



## REGIONAL TRANSIT AUTHORITY EXECUTIVE COMMITTEE AGENDA

**Wednesday, April 8, 2026**

**10:00 a.m.**

**SLOCOG Conference Room**

**1114 Marsh Street**

**San Luis Obispo, California**

**This agenda is available/posted at: <http://www.slorta.org/board/rta-board-meetings>**

Individuals wishing accessibility accommodations at this meeting under the Americans with Disabilities Act (ADA) may request such accommodations to aid hearing, visual, or mobility impairment (including Limited English Proficiency) by contacting the RTA offices at (805)541-2228 x4833. Please note that 48 hours advance notice will be necessary to honor a request.

RTA, de acuerdo con la Ley de Estadounidenses con Discapacidades (ADA), acomodará a las personas que requieran una modificación de la adaptación para participar en esta reunión. RTA también se compromete a ayudar a las personas con dominio limitado del inglés a acceder a los servicios públicos esenciales de la agencia y a la información pública en español. Para solicitar una adaptación, por favor llame al (805)541-2228 x4833. Requerimos al menos 48 horas de anticipación para proporcionar adaptaciones razonables.

1. **Call Meeting to Order, Roll Call**
2. **Public Comment:** The San Luis Obispo Regional Transit Authority Executive Committee reserves this portion of the agenda for members of the public to address any items not on the agenda and within the jurisdiction of the Committee. Comments are limited to three minutes per speaker. The Committee will listen to all communication, but in compliance with the Brown Act, will not take any action on items that are not on the agenda.
3. **Closed Session – None**
4. **Consent Items –**
  - A-1 Executive Committee Meeting Minutes of February 11, 2026 (Approve)
  - A-2 Classification and Compensation/Benefits Study (Approve)
5. **Information Items –**
  - B-1 Executive Director’s Report (Verbal, Receive)
6. **Action Items –**
  - C-1 Fiscal Year 2026-27 Operating and Capital Budget (Approve)

The Regional Transit Authority is a Joint Powers Agency serving the residents and visitors of:

**Arroyo Grande Atascadero Grover Beach Morro Bay Paso Robles Pismo Beach San Luis Obispo County of San Luis Obispo**

7. **Review of Draft May 6, 2026 Draft RTA Board Agenda:**

**Employee Recognition**

- Employee of the Quarter
- 15 Years of Service Recognition: Lucas Houston
- 10 Years of Service Recognition: Kevin Cooksley and Robert Schwartz

Consent Items

- A-1 Executive Committee Meeting Minutes of February 11, 2026 (Approve)
- A-2 RTA Board Meeting Minutes of March 4, 2026 (Approve)
- A-3 Agreement for County Auditor/Controller Services (Approve)
- A-4 Update Representative and Alternatives on CalTIP Board (Approve)
- A-5 Arroyo Grande Park-Out Facility Lease Extension (Approve)
- A-6 Classification and Compensation/Benefits Study (Receive)
- A-7 Contract Renewal – AGP Video Production of Board Meetings (Approve)
- A-8 PRISM MOU for Cyber Liability Program (Approve)
- A-9 Add FTA Civil Right Duties to Deputy Director/CFO Job Description (Approve)
- A-10 Employment Agreement with Executive Director (Approve)

Information Items

- B-1 Executive Director’s Report (Receive)
- B-2 Update on Fare Change Implementation & Contactless Fare System (Receive)
- B-3 Update on Discount Eligibility Verification Program (Receive)
- B-4 Annual Vacancy Status and Recruitment & Retention Report GC §3502.3 (Receive)

Action Items:

- C-1 Fiscal Year 2026-27 Operating and Capital Budget (Approve)
- C-2 RTA Contingency Fleet Plan (Approve)

Closed Session Item:

None

8. **Adjournment**

Next RTA Executive Committee Meeting: **June 10, 2026**



San Luis Obispo Regional Transit Authority

Executive Committee Meeting

Draft Minutes 2/11/2026

A-1

Members Present: Heather Moreno, District 5 Supervisor, **Vice-President**  
Jimmy Paulding, District 4 Supervisor, **Past President**

Members Absent: Carla Wixom, City of Morro Bay, **President**

Staff Present: Geoff Straw, RTA Executive Director  
Tania Arnold, RTA Deputy Director/CFO  
Anthony Kalvans, RTA Administrative Assistant  
Jenna Morton, RTA Counsel  
Pete Rodgers, SLOCOG Executive Director

Public Present: None

1. **Call to Order and Roll Call:** **Vice President Heather Moreno** called the meeting to order at 10:00 a.m. and roll call was taken. A quorum was present.

2. **Public Comment:**  
**Mr. Pete Rodgers** of SLOCOG announced that the SLOCOG workshop is being moved from April 3<sup>rd</sup> to April 22<sup>nd</sup>.

3. **Closed Session:**  
CONFERENCE WITH LABOR NEGOTIATORS (Gov. Code § 54957.6)  
Agency designated representatives: Geoff Straw, Executive Director  
Employee organization: Non-represented employees

Public Comment:

There was no public comment given.

The Committee adjourned to closed session at 10:02 a.m.

The Committee reconvened from closed session at 10:15 a.m.

**Ms. Jenna Morton** said that there was no reportable action.

4. **Consent Items**

A-1 Executive Committee Meeting Minutes of December 10, 2025 (Approve)

A-2 Executive Committee Meeting Minutes of January 14, 2026 (Approve)

Public Comment:

There was no public comment given.

**Mr. Jimmy Paulding** motioned to approve, seconded by **Ms. Moreno**. There was unanimous consensus of those present to approve the meeting minutes as is.

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
HEATHER MORENO	X		
JIMMY PAULDING	X		
CARLA WIXOM			X

5. **Information Items:**

B-1 Executive Director’s Report (Verbal, Receive)

**Mr. Straw** gave an update on recent events at the RTA. He specifically noted that the FTA Triannual Audit is ongoing and that the new bus stop at Cuesta College is open. He touched on the contactless fare program and said that it should be ready by the end of quarter one.

**Ms. Moreno** asked about the status of the HVAC at the RTA’s main facility. **Mr. Straw** said that staff is still working through it.

6. **Action Items:**

C-1 Fiscal Year 2026-27 Budget Assumptions (Approve)

Ms. Tania Arnold presented the fiscal year 2026-2027 budget assumptions and highlighted the key issues facing the RTA. She clarified during her presentation that the RTA is not asking for another full-time employee.

**Mr. Paulding** motioned to approve, seconded by **Ms. Moreno**. There was unanimous consensus of those present to approve the budget assumptions.

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
HEATHER MORENO	X		
JIMMY PAULDING	X		
CARLA WIXOM			X

7. **Review of Draft March 4, 2026, Draft RTA Board Agenda:**

**Mr. Straw** presented the draft agenda and gave additional background on Item A-7. In addition, Item C-1 was agreed to be pushed back to another date.

Public Comment:

There was no public comment given.

**Ms. Moreno and Mr. Paulding** gave consent to approve the draft agenda.

<u>BOARD MEMBER</u>	<u>YES</u>	<u>NO</u>	<u>ABSENT</u>
JIMMY PAULDING	X		
HEATHER MORENO	X		
CARLA WIXOM			X

**8. Executive Committee Member Comments and Adjournment**

The meeting was adjourned at 10:37 AM.

Next RTA Executive Committee Meeting: **April 8, 2026**

Respectfully Submitted,

Acknowledged by,

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Anthony Kalvans  
Administrative Assistant

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Heather Moreno  
RTA Board Vice President 2026

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Evergreen Solutions, LLC

**CLASSIFICATION AND COMPENSATION/  
BENEFITS STUDY**  
FOR SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY, CA

**FINAL REPORT**

**April 3, 2026**



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# CLASSIFICATION AND COMPENSATION/BENEFITS STUDY

## 1.0 INTRODUCTION

The leadership of the San Luis Obispo Regional Transit Authority (the “RTA”), in support of its mission to provide safe, reliable, and efficient public transportation services, determined that its existing compensation and classification systems would benefit from a comprehensive review. Evergreen Solutions, LLC (“Evergreen”) was selected to conduct a combined compensation, benefits and classification study to evaluate the effectiveness, equity, competitiveness, and sustainability of the RTA’s current systems and to develop recommendations aligned with public-sector and transit-industry best practices.

As a public transit agency, the RTA operates within a unique labor environment that includes safety-sensitive positions, regulatory and licensing requirements, collective bargaining agreements, and a highly competitive labor market, and constrained funding opportunities. These factors place particular importance on compensation structures that support recruitment and retention, provide clear and defensible progression, and maintain internal equity across both represented and non-represented employee groups in a financially sustainable manner.

This study was designed to evaluate both internal and external equity. Internal equity refers to the fairness and consistency of compensation and classification relationships among positions within the RTA, based on the relative value, responsibilities, and complexity of work performed. External equity examines how the RTA’s classifications and salary ranges compare to those of comparable transit agencies and public-sector employers competing for similar talent. Together, these analyses provide RTA leadership with an objective foundation for decision-making related to workforce stability, service delivery, classification alignment, and long-term compensation strategy.

The classification component of this study focused on ensuring that job titles, descriptions, and pay grade assignments accurately reflect the work currently being performed and are applied consistently across the organization. The compensation component evaluated the RTA’s salary structures relative to the labor market, with particular attention to step progression, compression, and transparency, all of which are critical in a transit operating environment. Finally, this study examines succession planning for agency leadership given the Executive Director’s plan to retire in the relatively near future.

Evergreen utilized a combination of qualitative and quantitative analysis methods throughout the study. As with all market-based studies, the data and findings presented represent a snapshot in time. Because labor market conditions, particularly for transit operations supervisors, mechanics, and other specialized roles, continue to evolve, Evergreen recommends that the RTA periodically reassess its compensation and classification systems to maintain alignment with best practices and prevailing market conditions.

This report is organized into the following sections:

- Section 2 – Employee Outreach and Feedback Summary, which presents key themes expressed by employees regarding organizational strengths, challenges, and opportunities for improvement beyond compensation alone.

- Section 3 – Assessment of Current Conditions, which provides a baseline analysis of the RTA’s existing compensation structures, internal pay relationships, and progression patterns.
- Section 4 – Market Summary, which evaluates the RTA’s compensation structures relative to comparable transit agencies and public-sector employers using cost-of-labor–adjusted market data.
- Section 5 – Recommendations, which presents Evergreen’s proposed classification, compensation, and administrative actions informed by the analyses and employee feedback.

## **1.1 Study Methodology**

Evergreen’s approach integrates employee input, internal job evaluation, and external market analysis to develop balanced and defensible recommendations tailored to the RTA’s operating environment. Key project activities included:

- Conducting a project kick-off meeting with RTA leadership and Human Resources staff to confirm project scope, timelines, and data requirements
- Reviewing existing pay plans, classification specifications, collective bargaining agreements, organizational charts, and compensation policies
- Collecting employee input related to job duties, responsibilities, and workplace conditions to inform the classification analysis
- Evaluating internal relationships among classifications to assess equity, alignment, and potential compression
- Conducting an external market salary survey using transit-focused peer organizations and cost-of-labor–adjusted data
- Developing recommendations for classification updates, pay grade assignments, and compensation administration practices
- Preparing draft and final reports summarizing findings and recommendations

## **2.0 EMPLOYEE OUTREACH AND FEEDBACK SUMMARY**

Employee outreach is a critical component of a combined compensation and classification study, particularly within a transit operating environment where pay competitiveness, scheduling, workload, safety requirements, and cost-of-living pressures directly affect recruitment, retention, and employee morale. To better understand the employee experience at the San Luis Obispo Regional Transit Authority (RTA), Evergreen conducted an employee focus group meeting and conducted on-line surveys to

gather input across frontline, supervisory, and administrative perspectives.

The feedback summarized in this section reflects common themes expressed by employees regarding why they chose to work for the RTA, what has influenced their decision to stay, and their perceptions

of the organization's classification, compensation, benefits, and performance management practices. Individual comments have been anonymized, and the observations presented are perceptual in nature; however, they provide critical qualitative context for interpreting compensation data and developing recommendations that are realistic, equitable, and responsive to the RTA's operating environment.

## **2.1 Why Employees Come to Work for the RTA**

Employees identified several factors that attracted them to the RTA. Competitive starting pay, hiring incentives such as sign-on bonuses, and the opportunity to be trained by the organization to obtain required licenses, particularly for operator positions, were frequently cited. Employees noted that the RTA's willingness to invest in training, including covering licensing requirements, lowered barriers to entry and made the organization an attractive employer. It is important to note that the RTA currently provides in-house training and testing for DMV licensing, but the employee is responsible for the actual cost of obtaining and maintaining their license.

Participants also described the RTA as a well-regulated organization with a positive reputation in the region and within the transit industry. Newer vehicles, modern facilities, and an emphasis on safety and compliance contributed to perceptions of professionalism and operational stability. Employees expressed appreciation for the RTA's benefits package, particularly employer-funded health insurance, retirement savings options, and holiday and floating leave benefits.

In addition, employees noted that the RTA promotes from within and is generally open to employee suggestions related to training and professional development, including support for training costs. This openness to internal growth and skill development was viewed as a meaningful organizational strength.

## **2.2 Why Employees Have Stayed with the RTA**

While starting pay and benefits were important factors in initial attraction, employees indicated that their reasons for staying with the RTA are more closely tied to job stability, organizational culture, and the quality of benefits. Participants cited the RTA's reputation as a good place to work, supportive coworkers, and a sense of pride in serving the community through public transportation.

Employees also emphasized the value of employer-paid health insurance and consistent benefits, which were viewed as particularly important given the high cost of living in the region. For some employees, the availability of predictable work and a regulated operating environment contributed to a sense of long-term security, even as broader concerns about retirement adequacy and advancement opportunities were expressed.

## **2.3 Classification and Internal Equity Concerns**

Employees raised several concerns related to classification structure and internal equity, defined as the relationship between jobs within the organization. Participants noted that some roles include significant secondary responsibilities that are not reflected in current job descriptions. Some examples observed in the RTA related to IT, service planning, & grants-funded capital project management, among others.

Employees also observed that certain leadership or deputy-level roles appear inconsistently defined across functional areas, which can create confusion regarding scope, responsibility, and appropriate

compensation. These issues contribute to perceptions that some positions are undervalued or misaligned relative to their actual duties.

From a compensation perspective, employees generally described the RTA as competitive relative to other local employers; however, they emphasized that competition for transit talent extends beyond the immediate region. Employees noted that dispatch positions, Dial-A-Ride and Runabout services, and certain station-based roles may not be compensated at levels commensurate with their responsibilities or market demand. Several participants suggested that station roles currently grouped together perform substantially different work and should be evaluated for potential reclassification into distinct classifications.

Employees also identified challenges related to supervisory classifications. Long-tenured operators often experience limited financial incentive to pursue supervisory roles due to relatively small pay differentials, loss of overtime opportunities, increased workload, and assignment to less desirable service areas. Participants noted that recent supervisor vacancies have increasingly been filled by relatively new operators, not by long-term employees, due in part to these disincentives.

Employees further indicated that the removal of minimum service requirements for promotion, while intended to support staffing needs, has altered perceptions of equity and preparedness for supervisory roles. Participants expressed a desire for clearer feedback and development guidance for employees who are not selected for promotion, as well as more structured career pathways to better prepare employees for advancement.

## **2.4 Compensation, Cost of Living, and Career Progression**

Employees generally believe that base pay at the RTA is competitive for the region; however, they emphasized that the exceptionally high cost of living in San Luis Obispo County significantly affects affordability and long-term retention. Participants noted that while wages may compare favorably to nearby employers, the ability to sustain a long-term career locally remains challenging, particularly for frontline employees.

Concerns were also raised about compensation recognition for specialized skills, such as second-language proficiency, and whether such skills are adequately valued within the current pay structure. Employees emphasized the need for creative career pathing solutions that address progression limitations, supervisory disincentives, and preparation for advancement while maintaining service reliability.

## **2.5 Benefits, Onboarding, and Training**

Employees expressed mixed views regarding benefits. Health insurance was consistently cited as a major strength, with employees appreciating that the RTA pays the full cost of employee premiums. Holiday pay and floating holidays were also viewed positively. At the same time, employees expressed concern that retirement benefits, primarily offered through a 457 plan rather than a traditional pension, may be insufficient to support long-term retention, particularly for non-management employees.

Training was generally viewed as a positive aspect of employment at the RTA, especially initial training for operators. Employees appreciated the organization's willingness to pay for required licenses and certifications. However, participants expressed interest in more structured ongoing training, leadership development, and clearer pathways tied to advancement opportunities.

## **2.6 Recruitment, Retention, and Competition**

Employees identified a broad range of competitors for quality employees, including other transit agencies and transportation providers such as San Luis Obispo Safe Ride, LUX Bus, Monterey-Salinas Transit (MST), Santa Maria Area Transit, and transit agencies in Santa Barbara, Orange County, Los Angeles, the Bay Area (including BART), and San Diego. Educational institutions, such as Cuesta College, were also identified as competitors for training and instructional talent.

Driver positions were consistently identified as difficult to recruit and retain, with high turnover attributed to regional cost-of-living pressures and competition from agencies offering higher pay or larger hiring incentives. Operations Supervisor positions were also identified as particularly challenging to fill, with numerous vacancies over recent years. Employees described supervisory roles as overworked and under-resourced, a condition exacerbated by driver shortages that increase operational demands on supervisors.

## **2.7 Performance Evaluation Practices**

Employees described the current performance evaluation process as easier to complete than prior systems and appreciated the emphasis on employee self-evaluation. However, participants noted significant inconsistency in how evaluations are conducted across departments, including differences in frequency, expectations, and follow-up.

