



RESOLUTION AMENDING THE ADOPTED FISCAL YEAR 2018/19 BUDGET

WHEREAS, In June 2018, through approval of Resolution 18-61, the Transportation Authority adopted the Fiscal Year (FY) 2018/19 Annual Budget and Work Program; and

WHEREAS, The Transportation Authority's Fiscal Policy allows for the amendment of the adopted budget during the fiscal year to reflect actual revenues and expenditures incurred; and

WHEREAS, Revenue and expenditure revisions are related to sales tax revenue, interest revenue, program revenues, several capital project costs, and debt service reported in the Sales Tax Program (Prop K), Congestion Management Agency Programs, Transportation Fund for Clean Air Program (TFCA); Vehicle Registration Fee for Transportation Improvements Program (Prop AA), and Treasure Island Mobility Management Agency (TIMMA) Program; and

WHEREAS, Major changes in revenues and expenditures include the following projects: Interstate 80/Yerba Buena Island Ramps Interchange Improvement Project; Downtown Extension; U.S. 101/I-280 Managed Lanes; Prop K San Francisco Municipal Transportation Agency's (SFMTA's) vehicle procurements for motor coaches and trolley coaches; Prop K SFMTA's Van Ness Bus Rapid Transit Project; Prop AA SFMTA's Muni Metro Enhancements Project; Prop AA San Francisco Public Works' Haight Street Resurfacing and Pedestrian Lighting Project and Brannan Street Pavement Renovation Project; TFCA SFMTA's Alternative Fuel Taxicab Incentive Program; TIMMA Program and other revenues and expenditures need to be updated from the original estimates contained in the adopted FY 2018/19 budget, as shown in Attachment 1; and

WHEREAS, At its March 27, 2019 meeting, the Citizens Advisory Committee considered the subject request and adopted a motion of support for the staff recommendation; now, therefore, be it

RESOLVED, That the Transportation Authority's adopted FY 2018/19 budget is hereby amended to increase revenues by \$12,647,789, decrease expenditures by \$46,269,902, and decrease



other financing sources by \$121,000,000, for a total net decrease in fund balance of \$62,082,309, as shown in Attachment 1.

Attachment:

1. Proposed Fiscal Year 2018/19 Budget Amendment

**San Francisco County Transportation Authority
Attachment 1
Proposed Fiscal Year 2018/19 Budget Amendment**



Proposed Budget Amendment by Fund

	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund for Clean Air Program	Vehicle Registration Fee for Transportation Improvements Program	Treasure Island Mobility Management Agency Program	Proposed Budget Amendment Fiscal Year 2018/19	Increase/ (Decrease)	Adopted Budget Fiscal Year 2018/19
Revenues:								
Sales Tax Revenues	\$ 109,655,485	\$ -	\$ -	\$ -	\$ -	\$ 109,655,485	\$ 3,193,849	\$ 106,461,636
Vehicle Registration Fee	-	-	-	4,930,000	-	4,930,000	-	4,930,000
Interest Income	2,510,000	-	1,500	10,000	-	2,521,500	1,976,222	545,278
Program Revenues	3,409	15,731,345	759,899	-	2,211,605	18,706,258	7,470,803	11,235,455
Other Revenues	51,635	-	-	-	-	51,635	6,915	44,720
Total Revenues	112,220,529	15,731,345	761,399	4,940,000	2,211,605	135,864,878	12,647,789	123,217,089
Expenditures								
Capital Project Costs	153,889,618	14,096,101	647,906	2,331,817	1,450,872	172,416,314	(46,480,280)	218,896,594
Administrative Operating Costs	5,447,016	4,257,232	47,494	238,025	760,733	10,750,500	-	10,750,500
Debt Service	33,622,628	-	-	-	-	33,622,628	210,378	33,412,250
Total Expenditures	192,959,262	18,353,333	695,400	2,569,842	2,211,605	216,789,442	(46,269,902)	263,059,344
Other Financing Sources (Uses):	(2,621,988)	2,621,988	-	-	-	-	(121,000,000)	121,000,000
Net change in Fund Balance	\$ (83,360,721)	\$ -	\$ 65,999	\$ 2,370,158	\$ -	\$ (80,924,564)	\$ (62,082,309)	\$ (18,842,255)
Budgetary Fund Balance, as of July 1	\$ 139,735,841	\$ -	\$ 548,615	\$ 9,095,341	\$ -	\$ 149,379,797	N/A	\$ 27,035,737
Budgetary Fund Balance, as of June 30	\$ 56,375,120	\$ -	\$ 614,614	\$ 11,465,499	\$ -	\$ 68,455,233	N/A	\$ 8,193,482



