STAFF REPORT

MEETING DATE:	**June 24, 2026**
SUBJECT:	**Approve the Fiscal Year 2026/27 Comprehensive Budget**
AGENDA ITEM:	**12**
STAFF CONTACT:	**Jessica Carlson, Chief Fiscal Officer**

SUMMARY:

SRTA's comprehensive budget for fiscal year (FY) 2026/27 estimates $24,068,650 in revenues and $19,949,832 in expenditures. Approximately, $4.5 million in SRTA operating costs are projected to support over $24 million in revenue, $15.2 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 an anticipated $220 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). Projects include the Fix 5 Cascade Gateway ($136.2 million), Pit River Bridge Rehab/Replacement ($34 million secured so far), city of Redding active transportation projects ($18 million), bridge improvements ($11.8 million), and transit operations and capital ($8 million).

STAFF RECOMMENDATION:

It is recommended that the board of directors approve the FY 2026/27 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 2026/27 comprehensive budget presents a picture of the agency's financial activities, regionwide, and consolidates them 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 2026/27 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. The lease for Suite 201 ends October 31, 2026, and is up for renewal or a new tenant. The lease for Suite 100 is in the "first option" extension period which goes until October 31, 2030. 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 are 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.

- Agencies have three years to spend each fiscal year's allocation of RSTP funds. The balance available for reimbursement of FY 2025/26-approved projects is $3,009,275. All funds from prior years have been invoiced.
- Local Transportation Funds (LTF) available for streets and roads activities are estimated to be $7,331,961, which represents a 14.5 percent decrease from the budgeted amount for FY 2025/26. 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, have allowed all available LTF funds to be distributed to the jurisdictions after the "off-the-top" priorities have been met. Until FY 2024/25, between $1 to $2 million in LTF had been needed for transit operations and capital annually. If newer "one-time" state transit revenues are not provided annually, staff estimates that RABA may be requesting LTF towards transit operations by FY 2027/28.
- As of January 2025, SRTA had been awarded $12.7 million in Transit and Intercity Rail Capital Program (TIRCP) program funding and $2.6 million in Zero-Emission Transit Capital Program (ZETCP) funding. A total of $21.5 million in allocations are estimated from both programs through FY 2027/28. Funds currently allocated for FY 2026/27 total $5,768,249. Staff is monitoring recent changes to the state's Cap & Invest program, which could potentially impact estimated allocations for FY 2026/27 and 2027/28.
- 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. After the FY 2026/27 payment, SRTA has $221,656.24 outstanding.
- Regional Early Action Planning (REAP) 2.0 sub-recipient projects are nearing completion, anticipated for December 2026. Agencies have until April 30, 2027, to submit invoices for approved projects. As of May 2026, there is $821,354 in approved project balances to be invoiced by sub-recipients.

Planning - SRTA is continuing many planning efforts from last year into the current year, with some changes. SRTA was awarded a $450,000 Senate Bill 1 (SB1) discretionary grant for the Shasta NextGen Railroad Corridor Crossing Plan (Work Element (WE) 707.13) which is estimated to start after October 1, 2026. Additional SB 1 formula planning funds were added to support the Sustainable Communities Strategy (SCS) Evaluation (WE 701.19). The Shasta Regional Planning Dashboard grant received an extension through December of 2026 to complete the scope of work. The Pit River Tribe completed their long-range transportation plan (WE 707.11), which was administered by SRTA, and the work element has been removed from the OWP. Significant effort on the Shasta 2050 Regional Transportation Plan and Sustainable Communities Strategy update will take place this upcoming year.

Note: Typically, some activities or projects shown in the comprehensive budget are not completed within the fiscal year. Some approving agencies require programming a new grant award, in its entirety, 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 SB 1 grants, SGR; and local agency RSTP capital projects.*

ALTERNATIVES:

