



Description

In November 1987, San Diego County voters approved the enactment of the initial San Diego Transportation Improvement Program (TransNet) that resulted in a one-half cent increase to the local sales tax. The City's share of TransNet revenue is based on population and the number of local street and road miles maintained. Through a cooperative effort with the San Diego Association of Governments (SANDAG), the City of San Diego is able to manage the Fund so that the most pressing transportation problems are addressed in accordance with TransNet goals.

The purpose of TransNet is to fund essential transportation improvements that relieve traffic congestion, increase safety, and improve air quality. These improvements include performing repairs, restoring existing roadways, and constructing assets within the public right-of-way.

TransNet revenues are primarily allocated to the Transportation Department for traffic engineering and street maintenance services, in addition to the Capital Improvements Program (CIP) for the design and construction of projects that relieve traffic congestion and increase traffic safety. The Department of Finance and Transportation Department are reimbursed for administrative oversight of the Fund.

Department Summary

	FY2024 Actual	FY2025 Budget	FY2026 Draft	FY2025-2026 Change
FTE Positions	0.00	0.00	0.00	0.00
Personnel Expenditures	\$ -	\$ -	\$ -	-
Non-Personnel Expenditures	18,947,878	22,253,510	21,104,276	(1,149,234)
Total Department Expenditures	\$ 18,947,878	\$ 22,253,510	\$ 21,104,276	\$ (1,149,234)
Total Department Revenue	\$ 46,163,873	\$ 47,130,000	\$ 46,268,000	\$ (862,000)

TransNet Extension Administration

Department Expenditures

	FY2024 Actual	FY2025 Budget	FY2026 Draft	FY2025-2026 Change
TransNet Extension Administration	\$ 453,690	\$ 471,300	\$ 462,680	(8,620)
Total	\$ 453,690	\$ 471,300	\$ 462,680	(8,620)

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Adjustment to TransNet Allocation	0.00	\$ (8,620)	\$ (8,620)
Decrease to non-personnel expenditures and revenues reflects a projected decrease to TransNet revenues from SANDAG.			
Total	0.00	\$ (8,620)	\$ (8,620)

Expenditures by Category

	FY2024 Actual	FY2025 Budget	FY2026 Draft	FY2025-2026 Change
NON-PERSONNEL				
Contracts & Services	\$ 453,690	\$ 471,300	\$ 462,680	(8,620)
<i>Internal Contracts & Services</i>	453,690	471,300	462,680	(8,620)
NON-PERSONNEL SUBTOTAL	453,690	471,300	462,680	(8,620)
Total	\$ 453,690	\$ 471,300	\$ 462,680	(8,620)

Revenues by Category

	FY2024 Actual	FY2025 Budget	FY2026 Draft	FY2025-2026 Change
Sales Tax	\$ 453,690	\$ 471,300	\$ 462,680	(8,620)
Total	\$ 453,690	\$ 471,300	\$ 462,680	(8,620)

TransNet Extension Congestion Relief Fund

Department Expenditures

	FY2024 Actual	FY2025 Budget	FY2026 Draft	FY2025-2026 Change
TransNet Extension Congestion Relief Fund	\$ 4,558,859	\$ 7,417,600	\$ 6,900,000	(517,600)
Total	\$ 4,558,859	\$ 7,417,600	\$ 6,900,000	(517,600)

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Adjustment to TransNet Allocation	0.00 \$	(517,600) \$	(597,366)
Decrease to non-personnel expenditures and revenues reflects a projected decrease to TransNet revenues from SANDAG.			
Total	0.00 \$	(517,600) \$	(597,366)

Expenditures by Category

	FY2024 Actual	FY2025 Budget	FY2026 Draft	FY2025-2026 Change
NON-PERSONNEL				
Supplies	\$ 360,710	\$ 271,384	\$ 130,000	(141,384)
Contracts & Services	4,198,149	7,146,216	6,770,000	(376,216)
<i>External Contracts & Services</i>	64,280	567,600	500,000	(67,600)
<i>Internal Contracts & Services</i>	4,133,869	6,578,616	6,270,000	(308,616)
NON-PERSONNEL SUBTOTAL	4,558,859	7,417,600	6,900,000	(517,600)
Total	\$ 4,558,859	\$ 7,417,600	\$ 6,900,000	(517,600)

Revenues by Category

	FY2024 Actual	FY2025 Budget	FY2026 Draft	FY2025-2026 Change
Rev from Money and Prop	\$ 316,452	\$ -	\$ -	-
Sales Tax	31,458,402	32,661,090	32,063,724	(597,366)
Total	\$ 31,774,853	\$ 32,661,090	\$ 32,063,724	(597,366)

TransNet Extension Maintenance Fund

Department Expenditures

	FY2024 Actual	FY2025 Budget	FY2026 Draft	FY2025-2026 Change
TransNet Extension Maintenance Fund	\$ 13,935,330	\$ 14,364,610	\$ 13,741,596	(623,014)
Total	\$ 13,935,330	\$ 14,364,610	\$ 13,741,596	(623,014)

