

Fiscal Year 2025/26

Budget & Overall Work Program

Board of Directors

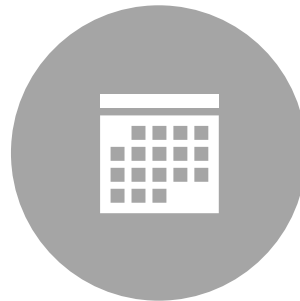
May 28, 2025



Purpose of the Overall Work Program



WORK ELEMENTS
DESCRIBE ACTIVITIES &
TASKS



FISCAL YEAR JULY 1, 2025
TO JUNE 30, 2026



BASIS FOR THE ANNUAL
BUDGET



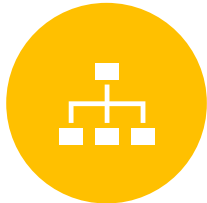
Purpose of the Budget



Business Plan /
Road Map



Spending /
Financial Plan



Reflects Board
Priorities



Translates Plans
(OWP) into
Money



Focus on 1st fiscal
year FY 25-26

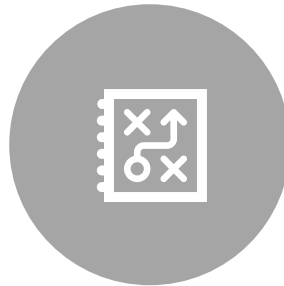


Look ahead
FY 26-27 & 27-28