Employees expressed frustration that performance evaluations do not meaningfully influence compensation, development, or career progression. The rating scale was described as overly limited, with little distinction between satisfactory and exceptional performance, and insufficient guidance on how to improve. Participants emphasized the need for more frequent performance conversations throughout the year, clearer developmental feedback, and greater consistency in evaluation practices.

## **2.8 Key Themes and Study Focus Areas**

When asked to identify priority issues for the study, employees consistently highlighted retirement adequacy, retention, and long-term affordability as critical concerns. While pay levels were generally viewed as competitive, employees emphasized that cost-of-living pressures significantly affect their ability to remain with the organization long term. Participants expressed concern that increasing pay alone may not fully resolve staffing challenges without complementary strategies related to benefits, progression, and workload management.

Overall, employee feedback reflects a workforce that values the RTA's mission, benefits, and work environment, while seeking greater clarity, equity, and sustainability in compensation, classification, retirement, and career development. These themes directly informed Evergreen's assessment of current conditions and the recommendations presented later in this report.

## **3.0 ASSESSMENT OF CURRENT CONDITIONS**

The Assessment of Current Conditions (AOCC) provides a baseline evaluation of the San Luis Obispo Regional Transit Authority's (RTA's) existing compensation structure and internal pay relationships as they existed at the outset of the study. This assessment establishes context for the market analysis and recommendations that follow by examining how the current system functions in practice, including structure, progression, and internal alignment.

The AOCC does not evaluate individual employee performance or the appropriateness of specific salary decisions. Instead, it focuses on the design, rules, and observable outcomes of the compensation system as a whole, identifying patterns, strengths, and areas where refinement may be warranted.

### **3.1 Overview of the Compensation Framework**

For non-represented employees, the RTA's compensation system is governed by policies outlined in the Employee Handbook and consists of step-based salary ranges assigned by job classification. With the exception of the Executive Director, all classifications utilize a seven-step salary scale, with employees required to be paid between Step 1 and Step 7 of their assigned range.

Key elements of the current compensation framework include:

- Starting salaries for new hires are established by the hiring manager (in consultation with the Executive Director when not Step 1) within Board-approved salary ranges.
- Promotions result in placement at a step within the higher range that is not less than the employee's current rate of pay, with placement capped at Step 7.
- Step increases are granted based on performance, with employees receiving a "Satisfactory" or better evaluation eligible for progression, subject to the Step 7 maximum. It is important to note that the step increases are not presently uniform, but rather consist of a 5% increase for the first three years, a 4% increase for one year, a 3% increase for one year, and lastly a 2% increase for the final year.
- Employees receiving unsatisfactory evaluations may experience a freeze in pay until performance improves.
- Cost of living adjustments approved by the RTA Board effectively "moves up" the entire range as part of the budgetary process.
- Voluntary demotions allow placement at any step within the lower range, up to the employee's current step (this does not hold true when a non-CBA role demotes to a CBA role).

Collectively, these policies establish a structured and performance-driven compensation system that provides consistency and administrative clarity, while also limiting long-term progression once employees reach the top of their assigned ranges.

### **3.2 Data Considerations and Analytical Assumptions**

For purposes of this analysis, pay ranges were evaluated by class title, with each classification (excluding Executive Director) consisting of seven defined steps. Where class entry dates were not available, employee hire dates were used as a proxy for time in classification.

Because the RTA's compensation system consists of seven steps, parity and projected pay assumptions were also based on a seven-step progression model. A step plan was incorporated into the pay plan analysis to allow for consistent evaluation of employee placement relative to minimum, midpoint, and maximum values.

Due to the RTA's relatively small workforce and limited incumbent counts in certain classifications, some projected pay analyses resulted in insufficient data to support meaningful conclusions. In these cases, results were excluded from presentation to avoid misinterpretation.

### **3.3 Salary Placement and Distribution Analysis**

Evergreen analyzed employee salary placement within assigned pay ranges to assess progression patterns and identify indicators of compression or stagnation.

This analysis indicates that approximately 50 percent of employees have progressed to the maximum (Step 7) of their assigned pay range. In addition, approximately 86.7 percent of employees are compensated above the midpoint of their respective ranges. These figures are notably high for a step-based compensation system and suggest that a significant portion of the workforce has limited remaining progression opportunity under the current structure; however, short-form step structures such as the one at the RTA are highly common in California government entities, and rapid cap outs as a natural consequence of this common structure design.

A quartile analysis further illustrates these patterns. No employees fall within the second quartile of the pay range, while employees are distributed across the first, third, and fourth quartiles. Despite this uneven distribution, the analysis demonstrates a generally positive relationship between experience and pay placement, indicating that progression occurs as intended until employees reach the upper end of the structure.

However, the concentration of employees at or near the top of their ranges suggests that the seven-step structure may not provide sufficient flexibility to support long-term career progression, particularly in a high cost-of-living environment where retention depends on sustained earnings growth over time.

### **3.4 Compression Analysis**

Pay compression occurs when there is insufficient differentiation in pay between employees with differing levels of responsibility, experience, or supervisory authority. One common indicator of compression is when subordinate salaries approach or exceed those of their supervisors. It is important to note this analysis focused solely on employees included within in the study group, and thus actual Operator wages were not compared against the RTA's Operation Supervisor roles for the purpose of this analysis; however, a structural comparison of the Operator's pay structure was reviewed and considered when formulating recommendations for the Supervisor's grade assignment discussed in **Section 5.2**.

Evergreen evaluated supervisory relationships where data were available by comparing subordinate salaries to supervisor salaries. Almost all supervisors and managers at the top of their range earn 5% or greater of their subordinates' top range; the sole exception is currently the Assistant Maintenance Manager. A Mechanic A at the end of their union negotiated range exceeds the current Step 7 Assistant Maintenance Manager position's range by almost 5%.

While this finding is positive, it does not negate other forms of compression identified elsewhere in the analysis, particularly within classifications where many employees are clustered at the maximum step, limiting differentiation based on tenure or performance.

### 3.5 Actual Versus Projected Pay Analysis

Evergreen compared actual employee salaries to projected salaries based on time in classification using the seven-step progression model. This analysis is intended to evaluate whether employees are generally aligned with expected progression patterns given their experience within their current role. Under this model, employees are assumed to progress through the salary range over a defined period based solely on time in classification. It is important to note that this methodology does not account for prior experience, external market factors, or performance-based adjustments, but instead provides a standardized baseline for assessing internal consistency.

The results of this analysis indicate that approximately 76.7 percent of employees are compensated within five percent of their projected salary by grade. This finding suggests that, within the constraints of the current structure, salary placement practices are generally consistent with the intended progression model. In other words, most employees appear to be advancing through their respective pay ranges in a manner that aligns with organizational expectations tied to tenure in classification.

Employees who fall above or below their projected salary range may reflect a variety of factors not captured in this model. For example, employees paid above their projected level may have been hired at higher starting salaries due to competitive market conditions, possess additional qualifications or experience, or have received promotional or equity adjustments. Conversely, employees below projection may reflect more recent hires, slower progression through the range, or historical differences in salary administration practices.

Overall, the distribution of employees around their projected salary indicates that the RTA's current approach to salary placement and progression is functioning as intended, with limited deviation from expected patterns. This consistency supports the conclusion that existing practices are applied in a generally equitable and predictable manner across classifications.

The table below summarizes these findings by classification. Each column represents a salary projection band, illustrating the degree to which actual salaries fall below, align with, or exceed projected salary levels (e.g., more than 10% below projection to more than 10% above projection)

*Exhibit A | Expected Pay Distribution*

Class Title	Less than -10%	-10 < X < -5%	-5% < X < 5%	5% < X < 10%	Greater than 10%
Administrative Assistant	0	0	0	1	0
Customer Service Clerk	0	0	0	0	1
Accounting Technician II	0	0	0	0	1
Operations Supervisor	0	0	12	0	0
Scheduling Supervisor	0	0	2	0	0
Facilities Assistant Manager	0	0	0	1	0
Transit Training Instructor/Mobility Specialist	0	0	1	0	0
Transit Training Instructor	0	0	1	0	0
Lead Supervisor	0	0	1	0	0
HR Officer	0	0	0	1	0
Maintenance Assistant Manager	0	0	0	0	1
Marketing and Community Relations Manager	0	0	1	0	0
Grants and Finance Manager	0	0	1	0	0
Safety and Training Manager	0	0	1	0	0
Maintenance and Facilities Manager	0	0	0	1	0
Operations Manager	0	0	1	0	0
Deputy Director/CFO	0	0	1	0	0
Executive Director	0	0	1	0	0
	0.0%	0.0%	76.7%	13.3%	10.0%

### 3.6 Summary of Assessment of Current Conditions

Key observations from the AOCC include:

- The RTA's compensation system is clearly defined and consistently administered through a seven-step structure.
- A substantial portion of employees are at or near the top of their pay ranges, limiting future progression opportunities.
- Most employees are compensated above the midpoint of their ranges, indicating effective early-career progression but constrained long-term growth.
- No evidence of widespread supervisor-subordinate pay compression was identified.
- Actual salaries generally align with projected salaries based on time in classification, reflecting internal consistency and adherence to policy.

Taken together, these findings indicate that while the RTA's compensation framework is orderly and internally consistent, one major drawback is that the short-form nature of the step plan limits long-term salary growth; however, because this design is the prevailing practices in the California local government market, the RTA would be hard pressed to move to a significantly different compensation structure. These observations directly inform the market analysis and recommendations presented in the sections that follow.

## 4.0 MARKET SUMMARY

The purpose of the Market Summary is to evaluate the San Luis Obispo Regional Transit Authority's (RTA's) compensation structure relative to comparable public-sector and transit-focused employers competing for similar talent. By benchmarking the RTA's salary ranges against those of peer organizations, Evergreen assessed the RTA's overall market competitiveness and identified patterns that inform recommendations related to pay structure, progression, and long-term sustainability.

This analysis focuses on salary ranges rather than individual employee pay, as individual compensation is influenced by factors such as experience, tenure, and performance. Evaluating pay ranges provides a more consistent basis for comparison across organizations. As with all market analyses, results represent a snapshot in time and should be periodically revisited as labor market conditions evolve.

### 4.1 Market Peer Selection

Evergreen identified a group of market peers based on geographic proximity, service delivery model, organizational complexity, and competition for transit and public-sector talent. The selected peers include a combination of regional transit authorities, municipal and county governments, and related public agencies that reflect the RTA's labor market for both frontline and professional classifications. Market peers included in this analysis are included in **Exhibit B**:

*Exhibit B / Market Peer Group*

Market Peers	Cost of Living Index
<b>San Luis Obispo RTA</b>	134.2
El Dorado County Transit	137.8
Gold Coast Transit District	135.5
Monterey-Salinas Transit	132.2
San Joaquin RTD	126.1
Santa Cruz Metro	137.6
Tulare County RTA	118.0
Ventura County Transportation	135.5
City of San Luis Obispo	134.2
County of Monterey	132.2
County of San Luis Obispo	134.2
County of Santa Barbara	134.9
Kern County	119.3
Golden Empire Transit District	119.3
SLO County Air Pollution	134.2
SLO Council of Governments	134.2

These organizations represent the RTA’s competitive labor market for operators, supervisors, mechanics, dispatchers, administrative professionals, as well as its leadership roles.

**4.2 Cost-of-Living Adjustment Methodology**

Because the market peers span multiple regions within California with varying labor market conditions, Evergreen adjusted peer salary data using a cost-of-living index to normalize geographic differences. Cost-of-living adjustments allow for more accurate comparison of relative labor value rather than nominal wage differences driven by regional price levels. For the purposes of this study, Evergreen utilized data from the Council for Community and Economic Research (C2ER).

Evergreen applied cost-of-living index values to each participating organization, with the RTA indexed at 134.2. Peer indexes ranged from a low of 118.0 to a high of 137.8, reflecting substantial variation in regional labor market conditions across the peer group.

Applying these adjustments ensures that market comparisons reflect the relative competitiveness of compensation structures after accounting for differences in housing costs, labor availability, and regional economic conditions.

**4.3 Market Positioning Overview**

Using cost-of-living-adjusted data, Evergreen compared the RTA’s salary ranges to market averages for benchmark classifications included in the salary survey. This analysis evaluates competitiveness at the range minimum, midpoint, and maximum to assess both entry-level positioning and long-term progression capacity.

The overall results are displayed in **Exhibit C**. Included within the exhibit is a listing of the classifications included in the study, the survey average market minimum, midpoint, and maximum. Additionally, the differential between the RTA and the market average is also included for each point of the salary range, a positive differential indicates where the RTA was ahead of the market average, and a negative differential indicates where the RTA is behind. Additionally, the survey average range spread (a percentage measure of the width of the salary range) as well as the response count by position.

Results of the salary survey indicate that the RTA's salary ranges are positioned slightly below the market overall. On average, the RTA's range minimums are approximately 2.1 percent below the market minimum, while the RTA's range maximums fall further below the market, averaging approximately 8.1 percent below peer organizations. This pattern reflects the RTA's relatively narrower average range spread compared to many of its peers.

When evaluated relative to the full peer group, the RTA ranks toward the lower end of the market, placing 11th out of 14 peer organizations included in the survey. At the range midpoint, the RTA's compensation structure aligns at approximately the 37th percentile of the market.

These findings are consistent with results from the AOCC, which showed a high concentration of employees at or near the top of their assigned ranges. While entry-level pay remains relatively competitive, narrower range spreads limit the RTA's ability to remain competitive as employees progress through their careers.

#### **4.4 Benefits and Total Compensation**

In addition to benchmarking base salary ranges, Evergreen evaluated the RTA's total compensation package relative to peer organizations. The benefits comparison considers the total maximum value of the compensation package, recognizing that total compensation includes both direct pay and the full employer-paid value of benefit offerings.

Evergreen compared the RTA's benefit offerings across the following categories:

- Medical insurance
- Dental and vision insurance
- Deferred compensation
- Phone allowance
- Vehicle allowance
- Sick leave pay
- Vacation pay
- Paid time off
- Administrative/management leave
- Floating holiday pay
- Holiday pay

Retirement contribution rates were excluded from cost calculations due to the unique position and structure of the RTA's current pension system. Because retirement arrangements vary significantly across agencies, and because the RTA's retirement structure cost is based on employee age of entry and hard to "normalize, direct cost comparison would not yield an equitable or meaningful benchmark.

Exhibit C | Market Average Results (Adjusted for Cost of Living)

ID	Classification	Survey Minimum		Survey Midpoint		Survey Maximum		Survey Avg Range	# Resp.
		Average	% Diff	Average	% Diff	Average	% Diff		
1	Accounting Technician II	\$56,854.14	11.1%	\$66,362.47	10.4%	\$75,870.81	6.2%	33.3%	7
2	Administrative Assistant	\$54,880.90	0.9%	\$63,393.23	1.1%	\$71,905.56	-2.6%	31.1%	9
3	Customer Service Clerk	\$49,516.56	10.6%	\$58,894.24	8.2%	\$68,271.92	2.6%	37.7%	5
4	Deputy Director/CFO	\$172,101.21	-17.6%	\$197,489.13	-16.5%	\$222,877.05	-20.4%	29.6%	7
5	Executive Director	\$155,039.43	4.0%	\$188,409.87	-5.3%	\$250,401.28	-27.6%	62.9%	6
6	Facilities Assistant Manager	\$80,754.49	-15.8%	\$92,959.60	-15.1%	\$105,164.72	-19.2%	30.2%	9
7	Grants and Finance Manager	\$107,127.76	-15.8%	\$125,992.45	-17.7%	\$144,857.13	-23.8%	35.4%	8
8	HR Officer	\$87,511.31	-9.5%	\$100,979.62	-9.2%	\$114,447.92	-13.3%	30.9%	8
9	Lead Supervisor	\$89,146.61	-14.4%	\$105,482.95	-16.9%	\$121,819.30	-23.6%	36.2%	2
10	Maintenance and Facilities Manager	\$111,855.49	-2.0%	\$128,210.68	-1.0%	\$144,565.86	-4.2%	29.3%	9
11	Maintenance Assistant Manager	\$85,648.70	-0.1%	\$99,373.22	-0.3%	\$113,097.74	-4.5%	31.9%	6
12	Marketing and Community Relations Manager	\$99,195.55	-7.3%	\$115,765.76	-8.1%	\$132,335.96	-13.1%	33.5%	10
13	Operations Manager	\$110,738.02	12.8%	\$126,960.18	13.6%	\$143,182.34	10.8%	29.5%	6
14	Operations Supervisor	\$75,243.24	-10.7%	\$86,298.24	-9.6%	\$97,353.24	-13.2%	29.5%	6
15	Safety and Training Manager	\$85,059.32	8.0%	\$97,388.34	9.0%	\$109,717.36	6.2%	29.0%	10
16	Scheduling Supervisor	\$71,289.46	-4.8%	\$82,373.90	-4.7%	\$93,458.35	-8.7%	31.2%	6
17	Transit Training Instructor	\$74,795.12	-3.0%	\$87,617.29	-4.3%	\$100,439.46	-9.4%	34.4%	4
18	Transit Training Instructor/Mobility Specialist	\$71,317.85	1.8%	\$83,634.26	0.5%	\$95,950.67	-4.5%	34.6%	5
<b>Overall Average</b>			<b>-2.9%</b>		<b>-3.7%</b>		<b>-9.0%</b>	<b>33.9%</b>	<b>6.8</b>
<b>Outliers Removed*</b>			<b>-2.1%</b>		<b>-2.8%</b>		<b>-8.1%</b>	<b>33.7%</b>	<b>7.3</b>

To calculate total compensation positioning, Evergreen evaluated the maximum employer-paid value offered under each benefit category by peer organization and applied those values at the classification level. The maximum value approach was used because it is not possible to determine precise benefit utilization rates by organization, nor is it feasible to account for how individual employees may subjectively value different components of a benefits package. Using the maximum employer cost provides a consistent and comparable framework for evaluating total rewards.

