

**TransNet**



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## 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.

# TransNet

## Department Summary

|                                      | FY2022<br>Actual     | FY2023<br>Budget     | FY2024<br>Proposed   | FY2023-2024<br>Change |
|--------------------------------------|----------------------|----------------------|----------------------|-----------------------|
| FTE Positions                        | 0.00                 | 0.00                 | 0.00                 | 0.00                  |
| Personnel Expenditures               | \$ -                 | \$ -                 | \$ -                 | -                     |
| Non-Personnel Expenditures           | 18,113,336           | 23,535,406           | 19,610,375           | (3,925,031)           |
| <b>Total Department Expenditures</b> | <b>\$ 18,113,336</b> | <b>\$ 23,535,406</b> | <b>\$ 19,610,375</b> | <b>\$ (3,925,031)</b> |
| <b>Total Department Revenue</b>      | <b>\$ 37,722,597</b> | <b>\$ 47,668,000</b> | <b>\$ 47,132,673</b> | <b>\$ (535,327)</b>   |

## TransNet Extension Administration & Debt Fund

### Department Expenditures

|   | FY2022<br>Actual  | FY2023<br>Budget  | FY2024<br>Proposed | FY2023-2024<br>Change |
|---|-------------------|-------------------|--------------------|-----------------------|
| TransNet Extension Administration & Debt Fund | \$ 329,634        | \$ 476,680        | \$ 469,350         | (7,330)               |
| <b>Total</b>                                  | <b>\$ 329,634</b> | <b>\$ 476,680</b> | <b>\$ 469,350</b>  | <b>(7,330)</b>        |

### Significant Budget Adjustments

|  | FTE         | Expenditures      | Revenue           |
|--|-------------|-------------------|-------------------|
| <b>Adjustment to TransNet Allocations</b>  | 0.00        | \$ (7,330)        | \$ (7,330)        |
| Reduction to non-personnel expenditures and revenues reflect a projected decrease in TransNet revenue from SANDAG. |             |                   |                   |
| <b>Total</b>   | <b>0.00</b> | <b>\$ (7,330)</b> | <b>\$ (7,330)</b> |

### Expenditures by Category

|  | FY2022<br>Actual  | FY2023<br>Budget  | FY2024<br>Proposed | FY2023-2024<br>Change |
|--|-------------------|-------------------|--------------------|-----------------------|
| <b>NON-PERSONNEL</b>                     |                   |                   |                    |                       |
| Contracts & Services                     | \$ 329,634        | \$ 476,680        | \$ 469,350         | (7,330)               |
| <i>Internal Contracts &amp; Services</i> | 329,634           | 476,680           | 469,350            | (7,330)               |
| <b>NON-PERSONNEL SUBTOTAL</b>            | 329,634           | 476,680           | 469,350            | (7,330)               |
| <b>Total</b>                             | <b>\$ 329,634</b> | <b>\$ 476,680</b> | <b>\$ 469,350</b>  | <b>(7,330)</b>        |

### Revenues by Category

|              | FY2022<br>Actual  | FY2023<br>Budget  | FY2024<br>Proposed | FY2023-2024<br>Change |
|--------------|-------------------|-------------------|--------------------|-----------------------|
| Sales Tax    | \$ 365,380        | \$ 476,680        | \$ 469,350         | (7,330)               |
| <b>Total</b> | <b>\$ 365,380</b> | <b>\$ 476,680</b> | <b>\$ 469,350</b>  | <b>(7,330)</b>        |

## TransNet Extension Congestion Relief Fund

### Department Expenditures

|   | FY2022<br>Actual    | FY2023<br>Budget    | FY2024<br>Proposed  | FY2023-2024<br>Change |
|---|---------------------|---------------------|---------------------|-----------------------|
| TransNet Extension Congestion Relief Fund | \$ 4,307,327        | \$ 5,201,330        | \$ 5,201,330        | -                     |
| <b>Total</b>                              | <b>\$ 4,307,327</b> | <b>\$ 5,201,330</b> | <b>\$ 5,201,330</b> | <b>-</b>              |

### Significant Budget Adjustments

|  | FTE         | Expenditures | Revenue             |
|--|-------------|--------------|---------------------|
| <b>Adjustment to TransNet Allocations</b>  | 0.00        | \$ -         | \$ (310,296)        |
| Reduction to non-personnel expenditures and revenues reflect a projected decrease in TransNet revenue from SANDAG. |             |              |                     |
| <b>Total</b>   | <b>0.00</b> | <b>\$ -</b>  | <b>\$ (310,296)</b> |

