dental _Info Tech	4,400	5,775	4,285	6,169
Dental _OP-FT	165,983	193,864	181,863	207,102
Dental _OP-PT	483	635	1,117	678
Dental _Para Adm	2,215	0	4,316	0
Dental _Plan/Mktg	7,010	8,949	7,355	9,560
Dental _Proc/Inv	4,613	6,053	3,910	6,466
Dental _Sched	22,254	56,598	0	60,463
Dental _Sfty & Train	2,306	3,027	2,247	3,234
Dental _Transp	7,399	8,802	6,865	9,403
Dental _Veh Maint Adm	5,108	6,704	6,011	7,162
Life _Admin	5,279	6,930	4,933	7,403
Life _Bldg Maint	4,943	6,489	5,034	6,932
Life _Cust Svc	3,700	4,856	3,857	5,188
Life _Finance	4,800	6,300	5,144	6,730
Life _Hum Res	2,531	3,213	3,071	3,432
Life _Info Tech	2,922	3,835	3,332	4,097
Life _OP-FT	73,748	80,840	69,357	86,360
Life _Plan/Mktg	5,248	6,723	6,245	7,182
Life _Proc/Inv	1,658	2,176	1,586	2,325
Life _Sched	835	1,095	0	1,170
Life _Sfty & Train	840	1,103	906	1,178
Life _Svc Work	-35	2,008	0	2,145
Life _Transp	10,870	14,270	10,023	15,244
Life _Veh Maint Adm	3,561	2,727	2,984	2,913
Workers Compensation _Admin	68,228	79,200	114,280	84,608
Workers Compensation _Bldg Maint	40,894	47,470	68,496	50,712
Workers Compensation _Cust Svc	35,137	40,788	58,854	43,573
Workers Compensation _Finance	46,893	54,434	78,544	58,151
Workers Compensation _Hum Res	31,243	36,268	52,332	38,745
Workers Compensation _Info Tech	27,832	32,308	46,618	34,514
Workers Compensation _Mech	119,128	138,286	199,536	147,729
Workers Compensation _OP-FT	1,065,420	1,236,758	1,784,549	1,321,213
Workers Compensation _Plan/Mktg	49,266	57,189	82,519	61,094
Workers Compensation _Proc/Inv	25,613	29,733	42,902	31,763
Workers Compensation _Sched	7,932	9,208	13,286	9,837
Workers Compensation _Sfty & Train	7,988	9,273	13,380	9,906
Workers Compensation _Svc Work	51,569	59,863	86,378	63,951
Workers Compensation _Transp	119,612	138,848	200,347	148,330
Workers Compensation _Veh Maint Adm	32,778	38,049	54,902	40,647
Uniforms _OP-FT	18,367	55,000	0	0

Account Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget
Uniforms _Veh Maint	34,497	42,000	34,000	38,000
Uniforms _Veh Ops	19,864	0	55,000	55,000
DOT Exams _Gen Admin	0	0	0	1,000
DOT Exams _OP-FT	7,955	15,000	10,000	7,000
DOT Exams _Svc Work	250	0	0	7,000
DOT Exams _Veh Ops	-1,789	0	0	0
EAP _Gen Admin	5,621	15,000	6,000	7,500
Mechanics Tool Allowance _Veh Maint	9,094	20,000	10,000	15,000
Mechanics Tool Allowance _Mech	774	0	0	0
Employee Wellness Program _Admin	-314	968	0	0
Employee Wellness Program _Bldg Maint	-664	1,751	0	0
Employee Wellness Program _Cust Svc	-594	1,802	0	0
Employee Wellness Program _Finance	-270	722	0	0
Employee Wellness Program _Gen Admin	42,024	0	25,000	25,000
Employee Wellness Program _Hum Res	-96	297	0	0
Employee Wellness Program _Mech	-965	2,708	0	0
Employee Wellness Program _OP-FT	-7,131	18,223	0	0
Employee Wellness Program _Svc Work	-811	2,171	0	0
Employee Wellness Program _Transp	-846	2,093	0	0
Employee Wellness Program _Veh Maint Adm	-342	1,265	0	0
Substance Abuse Program _Gen Admin	17,363	19,000	19,000	19,000
<b>Fringe Benefits Total</b>	<b>12,987,371</b>	<b>14,255,077</b>	<b>14,793,146</b>	<b>15,191,500</b>
<b>Services</b>				
Agency Fees/Public Info _Gen Admin	50	50	100	100
Auditor Fees _Gen Admin	57,612	63,000	63,000	67,000
Bank Service Charge _Gen Admin	877	3,000	2,000	2,000
Bid/Hearing Notices _Gen Admin	5,821	5,000	5,000	5,000
Clipper Fees _Finance	63,099	0	0	0
Clipper Fees _Gen Admin	0	120,000	100,000	130,000
Commuter Ck Processing Fee _Gen Admin	65	100	0	0
Financial Services _Gen Admin	23,005	38,000	20,000	30,000
Legal Fees _Gen Admin	314,364	500,000	510,000	400,000
Lobbyist _Gen Admin	44,000	72,000	72,000	72,000
Management Services _Gen Admin	25,283	100,000	25,000	100,000
Payroll Services _Gen Admin	115,034	110,000	111,000	115,000
PERS File Upload Expense _Gen Admin	8,863	12,000	9,000	10,000
HR Background Checks _Gen Admin	11,425	10,000	25,000	10,000
Recruitment _Gen Admin	2,136	10,000	5,000	10,000
Temporary Help _Fac Maint	6,292	0	2,500	3,000
Temporary Help _Gen Admin	0	25,000	5,000	25,000
UI Cost Control Services _Gen Admin	3,062	5,000	5,000	5,000
IT Contracts _Bldg Maint	0	0	1,000	1,000
IT Contracts _Gen Admin	472,501	500,000	520,000	582,000
IT Contracts _Info Tech	1,484	0	0	0
IT Supplies/Replacement _Gen Admin	6,843	30,000	30,000	40,000

