



**Subject:** Approve Draft Fiscal Year 2018-19 Budget for the CVR-SAFE (Est. time: 0 minutes)

**Consent Estimated Time -**

**Prepared by:** Barbara VaughanBechtold

**Approved by:** Matt Carpenter

**Attachments:** Yes

### **1. Issue:**

Staff has developed a draft Fiscal Year (FY) 2018-19 Capitol Valley Regional Service Authority for Freeways and Expressways (CVR-SAFE) budget for public review.

### **2. Recommendation:**

That the CVR-SAFE Committee unanimously recommended that the CVR-SAFE board approve the release of the draft FY 2018-19 CVR-SAFE budget for public review and comment.

### **3. Background/Analysis:**

The attached draft FY 2018-19 budget (Attachment A) estimates costs for the operations and maintenance of the core call box system, and for enhanced services including freeway service patrol (FSP), the 511/STARNET system, Transportation Demand Management staff support, and the Smart Region Sacramento project among others. The CVR-SAFE bylaws require that a budget be approved before July 1, of each fiscal year.

### **4. Discussion/Analysis:**

#### Committee Discussion:

The CVR-SAFE Committee at its May 3, meeting discussed the approach to the call box system given Verizon's planned discontinuation of existing 3G cellular service. The committee members directed CVR-SAFE staff to contact the appropriate staff in their jurisdictions regarding the level of call box removals and upgrades for each of their respective counties. CVR-SAFE staff are currently contacting the jurisdictions for their input and will return in June with more detailed recommendations as part of the final FY 2018-19 CVR-SAFE budget discussion.

#### Analysis:

Costs for FSP services in the CVR-SAFE area are currently in flux, with some funding

changes from Senate Bill 1. In some cases these funds are mitigating past FSP cost increases; in others they are being used to expand FSP services in the counties that have seen large increases in congestion on their highways. The draft budget currently assumes costs for fully upgrading all CVR-SAFE call boxes from 3G cellular technology to 4G by December 31, 2019, when Verizon will discontinue its 3G service. As noted above, staff will return in June with a final budget reflecting a more specific approach to the call box system. A number of projects recommended in the CVR-SAFE Strategic Plan are included in the draft 2018-19 budget: \$185,000 in second-year costs for the SACOG region Household Travel Survey to help update SACOG's travel model; and \$250,000 towards the Smart Region Sacramento: ITS Architecture and Future Technology Implementation Plan Assistance. The budget contains a \$200,000 contingency for any additional task orders needed as part of the Smart Region Sacramento effort, as well as funding for an intern to continue to assist with this project. Also, \$115,000 in continuing funding for the Open Data Hub project is included to further data sharing by the transportation operations in the region.

## **5. Fiscal Impact/Grant Information:**

Input from CVR-SAFE jurisdiction staff may cause the expenditures shown for "Call Box Removals/Req'd Telephony Upgrade" Special Funded Projects budget item in Attachment A to change when the final Budget returns to the Board for approval in June. As a result the FY 2018-19 CVR-SAFE budget amounts shown below may also change.

CVR-SAFE is an enterprise program fully supported by the revenues generated through vehicle registration fees. Total FY 2018-19 costs in the CVR-SAFE draft budget are projected at \$3,755,382. FY 2018-19 revenues are estimated at about \$2,689,807. The budget anticipates spending accumulated fund balances for call box upgrade and/or removal work, as well as ongoing operations and projects noted above.

Under this draft budget, FY 2018-19 is anticipated to end with a fund balance of about \$1,051,390, in addition to the \$1 million reserve required by the Board. With this fund balance, the CVR-SAFE will have sufficient funds in FY 2018-19 to continue to cover the costs of existing services and enhanced services expenditures (see Attachment B). Of the balance, the donor county shares are as follows: approximately 24% in El Dorado County, 68% in Sacramento County, and 8% in San Joaquin County. These levels fluctuate slightly from year to year due to differences in vehicle registrations.

It is required that the CVR-SAFE budget acknowledge that cost-sharing of vehicle registration funds from counties with excess revenues – El Dorado, Sacramento, and San Joaquin – will be needed to cover projected over-expenditures in the other three member counties: \$62,268 in Sutter, \$158,939 in Yolo, and \$55,936 in Yuba. These counties generate a relatively low amount of vehicle license fee revenues to support the significant interregional travel they accommodate along their roadways. There are benefits to maintaining consistent service levels across the CVR-SAFE region, and no service reductions will be needed in the donor counties to accommodate this cost-sharing.

