



Agenda

SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY
Meeting Notice

DATE: Tuesday, January 23, 2024, 10:00 a.m.

LOCATION: Legislative Chamber, Room 250, City Hall

Watch SF Cable Channel 26 or 99
(depending on your provider)

Watch www.sfgovtv.org

PUBLIC COMMENT CALL-IN: 1-415-655-0001; Access Code: 2662 307 4053 # #

To make public comment on an item, when the item is called, dial '*3' to be added to the queue to speak. Do not press *3 again or you will be removed from the queue. When the system says your line is unmuted, the live operator will advise that you will be allowed 2 minutes to speak. When your 2 minutes are up, we will move on to the next caller. Calls will be taken in the order in which they are received.

COMMISSIONERS: Mandelman (Chair), Melgar (Vice Chair), Chan, Dorsey, Engardio, Peskin, Preston, Ronen, Safaí, Stefani, and Walton

CLERK: Yvette Lopez-Jessop

Remote Participation

Members of the public may attend the meeting to observe and provide public comment at the physical meeting location listed above or may watch SF Cable Channel 26 or 99 (depending on your provider) or may visit the SFGovTV website (www.sfgovtv.org) to stream the live meeting or may watch them on demand.

Members of the public may comment on the meeting during public comment periods in person or remotely. In-person public comment will be taken first; remote public comment will be taken after.

Written public comment may be submitted prior to the meeting by emailing the Clerk of the Transportation Authority at clerk@sfcta.org or sending written comments to Clerk of the Transportation Authority, 1455 Market Street, 22nd Floor, San Francisco, CA 94103. Written comments received by 5 p.m. on the day before the meeting will be distributed to Board members before the meeting begins.

1. Roll Call
2. Chair's Report - **INFORMATION**
3. Approve the Minutes of the January 9, 2024 Meeting – **ACTION***

3



Consent Agenda

- 4. [Final Approval] Accept the Audit Report for the Fiscal Year Ended June 30, 2023 – ACTION* 5**

End of Consent Agenda

- 5. [Final Approval on First Appearance] Adopt 2023 Annual Report – ACTION* 145**

Other Items

- 6. Introduction of New Items – INFORMATION**

During this segment of the meeting, Commissioners may make comments on items not specifically listed above or introduce or request items for future consideration.

- 7. Public Comment**

- 8. Adjournment**

***Additional Materials**

Items considered for final approval by the Board shall be noticed as such with **[Final Approval]** preceding the item title.

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If any materials related to an item on this agenda have been distributed to the Board after distribution of the meeting packet, those materials are available for public inspection at the Transportation Authority at 1455 Market Street, Floor 22, San Francisco, CA 94103, during normal office hours.

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DRAFT MINUTES

San Francisco County Transportation Authority

Tuesday, January 9, 2024

1. Roll Call

Chair Mandelman called the meeting to order at 10:00 a.m.

Present at Roll Call: Commissioners Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Stefani, and Walton (10)

Absent at Roll Call: Commissioner Safai (1)

2. Approve the Minutes of the December 12, 2023 Meeting - ACTION

Clerk Saunders noted that public comment received before the meeting was posted to the website. There was no additional public comment.

Commissioner Dorsey moved to approve the minutes, seconded by Commissioner Walton.

The minutes were approved without objection by the following vote:

Ayes: Commissioners Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Stefani, and Walton (10)

Absent: Commissioner Safai (1)

3. Elections for the Chair and Vice Chair for 2024-ACTION

Chair Mandelman called the nominations for Chair to order.

Vice Chair Melgar motioned to nominate Chair Mandelman to serve another year as Chair.

Commissioner Chan seconded the motion.

There were no further nominations for Chair.

There was no public comment on the nominations for Chair.

The motion to elect Chair Mandelman as Chair was approved without objection by the following vote:

Ayes: Commissioners Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Stefani, and Walton (10)

Absent: Commissioner Safai (1)

Chair Mandelman thanked his colleagues for their support and then called nominations for Vice Chair to order.

Chair Mandelman motioned to nominate Vice Chair Melgar to serve another year as Vice Chair.



Commissioner Chan seconded the motion.

There were no further nominations for Vice Chair.

There was no public comment on the nominations for Chair.

The motion to elect Vice Chair Melgar as Vice Chair was approved without objection by the following vote:

Ayes: Commissioners Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Stefani, and Walton (10)

Absent: Commissioner Safai (1)

4. Accept the Annual Audit Report for the Fiscal Year Ended June 30, 2023 - ACTION

Cynthia Fong, Deputy Director for Finance and Administration, and Ahmed Gharaibeh, Partner with Eide Bailly, LLP, presented the item per the staff memorandum.

There was no public comment.

Commissioner Walton moved to approve the item, seconded by Commissioner Preston.

The item was approved without objection by the following vote:

Ayes: Commissioners Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Stefani, and Walton (10)

Absent: Commissioner Safai (1)

Other Items

5. Introduction of New Items - INFORMATION

Chair Mandelman announced that Clerk Saunders would be leaving the Transportation Authority, thanked him for his service, and wished him well.

There were no new items introduced.

6. Public Comment

There was no public comment.

7. Adjournment

The meeting was adjourned at 10:14 a.m.



Memorandum

AGENDA ITEM 4

DATE: January 2, 2024

TO: Transportation Authority Board

FROM: Cynthia Fong - Deputy Director for Finance and Administration

SUBJECT: 01/9/24 Board Meeting: Accept the Audit Report for the Fiscal Year Ended June 30, 2023

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Accept the audit report for the fiscal year ended June 30, 2023.</p> <p>SUMMARY</p> <p>The Transportation Authority’s financial records are required to be audited annually by an independent, certified public accountant. The Annual Comprehensive Financial Reporting (Audit Report) for the year ended June 30, 2023, was conducted in accordance with generally accepted auditing standards by the independent, certified public accounting firm of Eide Bailly LLP. Since more than \$750,000 in federal grants were expended during the year, a single audit (compliance audit) was also performed on the Yerba Buena Island (YBI) Project, the YBI West Side Bridges Project, the YBI Southgate Road Realignment Improvement Project, the YBI Multi-use Pathway Project, and the Surface Transportation Program (Congestion Management Agency planning funds). The Transportation Authority received all unmodified audit opinions from Eide Bailly, with no findings or recommendations for improvements. A representative from Eide Bailly will present the audit report and answer any questions at the Board meeting.</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

Under its Fiscal Policy (Resolution 21-57), the Transportation Authority's financial records are to be audited annually by an independent, certified public accounting firm. The audits for the fiscal year ended June 30, 2023, were conducted in accordance with generally accepted auditing standards, the standards applicable to financial audits contained in the Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The Audit Report contains formal opinions, or disclaimers thereof, issued by an independent, certified public accounting firm as a result of an external audit performed on an agency. An unmodified audit opinion (also known as a clean opinion/unqualified opinion) is the best type of report an agency may receive from an external audit and represents that the agency complied with direct and material regulatory requirements or that the agency's financial condition, position, and operations in all material respects were fairly presented.

DISCUSSION

The Audit Report includes an introductory section; the overall basic financial statements; a management discussion and analysis of the Transportation Authority's financial performance during that fiscal year; footnotes; required supplemental information; and other supplementary information, which include the results from the single audit of federal awards, statistical section, and compliance section.

We are pleased to note that Eide Bailly issued all unmodified opinions and had no findings or recommendations for improvements. The Transportation Authority recognized all significant transactions in the financial statements in the proper period and received no adjustments to any estimates made in the financial statements. For the annual fiscal audit, Eide Bailly has issued an opinion stating that the financial statements present fairly, in all material respects, the financial position of the Transportation Authority.

Since more than \$750,000 in federal grants were expended during the year, a single audit was performed on the Yerba Buena Island (YBI) Project, the YBI West Side Bridges Project, the YBI Southgate Road Realignment Improvement Project, the YBI Multi-use Pathway Project, and the Surface Transportation Program. For the single audit, Eide Bailly has issued an opinion, stating that the Transportation Authority complied in all material respects with the compliance requirements that could have a direct and material effect on the federal funds audited. The full audit report is attached, along with a separate report containing other required communications to the Board.



FINANCIAL IMPACT

Expenditures did not exceed the amounts approved in the agency-wide amended Fiscal Year 2022/23 budget. Budgeted expenditures that were not expended in FY 2022/23 will be included in the FY 2023/24 mid-year amendment.

CAC POSITION

Since the CAC did not meet in December 2023 due to the holidays, we will include the audit as an information item at its January 24, 2024, meeting.

SUPPLEMENTAL MATERIALS

- Attachment 1 - Annual Comprehensive Financial Report for the Year Ended June 30, 2023
- Attachment 2 - Separate Report Containing Other Required Communications to the Board
- Attachment 3 - Motion

Annual Comprehensive Financial Report

For the Fiscal Year
Ended June 30, 2023



**San Francisco
County Transportation
Authority**

a component unit of the City and County of San Francisco, California

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Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2023

Prepared by the Finance and Administration Division



a component unit of the City and County of San Francisco, California

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San Francisco County Transportation Authority

Table of Contents

June 30, 2023

Introductory Section

Letter of Transmittal i

 Government Finance Officers Association (GFOA) Certificates of Achievements xii

 Organizational Chart.....xiii

 Commissioner and Officialsxiv

Financial Section

Independent Auditor’s Report..... 1

Management’s Discussion and Analysis 5

Basic Financial Statements

Government Wide Financial Statements

 Statement of Net Position 24

 Statement of Activities 26

Government Fund Financial Statements

 Balance Sheet - Governmental Funds..... 27

 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position..... 28

 Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds..... 29

 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 30

Notes to Financial Statements..... 31

Required Supplementary Information

 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - 62

 Sales Tax Program 62

 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Congestion Management Agency Programs..... 63

 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Transportation Fund for Clean Air Program..... 64

 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Vehicle Registration Fee for Transportation Improvements Program..... 65

 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - 66

 Treasure Island Mobility Management Agency 66

 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - 67

 Traffic Congestion Mitigation Tax Program..... 67

 Schedule of Changes in the Net Other Postemployment Benefit Liability and Related Ratios..... 68

 Schedule of Changes in the Net Other Postemployment Benefit Liability and Related Ratios (continued)..... 69

 Schedule of Other Postemployment Benefits Contributions..... 70

 Schedule of the Proportionate Share of the Net Pension Liability 71

 Schedule of Pension Contributions 72

 Notes to Required Supplementary Information 73

Supplementary Information

Schedule of Expenditures of Federal Awards.....	75
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -	76
Agencywide.....	76
Notes to Supplementary Information	77
Statistical Section	
Financial Trends - Net Position by Component.....	79
Financial Trends - Changes in Net Position	80
Financial Trends - Fund Balances - Governmental Funds.....	81
Financial Trends - Changes in Fund Balances - Governmental Funds	82
Revenue Capacity - Sales Tax Rates.....	83
Revenue Capacity - Principal Sales Tax Payers by Segment for the County	84
Debt Capacity - Ratios of Outstanding Debt	85
Debt Capacity - Direct and Overlapping Legal Debt Margin Information and Limitations	86
Debt Capacity - Pledge Revenue Coverage	87
Demographic and Economic Information - Demographic and Economic Statistics.....	88
Demographic and Economic Information - Principal Employers.....	89
Operating Information - Full Time Equivalent Employees by Function.....	90
Operating Information - Operating Indicators by Function - Project Fund Allocations and Reimbursements.....	91
Operating Information - Capital Asset Statistics	92
Independent Auditor’s Reports	
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	93
Independent Auditor’s Report on Compliance for the Major Program and on Internal Control over Compliance Required by the Uniform Guidance	95
Schedule of Findings and Questioned Costs	
Summary of Auditor’s Results.....	98
Financial Statement Findings	99
Federal Awards Findings and Questioned Costs.....	100
Summary Schedule of Prior Audit Findings.....	101

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Introductory Section

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December 22, 2023

To the Board of the San Francisco County Transportation Authority:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the San Francisco County Transportation Authority (Transportation Authority) for the fiscal year (FY) ended June 30, 2023. The financial statements are presented in conformity with generally accepted accounting principles and were audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. We believe the controls and procedures are in place to ensure the accuracy of reported data, in all material respects, and the Transportation Authority's financial position is presented fairly.

Eide Bailly LLP, Certified Public Accountants, has issued an unmodified ("clean") opinion on the Transportation Authority's financial statements for the year ended June 30, 2023. The independent auditor's report is located at the front of the Financial Section of this report.

The Transportation Authority is also required to undergo an annual federal compliance audit in conformity with the provision of the Single Audit Act of 1984, and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. The results of this audit can be found in the Federal Compliance Section.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

San Francisco is the cultural, commercial, and financial center of Northern California. The consolidated city-county covers an area of about 47.9 square miles at the northern tip of the Peninsula in the San Francisco Bay. The Transportation Authority, established in 1989 pursuant to the provisions of the Bay Area County Traffic and Transportation Funding Act (Act) and by voter approval of Proposition B, is a sub-regional transportation planning and programming agency for the City and County of San Francisco (City). Originally created to administer the proceeds of the retail transactions and use tax through Proposition B (Prop B), the Transportation Authority has since been asked to take on several additional roles and responsibilities mandated by state law. In November 2003, San Francisco voters approved Proposition K (Prop K), adopting a new transportation expenditure plan referred to herein as the Expenditure Plan, which superseded Prop B, and extended the existing one-half of one percent (0.5%) county-wide sales tax through March 31, 2034. San Francisco voters in November 2022 approved Proposition L (Prop L), the Sales Tax for Transportation Projects measure that will direct \$2.6 billion (2020 dollars) in half-cent sales tax funds over 30 years to help deliver safer and smoother streets, more reliable transit, continue paratransit services for seniors and persons with disabilities, reduce congestion, and improve air quality. Prop L replaced the 2003 Prop K Expenditure Plan with a new 30-year Expenditure Plan.

Pursuant to the Act, the Transportation Authority is a separate legal entity from the City, with its own staff, budget, operating rules, policies, board, and committee structure. The Transportation Authority's borrowing capacity is separate and distinct from that of the City. The Transportation Authority does not own or operate any transit systems, but it coordinates with and provides funding to certain other agencies that do operate transit systems. The Transportation Authority's mission is to make travel safer, healthier, and easier for all. The Transportation Authority plans, funds, and delivers local and regional projects to improve travel choices for residents, commuters, and visitors throughout the city.

Since 1990, the Transportation Authority has been the designated Congestion Management Agency (CMA) for San Francisco. In this role, the Transportation Authority is responsible for developing and administering the Congestion Management Program. Through its CMA activities, the Transportation Authority leverages state and federal transportation dollars to complement sales tax revenues and performs project delivery oversight to assist with project implementation. The Transportation Authority also tracks transportation system performance to ensure that the City gets good value for its transportation investments, as well as prepares the long-range San Francisco Transportation Plan to guide future investment decisions.

The Transportation Authority has also served as the San Francisco Program Manager for grants from the Bay Area Air Quality Management District (Air District)'s Transportation Fund for Clean Air (TFCA) program since 1990. In such role, the Transportation Authority approves funding for transportation projects that directly benefit air quality through reduced motor vehicle emissions.

The Transportation Authority also serves as the administrator of Proposition AA (Prop AA), a \$10 annual vehicle registration fee on motor vehicles registered in the City, which was passed by City voters in November 2010. In such role, the Transportation Authority oversees the Prop AA program and allocates funds to street repair and reconstruction, pedestrian safety, and transit reliability and mobility improvement projects. This fee is separate and apart from, and does not form any part of, the Sales Tax Revenues.

The Transportation Authority was also designated as the Treasure Island Mobility Management Agency (TIMMA) in 2014, and although TIMMA and the Transportation Authority share personnel and a board of commissioners, TIMMA's functions and its budget are separate and apart from those of the Transportation Authority. TIMMA is charged with planning for sustainable mobility on Treasure Island and sponsoring the provisions of new ferry and regional bus service, on-island shuttle, bike share, and car share opportunities. In 2008, state legislation enabled TIMMA to implement congestion pricing to manage vehicle traffic as the island develops, and to fund the new transit and other mobility services.

In November 2019, San Francisco voters approved Proposition D, the Traffic Congestion Mitigation Tax also known as the Transportation Network Company (TNC) Tax, and the Transportation Authority was designated to receive 50% of the TNC Tax revenues. This tax enables the City of San Francisco to impose a 1.5% business tax on shared rides and 3.25% business tax on private rides for fares originating in San Francisco and charged by commercial ride-share and driverless-vehicle companies until November 2045. After allowable City administrative costs, 50% of the tax would provide funding for the San Francisco Municipal Transportation Agency (SFMTA) for Muni transit service and affordability, system reliability and capacity, and keeping transit infrastructure in a state of good repair for defined purposes. The remaining 50% would provide funding for the Transportation Authority for planning, design studies, and/or capital improvements that promote users' safety in the public right-of-way, for defined purposes.

The Transportation Authority governing board consists of the 11 members of the San Francisco Board of Supervisors, who act as Transportation Authority Commissioners (Board). Board members elect a chair every January. The chair appoints the members and chairs of the committees and serves as an ex-officio member on the committees. The Board is required to adopt an initial budget for the fiscal year no later than June 30, preceding the beginning of the fiscal year on July 1.

San Francisco County Transportation Authority

Letter of Transmittal

June 30, 2023

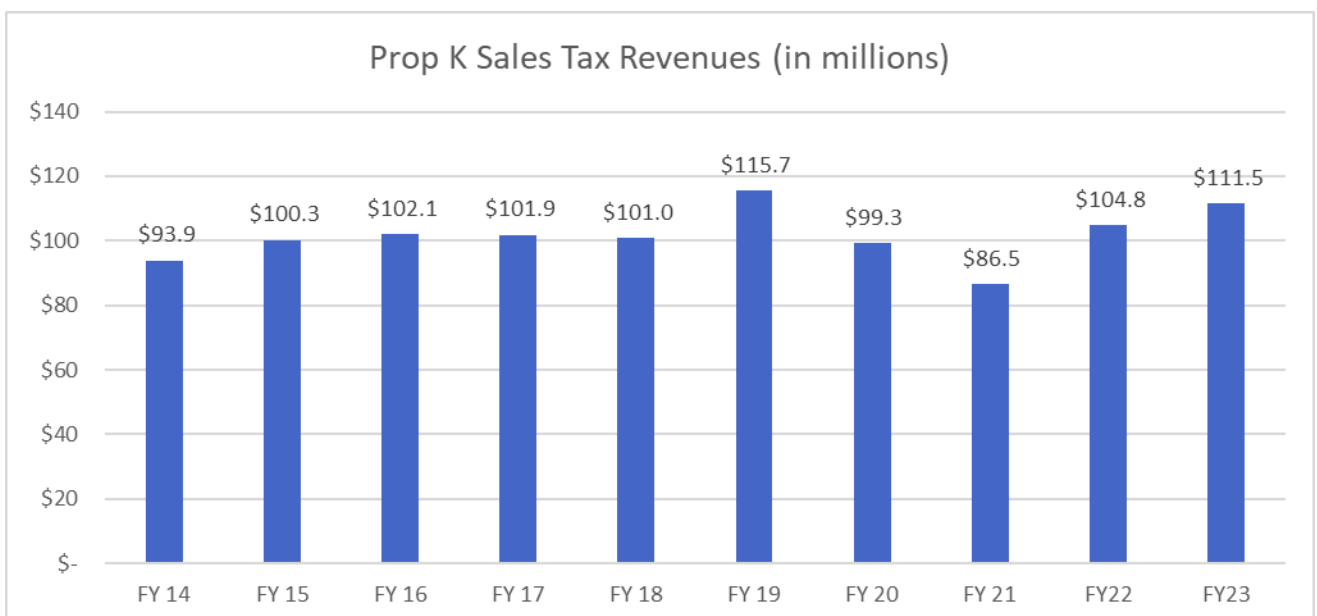
On March 11, 2020, the World Health Organization declared the outbreak of the COVID-19 disease to be a worldwide pandemic. Since then, San Francisco has led the nation in its response to COVID-19 in partnership with community-based organizations and health systems partners throughout the City, as well as the participation and cooperation of San Francisco residents. The San Francisco Department of Public Health ended the City's COVID-19 public health emergency declaration on February 28, 2023 in alignment with the end of California's COVID-19 State of Emergency. The Center for Disease Control and Prevention also marked the end of the federal COVID-19 Public Health Emergency declaration on May 11, 2023. Both San Francisco and the Transportation Authority are emerging from the challenges posed by COVID-19. The fiscal year returned to a more normal phase as the year advanced. Visitor traffic to San Francisco continued to rise along with sales tax revenue. Transit ridership slightly trended upward but remains below pre-pandemic levels.

