



Memorandum

AGENDA ITEM 3

DATE: May 18, 2023

TO: Treasure Island Mobility Management Agency Committee

FROM: Cynthia Fong - Deputy Director for Finance and Administration

SUBJECT: 05/23/23 Committee Meeting: Recommend Amendment of the Adopted Fiscal Year 2022/23 Budget to Decrease Revenues by \$9,221,527, Decrease Expenditures by \$9,440,113 and Decrease Other Financing Sources by \$218,586

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Recommend amendment of the adopted Fiscal Year (FY) 2022/23 budget to decrease revenues by \$9,221,527, decrease expenditures by \$9,440,113 and decrease other financing sources by \$218,586.</p> <p>SUMMARY</p> <p>In June 2022, through Resolution 22-04, the Board adopted the FY 2022/23 Annual Budget and Work Program. Revenue and expenditure figures pertaining to several project components need to be updated from the original estimates contained in the adopted FY 2022/23 budget. The effect of the amendment, with a comparison of revenues and expenditures to the adopted budget is shown in Attachment 1.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Fund Allocation <input type="checkbox"/> Fund Programming <input type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input type="checkbox"/> Capital Project Oversight/Delivery <input checked="" type="checkbox"/> Budget/Finance <input type="checkbox"/> Contract/Agreement <input type="checkbox"/> Other: _____
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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. Our Fiscal Policy allows for the amendment of the adopted budget during the fiscal year to reflect actual revenues and expenditures incurred. The revisions typically take place after completion of the annual fiscal audit, which certifies actual expenditures and carryover revenues.



DISCUSSION

The budget revision reflects a decrease of \$9,221,527 in revenues, a decrease of \$9,440,113 in expenditures and a decrease of \$218,586 in other financing sources. These revisions include carryover revenues and expenditures from the prior period. The effect of the amendment, with a comparison of revenues and expenditures to the adopted FY 2022/23 Budget, is shown in Attachment 1. TIMMA's FY 2022/23 budget revisions are included in the San Francisco County Transportation Authority's (Transportation Authority's) FY 2022/23 budget amendment, which was adopted by the Transportation Authority Board on April 25, 2023.

Work Program. In FY 2022/23, we completed the procurement for an Autonomous Vehicle (AV) Shuttle vendor and executed an operating agreement for a pilot project on Treasure Island. That project will proceed into the deployment stage in FY 2023/24. We also worked to advance the Toll and Affordability Program, but adoption of the program has been delayed. The Ferry Terminal Enhancements project was also delayed due to an extended process with Caltrans to obligate the federal earmark funds. That project is commencing in the last quarter of FY 2022/23. Work across other subprojects of the Treasure Island Mobility Management Program also proceeded more slowly than anticipated this year.

Program Revenues. The program revenue for FY 2022/23 covers the full costs of all Transportation Authority activities in support of TIMMA. This amendment decreases total revenues by \$9,221,527. Budgeted revenues from federal reimbursements will be decreased by \$9,440,113 and will defer to the next fiscal year due to project schedule delays described above.

Program Expenditures. Changes proposed to expenditures are described below.

Technical Professional Services Costs - Technical professional services include planning, engineering, design, communications, environmental, and toll system final design services. Included are technical services contracts already awarded for the Treasure Island Conceptual System Design; on-call demand model development and application; on-call transportation planning; and strategic advising/project management support. Additional technical services contracts anticipated in this line item include strategic communications, legal services, and outreach services. Corresponding technical professional services expenditures will decrease by \$8,602,642 as compared to the adopted budget, which is primarily due to the delay in implementing the toll system and commencing the Ferry Terminal Enhancements project, as mentioned above.

Administrative Operating Costs - As stated in the Administrative Code (Ordinance 23-01), the Transportation Authority shall lend staff to TIMMA as appropriate, subject to reimbursement by TIMMA for salary and related benefits and other costs allocable to services performed for TIMMA by Transportation Authority staff. Personnel costs encompass technical staffing across each of the six divisions of the Transportation Authority. Non-personnel costs include legal



services and Commissioner meeting fees. Non-personnel expenditures will decrease by \$61,488, and personnel expenditures will decrease by \$775,983 for a total decrease of \$837,471 in Administrative Operating Costs for FY 2022/23 activity. The decrease of non-personnel expenditures is due to decreased need of legal services than anticipated. The decrease in personnel expenditures is due to a decreased level of effort due to the delay in adoption of the Toll and Affordability Program, and the delay in filling the vacant TIMMA Program Manager position.

Other Financing Sources. Other financing sources will decrease by \$218,586, as Sales Tax appropriations to TIMMA will be deferred to FY 2023/24.

FINANCIAL IMPACT

The proposed amendment to the FY 2022/23 budget would decrease revenues by \$9,221,527, decrease expenditures by \$9,440,113 and decrease other financing sources by \$218,586 as described above.

SUPPLEMENTAL MATERIALS

- Attachment 1 – Proposed Fiscal Year 2022/23 Budget Amendment

**Treasure Island Mobility Management Agency
Attachment 1
Proposed Fiscal Year 2022/23 Budget Amendment
Line Item Detail**



	Proposed Budget Amendment Fiscal Year 2022/23	Increase/ (Decrease)	Adopted Budget Fiscal Year 2022/23
Program Revenues:			
<u>Federal</u>			
Advanced Transportation and Congestion Management Technologies Deployment	\$ 304,627	\$ (3,425,330)	\$ 3,729,957
Ferry Boat Discretionary funds - Treasure Island Ferry Terminal	82,816	(1,377,184)	1,460,000
Innovative Deployments to Enhance Arterials Shared Automated Vehicle	133,840	(331,045)	464,885
<u>State</u>			
Affordable Housing and Sustainable Communities - Treasure Island Ferry Terminal	18,180	(346,820)	365,000
Affordable Housing and Sustainable Communities - East Bay Bus Exchange	-	(1,013,283)	1,013,283
<u>Regional and Other</u>			
Treasure Island Community Development LLC - Exhibit N Shuttle Exchange	-	(1,857,673)	1,857,673
Treasure Island Community Development LLC - Ferry Exchange	547,262	(1,327,738)	1,875,000
Treasure Island Development Authority	457,546	457,546	-
Total Program Revenues	1,544,271	(9,221,527)	10,765,798
Expenditures:			
Technical Professional Services	712,766	(8,602,642)	9,315,408
Administrative Operating Costs			
Personnel Expenditures			
Salaries	489,878	(519,748)	1,009,626
Fringe Benefits	241,510	(256,235)	497,745
Non-personnel Expenditures			
Administrative Operations	126,012	(61,488)	187,500
Commissioner-Related Expenses	6,200	-	6,200
Total Expenditures	1,576,366	(9,440,113)	11,016,479
Other Financing Sources (Uses):			
Transfer in from Transportation Authority	32,095	(218,586)	250,681
Transfer out to Transportation Authority	-	-	-
Total Other Financing Sources (Uses)	32,095	(218,586)	250,681
Net Change in Fund Balance	\$ -	\$ -	\$ -