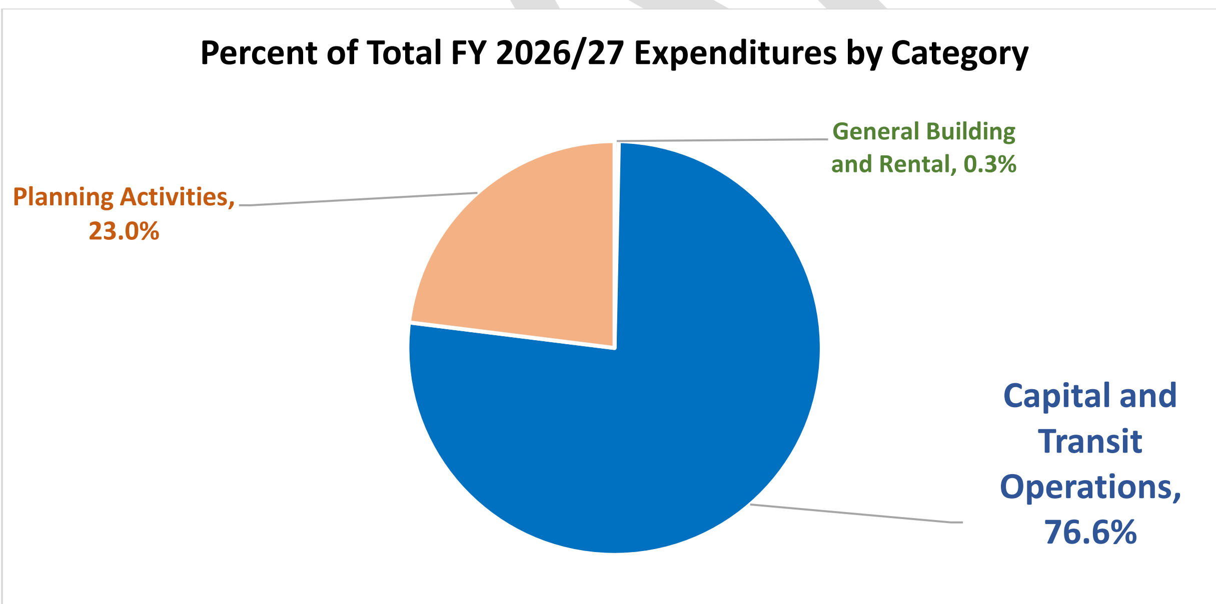
The board of directors may modify the FY 2026/27 Comprehensive Budget, provided such changes are consistent with Caltrans, FHWA, and FTA agreements and funding revenues. The board of directors may request additional information and continue this item to a future meeting.

FISCAL & POLICY COMMITTEE REVIEW:

//The Fiscal and Policy Committee met on June 15, 2026, to review and discuss the FY 2026/27 Comprehensive Budget and to vote on the matter.//

FISCAL IMPACT:

The FY 2026/27 Comprehensive Budget of $24,068,650 in revenues and $19,949,832 in expenditures is based on projections of next year's activities funded by regional funds overseen by SRTA. It does not include federal and state funding provided directly to regional partners for implementing projects. The chart below provides a breakdown of the estimated percentage for SRTA's three financial activities for the region. Compared to SRTA's amended FY 2025/26 budget in April, FY 2026/27 expenditures are estimated to be 15% higher overall based on planned activities, as shown in the attachment. 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.



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Sean Tiedgen, AICP, Executive Director

Attachments: FY 2026/27 Comprehensive Budget

SRTA Comprehensive Budget Fiscal Year 2026/27

ANTICIPATED REVENUES

	Last Amended FY 2025/26 Budget (Apr. 2026)	FY 2026/27 Proposed Budget	% Change from Previous Fiscal Year
General Building and Rental	63,186	**55,781**	**-12%**
Capital and Transit Operations	18,269,360	**18,200,854**	**0%**
Planning and Administration	5,320,328	**5,812,015**	**9%**
TOTAL REVENUES	23,652,874	**24,068,650**	**2%**

ANTICIPATED EXPENDITURES

	Last Amended FY 2025/26 Budget	FY 2026/27 Proposed Budget	% Change from Previous Fiscal Year
General Building and Rental	63,186	**65,068**	**3%**
Capital and Transit Operations	13,510,936	**15,291,318**	**13%**
Planning and Administration	3,790,594	**4,593,446**	**21%**
TOTAL EXPENDITURES	17,364,716	**19,949,832**	**15%**

