CVR-SAFE Board of Directors
Meeting Date: June 12, 2025
Agenda Item No. 2

Final Capitol Valley Regional Service Authority for Freeways and Expressways Fiscal Year 2025-2026 Budget

Consent
Author: Barbara VaughanBechtold
Attachments: Yes **Referring Committee: CVR-SAFE**

Issue:
Staff has developed for approval a final Fiscal Year (FY) 2025-2026 Capitol Valley Regional Service Authority for Freeways and Expressways (CVR-SAFE) budget.

Request:
Approve

Recommendation for Board:
The CVR-SAFE Committee recommended that the CVR-SAFE board approve the adoption of the final FY 2025-2026 budget.

Recommendation for Committee:
That the CVR-SAFE Committee recommend that the CVR-SAFE board approve the adoption of the final FY 2025- 2026 budget.

Background:
CVR-SAFE is comprised of El Dorado, Sacramento, San Joaquin, Sutter, Yolo, and Yuba counties. The revenues for the CVR-SAFE are collected through a $1 fee assessed at the time of vehicle registration in the participating counties. The CVR-SAFE bylaws require that a budget be approved before July 1, of each fiscal year.

Discussion/Analysis:
The draft FY 2025-2026 budget was released for public review following the May 29, 2025, board meeting. No comments have been received. The final FY 2025-2026 budget is forecasted to end with a fund balance of about $1,660,022 in addition to the $1 million reserve required by the board. Based on the budget forecast, CVR-SAFE will have enough funds during the year to continue to cover the costs of existing services and enhanced services expenditures (see Attachment A).

Ongoing costs towards the operations and maintenance of the core call box system, motorist aid operations, and call box answering are covered in the final CVR-SAFE budget, while funding is also provided for traveler services that include the freeway service patrol (FSP), Intelligent Transportation Systems (ITS) staff, the 511 system, the Big Data project, and the Open Data Hub.

Several special projects identified in the multi-year CVR-SAFE Strategic Plan are also included in the draft 2025-2026 budget:

- $218,779 for the Big Data Project that is assisting SACOG in using data to improve regional mobility and reduce emissions.
- $350,000 toward a San Joaquin County FSP program that includes additional funds shifted from the TDM program due to increased costs of FSP services.
- $435,000 for the estimated cost of the maximum level of call box removals shown in the scenarios brought before the CVR-SAFE Committee and Board in February 2025. After the CVR-SAFE Committee and Board confirm their selection of a scenario for the direction of the future of the call box system and fiscal stability of the program staff will return to amend the budget with the actual cost to implement that directive.

It is required that the CVR-SAFE budget acknowledge that cost-sharing of vehicle registration funds from three donor counties with excess revenues (El Dorado, Sacramento, and San Joaquin counties) are still needed to cover projected over-expenditures in the other three-member counties (Sutter, Yolo, and Yuba counties). These three recipient counties generate a relatively low amount of vehicle license fee revenues to support the significant interregional travel they accommodate along their roadways. No service reductions in FY 2025-2026 will be needed in the donor counties to accommodate this cost-sharing. Some savings are anticipated with the shift of the 511 system to phone only and the closing of the STARNET system that will occur by the end of 2025. Staff expect to return to the CVR-SAFE Committee and Board at that time to amend the FY 2025-2026 budget to better reflect actual program costs.

Fiscal Impact/Grant Information:
Included in the Overall Work Program/Budget. CVR-SAFE is an enterprise program fully supported by the revenues generated through vehicle registration fees. Total forecasted FY 2025-2026 costs in the CVR-SAFE draft budget are projected at $3,912,000. FY 2025-2026 vehicle registration revenues are currently estimated to grow slightly to $2,700,943 based on information collected from staff monitoring vehicle registration trends. Staff will continue to monitor vehicle registrations, which grew approximately one percent during FY 2024-2025, and adjust the budget if necessary. Attachment B is also included with the staff report reflecting information required in the Annual Comprehensive Financial Report. This attachment is based on the budgeted fund balance rather than the projected fund balance based on actuals shown in Attachment A.