At the local level, the Transportation Authority led several projects including the U.S. 101/I-280 Managed Lanes and Express Bus, YBI Hillcrest Road Re-Design, I-280 Ocean Avenue South Bound Off-ramp Realignment, and Treasure Island Autonomous Shuttle Pilot. Larger projects advanced such as the Downtown Rail Extension Project and the I-80/Yerba Buena Island West Side Bridges Retrofit Project. Lastly, the Yerba Buena Island/I-80 Southgate Road and Interchange Project was completed, linking eastbound I-80 to Yerba Buena Island and was opened to traffic on May 7, 2023.

Major Revenue - Sales Tax

The Act, among other things, authorizes the board of supervisors of any county within the nine-county Bay Area to develop a countywide consensus on a proposed transportation expenditure plan to be submitted to the voters, following various local governmental approvals, as part of an ordinance imposing a retail transactions and use tax of either one-half of one percent or one percent, in accordance with the provisions of the California Transactions and Use Tax Law (Revenue and Taxation Code, Section 7251, et seq.).

In November 1989, in accordance with the Act, more than two-thirds of San Francisco voters approved Prop B, which authorized the formation of the Transportation Authority and imposed the Original Sales Tax, for a minimum period of 20 years commencing April 1, 1990, for the purpose of funding the Transportation Authority's Original Expenditure Plan (herein defined). The Original Sales Tax was extended on November 4, 2003, with more than two-thirds of San Francisco voters approving the Prop K measure, providing for the continuation of a retail transactions and use tax of one-half of one percent (0.5%) to fund the Transportation Authority's next 30-year Expenditure Plan for the period from April 1, 2004, through March 31, 2034. San Francisco voters approved Proposition L on November 8, 2022, and the Sales Tax continued to be imposed and collected without interruption during the implementation of the Prop L Expenditure Plan. The Expenditure Plan covers a 30-year period, which began on April 1, 2023, and continues through March 31, 2052. The Prop L Expenditure Plan includes funding for neighborhood-level investments such as road repair, crosswalks, traffic calming, new and upgraded traffic signals, bicycle lanes, and Safe Routes to School programs. It will also include citywide improvements like electrifying Muni's bus fleet, bus lanes and transit signal priority, maintaining buses and trains so they operate safely and reliably, and increasing the capacity of both Muni and BART systems.



San Francisco County Transportation Authority
Letter of Transmittal
June 30, 2023

Principal Sales Tax Payers by Segments
Last Ten Fiscal Years (in thousands)

	Fiscal Year Ended June 30,									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Building Material, Garden Equipment & Supplies Dealer	\$ 514,998	\$ 567,502	\$ 590,523	\$ 586,018	\$ 660,316	\$ 688,526	\$ 678,394	\$ 668,123	\$ 698,823	\$ 653,939
Clothing and Clothing Accessories Stores	2,096,465	2,200,024	2,129,867	2,099,019	2,081,039	2,004,367	1,592,984	1,350,205	1,736,685	1,686,952
Food and Beverage Stores	758,809	805,017	845,680	851,556	862,682	859,081	822,192	713,524	744,573	778,351
Food Services and Drinking Places	3,937,397	4,293,647	4,573,912	4,680,694	4,806,903	4,958,157	3,756,963	2,052,954	3,778,019	4,474,180
Gasoline Stations	652,121	520,987	442,063	445,369	548,415	563,607	440,577	331,589	554,301	573,928
General Merchandise Stores	891,592	864,504	857,385	822,175	812,795	767,933	657,382	609,807	706,116	654,732
Home Furnishings Stores and Appliance Stores	929,378	982,826	989,560	917,409	970,745	1,058,102	874,722	821,785	986,577	840,426
Motor Vehicle and Parts Dealers	581,188	575,056	552,476	613,651	613,264	678,081	565,616	653,969	593,189	571,864
Other Retail Group	1,927,610	2,131,146	2,171,479	2,292,527	2,469,161	2,582,246	2,666,115	2,568,101	2,625,636	2,566,554
Total Retail and Food Services	12,289,558	12,940,709	13,152,945	13,308,418	13,825,320	14,160,100	12,054,945	9,770,057	12,423,919	12,800,926
All Other Outlets	5,589,371	5,721,175	6,226,000	6,026,085	5,999,001	6,602,407	5,839,627	4,925,238	6,160,109	6,695,377
Total All Outlets	\$17,878,929	\$18,661,884	\$19,378,945	\$19,334,503	\$19,824,321	\$20,762,507	\$17,894,572	\$14,695,295	\$18,584,028	\$19,496,303

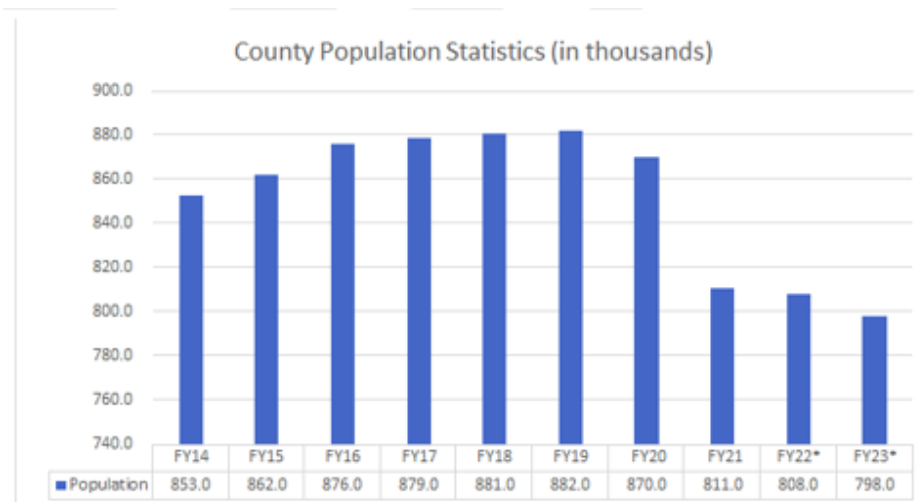
Source: California Department of Tax and Fee Administration.

In FY2022/23, sales tax revenues of \$111.5 million were 6.3% higher than FY2021/22, as business activity and tourism traffic continued to rise with the lifting of COVID restrictions. The largest sales taxpayer contribution was the food services and drinking places segment, which grew 18.4% to \$4.5 billion. Although sales tax revenue continued to increase, the drop in year over year increase was due mostly to the easing of supply chain disruptions, which decreased the inflation rate from 6.8% in June 2022 to 2.9% in June 2023 for the San Francisco Bay Area region. In general, sales tax revenues over the past few years might be categorized as follows: FY2019/20 and FY2020/21 were the primary pandemic reduction years, FY2021/22 was the primary recovery year, and FY2022/23 showed some remaining recovery along with some lingering inflation impacts which boosted prices a bit. In June 2023, the Transportation Authority maintained the highest possible rating of AAA by Fitch Ratings. This AAA rating places the Transportation Authority among the highest rated organizations in California. The rating also reflects the agency's strong and resilient maintenance of the voter-approved half-cent sales tax for transportation and stable outlook.

Local Economy (revenue drivers)

San Francisco's economy is driven by various types of industries including financial services, tourism, and high technology which affect sales tax revenues as well as population, personal income, and unemployment rate. San Francisco is a major employment center for the broader region, offering high-paying jobs and rivaling neighboring Silicon Valley area. San Francisco's economic recovery continued to improve this fiscal year. Return-to-office attendance rose from slightly above 30% to slightly below 40% since the pandemic began, a higher rate than anywhere else in the United States but seems unlikely to return to pre-pandemic levels as work-from-home model adoption continues. Office vacancies rose from the low 20s to 28.3% while office rents fell only by 1%. The commercial real estate market faces challenges from low in-office attendance, resulting from the pandemic and a year of rising interest costs. New business formations remained flat. Apartment rents slightly declined while condominium and single-family home prices dropped. The median home price has retreated to \$1.3 million, a price last seen two years ago. International air travel into San Francisco continues to recover, over 90% of pre-pandemic levels. Domestic recovery stabilized at around 86% of pre-pandemic levels. At the end of FY2022/23, all of these factors continue to be affected by the COVID-19 pandemic. See below for further discussion.

The estimated population of the City and County of San Francisco decreased from 852,469 in FY2013/14 to 798,206 in FY2022/23. The population continues to decline and by 1.3% in FY2022/23. Though rates of decline in the population of large U.S. counties leveled off from those seen during the first year of the pandemic, San Francisco still leads all large U.S. counties in terms of its rate of population decline and continues to shrink from its pre-COVID populations due to the effect of the COVID-19 pandemic and shift to remote work.

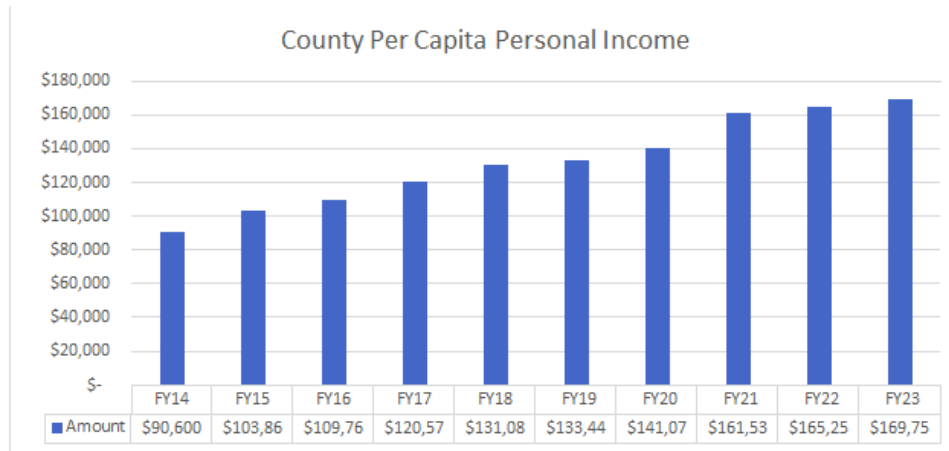


Source: City and County of San Francisco Annual Comprehensive Financial Report for the year ended June 30, 2023; Statistical Section - Demographic and Economic Statistics table.

* FY2022/23 population was estimated by multiplying the estimated FY2021/22 population by the FY2021/22 population growth rate.

The estimated per capita personal income for the City and County of San Francisco continuously increased from \$90,600 in FY2014/15 to \$169,758 in FY2022/23.

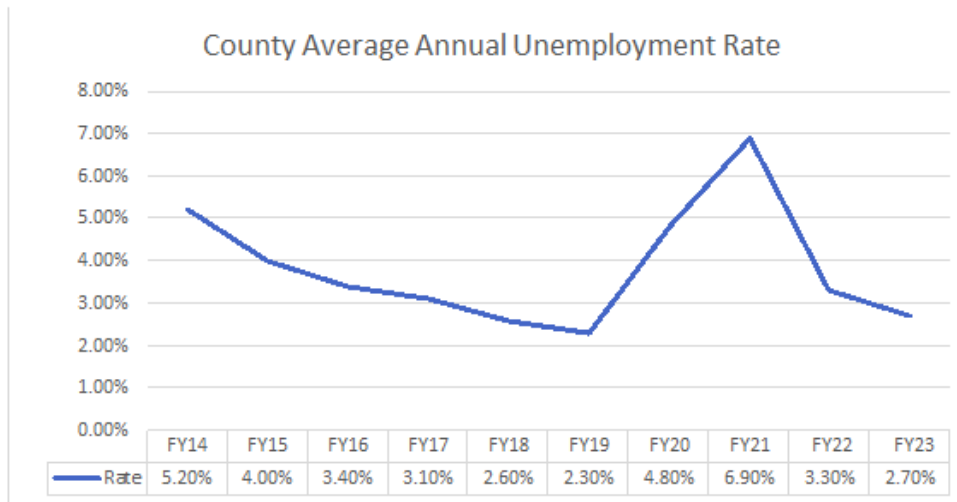
San Francisco County Transportation Authority
 Letter of Transmittal
 June 30, 2023



Source: City and County of San Francisco Annual Comprehensive Financial Report for the year ended June 30, 2023; Statistical Section - Demographic and Economic Statistics table.

2024 was estimated by multiplying the latest quarterly State income by 1000 and dividing by the estimated 2024 population.

In addition, the unemployment rate fell from 5.2% in FY2013/14 to a low of 2.3% in FY2018/19 (pre-pandemic) and increased to 2.7% in FY2022/23. Unemployment has steadily improved since the onset of the pandemic and as compared to the previous year's 3.3%, even with tech industry layoffs from multiple companies. Overall, San Francisco remains lower than the statewide rate of 4.6%.



Source: City and County of San Francisco Annual Comprehensive Financial Report for the year ended June 30, 2023; Statistical Section - Demographic and Economic Statistics table and California Employment Development Department.

San Francisco is a sought-after destination with a strong labor market. Job growth is expected to sustain the spending base in the city. However, the COVID-19 pandemic impacted these trends starting the third quarter of FY2019/20. The sales tax revenue increased 6.3% to \$111.5 million in FY2022/23, a 29% rise from the bottom during COVID-19, and is 3.6% below the FY 2018/19 peak.

Major Capital Project Expenditures

In FY2022/23, the Transportation Authority ended allocations of sales tax funds from Prop K Expenditure Plan and began allocations of sales tax funds from the Prop L Expenditure Plan, which superseded the Prop K measure starting April 1, 2023. The Transportation Authority continued to allocate Prop AA vehicle registration fees, TNC Tax Funds, TFCA funds, and program grants from federal, state, and regional sources to partially or fully fund a wide variety of programs and projects that improve the safety and efficiency of the multi-modal transportation network in San Francisco. Using the half-cent transportation sales tax funds, the Transportation Authority mainly reimbursed project sponsors for the following projects:

- Light rail vehicles replacement totaling \$27 million on targeted repairs and upgrades to ensure that they are operational and reliable until replaced.
- Traffic calming, street repaving, paratransit service for seniors and persons with disabilities, bike lanes, and new and upgraded signals totaling approximately \$12 million.
- Upper Market Street Safety Improvements Project totaling \$1.7 million for the installation of traffic signal upgrades and new traffic signals at 13 intersections.
- Peninsula Corridor Electrification Project totaling \$1.3 million for the electrification of the Caltrain line between San Jose and San Francisco, and the purchase of electric multiple-unit trains to operate on the electrified railroad.

Funding the Projects

Since the inception of Prop K in 2004, the Transportation Authority has administered the Prop K and now the Prop L program primarily on a pay-as-you-go basis, with the use of short-term debt instruments to meet temporary cash flow needs. However, to meet the multi-year funding needs of the Prop K capital program driven by several large projects, the Transportation Authority in 2017 issued \$248.3 million in Senior Sales Tax Revenue Bonds, Series 2017 (Series 2017 Bonds). The Series 2017 Bonds are secured and repaid by the half-cent sales tax and mature February 1, 2034. The Transportation Authority used the proceeds of the Series 2017 Bonds to (i) finance a portion of the costs of and costs incidental to, or connected with, the construction, acquisition, and improvement of certain transit, street, and traffic facilities, and other transportation projects, including, without limitation, engineering, inspection, legal consultants, fiscal agents, financial consultants, and other fees and working capital, all as described in the Expenditure Plan adopted pursuant to the Act; (ii) repay a portion of the outstanding amount of a revolving credit agreement and a promissory note evidencing the Transportation Authority's payment obligation thereunder; (iii) pay capitalized interest on a portion of the Series 2017 Bonds; and (iv) pay costs of issuance of the Series 2017 Bonds. As of June 30, 2023, the total outstanding bond principal and premium balance was \$208.8 million.

In October 2021, the Transportation Authority entered a 3-year Revolving Credit (loan) Agreement with U.S. Bank for a total amount of \$125 million. As of June 30, 2023, the Transportation Authority does not have any outstanding balance on the revolving credit agreement.

The Transportation Authority continues to hold credit ratings with Fitch Ratings and S&P Global Ratings. Fitch affirmed a rating of AAA. The high rating reflects the strength and diversity of the economic base that generates San Francisco's half-cent sales tax for transportation, the primary revenue source overseen by the Transportation Authority. The rating also reflects the Transportation Authority's strong financial position.

Relevant Financial Policies

The Transportation Authority has adopted a comprehensive set of financial policies.

Fiscal Policy guides decisions pertaining to internal fiscal management, including day-to-day operations, annual budget development, and sales tax revenue allocation requirements of the Transportation Authority.

Investment Policy organizes and formalizes investment-related activities and sets out policies and procedures that enhance opportunities for prudent and systematic investment of Transportation Authority assets.

Debt Policy organizes and formalizes debt issuance-related policies and procedures for the Transportation Authority and establishes a systematic debt policy.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Transportation Authority for its ACFR for the fiscal year ended June 30, 2022. In order to be awarded a Certificate of Achievement, the local government agency had to publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable program requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe that our current ACFR will meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements again. The preparation of this report would not have been possible without the skill, effort, and dedication of the finance staff: Christy Tou, Henry Pan, Kajol Joshi, Lily Yu, and Ronald Leong. We wish to thank all the divisions for their assistance in providing the data necessary to prepare this report. Credit also is due to the Board of Commissioners and Executive Director Tilly Chang for their unfailing support for maintaining the highest standards of professionalism in the management of the Transportation Authority's finances.