Account Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget
Radio Maintenance Service _Veh Ops	0	12,000	12,000	12,000
Bldg Maint Services _Fac Maint	91,201	120,000	89,000	120,000
CleverDevice-MaintenanceService _Veh Ops	136,559	313,950	266,000	300,000
CleverDevice-MaintenanceService _Veh Ops _SB1	149,693	0	0	0
Contract Service Cleaning _Gen Admin	0	3,600	2,000	4,000
Emission Control Expense _Veh Maint	38,457	85,000	5,000	85,000
Fire Monitoring _Gen Admin	13,848	10,000	5,000	10,000
Freight In/Out _Gen Admin	5,971	0	11,000	11,000
Freight In/Out _Veh Maint	3,029	12,650	2,000	2,000
Hazardous Waste Handling _Veh Maint	76,954	115,000	90,000	95,000
Landscape Services _Fac Maint	67,606	95,000	71,000	80,000
Office Equip Maint Service _Fac Maint	7,250	25,000	12,000	20,000
Office Equip Maint Service _Gen Admin	13,089	0	1,000	1,000
Security Services _Gen Admin	128,832	135,000	145,000	150,000
Support Veh Maintenance Exp _Veh Maint	14,569	18,000	24,000	25,000
SVR, Body _Veh Maint	193,894	140,000	200,000	200,000
SVR, Diffs/Radiators _Veh Maint	0	27,000	13,000	27,000
SVR, Engine _Veh Maint	436	150,000	40,000	90,000
SVR, Mach/Hydrl/Tow _Veh Maint	7,931	15,000	9,000	15,000
SVR, Trans _Veh Maint	9,897	50,600	24,000	51,000
SVR, Upholstry/Glass _Veh Maint	0	14,000	7,000	14,000
SVR-Electric Bus Repair _Veh Maint	25,815	90,000	45,000	90,000
Waste Removal _Fac Maint	29,155	26,000	32,000	35,000
Other Services _Gen Admin	14,404	30,000	15,000	30,000
Mobility Services _Gen Admin	17,354	25,000	10,000	15,000
Planning Studies _Gen Admin _OBAG2 TPI	166,604	0	159,000	0
Planning Studies _Gen Admin _TRANSIT CORRIDOR	21,586	359,484	15,000	0
Promotions _Gen Admin	268	0	0	0
Promotions _Bus	94,496	155,000	155,000	155,000
Schedules/Graphics	67,755	60,000	60,000	60,000
Schedules/Graphics _Veh Ops (delete)	0	6,000	0	0
Service Development _Gen Admin	0	150,000	100,000	150,000
In-Service Monitoring _Gen Admin	0	5,000	5,000	5,000
Other Services _Gen Admin	471	0	0	0
Telematics Expense _Veh Maint	0	65,000	30,000	70,000
<b>Services Total</b>	<b>2,558,940</b>	<b>3,916,434</b>	<b>3,164,600</b>	<b>3,529,100</b>
<b>Materials and Supplies</b>				
Diesel Fuel _Veh Ops	1,632,960	1,950,000	2,200,000	2,500,000
Gasoline _Veh Maint	17,624	30,000	30,000	40,000
Oil & Lubricants _Veh Ops	152,529	116,000	127,000	130,000
Electric Trolley PG&E Utility _Veh Ops	47,377	90,000	55,000	90,000
Tires - NONRevenue Vehicles _Veh Maint	0	0	2,000	2,000
Tires - Revenue Vehicles _Veh Ops	214,696	231,000	195,000	210,000
Office Supplies _Disp & Sup	181	3,000	0	0
Office Supplies _Fac Maint	9,532	4,500	10,000	10,000

