

Proposed Final FY 2027 Program Budget

Overview

At its [March 27, 2026, meeting](#) the Board of Directors approved the Draft FY 2027 Program Budget. During the last month, staff have updated the budget and incorporated feedback received from the Board, as well as from federal and state funding agencies. Clarifications and corrections also have been incorporated into the proposed [Final FY 2027 Program Budget](#).

Key Considerations

Attachment 2 details the changes incorporated into the proposed Final FY 2027 Program Budget since the draft was approved in March. These updates fall into several major categories: (1) revenue and funding adjustments, including the addition of newly approved local funds, final grant allocations, and the reallocation or reduction of existing funds, including member assessments for the ARJIS program; (2) cost refinements based on actual bid prices and administrative updates as projects progress or close out; (3) project restructuring through consolidations, scope transfers, and the creation of new projects to improve grant tracking and operational oversight; and (4) alignment with updated guidance from funding partners, including Caltrans, which led to the removal or reallocation of certain staff hours and project components. Based on Board feedback, Attachment 4 shows the year-over-year comparison for the Overall Work Program, Regional Operations, Capital and Internal Operations budgets.

Next Steps

Pending adoption by the Board, the proposed Final FY 2027 Program Budget would be distributed to the Federal Highway Administration, Federal Transit Administration, Caltrans and SANDAG member agencies. This year the state has set May 8th as the deadline to submit the FY 2027 annual budget. Timely submission safeguards SANDAG's ability to program funds in the Regional Transportation Improvement Program, authorize expenditures, and process reimbursements for ongoing projects.

Dawn Vettese, Chief Financial Officer

- Attachments:
1. FY 2027 Budget-in-Brief FINAL
 2. Changes Since the Draft FY 2027 Program Budget
 3. RTC Resolution No. RTC-2026-05: Adoption of FY 2027 Program Budget, and Providing for All Authorizations Necessary and Pertinent Thereto
 4. 3 Year Comparison Tables (Extractions from Chapter 2, Chapter 3, Chapter 5 and Chapter 6)
 5. FY 2027 Special Compensation Table
 6. FY 2027 Classification Salary Range Table

Action: Adopt

The Board of Directors is asked to adopt Regional Transportation Commission Resolution No. RTC-2026-05, adopting the Final FY 2027 Program Budget.

Fiscal Impact:

The Final FY 2027 Program Budget includes \$1.5 billion in local, state, and federal funding for SANDAG activities, including \$801 million for capital project delivery and \$246 million of TransNet revenue which is passed through as Local System Improvement (\$141 million) and transit operation allocations (\$105 million).

Schedule/Scope Impact:

SANDAG Bylaws require adoption of a final budget by the Board of Directors by June 30. Caltrans requires submittal of the Final Budget and adopted resolution by May 8, 2026, to ensure time to review and approve in advance of July 1.