STAFF REPORT

MEETING DATE:	**June 25, 2025**
SUBJECT:	**Approve the Fiscal Year 2025/26 Comprehensive Budget**
AGENDA ITEM:	**11**
STAFF CONTACT:	**Jessica Carlson, Chief Fiscal Officer**

SUMMARY:
SRTA's comprehensive budget for fiscal year (FY) 2025/26 estimates $23,065,517 in revenues and $20,582,255 in expenditures. $5.7 million in SRTA operating costs are projected to support over $23 million in revenue, $17.2 million of which is for regional funding for streets and roads, bridges, public transit, active transportation, and housing projects suballocated through SRTA to regional partners. SRTA's planning and programming activities have helped secure and support city, county, transit, and Caltrans partners in implementing over $160 million in transportation infrastructure and safety projects and transit operations planned over the next year in the Regional Transportation Improvement Program (RTIP) and Federal Transportation Improvement Program (FTIP). This includes Fix 5 Cascade Gateway ($141.5 million); Pit River Bridge Rehab/Replacement ($34 million secured so far); Butte Street Boogie Network ($8 million); and Victor Improvement Project ($10 million).

STAFF RECOMMENDATION:
It is recommended that the board of directors approve the FY 2025/26 Comprehensive Budget.

DISCUSSION:
A comprehensive budget was created to consolidate all revenues and expenditures into one cohesive document. Existing budgeting processes, including the annual overall work program (OWP) and Transportation Development Act (TDA) budgets are limited on the projects and partners they include. The FY 2025/26 comprehensive budget presents a picture of the agency's financial activities, regionwide, and consolidates the agency's activities into three categories:

- 'General Building and Rental' - includes rental incomes and building expenses.
- 'Capital and Transit Operations' - includes revenues and expenditures for streets and roads allocations, transit operations and capital programs, and active transportation projects.
- 'Planning' - includes revenue and expenditures per SRTA's adopted FY 2025/26 OWP. Planning revenue is displayed by fund source, and planning expenditures are broken down by OWP work element, funding source, and budget category (i.e., personnel, consultants, and services and supplies).

Budget highlights for each category are provided below.

General Building and Rental – SRTA has two tenants on its property with fully executed rental agreements for both suites. Both tenant leases will be subject to extension negotiations in 2026. A building reserve fund is budgeted into the TDA disbursements to cover the costs of maintaining the agency's real property. Current reserve balances can be found in the quarterly budget staff reports. Current activities focus on maintenance of the building and property.

Capital and Transit Operations - Transportation Capital and Transit funding to the region is largely monitored by SRTA, through responsibilities assigned under federal and state regulation, as the metropolitan planning organization (MPO) and regional transportation planning agency (RTPA) for the Shasta Region. Programs, such as the Regional Surface Transportation Program (RSTP) and State of Good Repair (SGR) are included in this activity category, as well as TDA payments to jurisdictions. Key highlights are provided below:

- The Regional Surface Transportation Program (RSTP) balance available for reimbursement is $4,169,487. This includes approved projects for FY 2024/25 totaling ($2,369,877) and funds from prior years that have not been invoiced. Construction and project planning delays impact the timing of invoices delivered to SRTA for reimbursement. Agencies have three years to spend each fiscal year's allocation of funds and request reimbursement.
- Local Transportation Funds (LTF) available for streets and roads activities are estimated to be $8,584,558, which is eight percent higher than budgeted for FY 2024/25. However, this is primarily possible due to RABA's ability to pay for transit operations with transit-only funds due to new revenue streams over the last couple of years, increases in federal transit funds, and state-provided SB125 funds. Until FY 2024/25, between $1 to $2 million of LTF has been needed for transit operations and capital annually.
- As of January 2025, SRTA has been approved for $12.7 million from the Transit and Intercity Rail Capital Program (TIRCP) program and $2.6 million from the Zero-Emission Transit Capital Program (ZETCP) in SB125 funds. A total of $21.5 million in allocations are estimated from both programs through FY 2027/28. However, funds currently allocated for FY 2026/27 and FY 2027/28 (totaling $1.67 million) are potentially at risk of being lost as a part of state FY 2025/26 budget discussions. Staff is monitoring and will report back on any changes at a future meeting.
- The TDA Loan fund provides transit-related funding for board-approved expenditures to SRTA and its members. For example, SRTA used a portion of the fund for building repairs completed in prior years and is currently paying back the TDA loan fund at $57,336 annually.
- Regional Early Action Planning (REAP) 2.0 sub-recipient projects have begun and the first requests for reimbursement were received in quarter four of FY 2024/25. Currently, agencies have until April 30, 2026, to submit invoices for approved projects.

