STAFF REPORT

MEETING DATE:	**August 31, 2023**
SUBJECT:	**Approve the Fiscal Year 2023/24 Comprehensive Budget**
AGENDA ITEM:	**9**
STAFF CONTACT:	**Jessica Carlson, Chief Fiscal Officer**

SUMMARY:

SRTA's comprehensive budget (attached) for fiscal year (FY) 2023/24 estimates $23,948,967 in revenue and $21,102,079 in expenditures. Not included in the expenditure total are the Regional Surface Transportation Program (RSTP) approved projects to date, which carry an available balance for reimbursement of $5,143,069. Construction and project planning delays impact the timing of invoices delivered to SRTA for reimbursement. Some or all of these projects may not be completed within the fiscal year.

STAFF RECOMMENDATION:

It is recommended that the board of directors approve the FY 2023/24 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 activities they include, so the comprehensive budget presents a picture of the agency's financial position as a whole.

Staff prepared a comprehensive budget for FY 2023/24 that consolidates the agency's activities into three categories: General Building and Rental; Capital and Transit Operations; and Planning. 'General Building and Rental' includes rental incomes and building expenses. Under 'Capital and Transit Operations,' revenues and expenditures are reported for public transportation, transit capital programs, transit operations, and streets and roads allocations. Finally, 'Planning' revenue and expenditures are based on SRTA's most recently adopted Overall Work Program. Planning revenue is displayed by fund source and planning expenditures are broken down by: OWP work element; the source of funding; and budget category (i.e., personnel, consultants, and services and supplies).

Budget highlights are as follows:

General Building and Rental – Suite 100 has a fully executed rental agreement spanning the entire fiscal year. The rental agreement for Suite 201 currently expires October 21, 2023, and is under negotiations. A building reserve fund is budgeted into the TDA disbursements to cover the costs of maintaining the real property of the agency. Current reserve balances can be found in the quarterly budget staff reports. Building improvement projects related to Suite 100 heat, ventilation, and air conditioning (HVAC) systems replacement and parking lot sealant/painting are needed over the next year. Staff is waiting for cost estimates for this work from our architectural and engineering consultant.

Capital and Transit Operations - Transportation Capital and Transit funding to the region is largely monitored by SRTA. Programs, such as the Regional Surface Transportation Program (RSTP), State of Good Repair (SGR), and TDA, are included in this activity category. The TDA Loan fund is also included and provides transit related funding for board approved expenditures to SRTA and its members. SRTA used the fund for building repairs (which were completed in FY 2021/22) and is currently paying back the TDA loan fund at $57,336 annually.

As part of California's state budget for FY 2023/24, Governor Newsom and the state legislature agreed on new programs to address the transit "fiscal cliff" for public transportation funding. This includes a new formula-based Transit and Intercity Rail Capital Program (TIRCP) and Zero-Emission Transit Capital Program (ZETCP). In preliminary estimates, each Regional Transportation Planning Agency (RTPA) receives $300,000 off-the-top from the TIRCP program, plus additional formula funding from both the TIRCP and the ZETCP. For the Shasta Region in FY 2023/24, $9,425,969 is estimated for the TIRCP and $991,204 from the ZETCP. Over $21.5 million in allocations are estimated from both programs through FY 2026/27. Staff is waiting for guidance on these new programs.

Planning - SRTA is continuing forward many planning efforts from last year into the current year, with some additions. SRTA applied for two discretionary Senate Bill (SB) 1 grants, competing with other MPOs from across the state. Low-Stress Shasta ($500,000) will continue active transportation planning (ATP) grant work with regional partner agencies, and the Shasta Planning Data Dashboard ($690,702) would support efforts to acquire, consolidate and share transportation data for all modes via an online dashboard and to provide a comprehensive, data-driven, and easy-to-use decision-making tool.

ALTERNATIVES:
The board of directors may modify the FY 2023/24 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 & Policy Committee met on August 31, 2023, and concurs with the staff recommendation.///

FISCAL IMPACT:
The FY 2023/24 Comprehensive Budget of $23,948,967 in revenue and $21,102,079 in expenditures is based on projections of the current year's activities. 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 2023/24 Comprehensive Budget

SRTA Comprehensive Budget Fiscal Year 2023/24

ANTICIPATED REVENUES

	Final FY 2022/23 Budget from year-End Report	**Proposed FY 2023/24 Budget**	**% increase from prior fiscal year**
General Building and Rental	*54,898*	**57,296**	**4%**
Capital and Transit Operations	*15,961,083*	**17,424,277**	**9%**
Planning	*4,475,855*	**6,467,394**	**44%**
TOTAL REVENUES	*20,491,836*	**23,948,967**	**17%**