Account Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget
Office Supplies _Veh Maint	17	25,000	3,000	3,000
Office Supplies_Admin	146	0	0	0
Office Supplies_General Admin	19,628	35,000	31,000	35,000
Office Supplies_Veh Maint Adm	36	0	0	0
Postage _Gen Admin	8,089	10,000	9,000	10,000
Safety Supply _Admin	191	0	0	0
Safety Supply _Gen Admin	562	0	0	0
Safety Supply _Sfty & Train	0	0	0	0
Safety Supply _Veh Ops	3,794	5,000	0	0
Tix, Pass, Transfers	60	1,500	1,500	2,000
Training Supplies _Veh Ops	473	5,000	0	0
Transport Supplies _Veh Ops	21,102	6,000	30,000	30,000
Office & IT Equipment _Gen Admin	10,827	50,000	25,000	50,000
Bldg Repair Supply _Bldg Maint	355	0	0	0
Bldg Repair Supply _Fac Maint	69,842	95,000	64,000	95,000
Coach Repair Parts _Veh Maint	743,217	718,750	890,000	900,000
CSS Antifreeze _Veh Maint	5,254	8,500	9,000	9,000
CSS Cleaning supplies _Veh Maint	26,565	16,000	29,000	30,000
CSS Gases _Veh Maint	14,562	10,000	8,000	10,000
CSS Safety supplies _Safety	737	0	0	0
CSS Safety supplies _Veh Maint	19,629	48,000	27,000	35,000
CSS Soaps _Veh Maint	5,390	8,000	4,000	5,000
Equipment/Garage Supply _Fac Maint	31	0	5,000	5,000
Equipment/Garage Supply _Veh Maint	102,122	39,000	46,000	40,000
Janitorial Supplies _Fac Maint	24,637	45,000	45,000	45,000
Janitorial Supplies _Gen Admin	16,921	0	0	0
Landscape Supply _Fac Maint	104	3,000	25,000	3,000
Obsolete Parts Write-Off _Veh Maint	10,489	50,000	50,000	50,000
Oil Analysis _Veh Maint	9,900	9,900	9,900	9,900
Shelter/Stop Supply _Fac Maint	1,346	8,000	4,000	8,000
<b>Materials and Supplies Total</b>	<b>3,190,925</b>	<b>3,621,150</b>	<b>3,934,400</b>	<b>4,356,900</b>
<b>Utilities</b>				
Cellular Phone _Gen Admin	65,355	72,000	72,000	72,000
Gas and Electric _Gen Admin	295,963	293,750	296,000	300,000
Phone_Gen Adm	38,024	40,000	40,000	40,000
Water_Gen Adm	42,531	44,400	41,000	44,000
<b>Utilities Total</b>	<b>441,873</b>	<b>450,150</b>	<b>449,000</b>	<b>456,000</b>
<b>Casualty and Liability</b>				
Liability Premiums _Gen Admin	850,311	1,047,831	1,050,000	1,260,000
Liability Premiums _Veh Maint	138,444	129,364	150,000	180,000
Property Premiums _Gen Admin	38,973	51,000	50,000	60,000
Other Premiums _Gen Admin	47,315	55,000	50,000	60,000
Liability Losses _Veh Maint	331,964	250,000	300,000	360,000
<b>Casualty and Liability Total</b>	<b>1,407,007</b>	<b>1,533,195</b>	<b>1,600,000</b>	<b>1,920,000</b>
<b>Taxes and Fees</b>				