Memorandum

Date: March 28, 2019
To: Transportation Authority Board
From: Cynthia Fong – Deputy Director for Finance and Administration
Subject: 04/09/19 Board Meeting: Proposed Fiscal Year 2018/19 Budget Amendment

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Amend the adopted Fiscal Year (FY) 2018/19 budget to increase revenues by \$12,647,789, decrease expenditures by \$46,269,902 and decrease other financing sources by \$121,000,000 for a total net decrease in fund balance of \$62,082,309.</p> <p>SUMMARY</p> <p>Every year we present the Board with any adjustments to the annual budget adopted the previous June. This revision is an opportunity to take stock of changes in revenue trends, recognize grants or other funds that are obtained subsequent to the original approval of the annual budget, and adjust for unforeseen expenditures. In June 2018, through Resolution 18-61, the Board adopted the FY 2018/19 Annual Budget and Work Program. Revenue and expenditure figures pertaining to several capital projects need to be updated from the original estimates contained in the adopted FY 2018/19 Budget. Our Fiscal Policy allows for the amendment of the adopted budget during the fiscal year to reflect actual revenues and expenditures incurred. We propose that the adopted FY 2018/19 Budget be amended as shown in Attachment 1. For additional detail see Attachment 2 showing budget line item detail and Attachment 3 for detailed budget explanations by line item.</p>	<p><input type="checkbox"/> Fund Allocation</p> <p><input type="checkbox"/> Fund Programming</p> <p><input type="checkbox"/> Policy/Legislation</p> <p><input type="checkbox"/> Plan/Study</p> <p><input type="checkbox"/> Capital Project Oversight/Delivery</p> <p><input checked="" type="checkbox"/> Budget/Finance</p> <p><input type="checkbox"/> Contract/Agreement</p> <p><input type="checkbox"/> Other:</p> <hr/>
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DISCUSSION

Background.

The budget revision is an opportunity for us to revise revenue projections and expenditure line items to reflect new information or requirements identified in the months elapsed since the adoption of the annual budget. The revisions typically take place after completion of the annual fiscal audit, which certifies actual expenditures and carryover revenues.

Discussion.

The budget revision reflects an increase of \$12,647,789 in revenues, a decrease of \$46,269,902 in expenditures, and a decrease of \$121,000,000 in other financing sources for a total net decrease of \$62,082,309 in fund balance. These revisions include carryover revenues and expenditures from the prior period. The effect of the amendment on the adopted FY 2018/19 Budget in the aggregate line

Agenda Item 9

item format specified in the Fiscal Policy is shown in Attachments 1 and 2. The detailed budget explanations by line item are included in Attachment 3.

Revenue and expenditure revisions are related to sales tax revenue, interest revenue, program revenues, several capital project costs, and debt service reported in the Sales Tax Program (Prop K), Congestion Management Agency Programs, Transportation Fund for Clean Air Program (TFCA); Vehicle Registration Fee for Transportation Improvements Program (Prop AA), and Treasure Island Mobility Management Agency (TIMMA) Program. Major changes in revenue and expenditure line items include the following:

- **Increase in Sales Tax Revenues and Interest Income**
- **New Funding**
 - Interstate 80/Yerba Buena Island Ramps Interchange Improvement Project
 - Downtown Extension
 - U.S. 101/I-280 Managed Lanes
- **Project Delays**
 - Prop K SFMTA's vehicle procurements for motor coaches and trolley coaches
 - Prop K SFMTA's Van Ness Bus Rapid Transit Project
 - Prop AA SFMTA's Muni Metro Enhancements Project
 - Prop AA SFPW's Haight Street Resurfacing and Pedestrian Lighting Project and Brannan Street Pavement Renovation Project
 - TFCA SFMTA's Alternative Fuel Taxicab Incentive Program
 - TIMMA Program

Additionally, other revenues, debt service expenditures and other financing sources need to be updated from the original estimates contained in the adopted FY 2018/19 budget.