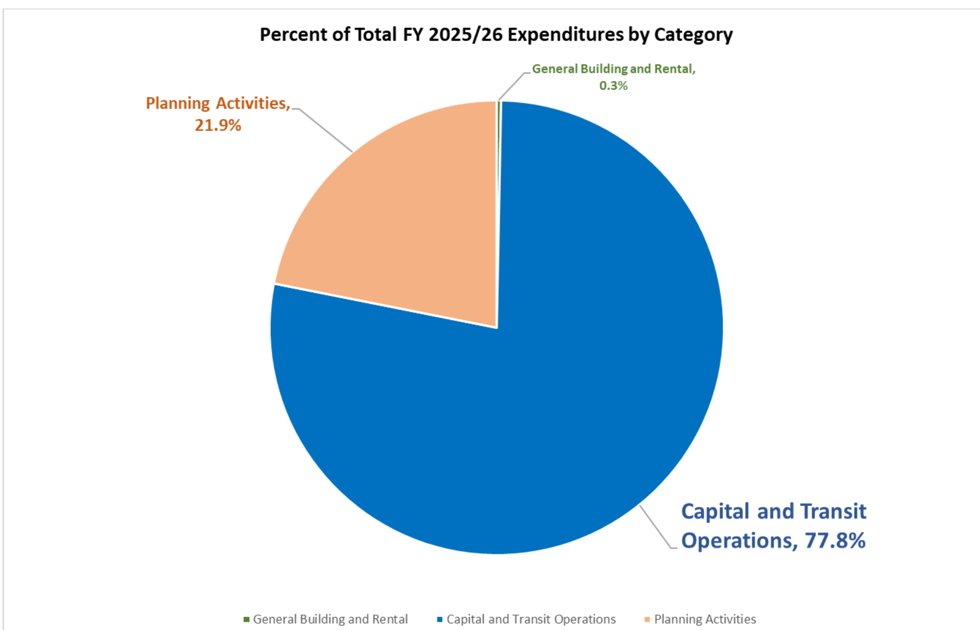
Planning - SRTA is continuing many planning efforts from last year into the current year, with some additions. For FY 2025/26, SRTA added one new work element in anticipation of possible competitive grant awards to be announced this summer: the GoShasta Plan Update (Work Element 703.08). Additional SB 1 formula planning funds were added to support the development of a regional freight plan (Work Element 701.18). SRTA will continue to administer a $129,327 grant received by the Pit River Tribe to complete a long-range transportation plan (Work Element 707.11), which was recently extended by Caltrans for one more year.

Note: Typically, some activities or projects shown in the comprehensive budget are not completed within the fiscal year. Some approving agencies require programming an entire new grant award in the first fiscal year, like the OWP, regardless of multi-year project schedules developed by staff or partner agencies. Project examples include those funded with Senate Bill (SB) 1 formula and discretionary grants, State of Good Repair, Low Carbon Transit Operations Program (LCTOP), and local agency RSTP capital projects.

ALTERNATIVES:
The board of directors may modify the FY 2025/26 Comprehensive Budget, provided that such changes are consistent with Caltrans, Federal Highway Administration, and Federal Transit Administration agreements and funding revenues. The board of directors may request additional information and continue this item to a future meeting.

FISCAL & POLICY COMMITTEE REVIEW:
The Fiscal and Policy Committee met on June 16, 2025, to review and discuss the FY 2025/26 Comprehensive Budget and concurs with the staff recommendation.