Purpose of the Integrated Funding Strategy



SNAPSHOT OF
REGIONAL PROGRAMS
& PROJECTS



SCHEDULE AND
FUNDING PATHWAY



SHOWS FUNDS NOT IN
THE BUDGET

FY 25/26 Work Program Changes from February

Hilltop Road Pilot Project



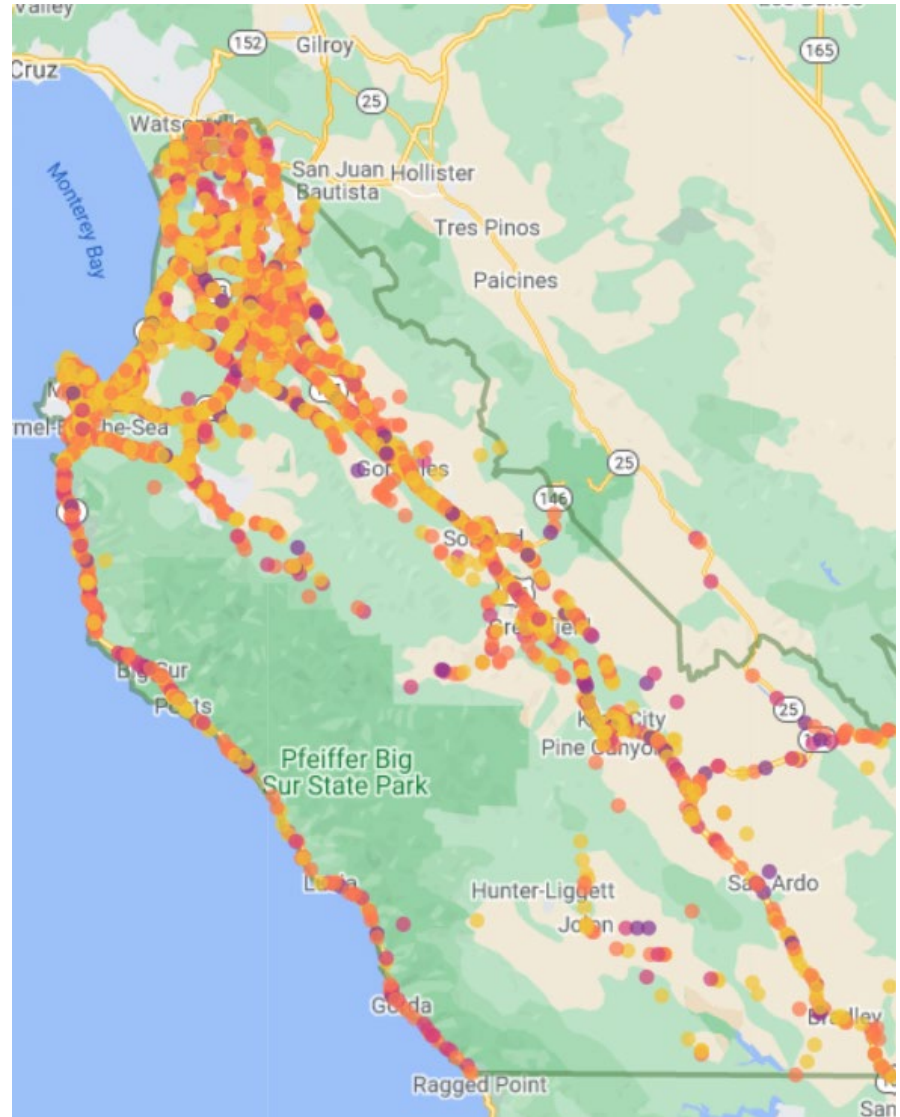
FY 25/26 Work Program

Regional Transportation Plan Update



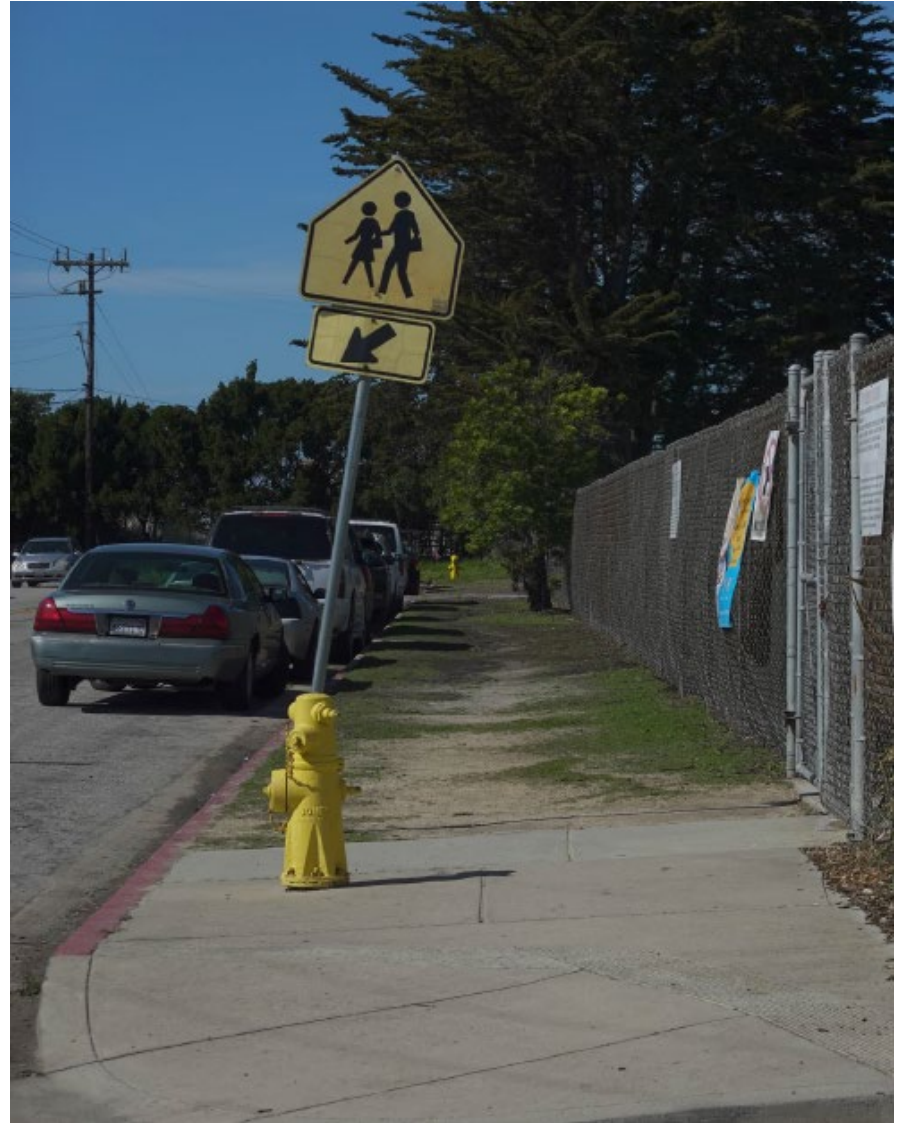
FY 25/26 Work Program

Vision Zero strategy



FY 25/26 Work Program

North Monterey County Safe Routes to Schools



FY 25/26 Work Program

Highway 1 Elkhorn Slough Climate Resiliency



County for Monterey County
Long Range Plan (all dollars in \$1,000s)