It is important to note that not all peer organizations provided sufficient benefits data to be included in the total rewards calculations. As a result, the combined salary and benefits comparison reflects a subset of the peers shown in **Exhibit B**. Additionally, the Lead Supervisor and Transit Training Instructor classifications did not receive a sufficient number of market responses to support inclusion in the total compensation exhibit. The total compensation data is included in **Exhibit D**.

*Exhibit D / Total Compensation Market Results*

ID	Classification	Peer Maximum Salary		Peer Benefits		Peer Total Comp.	
		Avg.	% Diff.	Avg.	% Diff.	Avg.	% Diff.
1	Accounting Technician II	\$ 75,211.54	7%	\$ 27,757.81	20%	\$ 102,969.35	11%
2	Administrative Assistant	\$ 70,645.84	-1%	\$ 25,825.88	21%	\$ 96,471.72	6%
3	Customer Service Clerk	\$ 62,875.93	10%	\$ 28,564.39	12%	\$ 91,440.32	11%
4	Deputy Director/CFO	\$ 226,798.99	-22%	\$ 66,516.07	-33%	\$ 293,315.06	-25%
5	Executive Director	\$ 253,281.30	-29%	\$ 70,817.42	-6%	\$ 324,098.72	-23%
6	Facilities Assistant Manager	\$ 104,056.96	-18%	\$ 34,503.45	5%	\$ 138,560.41	-11%
7	Grants and Finance Manager	\$ 142,199.26	-22%	\$ 42,924.65	-2%	\$ 185,123.90	-16%
8	HR Officer	\$ 112,756.36	-12%	\$ 36,482.75	6%	\$ 149,239.11	-7%
9	Lead Supervisor						
10	Maintenance and Facilities Manager	\$ 144,524.96	-4%	\$ 45,347.28	-7%	\$ 189,872.24	-5%
11	Maintenance Assistant Manager	\$ 113,120.13	-4%	\$ 40,133.08	0%	\$ 153,253.21	-3%
12	Marketing and Community Relations Manager	\$ 131,850.53	-13%	\$ 42,102.66	0%	\$ 173,953.20	-9%
13	Operations Manager	\$ 138,760.01	14%	\$ 45,227.87	1%	\$ 183,987.88	11%
14	Operations Supervisor	\$ 91,070.62	-6%	\$ 34,027.52	5%	\$ 125,098.14	-3%
15	Safety and Training Manager	\$ 109,948.77	6%	\$ 35,915.61	15%	\$ 145,864.38	8%
16	Scheduling Supervisor	\$ 92,279.62	-7%	\$ 34,311.17	4%	\$ 126,590.78	-4%
17	Transit Training Instructor						
18	Transit Training Instructor/Mobility Specialist	\$ 89,604.28	2%	\$ 33,287.72	10%	\$ 122,891.99	5%
<b>Average</b>			<b>-6.2%</b>		<b>3.1%</b>		<b>-3.4%</b>

The analysis indicates that the RTA’s overall benefits package is competitive in aggregate when considering total maximum employer value. However, the largest identified gap within the benefits comparison relates to family medical coverage. Differences in employer contributions for family-level health coverage materially affect the RTA’s relative market position and meaningfully influence total compensation competitiveness.

**4.5 Market Summary**

Key observations from the market analysis include:

- The RTA competes within a labor market characterized by high cost-of-living pressures and strong competition for qualified transit professionals.
- Cost-of-living-adjusted market data indicate that the RTA’s salary ranges are generally competitive relative to peer organizations.

- Market competitiveness appears strongest at entry and mid-range levels, with increased pressure at the upper end of ranges. As presented above, half of non-CBA employees are already at the top of their current salary range.
- Peer organizations in similar high-cost regions often provide additional progression capacity to support retention and career longevity.

These observations reinforce the importance of evaluating not only where salary ranges are positioned relative to the market, but also how effectively the structure supports long-term progression, internal equity, and workforce stability. Findings from the market analysis directly inform Evergreen's recommendations related to compensation structure, step design, and administrative practices presented in the following section.

## **5.0 RECOMMENDATIONS**

Based on employee feedback, the Assessment of Current Conditions, and the market analysis, Evergreen developed the following recommendations to strengthen the RTA's compensation and classification framework while preserving administrative clarity and fiscal responsibility.

### **5.1 Classification Findings**

Evergreen's review of the RTA's classification framework indicates that the organization is appropriately classified overall. Based on analysis of job descriptions, internal relationships, and feedback gathered through the Job Analysis Tool (JAT) survey process, Evergreen did not identify any major structural issues with how roles are currently classified. The existing classification architecture logically reflects reporting relationships, scope of responsibility, and functional alignment.

Accordingly, Evergreen recommends maintaining the current classification structure. However, limited updates to certain job descriptions may be warranted to ensure alignment with work identified during the JAT survey process, planning, IT and capital procurement, and capital project management are among these. These updates are expected to be narrow in scope and focused on clarifying duties, incorporating secondary responsibilities, and ensuring that documentation accurately reflects current operational realities.

### **5.2 Compensation Structure Findings**

The RTA's current compensation model assigns a distinct salary range to each individual classification on a one-to-one basis. While this approach provides administrative simplicity, it limits flexibility, constrains long-term structural alignment, and makes it more difficult to systematically manage internal equity across the organization.

In a one-to-one range system, each classification stands independently, which can create challenges when duties evolve, new roles are introduced, or market conditions change. Without a broader pay grade framework, adjustments to one classification may unintentionally create inequities with others, particularly in a small organization where roles are closely related and career progression paths overlap.

**RECOMMENDATION 1: Implement a formal pay grade structure consisting of shared salary grades with defined minimums, midpoints, and maximums.**

Evergreen recommends transitioning from individually assigned ranges to a structured pay grade system in which multiple classifications are grouped into common grades based on relative scope, responsibility, complexity, and market value.

A pay grade structure provides several key advantages:

- Establishes clear relationships between jobs and levels of work.
- Supports internal equity by ensuring that similarly valued positions are compensated within the same grade framework.
- Enhances transparency and defensibility in salary administration.
- Facilitates the addition of new classifications without creating structural misalignment.
- Provides greater flexibility to respond to organizational growth and evolving service demands.

While the RTA is already managing compensation as a cohesive system, by grouping positions into formal grades rather than assigning unique ranges to each role (or clusters of roles), the RTA can better manage compensation as a system rather than as a series of independent pay decisions.

**RECOMMENDATION 2: Maintain a seven-step structure with revised step differentials of approximately 4 percent between steps.**

Evergreen recommends retaining a seven-step progression model to preserve familiarity and administrative simplicity, while increasing the step differential to approximately 4 percent between steps. As discussed in section three, the RTA currently has a non-uniform regressive step increase structure presently. This adjustment will provide more consistent, meaningful year-over-year progression, improve earnings growth potential, and better align long-term pay movement with cost-of-living pressures in the region.

Under the recommended structure:

- Each pay grade will include seven steps.
- Step progression will reflect approximately 4 percent movement between consecutive steps.
- Grade minimums, midpoints, and maximums will be recalibrated to align with market positioning and internal equity considerations.

Increasing the differential between steps addresses two structural challenges identified in the AOCC and market analysis: a high concentration of employees at the top of the range and a narrower overall range spread compared to peers. A 4 percent step progression provides clearer earnings growth and strengthens retention incentives without expanding the number of administrative steps.

The recommended step plan details can be found below in **Exhibit E**.

*Exhibit E | Recommended Step Plan Structure*

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
-	-	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
101	\$ 55,395.00	\$ 57,610.80	\$ 59,915.23	\$ 62,311.84	\$ 64,804.31	\$ 67,396.49	\$ 70,092.35
102	\$ 58,164.75	\$ 60,491.34	\$ 62,910.99	\$ 65,427.43	\$ 68,044.53	\$ 70,766.31	\$ 73,596.96
103	\$ 61,072.99	\$ 63,515.91	\$ 66,056.54	\$ 68,698.81	\$ 71,446.76	\$ 74,304.63	\$ 77,276.81
104	\$ 64,126.64	\$ 66,691.70	\$ 69,359.37	\$ 72,133.75	\$ 75,019.10	\$ 78,019.86	\$ 81,140.65
105	\$ 67,332.97	\$ 70,026.29	\$ 72,827.34	\$ 75,740.43	\$ 78,770.05	\$ 81,920.85	\$ 85,197.69
106	\$ 70,699.62	\$ 73,527.60	\$ 76,468.71	\$ 79,527.45	\$ 82,708.55	\$ 86,016.89	\$ 89,457.57
107	\$ 74,234.60	\$ 77,203.98	\$ 80,292.14	\$ 83,503.83	\$ 86,843.98	\$ 90,317.74	\$ 93,930.45
108	\$ 77,946.33	\$ 81,064.18	\$ 84,306.75	\$ 87,679.02	\$ 91,186.18	\$ 94,833.63	\$ 98,626.97
109	\$ 81,843.64	\$ 85,117.39	\$ 88,522.09	\$ 92,062.97	\$ 95,745.49	\$ 99,575.31	\$103,558.32
110	\$ 85,935.83	\$ 89,373.26	\$ 92,948.19	\$ 96,666.12	\$100,532.76	\$104,554.07	\$108,736.24
111	\$ 90,232.62	\$ 93,841.92	\$ 97,595.60	\$101,499.42	\$105,559.40	\$109,781.78	\$114,173.05
112	\$ 94,744.25	\$ 98,534.02	\$102,475.38	\$106,574.39	\$110,837.37	\$115,270.87	\$119,881.70
113	\$ 99,481.46	\$103,460.72	\$107,599.15	\$111,903.11	\$116,379.24	\$121,034.41	\$125,875.78
114	\$104,455.53	\$108,633.76	\$112,979.11	\$117,498.27	\$122,198.20	\$127,086.13	\$132,169.57
115	\$112,289.70	\$116,781.29	\$121,452.54	\$126,310.64	\$131,363.07	\$136,617.59	\$142,082.29
116	\$120,711.43	\$125,539.88	\$130,561.48	\$135,783.94	\$141,215.30	\$146,863.91	\$152,738.46
117	\$129,764.78	\$134,955.38	\$140,353.59	\$145,967.73	\$151,806.44	\$157,878.70	\$164,193.85
118	\$139,497.14	\$145,077.03	\$150,880.11	\$156,915.31	\$163,191.93	\$169,719.60	\$176,508.39
119	\$149,959.43	\$155,957.81	\$162,196.12	\$168,683.96	\$175,431.32	\$182,448.57	\$189,746.52
120	\$168,704.36	\$175,452.53	\$182,470.63	\$189,769.46	\$197,360.24	\$205,254.65	\$213,464.83

**RECOMMENDATION 3: Reassign classifications to grades to balance internal equity and external competitiveness.**

As part of implementing the new pay grade structure, Evergreen recommends reviewing and updating grade assignments to ensure proper alignment between job content, organizational impact, and market value. This reassignment process should consider:

- Relative responsibility and supervisory scope
- Technical complexity and regulatory requirements
- Market competitiveness data
- Internal relationships between classifications

Evergreen’s recommended pay grade assignments for the RTA’s current roles are displayed in **Exhibit F**.

Exhibit F | Recommended Pay Grade Assignments

Classification	Current Minimum	Current Midpoint	Current Maximum	Proposed Grade	Proposed Minimum	Proposed Midpoint	Proposed Maximum
Administrative Assistant	\$ 55,392.90	\$ 64,124.22	\$ 70,063.68	101	\$ 55,395.00	\$ 62,743.67	\$ 70,092.35
Customer Service Clerk	\$ 55,392.90	\$ 64,124.22	\$ 70,063.68	101	\$ 55,395.00	\$ 62,743.67	\$ 70,092.35
Accounting Technician II	\$ 63,978.82	\$ 74,063.48	\$ 80,923.53	104	\$ 64,126.64	\$ 72,633.65	\$ 81,140.65
Scheduling Supervisor	\$ 67,992.32	\$ 78,709.61	\$ 86,000.00	106	\$ 70,699.62	\$ 80,078.59	\$ 89,457.57
Operations Supervisor	\$ 67,992.32	\$ 78,709.61	\$ 86,000.00	107	\$ 74,234.60	\$ 84,082.52	\$ 93,930.45
Transit Training Instructor/Mobility Specialist	\$ 72,592.95	\$ 84,035.42	\$ 91,819.10	107	\$ 74,234.60	\$ 84,082.52	\$ 93,930.45
Transit Training Instructor	\$ 72,592.95	\$ 84,035.42	\$ 91,819.10	107	\$ 74,234.60	\$ 84,082.52	\$ 93,930.45
HR Officer	\$ 79,891.98	\$ 92,484.95	\$ 101,051.28	110	\$ 85,935.83	\$ 97,336.03	\$ 108,736.24
Facilities Assistant Manager	\$ 69,752.47	\$ 80,747.20	\$ 88,226.34	111	\$ 90,232.62	\$ 102,202.83	\$ 114,173.05
Lead Supervisor	\$ 77,943.39	\$ 90,229.22	\$ 98,586.61	111	\$ 90,232.62	\$ 102,202.83	\$ 114,173.05
Grants and Finance Manager	\$ 92,484.95	\$ 107,063.88	\$ 116,980.47	112	\$ 94,744.25	\$ 107,312.97	\$ 119,881.70
Maintenance Assistant Manager	\$ 85,591.27	\$ 99,082.59	\$ 108,260.01	113	\$ 99,481.46	\$ 112,678.62	\$ 125,875.78
Safety and Training Manager	\$ 92,484.95	\$ 107,063.88	\$ 116,980.47	113	\$ 99,481.46	\$ 112,678.62	\$ 125,875.78
Marketing and Community Relations Manager	\$ 92,484.95	\$ 107,062.88	\$ 116,979.47	113	\$ 99,481.46	\$ 112,678.62	\$ 125,875.78
Maintenance and Facilities Manager	\$ 109,674.18	\$ 126,961.58	\$ 138,721.27	116	\$ 120,711.43	\$ 136,724.95	\$ 152,738.46
Operations Manager	\$ 126,961.58	\$ 146,973.89	\$ 160,587.19	117	\$ 129,764.78	\$ 146,979.32	\$ 164,193.85
Deputy Director/CFO	\$ 146,390.13	\$ 169,464.88	\$ 185,161.39	119	\$ 149,959.43	\$ 169,852.97	\$ 189,746.52
Executive Director	\$ 161,479.31	\$ 178,874.03	\$ 196,268.75	120	\$ 168,704.36	\$ 191,084.59	\$ 213,464.83

Following adoption of the revised grade and seven-step structure, the RTA will need to determine the methodology for placing current employees into the new pay ranges. Evergreen recommends that the Board formally adopt one of the following implementation approaches to ensure transparency, fiscal planning, and internal consistency.

**Option 1: Bring to Closest Step**

Realigns employees by placing each individual at the nearest step in the new pay plan that does not result in a reduction in base salary. Under this approach, current employee salaries are rounded up to the closest corresponding step within the revised seven-step structure. This is the least expensive option at **\$77,861 (30 employees adjusted)** and ensures all employees are properly slotted into the new grades without salary reductions; however, it does not meaningfully address compression and may create additional clustering at lower step levels.

**Option 2: Bring to Same Step**

Realigns employees into the same step they are currently assigned within the new pay scale. For example, an employee currently at Step 2 would be placed at Step 2 in the revised structure. This option maintains existing salary relationships and preserves previously earned step progression at a cost of **\$187,904 (30 employees adjusted)**, but it does not correct existing compression or adjust for tenure differences.

**Option 3: Class Step Adjustment**

Realigns employees within their new salary range based on years of service in their current classification using a 30-year placement framework. Employees with 7 or more years in classification would be placed at maximum, while those with 3.5 years would be placed at approximately midpoint. At a cost of **\$175,792 (30 employees adjusted)**, this method better addresses compression related to time in classification and aligns employees with market-adjusted ranges; however, it may diminish differentiation created by prior performance-based progression and does not account for total organizational tenure or outside experience.

**Option 4: Hybrid Step Adjustment**

Realigns employees based on “hybrid years,” providing full credit for years served in the current classification and one-half credit for years served in other RTA classifications, using a 7-year total framework. This is the most comprehensive and highest-cost option at **\$211,836 (30 employees adjusted)**, as it credits both classification tenure and organizational service and more fully addresses compression, though it may reduce distinctions created by prior performance progression and does not account for outside experience.

The appropriate implementation method will depend on the RTA’s fiscal capacity, tolerance for short-term compression correction, and long-term compensation philosophy. Evergreen recommends that the RTA evaluate these options in conjunction with projected cost impacts and organizational priorities before final adoption of the revised structure.

### 5.3 Succession Planning and Structural Flexibility

The RTA operates within a relatively small organizational structure where several senior-level roles have evolved over time to reflect the unique skillsets and strengths of individual incumbents. In small organizations, top-level positions often accumulate responsibilities that may not be evenly distributed or easily replicated when turnover occurs.

As leadership transitions occur, the organization may need to redistribute duties across existing roles, create new classifications, or redefine reporting relationships. These changes can significantly impact appropriate grade placement and compensation alignment.