ANTICIPATED EXPENDITURES

	Final FY 2022/23 Budget from year-End Report	**Proposed FY 2023/24 Budget**	**% increase from prior fiscal year**
General Building and Rental	*57,857*	**59,582**	**3%**
Capital and Transit Operations	*14,710,483*	**15,041,375**	**2%**
Planning	*4,052,157*	**6,001,122**	**48%**
TOTAL EXPENDITURES	*18,820,497*	**21,102,079**	**12%**

Revenue Detail

	Final FY 2022/23 Budget from year-End Report	Proposed FY 2023/24 Budget	Notes / % increase from prior fiscal year
General Building and Rental			
Total Rental Fund	*54,898*	57,296	Rental Agreements 2023/24; Suite 201 lease amendment effective November 1, 2023.
General Building and Rental	*54,898*	**57,296**	**4%**
Capital-Transit Operations			
Transit and Intercity Rail Capital Program (TIRCP)	*0*	*9,425,969*	*These capital programs are awaiting final estimates and awards. They are not included in the revenue total, and*
Zero-Emission Transit Capital Program (ZETCP)	*0*	*991,204*	*are shown for informational purposes at this time. REAP 2.0 budget does not include the $112,195 set-aside for*
Regional Early Action Plan (REAP 2.0)	*0*	*2,131,714*	*SRTA admin expenses.*
Total Low Carbon Transit Operations Program (LCTOP)	*567,537*	1,067,996	Section 99313 population based estimated allocation for LCTOP, all fiscal years through 2022
Total Local Transportation Fund (LTF) for Sub Recipients	*10,385,820*	9,458,399	RABA + CTSA + Local Streets and Roads
Non-Motorized Program	*471,076*	599,819	Non-Motorized Program is funded through the TDA Budget, per Board policy
Regional Surface Transportation Program (RSTP)	*2,010,557*	2,580,000	Estimate from SRTA 2023 FTIP. FY 2022/23 RSTP allocation $2,409,442 received in prior fiscal year
State of Good Repair (SGR)	*832,540*	1,107,501	
State Transit Assistance (STA)	*1,693,553*	2,610,562	
Capital and Transit Operations	*15,961,083*	**17,424,277**	**9%**
Planning			
Federal Highway Administration (FHWA)	*1,092,720*	1,324,395	Does not include matching toll credits
Federal Transportation Administration (FTA) 5303	*123,469*	126,006	Does not include matching toll credits
SRTA Local Transportation Fund (LTF)	*765,190*	974,563	
Planning, Programming, and Monitoring	*313,041*	498,654	
North State Super Region	*15,500*	14,913	Membership dues will need to be collected this FY to cover administration costs
SB1 Formula Funding	*492,879*	470,042	Does not include matching toll credits
SB1 Discretionary Grant (Competitive)	*0*	1,190,702	Low-Stress Shasta and Shasta Planning Data Dashboard; ***NEW -*** *Not yet awarded*
State Highway Account (SHA)	*205,685*	129,327	
Strategic Partnerships - State Route 273 Corridor Plan	*1,125,000*	648,824	SRTA and Caltrans portions of the SPR grant
Caltrans Sustainable FTA 5304 - North State Intercity Bus to Rail	*288,276*	248,374	
Non-Motorized Program - On OWP	*200,000*	150,000	Low-Stress Shasta consultant expenses
Regional Early Action Plan (REAP) 2.0	*54,095*	69,445	Waiting on execution of Standard Agreement with Housing and Community Development (HCD)
Indirect Cost Allocation (201.99%)		1,962,851	FY 2023/24 ICAP Rate approved 5/15/2023
Planning	*4,475,855*	**6,467,394**	**44%**
TOTAL REVENUES	*20,491,836*	**23,948,967**	**17%**