Revenue Detail

	Last Amended FY 2025/26 Budget (Apr. 2026)	FY 2026/27 Proposed Budget	Notes / % Change from Previous Fiscal Year
General Building and Rental			
Total Rental Fund	63,186	55,781	Budget is rent per agreements 2026/27 (Rent increases in Nov), actual revenues include shared costs which are not budgeted.
General Building and Rental	63,186	**55,781**	**-12%**
Capital-Transit Operations			
Regional Early Action Plan (REAP 2.0)	1,838,326	658,866	Budget is allocated funds still held with HCD in FY 2026/27.
Transit and Intercity Rail Capital Program (TIRCP, SB125)	3,341,400	3,257,800	SB125 Transit Operation, Capital, and Planning Funds (TIRCP/ZETCP) have been approved by CalSTA. Agreement with RABA has been executed. Budget is funds available for reimbursement in FY 2026/27. Program revenue anticipated through FY 2027/28. Program expenditures anticipated through FY 2028/29 or FY 2029/30.
Zero-Emission Transit Capital Program (ZETCP, SB125)	557,226	2,510,449	
Local Transportation Fund (LTF) for Sub Recipients	9,017,175	7,331,962	Consolidated Transportation Services Agency (CTSA) + Local Streets and Roads. TDA Budget proposed for BOD approval in June 2026.
Non-Motorized Program	83,005	46,889	Non-Motorized Program is funded through the TDA Budget, per Board policy
Regional Surface Transportation Program (RSTP)	3,029,627	3,009,275	FY 2025/26 RSTP funds received April 2026 ($2,357,459). FY 2026/27 fund estimates from Jan 2026 inc. County's direct allocation.
State of Good Repair (SGR)	331,202	320,977	Budget is SGR Section 99313 funds expected to be received in FY 2026/27. RABA is responsible for reporting SGR activities.
State Transit Assistance (STA)	1,909,725	1,723,502	Budget is FY 26/27 revenue estimates as of January 2026.
Capital and Transit Operations	18,269,360	**18,200,854**	**0%**
Planning and Administration			**Current OWP: FY 2026/27, adopted 04/30/2026**
Federal Highway Administration (FHWA)	853,468	928,963	Does not include matching toll credits
Federal Transportation Administration (FTA) 5303	96,645	95,088	Does not include matching toll credits
SRTA Local Transportation Fund (LTF)	1,713,466	1,799,484	Payments for SRTA planning and administration from TDA Budget proposed for approval in June 2026; includes potential Transit Allocation Study ($150k) per discussion w/ RABA staff and RABA JPA partners.
Planning, Programming, and Monitoring	333,159	169,000	FY 2026/27 PPM ($169,000) allocated at the October 2026 CTC meeting. FY 2025/26 funds ($170,000) received Feb 2026
North State Super Region	0	0	No dues collection planned for FY 2026/27. The NSSR bank balance is sufficient to cover planned expenditures.
SB1 Formula Funding	340,213	423,967	See planning expenses by work element below for project details
Sustainable Communities Discretionary (SPR, Competitive)	0	450,000	Shasta NextGen Railroad Corridor Crossing Plan - New Award
Sustainable Communities Discretionary (FTA 5304, Competitive)	340,409	209,279	Shasta Regional Planning Dashboard ($209,279). Extension granted through December 2026
Sustainable Communities Discretionary (RMRA, Competitive)	317,000	279,322	GoShasta Plan Update
Non-Motorized Program - On OWP	20,000	0	No Non-Motorized funds budgetted for OWP projects in FY 2026/27
Regional Early Action Plan (REAP) 2.0 Administration	9,422	28,304	SRTA staff time contributed to the tasks of each proposed use
SB125 TIRCP/ZETCP Administration	151,588	231,219	Maximum 5% admin allowed, $215,348 for general program admin, some approved projects have SRTA admin budgets included
Indirect Cost Allocation	1,144,958	1,197,389	FY 2026/27 proposed ICAP Rate is 200.71%, budget from OWP indirect salaries, benefits, and costs
Planning and Administration	5,320,328	**5,812,015**	**9%**
TOTAL REVENUES	23,652,874	**24,068,650**	**2%**