Respectfully submitted,



Cynthia Fong, CPA, CGMA
Deputy Director for Finance and Administration



Javier Altamirano
Controller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**San Francisco County Transportation Authority
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

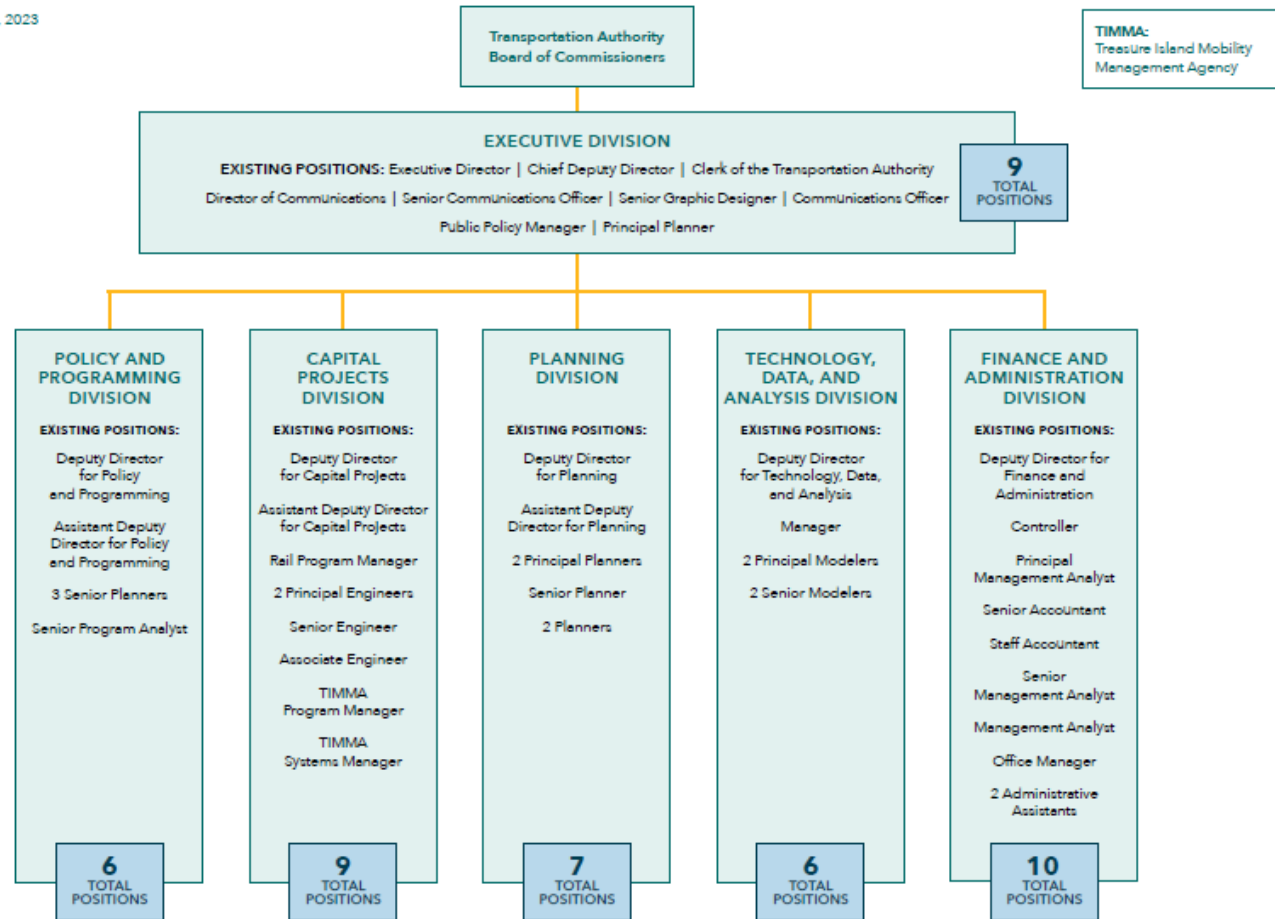
June 30, 2022

Christopher P. Morill

Executive Director/CEO

Proposed Agency Structure 47 STAFF POSITIONS  San Francisco County Transportation Authority

Revised May 5, 2023



Commissioners and Officials

As of June 30, 2023

Commissioners:

Rafael Mandelman - Board Chair

Myrna Melgar - Vice Chair

Connie Chan

Joel Engardio

Matt Dorsey

Aaron Peskin

Dean Preston

Hillary Ronen

Ahsha Safaí

Catherine Stefani

Shamann Walton

Executive Director:

Tilly Chang

Chief Deputy Director:

Maria Lombardo

Deputy Directors:

Cynthia Fong - Finance and Administration

Anna LaForte - Policy and Programming

Joe Castiglione - Technology, Data, and Analysis

Rachel Hiatt - Planning

Eric Young - Communications

Carl Holmes - Capital Projects



Financial Section

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Independent Auditor's Report

Board of Commissioners
San Francisco County Transportation Authority
San Francisco, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, and each major fund, of the San Francisco County Transportation Authority (Transportation Authority), a component unit of the City and County of San Francisco, California, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Transportation Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Transportation Authority, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Transportation Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Transportation Authority's

ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Transportation Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Transportation Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules of revenues, expenditures, and changes in fund balance of the sales tax program fund, congestion management agency programs fund, transportation fund for clean air program fund, vehicle registration fee for transportation improvements program fund, Treasure Island Mobility Management Agency fund, traffic congestion mitigation tax program fund, schedule of changes in the net other postemployment benefit liability and related ratios, schedule of other postemployment benefits contributions, schedule of the proportionate share of the net pension liability, schedule of pension contributions, and the notes to required supplementary information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Transportation Authority's basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, budgetary comparison schedule of revenues, expenditures, and changes in fund balance agency wide, and the notes to the supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, budgetary comparison schedule of revenues, expenditures, and changes in fund balance agency wide, and the notes to the supplementary information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2023 on our consideration of Transportation Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Transportation Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Transportation Authority's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Eide Sully LLP".

Menlo Park, California
December 22, 2023

The annual financial report of the San Francisco County Transportation Authority (Transportation Authority) presents a discussion and analysis of the Transportation Authority's financial performance during the year ended June 30, 2023. The Transportation Authority's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. We encourage readers to consider the information presented here in conjunction with the Transmittal Letter and accompanying Basic Financial statements.

Financial Highlights

Government-Wide Financial Statement Highlights

Net Position - The liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources at fiscal year ended June 30, 2023, by \$130.3 million, up 5.3% from the prior year.

Changes in Net Position - Total net position increased by \$7.2 million in FY 2022/23, up 5.3% from the prior year, which is due in large part to an increase in cash, deposits, and investments, other assets, and other liabilities.

Cash, Deposits, and Investments - Total cash, deposits, and investments increased by \$14.1 million in FY 2022/23, up 13.1% from the prior year which is primarily due to a \$8.3 million increase for the TNC Program, a \$3.2 million increase for the Sales Tax Program, and a \$2.7 million increase for the Prop AA Program.

Capital Assets - Total capital assets decreased by \$866 thousand, down 23.9%, which is mainly due to GASB Statement No. 87's requirement to report certain lease assets such as the right-to-use leased office space as shown in Note 5 of the basic financial statements.

Other Liabilities - Total other liabilities increased by \$26.9 million in FY 2022/23, up 33.2%, which is primarily due to a longer than anticipated lag between when program sponsors incurred costs and when the Transportation Authority received a reimbursement request.

Traffic Congestion Mitigation Tax Revenues - Total traffic congestion mitigation tax revenues increase by \$2.3 million in FY2022/23, up 36.8%, as the economy recovers from the pandemic and more people are using TNCs.

Investment Income - Total investment income increased by \$2.2 million in FY 2022/23, which is primarily due to GASB Statement No. 31 adjustment to report the change in fair value of investments in the City's Treasury Pool.

Program operating grants and contributions revenues - Total Program operating grants and contributions decreased by \$9.6 million in FY2022/23, down 42.1%, which is primarily due to decreased federal, state and regional grant reimbursements for the CMA Program and TIMMA Programs.

Fund Financial Statement Highlights

The total combined balance for governmental funds is classified into three categories of fund balance (non-spendable, restricted, and unassigned) to provide the reader of these financial statements with a better understanding of the Transportation Authority's available resources and plans to ensure fiscal stability in the near term. Of the total, \$356 thousand is categorized as "non-spendable" for prepaid costs and deposits, \$33.5 million is "restricted" for debt service and transportation projects, and the remaining \$9.9 million is "unassigned." Detailed discussion of the individual funds is found further in the MD&A report.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Transportation Authority's basic financial statements which comprise of three components: (1) Government-wide financial statements, (2) Fund financial statements, and (3) Notes to the basic financial statements. Additional supplementary information is included, in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Transportation Authority's finances, in a manner similar to a private-sector business.

The ***statement of net position*** provides information about the financial position of the Transportation Authority as a whole, including all of its capital assets, deferred outflows/inflows of resources, and long-term liabilities, on a full accrual basis of accounting similar to the accounting model used by private sector firms.

The ***statement of activities*** presents information showing how the Transportation Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, such as revenues pertaining to accrued, but uncollected taxes, and to expenses pertaining to earned, but unused compensated absences.

Both of these government-wide financial statements distinguish functions of the Transportation Authority that are principally supported by receipt of sales taxes, vehicle registration fees, and other sources of government grants. The only governmental activity of the Transportation Authority is transportation improvement. The Transportation Authority does not have any business-type activities.

Fund Financial Statements

The fund financial statements are designed to report information about groupings of related accounts, which are used to maintain control over resources that have been segregated for specific activities or objectives. The Transportation Authority, like other state and local governments, uses fund accounting to ensure and to demonstrate compliance with finance-related legal requirements.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. All of the Transportation Authority's basic services are reported in governmental funds. These statements, however, focus on: (1) how cash and other financial assets can readily be converted to available resources and (2) the balances left at year-end, which are available for spending. Such information is useful in determining what financial resources are available in the near future to finance the Transportation Authority's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances include a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Transportation Authority maintains six governmental funds organized according to their source of funding. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the: (1) Sales Tax Program, referred to as Sales Tax Program, (2) Congestion Management Agency Programs, (3) Transportation Fund for Clean Air Program, (4) Vehicle Registration Fee for Transportation Improvements Program, (5) Treasure Island Mobility Management Agency, and (6) Traffic Congestion Mitigation Tax Program. Each of these funds is considered a major fund.

General Fund - The General Fund, also referred to as the Sales Tax Program, accounts for the one-half of one percent sales tax revenues required by the November 2022 Proposition L. These revenues are for restricted expenditures in support of the Expenditure Plan, which includes investments in five major categories: 1) Major Transit Projects, 2) Transit Maintenance and Enhancements, 3) Paratransit services, and 4) Streets and Freeways, and 5) Transportation System Development and Management. This fund also accounts for the general administration of the Transportation Authority functions in support of the Proposition L Expenditure Plan. The major source of revenue for this fund is the sales tax.

Special Revenue Funds – Special Revenue Funds are established to account for the proceeds from specific revenue sources (other than trusts, capital projects, or debt service) that are restricted or committed to the financing of particular activities and that compose a substantial portion of the inflows of the fund. Additional resources that are restricted, committed, or assigned to the purpose of the fund may also be reported in the fund:

- **Congestion Management Agency (CMA) Programs** – The CMA Fund accounts for resources accumulated and payments made for developing a congestion management program and construction of major capital improvements. Major sources of revenue are federal, state, and regional grants.

One of the Transportation Authority's responsibilities as the CMA is to develop a long-range countywide transportation plan (the San Francisco Transportation Plan or SFTP, formerly known as the Countywide Transportation Plan) to guide transportation system development and investment over the next 30 years. The plan is consistent with the broader policy framework of the City's General Plan and particularly its Transportation Element, which is being updated by the Planning Department as part of ConnectSF (discussed below). The SFTP further develops and implements the City's General Plan principles by identifying needed transportation system improvements, based on technical review of system performance against City goals, including equity impacts; extensive public and agency input on key issues and needs; and analysis of policies, financial opportunities, and constraints. The Transportation Authority Board adopted the first update to the plan in December 2013 and another update in September 2017. The SFTP 2050 was adopted in December 2022.

The SFTP 2050 was developed through ConnectSF, a multi-agency long-range collaborative process to build an effective, equitable, and sustainable transportation system for San Francisco's future. Phase 1 of ConnectSF defined a 30-year Vision (Vision) of San Francisco's transportation future that included goals and aspirations as a city within the larger Bay Area, as well as a Statement of Needs that identified what is needed to meet the vision and goals. Phase 2 of ConnectSF, completed in Summer 2022, included the Transit Strategy and the Streets and Freeways Strategy. Both studies identify key strategies and project concepts to help San Francisco address the challenges identified in the Statement of Needs and make progress towards the Vision. Phase 3 of ConnectSF includes the SFTP 2050 and an update to the City's Transportation Element of the General Plan. Phase 3 supports implementation of ConnectSF recommendations.

Other Major Programs and Projects Under the CMA

- **Interstate-80/Yerba Buena Island Interchange Improvement Project and Yerba Buena Bridge Structures (collectively known as the YBI Project):** The Treasure Island Development Authority (TIDA) has requested that the Transportation Authority, in its capacity as the CMA, be the lead agency for the YBI Project. Since 2009, the Transportation Authority has been working jointly with TIDA, the Mayor's Office of Economic and Workforce Development, and the California Department of Transportation (Caltrans). The scope of the YBI Project includes two major components: 1) the YBI Ramps Improvement Project - Phase 1, which includes constructing new westbound on- and off-ramps (on the east side of YBI) to the new Eastern Span of the San Francisco-Oakland Bay Bridge (SFOBB) and the Southgate Road Realignment Improvements - Phase 2; and 2) the YBI West Side Bridges Project on the west side of the island, which includes seismic retrofit and replacing bridges on Treasure Island Road, a critical component of island traffic circulation leading to and from the SFOBB.
- **YBI Ramps Project:** For Phase 1, Caltrans issued the Federal Record of Decision in November 2011. The Final Environmental Impact Report/Environmental Impact Statement (EIR/EIS) was certified by the Transportation Authority Board in December 2011. The Transportation Authority completed preparation of the Final Plans, Specifications, and Estimate documents for the project in March 2013 and awarded a construction contract to Golden State Bridge, Inc., in December 2013. Construction activities started in January 2014. The Phase 1 project is substantially complete, and the new ramps were opened to the public on October 22, 2016. The Phase 1 work was completed April 30, 2020 and project closeout is underway. For Phase 2, the environmental revalidation was completed in May 2019. Final Design was completed in the third quarter of 2019. Phase 2 construction started June 2020 and was opened to traffic on May 7, 2023. Project closeout is underway.

- **YBI West-Side Bridges Project:** The YBI West-Side Bridges project encompasses eight existing bridge structures on the west side of YBI. These structures generally comprise a viaduct along Treasure Island Road, just north of the SFOBB. These bridge structures are a vital component of the YBI traffic circulation system and also serve as an important part of the on- and off-ramp system to the SFOBB. The project limits, along Treasure Island Road, are from the SFOBB to approximately 2000-feet northward. This stretch of Treasure Island Road includes the bridge structures and portions of "at-grade" roadway. The project is funded through the Caltrans Local Highway Bridge Program and the project purpose is to bring the bridge structures up to current seismic safety standards. To accomplish this, one structure will be seismically retrofitted and seven structures will be demolished and replaced with realigned roadway, an undercrossing structure, and six new retaining walls. As part of continued preliminary engineering and design efforts and as required by federal funding, a Value Engineering Analysis Report was prepared in February 2014 in consultation with TIDA, San Francisco Public Works, Caltrans, and independent construction experts. The Value Engineering Analysis Report made various recommendations for Transportation Authority and TIDA consideration to reduce overall project risk and cost. As a result of the Value Engineering Analysis Report, new geometrics have been prepared, which realigns Treasure Island Road into the hillside and replaces two of the structures with retaining walls.

The introduction of the revised geometrics required additional engineering and environmental analysis to be performed. In addition, due to the numerous complex structural and geotechnical challenges, the results of the Value Engineering Analysis Report recommended that this project should be delivered using an innovative project delivery approach: Construction Manager/General Contractor.

In order to reduce costs and construction duration, the current plan calls for closing the Treasure Island/Hillcrest Road from Macalla Road to Forest Road. The National Environmental Policy Act and California Environmental Quality Act Categorical Exemption environmental documents were approved in November 2017. Final design was completed in December 2022. Construction started in May 2023, and is scheduled to be completed by the end of 2026.

- **Hillcrest Road Improvement Project:** The project will improve safety of the existing Hillcrest Road between the Westside Bridges Seismic Retrofit Project on the west side and the Southgate Road Interchange Improvement Project on the east side. The project connects these two projects together and will allow for improved vehicular access to the San Francisco-Oakland Bay Bridge (SFOBB). The project will widen the existing roadway to San Francisco Public Works standards, install retaining walls and a utility joint trench. Additionally, the project includes providing a Class II bike path to improve the bicycle circulation network on YBI. The project will be designed in coordination with the Bay Area Toll Authority (BATA) efforts to accommodate a new Class I bicycle/pedestrian (bike/ped) path adjacent to the project. The Hillcrest Road Improvement Project received California Environmental Quality Act Categorical Exemption in March 2021. The project is currently in design and expects to complete design by November 2023. Construction is anticipated to start in Spring 2024 and last for two years.
- **YBI Multi-Use Pathway Project:** The project will develop a safe and accessible bicycle and pedestrian connection between the current YBI Bike Landing/Vista Point and the Treasure Island ferry terminal via Treasure Island and Hillcrest roads. This Class 1 multi-use path will be coordinated with Bay Area Toll Authority's proposed San Francisco Bay Bridge West Span Bay Skyway Project, West Side Bridges Project, and Hillcrest Road Widening Project. This project will ultimately enable bicycle/pedestrian commuters and recreational users the opportunity to travel between the East Bay and San Francisco, and will allow Treasure Island residents, employees, ferry passengers, and recreational travelers continuous access between Treasure Island and the SFOBB East and West spans. The project team is currently working on the environmental phase and anticipates completing this phase in late 2023. The design phase is anticipated to start in 2024 and construction may start in 2026.
- **101/280 Managed Lanes:** The transportation authorities of San Francisco, San Mateo, and Santa Clara Counties completed a Mobility Action Plan to structure equity programs and congestion management efforts along the U.S. 101 corridor between San Francisco and San Jose. The Transportation Authority also initiated environmental studies and traffic operations analysis for the 101/280 Managed Lanes Project which would create continuous high occupancy vehicle lanes from downtown San Francisco to the Peninsula. The lanes would support increased person throughput and reliability for carpool and transit users during peak commute hours. The Project Initiation Document was approved by Caltrans in October 2019 and project work is anticipated to complete the environmental clearance phase in 2023.
- **Transportation Fund for Clean Air (TFCA) Program** - San Francisco has a \$4 per vehicle registration fee to support projects of the Bay Area Air Quality Management District (Air District). Of the total collections, the Air District passes 40% of the proceeds to the Transportation Authority. Through this program, the Transportation Authority recommends projects that benefit air quality by reducing motor vehicle emissions. The TFCA Program accounts for this activity. The major source of revenue for this fund is the \$4 vehicle registration fees on automobiles registered in the Bay Area.