### Expenditures by Category

|  | FY2022<br>Actual    | FY2023<br>Budget    | FY2024<br>Proposed  | FY2023-2024<br>Change |
|--|---------------------|---------------------|---------------------|-----------------------|
| <b>NON-PERSONNEL</b>                     |                     |                     |                     |                       |
| Supplies                                 | \$ 47,840           | \$ 271,384          | \$ 271,384          | -                     |
| Contracts & Services                     | 4,104,840           | 4,929,946           | 4,929,946           | -                     |
| <i>External Contracts &amp; Services</i> | 109,708             | 567,600             | 567,600             | -                     |
| <i>Internal Contracts &amp; Services</i> | 3,995,132           | 4,362,346           | 4,362,346           | -                     |
| Energy and Utilities                     | 154,647             | -                   | -                   | -                     |
| <b>NON-PERSONNEL SUBTOTAL</b>            | 4,307,327           | 5,201,330           | 5,201,330           | -                     |
| <b>Total</b>                             | <b>\$ 4,307,327</b> | <b>\$ 5,201,330</b> | <b>\$ 5,201,330</b> | <b>-</b>              |

### Revenues by Category

|                         | FY2022<br>Actual     | FY2023<br>Budget     | FY2024<br>Proposed   | FY2023-2024<br>Change |
|-------------------------|----------------------|----------------------|----------------------|-----------------------|
| Rev from Money and Prop | \$ 68,104            | \$ -                 | \$ -                 | -                     |
| Sales Tax               | 23,812,468           | 33,033,924           | 32,723,628           | (310,296)             |
| <b>Total</b>            | <b>\$ 23,880,572</b> | <b>\$ 33,033,924</b> | <b>\$ 32,723,628</b> | <b>\$ (310,296)</b>   |

## TransNet Extension Maintenance Fund

### Department Expenditures

|                                     | FY2022<br>Actual     | FY2023<br>Budget     | FY2024<br>Proposed   | FY2023-2024<br>Change |
|-------------------------------------|----------------------|----------------------|----------------------|-----------------------|
| TransNet Extension Maintenance Fund | \$ 13,476,375        | \$ 17,857,396        | \$ 13,939,695        | (3,917,701)           |
| <b>Total</b>                        | <b>\$ 13,476,375</b> | <b>\$ 17,857,396</b> | <b>\$ 13,939,695</b> | <b>(3,917,701)</b>    |

# TransNet

## Significant Budget Adjustments

|  | FTE            | Expenditures          | Revenue          |
|--|----------------|-----------------------|------------------|
| <b>Adjustment to TransNet Allocations</b>  | 0.00 \$        | (217,701) \$          | (217,701)        |
| Reduction to non-personnel expenditures and revenues reflect a projected decrease in TransNet revenue from SANDAG.                             |                |                       |                  |
| <b>One-Time Additions and Annualizations</b>   | 0.00           | (3,700,000)           | -                |
| Adjustment to reflect one-time revenues and expenditures, and the annualization of revenues and expenditures, implemented in Fiscal Year 2023. |                |                       |                  |
| <b>Total</b>   | <b>0.00 \$</b> | <b>(3,917,701) \$</b> | <b>(217,701)</b> |

## Expenditures by Category

|  | FY2022<br>Actual     | FY2023<br>Budget     | FY2024<br>Proposed   | FY2023-2024<br>Change |
|--|----------------------|----------------------|----------------------|-----------------------|
| <b>NON-PERSONNEL</b>                     |                      |                      |                      |                       |
| Contracts & Services                     | \$ 2,624,589         | \$ 5,345,677         | \$ 1,427,976         | \$ (3,917,701)        |
| <i>External Contracts &amp; Services</i> | 2,384,331            | 5,345,677            | 1,427,976            | (3,917,701)           |
| <i>Internal Contracts &amp; Services</i> | 240,258              | -                    | -                    | -                     |
| Transfers Out                            | 10,851,786           | 12,511,719           | 12,511,719           | -                     |
| <b>NON-PERSONNEL SUBTOTAL</b>            | <b>13,476,375</b>    | <b>17,857,396</b>    | <b>13,939,695</b>    | <b>(3,917,701)</b>    |
| <b>Total</b>                             | <b>\$ 13,476,375</b> | <b>\$ 17,857,396</b> | <b>\$ 13,939,695</b> | <b>(3,917,701)</b>    |

## Revenues by Category

|              | FY2022<br>Actual     | FY2023<br>Budget     | FY2024<br>Proposed   | FY2023-2024<br>Change |
|--------------|----------------------|----------------------|----------------------|-----------------------|
| Sales Tax    | \$ 13,476,645        | \$ 14,157,396        | \$ 13,939,695        | \$ (217,701)          |
| <b>Total</b> | <b>\$ 13,476,645</b> | <b>\$ 14,157,396</b> | <b>\$ 13,939,695</b> | <b>(217,701)</b>      |