Expense Detail

	Final FY 2022/23 Budget from year-End Report	**Proposed FY 2023/24 Budget**	**Notes / % increase from prior fiscal year**
General Building and Rental			
Building Loan Principal Payment	*57,857*	59,582	Building Loan Balance: $ 529,444
Building Repairs and Maintence - Proposed Projects	*0*	*tbd*	
Suite 100 HVAC repair/replacement and Installation			*These projects are currently seeking board approval. Initial estimates are $90,000 - $200,000, depending on the approved solution. Final costs dependant on bids received.*
Parking lot resurfacing and striping			
General Building and Rental	*57,857*	**59,582**	**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
TDA Payments			
Redding Area Bus Authority (RABA)			
RABA - State Transit Assistance (STA) Funds	*1,386,008*	2,380,424	In FY 22/23, RABA's transit obligation was heavily offset by one-time COVID grants. Average pre-covid LTF allocation for RABA (FYEs 2018-2020) $1,647,933.
RABA - Local Transportation Funds (LTF)	*392,439*	1,734,875	
Total RABA	*1,778,447*	***4,115,299***	
City of Anderson - Streets and Roads	*593,415*	560,083	
City of Redding - Streets and Roads	*5,078,505*	2,816,884	
City of Shasta Lake - Streets and Roads	*612,204*	483,259	
County of Shasta - Streets and Roads	*3,709,257*	3,404,646	
CTSA - Dignity Health (DHCL)	*501,208*	458,652	
Total TDA Payments	*12,273,036*	***11,838,823***	
State Transit Assistance (STA) Reserve Payments	*307,546*	230,138	
State Transit Assistance (STA) Reserve Funded Requests	*35,000*	115,773	RABA's Veterans Affairs Route 15 ($90,000), Beach Bus for 2023 season ($25,773)
Non-Motorized Program	*471,076*	599,819	
Total Allocation Payments	*13,051,658*	**12,668,780**	SRTA LTF for Admin included in Planning activity category
Subrecipient Payments			
State of Good Repair (SGR), Section 99313	*1,033,965*	**865,215**	Includes remaining unused funds from prior years and FY 23/24 estimate $289,425
RABA Fiscal Year 2023/24 Proposed Projects		*249,465*	Equipment for Bus Shelters and FY 23/24 Maintenance and Supplies
DHCL Fiscal Year 2023/24 Proposed Projects		*30,000*	Security Equipment for Fleet Maintenance and Storage Yard
Low Carbon Transit Operations Program (LCTOP), Section 99313	*567,524*	**993,426**	Includes remaining unused funds from prior years and FY 22/23 submitted projects $443,135
RABA Fiscal Year 2022/23 Proposed Projects		*66,150*	RABA All Electric Van Replacement Local Match
DHCL Fiscal Year 2022/23 Proposed Projects		*376,985*	Shasta Connect Sunday Expansion and CTSA Expanded Service
Regional Surface Transportation Program (RSTP)	*3,802,383*	**5,143,069**	Budget is available balance on approved projects 2018-2023 funds
City of Anderson 2023/24 Proposed Projects		*174,376*	Pavement Repair
City of Redding 2023/24 Proposed Projects		*1,587,982*	Street Maintenance
City of Shasta Lake 2023/24 Proposed Projects		*175,465*	Street Maintenance
County of Shasta 2023/24 Proposed Projects		*456,619*	Intermountain Area Overlay
Transit and Intercity Rail Capital Program (TIRCP)	*0*	*0*	*These capital programs are awaiting final estimates and awards. They are not included in the expenditure total, and are shown for informational purposes at this time. No subrecipient cooperative agreements have been executed at the time of this report.*
Zero-Emission Transit Capital Program (ZETCP)	*0*	*0*	
Regional Early Action Plan (REAP 2.0)	*0*	*0*	
Capital and Transit Operations	*14,710,483*	**15,041,375**	**2%**

