

# Memorandum

**To:** CHAIR AND COMMISSIONERS

**CTC Meeting:** March 21-22, 2024

**From:** TANISHA TAYLOR, Executive Director

**Reference Number:** 4.7, Information

**Prepared By:** Alicia Sequeira  
Assistant Deputy Director

**Published Date:** March 8, 2024

**Subject:** Local Streets and Roads Funding Program Fiscal Year 2022-23 Expenditure Report Update

## **Summary:**

As of January 19, 2024, California Transportation Commission (Commission) staff have received 539 Annual Expenditure Reports for Fiscal Year 2022-23 from cities and counties in the Local Streets and Roads Funding Program. This marks the sixth consecutive year in which all jurisdictions submitted the required reports.

The Annual Expenditure Report tracks program funds spent and apportioned to jurisdictions in the reporting fiscal year in addition to unspent funds from prior years. Jurisdictions are expected to report on how program funds were spent, account for previously proposed and reported projects, and provide specific project outcomes once a project has been completed.

Reports were due to the Commission by December 1, 2023. Of the 539 reports, 16 were submitted late after being approved for extensions by Commission staff. A copy of the detailed expenditures and project list can be found on the Commission's Local Streets and Roads Funding Program [webpage](#) and will be shared with the State Controller's Office. A summary of the report will be included in the Commission's 2024 Annual Report to the Legislature and is included in this book item as Attachment A.

Cities and counties were expected to account for approximately \$4.7 billion in apportionments: \$1.8 billion remaining from prior years and \$3 billion from Fiscal Year 2022-23.

Cities and Counties reported spending \$1.2 billion in program funds on over 3,200 projects that were either completed or in progress within the fiscal year. This includes:

- Approximately \$504 million in program funds for 831 completed construction projects. Project improvements include: 354 miles of bicycle lane improvements, 6,529 ADA curb ramp improvements, 3,376 miles of safety improvements, and 23,073 lane miles of general roadway maintenance and paving.

- An additional \$475 million in program funds for 979 active construction projects at the time of reporting.
- \$116 million in program funds for 326 pre-construction and operational need projects that were completed in the fiscal year, with an additional \$97 million on 1,063 projects that were in progress. Those costs include: design, project management, environmental studies, feasibility studies, equipment, and public works maintenance materials.

Project status updates were provided for an additional 1,403 projects that were not active within the reporting year. Cities and counties retained \$1.8 billion in program funds for use in a future fiscal year.

**Background:**

On April 28, 2017, Governor Brown signed Senate Bill (SB) 1 (Beall, Chapter 5, Statutes of 2017). A percentage of the Road Maintenance and Rehabilitation Account funding created by SB 1 is apportioned by formula and disbursed monthly by the Controller's Office to eligible cities and counties pursuant to Streets and Highways Code Section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

Pursuant to Streets and Highways Code Section 2034(b), for each fiscal year in which Road Maintenance and Rehabilitation Account funds are received and expended, cities and counties must submit documentation to the Commission that details the expenditures. The documentation must include a description and location of each completed and in progress project, the amount of funds expended on the project, the completion date, and the estimated useful life of the improvement.

Commission staff held two technical training webinars on October 26, 2023, to provide guidance to jurisdictions for the Annual Expenditure Report. In an effort to ensure timely submittals, Commission staff worked closely with all jurisdictions, Regional Transportation Planning Agencies, the California State Association of Counties, and the League of California Cities.

Fiscal Year 2024-25 Project List Submittals for program funding eligibility are due to the Commission by July 1, 2024.

**Attachments:**

- Attachment A: Fiscal Year 2022-23 Statewide Expenditure Report Summary

**FY 2022-23 Local Streets and Roads Program  
 Statewide Expenditure Report Summary  
 (Project Expenditures as of June 30, 2023)**

<b>Total Funds Remaining (from Prior Fiscal Years)</b>	<b>Total Funds Received (as of August 2023)</b>	<b>Total Funds Spent (in Fiscal Year 2022-23)</b>
\$1,869,773,566.06	\$2,953,596,559.78	\$1,191,238,492.70

The following detail reflects the information gathered on the 4,603 projects in the reports collected from the 539 recipient agencies:

<b>Projects by Status*</b>	<b>Program Funds Spent in Fiscal Year 2022-23</b>	<b>Total Project Cost (All Funds)</b>
<b>Completed: 1,156</b>	\$617,561,357.22	\$1,984,345,252.96
<b>In Progress: 2,044</b>	\$573,677,135.48	\$11,965,368,789.35
<b>Carried Over into FY 2023-24 or Later: 1,062</b>	N/A**	N/A**
<b>All Projects:</b>	\$1,191,238,492.70	\$13,949,714,042.31

\*In Fiscal Year 2022-23, agencies removed 341 previously proposed projects that will no longer be funded with Road Maintenance and Rehabilitation Account funds and will now be funded with other funds sources available to those agencies.

\*\*Inactive projects within the reporting fiscal year, and those forecasted for a future fiscal year, do not have expenditure and cost detail to provide.