FISCAL IMPACT:
The FY 2025/26 Comprehensive Budget of $23,065,517 in revenues and $20,582,255 in expenditures is based on projections of the current year's activities. For expenditures, 'Capital and Transit Operations' represent 77.8% of the budget (a 2.8% increase from FY 24/25) while 'Planning' activities represent 21.9% of the budget (a 2.1% decrease from FY 24/25), and 'General Building' represents less than a half percent of the budget. Should anticipated grant funds not be awarded, or revenues decrease for any reason, the board of directors may eliminate work tasks and/or reallocate funds as desired.



____
Sean Tiedgen, AICP, Executive Director

Attachment: SRTA Comprehensive Budget Fiscal Year 2025/26

SRTA Comprehensive Budget Fiscal Year 2025/26

ANTICIPATED REVENUES

	FY 2024/25 Budget	FY 2025/26 Proposed Budget	% Change from Previous Fiscal Year
General Building and Rental	57,296	**62,168**	**9%**
Capital and Transit Operations	19,094,770	**17,264,467**	**-10%**
Planning and Administration	5,706,253	**5,738,882**	**1%**
TOTAL REVENUES	24,858,319	**23,065,517**	**-7%**

ANTICIPATED EXPENDITURES

	FY 2024/25 Budget	FY 2025/26 Proposed Budget	% Change from Previous Fiscal Year
General Building and Rental	250,048	**63,186**	**-75%**
Capital and Transit Operations	15,950,830	**16,015,387**	**0%**
Planning and Administration	4,610,593	**4,503,682**	**-2%**
TOTAL EXPENDITURES	20,811,471	**20,582,255**	**-1%**

Revenue Detail

	FY 2024/25 Budget	FY 2025/26 Proposed Budget	Notes / % Change from Previous Fiscal Year
General Building and Rental			
Total Rental Fund	57,296	62,168	Budget is rent per agreements 2025/26, actual revenues include shared costs which are not budgeted.
General Building and Rental	57,296	**62,168**	**9%**
Capital-Transit Operations			
Regional Early Action Plan (REAP 2.0)	1,976,319	1,950,924	The REAP 2.0 projects began in fourth quarter of FY 2024/25. Budget is funds available for reimbursement in FY 2025/26.
Transit and Intercity Rail Capital Program (TIRCP, SB125)	2,964,354	3,341,400	SB125 Transit Operation, Capital, and Planning Funds (TIRCP/ZETCP) have been approved by CalSTA. Agreements with transit operators
Zero-Emission Transit Capital Program (ZETCP, SB125)	555,681	557,226	have been executed. Budget is funds available for reimbursement in FY 2025/26.
Low Carbon Transit Operations Program (LCTOP)	177,951	12,287	Budget is remaining LCTOP funds from prior years. FY 2024/25 allocations distributed 100% to RABA for projects.
Local Transportation Fund (LTF) for Sub Recipients	8,353,548	9,017,175	Consolidated Transportation Services Agency (CTSA) + Local Streets and Roads. TDA Budget proposed for BOD approval in June
Non-Motorized Program	398,123	83,005	Non-Motorized Program is funded through the TDA Budget, per Board policy
Regional Surface Transportation Program (RSTP)	2,927,050	2,369,877	FY 2024/25 RSTP funds invoiced May 2025
State of Good Repair (SGR)	1,107,501	332,333	Budget is SGR funds expected to be received in FY 2025/26. RABA is responsible for reporting SGR activities.
State Transit Assistance (STA)	2,610,562	1,551,164	Budget is FY 24/25 revenue estimates as of August 2024. Q4 payment for FY 2023/24 paid Nov 2024 and is included
Capital and Transit Operations	19,094,770	**17,264,467**	**-10%**
Planning and Administration			**Current OWP: FY 2025/26, adopted 04/30/2025**
Federal Highway Administration (FHWA)	889,686	1,014,050	Does not include matching toll credits
Federal Transportation Administration (FTA) 5303	93,479	95,036	Does not include matching toll credits
Strategic Partnerships Transit - FTA 5304	221,856	0	North State Intercity Bus to Rail project has finished
SRTA Local Transportation Fund (LTF)	1,659,730	1,506,713	TDA payments for SRTA planning and administration
Planning, Programming, and Monitoring	170,000	414,267	FY 2024/25 PPM allocated at the October CTC meeting, awaiting executed agreement from Caltrans to invoice for funds
North State Super Region	15,000	0	The NSSR bank balance is sufficient to cover planned expenditures in FY 2025/26
SB1 Formula Funding	327,763	450,006	See planning expenses by work element below for project details
Sustainable Communities Discretionary (FTA 5304, Competitive)	339,216	311,430	Shasta Regional Planning Dashboard
State Highway Account (SHA)	129,327	370,221	Pit River Tribe Long Range Transit Plan (707.11), 703.08 GoShasta Plan is awaiting award
Strategic Partnerships (SPR, FHWA)	295,021	0	State Route 273 Corridor Plan has finished
Non-Motorized Program - On OWP	100,000	20,000	Active transportation planning consultant
Regional Early Action Plan (REAP) 2.0 Administration	35,544	22,206	SRTA staff time contributed to the tasks of each proposed use
SB125 TIRCP/ZETCP Administration	309,817	286,137	Maximum 5% admin allowed, $215,348 for general program admin, some approved projects have SRTA admin budgets included
Indirect Cost Allocation	1,119,814	1,248,816	FY 2025/26 proposed ICAP Rate is 261.77%, budget from OWP indirect salaries, benefits, and costs
Planning and Administration	5,706,253	**5,738,882**	**1%**
TOTAL REVENUES	24,858,319	**23,065,517**	**-7%**