FINANCIAL IMPACT

The proposed amendment to the FY 2018/19 budget would increase revenues by \$12,647,789, decrease expenditures by \$46,269,902, and decrease other financing sources by \$121,000,000, for a total net decrease in fund balance of \$62,082,309, as described above.

CAC POSITION

The CAC was briefed on this item at its March 27, 2019 meeting and unanimously adopted a motion of support for the staff recommendation.

SUPPLEMENTAL MATERIALS

Attachment 1 – Proposed Fiscal Year 2018/19 Budget Amendment

Attachment 2 – Proposed Fiscal Year 2018/19 Budget Amendment Line Item Detail

Attachment 3 – Fiscal Year 2018/19 Budget Amendment Explanations

**San Francisco County Transportation Authority
Attachment 2
Proposed Fiscal Year 2018/19 Budget Amendment
Line Item Detail**



	Proposed Budget Amendment by Fund					Proposed Budget Amendment Fiscal Year 2018/19	Increase/ (Decrease)	Adopted Budget Fiscal Year 2018/19
	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund for Clean Air Program	Vehicle Registration Fee for Transportation Improvements Program	Treasure Island Mobility Management Agency Program			
Revenues:								
Sales Tax Revenues	\$ 109,655,485	\$ -	\$ -	\$ -	\$ -	\$ 109,655,485	\$ 3,193,849	\$ 106,461,636
Vehicle Registration Fee	-	-	-	4,930,000	-	4,930,000	-	4,930,000
Interest Income	2,510,000	-	1,500	10,000	-	2,521,500	1,976,222	545,278
Program Revenues								
Federal								
Advanced Transportation and Congestion Management Technologies Deployment	-	-	-	-	46,264	46,264	(1,251,596)	1,297,860
BART Travel Incentives Program	-	9,709	-	-	-	9,709	9,709	-
Highway Bridge Program - I-80/Yerba Buena Island Interchange Improvement	-	5,542,435	-	-	-	5,542,435	5,542,435	-
Highway Bridge Program - Yerba Buena Island Bridge Structures	-	3,177,360	-	-	-	3,177,360	-	3,177,360
South of Market Freeway Ramp Intersection Safety Improvement Study	-	132,204	-	-	-	132,204	53,277	78,927
Strategic Highway Research Program	-	26,950	-	-	-	26,950	26,950	-
Surface Transportation Program 3% Revenue and Augmentation	3,409	2,649,369	-	-	-	2,652,778	930,917	1,721,861
State								
Planning, Programming & Monitoring SB45 Funds	-	136,944	-	-	-	136,944	136,944	-
Seismic Retrofit Proposition 1B - I/80 YBI Interchange Improvement Project	-	362,511	-	-	-	362,511	362,511	-
Regional								
BATA - I-80/Yerba Buena Island Interchange Improvement	-	1,938,487	-	-	-	1,938,487	927,102	1,011,385
SF OEWD - South of Cesar Chavez Area Plan	-	110,000	-	-	-	110,000	-	110,000
SF Planning - Hub and Civic Center	-	4,540	-	-	-	4,540	4,540	-
SF Planning - ConnectSF	-	25,000	-	-	-	25,000	25,000	-
SF Planning - Transportation Demand Management Program	-	40,000	-	-	-	40,000	40,000	-
SF Planning & SFMTA - Travel Demand Modeling Assistance	-	250,000	-	-	-	250,000	-	250,000
SF Public Works - 19th Ave Combined City Project & Lombard Street VZ Project	-	25,146	-	-	-	25,146	25,146	-
SFMTA - Lombard Crooked St Reservations & Pricing System Development	-	192,358	-	-	-	192,358	(1,642)	194,000
San Mateo County Transportation Authority - U.S. 101/I-280 Managed Lanes	-	537,114	-	-	-	537,114	266,614	270,500
WETA - Solano Water Transit Study	-	19,685	-	-	-	19,685	19,685	-
TIDA - Treasure Island Mobility Management Agency	-	-	-	-	2,165,341	2,165,341	302,641	1,862,700
TIDA - Yerba Buena Island Bridge Structures	-	411,661	-	-	-	411,661	-	411,661
Vehicle Registration Fee Revenues (TFCA)	-	-	759,899	-	-	759,899	-	759,899
Contributions								
Schmidt Family Foundation/The 11th Hour Project - TNC Research	-	125,000	-	-	-	125,000	50,000	75,000
Toyota Mobility Foundation - D10 Mobility Study	-	14,872	-	-	-	14,872	570	14,302
Other Revenues								
Clean Transportation Scavenger Hunt	4,915	-	-	-	-	4,915	4,915	-
San Francisco Dept of Environment - Shower Facilities	4,000	-	-	-	-	4,000	2,000	2,000
Sublease of Office Space	42,720	-	-	-	-	42,720	-	42,720
Total Revenues	112,220,529	15,731,345	761,399	4,940,000	2,211,605	135,864,878	12,647,789	123,217,089