- **Vehicle Registration Fee for Transportation Improvements Program (Prop AA) Fund** - This fund accounts for the November 2010 Prop AA Vehicle Registration Fee (VRF) for Transportation Improvements Program collections of the \$10 per year, per vehicle registration. The VRF started in the first week of May 2011 and the VRF proceeds are used to fund transportation projects identified in the Prop AA Expenditure Plan. The major source of revenue for this fund is vehicle registration fees in San Francisco. In 2012, the Transportation Authority Board approved the first Prop AA Strategic Plan, which describes the specific projects that could be funded within the first five years. In May 2017, the Transportation Authority Board approved the 2017 Prop AA Strategic Plan and programmed revenues for projects over the five-year period, covering Fiscal Years 2017/18 to 2021/22. In April 2022, the Transportation Authority Board approved the 2022 Prop AA Strategic Plan and programmed revenues for projects over the five-year period, covering Fiscal Years 2022/23 to 2026/27. The Prop AA program is a pay-as-you-go program.
- **Treasure Island Mobility Management Agency (TIMMA) Fund** - The Treasure Island Transportation Management Act of 2008 authorized the creation or designation of a Treasure Island-specific transportation management agency. On April 1, 2014, the City's Board of Supervisors approved a resolution designating the Transportation Authority as the TIMMA to implement the Treasure Island Transportation Implementation Plan in support of the Treasure Island/Yerba Buena Island Development Project. In September 2014, Governor Brown signed Assembly Bill 141 (Ammiano), establishing TIMMA as a legal entity distinct from the Transportation Authority to help firewall the Transportation Authority's other functions. The major sources of revenue during this implementation phase are federal and state grants, as well as contributions from the City and County of San Francisco. TIMMA has also executed a fund exchange with the City of San Francisco, through its Treasure Island Development Authority, and Treasure Island Community Development, the master developer of the islands, to enable more flexible use of grant funds.
- **Traffic Congestion Mitigation (TNC) Tax Program** - This fund accounts for the November 2019 Proposition D Traffic Congestion Mitigation Tax. The City imposes a TNC Tax (effective January 1, 2020) of 1.5% to 3.25% on fares for rides originating in San Francisco, for the portion of the trip within the city, that are facilitated by commercial ride-share companies or are provided by an autonomous vehicle or private transit services vehicle. After a 2% set aside for administration by the City, 50% of the revenues are directed to the SFMTA for transit operations and improvements, and 50% to the Transportation Authority for bicycle and pedestrian safety improvements, traffic calming, traffic signals, and maintenance. The major source of revenue for this fund is TNC tax. In March 2023, the Transportation Authority Board approved program guidelines for administration of this fund program through FY 2023/24.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information, essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

The other information is presented concerning the Transportation Authority's Agency-Wide Budgetary Schedule, and the Schedule of Expenditures of Federal Awards (SEFA). The SEFA presents expenditures of all federally funded programs during the year ended June 30, 2023. In addition, as required by generally accepted accounting principles, the required supplementary information section presents information about the Transportation Authority's net pension and net other postemployment benefits liabilities and related contributions, as well as comparison of budget plans to actual activities for the Sales Tax Program and each major special revenue fund.

Government-Wide Financial Analysis

The Transportation Authority's statement of net position shows liabilities and deferred inflows exceeded its assets and deferred outflows by \$130.3 million at year ended June 30, 2023. Cash, deposits, and investments increased by \$14.1 million. Other assets increased by \$4.9 million, as compared to the prior year. Other assets mainly include \$19.9 million in sales tax receivables, and \$46.0 million in outstanding program and all other receivables (including amounts due from the City and County of San Francisco). Other liabilities increased by \$26.9 million, as compared to the prior year. Further explanations are provided in the Governmental Funds analysis section of the MD&A.

San Francisco County Transportation Authority
Management's Discussion and Analysis
June 30, 2023

Table 1. Condensed Statement of Net Position

	For the Year Ended		\$ Change	% Change
	June 30, 2023	June 30, 2022		
Assets:				
Cash, deposits, and investments	\$ 121,638,714	\$ 107,519,036	\$ 14,119,678	13.1%
Other assets	66,352,717	61,453,148	4,899,569	8.0%
Capital assets	2,765,449	3,631,529	(866,080)	-23.8%
Total assets	<u>190,756,880</u>	<u>172,603,713</u>	<u>18,153,167</u>	10.5%
Deferred outflows of resources	<u>2,704,509</u>	<u>1,254,392</u>	<u>1,450,117</u>	115.6%
Liabilities:				
Other liabilities	108,179,417	81,220,790	26,958,627	33.2%
Long-term liabilities	214,878,922	228,664,733	(13,785,811)	-6.0%
Total liabilities	<u>323,058,339</u>	<u>309,885,523</u>	<u>13,172,816</u>	4.3%
Deferred inflows of resources	<u>746,764</u>	<u>1,552,967</u>	<u>(806,203)</u>	-51.9%
Net Position:				
Investment in capital assets	858,176	824,191	33,985	4.1%
Restricted	72,023,655	63,073,162	8,950,493	14.2%
Unrestricted deficit	<u>(203,225,545)</u>	<u>(201,477,738)</u>	<u>(1,747,807)</u>	-0.9%
Total net position (deficit)	<u>\$ (130,343,714)</u>	<u>\$ (137,580,385)</u>	<u>\$ 7,236,671</u>	5.3%

The Transportation Authority's unrestricted deficit of \$203.2 million is mainly due to issuance of Sales Tax Revenue bonds in FY 2017/18 with face amount of \$248.3 million, of which a portion was used to pay down the outstanding amount of the revolving credit agreement in November 2017 and the remaining to finance transit, street and traffic facilities, and other transportation projects. These transportation facilities are owned and maintained by the project sponsors; however, the related debt issued to finance these projects remains as a liability of the Transportation Authority. As a result, the Transportation Authority records long-term liabilities without corresponding assets; thus, causing an unrestricted deficit. The Transportation Authority's outstanding commitments are described in Note 13 of the basic financial statements. Capital assets decreased by \$866 thousand, as compared to the prior year, mainly due to GASB Statement No. 87's requirement to report certain lease assets such as the right-to-use leased office space as shown in Note 5 of the basic financial statements. The \$2.8 million in investment in capital assets (net of accumulated depreciation) is comprised mostly of Board-approved investments in the Transportation Authority's workspace, such as leasehold improvements, furniture, equipment, and right-to-use leased office space required as per GASB Statement No. 87. The Transportation Authority currently uses these capital assets to provide services; consequently, these assets are not available for future spending.

Table 2. Condensed Statement of Activities

	For the Year Ended		\$ Change	% Change
	June 30, 2023	June 30, 2022		
Revenues:				
General				
Sales tax	\$ 111,473,916	\$ 104,818,305	\$ 6,655,611	6.3%
Vehicle registration fee	4,651,843	4,652,149	(306)	0.0%
Traffic congestion mitigation tax	8,371,545	6,120,263	2,251,282	36.8%
Investment income	970,832	(1,201,096)	2,171,928	-180.8%
Other	-	142	(142)	-100.0%
Program operating grants and contributions	13,172,428	22,744,769	(9,572,341)	-42.1%
Total revenues	<u>138,640,564</u>	<u>137,134,532</u>	<u>1,506,032</u>	1.1%
Expenses:				
Transportation improvement	125,265,303	126,576,936	(1,311,633)	-1.0%
Interest	6,138,590	6,655,208	(516,618)	-7.8%
Total expenses	<u>131,403,893</u>	<u>133,232,144</u>	<u>(1,828,251)</u>	-1.4%
Change in net position	7,236,671	3,902,388	3,334,283	85.4%
Net position, beginning of year as restated	<u>(137,580,385)</u>	<u>(141,482,773)</u>	<u>3,902,388</u>	2.8%
Net position, end of year	<u><u>\$ (130,343,714)</u></u>	<u><u>\$ (137,580,385)</u></u>	<u><u>\$ 7,236,671</u></u>	5.3%

The Transportation Authority's net position increased by \$7.2 million for the year ended June 30, 2023. During the period, sales tax revenues increased by \$6.7 million due to higher levels of sustained inflation and a moderate level of pandemic recovery seen in the restaurant, retail, and automobile sales industries. FY 2022/23 sales tax revenues are still 3.6% lower than pre-pandemic FY 2018/19 sales tax revenues. The Transportation Authority is cautiously optimistic about future sales tax revenue as the economy in the San Francisco Bay Area continues to expand, and is closely monitoring its operations, liquidity, and capital resources and actively working to minimize the current and future impact of this unprecedented situation. Revenue from the vehicle registration fee decreased by \$306 thousand. Traffic congestion mitigation tax revenue increased by \$2.3 million as the economy recovers from the pandemic and more people are using TNCs. Investment income increased by \$2.2 million. This is primarily due to GASB Statement No. 31 adjustment to report the change in fair value of investments in the City and County of San Francisco Treasury Pool (Pool). The pooled interest earning increased by 353% year-to-year to 2.12% at the end of FY 2022/23 from 0.60% at the end of FY 2021/22 because the Federal Reserve aggressively increasing interest rates to stem the surge in inflation. Federal fund rates increased by 420% year-to-year to 5.08% at the end of FY 2022/23 from 1.21% at the end of FY 2021/22. As such, the pooled interest receivable increased by 738% year-to-year from FY 2021/22. There was a decrease in unrealized loss for the pooled investment by 82% due to the inverted yield curve after the federal fund rate increased 350 basis point in FY 2022/23. Most of our investable assets are deposited in the Pool.

Program operating grants and contributions decreased by \$9.6 million, primarily due to decreased federal, state, and regional grant reimbursements for the CMA Program and TIMMA Programs as explained in the Governmental Funds analysis below. Transportation improvement expenses decreased by \$1.3 million.

Financial Analysis of the Transportation Authority's Funds

As noted earlier, the Transportation Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Transportation Authority's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Transportation Authority's financing requirements.

San Francisco County Transportation Authority
Management's Discussion and Analysis
June 30, 2023

Table 3. Condensed Balance Sheet

	Sales Tax Program		Consolidated Other Special Revenue Funds		Total		\$ Change	% Change
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022		
Assets:								
Cash, deposits, & investments	\$ 78,419,314	\$ 75,190,695	\$ 43,219,400	\$ 32,328,341	\$ 121,638,714	\$ 107,519,036	\$ 14,119,678	13.1%
Other assets	24,804,524	24,350,318	46,232,343	39,401,765	71,036,867	63,752,083	7,284,784	11.4%
Total assets	<u>\$ 103,223,838</u>	<u>\$ 99,541,013</u>	<u>\$ 89,451,743</u>	<u>\$ 71,730,106</u>	<u>\$ 192,675,581</u>	<u>\$ 171,271,119</u>	<u>\$ 21,404,462</u>	12.5%
Liabilities:								
Current and other liabilities	\$ 92,707,187	\$ 66,188,817	\$ 17,428,088	\$ 14,862,154	\$ 110,135,275	\$ 81,050,971	\$ 29,084,304	35.9%
Deferred inflows of resources:								
Unavailable revenues	-	-	38,721,575	29,244,938	38,721,575	29,244,938	9,476,637	32.4%
Fund balances:								
Nonspendable	355,924	123,876	-	-	355,924	123,876	232,048	187.3%
Restricted	181,671	9,211,064	33,302,080	27,623,014	33,483,751	36,834,078	(3,350,327)	-9.1%
Unassigned	9,979,056	24,017,256	-	-	9,979,056	24,017,256	(14,038,200)	-58.5%
Total fund balances	<u>10,516,651</u>	<u>33,352,196</u>	<u>33,302,080</u>	<u>27,623,014</u>	<u>43,818,731</u>	<u>60,975,210</u>	<u>(17,156,479)</u>	-28.1%
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 103,223,838</u>	<u>\$ 99,541,013</u>	<u>\$ 89,451,743</u>	<u>\$ 71,730,106</u>	<u>\$ 192,675,581</u>	<u>\$ 171,271,119</u>	<u>\$ 21,404,462</u>	12.5%

San Francisco County Transportation Authority
Management's Discussion and Analysis
June 30, 2023

Sales Tax Program activities decreased the overall total fund balance by \$22.8 million. Cash, deposits, and investments from Sales Tax Program activities increased by \$3.2 million, as compared to the prior year. Other assets increased by \$454 thousand. Current and other liabilities from Sales Tax Program activities increased by \$26.5 million, which is primarily due to a longer than anticipated lag between when program sponsors incurred costs and when the Transportation Authority received reimbursement requests.

The Transportation Authority's Sales Tax Program reported an ending fund balance of \$10.5 million, a decrease of \$22.8 million as compared to the prior year. The total fund balance is composed of a balance of \$356 thousand non-spendable for prepaid costs and deposits and a balance of \$182 thousand restricted for debt service, with the remaining amounts reported as unassigned fund balance. This decrease in fund balance was primarily due to lower unassigned fund balance as a result from the continuous spending for Sales Tax Program projects and no debt issuance in FY 2022/23 and lower restricted fund balance.

The Transportation Authority's Special Revenue Funds include the CMA Program, the TFCA Program, the Prop AA Program, the TIMMA Fund Program, and the TNC Tax Program. Cash, deposits, and investments from Special Revenue Fund activities increased by \$10.9 million as compared to the prior year. This is primarily due to a \$8.3 million increase in cash, deposits, and investments for the TNC Program and a \$2.7 million increase in cash, deposits, and investments for the Prop AA Program. Other assets increased by \$6.8 million, which is primarily due to an increase in program receivables for the YBI Project in the CMA Program. The majority of the increase in program receivables is related to the timing of revenue from Caltrans and from TIDA that were not collected as of June 30, 2023. Current and other liabilities from Special Revenue Fund activities increased by \$2.6 million, which is mainly related to an increase of accounts payable in the CMA and the TNC Tax Programs. Unavailable revenues increased by \$9.5 million. Most of the increase is due to the YBI Project in the CMA Programs as stated above.

Special Revenue Funds reported an ending fund balance of \$33.3 million, an increase of \$5.7 million as compared to the prior year. This is mainly due to increased total assets as compared to the prior year explained above. The total fund balance is composed of a balance of \$33.3 million restricted fund balance for transportation projects under the TFCA Program, the Prop AA Program, and the TNC Tax Program.

San Francisco County Transportation Authority
Management's Discussion and Analysis
June 30, 2023

Table 4. Condensed Statement of Revenues, Expenditures, and Changes in Fund Balances

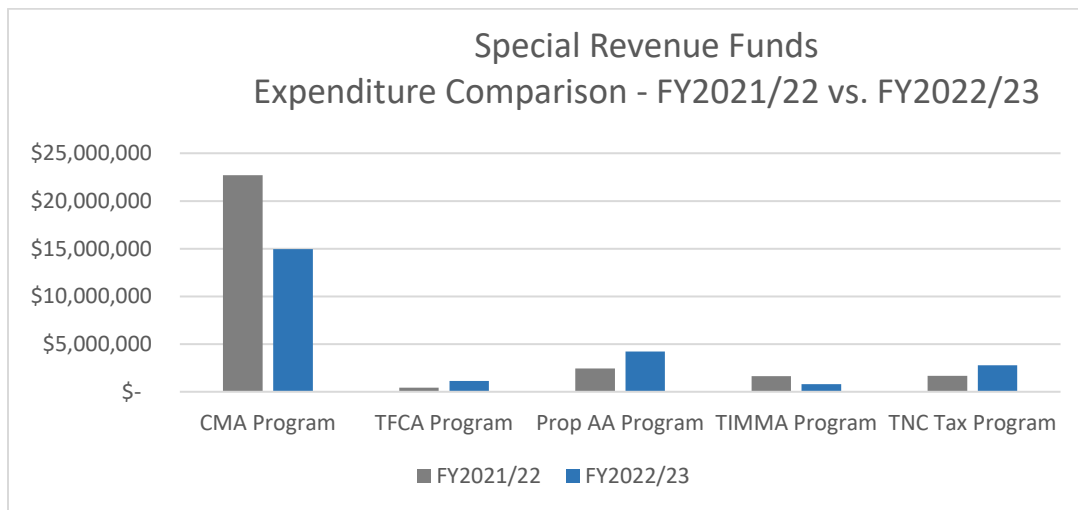
	Sales Tax Program		Consolidated Other Special Revenue Funds		Total		\$ Change	% Change
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022		
Revenues:								
Sales tax	\$ 111,473,916	\$ 104,818,305	\$ -	\$ -	\$ 111,473,916	\$ 104,818,305	\$ 6,655,611	6.3%
Vehicle registration fee	-	-	4,651,843	4,652,149	4,651,843	4,652,149	(306)	0.0%
Traffic congestion mitigation tax	-	-	8,371,545	6,120,263	8,371,545	6,120,263	2,251,282	8.8%
Investment income	900,599	(875,559)	70,233	(325,537)	970,832	(1,201,096)	2,171,928	-180.8%
Program revenues	-	-	3,695,791	14,930,418	3,695,791	14,930,418	(11,234,627)	-75.2%
Other	-	142	-	-	-	142	(142)	-100.0%
Total revenues	112,374,515	103,942,888	16,789,412	25,377,293	129,163,927	129,320,181	(156,254)	-0.1%
Expenditures:								
Transportation improvement	99,928,382	97,859,361	23,865,093	28,866,820	123,793,475	126,726,181	(2,932,706)	-2.3%
Debt service	22,526,931	22,580,656	-	-	22,526,931	22,580,656	(53,725)	-0.2%
Total expenditures	122,455,313	120,440,017	23,865,093	28,866,820	146,320,406	149,306,837	(2,986,431)	-2.0%
Excess (deficiency) of revenues over (under) expenditures	(10,080,798)	(16,497,129)	(7,075,681)	(3,489,527)	(17,156,479)	(19,986,656)	2,830,177	-14.2%
Other financing sources (uses):								
Transfers in	28,926	-	12,783,673	10,122,759	12,812,599	10,122,759	2,689,840	26.6%
Transfers out	(12,783,673)	(10,122,759)	(28,926)	-	(12,812,599)	(10,122,759)	(2,689,840)	26.6%
Total other financing sources (uses)	(12,754,747)	(10,122,759)	12,754,747	10,122,759	-	-	-	0.0%
Net change in fund balances	(22,835,545)	(26,619,888)	5,679,066	6,633,232	(17,156,479)	(19,986,656)	2,830,177	-14.2%
Fund balances, beginning of year, as restated	33,352,196	59,972,084	27,623,014	20,989,782	60,975,210	80,961,866	(19,986,656)	-24.7%
Fund balances, end of year	\$ 10,516,651	\$ 33,352,196	\$ 33,302,080	\$ 27,623,014	\$ 43,818,731	\$ 60,975,210	\$ (17,156,479)	-28.1%

San Francisco County Transportation Authority
 Management’s Discussion and Analysis
 June 30, 2023

For the year ended June 30, 2023, revenues from Sales Tax Program activities totaled \$112.4 million, an increase of \$8.4 million from FY 2021/22. Investment income increased by \$1.8 million due to the GASB Statement No. 31 adjustment to report the change in fair value of investments in the Pool for the Sales Tax program as mentioned above. Other revenues decreased by \$142 thousand.

Expenditures from Sales Tax Program activities exceeded revenues by \$10.1 million. Expenditures totaled \$122.5 million, an increase of \$2.0 million from FY 2021/22. Transportation improvement expenses increased by \$2.1 million. Debt services decreased by \$54 thousand. Other financing uses from Sales Tax Program activities decreased by \$2.6 million from FY 2021/22, which is mainly due to increase in interfund transfer from the Sales Tax Program to the CMA Program. The majority of this increase is related to the increase in revenues and the delay of grant reimbursements for the Southgate Road Realignment Improvements project and the Hillcrest Road Widening Project.

Special Revenue Funds reported a decrease in vehicle registration fee revenue by \$306 thousand from the prior year. Traffic mitigation tax revenue increased by \$2.3 million as the economy recovers from the pandemic and more people are using TNCs. Program revenues also decreased by \$11.2 million, which is primarily due to decrease in federal, state, and regional spending and, correspondingly, in reimbursements for YBI project activities for the CMA Program, as well as reimbursements not received by the end of FY 2022/23 from the Treasure Island Development Authority for FY 2022/23 activities related to the YBI Hillcrest Road Improvements project.