Expense Detail

	FY 2024/25 Budget	FY 2025/26 Proposed Budget	Notes / % Change from Previous Fiscal Year
General Building and Rental			
Building Loan Principal Payment	67,472	63,186	Annual principal payment paid October
Building Repairs and Maintenance	182,576	0	No construction projects currently planned for FY 2025/26; does not include routine items recovered by indirect.
General Building and Rental	**250,048**	**63,186**	**-75%**
Capital-Transit Operations			
Transportation Development Act (TDA) Loan Fund	57,336	57,336	Annual payment to the TDA Loan fund for funds borrowed by SRTA
TDA Payments			
Redding Area Bus Authority (RABA)			
RABA - State Transit Assistance (STA) Funds	2,607,227	1,551,164	TDA Budget proposed for BOD approval June 2025
RABA - Local Transportation Funds (LTF)	0	0	*RABA is not receiving LTF payments for Transit Operations in FY 2025/26*
RABA - CTSA Operations	0	432,617	Assumes RABA becomes CTSA on July 1, 2025, and will claim the LTF "off-the-top" allocation in FY 2025/26
Total RABA	*2,607,227*	***1,983,781***	
City of Anderson - Streets and Roads	462,408	487,905	
City of Redding - Streets and Roads	4,314,813	4,734,228	
City of Shasta Lake - Streets and Roads	394,402	451,207	
County of Shasta - Streets and Roads	2,745,571	2,911,218	
CTSA - Dignity Health (DHCL)	436,354	0	Assumes RABA is designated CTSA on July 1, 2025, and DHCL invoices RABA for provided services going forward.
Total TDA Payments	*10,960,775*	***10,568,339***	
State Transit Assistance (STA) Reserve Payments	401,892	760,616	STA Reserve is proposed to be eliminated in FY 2025/26 at the June BOD meeting. Reserve balance will be paid to RABA.
State Transit Assistance (STA) Reserve Funded Requests	200,000	300,000	Payment for RABA Trolleys from STA Reserve was requested prior to the end of FY 2024/25
Non-Motorized Program	398,123	83,005	
Total Allocation Payments	11,760,790	**11,411,960**	SRTA's LTF for planning and administration included in Planning activity category below
Subrecipient Payments			
State of Good Repair (SGR), Section 99313	1,677,501	**332,333**	FY 2025/26 SGR funds intended to be passed through to RABA for approved SGR projects
RABA Fiscal Year 2025/26 Approved Projects	*315,891*	*332,333*	RABA Preventative Maintenance - Maintain all transit vehicles used to support transit operation
Low Carbon Transit Operations Program (LCTOP), Section 99313	177,951	**116,177**	Budget Includes remaining unused funds from prior years **FY 24/25 project funds now paid directly to RABA ($487,277)**
RABA FY 2024/25 99313 Approved Projects (direct recipient)	*475,286*	*463,169*	*Route 15 operating costs ($487,277)*
RABA FY 2024/25 99314 Approved Projects (direct recipient)	*24,587*	*24,108*	
Regional Surface Transportation Program (RSTP)	5,336,683	**4,169,487**	Budget is available balance on approved projects 2023-2025 funds
City of Anderson 2024/25 Projects	*159,923*	*176,224*	*Mcmurray Drive Reconstruction*
City of Redding 2024/25 Projects	*1,477,744*	*1,630,890*	*Cape Seal 2025*
City of Shasta Lake 2024/25 Projects	*161,943*	*176,682*	*2024/25 Street Maintenance*
County of Shasta 2024/25 Projects	*477,642*	*371,081*	*2025/26 Road Maintenance Projects*
Transit and Intercity Rail Capital Program (TIRCP)	9,423,391	**3,593,400**	SB125 Transit Operation, Capital, and Planning Funds (TIRCP/ZETCP) have been approved by CalSTA. A sub-cooperative agreement (SCA) with RABA and Dignity Health Connected Living (DHCL) has been executed.
Zero-Emission Transit Capital Program (ZETCP)	777,968	**504,181**	
Regional Early Action Plan (REAP 2.0)	*1,976,319*	**1,950,924**	The REAP 2.0 budget cuts have been applied by HCD, and budgeted proportionately to each sub-recipient.
Capital and Transit Operations	15,950,830	**16,015,387**	**0%**