**San Francisco County Transportation Authority
Attachment 2
Proposed Fiscal Year 2018/19 Budget Amendment
Line Item Detail**



	Proposed Budget Amendment by Fund					Proposed Budget Amendment Fiscal Year 2018/19	<i>Increase/ (Decrease)</i>	Adopted Budget Fiscal Year 2018/19
	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund for Clean Air Program	Vehicle Registration Fee for Transportation Improvements Program	Treasure Island Mobility Management Agency Program			
Expenditures								
Capital Project Costs								
Individual Project Grants, Programs & Initiatives	150,000,000	-	647,906	2,323,492	-	152,971,398	(54,860,501)	207,831,899
Technical Professional Services	3,889,618	14,096,101	-	8,325	1,450,872	19,444,916	8,380,221	11,064,695
Administrative Operating Costs								
Personnel Expenditures								
Salaries	1,617,041	2,758,668	32,296	161,857	498,168	5,068,030	-	5,068,030
Fringe Benefits	760,961	1,298,197	15,198	76,168	234,432	2,384,956	-	2,384,956
Pay for Performance	194,965	-	-	-	-	194,965	-	194,965
Non-personnel Expenditures								
Administrative Operations	2,692,549	200,367	-	-	22,533	2,915,449	-	2,915,449
Equipment, Furniture & Fixtures	114,500	-	-	-	-	114,500	-	114,500
Commissioner-Related Expenses	67,000	-	-	-	5,600	72,600	-	72,600
Debt Service								
Interest and Fiscal Charges	8,959,444	-	-	-	-	8,959,444	547,194	8,412,250
Revolving Credit Agreement Repayment	24,663,184	-	-	-	-	24,663,184	(336,816)	25,000,000
Total Expenditures	192,959,262	18,353,333	695,400	2,569,842	2,211,605	216,789,442	(46,269,902)	263,059,344
Other Financing Sources (Uses):								
Transfers in - Prop K Match to Grant Funding	-	2,621,988	-	-	-	2,621,988	272,967	2,349,021
Transfers out - Prop K Match to Grant Funding	(2,621,988)	-	-	-	-	(2,621,988)	(272,967)	(2,349,021)
Draw on Revolving Credit Agreement	-	-	-	-	-	-	(121,000,000)	121,000,000
Total Other Financing Sources (Uses)	(2,621,988)	2,621,988	-	-	-	-	(121,000,000)	121,000,000
Net change in Fund Balance	\$ (83,360,721)	\$ -	\$ 65,999	\$ 2,370,158	\$ -	\$ (80,924,564)	\$ (62,082,309)	\$ (18,842,255)
Budgetary Fund Balance, as of July 1	\$ 139,735,841	\$ -	\$ 548,615	\$ 9,095,341	\$ -	\$ 149,379,797	N/A	\$ 27,035,737
Budgetary Fund Balance, as of June 30	\$ 56,375,120	\$ -	\$ 614,614	\$ 11,465,499	\$ -	\$ 68,455,233	N/A	\$ 8,193,482
Includes Sales Tax, TFCA and Vehicle Registration Fee For Transportation Improvements Reserved for Program and Operating Contingency								
Fund Reserved for Program and Operating Contingency	\$10,965,549	\$ -	\$75,990	\$493,000	\$ -	\$11,534,538		

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year (FY) 2018/19 Budget Amendment Explanations**