Following release of the draft FY 2018-19 budget for comment, staff will return in June for board approval of the revised final CVR-SAFE budget.

**ATTACHMENTS:**

Description

Attachment A - Draft FY 2018-19 CVR-SAFE Budget

Attachment B - Draft CVR-SAFE Budget Projection

**CAPITOL VALLEY REGIONAL SAFE FY 2018-19 DRAFT BUDGET**

	FY 2016-17 Actual	FY 2017-18 Budget	FY 2017-18 Projected Actual	FY 2018-19 Draft Budget
<b>REVENUE</b>				
Interest	29,347	2,000	4,000	2,000
Registration Fees	2,470,018	2,525,518	2,519,418	2,569,807
Reimbursements from Glenn County	14,971	16,000	14,400	90,000
Reimbursements from Placer County	15,971	5,500	3,000	25,000
Knockdown Recovery	1,696	3,000	3,000	3,000
<b>TOTAL REVENUE</b>	<b>\$2,532,003</b>	<b>\$2,552,018</b>	<b>\$2,543,818</b>	<b>\$2,689,807</b>
<b>EXPENDITURES</b>				
Call Box Maintenance (including Placer/Glenn County)	282,749	315,000	250,000	250,000
Freeway Service Patrol - Sacramento County	747,000	868,100	868,100	688,000
Freeway Service Patrol - San Joaquin County on I-205	77,470	113,000	80,000	207,000
Freeway Service Patrol - Yolo County	80,000	75,500	75,500	60,000
Freeway Service Patrol - El Dorado County	27,924	37,500	20,500	41,250
SAFE portion of Statewide CHP Coordinator	3,898	6,500	5,500	6,500
Private Call Box Answering Contract - Fixed call boxes (voice & TTY)	5,472	6,006	6,006	6,310
Private Call Box Answering Contract - Bike Trail Boxes - TTY only	9,000	9,180	9,180	9,365
SACOG Services (staff time and indirect costs)	350,841	430,000	375,000	380,000
Cellular Phone Service (including Placer/Glenn County)	60,848	35,000	15,000	20,000
Consultant	67,045	87,957	68,000	87,957
Insurance	10,624	11,000	11,000	11,000
Public Information	100	100	100	100
Legal Services	5,210	11,000	11,000	10,000
DMV Fees	12,125	12,000	12,000	13,000
Meetings/Printing	1,780	4,900	4,900	4,900
511/STARNET - Capital Improvements Project	0	0	0	0
511/STARNET - Maintenance & Operations	359,152	360,000	360,000	375,000
San Joaquin TDM/511 Administration, Trip Planning System/Website, & FSP	54,863	95,000	57,000	95,000
<b>TOTAL EXPENDITURES</b>	<b>\$2,156,101</b>	<b>\$2,477,743</b>	<b>\$2,228,786</b>	<b>\$2,265,382</b>
<b>SPECIAL FUNDED PROJECTS</b>				
Call Box Removals/Req'd Telephony Upgrade (525 remain)	637,373	286,000	235,000	675,000
Smart Region Sacramento: ITS Architecture and Future Technology Implementation Plan Assistance	0	450,000	200,000	250,000
Smart Region Plan Contingency	0	200,000	0	200,000
ITS Planning Intern	0	43,000	25,000	35,000
Open Data Hub	23,700	85,000	85,000	115,000
Commuter Club	125,000	125,000	125,000	30,000
Regional Household Travel Survey	0	150,000	70,000	185,000
<b>TOTAL SPECIAL PROJECTS</b>	<b>\$786,073</b>	<b>\$1,339,000</b>	<b>\$740,000</b>	<b>\$1,490,000</b>
<b>TOTAL EXPENDITURES</b>	<b>\$2,942,174</b>	<b>\$3,816,743</b>	<b>\$2,968,786</b>	<b>\$3,755,382</b>
<b>REVENUE LESS EXPENDITURES</b>	<b>-\$410,171</b>	<b>-\$1,264,725</b>	<b>-\$424,968</b>	<b>-\$1,065,575</b>
<b>PROJECTED ENDING CASH BALANCE</b>	<b>\$3,541,933</b>	<b>\$1,731,325</b>	<b>\$3,116,965</b>	<b>\$2,051,390</b>
<b>PROGRAM RESERVES</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>
<b>PROJECTED AVAILABLE CASH BALANCE (BALANCE LESS RESERVE)</b>	<b>\$2,541,933</b>	<b>\$731,325</b>	<b>\$2,116,965</b>	<b>\$1,051,390</b>