Expense Detail Cont'd

	FY 2024/25 Budget	FY 2025/26 Proposed Budget	Notes / % Change from Previous Fiscal Year
Planning and Administration Expenses **Expenses by Work Element**			**Current OWP: FY 2025/26, adopted 4/30/2025** **Planning funds are fully programmed by grant award, regardless of annual estimated expenditures. Unused funds are carried over into the next fiscal year.** **All work elements include indirect cost allocations**
701.01 Development of Regional Transportation Plan (RTP)	559,692	939,492	Development/management of Regional Transportation Plan; includes consultant assitance for early environmental study preparation
701.03 Performance Measures	10,083	20,564	
701.09 Air Quality	3,072	8,911	
701.11 Regional Traffic Data Collection	113,285	98,522	HPMS Regional traffic counts
701.17 Sustainable Community Strategies (SCS) Dev 23/24	172,737	130,502	Regional Transit Planning
701.18 Sustainable Community Strategies (SCS) Dev 24/25	195,188	381,918	Regional Freight Plan
702.01 Transportation Improvement Program (TIPS)	493,751	418,161	Development of 2026 Regional Transportation Improvement Program (RTIP), FTIP amendments, and new software
702.02 Overall Work Program (OWP) Development	155,944	208,105	
702.03 Grant Writing and Technical Assistance	3,777	19,762	
703.01 Active Transportation Planning	286,639	138,801	
703.01(CS) Active Transportation Planning - Complete Streets	19,443	19,832	2.5% of all FHWA planning funds need to be dedicated to complete streets projects.
703.08 GoShasta Plan Update - New	0	358,106	
704.01 Public Information and Participation	225,312	243,994	Maintain website; update to Public Participation Plan and Title VI Plan
705.02 GIS Applications	60,273	46,431	
705.05 Regional Travel Demand Model	62,557	104,649	
705.06 Shasta Regional Planning Dashboard	383,166	478,734	
706.02 Public Transportation Planning and Coordination	244,967	249,811	
707.01 Corridor Studies and Project Review	12,550	27,925	
707.03 Alternative Fuels Vehicle Planning	42,658	52,587	
707.04 Goods & Freight Coordination and Planning	42,667	27,522	
707.09A SR273 Northern Section Multimodal Corridor Plan	594,109	0	
707.10 North State Intercity Bus to Rail	339,390	0	
707.11 Pit River Tribe Long Range Transportation Plan	106,766	61,159	No SRTA funds or staff time committed to this project. Administrative only.
707.12 Regional Early Action Planning (REAP) 2.0	35,544	22,206	Staff time and indirect costs to administrate REAP 2.0 program and outreach. Total SRTA admin set-aside $109,254.27
708.03 Transportation Development Act (TDA) Management	114,193	122,011	SSTAC, Unmet transit needs report, TDA Budget, etc.
708.04 Transit and CTSA Administration	20,028	32,163	
801.01 North State Super Region (NSSR)	2,985	5,677	Staff time and indirect costs to administrate NSSR meetings and collaboration
801.02 SB125 TIRCP/ZETCP Administration	309,817	286,137	Staff time and indirect costs to administrate SB125 regional program
Total Planning and Administration Expenses by Work Element	4,610,593	**4,503,682**	**-2%**
Total Expenditures (Building & Rental + Capital-Transit + Planning & Admin)	20,811,471	**20,582,255**	**-1%**