#### **RECOMMENDATION 4: Incorporate succession planning considerations into the compensation and classification framework.**

Evergreen recommends that the RTA incorporate succession planning considerations into its ongoing evaluation of compensation structure and organizational design, particularly for key leadership and specialized roles. This effort should focus on ensuring that position design, reporting relationships, and corresponding pay grades remain aligned with the Authority's operational needs over time, rather than being shaped solely by current incumbents.

As part of this process, the RTA should periodically conduct a structured review of critical roles and functions across the organization. This review should include identifying positions where responsibilities have expanded or become highly customized, as well as areas where duties such as planning, information technology, grants administration, and capital project delivery have been distributed across multiple roles. The evaluation should consider how these functions are organized at comparable agencies and whether alternative alignments could improve clarity, efficiency, or sustainability.

Currently, several key leadership roles operate in a hybrid capacity, combining multiple functional areas. These include the Executive Director, who is involved in grants and capital works; the Deputy Director/Chief Financial Officer, who oversees finance, administrative leadership responsibilities, and human resources; and the Operations Director, who primarily performs operations-related duties but also carries responsibility for information technology. While this approach has supported operational flexibility, it may warrant periodic evaluation to ensure long-term sustainability, appropriate span of control, and alignment with peer agency practices. Notably, many peer agencies maintain separate roles for functions such as finance, human resources, information technology, grants management, and capital program delivery. As part of this evaluation, the RTA should consider whether its current staffing model appropriately supports these functions or whether the addition of targeted full-time equivalent (FTE) positions may be warranted to better distribute responsibilities. Any consideration of additional staffing should be evaluated in conjunction with organizational design, workload demands, and long-term operational needs.

A recommended process would include: (1) documenting current roles, responsibilities, and reporting relationships; (2) identifying key functional areas and assessing workload distribution, including finance, grants, capital programs, operations, IT, and administrative services; (3) evaluating alignment with peer agency structures and industry practices; (4) assessing whether current staffing levels appropriately support these functions or if additional FTEs should be considered; and (5) analyzing how potential adjustments could impact compensation, grade alignment, and internal equity. This

process should be conducted in collaboration with leadership and Human Resources to ensure both operational and compensation considerations are addressed.

To support this effort, Evergreen recommends that the RTA consider engaging a qualified third-party, such as an executive search or organizational consulting firm, prior to future executive recruitments. This firm could conduct stakeholder interviews, assess organizational strengths and areas for improvement, and provide guidance on how roles should be structured to best support the Authority's long-term objectives. The findings from this assessment can then inform the development of recruitment materials, job descriptions, and compensation alignment for key leadership positions. Importantly, this recommendation is not intended to prescribe a specific future organizational structure or individual career path. Rather, it is intended to provide the RTA with a framework for proactively evaluating options and making informed decisions at the time of transition. By incorporating succession planning into its broader compensation and organizational strategy, the RTA can maintain flexibility while ensuring continuity, internal equity, and alignment with evolving operational needs.

#### **5.4 Ongoing Compensation Administration**

Any organization's compensation and classification system requires ongoing maintenance to remain effective, competitive, and equitable over time. The recommendations presented in this report were developed based on organizational conditions, labor market dynamics, and employee data at the time the study was conducted. Without regular review and upkeep, compensation and classification systems can become outdated, increasing the risk of recruitment and retention challenges, internal inequities, and administrative inconsistency.

The following recommendations are intended to provide the RTA with a sustainable framework for maintaining its compensation and classification system following implementation of the adjusted grade and seven-step structure.

#### **RECOMMENDATION 5: Conduct targeted market reviews for specific classifications as needed.**

While it is unlikely that the RTA's compensation structure as a whole will require frequent adjustment, certain classifications may experience market pressures more rapidly than others. Positions such as operations supervisors, maintenance professionals, supervisors, or finance-related roles may be subject to accelerated wage movement within the transit labor market.

Evergreen recommends that the RTA periodically conduct small-scale salary surveys for hard-to-fill classifications or those experiencing elevated turnover. These targeted reviews should focus on peer transit agencies and competing public-sector employers and may result in pay grade reassignment or other structural adjustments where justified by market conditions.

#### **RECOMMENDATION 6: Conduct a comprehensive compensation and classification study every three to five years.**

In addition to targeted market reviews, Evergreen recommends that the RTA perform a full compensation and classification study every three to five years. Incremental changes to job duties, regulatory requirements, labor markets, and organizational structure can compound over time. Regular comprehensive studies help preserve both internal equity and external competitiveness and allow the RTA to proactively address emerging workforce challenges rather than responding reactively.

While Recommendations 5 and 6 focus on maintaining the overall structure, it is equally important for the RTA to establish clear, consistent procedures governing individual employee salary decisions.

**RECOMMENDATION 7: Revise and formalize policies for salary movement within the pay plan.**

Evergreen recommends that the RTA update and formalize its policies and practices related to employee salary progression, including procedures for new hires, promotions, demotions, and transfers. Clear guidelines ensure consistency, transparency, and defensibility in compensation decisions and help align day-to-day administration with the RTA's compensation philosophy.

**Salary Progression Framework**

As part of implementing the revised grade and seven-step structure, Evergreen recommends a one-time placement of employees into the adjusted grades and steps using the selected implementation methodology. Following implementation, the RTA should continue to progress salaries annually when financially feasible and aligned with Board direction.

Evergreen recommends managing salary progression at three distinct levels:

- **Structural:** The RTA should consider annual movement of the compensation structure to reflect changes in the cost of labor. Evergreen recommends tying structural adjustments to changes in the Consumer Price Index (CPI), while also monitoring pay plan movement among market peers to ensure CPI-based adjustments remain appropriate for the transit labor market.
- **Classification:** Targeted market reviews may identify specific classifications or job families experiencing accelerated market movement or recruitment challenges. In such cases, reassignment of pay grades or adjustment to grade placement may be warranted to maintain competitiveness.
- **Individual:** Individual pay progression should occur primarily through step movement within the pay grade, reflecting employee progression over time in alignment with the seven-step structure and 4 percent step differential. Step movement should serve as the primary mechanism for recognizing individual salary growth and advancement within the range.

Cost-of-living adjustments (COLA) should be applied to the pay ranges and step structure themselves, rather than provided as separate across-the-board increases to individual salaries. Applying COLA to the structure ensures that the overall pay plan remains competitive over time while preserving the integrity of step-based progression. This approach maintains consistent spacing between steps, avoids unintended compression, and ensures that individual progression remains tied to movement through the step structure rather than ad hoc salary adjustments.

**RECOMMENDATION 8: Adopt a hiring grid aligned with the seven-step grade structure.**

Following implementation of the revised grade and seven-step structure, Evergreen recommends that the RTA adopt a formal, written hiring grid to guide starting salary placement for new employees. The hiring grid should align directly with the step structure and implementation methodology so that new hire placement is handled consistently and in a manner that supports internal equity, market competitiveness, and compliance with applicable pay equity standards.

At a process level, the RTA should first establish a standard hiring salary review procedure to be used for every recruitment. As part of that process, Human Resources should confirm the position's assigned grade and identify the normal hiring range within that grade, such as Step 1 through Step 3 for most appointments. The hiring manager and Human Resources should then evaluate the selected candidate's qualifications against defined placement criteria, including directly relevant experience, education, certifications, specialized skills, and other job-related qualifications beyond the minimum requirements. Candidates who meet only the minimum qualifications for the role would generally be placed at Step 1 or Step 2, while candidates whose background substantially exceeds the minimum requirements could be considered for a higher step within the approved hiring range.

Once a preliminary step placement is identified, the RTA should conduct an internal equity review before a final offer is made. This review should compare the proposed salary to the pay of current employees in the same or similar classifications, taking into account differences in tenure, experience, certifications, performance history where applicable, and other bona fide job-related factors. This step is important to ensure that new hire offers do not unintentionally create inequities or compression issues within the workforce.

The RTA should also define clear approval thresholds for offers above the normal hiring range. For example, placements above a designated step, such as Step 3 or Step 4, should require additional written justification and approval by the Executive Director or another designated authority. That justification should explain the business need for the exception, summarize the candidate's distinguishing qualifications, document the market conditions supporting the placement, and confirm that an internal equity review has been completed. This process will help ensure that exceptions are limited, well-documented, and consistently applied.

Evergreen further recommends that the RTA formalize this process in policy or administrative guidelines and use a standard salary placement form for all new hire recommendations. That form should document the position, grade, proposed step, candidate qualifications, internal equity review, approver signatures, and rationale for any exception. Over time, the RTA should periodically audit hiring placements to confirm that the grid is being applied consistently and to identify any patterns that may warrant refinement.

A similar structured approach should be used when determining promotional salary adjustments for current employees. When an employee is promoted, the RTA should identify the new grade assignment, determine the appropriate step based on the employee's qualifications and current salary relationship to the range, assess internal equity with other incumbents in the higher-level role, and route any exceptions through the same approval process described above. Establishing this level of structure will strengthen transparency, reduce inconsistency, and provide the RTA with a more equitable and defensible framework for salary administration.

**RECOMMENDATION 9: Update promotion, demotion, and transfer policies to align with the revised structure.**

Evergreen recommends that the RTA revise its policies governing promotions, demotions, and transfers to reflect the adjusted grade and seven-step structure and to ensure that promotional salary decisions are both competitive and internally equitable.

For promotions, salary placement should not be limited to automatic movement to the next available step within the higher grade. Instead, placement should consider the employee's relevant experience, qualifications, time in classification, and internal equity relative to incumbents in the receiving classification. As a general guideline, promotions should result in an approximate 10% net increase

after the employee's retirement contributions are factored in. However, due to the structure of defined salary steps, a precise percentage increase may not always be achievable. In such cases, placement should be made at the closest step that reasonably approximates this increase while maintaining internal equity and not exceeding the grade maximum.

For demotions among non-CBA positions, a corresponding decrease should be applied unless doing so would place the employee below the new grade minimum; employees whose salaries exceed the maximum following demotion should be capped until structural movement allows further increases. Demotions from a non-CBA to CBA position are addressed in the CBA presently.

Transfers to classifications at the same grade level should not result in a salary adjustment, as the employee is moving laterally within the established pay grade structure. Compensation should remain unchanged unless a documented internal equity issue exists within the receiving classification that warrants adjustment.

### **RECOMMENDATION 9: Explore Implementing a Secondary Language Certification Pay Program**

Evergreen recommends that the RTA consider implementing a secondary language certification pay program to recognize and incentivize employees who utilize bilingual or multilingual skills in the performance of their duties. Given the public-facing nature of transit operations, the ability to effectively communicate with a diverse ridership can enhance service delivery, customer experience, and operational efficiency.

Under this program, eligible employees would receive additional compensation upon demonstrating proficiency in a second language relevant to the RTA's service population. Evergreen recommends that proficiency be validated through a standardized assessment or certification process to ensure consistency and fairness in program administration.

As a general guideline, the RTA may consider providing a modest differential of approximately 3% of base salary or a flat stipend of approximately \$2,000 annually for qualifying employees. The RTA may also define eligibility criteria based on job responsibilities, such as positions that regularly interact with the public or require communication in multiple languages.

Establishing clear policies and procedures for certification, recertification, and ongoing eligibility will be important to ensure the program is applied consistently. This recommendation supports the RTA's ability to better serve its community while recognizing valuable employee skills in a structured and equitable manner.

## **5.5 Summary**

The San Luis Obispo Regional Transit Authority should be commended for its proactive approach to evaluating and modernizing its compensation and classification systems. The recommendations presented in this report are designed to support internal equity, enhance market competitiveness, strengthen governance, and provide a sustainable framework for compensation administration.

By implementing these recommendations, including the transition to a formal pay grade structure, refinement of the seven-step progression model, integration of succession planning into organizational design, and commitment to ongoing maintenance, the RTA will be well-positioned to recruit, retain, and develop a skilled workforce in support of its transit mission and service objectives.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
EXECUTIVE COMMITTEE  
APRIL 8, 2026  
STAFF REPORT**

**AGENDA ITEM:** C-1

**TOPIC:** Fiscal Year 2026-27 Operating and Capital Budget

**PRESENTED BY:** Tania Arnold, Deputy Director/CFO

**STAFF RECOMMENDATION FOR EXEC:** Bring the Fiscal Year 2026-27 Budget as Presented to the Board for Approval

**RTAC RECOMMENDATION:** *Meeting scheduled for April 9, 2026*

**BACKGROUND/DISCUSSION:**

We appreciate the Board’s support and leadership during these unprecedented times as we work to present a fiscally constrained Fiscal Year 2026-27 operating budget, and an advisory FY27-28 operating plan. In addition, we are presenting a five-year capital program.

The budget packet contains the following items:

- Our Vision and Mission statements,
- Budget Assumptions adopted by the Board at its March 4, 2026 meeting,
- Fiscally constrained FY26-27 operating and capital budgets,
- Fiscally unconstrained FY27-28 operating budget, and
- Fiscally unconstrained FY27-28 through FY30-31 capital budgets (expense only for FY28-29 through FY30-31).

With the consolidation of Morro Bay and Atascadero services into the RTA in June 2025, the budget layout has been adjusted. There are four summary pages that show revenue and expense information for RTA core services in addition to all the services the RTA operates on behalf jurisdictions. Additionally, there is an RTA only budget which has additional information, including the expense information for each fixed route (RTA Routes 9, 10, 12, 14 and 15), as well as the countywide ADA complementary paratransit services known as RTA Runabout. Staff has also included the information for each of the services the RTA operates in order to provide support information for the summary documents. These services include:

- South County Services (Routes 21, 24, 27 and 28)
- County Services (Nipomo Dial-A-Ride, Avila Trolley, Cambria Trolley, Shandon-Paso Dial-A-Ride, Templeton-Paso Dial-A-Ride, Senior Vans, and County incentive programs)
- Paso Robles Services (Route A and B, Paso Dial-A-Ride)

- Morro Bay Service (Route 31 and Trolleys)
- Atascadero Service (Dial-A-Ride)

We have broken each RTA core fixed-route service into weekday, Saturday, Sunday, and tripper sections to better understand the financial commitment necessary to operate these distinct services should service reductions become necessary due to funding or other constraints. Additionally, express and tripper service expense information has been broken out for RTA services. Note that should any of the services be increased, reduced and/or eliminated, there are “fixed” expense items that would need to be reallocated to the other services (such as administration costs, and operations management/oversight costs) as part of the final budget or a future budget amendment.

The budget presentation assumes operation of the same core levels of service miles and hours for fixed-route services currently being operated, which include some adjustments based on the financially constrained recommendations included in the Short-Range Transit Plan that was adopted by the Board on May 7, 2025. These include:

- Additional Local Trip for Route 10 at 6:03 a.m.
- Additional Express Trips for Route 9 and 10
- Route 9 Mid-Day Service to the Cal Poly

Runabout hours and miles have been adjusted to be in line with current projections.

As noted during the presentation of the budget assumptions report at the March 4<sup>th</sup> RTA Board meeting, below are the key issues staff is working to address in the FY26-27 budget plan:

### KEY ISSUES

1. Address the uncertainties the agency currently faces, including state and federal funding uncertainty. Impacts of these uncertainties include:
  - a. Impacts of the pending construction on US-101 in the Pismo Beach area, including supporting congestion mitigation efforts.
  - b. Liability costs, which have recently stabilized due to the RTA’s good safety record, but the market continues to be extremely volatile due to the increasing number of catastrophic events globally.

In February 2026, staff was pleased to learn that workers compensation insurance provided by PRISM (Public Risk Innovation Solutions Management) is projected to be in line with prior years projected percentage rate increase, which is of note, especially in times of increasing wages. The premiums continue to be predictable and provide a welcome relief – especially with the realization that worker’s compensation across all employment sectors, including for transit services, is especially

challenging statewide as loss development trends for the state have not been favorable.

In late March 2026, staff received the estimated premium for our general liability and vehicle physical damage insurance policies. The annual premium cost for these two insurance policies is projected to be well below what was projected during the FY25-26 budget process. This is in large part due to an adjustment to the experience modification factor due to a collision in 2019 no longer being factored into the rolling evaluation period. In FY24-25 staff worked with an actuarial and due to this reduction in premiums, a portion of the decrease is being held for a possible increase to the self-insured retention from \$0 to \$25,000 in FY27-28. Staff continues to work with our employee committee that has evaluated workplace safety and has initiated a proactive program to reduce the number and severity of claims.

Property insurance has increased due to fully insuring the new Bus Maintenance Facility and the addition of flood insurance, which is required because the facility was federally funded and located in a 100-year floodplain.

- c. Continuing to focus on containment of Runabout subsidies, especially as ridership continues to increase.

The FY26-27 estimate reflects current demand trends. Staff continues to monitor the Runabout service, including the premium fare charged to Tri-Counties Regional Center that started in January 2018 and resumption of the in-person functional assessments as part of the certification and recertification process. Should service demands change significantly during the fiscal year, a budget amendment will be presented to the Board for consideration.

- d. Address staffing and retention, particularly in the Bus Operator classification.

The fiscal impact of the Collective Bargaining Agreement (CBA) approved by the Board in January 2026 is included.

Starting in FY24-25, the budget presentation has been updated to show the subcategories included in Labor – Operations in order to provide more understanding about the cost drivers. This helps as the agency looks at which subcategories would and would not be impacted by service level changes.

2. Continue efforts to implement Zero-Emission Bus technologies, including commissioning of four battery-electric buses (BEBs) that will be delivered in late 2026 and expansion of recharging infrastructure, including opportunity charging, for planned additional BEBs in the coming years.
  - Four diesel-powered buses purchased in 2013, with BEBs to arrive in the fall of 2026.
  - Three diesel-powered buses purchased in 2013, with BEBs to be ordered in the summer of 2026, and arrive in the fall of 2027.