	Prior	2021/22	2022/23	2023/24	2024/25	2025/26	2026
Row	Env't		Env't			Design	
Transportation Improvement Program	\$ 3,400					\$ 18,603	
Highway Infrastructure Program	\$ 2,594						
Measure X	\$ 640						
Partnership Formula - FY20/21-22/23			\$ 1,949				
Infrastructure Program - FY19/20-20/21			\$ 799				
Transportation Improvement Program - 2022			\$ 2,087			\$ 4,913	
	\$ 6,634	\$ -	\$ 4,835	\$ -	\$ -	\$ 23,516	\$ -

Boulevard Interchange	Design & ROW		Con				
Transportation Improvement Program	\$ 25,700	-->	\$ 1,975				
Transportation Improvement Program - CRRSAA		-->	\$ 2,136				
Federal DEMO	\$ 312						
Measure X			\$ 389				
Developer Fees			\$ 5,000				
SB 1 Trade Corridors		-->	\$ 20,000				
	\$ 26,012	\$ -	\$ 29,500	\$ -	\$ -	\$ -	\$ -

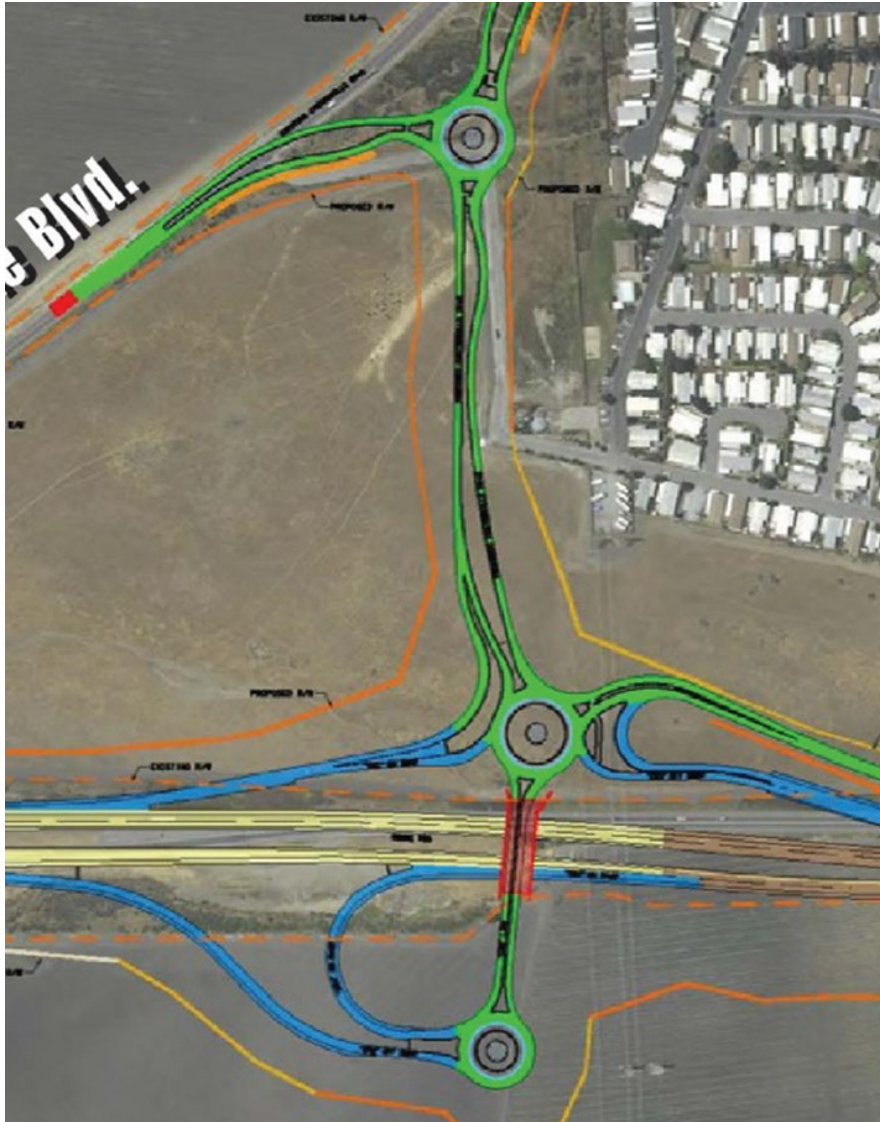
Extension	Env't			Design & ROW		Con	
Measure X				\$ 2,000		\$ 4,000	
Developer Fees	\$ 250						
SB 1 Local Partnership Formula	\$ 250						
	\$ 500	\$ -	\$ -	\$ 2,000	\$ -	\$ 4,000	\$ -