List of Attachments:
Attachment A - Final FY 2025-26 CVR-SAFE Budget
Attachment B - CAPITOL VALLEY REGIONAL SAFE FISCAL YEAR 2025-2026 BUDGET AND OWP - FINAL

Attachment A

CAPITOL VALLEY REGIONAL SAFE FY 2025-26 FINAL BUDGET

	FY 2023-24 Actual	FY 2024-25 Budget Amend #1	FY 2024-25 Estimated Actual	FY 2025-26 FINAL Budget
REVENUE				
Interest	**152,782**	**90,000**	**65,000**	**100,000**
Registration Fees	**2,638,034**	**2,700,940**	**2,664,414**	**2,700,943**
Reimbursements from Glenn County	**26,460**	**41,300**	**40,212**	**41,500**
Reimbursements from Placer County	**4,992**	**8,000**	**9,144**	**9,500**
Knockdown Recovery	**0**	**1,000**	**0**	**0**
TOTAL REVENUE	**$2,822,268**	**$2,841,240**	**$2,816,585**	**$2,851,943**
EXPENDITURES				
Call Box Maintenance (including Placer/Glenn County)	**137,553**	**350,868**	**254,635**	**379,039**
Freeway Service Patrol - Sacramento County	**850,000**	**900,000**	**900,000**	**918,000**
Freeway Service Patrol - San Joaquin County on I-5, I-205, Hwy 99, & Hwy 120	**207,000**	**230,000**	**350,000**	**350,000**
Freeway Service Patrol - Yolo County	**60,000**	**60,000**	**60,000**	**60,000**
Freeway Service Patrol - El Dorado County	**52,054**	**80,000**	**60,000**	**80,000**
SAFE portion of Statewide CHP Coordinator	**7,000**	**6,800**	**6,800**	**7,000**
Private Call Box Answering Contract - Fixed & Bike Trail Boxes	**33,053**	**68,000**	**35,000**	**70,000**
SACOG Services (staff time and indirect costs)	**440,813**	**535,698**	**475,000**	**579,647**
Cellular Phone Service (including Placer/Glenn County)	**13,359**	**25,000**	**15,400**	**29,250**
Consultant	**55,360**	**69,640**	**60,000**	**71,505**
Insurance	**6,785**	**14,000**	**8,400**	**14,280**
Public Information	**500**	**500**	**500**	**500**
Legal Services	**1,031**	**5,000**	**2,000**	**5,000**
DMV Fees	**13,190**	**16,000**	**16,000**	**16,000**
Meetings/Memberships/Printing	**10,262**	**5,500**	**1,000**	**6,000**
511/STARNET - Maintenance & Operations + Open Data Hub	**439,175**	**435,000**	**435,000**	**435,000**
San Joaquin TDM/511 Administration, Trip Planning System/Website, & FSP	**117,841**	**300,000**	**180,000**	**180,000**
TOTAL EXPENDITURES	**$2,444,976**	**$3,102,006**	**$2,942,524**	**$3,201,221**
SPECIAL FUNDED PROJECTS				
Call Box Removals/511 Signage	**0**	**0**	**0**	**435,000**
Transportation Demand Management	**0**	**202,343**	**0**	**0**
Modelling Software	**75,000**	**75,000**	**75,000**	**57,000**
Big Data	**231,757**	**254,560**	**254,560**	**218,779**
TOTAL SPECIAL PROJECTS	**306,757**	**531,903**	**329,560**	**710,779**
TOTAL EXPENDITURES	2,751,734	3,633,909	3,189,295	3,912,000
REVENUE LESS EXPENDITURES	70,534	-792,669	-410,525	-1,060,057
PROJECTED ENDING CASH BALANCE	4,130,604	3,337,935	3,720,079	2,660,022
PROGRAM RESERVES	**1,000,000**	**1,000,000**	**1,000,000**	**1,000,000**
PROJECTED AVAILABLE CASH BALANCE (BALANCE LESS RESERVE)	**$3,130,604**	**$2,337,935**	**$2,720,079**	**$1,660,022**

Attachment B

CAPITOL VALLEY REGIONAL SAFE
FISCAL YEAR 2025-2026 BUDGET AND OWP - FINAL

	Budget Amounts		
	FY24-25 AMEND #1	FY25-26 FINAL	Change
Revenues:			
Vehicle registration fees	$ 2,700,940	$ 2,700,943	$ 3
Local	50,300	51,000	700
Investment earnings	90,000	100,000	10,000
Total revenues	2,841,240	2,851,943	10,703
Expenditures:			
Current:			
Salaries	227,026	252,146	25,120
Fringe Benefits	297,699	327,501	29,802
Consultant/Legal Costs	509,640	506,505	(3,135)
Pass-through to Other Agencies	1,576,800	1,588,000	11,200
Other Costs	1,022,744	1,237,848	215,104
Total expenditures	3,633,909	3,912,000	278,091
Change in fund balance	$ (792,669)	$ (1,060,057)	(267,388)
Fund balance - beginning	4,008,815	3,216,146	
Fund balance - ending	$ 3,216,146	$ 2,156,089	