Account Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget
Fuel Storage Tank Fee _Veh Ops	11,620	15,600	12,000	12,000
License/Registration _OP-FT	10	0	0	0
License/Registration _Veh Maint	891	0	0	0
License/Registration _Veh Ops	803	3,400	2,000	2,000
Property Tax _Gen Admin	11,977	14,372	18,000	18,000
Property Tax _Veh Maint	0	0	0	0
Sales Tax _Gen Admin	0	0	1,000	1,000
Sales Tax _Veh Maint	276,142	350,000	350,000	362,000
Sales Tax _Veh Ops	57,611	0	0	0
Use and Other Taxes _Fac Maint	0	0	0	0
Use and Other Taxes _Veh Ops	5,877	7,000	6,000	6,000
<b>Taxes and Fees Total</b>	<b>364,931</b>	<b>390,372</b>	<b>389,000</b>	<b>401,000</b>
<b>Leases and Rentals</b>				
Operating Lease - Radio Site	50,500	60,000	60,000	60,000
Capital Leases - Equipment Leases	8,967	15,000	40,000	15,000
<b>Leases and Rentals Total</b>	<b>59,467</b>	<b>75,000</b>	<b>100,000</b>	<b>75,000</b>
<b>Reconciling Items</b>				
Loss on sale or disposal of asset _Discr	24,728	0	0	0
<b>Reconciling Items Total</b>	<b>24,728</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Operating</b>				
Business Expense _Gen Admin	10,711	11,000	11,000	12,000
Business Expense _Plan/Mktg	0	0	0	0
Business Expense _Veh Maint	0	2,000	1,000	2,000
Business Expense _Veh Ops	0	8,000	1,000	8,000
Business Expense _Admin	0	0	0	0
Business Expense _Finance	0	0	0	0
Employee Functions	51,726	45,000	50,000	85,000
Employee Recognition _Gen Admin	7,061	3,000	2,000	3,000
Employee Recognition _Plan/Mktg	419	1,000	1,000	1,000
Membership Dues-APTA _Gen Admin	35,500	40,000	40,000	40,000
Membership Dues-CTA _Gen Admin	7,998	17,000	17,000	17,000
Membership Dues-Other _Gen Admin	7,280	8,000	8,000	8,000
Training & Subscriptions _Disp & Sup	0	0	0	0
Training & Subscriptions _Finance	52	0	0	0
Training & Subscriptions _Gen Admin	14,591	25,000	25,000	25,000
Training & Subscriptions _Veh Maint	6,190	50,000	25,000	25,000
Training & Subscriptions _Veh Ops	0	25,000	25,000	25,000
Travel Expenses - Board _Gen Admin	14,774	25,000	25,000	25,000
Travel Expenses - Staff _Admin	8,864	0	0	0
Travel Expenses - Staff _Gen Admin	92,446	120,000	115,000	125,000
Travel Expenses - Staff _Veh Ops	505	0	0	0
Other Miscellaneous Expenses _Gen Admin	0	1,500	1,000	1,500
<b>Other Operating Total</b>	<b>258,117</b>	<b>381,500</b>	<b>347,000</b>	<b>402,500</b>
<b>Purchased Transportation</b>				
PT Contract _Veh Ops - AVO	219,599	400,000	180,000	0