Expense Detail Cont'd

Below expenses are for illustrative purposes. The budgets have already been included in the totals above.

	FY 2024/25 Budget	FY 2025/26 Proposed Budget	Notes / % Change from Previous Fiscal Year
Planning and Administration Expenses by Fund Source			**All funding sources include indirect cost estimates and exclude matching toll credits, if applicable** **Current OWP: FY 2025/26, adopted 04/30/2025**
Federal Highway Administration (FHWA)	889,686	1,014,050	
Federal Transportation Administration (FTA) 5303	93,479	95,036	
Strategic Partnership Transit - FTA 5304 (FY 2021/22)	221,856	0	North State Intercity Bus to Rail (707.10)
SRTA Local Transportation Fund (LTF)	1,435,960	1,506,713	SRTA Administration on OWP for local match
Planning, Programming, and Monitoring (PPM)	418,753	414,267	Low Stress Shasta, SR 273 Multimodal Corridor Plan, and Shasta Regional Planning Dashboard local match funds
North State Super Region (NSSR)	2,985	5,677	SRTA administration of NSSR regional coordination (801.01)
SB1 Formula Funding	327,763	450,006	Regional Transit Planning (701.17), and Regional Freight Planning (701.18)
Sustainable Communities - FTA 5304 (FY 2023/24)	339,216	311,430	Shasta Regional Planning Dashboard (705.06)
Sustainable Communities - State Highway Account (SHA)	106,765	61,160	Pit River Tribe Long Range Transit Plan. Includes $7,939 in In-Kind Match
Sustainable Communities - State Highway Account (SHA)	0	317,000	GoShasta Plan Update (703.08) - NEW Competitive. Not yet awarded.
Strategic Partnerships - State Route 273 Corridor Plan (SPR)	298,769	0	
Non-Motorized Program - On OWP	130,000	20,000	Consultant expenses for Low-Stress Shasta
Regional Early Action Plan (REAP 2.0)	35,544	22,206	Staff time and indirect costs to administrate REAP 2.0 program and outreach. Total SRTA admin set-aside $109,254.27
SB125 TIRCP/ZETCP Administration	309,817	286,137	Staff time and indirect costs to administrate SB125 regional program (801.02)
Total Planning and Administration Expenses by Fund Source	4,610,593	4,503,682	

Planning and Administration Expenses by Category			**These expenses are *included* in the Planning and Administration Expenditures above.**
Indirect Costs for Reimbursement	1,179,109	1,489,893	Indirect salaries and indirect agency costs such as landscaping, insurance, office supplies, travel expenses, etc.
Direct Salaries and Benefits	1,073,532	893,214	Direct salaries are SRTA Staff time billed directly to a grant and eligible for reimbursement.
Consultants	1,474,623	1,128,833	Consultant budgets approved in the Overall Work Program (OWP). Some are contracted and others are still TBD in FY 2025/26
Direct Costs for Support Services, Conferences, Marketing, etc.	883,329	991,742	Direct costs are grant eligible and reimburseable costs like advertising, public notices, certain WE specfic software and licenses etc.
Total Planning and Administration Expenses by Category	4,610,593	4,503,682	