No.	Description	Adopted Budget FY 2018/19	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY 2018/19	Explanation
1.	Sales Tax Revenue	\$106,461,636	\$3,193,849	\$109,655,485	Based on FY 2018/19 sales tax revenues earned through January 2019, we project sales tax revenues to increase compared to the budgeted revenues for FY 2018/19 by 3% or \$3.19 million. The majority of the increase is because the California Department of Tax and Fee Administration implemented a new system in May 2018 and changed its allocation method for the distribution of sales tax revenues. A portion of FY 2017/18 sales tax revenues normally received in September 2018 are now accounted for as part of FY 2018/19 revenues. This projection is aligned with the San Francisco Controller's Office's revised projection of its FY 2018/19 sales tax revenue.
2.	Interest Income	\$545,278	\$1,976,222	\$2,521,500	In November 2017, we issued Sales Tax Revenue Bonds with the total face amount of \$248.25 million. Interest income has increased mainly due to a higher than anticipated bond proceeds bank balance as a result of the low number of invoices received from project sponsors. This amendment increases Interest Income by \$1,976,222.
Program Revenues					
3.	Treasure Island Mobility Management Agency (TIMMA) Program	Federal Revenues: \$1,297,860	\$(1,251,596)	\$46,264	The original work scope for FY 2018/19 included issuance of the Request for Proposals for a System Integrator, launch of System Integration work, and completion of Civil Engineering Design, pending Board adoption of toll policies. We anticipated adoption of toll policies in December 2018; however, the TIMMA Board has requested analysis of additional toll policy alternatives. System Integration should not proceed until toll policies are adopted, now estimated for July 2019. The estimated contributions from federal Advanced Transportation and Congestion Management Technologies Deployment (ATCMTD) funds need to be updated to reflect the reduced work scope and need in this fiscal year.
		Regional Revenues: \$1,862,700	\$302,641	\$2,165,341	

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year (FY) 2018/19 Budget Amendment Explanations**

No.	Description	Adopted Budget FY 2018/19	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY 2018/19	Explanation
					<p>The costs will be incurred and the revenue realized in FY 2019/20. At the same time, we have initiated the Autonomous Vehicle (AV) Shuttle pilot project, funded by ATCMTD funds with matching funds from the Treasure Island Development Authority (TIDA). This amendment reflects the cost and revenues associated with the launch of the AV Shuttle pilot, as well as rollover Regional funds from TIDA. This amendment decreases Federal Revenues by \$1,251,596 and increases and Regional Revenues by \$302,641. Corresponding Capital Project – Technical Professional Services Expenditures decreases by \$1,126,249, Administrative Operating – Non-personnel Costs decreases by \$33,267, and Administrative Operating – Personnel Costs shifts from TIMMA Program to Sales Tax Program by \$129,529 for a total decrease of \$1,289,045 in expenditures.</p>
4.	I-80/YBI Improvement Project	Federal Revenues: \$0	\$5,542,435	\$5,542,435	<p>We are working jointly with TIDA on the development of the I-80/YBI Ramps Improvement Project. The scope of the project includes 1) construction activities for the I-80/YBI Ramps project; 2) Vista Point improvements and maintenance; and 3) Southgate Road Realignment Improvements. We are in the process of closing out the I-80/YBI Ramps project. In addition, we are now preparing to begin right-of-way acquisition for the Southgate Road Realignment Improvements Project. In September 2018, through an amendment to the funding agreement with the Bay Area Toll Authority (BATA), BATA has committed an additional \$3,100,000, for a total amount not to exceed \$5,300,000, to the Transportation Authority for additional construction work. Through Resolution 19-49, the Board authorized the Executive Director to execute certain agreements and documents for the YBI Southgate Road Realignment Improvements Project</p>
		State Revenues: \$0	\$362,511	\$362,511	

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year (FY) 2018/19 Budget Amendment Explanations**