Expenditures from Special Revenue Funds activities decreased by \$5.0 million, as compared to the prior year. Expenditures in the CMA Programs decreased by \$7.7 million, primarily due to the decrease in expenditures on the YBI Projects with construction activities reaching substantial completion for the Southgate Road Realignment Improvements project and the deferred work for the Torpedo Building Rehabilitation of the Southgate project to FY 2023/24 to align with the project's construction schedule. Expenditures in TIMMA Program also decreased by \$861 thousand, which is due largely to the delay in adoption of the Toll and Affordability Program and resulting pause in the TIMMA program activities in FY 2022/23. The Ferry Terminal Enhancements project also experienced a delayed start due to an extended process with Caltrans to obligate the federal earmark funds. Expenditures in TFCA Program, however, increased by \$703 thousand, mainly due to SFMTA's Short Term Bike Parking project. Expenditures in Prop AA Program increased by \$1.8 million, which is primarily due to SFMTA's L-Taraval Transit Enhancements (Seg B) and SFPW's Mission and Geneva Pavement Reconstruction projects. Expenditures in the TNC Tax Program increased by \$1.1 million as the rate of project delivery and invoicing increases for the SFMTA's Quick Build Program projects.

Budgetary Analysis and Highlights and Economic Factors-General Fund

In addition, Total Revenues and Transfers In were less than the final budgetary estimates by \$18.1 million, mainly due to lower transfers in from other funds than estimated in the final budget for reasons previously stated above. Investment income came in higher than budgeted due to GASB 31 adjustment as stated previously. Actual expenditures and transfers out were less than budgetary estimates by \$18.1 million. This amount includes a positive favorable variance of \$28.3 million in capital project costs. This lower capital spending is principally from sponsors, funded by the Sales Tax Program, whose major capital project costs were less than anticipated for FY 2022/23, due to their practice of billing other sources (e.g., bonds, federal funds) first and to project delays. Other Financing Sources (Uses) also came in lower than the final budgetary estimates by \$20 million because the drawdown from the Revolving Credit Loan Agreement as anticipated in FY 2022/23 final budget was not needed. Additional information on the Transportation Authority's budgetary comparison schedules for all programs can be found on pages 62 through 67 of this report.

San Francisco County Transportation Authority
Management's Discussion and Analysis
June 30, 2023

Table 5. Sales Tax Program Budgetary Comparison Schedule

	Budget Amounts		Actual	Favorable (Unfavorable) Variance
	Original	Final		Final to Actual
Revenues and Transfers In				
Sales tax	\$ 101,701,000	\$ 111,212,000	\$ 111,473,916	\$ 261,916
Investment income	302,006	850,000	900,599	50,599
Transfers in from other funds	-	18,424,251	28,926	(18,395,325)
Total Revenues and Transfers In	102,003,006	130,486,251	112,403,441	(18,082,810)
Expenditures and Transfers Out				
Administrative operating costs	6,868,213	9,273,701	6,195,386	3,078,315
Transportation improvement	137,816,845	122,271,480	93,732,996	28,538,484
Debt service				
Principal	14,125,000	14,125,000	15,025,065	(900,065)
Interest and fiscal charges	10,504,505	7,673,050	7,501,866	171,184
Transfers out to other funds	4,869,152	32,095	12,783,673	(12,751,578)
Total Expenditures and Transfers Out	174,183,715	153,375,326	135,238,986	18,136,340
Other Financing Sources (Uses)				
Proceeds from debt	75,000,000	20,000,000	-	(20,000,000)
Change in Fund Balance	2,819,291	(2,889,075)	(22,835,545)	(19,946,470)
Fund Balance - Beginning	33,352,196	33,352,196	33,352,196	-
Fund Balance - Ending	\$ 36,171,487	\$ 30,463,121	\$ 10,516,651	\$ (19,946,470)

Capital Assets

The Transportation Authority's investment in capital assets as of June 30, 2023, amounted to \$2.8 million (net of accumulated depreciation). This investment in capital assets includes leasehold improvements, furniture, equipment, and right-to-use leased office space. Additional information on the Transportation Authority's capital assets can be found in Note 5 of this report.

Long-Term Obligations

In November 2017, the Transportation Authority issued Senior Sales Tax Revenue Bonds, Series 2017, with net proceeds of \$270.1 million. The bonds were issued with a par value of \$248.3 million and a \$21.9 million bond premium. The bonds bear interest at rates ranging from 3.0% to 4.0% and have a final maturity date of February 1, 2034. The outstanding debt balance at year ended June 30, 2023, is \$193.0 million, with \$13.4 million of remaining unamortized long-term bond premiums.

In October 2021, the Transportation Authority entered into a Revolving Credit Agreement for a total amount of \$125 million, which expires on October 4, 2024. As of the year ended June 30, 2023, the Transportation Authority has no outstanding balance in the Revolving Credit Agreement.

Additional information on the Transportation Authority's Senior Sales Tax Revenue Bonds can be found in Note 7 of this report.

Requests for Information

This financial report is designed to provide a general overview of the Transportation Authority's finances for all those with an interest in the agency's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to:

San Francisco County Transportation Authority
Attention: Deputy Director for Finance and Administration
1455 Market Street, 22nd Floor
San Francisco, California, 94103

Basic Financial Statements
June 30, 2023
San Francisco County
Transportation Authority

San Francisco County Transportation Authority
Statement of Net Position
June 30, 2023

ASSETS

Cash in bank	\$	51,148,957
Deposits and investments with City Treasurer		70,489,757
Sales tax receivable		19,883,353
Vehicle registration fee receivable		827,884
Interest receivable from City and County of San Francisco		384,546
Program receivables		34,053,993
Receivable from the City and County of San Francisco		6,465,135
Other receivables		4,280,882
Prepaid costs and deposits		355,924
Noncurrent assets		
Net OPEB asset		101,000
Capital assets, net of accumulated depreciation and amortization		2,765,449

Total Assets190,756,880**DEFERRED OUTFLOWS OF RESOURCES**

OPEB related		485,172
Pension related		2,219,337

Total Deferred Outflows of Resources2,704,509

San Francisco County Transportation Authority
Statement of Net Position (Continued)
June 30, 2023

LIABILITIES

Accounts payable	19,637,072
Interest payable	2,829,292
Accounts payable to the City and County of San Francisco	85,289,052
Accrued salaries and taxes	366,807
Unearned revenues	57,194
Noncurrent liabilities	
Compensated absences due in one year	572,978
Compensated absences due in more than one year	231,446
Lease Liability due in one year	934,909
Lease Liability due in more than one year	972,364
Revenue bonds due in one year	14,545,000
Revenue bonds due in more than one year	194,228,667
Net pension liability due in more than one year	<u>3,393,558</u>

Total Liabilities323,058,339**DEFERRED INFLOWS OF RESOURCES**

OPEB related	589,615
Pension related	<u>157,149</u>

Total Deferred Inflows of Resources746,764**NET POSITION**

Net investment in capital assets	858,176
Restricted for transportation improvement	72,023,655
Unrestricted deficit	<u>(203,225,545)</u>

Total Net Deficit\$ (130,343,714)

San Francisco County Transportation Authority
Statement of Activities
Year Ended June 30, 2023

	Total	Transportation Improvement	Interest
EXPENSES	\$ 131,403,893	\$ 125,265,303	\$ 6,138,590
PROGRAM REVENUES			
Operating grants and contributions	13,172,428	13,172,428	-
Net program revenue (expense)	<u>\$ (118,231,465)</u>	<u>\$ (112,092,875)</u>	<u>\$ (6,138,590)</u>
GENERAL REVENUES			
Sales tax	111,473,916		
Vehicle registration fees	4,651,843		
Traffic congestion mitigation tax	8,371,545		
Investment income	970,832		
Total general revenues	<u>125,468,136</u>		
CHANGE IN NET POSITION	7,236,671		
Net deficit, beginning of year	<u>(137,580,385)</u>		
Net deficit, end of year	<u>\$ (130,343,714)</u>		

San Francisco County Transportation Authority
Balance Sheet - Governmental Funds
June 30, 2023

	Special Revenue Funds						Total Governmental Funds
	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	Traffic Congestion Mitigation Tax Program	
ASSETS							
Cash in bank	\$ 27,394,491	\$ -	\$ 1,769,199	\$ 21,985,267	\$ -	\$ -	\$ 51,148,957
Deposits and investments with the City Treasurer	51,024,823	-	-	-	-	19,464,934	70,489,757
Sales tax receivable	19,883,353	-	-	-	-	-	19,883,353
Vehicle registration fee receivable	-	-	-	827,884	-	-	827,884
Interest receivable from the City and County of San Francisco	284,365	-	-	-	-	100,181	384,546
Program receivables							
Federal	-	24,700,566	-	-	41,767	-	24,742,333
State	-	4,449,556	-	-	281	-	4,449,837
Regional and other	-	4,082,782	690,700	-	88,341	-	4,861,823
Receivables from the City and County of San Francisco	-	5,047,483	-	-	1,417,652	-	6,465,135
Other receivables	4,280,882	-	-	-	-	-	4,280,882
Due from other funds	-	4,537,182	-	-	-	247,968	4,785,150
Prepaid costs and deposits	355,924	-	-	-	-	-	355,924
Total Assets	\$ 103,223,838	\$ 42,817,569	\$ 2,459,899	\$ 22,813,151	\$ 1,548,041	\$ 19,813,083	\$ 192,675,581
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 9,675,287	\$ 5,081,230	\$ 563,996	\$ 218,574	\$ 76,433	\$ 4,021,552	\$ 19,637,072
Accounts payable to the City and County of San Francisco	79,176,319	37,821	475,496	4,937,825	2,125	659,466	85,289,052
Accrued salaries and taxes	366,807	-	-	-	-	-	366,807
Unearned revenue	-	57,194	-	-	-	-	57,194
Due to other funds	3,488,774	-	421,512	147,809	727,055	-	4,785,150
Total liabilities	92,707,187	5,176,245	1,461,004	5,304,208	805,613	4,681,018	110,135,275
Deferred Inflows of Resources							
Unavailable revenues	-	37,641,324	337,823	-	742,428	-	38,721,575
Total deferred inflows of resources	-	37,641,324	337,823	-	742,428	-	38,721,575
Fund Balances							
Nonspendable	355,924	-	-	-	-	-	355,924
Restricted	181,671	-	661,072	17,508,943	-	15,132,065	33,483,751
Unassigned	9,979,056	-	-	-	-	-	9,979,056
Total Fund Balances	10,516,651	-	661,072	17,508,943	-	15,132,065	43,818,731
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 103,223,838	\$ 42,817,569	\$ 2,459,899	\$ 22,813,151	\$ 1,548,041	\$ 19,813,083	\$ 192,675,581

San Francisco County Transportation Authority
 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
 June 30, 2023

Amounts reported for governmental activities in the statement of net position are different because of the following items:

Total fund balances on the governmental funds balance sheet:	\$ 43,818,731
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds:	2,765,449
Long-term receivables are not available to pay for current period expenditures and therefore are deferred in the governmental funds:	38,721,575
Unmatured interest on long-term debt is recognized in the period when it is due in the governmental funds:	(2,829,292)
Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:	
Revenue bonds and related premium	(208,773,667)
Lease Liability	(1,907,273)
Accrued compensated absences	(804,424)
Net OPEB liability and related deferrals	(3,443)
Net pension liability and related deferrals	(1,331,370)
Net position of governmental activities	<u>\$ (130,343,714)</u>

San Francisco County Transportation Authority
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds
Year Ended June 30, 2023

	Special Revenue Funds						Total Governmental Funds
	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	Traffic Congestion Mitigation Tax Program	
REVENUES							
Sales tax	\$ 111,473,916	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,473,916
Vehicle registration fee	-	-	-	4,651,843	-	-	4,651,843
Traffic congestion mitigation tax	-	-	-	-	-	8,371,545	8,371,545
Investment income	900,599	-	1,022	15,318	-	53,893	970,832
Program revenues							
Federal	-	1,500,439	-	-	508,623	-	2,009,062
State	-	551,271	-	-	-	-	551,271
Regional and other	-	123,538	701,876	-	310,044	-	1,135,458
Total Revenues	112,374,515	2,175,248	702,898	4,667,161	818,667	8,425,438	129,163,927
EXPENDITURES							
Current - transportation improvement							
Personnel expenditures	3,807,471	2,989,733	38,997	217,712	536,423	197,475	7,787,811
Non-personnel expenditures	2,387,915	30,541	-	861	67,486	-	2,486,803
Capital improvements related to infrastructure	93,605,501	11,938,647	1,080,291	3,989,007	185,832	2,592,088	113,391,366
Capital outlay	127,495	-	-	-	-	-	127,495
Debt service							
Principal	15,025,065	-	-	-	-	-	15,025,065
Interest and fiscal charges	7,501,866	-	-	-	-	-	7,501,866
Total Expenditures	122,455,313	14,958,921	1,119,288	4,207,580	789,741	2,789,563	146,320,406
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,080,798)	(12,783,673)	(416,390)	459,581	28,926	5,635,875	(17,156,479)
OTHER FINANCING SOURCES (USES)							
Transfers in	28,926	12,783,673	-	-	-	-	12,812,599
Transfers out	(12,783,673)	-	-	-	(28,926)	-	(12,812,599)
Total Other Financing Sources (Uses)	(12,754,747)	12,783,673	-	-	(28,926)	-	-
NET CHANGE IN FUND BALANCES	(22,835,545)	-	(416,390)	459,581	-	5,635,875	(17,156,479)
Fund Balances - Beginning	33,352,196	-	1,077,462	17,049,362	-	9,496,190	60,975,210
Fund Balances - Ending	\$ 10,516,651	\$ -	\$ 661,072	\$ 17,508,943	\$ -	\$ 15,132,065	\$ 43,818,731

San Francisco County Transportation Authority
 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of
 Governmental Funds to the Statement of Activities
 Year Ended June 30, 2023

Amounts reported for governmental activities in the statement of activities are different because of the following items:

Net change in fund balances on the governmental funds statement of revenues, expenditures, and changes in fund balances:	\$ (17,156,479)
In the statement of activities, the cost of capital assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, net position increases by the amount of financial resources expended, whereas net position decreases by the amount of depreciation expense charged for the year:	
Capital asset additions	360,595
Depreciation and amortization expense	(1,226,675)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds statements:	
Change in deferred inflows related to unavailable revenues	9,476,637
Payment of debt principal is an expenditure in the governmental funds, but reduces the long-term liabilities in the statement of net position and does not affect the statement of activities:	14,125,000
Amortization of bond premiums is recorded on the statement of activities, but does not impact the governmental funds statement of revenues, expenditures, and changes in fund balance:	1,215,723
Interest on long-term debt is recorded as an expenditure in the funds when it is due; however, in the statement of activities, interest expense is recognized as the interest accrues, regardless of when it is due:	176,562
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Amortization in lease liability	900,065
Change in net OPEB liability and related deferrals	19,299
Change in net pension liability and related deferrals	(724,989)
Changed in the balance of compensated absences	70,933
Change in net position of governmental activities	\$ 7,236,671

Note 1 - Reporting Entity and Background

The Transportation Authority was created in 1989 by a vote of the San Francisco electorate. The vote approved Proposition B, which imposed a sales tax of one-half of one percent (0.5%), for a period not to exceed 20 years, to fund essential transportation projects. The types of projects to be funded with the proceeds from the sales tax were set forth in the San Francisco County Transportation Expenditure Plan, which was approved as part of Proposition B. The Transportation Authority was organized pursuant to Sections 131000 et seq. of the California Public Utilities Code. Collection of the voter-approved sales tax began on April 1, 1990.

The Transportation Authority has its own governing board, consisting of the 11 members of the Board of Supervisors of the City and County of San Francisco (City), acting as the Commissioners of the Transportation Authority Board. Pursuant to Governmental Accounting Standards Board guidance, the financial statements of the Transportation Authority are included in the City's basic financial statements. Nonetheless, the Transportation Authority is governed by an administrative code separate from that of the City's, and the agency operates as a special-purpose government agency under state law, separate and distinct from the City. The City's Mayor does not have oversight control over the Transportation Authority. The ordinance that created the Transportation Authority empowers it to independently issue debt in order to finance transportation projects in the San Francisco County Transportation Expenditure Plan. The Transportation Authority's borrowing capacity is separate and distinct from that of the City.

Component units are legally separate organizations for which the Transportation Authority is financially accountable. Component units may include organizations that are fiscally dependent on the Transportation Authority in that the Transportation Authority approves their budget, the issuance of their debt, or the levying of their taxes. In addition, component units also describe other legally separate organizations for which the Transportation Authority is not financially accountable, but the nature and significance of the organization's relationship with the Transportation Authority is such that exclusion would cause the Transportation Authority's financial statements to be misleading or incomplete. For financial reporting purposes, the Treasure Island Mobility Management Agency (TIMMA) has a financial and operational relationship, which meets the criteria set forth in accounting principles generally accepted in the United States of America for inclusion in the financial statements, as a component unit, using the blended presentation method, as if it were part of the Transportation Authority's operations, because the governing board of the component unit is the same as the governing board of the Transportation Authority, and management has operational responsibility for the entity.

Sales Tax Program

San Francisco voters in November 2022 approved Proposition L, the Sales Tax for Transportation Projects measure that will direct \$2.6 billion (2020 dollars) in half-cent sales tax funds over 30 years to help deliver safer, smoother streets, more reliable transit, continue paratransit services for seniors and persons with disabilities, reduce congestion, and improve air quality. Proposition L replaced the 2003 Proposition K Expenditure Plan with a new 30-year Expenditure Plan. The Prop L Expenditure Plan includes investments in five major categories: 1) Major Transit Projects (such as Muni Rail Core Capacity, BART Core Capacity, and the Caltrain Downtown Rail Extension); 2) Transit Maintenance and Enhancements; 3) Paratransit (services for seniors and people with disabilities); 4) Streets and Freeways (including funds for pedestrian and bicycle improvements, signals and traffic calming, and street repaving); and 5) Transportation System Development and Management (including funds for transportation demand management, neighborhood, and equity-focused planning and implementation).

Under Proposition L legislation, the Transportation Authority directs the use of the Sales Tax and may issue up to \$1.91 billion in bonds secured by the Sales Tax.

Congestion Management Agency (CMA) Programs

On November 6, 1990, the Transportation Authority was designated under state law as the CMA for the City. Responsibilities resulting from this designation include developing a Congestion Management Program, which provides evidence of the integration of land use, transportation programming, and air quality goals; preparing a long-range countywide transportation plan to guide the City's future transportation investment decisions; monitoring and measuring traffic congestion levels in the City; measuring the performance of all modes of transportation; and developing a computerized travel demand forecasting model and supporting databases. As the CMA, the Transportation Authority is responsible for establishing the City's priorities for certain state and federal transportation funds and works with the Metropolitan Transportation Commission to program those funds to San Francisco projects.

Transportation Fund for Clean Air (TFCA) Program

On June 15, 2002, the Transportation Authority was designated to act as the overall program manager for the local guarantee (40%) share of transportation funds available through the TFCA program. Funds from this program, administered by the Bay Area Air Quality Management District, come from a \$4 vehicle registration fee on automobiles registered in the Bay Area. Through this program, the Transportation Authority recommends projects that benefit air quality by reducing motor vehicle emissions.