## Revenue and Expense Statement (Non-General Fund)

| TransNet Extension Congestion Relief Fund         | FY2022<br>Actual     | FY2023*<br>Budget    | FY2024**<br>Proposed  |
|---|----------------------|----------------------|-----------------------|
| <b>BEGINNING BALANCE AND RESERVES</b>             |                      |                      |                       |
| Balance from Prior Year                           | \$ 5,905,062         | \$ 7,131,405         | \$ 1,002,734          |
| Continuing Appropriation - CIP                    | 30,574,292           | 37,539,354           | 57,201,675            |
| Continuing Appropriation - Operating              | 443,327              | 618,330              | 1,321,184             |
| <b>TOTAL BALANCE AND RESERVES</b>                 | <b>\$ 36,922,681</b> | <b>\$ 45,289,089</b> | <b>\$ 59,525,593</b>  |
| <b>REVENUE</b>                                    |                      |                      |                       |
| Revenue from Use of Money and Property            | \$ 68,104            | \$ -                 | \$ -                  |
| Sales Tax   | 37,654,493           | 47,668,000           | 47,132,673            |
| <b>TOTAL REVENUE</b>                              | <b>\$ 37,722,597</b> | <b>\$ 47,668,000</b> | <b>\$ 47,132,673</b>  |
| <b>TOTAL BALANCE, RESERVES, AND REVENUE</b>       | <b>\$ 74,645,278</b> | <b>\$ 92,957,089</b> | <b>\$ 106,658,266</b> |
| <b>CAPITAL IMPROVEMENTS PROGRAM (CIP) EXPENSE</b> |                      |                      |                       |
| CIP Expenditures                                  | \$ 20,135,483        | \$ 27,832,594        | \$ 27,324,625         |
| <b>TOTAL CIP EXPENSE</b>                          | <b>\$ 20,135,483</b> | <b>\$ 27,832,594</b> | <b>\$ 27,324,625</b>  |
| <b>OPERATING EXPENSE</b>                          |                      |                      |                       |
| Supplies  | \$ 47,840            | \$ 271,384           | \$ 271,384            |
| Contracts & Services                              | 7,059,063            | 10,752,303           | 6,827,272             |
| Energy and Utilities                              | 154,647              | -                    | -                     |
| Transfers Out                                     | 10,851,786           | 12,511,719           | 12,511,719            |
| <b>TOTAL OPERATING EXPENSE</b>                    | <b>\$ 18,113,336</b> | <b>\$ 23,535,406</b> | <b>\$ 19,610,375</b>  |
| <b>EXPENDITURE OF PRIOR YEAR FUNDS</b>            |                      |                      |                       |
| CIP Expenditures                                  | \$ -                 | \$ 2,167,406         | \$ -                  |
| Operating Expenditures                            | -                    | 2,624,589            | 660,592               |
| <b>TOTAL EXPENDITURE OF PRIOR YEAR FUNDS</b>      | <b>\$ -</b>          | <b>\$ 4,791,995</b>  | <b>\$ 660,592</b>     |
| <b>TOTAL EXPENSE</b>                              | <b>\$ 38,248,819</b> | <b>\$ 53,535,406</b> | <b>\$ 47,595,592</b>  |
| <b>RESERVES</b>                                   |                      |                      |                       |
| Continuing Appropriation - CIP                    | \$ 37,539,354        | \$ 35,371,948        | \$ 57,201,675         |
| Continuing Appropriation - Operating              | 618,330              | (2,006,259)          | 660,592               |
| <b>TOTAL RESERVES</b>                             | <b>\$ 38,157,684</b> | <b>\$ 33,365,689</b> | <b>\$ 57,862,267</b>  |
| <b>BALANCE</b>                                    | <b>\$ 7,131,405</b>  | <b>\$ 6,055,994</b>  | <b>\$ 1,200,407</b>   |
| <b>TOTAL BALANCE, RESERVES, AND EXPENSE</b>       | <b>\$ 83,537,908</b> | <b>\$ 92,957,089</b> | <b>\$ 106,658,266</b> |

\* At the time of publication, audited financial statements for Fiscal Year 2023 were not available. Therefore, the Fiscal Year 2023 column reflects final budgeted revenue and expense amounts from the Fiscal Year 2023 Adopted Budget, while the beginning Fiscal Year 2023 balance amount reflects the audited Fiscal Year 2022 ending balance.

\*\* Fiscal Year 2024 Beginning Fund Balance reflect the projected Fiscal Year 2023 Ending Fund Balance based on updated Revenue and Expenditures projections for Fiscal Year 2023.

\*\*\* Fiscal Year 2022 Ending Balance includes an increase in the amount of \$8,892,630 for deferred revenue held at SANDAG.