***excludes RSTP budgeted expenses**

Expense Detail Cont'd

	Final FY 2022/23 Budget from year-End Report	Proposed FY 2023/24 Budget	Notes / % increase from prior fiscal year
Planning			
Expenses by Work Element			**Current OWP: 22/23 Formal Amendment #5, approved 5/10/2023**
701.01 Development of Regional Transportation Plan (RTP)	*341,748*	353,510	**Planning funds are fully programmed by grant award,**
701.03 Performance Measures	*35,535*	47,842	**regardless of annual estimated expenditures. Unused funds**
701.09 Air Quality	*13,109*	35,009	**are carried over into the next fiscal year.**
701.11 Traffic Data Collection	*26,886*	56,766	**All work elements include indirect cost allocations**
701.15 Sustainable Community Strategies (SCS) Dev 21/22	*228,264*	179,325	
701.16 Sustainable Community Strategies (SCS) Dev 22/23	*238,146*	254,065	
701.17 Sustainable Community Strategies (SCS) Dev 23/24	*0*	194,480	New Work Element
702.01 Transportation Improvement Program (TIPS)	*130,616*	106,382	
702.02 Overall Work Program (OWP) Development	*244,111*	258,931	
702.03 Grant Writing	*13,594*	31,360	
703.01 Active Transportation Planning	*306,556*	280,676	
703.01(CS) Active Transportation Planning - Complete Streets	*21,732*	22,167	2.5% of all FHWA planning funds need to be dedicated to complete streets projects.
703.07 Low-Stress Shasta	*0*	733,213	New Work Element, competitive grant awaiting funding announcements.
704.01 Public Information	*73,772*	160,093	
705.02 GIS Applications	*44,145*	77,755	
705.05 Regional Travel Demand Model	*159,617*	133,780	
705.06 Shasta Planning Dashboard	*0*	806,360	New Work Element, competitive grant awaiting funding announcements.
706.02 Transit Planning	*170,040*	221,905	
706.06 Greenhouse Gas	*30,774*	56,946	
707.01 FHWA Corridor Studies	*81,165*	66,613	
707.03 Plug-in (PEV)	*35,284*	131,149	
707.04 Goods & Freight	*11,194*	23,861	
707.09A SR273 Northern Section Multimodal Corridor Plan	*630,116*	549,973	SRTA portion of the grant
707.09B SR273 Southern Section Multimodal Corridor Plan	*500,000*	331,563	Caltrans portion of the grant; Consultant expenses reimbursed by SRTA invoice to Caltrans
707.10 North State Intercity Bus to Rail Plan	*325,625*	446,491	
707.11 Pit River Tribe Long Range Transportation Plan	*148,626*	150,745	No SRTA funds or staff time committed to this project. Administrative only.
707.12 Regional Early Action Planning (REAP) 2.0	*62,128*	79,466	$112,195 approved for SRTA admin set-aside through FY 25/26
708.03 Management of TDA	*103,835*	116,026	SSTAC, Unmet transit needs report, TDA Budget, etc.
708.04 Transit & CTSA Administration	*57,530*	79,757	
801.01 North State Super Region (NSSR)	*18,009*	14,913	Staff time and indirect costs to administrate NSSR meetings and collaboration
Total Expenses by Work Element	*4,052,157*	**6,001,122**	**48%**

Expense Detail Cont'd

	Final FY 2022/23 Budget from year-End Report	Proposed FY 2023/24 Budget	Notes / % increase from prior fiscal year
Planning Expenses by Fund Source			
Federal Highway Administration (FHWA)	*1,092,720*	1,324,395	**All funding sources include indirect cost estimates and exclude matching toll credits, if applicable**
Federal Transportation Administration (FTA) 5303	*123,469*	126,006	
SRTA Local Transportation Fund (LTF)	*765,190*	1,112,562	Budgeted LTF expenditures in Overall Work Program (OWP)
Planning, Programming, and Monitoring	*313,041*	465,925	Low Stress Shasta $233,213 and SR 273 Multimodal Corridor Plan $232,712 local match funds
North State Super Region (NSSR)	*12,750*	14,913	Expenses in excess of NSSR dues and sponsorships paid by SRTA Admin LTF funds
SB1 Formula Funding	*492,879*	470,042	Coordinated Transit (701.15), Disadvantaged Communities Investment Strategy (701.16), Regional Transit Service Planning and Implementation (701.17) Plans
SB1 Discretionary Grant (Competitive)	*0*	1,190,702	Low-Stress Shasta $500,000 and Shasta Planning Data Dashboard $690,702 ***NEW -*** *Not yet awarded*
State Highway Account (SHA) - Shasta Trunk Lines	*205,685*	129,327	
Strategic Partnerships - State Route 273 Corridor Plan	*1,625,000*	648,824	SRTA and Caltrans portions of the SPR grant
Caltrans Sustainable FTA 5304 - North State Intercity Bus to Rail	*288,276*	248,374	
Non-Motorized Program - On OWP	*200,000*	150,000	Consultant expenses for Low-Stress Shasta
Regional Early Action Plan (REAP 2.0)	*54,095*	69,445	
Total Expenses by Fund Source	*5,173,105*	**4,540,368**	**-12%**
Salaries and Benefits & Indirect Costs for Reimbursement	*3,440,267*	**3,129,076**	**-9%**
Consultants	*1,264,509*	**2,821,887**	**123%**
Support Services, Conferences, Marketing, etc.	*10,443*	**50,159**	**380%**
TOTAL EXPENDITURES	*18,820,497*	**21,102,079**	**12%**