



**MTC SERVICE AUTHORITY FOR FREEWAYS  
AND EXPRESSWAYS (SAFE)  
Proposed FY 2022-23 Budget**

**SAFE Resolution No. 69**

JUNE 10, 2022

# SAFE FY 2022-23 Operating Budget

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## Operations

- ▶ Freeway Assist Program (FAP) provides callbox services
- ▶ Freeway Service Patrol (FSP) for vehicle towing services

Revenue \$21.3M, down 0.5%

Expense \$21.8M, up 0.2%

Operating deficit \$507 thousand

- covered by a transfer from \$21.8M reserve with \$18.0M undesignated available for both operating and capital programs

## REVENUE AND EXPENSE SUMMARY

OPERATING REVENUE/EXPENSE	Actual as of 2/28/2022	FY 2021-22 Budget	FY 2022-23 Draft	Change % Inc./Dec.	Change \$ Inc./Dec.
Freeway Assist Program	\$4,275,525	\$6,613,940	\$6,854,000	3.6%	\$240,060
Freeway Service Patrol	\$7,183,784	\$14,829,237	\$14,492,000	-2.3%	(\$337,237)
<b>Subtotal Operating Revenue</b>	<b>\$11,459,309</b>	<b>\$21,443,177</b>	<b>\$21,346,000</b>	<b>-0.5%</b>	<b>(\$97,177)</b>
Freeway Assist Program	\$1,236,987	\$3,055,766	\$2,983,137	-2.4%	(\$72,629)
Freeway Service Patrol	\$9,732,855	\$18,756,762	\$18,869,986	0.6%	\$113,224
<b>Subtotal Operating Expense</b>	<b>\$10,969,842</b>	<b>\$21,812,528</b>	<b>\$21,853,124</b>	<b>0.2%</b>	<b>\$40,596</b>
<b>Operating Surplus (Shortfall) before Transfer</b>	<b>\$489,467</b>	<b>(\$369,351)</b>	<b>(\$507,124)</b>	<b>37.3%</b>	<b>(\$137,773)</b>
Transfers Out	\$1,830,448	\$1,550,000	\$0	-100.0%	(\$1,550,000)
<b>Total Operating Surplus (Shortfall)</b>	<b>(\$1,340,981)</b>	<b>(\$1,919,351)</b>	<b>(\$507,124)</b>	<b>-73.6%</b>	<b>\$1,412,227</b>
Transfer In from Reserve	\$0	\$1,919,351	\$507,124	-73.6%	(\$1,412,227)

# SAFE OPERATING REVENUE

- ❖ Total operating revenue \$21.3M
- ❖ Revenue sources
  - ❖ DMV fees (FAP) increase
  - ❖ State LAP (FSP) increase
  - ❖ SB1 (FSP) lesser allocation

REVENUE DETAIL				
OPERATING REVENUE	Actual as of 2/28/2022	FY 2021-22 Budget	FY 2022-23 Draft	Change % Inc./Dec.
<b>FREEWAY ASSIST PROGRAM REVENUE</b>				
DMV (Annual Vehicle Registration Fees)	\$4,272,760	\$6,609,940	\$6,850,000	3.6%
Interest	\$2,765	\$4,000	\$4,000	0.0%
Subtotal: Freeway Assist Program Revenue	<b>\$4,275,525</b>	<b>\$6,613,940</b>	<b>\$6,854,000</b>	3.6%
<b>Freeway Service Patrol REVENUE</b>				
State Local Assistance Program (LAP)	\$4,217,445	\$7,629,237	\$7,970,600	4.5%
Road Repair & Accountability Act (SB 1)	\$2,966,339	\$7,200,000	\$6,521,400	-9.4%
Subtotal: Freeway Service Patrol Revenue	<b>\$7,183,784</b>	<b>\$14,829,237</b>	<b>\$14,492,000</b>	-2.3%
<b>Total Operating Revenue</b>	<b>\$11,459,309</b>	<b>\$21,443,177</b>	<b>\$21,346,000</b>	-0.5%