Of note is the significant financial resources required for vehicle replacements, which is based the vehicle replacements and type included in the *RTA Zero Emission Rollout Plan* adopted by the Board in March 2023. It is also important to note that our annual budget plan show the year(s) that capital project expenditures occur – not necessarily the year(s) when we begin to apply for various funds through grant proposals for higher-cost projects such as bus purchases. This can be confusing to the casual reader, since SLOCOG and our other funding partners show the year(s) that funds are allocated to our capital projects rather than the year(s) the funds are expended.

3. State Transit Assistance (STA) funds are projected to be down in the region compared to the original FY25-26 allocation.

Staff continues to apply for the competitive funds from SLOCOG under the State of Good Repair program, and the RTA has applied for funding toward the replacement of vehicles which are included in the advisory FY27-28 budget.

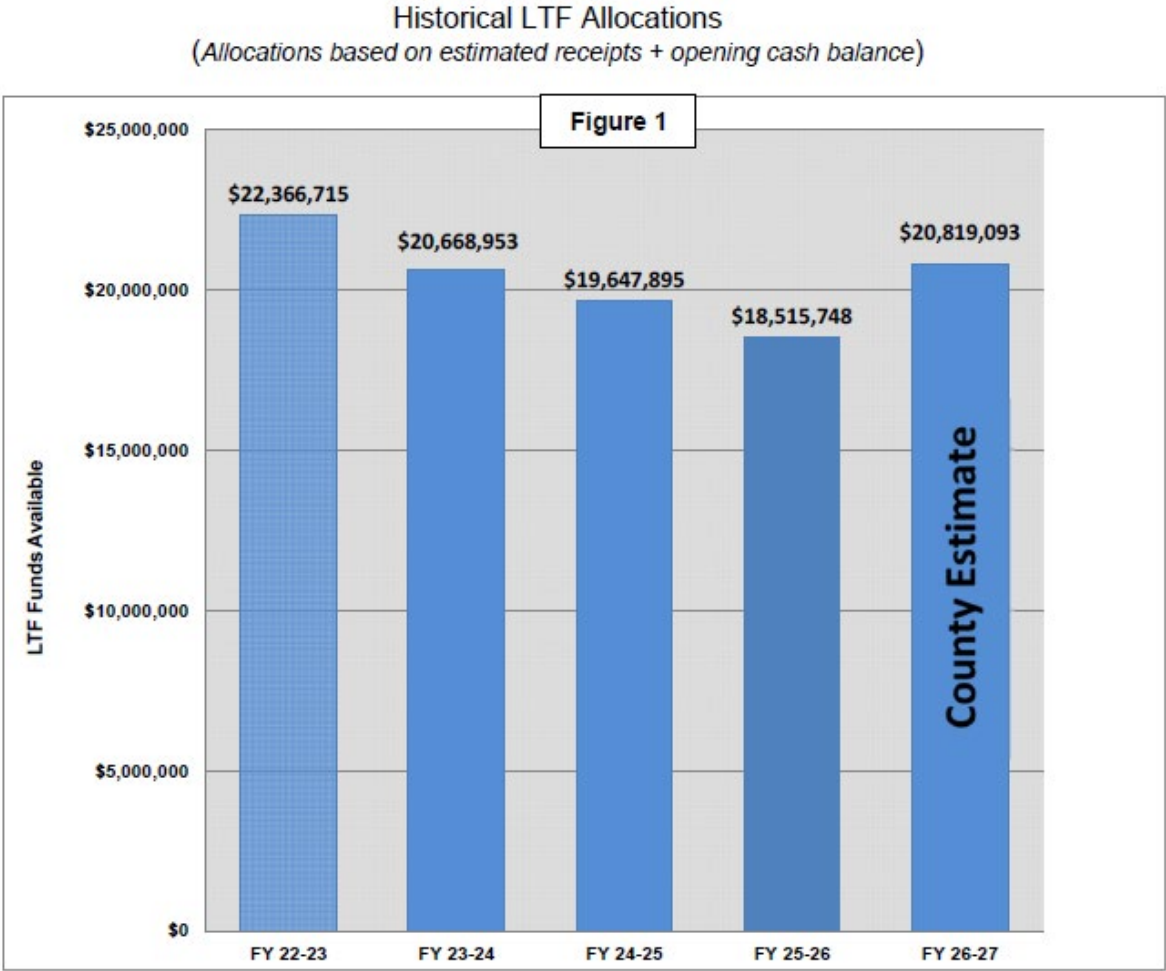
4. Local Transportation Funds (LTF), which are used primarily for operating purposes, are also projected to be up slightly in the region. The RTA will continue to maximize all other funding sources first before determining the need for LTF.

Staff acknowledges current LTF estimates to the region, as presented in the April 1, 2026 SLOCOG Agenda Item B-2. That staff report discusses the LTF coming into the region as:

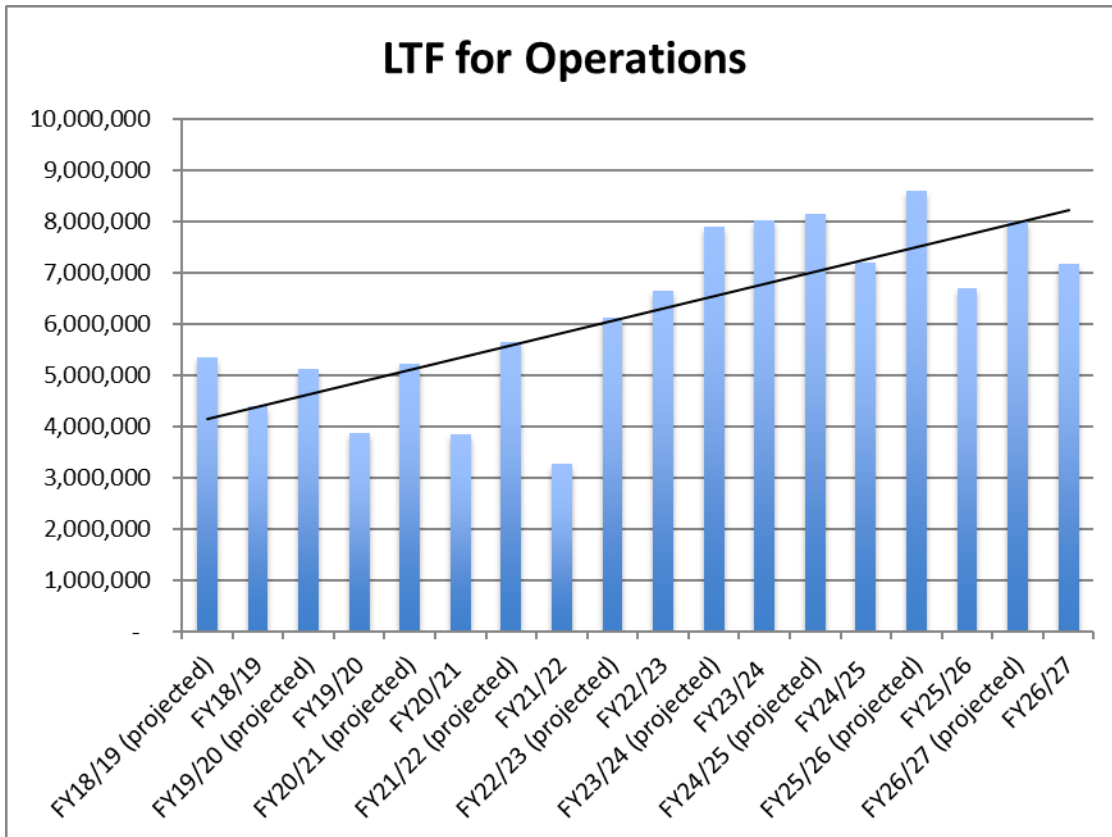
**“2026/27 Local Transportation Fund (LTF)- \$20,819,093** (12.4% increase in LTF available for distribution)

The County Auditor estimates an opening cash balance of \$1,797,140 as of June 30, 2026, representing a 177% increase from FY 2025/26. The higher opening balance is primarily due to higher-than-anticipated LTF revenues received during FY 2025/26, which will be available for allocation in FY 2026/27. Projected FY 2026/27 LTF revenue deposits total \$19,021,953, inclusive of interest income. Combined with the opening cash balance, this results in \$20,819,093 available for distribution.

Figure 1 depicts the trend in LTF distributions.



The proposed RTA budget includes LTF of \$7,173,680 for operations and \$458,060 for capital (total of \$7,631,740), which is a decrease from the amount included as an advisory FY26-27 total LTF projection of \$8,467,880 presented at the May 2025 Board meeting. A large portion of this decrease is a result of the carryover of 5307 operating revenue. The LTF request is a significant increase from FY20-21 and FY21-22. This increase is in large part due to the increase in funding provided by the “Coronavirus Aid, Relief, and Economic Security Act” (CARES Act), which was a \$2 trillion emergency funding package designed to blunt the worst and most immediate impacts of the COVID-19 pandemic, allowing for a reduced LTF amount in FY20-21 and a carryover to FY21-22.



The capital budget includes LTF in accordance with the requirements outlined in the TIFIA loan agreement approved by the Board in September 2020.

5. Federal Transit Administration (FTA) formula funds (Sections 5307, 5339 and 5311) for Federal Fiscal Year 2026 are projected to be in line with the amount projected for FY26-27 when the FY25-26 budget was adopted in May 2025, except the allocation of a carryover balance of 5307 from FY23-24 of \$1,953,910. This carryover balance is being allocated to FY26-27 and FY27-28. Recent actions at the federal level suggest that changes in both the scale of project funding and scope of the projects that remain eligible will be changed during the fiscal year and beyond.

Additionally, beginning in FY26-27, a portion of the 5311 funding to the region is being allocated to services provided by the RTA on behalf of the County and the City of Morro Bay. This allocation is based on the farebox recover ratio calculation, with the goal for all services to meet the farebox recovery ratio requirement with the allowance of federal funds to be used toward that calculation. With consolidation of all rural services into the RTA, the Rural Transit Fund (RTF) exchange is no longer needed and the RTA is able to directly use 5311 funds for these rural services.

6. Implementation of the RTA's Joint Short-Range Transit Plan (SRTTP) constrained recommendations, including fare structure adjustments and enforcement of the

discounted fare policy. The latter will require a temporary increase in operating staff resources, either through direct employment or through a temporary employment agency agreement, equivalent to one full-time equivalent position for up to twelve months. The previous system-wide fare change was implemented on December 31, 2017, both on RTA Fixed-Route and Runabout services.

7. Assist SLOCOG officials in addressing Senior-WAV service levels in the County.

### **Revised Expenses Assumptions**

The overall Administration Expense for RTA core services is up by approximately 1% compared to FY25-26, when adjusted for a one-time increase for temporary staffing.

The proposed Service Delivery cost is up by roughly 6% from what was identified in the FY25-26 budget. The primary reason for this increase is associated with the increase in wages as identified in Collective Bargaining Agreement that covers Bus Operators, Mechanics, Parks Clerk and Utility employees, and rising insurance prices. In line with FY24-25, the labor for operations has been delineated more finely in four pertinent subcategories.

### **Capital and Planning Program**

In line with FY25-26, the capital revenue breakdown has been shifted to be in line with the categories included in the federal transportation improvement program (FTIP) instead of by urbanized area because the funding is not received in that manner.

The focus of our capital program will be to secure replacements for vehicles that have reached their economically useful life. We have also programmed the following capital projects:

- \$50,400 for specialized maintenance equipment to improve efficiencies;
- Bus stop improvements; and
- Miscellaneous computer equipment, including regular computer replacements.

It should be noted that a portion of the FY25-26 capital funds for fully funded projects, such as vehicle replacements and bus stop improvements that have been delayed, is not carried over to the proposed FY26-27 budget. These on-going projects will be captured in a budget amendment after the FY26-27 has started, and the carryover will require no new financial resources from local jurisdictions because the funding has been previously secured.

Also included is a projected five-year capital improvement program as part of the budget plan. While only the first year is financially constrained, the projects identified in the ensuing four years provide a snapshot of future capital needs and potential cost levels. It should be noted that staff has only identified replacement projects and easily identifiable on-going projects (i.e., computer needs and bus stop improvements) in the capital improvement program. No expansion vehicles are included in the base budget.

**Conclusion**

Fiscal Year 2026-27 will be a particularly challenging year. We look forward to working with our customers, the Board and other stakeholders in providing stability and the highest quality of transportation services to residents of and visitors to our community. We believe that this budget reflects the path set by your Board in previous years and, although we would like to do more, we believe that this budget provides the optimum levels of service within the confines of existing limited resources.

**Staff Recommendation for Executive Committee:**

Recommend staff provide the FY26-27 budget to the Board for approval at the May 6<sup>th</sup> Board meeting.

**Staff Recommendation for RTAC:**

Recommend staff provide the FY26-27 budget to the Board for approval at the May 6<sup>th</sup> Board meeting.

**Staff Recommendation for the Board:**

Recommend that the Board adopt the FY26-27 budget as presented.

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY**

**MARCH 4, 2026**

**STAFF REPORT**

**AGENDA ITEM:** C-1

**TOPIC:** Fiscal Year 2026-27 Budget Assumptions

**ACTION:** Approve FY26-27 Budget Assumptions

**PRESENTED BY:** Tania Arnold, Deputy Director/CFO

**STAFF RECOMMENDATION:** Approve the Budget Assumptions and Budget Calendar to the Board So That a Detailed Work Plan and Budget May Be Developed

**STAFF RECOMMENDATION**

**FOR EXECUTIVE COMMITTEE:** Bring the Budget Assumptions and Budget Calendar to the Board So That a Detailed Work Plan and Budget May Be Developed

**BACKGROUND/DISCUSSION:**

The following report outlines staff's recommended budget assumptions for the RTA's Fiscal Year 2026-27 Operating and Capital Budget, and it is the first step in the development of our operating budget and capital program. It should be noted that the RTA is again developing a two-year operating budget and five-year capital budget. As in past years, only the first year would be financially constrained, while the out-years should be considered advisory. These budget assumptions were presented to the RTA Executive Committee for review and they approved the staff recommendation that staff bring the assumptions to the RTA Board at its March 4<sup>th</sup> meeting. Upon the Board's guidance and approval, staff will prepare a detailed report along with preliminary budget numbers for presentation to the Executive Committee at their April 8<sup>th</sup> meeting and the Regional Transit Advisory Committee (RTAC) at their April 9<sup>th</sup> meeting prior to the final draft budget presentation to the full Board on May 6<sup>th</sup>.

**KEY ISSUES**

1. Address the uncertainties the agency currently faces, including state and federal funding uncertainty. Impacts of these uncertainties include:
  - a. Impacts of the pending construction on US-101 in the Pismo Beach area, including supporting congestion mitigation efforts.
  - b. Liability costs, which have recently stabilized due to the RTA's good safety record, but the market continues to be extremely volatile due to the increasing number of catastrophic events globally.

**RTA BOARD APPROVED MARCH 4, 2026**

- c. Continuing to focus on containment of Runabout subsidies, especially as ridership continues to increase.
  - d. Address staffing and retention, particularly in the Bus Operator classification.
2. Continue efforts to implement Zero-Emission Bus technologies, including commissioning of four battery-electric buses (BEBs) that will be delivered in late 2026 and expansion of recharging infrastructure, including opportunity charging, for planned additional BEBs in the coming years.
3. State Transit Assistance (STA) funds are projected to be down in the region compared to the original FY25-26 allocation.
4. Local Transportation Funds (LTF), which are used primarily for operating purposes, are anticipated to be flat for the region. The RTA will continue to maximize all other funding sources first before determining the need for LTF.
5. Federal Transit Administration (FTA) formula funds (Sections 5307, 5339 and 5311) for Federal Fiscal Year 2026 are projected to be in line with the amount projected for FY26-27 when the FY25-26 budget was adopted in May 2025. However, recent actions at the federal level suggest that changes in both the scale of project funding and scope of the projects that remain eligible will be changed during the fiscal year and beyond.
6. Implementation of the RTA's Joint Short-Range Transit Plan (SRTP) constrained recommendations, including fare structure adjustments and enforcement of the discounted fare policy. The latter will require a temporary increase in operating staff resources, either through direct employment or through a temporary employment agency agreement, equivalent to one full-time equivalent position for up to twelve months. The previous system-wide fare change was implemented on December 31, 2017, both on RTA Fixed-Route and Runabout services.
7. Assist SLOCOG officials in addressing Senior-WAV service levels in the County.

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### **Mission Statement**

As a reminder, the Mission of the RTA is to provide safe, reliable and efficient transportation services that improve and enhance the quality of life for the citizens of and visitors to San Luis Obispo County.