Account Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget
<b>Purchased Transportation Total</b>	<b>219,599</b>	<b>400,000</b>	<b>180,000</b>	<b>0</b>
<b>Contingency Expense</b>				
Contingency Expense (budget only) _Admin	0	500,000	0	500,000
<b>Contingency Expense Total</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>500,000</b>
<b>FIXED ROUTE Total</b>	<b>38,159,521</b>	<b>43,479,292</b>	<b>41,890,766</b>	<b>45,460,000</b>
<b>PARATRANSIT</b>				
<b>Wages</b>				
Wages - Regular _Para Adm	315,758	319,126	354,604	372,000
<b>Wages Total</b>	<b>315,758</b>	<b>319,126</b>	<b>354,604</b>	<b>372,000</b>
<b>Fringe Benefits</b>				
Vacation _Para Adm	26,438	19,592	25,748	21,358
Sick _Para Adm	14,907	16,005	6,158	17,448
Holiday _Para Adm	8,503	10,521	11,094	11,470
Floating Holiday _Para Adm	12,984	6,157	21,028	6,712
Medicare Expense _Para Adm	5,098	5,253	5,459	5,727
SUI Expense _Para Adm	448	498	635	543
PERS _Para Adm	61,935	65,241	62,257	71,123
Medical Insurance _Para Adm	22,825	39,253	28,559	42,792
Cafeteria Plan _Para Adm	31,483	37,414	23,021	40,787
Dental _Para Adm	2,215	5,814	0	6,338
Life _Para Adm	3,266	4,287	3,039	4,674
Workers Compensation _Para Adm	30,490	49,560	70,289	54,028
<b>Fringe Benefits Total</b>	<b>220,592</b>	<b>259,595</b>	<b>257,287</b>	<b>283,000</b>
<b>Services</b>				
Agency Fees/Public Info _Gen Admin	730	1,000	1,000	1,000
Legal Fees _Gen Admin (Para)	41,073	40,000	36,000	45,000
IT Contracts _Gen Admin	1,428	0	11,000	7,000
IT Supplies/Replacement _Gen Admin	77	0	5,000	5,000
Radio Maintenance Service _Veh Maint	14,957	16,000	16,000	17,000
Software Maint Services _Gen Admin	61,429	71,000	73,000	73,000
Software Maint Services _Gen Admin _Other Arrang	16,046	20,000	0	0
Bldg Maint Services _Fac Maint	945	5,000	1,000	5,000
Waste Removal _Fac Maint	60	1,000	1,000	1,000
Promotions _Paratransit	1,749	15,000	10,000	15,000
Travel Training Services _Gen Admin _Meas J	21,631	59,000	10,000	20,000
Paratransit Services Other _Gen Admin	0	10,000	10,000	10,000
<b>Services Total</b>	<b>160,125</b>	<b>238,000</b>	<b>174,000</b>	<b>199,000</b>
<b>Materials and Supplies</b>				
Office Supplies _Gen Admin	66	2,000	2,000	2,000
Safety Supply _Veh Ops-PARA	0	0	1,000	1,000
Tix, Pass, Transfers _Veh Ops	423	2,000	1,500	1,500
Office & IT Equipment _Para Adm	5,348	0	0	0
Bldg Repair Supply _Fac Maint	378	0	0	0
<b>Materials and Supplies Total</b>	<b>6,215</b>	<b>4,000</b>	<b>4,500</b>	<b>4,500</b>
<b>Utilities</b>				

Account Description	FY 2025 Actual	FY 2026 Budget	FY 2026 Estimated Actual	FY 2027 Proposed Budget
Cellular Phone _Gen Admin	28,636	30,000	30,000	30,000
Gas and Electric _Gen Admin	32,830	36,000	35,000	36,000
<b>Utilities Total</b>	<b>61,466</b>	<b>66,000</b>	<b>65,000</b>	<b>66,000</b>
<b>Casualty and Liability</b>				
Liability Premiums _Gen Admin	9,704	11,998	12,000	14,000
Property Premiums _Gen Admin	6,878	9,000	10,000	12,000
<b>Casualty and Liability Total</b>	<b>16,582</b>	<b>20,998</b>	<b>22,000</b>	<b>26,000</b>
<b>Other Operating</b>				
Training & Subscriptions _Gen Admin	0	10,000	1,000	5,000
Travel Expenses - Staff _Gen Admin (Para)	3,216	0	5,000	5,000
<b>Other Operating Total</b>	<b>3,216</b>	<b>10,000</b>	<b>6,000</b>	<b>10,000</b>
<b>Purchased Transportation</b>				
PT Contract _Alamo Creek	144,438	155,000	152,000	155,000
PT Contract _BART ADA	3,373	250,088	10,000	20,000
PT Contract _Choice in Aging	363,182	315,000	420,000	450,000
PT Contract _Go San Ramon	5,732	5,000	10,000	10,000
PT Contract _LAVTA ADA	1,750,709	1,992,151	1,810,000	2,000,000
PT Contract _LINK ADA	5,568,252	7,724,633	6,805,000	7,500,000
PT Contract _LINK ADA 5307 share	1,590,376	0	0	0
PT Contract _One Seat-LAVTA	48,309	61,346	113,000	120,000
PT Contract _One Seat-LINK	467,084	493,025	750,000	750,000
PT Contract _One Seat-TBA	0	0	0	0
PT Contract _One Seat-Tri Delta	498,382	576,264	910,000	920,000
PT Contract _One Seat-West Cat	34,722	43,354	47,000	50,000
PT Contract _LAVTA ADA IT Services	0	0	21,000	21,000
PT Fuel _BART ADA	285	415	100	200
PT Fuel _LAVTA ADA	6,557	0	10,000	0
PT Fuel _LINK ADA	579,382	611,440	792,000	800,000
PT Fuel _One Seat-LAVTA	3,528	3,010	9,000	10,000
PT Fuel _One Seat-LINK	31,819	26,117	48,000	50,000
PT Fuel _One Seat-Tri Delta	22,662	16,611	63,000	65,000
PT Fuel _One Seat-West Cat	2,478	2,304	4,000	6,000
PT Fuel _One Seat-TBA	0	0	0	0
<b>Purchased Transportation Total</b>	<b>11,121,270</b>	<b>12,275,758</b>	<b>11,974,100</b>	<b>12,927,200</b>
<b>PARATRANSIT Total</b>	<b>11,905,224</b>	<b>13,193,477</b>	<b>12,857,491</b>	<b>13,887,700</b>
<b>Grand Total</b>	<b>50,064,745</b>	<b>56,672,769</b>	<b>54,748,257</b>	<b>59,347,700</b>