No.	Description	Adopted Budget FY 2018/19	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY 2018/19	Explanation
		Regional Revenues: \$1,011,385	\$927,102	\$1,938,487	in order for the project to proceed with the right-of-way and construction phases. We anticipate additional federal and state grant funds will be authorized in April/May 2019. This amendment increases Federal Revenues by \$5,542,435, State Revenues by \$362,511 and Regional Revenues by \$927,102. Corresponding Capital Project – Technical Professional Services Expenditures increases by \$6,832,048.
5.	South of Market Freeway Ramp Intersection Safety Improvement Study	Federal Revenues: \$78,927	\$53,277	\$132,204	This project expands upon the work of the Vision Zero Ramp Intersection Study Phase 1 to develop a prioritized set of short-, medium-, and long-term safety improvements at up to 10 ramp intersections in the South of Market area with some of the highest rates of injury collisions in the city. We have shifted budgeted expenditures from FY 2017/18 to FY 2018/19, reflecting a longer project initiation process than expected and more staff and consultant time spent later in the study timeline. The study is anticipated to be completed by April 2019, with the final report to be presented at the May Board meeting. This amendment increases both Federal Revenues and Capital Project – Technical Professional Services Expenditures by \$53,277.
6.	Strategic Highway Research Program	Federal Revenues: \$0	\$26,950	\$26,950	In fall 2014, the Federal Highway Administration (FHWA) awarded us, as part of a three-agency consortium, a \$700,000 grant to implement applied research on transit passenger simulation in a real-world planning environment. At the conclusion of this grant, San Francisco will have a more robust set of tools with which to analyze transit crowding and transit reliability. A portion of the activities in FY 2017/18 was deferred to FY 2018/19 in order to focus resources through the end of FY 2017/18 on other grants with earlier expiration dates. This amendment increases Federal Revenues by \$29,650. Corresponding Administrative Operating - Personnel Costs will shift from Sales Tax Program to CMA Program by \$19,650 and

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year (FY) 2018/19 Budget Amendment Explanations**

No.	Description	Adopted Budget FY 2018/19	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY 2018/19	Explanation
					increases Capital Project – Technical Professional Services Expenditures by \$10,000.
7.	Surface Transportation Program 3% Revenue and Augmentation	Federal Revenues: \$1,721,861	\$930,917	\$2,652,778	As the CMA for San Francisco, we receive federal Surface Transportation Program (STP3%) funds to support various planning and programming activities, including the San Francisco Transportation Plan and Congestion Management Program updates. The proposed increase in STP3% funds this year is mainly attributed to expenditure needs from the prior fiscal year now expected to expend in FY 2018/19, including work related to the U.S. 101/I-280 Managed Lanes project and Transportation Network Companies (TNC) Research, as well as increased level of effort on the Emerging Mobility Pilot Framework Study and startup costs associated with the Downtown Congestion Management Study. This amendment increases Federal Revenues by \$930,917. Corresponding Capital Project - Technical Professional Services Expenditures increases by \$261,987 and Administrative Operating - Personnel Costs shifts from Sales Tax Program to CMA Program by \$668,930.
8.	Planning, Programming and Monitoring SB45 Funds	State Revenues: \$0	\$136,944	\$136,944	The Planning, Programming and Monitoring SB45 Funds provides funding for project delivery support activities for several projects, including Caltrain Modernization and Central Subway. We were able to utilize other funding sources first in FY 2017/18 to preserve a portion of the Planning, Programming and Monitoring SB45 funds to be spent in FY 2018/19. This amendment increases State Revenues by \$136,944 and shifts Capital Project Costs – Technical Professional Services Expenditures from CMA Program to Sales Tax Program by \$136,944.
9.	ConnectSF				The Transportation Authority, the Planning Department, the San Francisco Municipal Transportation Agency (SFMTA), and the Office of Economic and

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year (FY) 2018/19 Budget Amendment Explanations**

No.	Description	Adopted Budget FY 2018/19	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY 2018/19	Explanation
	ConnectSF (continued)	Regional Revenues: \$0	\$25,000	\$25,000	Workforce Development are partners on ConnectSF, the long-range transportation and land use planning effort for San Francisco. The agencies will conduct joint outreach for ConnectSF Phase 2, including the Needs Assessment, Network Development, Streets and Freeways Study and the Transit Corridors Study. In July 2018, through a Memorandum of Agreement (MOA) with the Planning Department, the Planning Department and the SFMTA have agreed to contribute up to \$100,000 for outreach consultant cost. We anticipate expending \$25,000 this year and will include the remaining contribution in next year's budget. This amendment increases Regional Revenues and Corresponding Capital Project – Technical Professional Services Expenditures by \$25,000.
10.	19 th Ave Combined City Project & Lombard Street Vision Zero Projects	Regional Revenues: \$0	\$25,146	\$25,146	San Francisco Public Works (SFPW) is providing funding for our guidance and assistance in the preparation of the Project Study Report-Project Report for the 19 th Avenue Combined City and the Lombard Street Vision Zero projects, required by Caltrans as part of the project approval process. At SFPW's request, we have agreed to continue providing assistance to both projects through the end of this fiscal year. This amendment increases Regional Revenues by \$25,146. Corresponding Capital Project – Technical Professional Services Expenditures increases by \$4,860 and Administrative Operating - Personnel Costs shifts from Sales Tax Programs to CMA Program by \$20,286.
11.	Transportation Demand Management (TDM) Program	Regional Revenues: \$0	\$40,000	\$40,000	The San Francisco TDM Program is the third component of the Transportation Sustainability Program that seeks to improve and expand upon San Francisco's transportation to help accommodate new growth. In March 2019, we executed an MOA with the Planning Department which allocates \$40,000 of the Planning Department's TDM Plan Application fees to support the TDM Program. This amendment increases Regional Revenues