			Con				
SHOPP			\$ 22,600				
Supplemental Appropriations Act			\$ 2,003				
	\$ -	\$ -	\$ 24,603	\$ -	\$ -	\$ -	\$ -

San Luis County	Study	Env't	Env't				
Measure X	\$ 440						
Transportation Improvement Program		\$ 8,611					
Transportation Improvement Program - 2022			\$ 1,378				
	\$ 440	\$ 8,611	\$ 1,378	\$ -	\$ -	\$ -	\$ -

	Design & ROW	Con					
Measure X		\$ 317					
Federal Earmark		\$ 1,000					

Integrated
Funding
Strategy



Integrated Funding Strategy

State Route 156 /
Castroville



*Route 68 Scenic Corridor Improvement Project
Canyon Del Rey
Preliminary Concept*



Integrated Funding Strategy

Scenic State
Route 68 Corridor



Integrated Funding Strategy

US 101
South of Salinas

FY 25/26 - FY 27/28
3-Year Budget

Jeff Kise
Director of Finance & Administration
Board of Directors Meeting
May 28, 2025



Custodial Funds

TAMC has fiduciary responsibility for the following funds:

1. Local Transportation Fund
2. 2% TDA for Bike & Pedestrian activity
3. State Transit Assistance
4. Regional Surface Transportation Program
5. Regional Development Impact Fee Agency (JPA)
6. SB 125 funding
7. Measure X

Not all of the money that runs through TAMC financials from above funds is reflected in the TAMC budget.

Funding Sources

- **Federal**

- Safe Streets 4 All

- **State**

- RPA, PPM (STIP), Planning grants (SB 1 etc.), SAFE, FSP, RSTP, and various Grants

- **Local**

- Impact Fees, Measure X

- **Reserves**

- SAFE, Rail Leases, Unassigned

Funds granted for a specific purpose cannot be used for another project/program

What makes up the Agency budget?

Operating Budget

- Staff Salaries & Benefits
- Materials & Services
- Capital Outlays

Direct Program Budget

- Contracts, outside consultants and expenses for specific work programs

BUDGET HIGHLIGHTS

- 3-Year projections (making reasonable estimates & keeping the Board informed on upcoming expenditures)
- Staff costs are primarily supported by revenues from projects/programs
 - We use an activity-based cost model to allocate staff costs to the project funding sources.
- Planning future expenditures on systems and office
 - Accounting software: \$100,000 first year, \$30,000 annually thereafter
 - New office planning: Project Manager, Legal, Architect: \$150,000
 - New building: \$4,000,000 budgeted

Revenue Assumptions

- **Ongoing Staff Revenue**
 - Service Authority for Freeways & Emergencies
 - Freeway Service Patrol
 - Monterey Branch Line leases
 - Rail extension to Salinas
 - Measure X Administration & project/program management
- **Regional Transportation Planning Assessment**
- **Nominal usage of reserves**
- **Unassigned fund balance as of 6/30/23:
\$10,086,671**
- **SAFE fund balance as of 6/30/23: \$1,634,586**

Revenue Assumptions

Increase

- Monterey County Vision Zero Plan
- Regional Transportation Vulnerability Assessment
- SRTS in N. Monterey County & San Antonio Path
- FORTAG Construction Management

Decrease

- Salinas Valley SRTS
- Rail Extension HDR Amendment 1
- Alisal Greening – Clean CA.