Expense Detail

	Last Amended FY 2025/26 Budget (Apr. 2026)	FY 2026/27 Proposed Budget	Notes / % Change from Previous Fiscal Year
General Building and Rental			
Building Loan Principal Payment	63,186	65,068	Annual principal payment paid October
Building Repairs and Maintenance	0	0	No construction projects currently planned for FY 2026/27; does not include routine items recovered by indirect.
General Building and Rental	**63,186**	**65,068**	**3%**
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. $221,656 outstanding after FY 2026/27 payment
TDA Payments			
Redding Area Bus Authority (RABA)			
RABA - State Transit Assistance (STA) Funds	1,551,164	1,390,345	TDA Budget proposed for BOD approval June 2026
RABA - Local Transportation Funds (LTF)	0	0	*RABA is not receiving LTF payments for Transit Operations in FY 2026/27*
RABA - Consolidated Transportation Services Agency (CTSA) Operations	432,617	371,801	RABA claims the LTF "off-the-top" allocation in FY 2026/27
Total RABA	*1,983,781*	***1,762,146***	
City of Anderson - Streets and Roads	487,905	437,247	
City of Redding - Streets and Roads	4,734,228	3,875,837	
City of Shasta Lake - Streets and Roads	451,207	402,613	
County of Shasta - Streets and Roads	2,911,218	2,616,264	
Total TDA Payments	*10,568,339*	***9,094,107***	
Non-Motorized Program	83,005	46,889	
Total Allocation Payments	10,651,344	9,140,996	SRTA's LTF for planning and administration included in Planning activity category below
Subrecipient Payments			
State of Good Repair (SGR), Section 99313	**331,202**	**320,977**	FY 2026/27 SGR funds passed through to RABA for approved SGR projects. Estimates as of January 2026.
RABA Fiscal Year 2026/27 Approved Projects - Includes 99313/99314 funds	*332,333*	*337,744*	RABA Preventative Maintenance - Maintain all transit vehicles used to support transit operation
Regional SGR Projects transferred to RABA - Doesn't include interest accrued	*0*	*183,020*	Previously approved Regional Zero-Emission Infrastructure project proposed to be transferred from SRTA to RABA
Low Carbon Transit Operations Program (LCTOP), Section 99313	**116,177**	**3,760**	Budget Includes remaining unused funds from prior years **FY 25/26 project funds now paid directly to RABA ($318,845)**
RABA FY 2025/26 99313 Approved Projects (direct recipient)	*463,169*	*303,016*	*Free and Reduced Fares and Expanded On Demand Microtransit Services*
RABA FY 2025/26 99314 Approved Projects (direct recipient)	*24,108*	*15,829*	
Regional Surface Transportation Program (RSTP)	**4,169,487**	**3,047,613**	Budget is available balance on approved projects 2025/26 funds. All previous years' RSTP funds have been reimbursed.
City of Anderson 2025/26 Projects	*176,224*	*211,836*	*Citywide Grinder Dig-Out Project*
City of Redding 2025/26 Projects	*1,630,890*	*1,935,688*	*Replace AC Surfacing 2026*
City of Shasta Lake 2025/26 Projects	*176,682*	*209,286*	*2025/26 Street Maintenance*
County of Shasta 2025/26 Projects	*371,081*	*690,803*	*2026/27 Road Maintenance Projects*
Transit and Intercity Rail Capital Program (TIRCP)	**3,593,400**	**3,257,800**	SB125 Transit Operation, Capital, and Planning Funds (TIRCP/ZETCP) have been approved by CalSTA. RABA is the sole sub-recipient of these programs after consolidation with Dignity Health Connected Living (DHCL)
Zero-Emission Transit Capital Program (ZETCP)	**504,181**	**2,510,449**	
Regional Early Action Plan (REAP 2.0)	***1,838,326***	**821,354**	Projects expected to be finished 12/31/2026. Budget does not include interest accruals
Capital and Transit Operations	13,510,936	**15,291,318**	**13%**