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year (FY) 2018/19 Budget Amendment Explanations**

No.	Description	Adopted Budget FY 2018/19	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY 2018/19	Explanation
					and corresponding Capital Project – Technical Professional Services by \$40,000.
12.	U.S. 101/I-280 Managed Lanes	Regional Revenues: \$270,500	\$266,614	\$537,114	The U.S. 101/I-280 Managed Lanes project seeks to increase person throughput, improve travel time and reliability between San Francisco and the Peninsula. We are working on the Project Initiation Document (PID), required by Caltrans, which will refine a suite of alternatives for managed lanes in the U.S. 101/I-280 corridor between 5 th and King in downtown San Francisco and San Mateo County. The two counties entered into a cost-sharing agreement to split the expense of the PID phase. Additional funding from the San Mateo County Transportation Authority increases Regional Revenues and corresponding Capital Project – Technical Professional Services Expenditures by \$266,614.
13.	TNC Research	Contribution: \$75,000	\$50,000	\$125,000	We are partnering with the Metropolitan Transportation Commission (MTC) to perform a comprehensive data collection effort that will capture important information about who uses TNCs, for what purposes, and many other important data items. The goal of the TNC data collection effort is to assemble demographic and travel diary survey data for both TNC users and non-users in order to support a broad range of activities, including TNC market analyses, mode choice model estimation, and equity analyses. We expect the final data set will be provided to us by June 30, 2019. A portion of the work was completed last year; however, due to the timing of invoice payments we are recognizing the revenues and expenditures in FY 2018/19. We are receiving a total of \$125,000 contribution from The Schmidt Family Foundation/The 11 th Hour Project in support of this effort. This amendment increases Program Revenue Contributions and corresponding Capital Project – Technical Professional Services by \$50,000.

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Fiscal Year (FY) 2018/19 Budget Amendment Explanations**

No.	Description	Adopted Budget FY 2018/19	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY 2018/19	Explanation
Expenditures					
14.	Sales Tax Program (Prop K) - Individual Project Grants, Programs & Initiatives Capital Project Costs	\$200,000,000	\$(50,000,000)	\$150,000,000	We developed the FY 2018/19 Prop K Capital Expenditures based on a review of the 2019 Prop K Strategic Plan Baseline, consultation with project sponsors, and evaluation of likely reimbursement needs based on project delivery schedules. Some of the main drivers of Prop K Capital Expenditures (and our sales tax revenue bond) are the SFMTA vehicle procurements for motor coaches and trolley coaches. In FY 2018/19, the SFMTA's reimbursement requests for these two procurements have been slower than anticipated. According to the SFMTA, this is caused, in part, by the SFMTA billing other non-Prop K sources first, and a longer than anticipated lag between when vehicles are placed into revenue service and when the Transportation Authority receives a reimbursement request. The latter may be due to the City's prolonged transition to a new accounting system as well as resource constraints within SFMTA accounting. In addition, we expect lower than anticipated reimbursements for the Van Ness Bus Rapid Transit project, which is behind schedule and also able to bill non-Prop K sources first. We still anticipate fully spending the bond proceeds within three years of issuance. Based on information provided by the SFMTA and our review of expenditure and reimbursement rates, we recommend a proposed amended Prop K Capital Budget Expenditures of \$150,000,000, a decrease of \$50,000,000 over the adopted budget of \$200,000,000.
15.	Transportation Fund for Clean Air Program - Individual Project Grants, Programs & Initiatives	\$877,154	\$(229,248)	\$647,906	Because this program is small and has few active projects at any given time, changes to the timing of cash flow needs for only a few projects can trigger the need to amend the annual capital budget. This fiscal year, lower than expected expenditures are largely attributed to three new 2018 projects that have yet to execute grant agreements as well as lower expenditure needs than assumed in the FY 2018/19 budget for the new 2018 projects, which was