**To:** Administration & Finance Committee

**Date:** May 28, 2026

**From:** Amber Johnson, Chief Financial Officer

**Reviewed by:** WC.

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**SUBJECT: Adoption of Gann Appropriations Spending Limitation for FY 2026-2027**

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**Background:**

Pursuant to California Constitution Article XIII (B) (Proposition 4), public entities are required to conform to budgetary guidelines set forth in the Gann Initiative. The purpose of Article XIII (B) is to constrain fiscal growth in government by limiting the proceeds of taxes that may be appropriated each year. Each year's limit may be adjusted for increase in cost of living (California per capita income) and population. For special districts, if the district is located entirely within one county, the county's population change factor is to be used. That is the case with County Connection. The limit may also be changed in the event of a transfer of fiscal responsibility.

The California Revenue and Taxation Code, section 2227, mandates that the Department of Finance transmit an estimate of the percentage change in population to local governments. The Department of Finance also transmits the change in the cost of living, or price factor.

**Gann Limit Calculation:**

The formula for calculating the appropriations spending limit is:

1. Population percentage change x price increase/decrease factor = ratio of change
2. Ratio of change x 2025-26 spending limit = 2026-27 spending limit.

Based on the above formula, the spending limit for County Connection is:

1. Population percentage change x price increase/decrease factor=ratio of change  
 $0.9969 \times 1.0495 = 1.0462$
2. Ratio of change x 2025-2026 spending limit = 2026-2027 spending limit:  
 $1.0462 \times \$106,034,564 = \$110,938,391$

Based on the above calculations, **the Gann appropriations spending limit for FY 2026-2027 is \$110,938,391** (Attachment 1). The actual County Connection non-federal appropriations budget for FY 2026-2027 is \$60,896,625, which is \$50,041,766 below the spending limitation.

**Financial Implications:**

There is no direct financial implication as a result of the calculation of the Gann limit, since the limit far exceeds the appropriations budget.

**Recommendation:**

Staff recommends the A&F Committee review and approve the calculation of the Gann appropriations spending limitation of \$110,938,391 for FY 2026-2027.

**Action Requested:**

By State law, the County Connection Board of Directors must adopt an appropriations limitation. The staff requests the A&F Committee approve and forward the calculation of the Gann appropriations spending limitation of \$110,938,391 for FY 2026-2027 to the Board.

**Attachments:**

Attachment 1: Computation of Gann Appropriations Spending Limit for FY 2027

**COMPUTATION OF GANN APPROPRIATIONS SPENDING LIMIT FOR FY 2027**

Contra Costa County change in population*	-0.31	
Converted to a ratio		0.9969 (1)
Percentage change in per capita personal income*	4.95	
Converted to a ratio		1.0495 (2)
Ratio of change:		1.0462 (1)*(2) = (3)
FY 2026 appropriations limit		\$106,034,654 (4)
FY 2027 appropriations limit		\$110,938,391 (3)*(4) = (5)
FY 2027 operating budget	\$59,324,125	
Less expenses paid by federal funds	<u>(\$1,610,000)</u>	
	\$57,714,125	
FY 2027 capital budget	\$ 3,182,500	
Less expenses paid by federal funds	<u>\$0</u>	
	\$3,182,500	
Operating and capital appropriation		<u>\$60,896,625</u>
Under limit		<u><u>\$50,041,766</u></u>

\* Source: California Department of Finance