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**RTA BOARD APPROVED MARCH 4, 2026**

## Objectives and Revenue Impacts

- 1) Maintain existing service levels and hours of service, including the financially constrained recommendations from the SRTP that were implemented in August 2025. As feasible, increase service, including other recommendations from the SRTP and other regional plans, that meet the standards of productivity and demand of our customers and communities through the effective and efficient delivery of core<sup>1</sup> Intercity Fixed-Route and Runabout services:
  - a) The RTA received \$777,928 in STA funding in FY25-26 for RTA core services. Staff will work with SLOCOG staff to determine a realistic estimate for FY26-27 but do anticipate this funding to be down.
  - b) Implement the contactless fare payment program through the California Integrated Travel Project (Cal-ITP) to make travel simpler and more cost-effective for all, including the discount eligibility verification process.
  - c) The FY25-26 budget adopted in May 2025 included \$5,775,900 in LTF operating revenues. Also at the May 2025 Board meeting, the advisory FY26-27 LTF projection was \$8,009,820. Staff is still developing an updated annual FY25-26 revenue and expense projection, which impacts the carryover amount that could reasonably be identified for the FY26-27 budget.
  - d) FTA Sections 5307, 5311 and 5339 operating funding and capital funding for FY26-27 will be based on feedback received as staff works with SLOCOG and our other transit partners through the programming of projects process. Monies for FTA-funded projects are reimbursed either as progress payments or as full payment at the end of the project and/or fiscal year, which requires focused care by staff to ensure adequate cash flow.
  - e) Detailed miles/hours and span of service for each RTA core Intercity Fixed-Route and for Runabout will be provided with the draft budget. For context, detailed budgets based on miles/hours and span of service will also be provided separately for Local Services in Atascadero, Morro Bay, Paso Robles, South County, and rural SLO County. The budget will have summary pages that include revenue and expenditure information for each service.
  - f) Productivity of each RTA-operated Local Services during lower-demand holiday periods, specifically associated with the service provided during the weeks of

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<sup>1</sup> Core Intercity Fixed-Route services are defined as:

1. Hourly weekday services on RTA Routes 9, 10 and 12;
2. Five trips/day on Saturdays for Routes 9, 10, 12, and Monday-Saturday on Route 15;
3. Three trips/day on Sundays for Routes 9, 10, 12 and 15;
4. Peak period weekday service on Route 14 during open session of Cuesta College;
5. Peak period commuter Express services on Routes 9, 10 and 12; and

Core services also include Runabout service that matches the fixed-route service days operated in each community.

**RTA BOARD APPROVED MARCH 4, 2026**

Thanksgiving, Christmas and New Years, will be reviewed to determine appropriate service levels. Additionally, staff is reviewing service levels on several holidays that have lower productivity for possibly lower-cost service levels. These additional holidays include Veteran's Day, Martin Luther King Junior Day, and President's Day. It is anticipated that a Saturday level of service will be proposed for these three days during FY26-27. Staff will work with the cities of Morro Bay and Atascadero to reflect their service levels during holidays in their respective budgets as we continue to adjust service levels following consolidation into the RTA in June 2025.

- g) Staff will continue to research and evaluate new revenue sources should any potential shortfall in operating revenues arise. If we are unable to secure funding, staff would recommend that the Board consider adjusting service levels and/or the TDA allocation from the RTA jurisdictions, if time and budgetary authority permits.
- 2) Work with SLOCOG and our transit agency partners in the region to evaluate region-wide service efficiencies:
- a) The RTA will work with SLOCOG staff and other transit providers to evaluate efficiencies in the provision of service throughout the county through both the SLOCOG Social Services Transportation Advisory Committee and through the RTAC.
  - b) Staff will use the *RTA Strategic Business Plan* to evaluate potential efficiencies. With Board concurrence, staff will develop a timeline to implement efficiencies as appropriate. Additionally, the RTA will address the Zero Emission Bus requirements of our *Innovative Clean Transit* (ICT) Rollout Plan. The ICT Rollout Plan was adopted at the March 2023 Board meeting.
- 3) Evaluate options and provide analysis on the 5-year capital improvement program and methods to fund these needs:
- a) Staff will work with SLCOOG to prioritize SB125 funded capital projects, particularly those related to depot and opportunity charging of battery-electric buses. The RTA has completed or is near completion on two of the twelve SB125 projects awarded by the SLOCOG Board at its December 2023 meeting, as follows:
    - i) RTA-1 – funding gap for five BEB replacement buses (\$1,220k in FY23-24 SB125 funds), which were delivered in Q4 of 2025;
    - ii) RTA-2 – second phase of BEB DC fast-charging system (\$500k in FY23-24 SB125 funds), which was completed mid-FY25-26;

**RTA BOARD APPROVED MARCH 4, 2026**

Three projects are currently in either the implementation phase or the procurement phase:

- iii) RTA-3 – bus charging and infrastructure study (\$200k in FY23-24 SB125 funds), which will be completed in Q2 of 2026; and
- iv) RTA-4 – funding gap for four BEB replacement buses (\$2,500,000 in FY24-25 SB125 funds), which are projected to be delivered in Q3 of 2026; and
- v) SLOCOG-5 – regional contactless fare system implementation (\$388k in FY23-24 SB125 funds), which will be fully implemented in Q2 of 2026.

Pending the results of RTA-3 Bus Charging and Infrastructure Study, staff will move forward with additional charging infrastructure projects (RTA-7, RTA-9, RTA-10, RTA-11, RTA-12, and RTA-13), presuming they are supported by the study's recommendations. Staff is evaluating the timeline for additional BEB replacement buses (RTA-6 and RTA-8).

- b) Staff will also continue to work with SLOCOG to prioritize capital projects using the STA State of Good Repair (SGR) portion of SB-1 funds. These SB-1 funds are an important source of revenues for the RTA and the other transit operators in our region. It directly impacts the RTA's need for LTF to fund operations and the local match for capital projects by reducing local match needed for federal funds, and interest when financing for capital projects is needed.
- c) Other potential capital funds intended to support our transition to zero-emission buses include AB617 Clean Air Program, Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP), and LCTOP. Staff will continue to leverage all grant funds to the greatest extent possible in order to conserve local funds.

4) Address projected changes in demand for Runabout service:

- a) Runabout service hours and miles are slightly lower than were originally projected for FY25-26, and staff is closely monitoring service needs to determine when service will return to pre-pandemic levels. Staff will seek the Board's direction as demand is anticipated to increase over time.
- b) Staff suspended in-person Runabout service eligibility assessments during the pandemic, and we have continued focusing training staff resources on training newly hired Bus Operator candidates. Staff plans to reinstitute this Runabout eligibility assessments program to ensure that only those persons truly eligible for Runabout service are initially registered or re-registered as part of the Runabout application process. This will be completed using by new staff resources that will be added during FY25-26 in conjunction with launching the discount eligibility process. Staff will also provide mobility training for disabled persons who are able to occasionally use Fixed-Route services for some or all of their travel needs.

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## Expenses Impacts

- 1) Fuel prices continue to be volatile; fuel will be budgeted at \$4.65 per gallon in FY26-27. Included in the Fuel line-item will be diesel exhaust fluid (DEF), which is used to lower diesel exhaust emissions on model year 2015 and newer Fixed-Route vehicles. Although prices have stabilized as a result of the agreement for fuel services with Easy Fuel approved in May 2024, should fuel prices substantially increase or decrease to such a degree that it would have a profound effect on the overall budget, staff will address the change in a budget amendment.
- 2) Related, as we implement BEBs in revenue service in July 2024, we are getting a better handle on per-mile operational costs. Although the overall impact is relatively small it is increasing notably each year as we increase the proportion of BEB miles operated. In FY25-26, the fleet increased from two BEBs to seven with the arrival of five additional BEBs in Q4 2025. In FY26-27, the BEB fleet will increase again with an additional four more BEBs anticipated to arrive in Q4 of 2026, bringing the total BEB fleet to eleven – or roughly 1/3 of the heavy-duty bus fleet.
- 3) Insurance Expenses:
  - a) Staff worked with an actuarial to complete a review of the self-insured retentions for the various lines of insurance. Although staff does not recommend a change to the self-insured retentions currently, staff is reviewing options to fund a reserve increase to fund the self-insured retentions for the general liability policy and a reserve for the employment practices policy, respectively.
  - b) A review of the pooled reinsurance programs in which the RTA participates was conducted in conjunction with our insurance broker, and the RTA is confident that the policies continue to be well placed in the pooled reinsurance market.
  - c) CalTIP liability reinsurance premiums are projected to increase. The exact amount is not known at this time, as CalTIP actuaries are still finalizing the May 1, 2026 through April 30, 2027 rates. Although the experience modification factor of RTA is in line with the statewide pool average, the RTA did experience large claims in February 2019 and January 2021, which continue to impact current and future premiums.
  - d) CalTIP vehicle physical damage will increase due to the added asset value of newer vehicles, which have risen dramatically in recent years and with the additional cost of electric vehicles. In addition, recent property damage claims seen in the market, namely the increasing number of other disasters across the globe.
  - e) Our annual Employment Risk Management Authority premium is estimated at \$50,000, with a \$50,000 self-insured retention. This self-insured retention does not currently have a reserve in place to cover it should a loss develop.

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- f) Workers compensation premiums charged by our carrier (Public Risk Innovation, Solutions, and Management, or PRISM) are projected to increase, with the realization that workers compensation for transit services is especially challenging statewide as loss development trends in the state are not favorable. We continue to work with our employee Safety Committee, which evaluates workplace safety and initiates proactive programs to address the number of claims and severity of the claims. Although premiums are expected to rise, a significant portion of that increase is attributable to the increase in wages identified in the collective bargaining agreement.
- g) Property insurance will increase due to the significant losses in the property insurance market. Additionally, we are required to maintain flood insurance for our Bus Maintenance Facility because its construction was federally funded.
- h) For budget-making purposes, staff is assuming a 10% annual increase for healthcare costs for each of the next two fiscal years. This will include the paid family leave program that was implemented in July 2022, which brought the leave benefits closer to those offered under the state disability insurance program.

#### 4) Staffing Expenses:

- a) In January 2026 the Board approved a two and a half year Collective Bargaining Agreement (CBA) that will expire on June 30, 2028. Staff notes the fiscal impact that the agreement will have on the FY26-27 information that will be included in the budget presentation.
- b) Staff continues to work with Evergreen Solutions on the Classification and Compensation study, which will include a review of the organizational structure and recommend a succession planning program. As noted above, the Short-Range Transit Plan recommends that additional staff resources (equivalent to one full-time equivalent) be secured to more effectively enforce the discount fare program and help roll-out the new Cal-ITP contactless fare-capping system. This will be completed using temporary help and will not be an ongoing expenditure. Should additional adjustments – beyond the one temporary FTE mentioned above – to the number of FY25-26 budgeted FTE positions be recommended or needed, staff will bring that proposal to the Board along with any new or revised job descriptions, if applicable.
- c) An annual inflationary wage adjustment based on December 2024 to December 2025 Consumer Price Index (CPI) of 3.0% will be implemented in July 2026 for those employees not covered by the collective bargaining agreement. Employees within the salary range for their position will be eligible for a step merit increase subject to performance assessments and budgetary authority.

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- d) The RTA Board of Directors took action at its September 3, 2025 meeting to implement the increase in contribution percentage of 1.00% for the retirement plan with San Luis Obispo County Pension Trust (SLOCPT) in July 2026 rather than January 2026, and the RTA will assume the 1.00% pickup. This is related to management, administration and confidential employees, and does not include the employees who are covered by the CBA with Teamsters Local 986.

### **Proposed Budget Calendar**

- February 11 Detailed budget assumptions and revenue forecast to Executive Committee.
- March 4 Obtain Board concurrence on proposed draft budget assumptions.
- March 31 Based on feedback from Executive Committee draft FY27 Budget Draft complete.
- April 8 Draft FY27 Budget presentation to Executive Committee
- April 9 Formal FY27 Budget presentation to RTAC
- May 6 Final Board Budget presentation; Board adoption of FY27 Budget

### **Staff Recommendation for Executive Committee:**

Recommend staff provide the FY26-27 budget assumptions and budget calendar to the Board for approval at the March 4<sup>th</sup> Board meeting, so that a detailed work plan and budget may be developed.

*The Committee approved the staff recommendation.*

### **Staff Recommendation for the Board:**

Approve the budget assumptions and budget calendar so that a detailed work plan and budget may be developed.

**RTA BOARD APPROVED MARCH 4, 2026**

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
OPERATING REVENUE BUDGET FOR 2026/2027**

	2024/25 Combined Actual	2025/26 Amended Combined Budget	2025/26 Amended RTA Core Budget	2026/27 Proposed Combined Budget	2026/27 Proposed RTA Core Budget	2027/28 Projected Combined Budget	2027/28 Projected RTA Core Budget
FUNDING SOURCES:							
GENERAL RESERVES	5,268,920	5,726,480	3,501,760	<b>4,022,130</b>	<b>2,597,610</b>	3,808,970	2,591,860
1. ESTIMATED FUND BALANCE	5,268,920	5,726,480	3,501,760	<b>4,022,130</b>	<b>2,597,610</b>	3,808,970	2,591,860
2. LESS REQUIRED RESERVES FOR FISCAL YEAR							
CASH FLOW REQUIREMENTS PER TDA	3,241,530	3,462,130	2,337,610	<b>3,773,560</b>	<b>2,591,860</b>	4,034,260	2,801,890
OFFSET RESERVE TO CARRYOVER TO FUTURE FISCAL YEARS	2,943,562	200,000	-	<b>35,410</b>	-	-	-
TOTAL	6,185,092	3,662,130	2,337,610	<b>3,808,970</b>	<b>2,591,860</b>	4,034,260	2,801,890
3. FUND BALANCE AVAILABLE	(916,172)	2,064,350	1,164,150	<b>213,160</b>	<b>5,750</b>	(225,290)	(210,030)
<b>NON TDA SOURCES</b>							
FARES	1,119,585	1,148,820	849,760	<b>968,710</b>	<b>704,190</b>	978,390	711,230
MANAGEMENT CONTRACT	321,860	-	-	-	-	-	-
INTEREST	219,108	135,000	135,000	<b>230,440</b>	<b>230,440</b>	230,440	230,440
STATE TRANSIT ASSISTANCE (STA) INCLUDING SB1	1,672,103	1,561,990	494,440	<b>1,629,280</b>	<b>666,010</b>	1,151,320	358,750
RURAL TRANSIT FUND (Including Administration)	30,000	285,410	285,410	-	-	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307) - San Luis Obispo	840,000	850,500	850,500	<b>867,600</b>	<b>867,600</b>	885,040	885,040
FEDERAL TRANSIT ADM (FTA) (Section 5311) - Operating	783,423	800,000	800,000	<b>802,260</b>	<b>712,460</b>	804,260	708,300
FEDERAL TRANSIT ADM (FTA) (Section 5307-N. County) - Operating	1,489,500	1,742,500	1,155,700	<b>2,294,000</b>	<b>1,695,500</b>	2,329,500	1,719,060
FEDERAL TRANSIT ADM (FTA) (Section 5307) - S. County Operating	1,930,000	2,006,500	969,600	<b>2,353,960</b>	<b>1,224,260</b>	2,391,910	1,244,050
CUESTA CONTRIBUTION FOR ROUTE 12 AND 14	144,840	113,670	113,670	<b>121,330</b>	<b>121,330</b>	129,620	129,620
CUESTA CONTRIBUTION NORTH COUNTY	40,580	40,580	-	<b>40,580</b>	-	40,580	-
SPECIAL EVENTS REVENUE/OTHER	203,387	454,990	377,390	<b>305,970</b>	<b>190,000</b>	305,970	190,000
4. SUB TOTAL	8,794,386	9,139,960	6,031,470	<b>9,614,130</b>	<b>6,411,790</b>	9,247,030	6,176,490
5. TOTAL FUND BALANCE & NON TDA FUNDING	7,878,214	11,204,310	7,195,620	<b>9,827,290</b>	<b>6,417,540</b>	9,021,740	5,966,460
<b>TDA REQUIRED</b>							
CITY OF ARROYO GRANDE	643,532	774,778	361,707	<b>978,126</b>	<b>387,112</b>	1,076,936	466,394
CITY OF ATASCADERO	655,562	754,623	610,453	<b>653,328</b>	<b>653,328</b>	833,353	787,133
CITY OF GROVER BEACH	447,658	538,989	251,629	<b>680,452</b>	<b>269,302</b>	749,191	324,456
CITY OF MORRO BAY	222,999	469,201	206,871	<b>486,181</b>	<b>221,401</b>	808,255	266,745
CITY OF PASO ROBLES	880,099	1,020,544	623,114	<b>1,360,379</b>	<b>666,879</b>	1,568,268	803,458
CITY OF PISMO BEACH	282,411	338,828	158,183	<b>427,756</b>	<b>169,293</b>	470,968	203,965
CITY OF SAN LUIS OBISPO	1,295,399	1,206,522	1,206,522	<b>1,291,262</b>	<b>1,291,262</b>	1,555,718	1,555,718
COUNTY OF SAN LUIS OBISPO	3,968,350	3,561,094	3,284,421	<b>4,062,566</b>	<b>3,515,103</b>	4,946,640	4,235,011
TDA REQUIREMENTS BEFORE 5311 EXCHANGE	8,396,010	8,664,580	6,702,900	<b>9,940,050</b>	<b>7,173,680</b>	12,009,330	8,642,880
LESS: RURAL TRANSIT FUND/5311 EXCHANGE	(792,910)	(800,000)	(800,000)	-	-	-	-
6. NET TDA REQUIREMENTS	7,603,100	7,864,580	5,902,900	<b>9,940,050</b>	<b>7,173,680</b>	12,009,330	8,642,880
7. TOTAL FUNDING SOURCES	15,481,314	19,068,890	13,098,520	<b>19,767,340</b>	<b>13,591,220</b>	21,031,070	14,609,340
8. FUNDING USES:							
ADMINISTRATION	2,620,634	3,060,070	2,085,030	<b>3,002,210</b>	<b>2,055,460</b>	3,190,110	2,206,180
PERS BUYOUT	178,308	178,310	178,310	-	-	-	-
SERVICE DELIVERY	12,682,372	15,606,510	10,691,260	<b>16,530,730</b>	<b>11,382,940</b>	17,591,590	12,238,410
CONTINGENCY	-	224,000	143,920	<b>234,400</b>	<b>152,820</b>	249,370	164,750
9. TOTAL FUNDING USES	15,481,314	19,068,890	13,098,520	<b>19,767,340</b>	<b>13,591,220</b>	21,031,070	14,609,340