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year (FY) 2018/19 Budget Amendment Explanations**

No.	Description	Adopted Budget FY 2018/19	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY 2018/19	Explanation
	Capital Project Costs				done before the annual call for projects was completed and approved by the Board (i.e., we included a placeholder for new projects in the budget). Additionally, a prior year project, SFMTA's Alternative Fuel Taxicab Incentive Program has invoiced slower than anticipated, due to staff turnover at SFMTA and lower than anticipated demand for the incentives. This amendment decreases Capital Project - Individual Project Grants, Programs & Initiatives Expenditures by \$229,248.
16.	Vehicle Registration Fee for Transportation Improvement Program (Prop AA) – Individual Project Grants, Programs & Initiatives Capital Project Costs	\$6,954,745	\$(4,631,253)	\$2,323,492	For FY 2018/19, we have seen slower than anticipated expenditures from the three largest projects in the current budget, as well as delayed allocations for three projects initially programmed in Fiscal Years 2017/18 and FY2018/19. Lower expenditures are primarily due to delays in finalizing construction bid documents for SFMTA's Muni Metro Enhancements project due to unanticipated findings during design and the need to re-evaluate location of wayfinding signage, and delays to SFPW's Haight Street Resurfacing and Pedestrian Lighting project and Brannan Street Pavement Renovation project due to coordination with sewer work. This amendment decreases Capital Project - Individual Project Grants, Programs & Initiatives Expenditures by \$4,631,253.
17.	All Funds, Capital Project Costs - Technical Professional Services	\$11,064,695	\$8,380,221	\$19,446,916	We are anticipating higher expenditures than originally anticipated, which is primarily due to additional funding and required consultant efforts for several projects, noted above. Approximately \$6.8 million of the total proposed increase is for the I-80/YBI Improvement Project, as we are closing out the I-80/YBI Ramps project and preparing to begin right-of-way acquisition for the Southgate Road Realignment Improvements Project. In addition, \$550,000 of consultant costs will be expended on project delivery support and oversight services for the Downtown Extension project including the governance, oversight and project delivery study request by the Board. This

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year (FY) 2018/19 Budget Amendment Explanations**

No.	Description	Adopted Budget FY 2018/19	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY 2018/19	Explanation
					effort is funded by a Prop K appropriation, approved through Res. 19-02. This amendment increases Capital Project – Technical Professional Services by \$8,380,221.
18.	Debt Service Expenditures – Interest and Fiscal Charges	\$8,412,250	\$547,194	\$8,959,444	In November 2017, we competitively sold Sales Tax Revenue Bonds with the total face amount of \$248.25 million. The delay in capital project invoices postponed the timing of final repayment to the revolver credit loan agreement (Revolver). Through analysis of pending project invoices and outstanding funding requirements, we had accumulated sufficient funding and made the repayment against the remaining balance in December 2018. This amendment increases Debt Service Expenditures – Interest and Fiscal Charges by \$547,194.
19.	Revolving Credit Agreement Repayment	\$25,000,000	\$(336,816)	\$24,663,184	In April 2018, we substituted our existing \$140 million tax-exempt Revolver, which financed past capital expenditures, with a revolving credit facility with State Street and U.S. Bank National Association. We made the final repayment against the remaining balance in December 2018. This amendment decreases Revolving Credit Agreement Repayment by \$336,816 to match the actual payment amount.
20.	Draw on Revolver	\$121,000,000	\$(121,000,000)	\$0	Due to the proposed decrease of \$50,000,000 in Prop K Capital Expenditures for FY 2018/19, we do not anticipate the need to drawdown from the Revolver this FY. We will continue to monitor capital spending closely during the remainder of the year through a combination of cash flow needs for allocation reimbursements, progress reports and conversations with project sponsors, particularly our largest grant recipient, the SFMTA.