Significant Budget Adjustments

	FTE	Expenditures	Revenue
Adjustment to TransNet Allocation	0.00 \$	(256,014) \$	(256,014)
Decrease to non-personnel expenditures and revenues reflects a projected decrease to TransNet revenues from SANDAG.			
One-Time Additions and Annualizations	0.00	(367,000)	-
Adjustment to reflect one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2025.			
Total	0.00 \$	(623,014) \$	(256,014)

Expenditures by Category

	FY2024		FY2025		FY2026		FY2025-2026
	Actual		Budget		Draft		Change
NON-PERSONNEL							
Contracts & Services	\$	1,423,611	\$	-	\$	-	-
<i>External Contracts & Services</i>		1,412,760		-		-	-
<i>Internal Contracts & Services</i>		10,851		-		-	-
Transfers Out		12,511,719		14,364,610		13,741,596	(623,014)
NON-PERSONNEL SUBTOTAL		13,935,330		14,364,610		13,741,596	(623,014)
Total	\$	13,935,330	\$	14,364,610	\$	13,741,596	\$ (623,014)

Revenues by Category

	FY2024 Actual		FY2025 Budget		FY2026 Draft		FY2025-2026 Change
Sales Tax	\$	13,935,330	\$	13,997,610	\$	13,741,596	\$ (256,014)
Total	\$	13,935,330	\$	13,997,610	\$	13,741,596	\$ (256,014)

Revenue and Expense Statement (Non-General Fund)

TransNet Extension	FY2024 Actual	FY2025* Budget	FY2026** Draft
BEGINNING BALANCE AND RESERVES			
Balance from Prior Year	\$ 1,515,559	\$ 2,336,637	\$ 2,373,150
Continuing Appropriation - CIP	49,476,679	46,317,908	46,317,907
Continuing Appropriation - Operating	1,214,830	1,861,666	1,136,666
TOTAL BALANCE AND RESERVES	\$ 52,207,068	\$ 50,516,211	\$ 49,827,724
REVENUE			
Revenue from Use of Money and Property	\$ 316,452	\$ -	\$ -
Sales Tax	45,847,421	47,130,000	46,268,000
TOTAL REVENUE	\$ 46,163,873	\$ 47,130,000	\$ 46,268,000
TOTAL BALANCE, RESERVES, AND REVENUE	\$ 98,370,941	\$ 97,646,211	\$ 96,095,724
CAPITAL IMPROVEMENTS PROGRAM (CIP) EXPENSE			
CIP Expenditures	\$ 27,989,010	\$ 25,243,490	\$ 25,163,724
TOTAL CIP EXPENSE	\$ 27,989,010	\$ 25,243,490	\$ 25,163,724
OPERATING EXPENSE			
Supplies	\$ 360,710	\$ 271,384	\$ 130,000
Contracts & Services	6,075,449	7,617,516	7,232,680
Transfers Out	12,511,719	14,364,610	13,741,596
TOTAL OPERATING EXPENSE	\$ 18,947,878	\$ 22,253,510	\$ 21,104,276
EXPENDITURE OF PRIOR YEAR FUNDS			
CIP Expenditures	\$ 3,292,724	\$ 5,000,000	\$ 3,000,000
Operating Expenditures	89,326	1,000,000	500,000
TOTAL EXPENDITURE OF PRIOR YEAR FUNDS	\$ 3,382,050	\$ 6,000,000	\$ 3,500,000
TOTAL EXPENSE	\$ 50,229,612	\$ 52,497,000	\$ 49,268,000
RESERVES			
Continuing Appropriation - CIP	\$ 46,317,908	\$ 41,317,908	\$ 43,317,907
Continuing Appropriation - Operating	1,861,666	494,666	636,666
TOTAL RESERVES	\$ 48,179,574	\$ 41,812,574	\$ 43,954,574
BALANCE***	\$ 2,336,637	\$ 2,336,637	\$ 2,373,150
TOTAL BALANCE, RESERVES, AND EXPENSE	\$ 100,745,823	\$ 96,646,211	\$ 96,095,724

* At the time of publication, audited financial statements for Fiscal Year 2025 were not available. Therefore, the Fiscal Year 2025 column reflects final budgeted revenue and expense amounts from the Fiscal Year 2025 Adopted Budget, while the beginning Fiscal Year 2025 balance amount reflects the audited Fiscal Year 2024 ending balance.

** Fiscal Year 2026 Beginning Fund Balance reflects the projected Fiscal Year 2025 Ending Fund Balance based on updated Revenue and Expenditures projections for Fiscal Year 2025.

*** Fiscal Year 2024 Ending Balance includes an increase of \$2.4 million for deferred revenue held at SANDAG.