# SAFE Operating Expense

## Total operating expense \$21.8M

- - Salaries & Benefits down for one project staff moved to another fund
- ▶ - General Ops increased due to insurance for cybersecurity
- ▶ - Anticipated additional consulting services both for FAP and FSP
- ▶ - Decreased callbox maintenance and marketing for FAP
- ▶ - Increased FSP towing contract increases with traffic increase

EXPENSE DETAIL					
OPERATING EXPENSE DETAIL	Actual as of 2/28/2022	FY 2021-22 Budget	FY 2022-23 Draft	Change % Inc.//(Dec.)	Change \$ Inc.//(Dec.)
<b>I. SALARIES AND BENEFITS</b>	\$967,420	\$1,809,461	\$1,456,386	-19.5%	-\$242,463
FAP	\$461,229	\$940,224	\$857,737	-8.8%	-\$62,303
FSP	\$506,191	\$869,237	\$598,649	-31.1%	-\$180,160
<b>II. GENERAL OPERATIONS</b>	\$180,517	\$317,850	\$443,217	39.4%	\$125,367
FAP	\$117,504	\$255,325	\$327,759	28.4%	\$72,434
FSP	\$63,013	\$62,525	\$115,459	84.7%	\$52,934
<b>III. PROJECT CONSULTANT SERVICES</b>	\$202,935	\$760,000	\$903,614	18.9%	\$143,614
FAP	\$133,570	\$655,000	\$778,614	18.9%	\$123,614
FSP	\$69,365	\$105,000	\$125,000	19.0%	\$20,000
<b>II. PROJECT OPERATING CONTRACTS</b>	\$9,545,767	\$18,770,000	\$18,903,500	0.7%	\$133,500
FAP	\$454,420	\$1,050,000	\$878,500	-16.3%	-\$171,500
FSP	\$9,091,347	\$17,720,000	\$18,025,000	1.7%	\$305,000
Total FAP	\$1,236,987	\$3,055,766	\$2,983,137	-2.4%	-\$52,445
Total FSP	\$9,732,855	\$18,756,762	\$18,869,986	0.6%	\$203,652
<b>Total Operating Expense</b>	<b>\$10,969,842</b>	<b>\$21,812,528</b>	<b>\$21,853,124</b>	<b>0.2%</b>	<b>\$151,207</b>

# SAFE Capital Program

- Life to Date Capital Budget  
\$ 9.1 million
- No new projects

Program	Funding Source	Life to Date thru FY 2021-22 Budget	FY 2022-23 SAFE RESO 69 Budget	Life to Date thru FY 2022-23 Budget
<b>6306 FSP Data-AVL</b>				
	CMAQ	0	0	0
	SAFE	2,270,000	0	2,270,000
	STBG	1,556,260	0	1,556,260
		<b>3,826,260</b>	<b>0</b>	<b>3,826,260</b>
<b>6314 CBX Site Improvement</b>				
	SAFE	2,744,331	0	2,744,331
		<b>2,744,331</b>	<b>0</b>	<b>2,744,331</b>
<b>6320 Emergency/Major Incidents Program</b>				
	SAFE	1,000,000	0	1,000,000
		<b>1,000,000</b>	<b>0</b>	<b>1,000,000</b>
<b>6321 Incident Management Capital Program</b>				
	SAFE	1,000,000	0	1,000,000
		<b>1,000,000</b>	<b>0</b>	<b>1,000,000</b>
<b>6322 NEW Connected Bay Area Capital Program</b>				
	SAFE	500,000	0	500,000
		<b>500,000</b>	<b>0</b>	<b>500,000</b>
		<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>		<b>\$9,070,591</b>	<b>\$0</b>	<b>\$9,070,591</b>

## ► Authorization to administer the MTC SAFE FY 2022-23 Budget

- Adjustments within line-items but no overall increase to FY 2022-23 Budget without SAFE approval
- Delegates contract and administrative approval to Operations Committee
- Authorizes carryover and re-budgeting of all grants, contract and funds not completed during FY 2021

- Designates reserves for budget, year-end expenses and operating reserve

### FY 2022-23 Reserves (in thousands):

• Year-end Encumbrance	\$	500
• Fixed Assets		250
• Operating reserve		10,673
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Total Designations/Restricted	\$	11,423
Unrestricted		9,527
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Total Fund Balance	\$	20,951