**CVR-SAFE 10 YEAR BUDGET FORECAST**

	FY 2016-17 Actual	FY 2017-18 Estimated Actual	FY 2018-19 Draft Budget	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30
<b>REVENUE</b>														
Interest	29,347	4,000	2,000	1,500	1,000	500	500	500	500	500	500	500	500	500
Registration Fees	2,470,018	2,519,418	2,569,807	2,621,203	2,673,627	2,727,099	2,781,641	2,837,274	2,894,020	2,951,900	3,010,938	3,071,157	3,132,580	3,195,232
Reimbursements from Glenn County	14,971	14,400	90,000	16,000	16,000	16,000	110,000	16,000	16,000	16,000	130,000	16,000	16,000	16,000
Reimbursements from Placer County	15,971	3,000	25,000	5,500	5,500	5,500	35,000	5,500	5,500	5,500	45,000	5,500	5,500	5,500
Knockdown Recovery	1,696	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
<b>TOTAL REVENUE</b>	<b>\$2,532,003</b>	<b>\$2,543,818</b>	<b>\$2,689,807</b>	<b>\$2,647,203</b>	<b>\$2,699,127</b>	<b>\$2,752,099</b>	<b>\$2,930,141</b>	<b>\$2,862,274</b>	<b>\$2,919,020</b>	<b>\$2,976,900</b>	<b>\$3,189,438</b>	<b>\$3,096,157</b>	<b>\$3,157,580</b>	<b>\$3,220,232</b>
<b>EXPENDITURES</b>														
Call Box Maintenance (including Placer/Glenn County)	282,749	250,000	250,000	250,000	257,500	265,225	273,182	281,377	275,000	283,250	291,748	300,500	309,515	318,800
Freeway Service Patrol - Sacramento County	747,000	868,100	688,000	708,640	729,899	751,796	774,350	797,581	821,508	846,153	871,538	897,684	924,614	952,353
Freeway Service Patrol - San Joaquin County on I-205	77,470	80,000	207,000	211,140	215,363	219,670	224,063	228,545	233,116	237,778	242,533	247,384	252,332	257,378
Freeway Service Patrol - Yolo County	80,000	75,500	60,000	61,200	62,424	63,672	64,946	66,245	67,570	68,921	70,300	71,706	73,140	74,602
Freeway Service Patrol - El Dorado County	27,924	20,500	41,250	43,313	43,313	45,478	47,752	50,140	52,647	55,279	56,385	59,204	62,164	65,272
SAFE portion of Statewide CHP Coordinator	3,898	5,500	6,500	6,500	6,500	6,500	6,500	7,000	7,000	7,000	7,000	7,000	7,500	7,500
Private Call Answering Contract - Fixed call boxes (voice & TTY)	5,472	6,006	6,310	6,436	6,565	6,696	6,897	7,104	7,317	7,537	7,763	7,996	8,236	8,483
Private Call Answering Contract - Bike Trail Boxes - TTY only	9,000	9,180	9,365	9,552	9,743	9,938	10,236	10,543	10,860	11,186	11,521	11,867	12,223	12,589
SACOG Services (staff time and indirect costs)	350,841	375,000	380,000	400,000	425,000	445,000	450,000	455,000	460,000	465,000	470,000	475,000	480,000	480,000
Cellular Phone Service (including Placer/Glenn County)	60,848	15,000	20,000	25,000	25,000	38,000	39,000	40,000	41,000	42,000	43,000	44,000	45,000	45,000
Consultant	67,045	68,000	87,957	90,355	90,355	92,826	94,683	97,523	100,449	103,462	106,566	109,763	113,056	116,448
Insurance	10,624	11,000	11,000	15,000	15,450	15,914	16,391	16,883	17,389	17,911	18,448	19,002	19,572	20,159
Public Information	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Legal Services	5,210	11,000	10,000	10,000	10,000	2,000	10,000	2,000	2,000	2,000	10,000	10,000	2,000	2,000
DMV Fees	12,125	12,000	13,000	13,000	13,000	13,000	13,000	14,000	14,000	14,000	14,000	14,000	14,000	15,000