Vehicle Registration Fee for Transportation Improvements Program

On November 2, 2010, San Francisco voters approved Proposition AA authorizing the Transportation Authority to collect an additional \$10 annual vehicle registration fee on motor vehicles registered in San Francisco, and to use the proceeds to fund transportation projects identified in the 30-year Expenditure Plan. Revenue collection began in May 2011.

Proposition AA revenues must be used to fund projects from the following three programmatic categories. The percentage allocation of revenues, designated for each category over the 30-year Expenditure Plan period, is shown in parentheses following the category name.

- Street Repair and Reconstruction (50%): giving priority to streets with bicycle and transit networks, and to projects that include complete streets elements such as curb ramps, bicycle infrastructure, pedestrian improvements, and other measures to slow or reduce traffic
- Pedestrian Safety (25%): including crosswalk improvements, sidewalk repair or upgrade, and pedestrian countdown signals and lighting
- Transit Reliability and Mobility Improvements (25%): including transit stop improvements, consolidation and relocation, transit signal priority, traffic signal upgrades, travel information improvements, and parking management projects

TIMMA Component Unit

The Treasure Island Transportation Management Act of 2008 (Assembly Bill 981, Leno) authorizes the creation or designation of a Treasure Island-specific transportation management agency. On April 1, 2014, the City's Board of Supervisors approved a resolution designating the Transportation Authority as TIMMA to implement the Treasure Island Transportation Implementation Plan in support of the Treasure Island/Yerba Buena Island Development Project. In September 2014, Governor Brown signed Assembly Bill 141 (Ammiano), establishing TIMMA as a legal entity, distinct from the Transportation Authority, to help firewall the Transportation Authority's other functions. The 11 members of the Transportation Authority Board act as the Commissioners for TIMMA Board. The Transportation Authority financial statements include TIMMA as a blended special revenue fund component unit.

Traffic Congestion Mitigation Tax

The Traffic Congestion Mitigation Tax was approved by San Francisco voters on November 5, 2019, through approval of Proposition D. The measure, also referred to as the Transportation Network Company (TNC) Tax, is a surcharge on commercial ride-hailing trips that originate in San Francisco, for the portion of the trip within the city. The intent of the TNC Tax program is to support transit and street safety improvements on San Francisco's roadways, helping to mitigate the effects of increased congestion due to TNC vehicles. Beginning January 1, 2020, a 1.5% tax is charged on shared rides or rides taken in a zero-emission vehicle, and 3.25% is charged on rides with a single occupant. The measure also takes into account rides provided by autonomous vehicles that are taxed in this same manner and rides provided by private transit companies, if a company were to enter the market. The tax is in effect until November 2045.

After a 2% set aside for administration by the City, 50% of the revenues are directed to the SFMTA for transit operations and improvements, and 50% to the Transportation Authority for bicycle and pedestrian safety improvements, traffic calming, traffic signal upgrades and retiming.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

Government-wide Financial Statements - The statement of net position and statement of activities display information about the Transportation Authority. These statements include the financial activities of the overall government. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities are normally supported by taxes, grants, and other revenues.

The statement of activities presents a comparison between direct expenses and program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include: 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Fund Financial Statements - The fund financial statements provide information about the Transportation Authority's funds. The Transportation Authority reports activities of each of its six funds: 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; and Traffic Congestion Mitigation Tax Program as major funds.

The Transportation Authority uses the following funds:

Sales Tax Program - The Sales Tax Program operates as the General Fund, and accounts for the one-half of one percent sales tax revenues required by the November 2003 Proposition K. These revenues are for restricted expenditures in support of the Expenditure Plan, which includes investments in four major categories: 1) Transit; 2) Streets and Traffic Safety; 3) Paratransit services for seniors and individuals with disabilities; and 4) Transportation System Management/Strategic Initiatives. This fund also accounts for the general administration of the Transportation Authority functions in support of the Proposition K Expenditure Plan. The major source of revenue for this fund is the sales tax.

Special Revenue Funds – Special Revenue Funds are established to account for the proceeds from specific revenue sources (other than trusts, capital projects, or debt service) that are restricted or committed to the financing of particular activities and that compose a substantial portion of the inflows of the fund. Additional resources that are restricted, committed, or assigned to the purpose of the fund may also be reported in the fund:

Congestion Management Agency Programs – The Congestion Management Agency Fund accounts for resources accumulated and payments made for developing a congestion management program and construction of major capital improvements. Major sources of revenue are federal, state, and regional grants.

Transportation Fund for Clean Air Program – San Francisco has a \$4 per vehicle registration fee to support projects of the Bay Area Air Quality Management District (Air District). Of the total collections, the Air District passes 40% of the proceeds to the Transportation Authority. Through this program, the Transportation Authority recommends projects that benefit air quality by reducing motor vehicle emissions. The Transportation Fund for Clean Air accounts for this activity. The major source of revenue for this fund is \$4 vehicle registration fees on automobiles registered in the Bay Area.

Vehicle Registration Fee for Transportation Improvements Program – This fund accounts for the November 2010 Proposition AA Vehicle Registration Fee (VRF) for Transportation Improvements Program collections of the \$10 per year, per vehicle, registration. The Fee started in the first week of May 2011. The VRF proceeds are used to fund transportation projects identified in the Proposition AA Expenditure Plan. The major source of revenue for this fund is vehicle registration fees.

Treasure Island Mobility Management Agency – Assembly Bill 981 (Leno) authorizes the creation or designation of a Treasure Island-specific transportation management agency. On April 1, 2014, the City’s Board of Supervisors approved a resolution designating the Transportation Authority as the TIMMA to implement the Treasure Island Transportation Implementation Plan in support of the Treasure Island/Yerba Buena Island Development Project. In September 2014, Governor Brown signed Assembly Bill 141 (Ammiano), establishing TIMMA as a legal entity distinct from the Transportation Authority to help firewall the Transportation Authority’s other functions. The major sources of revenue are federal, state, and regional grants.

Traffic Congestion Mitigation Tax Program – The Proposition D Traffic Congestion Mitigation Tax was passed by San Francisco voters in November 2019. The measure, also referred to as the Transportation Network Company Tax, is a 1.5% tax charged on shared rides or rides taken in a zero-emission vehicle, and 3.25% is charged on rides with a single occupant on commercial ride-hail trips that originate in San Francisco, for the portion of the trip within the city. After a 2% set aside for administration by the City, 50% of the revenues are directed to the SFMTA for transit operations and improvements, and 50% to the Transportation Authority for bicycle and pedestrian safety improvements.

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. *Measurement focus* indicates the type of resources being measured, such as current financial resources or economic resources. The *basis of accounting* indicates the timing of transactions or events for recognition in the financial statements. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earnings are earned and expenses are recorded when liabilities are incurred, regardless of the timing of related cash flows. Sales tax amounts are recognized as revenues in the year for when they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible, within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims, and judgments are recorded only when payment is due. Capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources. Sales taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Net Position

Under the terms of grant agreements, the Transportation Authority funds certain programs with a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net positions available to finance the program. It is the Transportation Authority's policy to first exhaust the most restricted cost-reimbursement grant resources to fund such programs.

Leases and Subscription Based Information Technology Arrangements

The Transportation Authority is a lessee for a noncancellable lease of commercial office space. The Transportation Authority recognizes a lease liability and a leased asset in the government-wide financial statements. The Transportation Authority recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease/subscription-based information technology arrangement (SBITA), the Transportation Authority initially measures the lease/subscription liability at the present value of payments expected to be made during the lease/subscription term. Subsequently, the lease liability is reduced by the principal portion of lease/subscription payments made. The lease/subscription asset is initially measured as the initial amount of the lease/subscription liability, adjusted for lease/subscription payments made at or before the lease/subscription commencement date, plus certain initial direct costs. Subsequently, the lease/subscription asset is amortized on a straight-line basis over its useful life. Key estimates and judgments related to leases include how the Transportation Authority determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Transportation Authority uses its estimated bond borrowing rate as the discount rate for leases with adjustment for the applicable lease/subscription terms.
- The lease/subscription term includes the noncancellable period of the lease/SBITA. Lease/subscription payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Transportation Authority is reasonably certain to exercise.

The Transportation Authority monitors changes in circumstances that would require a remeasurement of its lease/SBITA and will remeasure the lease/subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the lease/subscription liability.

Lease/subscription assets are reported with other capital assets and lease/subscription liabilities are reported with long-term debt on the statement of net position.

Investment Valuations

The Transportation Authority recognizes the fair value measurement of its investments on a recurring basis, based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Transportation Authority's investments in the City and County of San Francisco Investment Pool are uncategorized because deposits to and from the pool are made on the basis of \$1 and not at fair value.

Sales Tax Revenue

The Transportation Authority recognizes taxpayer-assessed revenues, net of estimated refunds, in the accounting period in which they become susceptible to accrual, which means when the revenues become both measurable and available to finance expenditures of the current fiscal period on the fund level financial statements.

Unavailable sales tax revenue on the fund level financial statements represents sales tax receipts in the 60 days subsequent to the Transportation Authority's fiscal year-end, relating to the prior year's sales activity. The Transportation Authority has contracted with the California Department of Tax and Fee Administration (CDTFA) for collection and distribution of the sales tax. The CDTFA receives an administrative fee for providing this service. The Transportation Authority records sales tax revenues net of such fees.

Vehicle Registration Fees and Receivables

The Transportation Authority recognizes vehicle registration fees in the accounting period in which they become susceptible to accrual, which means when the revenues become both measurable and available to finance expenditures of the current fiscal period.

Vehicle registration fees receivables represent vehicle registration fee receipts in the 60 days subsequent to the Transportation Authority's fiscal year-end, relating to the prior year's registration activity. The Transportation Authority has contracted with the California Department of Motor Vehicles for collection and distribution of the vehicle registration fees. The Department of Motor Vehicles receives an administrative fee for providing this service. The Transportation Authority records vehicle registration fee revenues net of such fees.

Traffic Congestion Mitigation Tax and Receivables

The Transportation Authority recognizes Traffic Congestion Mitigation Tax in the accounting period in which they become susceptible to accrual, which means when the revenues become both measurable and available to finance expenditures of the current fiscal period.

Traffic Congestion Mitigation Tax receivables represent tax revenue receipts in the 60 days subsequent to the Transportation Authority's fiscal year-end, relating to the prior year's registration activity. The Transportation Authority has contracted with the City and County of San Francisco (City). The City receives an administrative fee for providing this service. The Transportation Authority records tax revenues net of such fees.

Capital Assets

Capital assets are recorded at historical cost or at estimated historical cost, if actual historical cost is not available. The Transportation Authority capitalizes assets with a purchase price of \$5,000 and above. Capital assets used in operations are depreciated using the straight-line method over their estimated useful lives in the government-wide financial statements.

Ownership of capital improvements, related to infrastructure to which the Transportation Authority provides funding, vests with the City and County of San Francisco. Capital improvements are recorded on the financial statements of the City and County of San Francisco during construction and upon completion.

The estimated useful lives are as follows:

Right-to-use leased office space	1 - 30 years
Leasehold improvements	13 years
Furniture	5 years
Computer equipment	3 years

The cost of normal maintenance and repairs that do not add to the value of the asset, nor materially extend its life, is not capitalized. For the government-wide statements, improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Transportation Authority's California Public Employees' Retirement System (CalPERS) Plan and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable, in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Transportation Authority's OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences

The Transportation Authority reports compensated absences for accrued vacation, compensatory time-off, and floating holidays. Transportation Authority employees have a vested interest in accrued compensated absences and the time will eventually either be used or paid by the Transportation Authority. The Transportation Authority's compensated absences in current and prior years are paid from the sales tax fund when due.

Generally, employees earn and use their current compensated absence hours with a small portion being accrued or unused each year. As this occurs, the Transportation Authority incurs an obligation to pay for these unused hours. This liability is recorded in the government-wide statement of net position to reflect the Transportation Authority's obligation to fund such costs from future operations. A liability is recorded in the governmental funds balance sheet when it is due and payable. Sick leave benefits do not vest and no liability is recorded. The changes in the Transportation Authority's compensated absences during the year are as follows:

Balance at July 1, 2022	Additions	Deductions	Balance at June 30, 2023	Current Portion
\$ 875,357	\$ 444,747	\$ (515,680)	\$ 804,424	\$572,978

Fund Balances/Net Position

In the government-wide statements, equity is classified as net position and displayed in three components:

Net investment in capital assets - consists of capital assets net of accumulated depreciation and amortization and reduced by the outstanding balances of any notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The Transportation Authority only has outstanding lease liabilities that are attributable to capital assets, as the capital improvements related to infrastructure are recorded on the financial statements of the managing agency.

Restricted net position - consists of net position with constraints placed on the use by either 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.

Unrestricted net position - all other net position that does not meet the definition of "restricted" or "investment in capital assets."

Governmental funds report fund balance in classifications, based primarily on the extent to which the Transportation Authority is bound, to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2023, fund balances for governmental funds are classified as follows:

Nonspendable Fund Balance - includes amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash; for example, inventories and prepaid amounts.

Restricted Fund Balance - includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Unassigned Fund Balance - the residual classification for the Sales Tax Program and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. Other governmental funds may only report a negative unassigned balance that was created after classification in one of the other two fund balance categories.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

Use of Estimates

The preparation of basic financial statements, in conformity with generally accepted accounting principles, requires management to make certain estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following are changes in accounting principles and new accounting pronouncements upcoming in future years.

Effects of New Pronouncements

As of July 1, 2023, the Transportation Authority implemented the following GASB Statement:

GASB Statement No. 96 - In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. GASB Statement No. 96 defines such arrangements as contracts that convey control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction. The standard clarifies measurement and recognition of capitalizable costs, intangible assets, and subscription liabilities for such arrangements and also requires additional disclosures related to such arrangements. The provisions of this statement have been implemented as of June 30, 2023 which did not have a material impact on the financial statements.

The Transportation Authority is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB statements:

GASB Statement No. 99 - In April 2022, GASB Issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Certain requirements of this statement have been implemented as of June 30, 2022. The requirements related to leases, public-private and public-public partnership (PPP)s, and Subscription-Based Information Technology Arrangements (SBITA) are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 100 - In June 2022, GASB Issued Statement No. 100, *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62*. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 101 - In June 2022, GASB Issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

Note 3 - Cash and Investments

Custodial Credit Risk

Deposits - Custodial credit risk is the risk that in the event of a bank failure, the Transportation Authority's deposits may not be returned to it. The Transportation Authority does not have a policy for custodial credit risk on deposits. As of June 30, 2023, the carrying amount of the Transportation Authority's deposits was \$51,148,957 and the bank balance was \$51,260,468. The difference between the bank balance and the carrying amount represents outstanding checks and deposits. Of the bank balance, \$750,000 was covered by federal depository insurance and \$50,510,468 was collateralized by the pledging financial institutions as required by *Section 53652* of the California Government Code.

Under the California Government Code, a financial institution is required to secure deposits in excess of Federal Deposit Insurance Corporation limits made by state or local government units by pledging securities held in the form of an undivided collateral pool. The market value of the pledged securities in the collateral pool must equal to at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure public agency deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The collateral must be held at the pledging bank's trust department or other bank, acting as the pledging bank's agent.

Investments - For investments, custodial credit risk is the risk that in the event of the failure of the counterparty, the Transportation Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Transportation Authority does not have a policy regarding custodial credit risk on investments. As of June 30, 2023, the Transportation Authority's investments are not exposed to custodial credit risk. The notes to the basic financial statements of the City provide more detailed information concerning deposit and investment risks associated with the City's pool of cash and investments at year ended June 30, 2023.

Investments Authorized by the Transportation Authority's Investment Policy

The table below identifies the investment types that are authorized for the Transportation Authority by the California Government Code 53601 or the Transportation Authority's Investment Policy, where the policy is more restrictive in the area of reverse re-purchase agreements, which are not allowed, and certificates of deposits, which must be in financial institutions located in California and may not exceed 10% of the Transportation Authority's portfolio.

Authorized Investment Type	Maturity	Maximum Percentage Of Portfolio	Maximum Investment In One Issuer
U.S. Treasury Notes, Bonds, or Bills	5 Years	None	None
U.S. Treasury Obligations	5 Years	None	None
Federal Agency or U.S. Government Sponsored Enterprise Obligations	5 Years	None	None
Repurchase Agreements	1 Year	None	None
State of California Obligations or any Local Agency within the State	5 Years	None	None
Notes or Bonds of other U.S. States	5 Years	None	None
Bankers' Acceptances	180 Days	40%	30%
Commercial Paper	270 Days	25%	10%
Medium-Term Notes	5 Years	30%	None
FDIC Insured and Fully Collateralized Certificates of Deposit**	1 Year	10%	None
Negotiable Certificates of Deposits	5 Years	30%	None
State of California Local Agency Investment Fund	N/A	None	\$65M
California Asset Management Program	N/A	None	None
Insured Savings and Money Market Accounts	N/A	None	None
City and County of San Francisco Treasury Pool	5 Years	None	None
Shares of Beneficial Interest (Money Market Funds)	N/A	20%	10%

** More restrictive than California Government Code

The Transportation Authority maintains deposits and investments with the City and County of San Francisco Treasury Pool (Pool). The Pool is not registered with the U.S. Securities and Exchange and, therefore, is unrated. As of June 30, 2023, the Transportation Authority's deposits and investments in the Pool are approximately \$70.5 million, and the total amount invested by all public agencies in the Pool is approximately \$16.0 billion. The City's Treasurer Oversight Committee has oversight responsibility for the Pool. The value of the Transportation Authority's shares in the Pool, which may be withdrawn, is based on the book value of the Transportation Authority's percentage participation, which is different than the fair value of the Transportation Authority's percentage participation in the Pool.

San Francisco County Transportation Authority
Notes to Financial Statements
June 30, 2023

The Transportation Authority's investments on June 30, 2023, consisted of pooled cash with the City and County of San Francisco, having a weighted average maturity of 1.21 years. At June 30, 2023, the Pool consists of U.S. government and agency securities, commercial paper, money market funds, negotiable certificates of deposit, supranational financial instruments, and public time deposits as authorized by state statutes and the City's investment policy. Additional information regarding deposit and investment risks (such as interest rate, credit, and concentration of credit risks) may be obtained by contacting the City Controller at: Controller's Office, City Hall, Room 316, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102; Phone: 415-554-7500; Fax: 415-554-7466.

Note 4 - Interfund Transactions

Current Interfund Balances: Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. The composition of current interfund balances as of June 30, 2023, is as follows:

Payable to:	Receivable from:				Total
	Sales Tax Program	Transportation Fund for Clean Air Program	Vehicle Registration Fee for Transportation Improvements Program	Treasure Island Mobility Management Agency	
Congestion Management Agency Programs	\$ 3,240,806	\$ 421,512	\$ 147,809	\$ 727,055	\$ 4,537,182
Traffic Congestion Mitigation Tax Program	247,968	-	-	-	247,968
Total	\$ 3,488,774	\$ 421,512	\$ 147,809	\$ 727,055	\$ 4,785,150

The outstanding receivables from the Congestion Management Agency Programs result mainly from the time lag between the dates that (1) interfund goods and services are provided or expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Transfers Between Funds: During the fiscal year, the Sales Program made transfers of \$12,783,673 to the CMA Program, for paying expenditures incurred during the fiscal year. The Treasure Island Mobility Management Agency made transfers of \$28,92 to the Sales Tax Program for paying expenditures during the fiscal year.