Changes from Draft

	Draft	Final	Change
Operating	\$4,362,573	\$4,527,174	\$164,601
Direct	\$7,670,455	\$5,193,296	(\$2,477,159)
TOTAL	\$12,033,028	\$9,720,470	(\$2,312,558)

Operating

- Additional financial auditor costs \$16,400
- Office space consultant costs moved to future years (\$35,000)
- Market rate adjustments to compensation \$183,201

Direct

- The draft mistakenly included direct expenses from the Pajaro/Watsonville Multimodal Station project meant for the Integrated Funding Strategy.

Total Revenue by Type

	FY 24-25	FY 25-26	Change
Operating	\$4,132,762	\$4,527,174	9.5%
Direct	\$5,699,779	\$5,193,296	-8.9%
TOTAL	\$9,832,541	\$9,720,470	-1.1%

Operating Revenue

BUDGETS (% of total)	FY 24-25	FY 25-26	Change \$	Change %
Federal	\$40,000	\$0	(\$40,000)	
State (57%)	\$2,205,873	\$2,562,172	\$356,299	16.2%
Local (36%)	\$1,521,015	\$1,626,355	105,340	6.9%
Programs / Projects (12%)	\$393,000	\$557,857	\$164,857	41.9%
Sub-total	\$4,159,888	\$4,746,384	\$586,496	14.1%
Reserves (surplus)/usage (5%)	(\$27,125)	(\$219,210)	\$192,085	708%
TOTAL	\$4,132,763	\$4,527,174	\$394,411	9.5%

OPERATING EXPENDITURES ASSUMPTIONS

- Maintain fund balance of a minimum of 6 months of operating costs.
- Continue to manage operating costs efficiently
- Planning to invest in new accounting, grant management and payroll software.
- Set aside funds for the office space project, planning, legal and capital expenditures for the new building.

OPERATING EXPENDITURES ASSUMPTIONS

- Staffing
 - Market rate salary adjustments
 - 3.8% cost of living adjustment
 - Increase staff headcount from 17.5 to 17.75
 - Promotions and merit increases
- Retirement
 - Some increase to CalPERS employer contributions
- Health cafeteria plan
 - Increase in allowance

3-Year Operating Budget Horizon

Fiscal Year	Budget	Change
24-25 (Approved)	\$4,132,763	
26-26 (Forecast)	\$4,527,174	9.5%
26-27 (Forecast)	\$4,681,255	3.4%
27-28 (Forecast)	\$4,964,690	6.0%

Direct Programs

- Change made 3 years ago in budgeting process
 - Capital Expenditures e.g. Rail to Salinas were put in the Integrated Funding Strategy
 - Ongoing programs e.g. FSP/SAFE/Go 831 stayed in the budget
- Continue use of Reserves for activities
 - Public Outreach
 - Legislative Advocates
 - Triennial Audit
 - Rail Property Expenses

Direct Program Revenue

BUDGETS (% of total)	FY 24-25	FY 25-26	Change \$	Change %
Federal (6%)	\$600,000	\$300,000	(\$300,000)	(50%)
State (43%)	\$2,444,905	\$2,407,378	(\$37,527)	(1.5%)
Local (28%)	\$1,253,121	\$1,360,908	\$107,787	8.6%
RSTP (10%)	\$1,131,800	\$540,299	(\$591,501)	(52.3%)
Undesignated Reserve (6%)	\$662,953	\$278,000	(\$467,457)	(55.2%)
Staff Support	(\$393,000)			
FSP & SAFE (7%)		\$306,711		
TOTAL	\$5,699,779	\$5,193,296	(\$506,483)	(8.9%)

Unrestricted Reserves

Fiscal Year	Balance	Change
2019/2020 Audit	\$8,078,791	
2020/2021 Audit	\$8,869,401	\$790,610
2021/2022 Audit	\$10,578,150	\$1,708,749
2022/2023 Audit	\$10,086,671	(\$491,479)*

* Rail project funding sources had expired in the fiscal year, so reserves were budgeted to be used.

Recommended Action

- **RECOMMEND** that the Board **APPROVE** Resolution 2025-04 adopting the fiscal year 24/26 budget and estimated budgets for fiscal years 26/27 and 27/28 and the Overall Work Program for FY25/26, and;
- **RECOMMEND** that the Board **APPROVE** the 2025 Integrated Funding Strategy.