Meetings/Printing	1,780	4,900	4,900	4,900	19,900	4,900	4,900	4,900	4,900	4,900	24,900	4,900	4,900	4,900
511/STARNET - Capital Improvements Project	0	0	0	0	0	0	0	0	0	0	0	0	0	0
511/STARNET - Maintenance & Operations	359,152	360,000	375,000	400,000	415,000	425,000	430,000	435,000	440,000	440,000	440,000	450,000	450,000	450,000
511 Program Management - San Joaquin County														
San Joaquin TDM/511 Administration, Trip Planning System/Website and Freeway Service Patrol	54,863	57,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000
<b>TOTAL EXPENDITURES</b>	<b>\$2,156,101</b>	<b>\$2,228,786</b>	<b>\$2,265,382</b>	<b>\$2,350,136</b>	<b>\$2,440,112</b>	<b>\$2,500,716</b>	<b>\$2,561,000</b>	<b>\$2,608,940</b>	<b>\$2,649,855</b>	<b>\$2,701,476</b>	<b>\$2,780,801</b>	<b>\$2,825,104</b>	<b>\$2,873,351</b>	<b>\$2,925,585</b>
<b>SPECIAL FUNDED PROJECTS</b>														
San Joaquin County TDM Website and Rideshare upgrade														
Call Box Removals/Req'd Telephony Upgrade/ADA Certification (525 remain)	637,373	235,000												
Call Box Communications Upgrade or Removals (525 x \$1600 ea + 20% contingency)			675,000	325,000			800,000	400,000			960,000	440,000		
Smart Region Sacramento: ITS Architecture and Future Technology Implementation Plan Assistance	0	200,000	250,000	0										
Smart Region Plan Contingency	0		200,000											
Open Data Hub	23,700	85,000	115,000	115,000										
ITS Planning Intern	0	25,000	35,000	0										
Commuter Club	125,000	125,000	30,000											
Regional Household Travel Survey	0	70,000	185,000	45,000										
511/STARNET System Software Replacement									700,000	700,000	700,000			
<b>TOTAL SPECIAL PROJECTS</b>	<b>\$786,073</b>	<b>\$740,000</b>	<b>\$1,490,000</b>	<b>\$485,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$800,000</b>	<b>\$400,000</b>	<b>\$700,000</b>	<b>\$700,000</b>	<b>\$1,660,000</b>	<b>\$440,000</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$2,942,174</b>	<b>\$2,968,786</b>	<b>\$3,755,382</b>	<b>\$2,835,136</b>	<b>\$2,440,112</b>	<b>\$2,500,716</b>	<b>\$3,361,000</b>	<b>\$3,008,940</b>	<b>\$3,349,855</b>	<b>\$3,401,476</b>	<b>\$4,440,801</b>	<b>\$3,265,104</b>	<b>\$2,873,351</b>	<b>\$2,925,585</b>
<b>REVENUE LESS EXPENDITURES</b>	<b>-\$410,171</b>	<b>-\$424,968</b>	<b>-\$1,065,575</b>	<b>-\$187,933</b>	<b>\$259,015</b>	<b>\$251,384</b>	<b>-\$430,859</b>	<b>-\$146,666</b>	<b>-\$430,835</b>	<b>-\$424,576</b>	<b>-\$1,251,363</b>	<b>-\$168,947</b>	<b>\$284,229</b>	<b>\$294,647</b>
<b>PROJECTED ENDING CASH BALANCE</b>	<b>\$3,541,933</b>	<b>\$3,116,965</b>	<b>\$2,051,390</b>	<b>\$1,863,457</b>	<b>\$2,122,472</b>	<b>\$2,373,856</b>	<b>\$1,942,997</b>	<b>\$1,796,331</b>	<b>\$1,365,496</b>	<b>\$940,920</b>	<b>\$0</b>	<b>\$0</b>	<b>\$284,229</b>	<b>\$578,876</b>
<b>PROGRAM RESERVES</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$689,557</b>	<b>\$520,610</b>	<b>\$520,610</b>	<b>\$520,610</b>
<b>PROJECTED AVAILABLE CASH BALANCE (BALANCE LESS RESERVE)</b>	<b>\$2,541,933</b>	<b>\$2,116,965</b>	<b>\$1,051,390</b>	<b>\$863,457</b>	<b>\$1,122,472</b>	<b>\$1,373,856</b>	<b>\$942,997</b>	<b>\$796,331</b>	<b>\$365,496</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>