Population  
Based

**SAN LUIS OBISPO REGIONAL TRANSIT AUTHORITY  
CAPITAL AND PLANNING REVENUE BUDGET FOR 2026/2027**

	2024/25 Combined Acutal Capital Expense	2025/26 Amendment #1 Combined Capital Budget	2025/26 Adopted RTA Core Capital Budget	2026/27 Proposed Combined Capital Budget	2026/27 Proposed RTA Core Capital Budget	2027/28 Projected Combined Capital Budget	2027/28 Projected RTA Core Capital Budget
FUNDING SOURCES:							
BEGINNING CAPITAL PROJECTS RESERVE	1,239,550	1,647,830	1,225,090	<b>1,384,910</b>	<b>1,024,140</b>	1,113,830	788,170
1. ESTIMATED FUND BALANCE	1,239,550	1,647,830	1,225,090	<b>1,384,910</b>	<b>1,024,140</b>	1,113,830	788,170
2. LESS REQUIRED RESERVES FOR FISCAL YEAR							
CAPITAL PROJECTS RESERVE	1,588,565	1,384,910	1,024,140	<b>1,113,830</b>	<b>788,170</b>	1,343,050	866,980
TOTAL	1,588,565	1,384,910	1,024,140	<b>1,113,830</b>	<b>788,170</b>	1,343,050	866,980
3. FUND BALANCE AVAILABLE	(349,015)	262,920	200,950	<b>271,080</b>	<b>235,970</b>	(229,220)	(78,810)
<b>NON TDA SOURCES</b>							
STATE TRANSIT ASSISTANCE (STA)	578,669	442,280	294,740	<b>174,560</b>	<b>44,250</b>	652,520	351,510
LOW CARBON TRANSIT OPERATIONS PROGRAM (LCTOP)	-	-	-	-	-	-	-
STATE OF GOOD REPAIR (SGR)	1,558	618,280	407,570	<b>37,000</b>	-	465,700	295,880
SB125							
Infrastructure (including fare program)	639	8,654,010	6,462,090	-	-	166,600	105,850
Fixed Route Electric	-	1,220,000	804,230	-	-	1,197,400	760,750
RURAL TRANSIT FUND (Capital)	9,488	2,425,690	1,455,200	<b>185,810</b>	<b>120,450</b>	-	-
FEDERAL TRANSIT ADM (FTA) (Section 5307)	370,935	-	-				
Fixed Route Electric		2,280,400	1,503,250	<b>2,272,500</b>	<b>1,473,080</b>	1,281,600	814,240
Fixed Route Non-Electric		-	-	<b>1,769,700</b>	<b>1,147,160</b>	1,863,100	1,183,690
Demand Response Electric		-	-	-	-	-	-
Demand Response Non-Electric		646,810	451,500	<b>140,400</b>	-	208,300	208,300
ADA Minivans		517,700	517,700	<b>148,200</b>	-	-	-
Support Vehicles		280,120	268,380	<b>61,600</b>	<b>41,880</b>	30,300	20,810
Trolley		200,920	-	-	-	280,000	-
Bus Stop Improvements		123,230	83,150	<b>87,800</b>	<b>55,790</b>	89,200	56,710
Dispatch Software Upgrade		200,000	200,000	-	-	-	-
Vehicle Maintenance Equipment		150,900	138,390	<b>40,400</b>	<b>27,840</b>	41,000	28,530
FEDERAL TRANSIT ADM (FTA) (Section 5339)	274,026	-	-				
Vehicle Engine Rehab		469,460	269,470	-	-	-	-
Fixed Route Electric		6,615,210	4,360,790	-	-	427,200	271,420
Fixed Route Non-Electric		-	-	-	-	994,030	767,560
Dial-A-Ride Vehicle Replacement		-	-	-	-	-	-
OTHER	145,374	1,271,570	818,730	-	-	-	-
4. SUB TOTAL	1,235,315	26,116,580	18,035,190	<b>4,917,970</b>	<b>2,910,450</b>	7,696,950	4,865,250
5. TOTAL FUND BALANCE & NON TDA FUNDING	886,300	26,379,500	18,236,140	<b>5,189,050</b>	<b>3,146,420</b>	7,467,730	4,786,440
<b>TDA REQUIRED</b>							
CITY OF ARROYO GRANDE	24,938	24,718	24,718	<b>24,718</b>	<b>24,718</b>	24,718	24,718
CITY OF ATASCADERO	42,378	41,717	41,717	<b>41,717</b>	<b>41,717</b>	41,717	41,717
CITY OF GROVER BEACH	18,631	17,196	17,196	<b>17,196</b>	<b>17,196</b>	17,196	17,196
CITY OF MORRO BAY	14,365	14,137	14,137	<b>14,137</b>	<b>14,137</b>	334,647	14,137
CITY OF PASO ROBLES	44,020	42,582	42,582	<b>42,582</b>	<b>42,582</b>	42,582	42,582
CITY OF PISMO BEACH	11,475	10,810	10,810	<b>10,810</b>	<b>10,810</b>	10,810	10,810
CITY OF SAN LUIS OBISPO	84,985	82,451	82,451	<b>82,451</b>	<b>82,451</b>	82,451	82,451
COUNTY OF SAN LUIS OBISPO	231,349	224,449	224,449	<b>224,449</b>	<b>224,449</b>	224,449	224,449
6. TDA REQUIREMENTS FOR TIFIA LOAN REPAYMENT	472,141	458,060	458,060	<b>458,060</b>	<b>458,060</b>	778,570	458,060
7. TOTAL FUNDING SOURCES	1,358,441	26,837,560	18,694,200	<b>5,647,110</b>	<b>3,604,480</b>	8,246,300	5,244,500
8. FUNDING USES:							
CAPITAL	852,887	17,600,740	11,729,500	<b>2,916,550</b>	<b>1,673,340</b>	9,074,850	5,626,620
LOAN PAYMENTS	444,635	458,060	458,060	<b>458,060</b>	<b>458,060</b>	458,060	458,060
SHORT RANGE TRANSIT PLAN	92,029	67,100	-	-	-	-	-
REGIONAL CONTACTLESS FARE PAYMENT SYSTEM	-	388,000	255,650	-	-	-	-
REGIONAL CONTACTLESS CHARGING	-	2,266,000	2,096,120	-	-	-	-
REGIONAL BUS CHARGING PROJECTS	639	4,000,000	2,740,220	-	-	-	-
MASTER PLANNING & IMPLEMENTION- OFFSITE FAST CHARGING	-	2,000,000	1,370,100	-	-	-	-
9. TOTAL FUNDING USES	1,390,191	26,779,900	18,649,650	<b>3,374,610</b>	<b>2,131,400</b>	9,532,910	6,084,680

Population  
Based

		<b>Acutal Combined FY 2024-25</b>	<b>Adopted Operating Budget FY 2025-26</b>	<b>Projected Operating Budget FY 2026-27</b>	<b>Projected Operating Budget FY 2027-28</b>
<b>Administration and Service Delivery Totals</b>					
	Hours	80,076	89,900	<b>88,310</b>	90,880
	Miles	1,555,328	1,735,020	<b>1,680,910</b>	1,718,260
<b>Administration:</b>					
Labor	operations cost	1,355,234	1,539,550	<b>1,555,520</b>	1,641,740
Labor - Administration Workers Comp	operations cost	39,123	52,720	<b>58,630</b>	63,380
Office Space Rental & Rental Amortization	operations cost	56,837	59,670	<b>61,740</b>	63,750
Property Insurance	operations cost	281,598	323,370	<b>313,030</b>	377,240
Professional Technical Services	operations cost	290,774	458,710	<b>408,450</b>	436,790
Professional Development	operations cost	48,618	93,290	<b>97,080</b>	99,380
Operating Expense	operations cost	441,056	368,030	<b>344,010</b>	347,060
Marketing and Reproduction	operations cost	107,394	164,730	<b>163,750</b>	160,780
<b>Total Administration</b>		2,620,634	3,060,070	<b>3,002,210</b>	3,190,120
<b>Service Delivery:</b>					
Labor - Operations	hourly				
Bus Operators	hourly	4,938,608	6,531,680	<b>7,274,820</b>	7,768,180
Training Staff	hourly	412,729	443,360	<b>443,990</b>	466,990
Operations Supervisors/Schedulers	hourly	1,469,523	1,595,710	<b>1,705,920</b>	1,815,900
Ops. Mgt. / Oversight	hourly	460,829	506,310	<b>545,130</b>	574,920
Labor - Operations Workers Comp	hourly	296,699	399,810	<b>444,630</b>	480,680
Labor - Maintenance	miles	1,740,704	2,055,710	<b>2,275,990</b>	2,377,720
Labor - Maintenance Workers Comp	miles	81,241	109,470	<b>121,740</b>	131,610
Fuel	miles	1,318,218	1,629,970	<b>1,362,210</b>	1,427,290
Insurance (Liability, Physical Damage, Employment Prac	miles	1,009,948	1,191,000	<b>1,202,140</b>	1,342,100
Special Transportation (for SLOCAT)	n/a	23,375	32,070	<b>29,990</b>	31,650
Maintenance (parts, supplies, materials)	miles	760,867	961,580	<b>971,380</b>	1,023,660
Maintenance Contract Costs	miles	169,631	149,840	<b>152,790</b>	150,900
<b>Total Operations</b>		12,682,372	15,606,510	<b>16,530,730</b>	17,591,600
<b>Contingency</b>	hourly	-	224,000	<b>234,400</b>	249,380
<b>PERS Buyout</b>	operations cost	178,308	178,310	-	-
<b>TOTAL FUNDING USES</b>		15,481,314	19,068,890	<b>19,767,340</b>	21,031,100

	<b>Actual Capital Budget FY 2024-25</b>	<b>Adopted Amended Capital Budget FY 2025-26</b>	<b>Projected Capital Budget FY 2026-27</b>	<b>Projected Capital Budget FY 2027-28</b>	<b>Projected Capital Budget FY 2028-29</b>	<b>Projected Capital Budget FY 2029-30</b>	<b>Projected Capital Budget FY 2030-31</b>
<b>Capital and Planning Expenditures</b>							
<b>Capital/Studies:</b>							
Computer System Maintenance/Upgrades	25,043	504,040	<b>117,150</b>	123,010	229,160	135,620	142,400
Miscellaneous Capital							
Maintenance Equipment	19,299	188,650	<b>50,400</b>	51,200	52,000	52,800	53,600
Vehicle ITS/Camera System	16,694	-	-	-	500,000	-	-
Bus Stop Improvements	135,288	147,000	<b>109,700</b>	111,400	113,260	115,000	106,800
Large Capital Repairs	76	586,820	-	-	-	-	-
<b>Vehicles</b>							
Support Vehicles	-	353,010	<b>76,900</b>	37,800	81,700	220,400	205,400
Fixed Route Vehicles	121,887	13,843,000	<b>2,212,100</b>	7,080,300	4,091,910	2,568,990	5,557,600
Trolley replacement vehicles	42,053	251,150	-	700,000	-	-	-
Cutaway and Dial A Ride Vehicles	164,629	586,970	<b>350,300</b>	466,260	739,280	154,850	796,100
Runabout Vehicles	277,382	1,140,100	-	338,300	589,500	-	-
<b>Total Capital Outlay</b>	<b>802,351</b>	<b>17,600,740</b>	<b>2,916,550</b>	<b>8,908,270</b>	<b>6,396,810</b>	<b>3,247,660</b>	<b>6,861,900</b>
<b>Loan Repayments</b>	444,635	458,060	<b>458,060</b>	458,060	458,060	458,060	458,060
<b>Short Range Transit Plan</b>	92,668	67,100	-	-	-	300,000	-
<b>Regional Contactless Fare Payment System</b>	-	388,000	-	-	-	-	-
<b>Regional Contactless Charging</b>	-	2,266,000	-	-	-	-	-
<b>Regional Bus Charging Projects</b>	50,537	4,000,000	-	-	-	-	-
<b>Master Planning &amp; Implementation - Offsite fast charging</b>	-	2,000,000	-	166,600	101,700	-	-
<b>TOTAL FUNDING USES</b>	<b>1,390,191</b>	<b>26,779,900</b>	<b>3,374,610</b>	<b>9,532,930</b>	<b>6,956,570</b>	<b>4,005,720</b>	<b>7,319,960</b>

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		<b>Total Adopted Budget</b>	<b>Weekday Proposed Budget</b>	<b>Express Proposed Budget</b>	<b>Saturday Proposed Budget</b>	<b>Sunday Proposed Budget</b>	<b>Total Proposed Budget</b>	<b>Total Projected Budget</b>
		<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>
<b>Route 9</b>								
	<u>Measure:</u>							
	Annual Hours	12,760	<b>10,100</b>	<b>1,290</b>	<b>720</b>	<b>490</b>	<b>12,600</b>	12,600
	Annual Miles	320,340	<b>254,390</b>	<b>27,220</b>	<b>20,500</b>	<b>13,810</b>	<b>315,920</b>	315,920
<b>Administration:</b>								
<b>Total Administration (Net of Contracts)</b>		\$ 464,180	<b>\$ 368,700</b>	<b>\$ 43,710</b>	<b>\$ 27,800</b>	<b>\$ 18,830</b>	<b>\$ 459,040</b>	\$ 475,080
<b>Service Delivery:</b>	<u>Basis:</u>							
Labor - Operations	hourly							
Bus Operators	hourly	\$ 881,840	<b>\$ 796,990</b>	<b>\$ 101,790</b>	<b>\$ 56,820</b>	<b>\$ 38,670</b>	<b>\$ 994,270</b>	\$ 1,031,670
Training Staff	hourly	\$ 59,530	<b>\$ 48,490</b>	<b>\$ 6,190</b>	<b>\$ 3,460</b>	<b>\$ 2,350</b>	<b>\$ 60,490</b>	\$ 61,820
Operations Supervisors/Schedulers	hourly	\$ 215,020	<b>\$ 185,200</b>	<b>\$ 23,650</b>	<b>\$ 13,200</b>	<b>\$ 8,990</b>	<b>\$ 231,040</b>	\$ 238,990
Ops. Mgt. / Oversight	hourly	\$ 67,700	<b>\$ 59,210</b>	<b>\$ 7,560</b>	<b>\$ 4,220</b>	<b>\$ 2,870</b>	<b>\$ 73,860</b>	\$ 75,690
Labor - Operations Workers Comp	hourly	\$ 54,240	<b>\$ 48,750</b>	<b>\$ 6,230</b>	<b>\$ 3,480</b>	<b>\$ 2,370</b>	<b>\$ 60,830</b>	\$ 63,890
Labor - Maintenance	miles	\$ 371,920	<b>\$ 337,240</b>	<b>\$ 36,090</b>	<b>\$ 27,180</b>	<b>\$ 18,310</b>	<b>\$ 418,820</b>	\$ 428,020
Labor - Maintenance Workers Comp	miles	\$ 19,800	<b>\$ 18,070</b>	<b>\$ 1,930</b>	<b>\$ 1,460</b>	<b>\$ 980</b>	<b>\$ 22,440</b>	\$ 23,730
Fuel	miles	\$ 294,300	<b>\$ 202,490</b>	<b>\$ 21,670</b>	<b>\$ 16,320</b>	<b>\$ 10,990</b>	<b>\$ 251,470</b>	\$ 257,750
Insurance	miles	\$ 214,810	<b>\$ 178,110</b>	<b>\$ 19,060</b>	<b>\$ 14,350</b>	<b>\$ 9,670</b>	<b>\$ 221,190</b>	\$ 241,580
Maintenance (parts, supplies, materials)	miles	\$ 174,180	<b>\$ 144,600</b>	<b>\$ 15,470</b>	<b>\$ 11,650</b>	<b>\$ 7,850</b>	<b>\$ 179,570</b>	\$ 185,130
Maintenance Contract Costs	miles	\$ 26,840	<b>\$ 22,640</b>	<b>\$ 2,420</b>	<b>\$ 1,820</b>	<b>\$ 1,230</b>	<b>\$ 28,110</b>	\$ 27,170
<b>Total Operations</b>		\$ 2,380,180	<b>\$ 2,041,790</b>	<b>\$ 242,060</b>	<b>\$ 153,960</b>	<b>\$ 104,280</b>	<b>\$ 2,542,090</b>	\$ 2,635,440
<b>Capital/Studies:</b>								
<b>Total Capital Outlay</b>		\$ 5,573,600	<b>\$ 513,930</b>	<b>\$ 60,930</b>	<b>\$ 38,760</b>	<b>\$ 26,250</b>	<b>\$ 639,870</b>	\$ 1,902,510
<b>Contingency</b>	hourly	\$ 30,480	<b>\$ 25,800</b>	<b>\$ 3,300</b>	<b>\$ 1,840</b>	<b>\$ 1,250</b>	<b>\$ 32,190</b>	\$ 33,270
<b>PERS Buyout</b>	operations cost	\$ 39,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Loan Repayment</b>	operations cost	\$ 101,980	<b>\$ 82,160</b>	<b>\$ 9,740</b>	<b>\$ 6,200</b>	<b>\$ 4,200</b>	<b>\$ 102,300</b>	\$ 98,640
<b>TOTAL FUNDING USES</b>		\$ 8,590,110	<b>\$ 3,032,380</b>	<b>\$ 359,740</b>	<b>\$ 228,560</b>	<b>\$ 154,810</b>	<b>\$ 3,775,490</b>	\$ 5,144,940
<b>TOTAL NON-CAPITAL EXPENDITURES</b>		\$ 2,914,530	<b>\$ 2,436,290</b>	<b>\$ 289,070</b>	<b>\$ 183,600</b>	<b>\$ 124,360</b>	<b>\$ 3,033,320</b>	\$ 3,143,790

