



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

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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