Expense Detail Cont'd

	Last Amended FY 2025/26 Budget (Apr. 2026)	FY 2026/27 Proposed Budget	Notes / % Change from Previous Fiscal Year
Planning and Administration Expenses			**Current OWP: FY 2026/27, adopted 4/30/2026**
			Planning funds are fully programmed by grant award, regardless of annual estimated expenditures. Unused funds are carried over into the next fiscal year.
Expenses by Work Element			**All work elements include indirect cost allocations**
701.01 Development of Regional Transportation Plan (RTP)	849,368	948,113	Development/management of Regional Transportation Plan; includes consultant assitance for early environmental study preparation
701.03 Performance Measures	8,937	18,645	
701.09 Air Quality	572	364	
701.11 Regional Traffic Data Collection	97,601	122,934	HPMS Regional traffic counts
701.17 Sustainable Community Strategies (SCS) Dev 23/24	97,603	0	Work completed in FY 25/26.
701.18 Sustainable Community Strategies (SCS) Dev 24/25 & 25/26	383,733	288,055	Regional Transit Planning
701.19 Sustainable Community Strategies (SCS) Dev 26/27	0	190,895	Regional Freight Plan
702.01 Transportation Improvement Program (TIPS)	323,610	334,008	Development of 2026 Regional Transportation Improvement Program (RTIP), FTIP amendments, and new software
702.02 Overall Work Program (OWP) Development	170,530	185,615	
702.03 Grant Writing and Technical Assistance	6,843	11,693	
703.01 Active Transportation Planning	143,368	134,455	
703.01(CS) Active Transportation Planning - Complete Streets	21,224	21,224	2.5% of all FHWA planning funds need to be dedicated to complete streets projects.
703.08 GoShasta Plan Update	358,106	341,635	
704.01 Public Information and Participation	111,304	214,468	Maintain website; update to Public Participation Plan and Title VI Plan
705.02 GIS Applications	35,920	56,461	
705.05 Regional Travel Demand Model	165,684	99,024	
705.06 Shasta Regional Planning Dashboard	423,270	236,697	Extension granted through December 2026
706.02 Public Transportation Planning and Coordination	154,054	266,645	
707.01 Corridor Studies and Project Review	14,486	24,135	
707.03 Alternative Fuels Vehicle Planning	8,380	9,174	
707.04 Goods & Freight Coordination and Planning	69,174	34,314	
707.11 State Highway Account (SHA) - Pit River Tribe LRTP	25,320	0	Completed FY 2025/26
707.12 Regional Early Action Planning (REAP) 2.0	9,422	28,304	Staff time and indirect costs to administrate REAP 2.0 program and outreach. Total SRTA admin set-aside $109,254.27
707.13 Shasta NextGen Railroad Corridor Crossing Plan - NEW	0	562,500	New Award; full grant award must be included in "year 1" of award.
708.03 Transportation Development Act (TDA) Management	149,041	227,030	SSTAC, Unmet transit needs report, TDA Budget, Audits, and potential Transit Allocation Study ($150k) and regional TDA policy updates, etc.
708.04 Transit and CTSA Administration	7,194	0	Consolidated with 706.02 Public Transportation Planning and Coordination
801.01 North State Super Region (NSSR)	4,262	5,839	Staff time and indirect costs to administrate NSSR meetings and collaboration
801.02 SB125 TIRCP/ZETCP Administration	151,588	231,219	Staff time and indirect costs to administrate SB125 regional program
Total Planning and Administration Expenses by Work Element	3,790,594	**4,593,446**	**21%**
Total Expenditures (Building & Rental + Capital-Transit + Planning & Admin)	17,364,716	**19,949,832**	**15%**

Expense Detail Cont'd

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

	Last Amended FY 2025/26 Budget (Apr. 2026)	FY 2026/27 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 2026/27, adopted 04/30/2026**
Federal Highway Administration (FHWA)	853,468	928,963	
Federal Transportation Administration (FTA) 5303	96,645	95,088	
SRTA Local Transportation Fund (LTF)	1,223,194	1,615,851	SRTA Administration on OWP for grant local match; includes potenital Transit Allocation Study ($150k) and review of TDA policies.
Planning, Programming, and Monitoring (PPM)	333,159	325,615	Low Stress Shasta, SR 273 Multimodal Corridor Plan, and Shasta Regional Planning Dashboard local match funds
North State Super Region (NSSR)	4,262	5,838	SRTA administration of NSSR regional coordination (801.01)
SB1 Formula Funding	426,127	423,967	Regional Freight Planning (701.18) & SCS Strategies Evaluation (701.19)
Sustainable Communities Discretionary - SPR (FY 2026/27)	0	450,000	Shasta NextGen Railroad Corridor Crossing Plan - New Award; full grant award must be included in "year 1" of award.
Sustainable Communities - FTA 5304 (FY 2023/24)	340,409	209,279	Shasta Regional Planning Dashboard (705.06)
Sustainable Communities - RMRA (FY 2024/25)	317,000	279,322	GoShasta Plan Update (703.08)
Non-Motorized Program - On OWP	10,000	0	Consultant expenses for Low-Stress Shasta, non budgetted for FY 2026/27
State Highway Account (SHA) - Pit River Tribe LRTP	25,320	0	Completed FY 2025/26
Regional Early Action Plan (REAP 2.0)	9,422	28,304	Staff time and indirect costs to administrate REAP 2.0 program and outreach.
SB125 TIRCP/ZETCP Administration	151,588	231,219	Staff time and indirect costs to administrate SB125 regional program (801.02)
Total Planning and Administration Expenses by Fund Source	3,790,594	4,593,446	

Planning and Administration Expenses by Category			**These expenses are *included* in the Planning and Administration Expenditures above.**
Indirect Costs for Reimbursement	411,938	1,197,389	Indirect salaries and indirect agency costs such as landscaping, insurance, office supplies, travel expenses, etc.
Direct Salaries and Benefits	829,866	970,222	Direct salaries are SRTA Staff time billed directly to a grant and eligible for reimbursement.
Consultants	1,041,439	1,515,540	Consultant budgets approved in the Overall Work Program (OWP). Some are contracted and others are still TBD in FY 2026/27
Direct Costs for Support Services, Conferences, Marketing, etc.	1,507,351	910,295	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	3,790,594	4,593,446	