San Francisco County Transportation Authority
Notes to Financial Statements
June 30, 2023

Note 5 - Capital Assets

The capital assets activity for the year ended June 30, 2023, is as follows:

	Balance July 1, 2022	Additions	Retirement	Balance June 30, 2023
Capital assets, not being depreciated or amortized work in progress	\$ -	\$ 233,100	\$ -	\$ 233,100
Capital assets, being depreciated and amortized:				
Leasehold improvements	3,023,624	-	-	3,023,624
Furniture and equipment	1,042,367	127,495	(21,183)	1,148,679
Right-to-use leased office space	3,675,744	-	-	3,675,744
Total capital assets, being depreciated and amortized	7,741,735	127,495	(21,183)	7,848,047
Less accumulated depreciation and amortization for:				
Leasehold improvements	2,324,925	232,900	-	2,557,825
Furniture and equipment	866,345	74,839	(21,183)	920,001
Right-to-use leased office space	918,936	918,936	-	1,837,872
Total accumulated depreciation	4,110,206	1,226,675	(21,183)	5,315,698
Total capital assets, net	\$ 3,631,529	\$ (866,080)	\$ -	\$ 2,765,449

Depreciation and amortization expense for the current year amounted to \$1,226,675 and was allocated to the transportation improvement expense on the statement of activities.

Note 6 - Related Party Transactions with the City and County of San Francisco

Receivables from the City and County of San Francisco consist of the following on June 30, 2023:

Receivables From the Following City Department / Agency	Purpose	Total
Municipal Transportation Agency	Implementing Advanced Transportation Congestion and Mitigation Technologies	
	Deployment Initiatives on Treasure Island	\$ 488,962
	SF-CHAMP Travel Demand Forecasting Model	75,000
	San Francisco School Access Plan	30,000
Treasure Island	Treasure Island Transportation Implementation Plan	928,690
Development Authority	Yerba Buena Island Ramps Improvement Project	4,942,483
Total receivables from the City and County of San Francisco		<u>\$ 6,465,135</u>

San Francisco County Transportation Authority
Notes to Financial Statements
June 30, 2023

Payables to the City and County of San Francisco consist of the following on June 30, 2023:

Payables to the Following City Department / Agency	Purpose	Total
Department of Public Works	Street Resurfacing	\$ 14,595,937
Department of Environment	Clean Air Programs	29,155
Department of Technology	Video Production and Telecast Services	11,725
Office of City Attorney	General Legal Counsel Services	2,310
Treasure Island Development Authority	Yerba Buena Island (YBI) Pier E2 Operations and Maintenance	\$ 1,884
	YBI Vista Point at Quarters 9 Operations and Maintenance	35,937
		37,821
Municipal Transportation Agency	Advanced Technology and Information Systems (SFgo)	\$ 191,041
	Bicycle Circulation/Safety	731,015
	Clean Air Programs	446,341
	Extension of Streetcar Service (Fisherman's Wharf to Fort Mason)	588
	Guideways	4,123,077
	New Signals and Signs	1,788,539
	Other Transit Enhancements	262,683
	Paratransit Services	2,325,506
	Pedestrian and Bicycle Facility Maintenance	77,616
	Pedestrian Circulation/Safety	1,795,442
	Pedestrian Safety	234,138
	Rapid Bus Network including Real Time Transit Information	9,030,701
	Rehabilitation, Upgrade, and Replacement of Existing Facilities	5,816,040
	Signals and Signs	716,872
	Traffic Calming	3,075,975
	Transit Reliability and Mobility Improvements	1,469,178
	Transit Vehicle Replacement and Renovation	33,297,187
	Transportation/Land Use Coordination	99,316
	Upgrades to Major Arterials (including 19th Avenue)	166,519
	Van Ness Corridor Transit Improvement Project	4,304,864
	Vision-Zero Quick-Build Program	659,466
	Total Municipal Transportation Agency	70,612,104
Total payable to the City and County of San Francisco		<u>\$ 85,289,052</u>

The Transportation Authority reimbursed the City and County of San Francisco for the following transportation and capital program costs made on its behalf during the year ended June 30, 2023:

Expenditures Incurred by the Following City Department/Agency	Total
Department of Environment	\$ 118,991
Department of Technology	38,513
Department of Public Works	5,097,768
Municipal Transportation Agency	59,805,980
Office of the City Attorney	123,269
Planning Department	62,248
Treasure Island Development Authority	103,174
	<u>\$ 65,349,943</u>

During FY2022/23, the Transportation Authority reimbursed capital expenditures of \$65.3 million, which were paid to departments within the City, of which \$59.8 million was reimbursed on SFMTA projects. SFMTA projects include \$27 million on Transit Vehicle Replacement, \$12 million on traffic calming, street paving, and paratransit, and \$1.7 million to Upper Market Safety Improvements.

Note 7 - Long Term Debt and Lease Payable

The changes in the Transportation Authority's long-term debt and lease during the year consist of the following items:

	Balance at July 1, 2022	Additions	Deductions	Balance at June 30, 2023	Current Portion
Revenue bonds	\$ 208,310,000	\$ -	\$ (14,125,000)	\$ 194,185,000	\$ 14,545,000
Bond premium	15,804,390	-	(1,215,723)	14,588,667	-
Lease	2,807,338	-	(900,065)	1,907,273	934,909
Total	<u>\$ 226,921,728</u>	<u>\$ -</u>	<u>\$ (16,240,788)</u>	<u>\$ 210,680,940</u>	<u>\$ 15,479,909</u>

Revenue Bonds and Revolving Credit Agreement

On November 2, 2017, the Transportation Authority issued \$248,250,000 Senior Sales Tax Revenue Bonds, Series 2017, with total proceeds of \$270,133,005 and \$21,883,005 of bond premiums to (i) finance a portion of the costs of and costs incidental to or connected with the construction, acquisition, and improvement of certain transit, street, and traffic facilities and other transportation projects, including, without limitation to, engineering, inspection, legal, fiscal agents, financial consultant and other fees, and working capital, all as described in the Expenditure Plan adopted pursuant to the Act; (ii) repay a portion of the outstanding amount of a revolving credit agreement and a promissory note evidencing the Transportation Authority's payment obligation thereunder; (iii) pay capitalized interest on a portion of the Series 2017 Bonds; and (iv) pay costs of issuance of the Series 2017 Bonds. The bonds pay interest ranging from 3.0% to 4.0% and mature February 1, 2034. The outstanding bond principal at June 30, 2023, is \$194,185,000 with \$14,588,667 of remaining unamortized bond premiums.

The Transportation Authority's outstanding Series 2017 Bonds are repaid and secured by a pledge of Prop K half-cent sales tax and other legally available revenues of the Transportation Authority. Based on total sales tax revenue of \$111,473,916 for the year ended June 30, 2023, and total debt service payments of \$21,339,050 on the Series 2017 Bonds. The Transportation Authority's senior debt service coverage ratio was 522% or 5.22 times.

The Series 2017 Bonds are rated AAA by Fitch Ratings and AA+ by S&P Global Ratings, reflecting the strength of the Prop K half-cent sales tax security and repayment source. Events of default for the bonds include nonpayment events, bankruptcy events, and noncompliance with covenants. The Series 2017 Bonds are not subject to acceleration.

San Francisco County Transportation Authority
Notes to Financial Statements
June 30, 2023

Debt Service Requirements to maturity for the Transportation Authority's Series 2017 Bonds are as follows:

Fiscal Year	Principal	Interest	Annual Debt Service
2024	\$ 14,545,000	\$ 6,790,300	\$ 21,335,300
2025	15,125,000	6,208,500	21,333,500
2026	15,735,000	5,603,500	21,338,500
2027	16,360,000	4,974,100	21,334,100
2028	17,015,000	4,319,700	21,334,700
2029-2033	94,690,000	11,984,800	106,674,800
2034	20,715,000	621,450	21,336,450
Total	<u>\$ 194,185,000</u>	<u>\$ 40,502,350</u>	<u>\$ 234,687,350</u>

On October 7, 2021, the Transportation Authority entered into a Revolving Credit Agreement (RCA) with U.S. Bank National Association (U.S. Bank) for \$125 million. The amount borrowed under the RCA assumes a rate of interest equal to the sum of Securities Industry and Financial Markets Association Index plus a fixed credit spread (subject to adjustment if the Transportation Authority's credit rating changes) and unborrowed amounts under the RCA are subject to a commitment fee of 0.20%. The Transportation Authority's RCA expires on October 4, 2024.

The RCA is secured by a lien on the Transportation Authority's sales tax revenues subordinate to the lien on the sales tax revenues securing the Transportation Authority's Series 2017 Bonds. The Transportation Authority will use the RCA to fund the capital projects and programs included in the Prop K Expenditure Plan. As of June 30, 2023, and for the year then ended, the Transportation Authority did not have any outstanding balances and did not make any interest payments under the Revolving Credit Facility. The Transportation Authority did pay commitment fees under the Revolving Credit Agreement equal to 0.20% of the commitment amount. As of June 30, 2023, the Transportation Authority paid \$253,472 in commitment fees to the bank and does not have any outstanding balance.

Events of Default under the Revolving Credit Agreement include nonpayment events, noncompliance with covenants, default on other specified debt, bankruptcy events, specified litigation events, or a ratings downgrade below Baa2 by Fitch, BBB by Moody's, or BBB by S&P. Remedies include acceleration (subject in some, but not all, circumstances to a 270-day notice period) and the termination of the right of the Transportation Authority to borrow under the Revolving Credit Agreement.

Lease Payable

In December 2011, the Transportation Authority executed a 13-year workspace lease for its office, located at 1455 Market Street, with a 5-year extension option. The term of the lease commenced on July 1, 2012, and expires on June 30, 2025. As of June 30, 2023, the value of the lease liability was \$1,907,273. The Transportation Authority is required to make monthly principal and interest payments of \$77,501. The lease has an interest rate of 1.25%. The value of the right-to-use asset as of the end of the current fiscal year was \$3,675,744 and had accumulated amortization of \$1,837,872.

The future principal and interest payments as of June 30, 2023, are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$ 934,909	\$ 17,523	\$ 952,432
2025	972,364	5,583	977,947
Total future minimum lease obligations	\$ 1,907,273	\$ 23,106	\$ 1,930,379

Note 8 - Pension Plans

General Information about the Pension Plan

Plan Description

All qualified permanent employees are eligible to participate in the Transportation Authority's Employee Pension Plan, a cost-sharing multiple employer defined benefit pension plan administered by CalPERS. Benefit provisions under the Plan are established by state statute and Transportation Authority resolution. CalPERS acts as a common investment and administrative agent for its participating member employers. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information which can be found on the CalPERS website.

San Francisco County Transportation Authority
Notes to Financial Statements
June 30, 2023

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 or 52, depending on the hire date, with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law. Benefit provisions and all other requirements are established by state statute and may be amended by the Transportation Authority's contract with the employees.

The Plan provisions and benefits in effect on June 30, 2023, are summarized as follows:

	Prior to January 1, 2013	On or After January 1, 2013
Hire date		
Benefit vesting formula	2% at 55	2% at 62
Minimum years of services	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Earliest retirement age	50	52
Annual vesting, as a percent of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	6.91%	6.75%
Required employer contribution rates	10.87%	7.47%
Required employer prepayment for unfunded liability	\$217,506	\$17,337

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1, following notice of a change in the rate. Funding contributions for Plans are determined annually on an actuarial basis, as of June 30, by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Transportation Authority is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2023, the employer contributions were \$689,514.

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2023, the Transportation Authority's reported net pension liability for its proportionate share of the collective net pension liability is \$3,393,558. The Transportation Authority's net pension liability is measured as the proportionate share of the collective Plan's net pension liability. The net pension liability is measured as of June 30, 2022, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. With a valuation date of June 30, 2021, the amounts are rolled forward to June 30, 2022, using standard update procedures. The Transportation Authority's proportion of the net pension liability was based on the Transportation Authority's share of contributions to the pension plan, relative to the projected contributions of all participating employers, actuarially determined. The Transportation Authority's proportionate share of the net pension liability as of June 30, 2022, and 2023 was as follows:

Proportion - June 30, 2022	0.01604%
Proportion - June 30, 2023	0.02938%
Change	0.01334%

For the year ended June 30, 2023, the Transportation Authority recognized a pension expense of \$1,414,503.

On June 30, 2023, the Transportation Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 689,514	\$ -
Contributions in excess of proportionate share	12,209	(111,506)
Changes in assumptions	347,741	-
Difference in expected and actual experience	68,149	(45,643)
Adjustment due to differences in proportions	480,114	-
Net differences between projected and actual earnings on plan investments	621,610	-
Total	\$ 2,219,337	\$ (157,149)

San Francisco County Transportation Authority
Notes to Financial Statements
June 30, 2023

Reported as deferred outflows of resources related to contributions subsequent to the measurement date is \$689,514, which will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ 447,108
2025	358,356
2026	187,012
2027	380,198
	\$ 1,372,674

Actuarial Assumptions

The total pension liability in the year ended June 30, 2021, actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	6.90%
Inflation	2.30%
Projected Salary	Varies by Entry-Age and Service
Mortality Rate Table ¹	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract Cost-of-Living Adjustment (COLA) up to 2.30% until Purchasing Power Protection Allowance Floor

¹The mortality table used was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. To determine whether the municipal bond rate should be used in the calculation of the discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 6.90% discount rate is appropriate, and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 6.90% is applied to all plans in the Public Employees' Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained on the CalPERS website, under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations, as well as the expected pension fund (PERF) cash flows. Taking into account historical returns of all the PERF's asset classes (which include the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

San Francisco County Transportation Authority
Notes to Financial Statements
June 30, 2023

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation:

Asset Class	Assumed Asset Allocation	Real Return Years 1 - 10 ^{1,2}
Global equity - cap-weighted	30.0%	4.45%
Global equity non-cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed securities	5.0%	0.50%
Investment grade corporates	10.0%	1.56%
High yield	5.0%	2.27%
Emerging market debt	5.0%	2.48%
Private debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
	<u>100.0%</u>	

¹ An expected inflation of 2.30% used for this period.

² Figures are based on the 2021-2022 Asset Liability Mangement study

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Transportation Authority's proportionate share of the net pension liability, as well as what the Transportation Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

1% Decrease	Rate	1% Increase
5.90%	6.90%	7.90%
\$ 5,908,204	\$ 3,393,558	\$ 1,324,627

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial report.

Note 9 - Postemployment Healthcare Benefits

Plan Description

The Transportation Authority’s defined benefit postemployment healthcare plan provides healthcare benefits to eligible employees and their surviving spouses. Employees become eligible to retire and receive healthcare benefits upon reaching the age of 50 and meeting program vesting requirements, or being converted to disability status, and retiring directly from the Transportation Authority. Dental and vision benefits are not available to retirees.

The Transportation Authority is a contracting agency under the Public Employees’ Medical and Hospital Care Act, which is administered by CalPERS for the provision of healthcare insurance programs for both active and retired employees. The Transportation Authority participates in the California Employers’ Retiree Benefit Trust Fund Program (CERBT), an agent-multiple employer postemployment health plan, to prefund other postemployment benefits through CalPERS. CalPERS and CERBT issue publicly available financial reports that can be found on the CalPERS website.

As of June 30, 2021, actuarial valuation, the following current and former employees were covered by the benefit terms under the healthcare plan:

Active plan members	39
Inactive employees or beneficiaries currently receiving benefit payments	9
Total	48

Contributions

The contribution requirements of plan members and the Transportation Authority are established and may be amended by the Board. The Transportation Authority makes contributions on an actuarial basis, funding the full Actuarially Determined Contributions (ADC). Employees of the Transportation Authority are not required to contribute to the plan. The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

San Francisco County Transportation Authority
Notes to Financial Statements
June 30, 2023

Significant Assumptions

The Transportation Authority's net OPEB liability (asset) was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation dated June 30, 2021, based on the following actuarial methods and assumptions:

Actuarial Assumption	June 30, 2022 Measurement Date
Valuation Date	June 30, 2021
Contribution Policy	Level percent of pay method over 20 years
Discount Rate	7.59%
General Inflation	2.75% per annum
Salary Increases	2.75% per annum, in aggregate
Investment Rate of Return	7.59%
Mortality, Turnover, Disability, and Retirement	CalPERS Experience Study for the period from 1997 to 2015
Healthcare Cost Trend Rate	Initial 14% for non-medicare eligibles, 24.25% for spouse of medicare eligibles, and 6.5% medicare eligibles, all grading down to 4%

Discount Rate

The discount rate used to measure the total OPEB liability was 7.59%. The projection of cash flows used to determine the discount rate assumed that Transportation Authority contributions would be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability or asset.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	59.00%	5.25%
Fixed Income	25.00%	0.99%
Treasury Securities	5.00%	0.45%
Real Estate Investment Trusts	8.00%	4.50%
Commodities	3.00%	3.00%
Total	<u>100.00%</u>	

Changes in the OPEB Liability (Asset)

The changes in the net OPEB liability (asset) are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at July 1, 2022	\$ 1,955,400	\$ 2,492,500	\$ (537,100)
Changes for the year:			
Service Cost	123,000	-	123,000
Interest	150,400	-	150,400
Changes of assumptions	(98,500)	-	(98,500)
Difference between expected and actual experience	(3,200)	-	(3,200)
Contributions:			
Employer - explicit subsidy	-	41,900	(41,900)
Employer - implicit subsidy	-	28,400	(28,400)
Benefit payments	(70,300)	(70,300)	-
Administrative expenses	-	(1,211)	1,211
Expected Investment Return	-	189,135	(189,135)
Investment Experience (Loss)/Gain	-	(522,624)	522,624
Net changes	<u>101,400</u>	<u>(334,700)</u>	<u>436,100</u>
Balance at June 30, 2023	<u>\$ 2,056,800</u>	<u>\$ 2,157,800</u>	<u>\$ (101,000)</u>

San Francisco County Transportation Authority
Notes to Financial Statements
June 30, 2023

Sensitivity of the Net OPEB Asset to Changes in the Discount Rate and to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability (asset) of the Transportation Authority as of the measurement date, calculated using the discount rate of 7.59%, as well as what the Transportation Authority's net OPEB liability (asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease 6.59%	Current Discount Rate 7.59%	1% Increase 8.59%
Net OPEB Asset	\$ 210,600	\$ (101,000)	\$ (357,000)

The following presents the net OPEB liability (asset) of the Transportation Authority, as well as what the Transportation Authority's net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are one percentage lower or one percentage higher than the current healthcare cost trend rates:

	1% Decrease 13% Non-Medicare, 23.25% Spouse and 5.5% Medicare grading to 3%	Current Healthcare Trend Cost Rate 14% Non-Medicare, 24.25% Spouse and 6.5% Medicare grading to 4%	1% Increase 15% Non-Medicare, 25.25% Spouse and 7.5% Medicare grading to 5%
Net OPEB Asset	\$ (407,800)	\$ (101,000)	\$ 289,800

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2023, the Transportation Authority recognized OPEB expense of \$86,001. As of the fiscal year ended June 30, 2023, the Transportation Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to measurement date	\$ 105,300	\$ -
Changes in assumptions	-	(138,640)
Difference between expected and actual experience	160,428	(450,975)
Net differences between projected and actual earnings on plan investments	219,444	-
Total	\$ 485,172	\$ (589,615)

Reported as deferred outflows of resources related to contributions subsequent to the measurement date is \$105,300, which will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as OPEB expense are as follows:

Fiscal Year Ended June 30,	Deferred Inflows of Resources
2024	\$ 8,357
2025	4,160
2026	(11,135)
2027	66,678
2028	(37,846)
Thereafter	(239,957)
Total	<u>\$ (209,743)</u>

Note 10 - Administrative Expense Limitations

In accordance with California Public Utilities Code, *Section 131107*, not more than one percent of the Transportation Authority's annual net amount of revenues, raised by the sales tax, may be used to fund the salaries and benefits of the staff of the Transportation Authority in administering the Prop K Expenditure Plan. For the year ended June 30, 2023, revenues, staff salaries, and fringe benefits for administering the Prop K Expenditure Plan for the Sales Tax Program were as follows:

Revenues	\$ 111,473,916
Expenditures:	
Salaries	1,028,183
Fringe benefits	22,196
Total	<u>\$ 1,050,379</u>
Percentage of revenue	0.94%

Personnel expenditures of \$3,807,471 were reported in the Sales Tax Program, of which \$1,050,379 was related to general administration of the Proposition K Expenditure Plan, and \$2,757,092 was related to planning and programming, which includes monitoring and oversight of Proposition K funded projects.