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		<b>Total Adopted Budget</b>	<b>Weekday Proposed Budget</b>	<b>Express Proposed Budget</b>	<b>Saturday Proposed Budget</b>	<b>Sunday Proposed Budget</b>	<b>Total Proposed Budget</b>	<b>Total Projected Budget</b>
		<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>
<b>Route 10</b>								
	<u>Measure:</u>							
	Annual Hours	11,100	<b>8,610</b>	<b>600</b>	<b>680</b>	<b>400</b>	<b>10,290</b>	10,290
	Annual Miles	332,440	<b>260,690</b>	<b>18,100</b>	<b>20,640</b>	<b>12,380</b>	<b>311,810</b>	311,810
<b>Administration:</b>								
<b>Total Administration (Net of Contracts)</b>		\$ 439,870	<b>\$ 342,400</b>	<b>\$ 23,820</b>	<b>\$ 27,080</b>	<b>\$ 16,080</b>	<b>\$ 409,380</b>	\$ 423,710
<b>Service Delivery:</b>	<u>Basis:</u>							
Labor - Operations	hourly							
Bus Operators	hourly	\$ 767,120	<b>\$ 679,410</b>	<b>\$ 47,350</b>	<b>\$ 53,660</b>	<b>\$ 31,560</b>	<b>\$ 811,980</b>	\$ 842,530
Training Staff	hourly	\$ 51,780	<b>\$ 41,340</b>	<b>\$ 2,880</b>	<b>\$ 3,260</b>	<b>\$ 1,920</b>	<b>\$ 49,400</b>	\$ 50,490
Operations Supervisors/Schedulers	hourly	\$ 187,060	<b>\$ 157,880</b>	<b>\$ 11,000</b>	<b>\$ 12,470</b>	<b>\$ 7,330</b>	<b>\$ 188,690</b>	\$ 195,170
Ops. Mgt. / Oversight	hourly	\$ 58,880	<b>\$ 50,470</b>	<b>\$ 3,520</b>	<b>\$ 3,990</b>	<b>\$ 2,340</b>	<b>\$ 60,320</b>	\$ 61,820
Labor - Operations Workers Comp	hourly	\$ 47,190	<b>\$ 41,560</b>	<b>\$ 2,900</b>	<b>\$ 3,280</b>	<b>\$ 1,930</b>	<b>\$ 49,670</b>	\$ 52,180
Labor - Maintenance	miles	\$ 385,960	<b>\$ 345,600</b>	<b>\$ 24,000</b>	<b>\$ 27,360</b>	<b>\$ 16,410</b>	<b>\$ 413,370</b>	\$ 422,450
Labor - Maintenance Workers Comp	miles	\$ 20,550	<b>\$ 18,520</b>	<b>\$ 1,290</b>	<b>\$ 1,470</b>	<b>\$ 880</b>	<b>\$ 22,150</b>	\$ 23,420
Fuel	miles	\$ 305,410	<b>\$ 207,500</b>	<b>\$ 14,410</b>	<b>\$ 16,430</b>	<b>\$ 9,850</b>	<b>\$ 248,190</b>	\$ 254,400
Insurance	miles	\$ 222,930	<b>\$ 182,530</b>	<b>\$ 12,670</b>	<b>\$ 14,450</b>	<b>\$ 8,670</b>	<b>\$ 218,320</b>	\$ 238,440
Maintenance (parts, supplies, materials)	miles	\$ 180,760	<b>\$ 148,180</b>	<b>\$ 10,290</b>	<b>\$ 11,730</b>	<b>\$ 7,040</b>	<b>\$ 177,240</b>	\$ 182,720
Maintenance Contract Costs	miles	\$ 27,850	<b>\$ 23,200</b>	<b>\$ 1,610</b>	<b>\$ 1,840</b>	<b>\$ 1,100</b>	<b>\$ 27,750</b>	\$ 26,820
<b>Total Operations</b>		\$ 2,255,490	<b>\$ 1,896,190</b>	<b>\$ 131,920</b>	<b>\$ 149,940</b>	<b>\$ 89,030</b>	<b>\$ 2,267,080</b>	\$ 2,350,440
<b>Capital/Studies:</b>								
<b>Total Capital Outlay</b>		\$ 5,424,030	<b>\$ 477,280</b>	<b>\$ 33,200</b>	<b>\$ 37,740</b>	<b>\$ 22,410</b>	<b>\$ 570,630</b>	\$ 1,696,770
<b>Contingency</b>	hourly	\$ 26,510	<b>\$ 21,990</b>	<b>\$ 1,530</b>	<b>\$ 1,740</b>	<b>\$ 1,020</b>	<b>\$ 26,280</b>	\$ 27,170
<b>PERS Buyout</b>	operations cost	\$ 37,620	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	\$ -
<b>Loan Repayment</b>	operations cost	\$ 96,630	<b>\$ 76,300</b>	<b>\$ 5,310</b>	<b>\$ 6,030</b>	<b>\$ 3,580</b>	<b>\$ 91,220</b>	\$ 87,970
<b>TOTAL FUNDING USES</b>		\$ 8,280,150	<b>\$ 2,814,160</b>	<b>\$ 195,780</b>	<b>\$ 222,530</b>	<b>\$ 132,120</b>	<b>\$ 3,364,590</b>	\$ 4,586,060
<b>TOTAL NON-CAPITAL EXPENDITURES</b>		\$ 2,759,490	<b>\$ 2,260,580</b>	<b>\$ 157,270</b>	<b>\$ 178,760</b>	<b>\$ 106,130</b>	<b>\$ 2,702,740</b>	\$ 2,801,320

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		<b>Total Adopted Budget</b>	<b>Weekday Proposed Budget</b>	<b>Weekday Rte 14 Proposed Budget</b>	<b>Saturday Proposed Budget</b>	<b>Sunday Proposed Budget</b>	<b>Total Proposed Budget</b>	<b>Total Projected Budget</b>
		<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>
<b>Route 12, and Route 14 Tripper</b>								
	<u>Measure:</u>							
	Annual Hours	7,690	<b>6,480</b>	<b>110</b>	<b>510</b>	<b>440</b>	<b>7,540</b>	7,540
	Annual Miles	198,980	<b>170,060</b>	<b>1,800</b>	<b>12,390</b>	<b>11,050</b>	<b>195,300</b>	195,300
<b>Administration:</b>								
<b>Total Administration (Net of Contracts)</b>		\$ 283,720	<b>\$ 240,940</b>	<b>\$ 3,390</b>	<b>\$ 18,320</b>	<b>\$ 16,040</b>	<b>\$ 278,700</b>	\$ 288,440
<b>Service Delivery:</b>	<u>Basis:</u>							
Labor - Operations	hourly							
Bus Operators	hourly	\$ 531,450	<b>\$ 511,340</b>	<b>\$ 8,680</b>	<b>\$ 40,240</b>	<b>\$ 34,720</b>	<b>\$ 594,980</b>	\$ 617,360
Training Staff	hourly	\$ 35,870	<b>\$ 31,110</b>	<b>\$ 530</b>	<b>\$ 2,450</b>	<b>\$ 2,110</b>	<b>\$ 36,200</b>	\$ 37,000
Operations Supervisors/Schedulers	hourly	\$ 129,580	<b>\$ 118,820</b>	<b>\$ 2,020</b>	<b>\$ 9,350</b>	<b>\$ 8,070</b>	<b>\$ 138,260</b>	\$ 143,010
Ops. Mgt. / Oversight	hourly	\$ 40,800	<b>\$ 37,990</b>	<b>\$ 640</b>	<b>\$ 2,990</b>	<b>\$ 2,580</b>	<b>\$ 44,200</b>	\$ 45,300
Labor - Operations Workers Comp	hourly	\$ 32,700	<b>\$ 31,280</b>	<b>\$ 530</b>	<b>\$ 2,460</b>	<b>\$ 2,120</b>	<b>\$ 36,400</b>	\$ 38,230
Labor - Maintenance	miles	\$ 231,010	<b>\$ 225,450</b>	<b>\$ 2,390</b>	<b>\$ 16,430</b>	<b>\$ 14,650</b>	<b>\$ 258,910</b>	\$ 264,600
Labor - Maintenance Workers Comp	miles	\$ 12,300	<b>\$ 12,080</b>	<b>\$ 130</b>	<b>\$ 880</b>	<b>\$ 780</b>	<b>\$ 13,870</b>	\$ 14,670
Fuel	miles	\$ 182,790	<b>\$ 135,360</b>	<b>\$ 1,430</b>	<b>\$ 9,860</b>	<b>\$ 8,800</b>	<b>\$ 155,450</b>	\$ 159,340
Insurance	miles	\$ 133,440	<b>\$ 119,070</b>	<b>\$ 1,260</b>	<b>\$ 8,680</b>	<b>\$ 7,740</b>	<b>\$ 136,740</b>	\$ 149,340
Maintenance (parts, supplies, materials)	miles	\$ 108,200	<b>\$ 96,670</b>	<b>\$ 1,020</b>	<b>\$ 7,040</b>	<b>\$ 6,280</b>	<b>\$ 111,010</b>	\$ 114,440
Maintenance Contract Costs	miles	\$ 16,670	<b>\$ 15,140</b>	<b>\$ 160</b>	<b>\$ 1,100</b>	<b>\$ 980</b>	<b>\$ 17,380</b>	\$ 16,800
<b>Total Operations</b>		\$ 1,454,810	<b>\$ 1,334,310</b>	<b>\$ 18,790</b>	<b>\$ 101,480</b>	<b>\$ 88,830</b>	<b>\$ 1,543,400</b>	\$ 1,600,090
<b>Capital/Studies:</b>								
<b>Total Capital Outlay</b>		\$ 3,693,820	<b>\$ 335,850</b>	<b>\$ 4,730</b>	<b>\$ 25,540</b>	<b>\$ 22,360</b>	<b>\$ 388,480</b>	\$ 1,155,090
<b>Contingency</b>	hourly	\$ 18,370	<b>\$ 16,550</b>	<b>\$ 280</b>	<b>\$ 1,300</b>	<b>\$ 1,120</b>	<b>\$ 19,250</b>	\$ 19,910
<b>PERS Buyout</b>	operations cost	\$ 24,260	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	\$ -
<b>Loan Repayment</b>	operations cost	\$ 62,340	<b>\$ 53,690</b>	<b>\$ 760</b>	<b>\$ 4,080</b>	<b>\$ 3,570</b>	<b>\$ 62,100</b>	\$ 59,890
<b>TOTAL FUNDING USES</b>		\$ 5,537,320	<b>\$ 1,981,340</b>	<b>\$ 27,950</b>	<b>\$ 150,720</b>	<b>\$ 131,920</b>	<b>\$ 2,291,930</b>	\$ 3,123,420
<b>TOTAL NON-CAPITAL EXPENDITURES</b>		\$ 1,781,160	<b>\$ 1,591,800</b>	<b>\$ 22,460</b>	<b>\$ 121,100</b>	<b>\$ 105,990</b>	<b>\$ 1,841,350</b>	\$ 1,908,440

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		<b>Total Adopted Budget</b>	<b>Weekday Proposed Budget</b>	<b>Saturday Proposed Budget</b>	<b>Sunday Proposed Budget</b>	<b>Total Proposed Budget</b>	<b>Total Projected Budget</b>
		<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>
<b>Route 15</b>							
	<u>Measure:</u>						
	Annual Hours	3,590	2,720	620	390	3,730	3,730
	Annual Miles	104,680	83,580	16,560	9,970	110,110	110,110
<b>Administration:</b>							
<b>Total Administration (Net of Contracts)</b>		\$ 140,360	\$ 108,960	\$ 23,230	\$ 14,330	\$ 146,520	\$ 151,650
<b>Service Delivery:</b>	<u>Basis:</u>						
Labor - Operations	hourly						
Bus Operators	hourly	\$ 248,100	\$ 214,630	\$ 48,920	\$ 30,770	\$ 294,320	\$ 305,410
Training Staff	hourly	\$ 16,750	\$ 13,060	\$ 2,980	\$ 1,870	\$ 17,910	\$ 18,300
Operations Supervisors/Schedulers	hourly	\$ 60,500	\$ 49,880	\$ 11,370	\$ 7,150	\$ 68,400	\$ 70,750
Ops. Mgt. / Oversight	hourly	\$ 19,050	\$ 15,940	\$ 3,630	\$ 2,290	\$ 21,860	\$ 22,410
Labor - Operations Workers Comp	hourly	\$ 15,270	\$ 13,130	\$ 2,990	\$ 1,880	\$ 18,000	\$ 18,910
Labor - Maintenance	miles	\$ 121,540	\$ 110,800	\$ 21,950	\$ 13,220	\$ 145,970	\$ 149,180
Labor - Maintenance Workers Comp	miles	\$ 6,470	\$ 5,940	\$ 1,180	\$ 710	\$ 7,830	\$ 8,270
Fuel	miles	\$ 96,170	\$ 66,530	\$ 13,180	\$ 7,940	\$ 87,650	\$ 89,840
Insurance	miles	\$ 70,200	\$ 58,520	\$ 11,590	\$ 6,980	\$ 77,090	\$ 84,200
Maintenance (parts, supplies, materials)	miles	\$ 56,910	\$ 47,510	\$ 9,410	\$ 5,670	\$ 62,590	\$ 64,520
Maintenance Contract Costs	miles	\$ 8,780	\$ 7,440	\$ 1,470	\$ 890	\$ 9,800	\$ 9,470
<b>Total Operations</b>		\$ 719,740	\$ 603,380	\$ 128,670	\$ 79,370	\$ 811,420	\$ 841,260
<b>Capital/Studies:</b>							
<b>Total Capital Outlay</b>		\$ 352,900	\$ 8,920	\$ 1,900	\$ 1,170	\$ 11,990	\$ 475,970
<b>Contingency</b>	hourly	\$ 8,570	\$ 6,950	\$ 1,580	\$ 1,000	\$ 9,530	\$ 9,850
<b>PERS Buyout</b>	operations cost	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Loan Repayment</b>	operations cost	\$ 30,830	\$ 24,280	\$ 5,180	\$ 3,190	\$ 32,650	\$ 31,490
<b>TOTAL FUNDING USES</b>		\$ 1,264,400	\$ 752,490	\$ 160,560	\$ 99,060	\$ 1,012,110	\$ 1,510,220
<b>TOTAL NON-CAPITAL EXPENDITURES</b>		\$ 880,670	\$ 719,290	\$ 153,480	\$ 94,700	\$ 967,470	\$ 1,002,760

		<b>Total Adopted Budget</b>	<b>Total Proposed Budget</b>	<b>Total Projected Budget</b>
		<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>FY 2027-28</b>
<b>Runabout</b>				
	<u>Measure:</u>			
	Annual Hours	25,120	<b>25,660</b>	28,230
	Annual Miles	396,690	<b>373,520</b>	410,870
<b>Administration:</b>				
<b>Total Administration (Net of Contracts)</b>		\$ 756,890	<b>\$ 761,830</b>	\$ 867,300
<b>Service Delivery:</b>	<u>Basis:</u>			
Labor - Operations	hourly			
Bus Operators	hourly	\$ 1,736,050	<b>\$ 2,024,830</b>	\$ 2,311,430
Training Staff	hourly	\$ 117,190	<b>\$ 123,190</b>	\$ 138,520
Operations Supervisors/Schedulers	hourly	\$ 423,340	<b>\$ 470,520</b>	\$ 535,440
Ops. Mgt. / Oversight	hourly	\$ 133,270	<b>\$ 150,420</b>	\$ 169,590
Labor - Operations Workers Comp	hourly	\$ 106,780	<b>\$ 123,860</b>	\$ 143,150
Labor - Maintenance	miles	\$ 460,560	<b>\$ 495,170</b>	\$ 556,670
Labor - Maintenance Workers Comp	miles	\$ 24,520	<b>\$ 26,530</b>	\$ 30,870
Fuel	miles	\$ 364,440	<b>\$ 297,310</b>	\$ 335,220
Insurance	miles	\$ 266,010	<b>\$ 261,520</b>	\$ 314,190
Maintenance (parts, supplies, materials)	miles	\$ 215,690	<b>\$ 212,320</b>	\$ 240,770
Maintenance Contract Costs	miles	\$ 33,230	<b>\$ 33,250</b>	\$ 35,330
<b>Total Operations</b>		<b>\$ 3,881,080</b>	<b>\$ 4,218,920</b>	\$ 4,811,180
<b>Capital/Studies:</b>				
<b>Total Capital Outlay</b>		\$ 3,147,300	<b>\$ 62,390</b>	\$ 396,280
<b>Contingency</b>	hourly	\$ 60,000	<b>\$ 65,550</b>	\$ 74,550
<b>PERS Buyout</b>	operations cost	\$ 64,730	<b>\$ -</b>	\$ -
<b>Loan Repayment</b>	operations cost	\$ 166,280	<b>\$ 169,770</b>	\$ 180,070
<b>TOTAL FUNDING USES</b>		<b>\$ 8,076,280</b>	<b>\$ 5,278,460</b>	\$ 6,329,380
<b>TOTAL NON-CAPITAL EXPENDITURES</b>		<b>\$ 4,762,700</b>	<b>\$ 5,046,300</b>	\$ 5,753,030

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