Note 11 - Risk Management

The Transportation Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The Transportation Authority manages and finances these risks by purchasing commercial insurance. There have been no significant reductions in insurance coverage from the previous year, nor have settled claims exceeded the Transportation Authority's commercial insurance coverage in any of the past three years.

Note 12 - Commitments and Contingencies

Commitments

The Transportation Authority's outstanding commitments totaled \$524,515,175 at June 30, 2023. This amount is comprised of \$411,390,597 remaining capital project appropriations. Sponsors receive appropriations for the entire project (awards) but cannot be reimbursed faster than the amount allocated annually. At June 30, 2023, the Transportation Authority has encumbered \$12,727,141 in the Sales Tax Program, \$99,347,314 in the Congestion Management Agency Programs, and \$1,050,123 in the Treasure Island Mobility Management Agency Program, respectively, on various Transportation Authority contracts held with private consulting and construction companies and cooperative agreements with governmental entities.

Required Supplementary Information
June 30, 2023

San Francisco County
Transportation Authority

San Francisco County Transportation Authority
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
 Sales Tax Program
 Year Ended June 30, 2023

	Budget Amounts		Actual	Favorable (Unfavorable) Variance
	Original	Final		Final to Actual
Revenues and Transfers In				
Sales tax	\$ 101,701,000	\$ 111,212,000	\$ 111,473,916	\$ 261,916
Investment income	302,006	850,000	900,599	50,599
Transfers in from other funds	-	18,424,251	28,926	(18,395,325)
Total Revenues and Transfers In	102,003,006	130,486,251	112,403,441	(18,082,810)
Expenditures and Transfers Out				
Administrative operating costs	6,868,213	9,273,701	6,195,386	3,078,315
Transportation improvement	137,816,845	122,271,480	93,732,996	28,538,484
Debt service				
Principal	14,125,000	14,125,000	15,025,065	(900,065)
Interest and fiscal charges	10,504,505	7,673,050	7,501,866	171,184
Transfers out to other funds	4,869,152	32,095	12,783,673	(12,751,578)
Total Expenditures and Transfers Out	174,183,715	153,375,326	135,238,986	18,136,340
Other Financing Sources (Uses)				
Proceeds from debt	75,000,000	20,000,000	-	(20,000,000)
Change in Fund Balance	2,819,291	(2,889,075)	(22,835,545)	(19,946,470)
Fund Balance - Beginning	33,352,196	33,352,196	33,352,196	-
Fund Balance - Ending	\$ 36,171,487	\$ 30,463,121	\$ 10,516,651	\$ (19,946,470)

San Francisco County Transportation Authority
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
 Congestion Management Agency Programs
 Year Ended June 30, 2023

	Budgeted Amounts		Actual	Favorable (Unfavorable) Variance Final to Actual
	Original	Final		to Actual
Revenues and Transfers In				
Program revenues				
Federal	\$ 1,977,522	\$ 26,462,019	\$ 1,500,439	\$ (24,961,580)
State	2,401,255	6,808,660	551,271	(6,257,389)
Regional and other	2,203,491	3,867,995	123,538	(3,744,457)
Transfers in from other funds	4,618,471	-	12,783,673	12,783,673
Total Revenues and Transfers In	11,200,739	37,138,674	14,958,921	(22,179,753)
Expenditures and Transfers Out				
Administrative operating costs	3,584,630	2,605,671	3,020,274	(414,603)
Transportation improvement	7,616,109	16,108,752	11,938,647	4,170,105
Transfers out to other funds	-	18,424,251	-	18,424,251
Total Expenditures and Transfers Out	11,200,739	37,138,674	14,958,921	22,179,753
Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

San Francisco County Transportation Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Transportation Fund for Clean Air Program
Year Ended June 30, 2023

	Budgeted Amounts		Actual	Favorable (Unfavorable) Variance Final to Actual
	Original	Final		
Revenues and Transfers In				
Investment income	\$ 774	\$ 1,028	\$ 1,022	\$ (6)
Program revenues				
Regional and other	690,700	690,700	701,876	11,176
Total Revenues and Transfers In	691,474	691,728	702,898	11,170
Expenditures and Transfers Out				
Administrative operating costs	43,384	43,384	38,997	4,387
Transportation improvement	760,852	760,852	1,080,291	(319,439)
Total Expenditures and Transfers Out	804,236	804,236	1,119,288	(315,052)
Change in Fund Balance	(112,762)	(112,508)	(416,390)	(303,882)
Fund Balance - Beginning	1,077,462	1,077,462	1,077,462	-
Fund Balance - Ending	\$ 964,700	\$ 964,954	\$ 661,072	\$ (303,882)

San Francisco County Transportation Authority
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
 Vehicle Registration Fee for Transportation Improvements Program
 Year Ended June 30, 2023

	Budget Amounts		Actual	Favorable (Unfavorable) Variance Final to Actual
	Original	Final		
Revenues and Transfers In				
Vehicle registration fee	\$ 4,834,049	\$ 4,834,049	\$ 4,651,843	\$ (182,206)
Investment income	760	12,485	15,318	2,833
Total Revenues and Transfers In	<u>4,834,809</u>	<u>4,846,534</u>	<u>4,667,161</u>	<u>(179,373)</u>
Expenditures and Transfers Out				
Administrative operating costs	246,117	241,702	218,573	23,129
Transportation improvement	7,859,747	6,635,067	3,989,007	2,646,060
Total Expenditures and Transfers Out	<u>8,105,864</u>	<u>6,876,769</u>	<u>4,207,580</u>	<u>2,669,189</u>
Change in Fund Balance	(3,271,055)	(2,030,235)	459,581	2,489,816
Fund Balance - Beginning	<u>17,049,362</u>	<u>17,049,362</u>	<u>17,049,362</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$13,778,307</u></u>	<u><u>\$15,019,127</u></u>	<u><u>\$17,508,943</u></u>	<u><u>\$ 2,489,816</u></u>

San Francisco County Transportation Authority
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
 Treasure Island Mobility Management Agency
 Year Ended June 30, 2023

	Budgeted Amounts		Actual	Favorable (Unfavorable) Variance Final to Actual
	Original	Final		
Revenues and Transfers In				
Program revenues				
Federal	\$ 5,654,842	\$ 521,283	\$ 508,623	\$ (12,660)
State	1,378,283	18,180	-	(18,180)
Regional and other	3,732,673	1,004,808	310,044	(694,764)
Transfers in from other funds	250,681	32,095	-	(32,095)
Total Revenues and Transfers In	11,016,479	1,576,366	818,667	(757,699)
Expenditures and Transfers Out				
Administrative operating costs	1,701,071	863,600	603,909	259,691
Transportation improvement	9,315,408	712,766	185,832	526,934
Transfers out to other funds	-	-	28,926	(28,926)
Total Expenditures and Transfers Out	11,016,479	1,576,366	818,667	757,699
Change in Fund Balance	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

San Francisco County Transportation Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Traffic Congestion Mitigation Tax Program
Year Ended June 30, 2023

	Budgeted Amounts		Actual	Favorable (Unfavorable) Variance Final to Actual
	Original	Final		
Revenues and Transfers In				
Investment income	\$ 71,030	\$ 178,222	\$ 53,893	\$ (124,329)
Traffic congestion mitigation tax	7,815,500	7,546,000	8,371,545	825,545
Total Revenues and Transfers In	<u>7,886,530</u>	<u>7,724,222</u>	<u>8,425,438</u>	<u>701,216</u>
Expenditures and Transfers Out				
Administrative operating costs	137,825	143,246	197,475	(54,229)
Transportation improvement	3,405,686	3,405,686	2,592,088	813,598
Total Expenditures and Transfers Out	<u>3,543,511</u>	<u>3,548,932</u>	<u>2,789,563</u>	<u>759,369</u>
Change in Fund Balance	4,343,019	4,175,290	5,635,875	1,460,585
Fund Balance - Beginning	9,496,190	9,496,190	9,496,190	-
Fund Balance - Ending	<u>\$ 13,839,209</u>	<u>\$ 13,671,480</u>	<u>\$ 15,132,065</u>	<u>\$ 1,460,585</u>

San Francisco County Transportation Authority
 Schedule of Changes in the Net Other Postemployment Benefit Liability and Related Ratios
 Year Ended June 30, 2023 Last Ten Years*

	2023	2022	2021	2020	2019
Changes in total OPEB liability					
Service cost	\$ 123,000	\$ 89,900	\$ 91,900	\$ 117,500	\$ 122,500
Interest	150,400	124,100	113,200	143,000	129,500
Difference between expected and actual experience	(3,200)	183,200	(700)	(596,100)	-
Change in assumptions	(98,500)	-	-	(62,700)	-
Benefit payments, including refunds of employee contributions	(70,300)	(63,300)	(60,800)	(59,800)	(58,400)
Changes of benefit terms	-	-	-	-	(5,400)
Net changes	<u>101,400</u>	<u>333,900</u>	<u>143,600</u>	<u>(458,100)</u>	<u>188,200</u>
Total OPEB liability, beginning	<u>1,955,400</u>	<u>1,621,500</u>	<u>1,477,900</u>	<u>1,936,000</u>	<u>1,747,800</u>
Total OPEB liability, ending	<u>2,056,800</u>	<u>1,955,400</u>	<u>1,621,500</u>	<u>1,477,900</u>	<u>1,936,000</u>
Changes in plan fiduciary net position					
Employer contributions	70,300	63,300	60,800	137,878	143,348
Benefit payments, including refunds of employee contributions	(70,300)	(63,300)	(60,800)	(59,800)	(58,400)
Administrative expenses	(1,211)	(1,000)	(940)	(840)	(782)
Expected investment return	189,135	148,422	143,415	127,059	112,475
Investment experience (loss)/gain	<u>(522,624)</u>	<u>389,078</u>	<u>(76,475)</u>	<u>(20,997)</u>	<u>7,159</u>
Net changes	<u>(334,700)</u>	<u>536,500</u>	<u>66,000</u>	<u>183,300</u>	<u>203,800</u>
Plan fiduciary net position, beginning	<u>2,492,500</u>	<u>1,956,000</u>	<u>1,890,000</u>	<u>1,706,700</u>	<u>1,502,900</u>
Plan fiduciary net position, ending	<u>2,157,800</u>	<u>2,492,500</u>	<u>1,956,000</u>	<u>1,890,000</u>	<u>1,706,700</u>
Net OPEB liability (asset)	<u>\$ (101,000)</u>	<u>\$ (537,100)</u>	<u>\$ (334,500)</u>	<u>\$ (412,100)</u>	<u>\$ 229,300</u>
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	104.91%	127.47%	120.63%	127.88%	88.16%
Covered payroll	\$ 5,032,000	\$ 4,419,700	\$ 4,355,100	\$ 4,038,800	\$ 4,045,342
Net OPEB Liability (asset) as a percentage of covered payroll	-2.01%	-12.15%	-7.68%	-10.20%	5.67%
Measurement Date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018

San Francisco County Transportation Authority
 Schedule of Changes in the Net Other Postemployment Benefit Liability and Related Ratios
 (continued)
 Year Ended June 30, 2023 Last Ten Years*

	<u>2018</u>
Changes in total OPEB liability	
Service cost	\$ 122,500
Interest	116,600
Difference between expected and actual experience	-
Change in assumptions	-
Benefit payments, including refunds of employee contributions	(64,300)
Changes of benefit terms	-
Net changes	<u>174,800</u>
Total OPEB liability, beginning	<u>1,573,000</u>
Total OPEB liability, ending	<u>1,747,800</u>
Changes in plan fiduciary net position	
Employer contributions	165,487
Benefit payments, including refunds of employee contributions	(64,300)
Administrative expenses	(652)
Expected investment return	95,999
Investment experience (loss)/gain	<u>37,966</u>
Net changes	234,500
Plan fiduciary net position, beginning	<u>1,268,400</u>
Plan fiduciary net position, ending	1,502,900
Net OPEB liability (asset)	<u>\$ 244,900</u>
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	85.99%
Covered payroll	\$ 3,945,800
Net OPEB Liability (asset) as a percentage of covered payroll	6.21%
Measurement Date	June 30, 2017

*Ten-year historical information is available only for measurement periods for which the OPEB standards were applicable.

San Francisco County Transportation Authority
 Schedule of Other Postemployment Benefits Contributions
 Year Ended June 30, 2023 Last Ten Years*

	2023	2022	2021	2020	2019
Actuarially Determined Contribution	\$ 63,900	\$ 55,200	\$ 51,400	\$ 137,900	\$ 137,900
Contributions in relation to the actuarially determined contribution	(63,900)	(70,300)	(63,300)	(60,800)	(137,878)
Contribution deficiency/(excess)	<u>\$ -</u>	<u>\$ (15,100)</u>	<u>\$ (11,900)</u>	<u>\$ 77,100</u>	<u>\$ 22</u>
Covered payroll	\$ 4,853,800	\$ 5,032,000	\$ 4,419,700	\$ 4,355,100	\$ 4,038,800
Contributions as a percentage of covered payroll	1.3%	1.4%	1.4%	1.4%	3.4%
	2018	2017			
Actuarially Determined Contribution	\$ 143,300	\$ 165,487			
Contributions in relation to the actuarially determined contribution	(143,348)	(165,487)			
Contribution deficiency/(excess)	<u>\$ (48)</u>	<u>\$ -</u>			
Covered payroll	\$ 4,045,342	\$ 3,945,800			
Contributions as a percentage of covered payroll	3.5%	4.2%			

*Ten-year historical information is available only for measurement periods for which the OPEB standards were applicable.

San Francisco County Transportation Authority
 Schedule of the Proportionate Share of the Net Pension Liability
 Year Ended June 30, 2023 Last Ten Years*

	2023	2022	2021	2020	2019
Proportion of the net pension liability	0.02938%	0.01604%	0.02444%	0.02295%	0.02147%
Proportionate share of the net pension liability	\$ 3,393,558	\$ 867,648	\$ 2,659,364	\$ 2,351,809	\$ 2,068,676
Covered payroll	\$ 4,705,960	\$ 4,826,091	\$ 4,423,143	\$ 4,395,775	\$ 4,038,787
Proportionate share of the net pension liability as a percentage of covered payroll	72.11%	17.98%	60.12%	53.50%	51.22%
Plan's proportionate share of the fiduciary net position as a percentage of the plan's total pension liability	76.68%	88.29%	75.10%	75.26%	75.26%
Measurement date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
	2018	2017	2016	2015	
Proportion of the net pension liability	0.02160%	0.02040%	0.01877%	0.04834%	
Proportionate share of the net pension liability	\$ 2,141,912	\$ 1,765,415	\$ 1,288,393	\$ 1,299,087	
Covered payroll	\$ 4,202,141	\$ 3,643,778	\$ 3,684,025	\$ 3,263,808	
Proportionate share of the net pension liability as a percentage of covered payroll	50.97%	48.45%	34.97%	39.80%	
Plan's proportionate share of the fiduciary net position as a percentage of the plan's total pension liability	73.31%	74.06%	78.40%	79.82%	
Measurement date	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	

*Ten-year historical information is available only for measurement periods for which the pension standards were applicable.

San Francisco County Transportation Authority
Schedule of Pension Contributions
Year Ended June 30, 2023 Last Ten Years

	2023	2022	2021	2020	2019
Actuarially determined contribution	\$ 689,514	\$ 628,025	\$ 606,199	\$ 539,103	\$ 478,668
Contributions in relation to the actuarially determined	(689,514)	(628,025)	(606,199)	(539,103)	(478,668)
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$5,087,758	\$4,705,960	\$4,826,091	\$4,423,143	\$4,395,775
Contributions as a percentage of covered payroll	13.55%	13.35%	12.56%	12.19%	10.89%
	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 403,317	\$ 293,492	\$ 280,199	\$ 399,937	\$ 365,402
Contributions in relation to the actuarially determined	(403,317)	(293,492)	(280,199)	(399,937)	(365,402)
Contribution deficiency/(excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$4,038,787	\$4,202,141	\$3,643,778	\$3,684,025	\$3,263,808
Contributions as a percentage of covered payroll	9.99%	6.98%	7.69%	10.86%	11.20%

Note 1 - Budgets and Budgetary Data

Comparisons with financial results for the current fiscal period for all the funds are presented as required supplementary information and include, in addition to actual expenditures, amounts that have been appropriated for projects and programs. Unexpended capital budget appropriations are carried forward to subsequent years. The budget represents a process through which policy decisions are made, implemented, and controlled. Appropriations may be adjusted during the year with the approval of the Transportation Authority. Accordingly, the legal level of budgetary control by the Transportation Authority is the program (fund) level. Budgets are adopted on a basis consistent with generally accepted accounting principles.

Excess of Expenditures over Appropriations

Expenditures exceeded budgeted appropriations in the following fund:

	Final Budget	Actual	Variance with Final Budget
Major Fund			
Transportation Fund for			
Clean Air Program	\$ 804,236	\$ 1,119,288	\$ (315,052)

Note 2 - Net Pension, Net OPEB Liability, and Contributions to Pension and OPEB Plans

The Transportation Authority's pension liabilities are administered by CalPERS cost sharing plans. The Transportation Authority's pension liabilities are calculated based on the Transportation Authority's proportionate share of the overall pension liabilities and related deferrals. The schedule of the proportionate share of the pension liability and the schedule of pension contributions show ten-year trend information, where available, about these amounts and they are changing from year to year.

The discount rate was changed from 7.5% to 7.65% in FY2015/16, to 7.15% in FY2017/18, and to 6.90% in FY2022/23.

The Transportation Authority's OPEB liability is administered as an agent-multiple employer plan, which is also administered by CalPERS. The schedule of changes in Net OPEB liability and the schedule of OPEB contributions show ten-year trend information, where available, about these amounts and they are changing from year to year.

The discount rate was changed from 7.28% to 7.59% in FY2019/20.

Supplementary Information
June 30, 2023

San Francisco County
Transportation Authority

San Francisco County Transportation Authority
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Program Description	Assistance Listing Number	Pass-through Entity Identifying Number	Expenditures July 1, 2022 through June 30, 2023
U.S. Department of Transportation			
Federal Highway Administration:			
Highway Research and Development Program			
<i>Passed through - San Francisco Municipal Transportation Agency</i>			
Advanced Transportation Congestion and Mitigation Technologies			
Deployment Initiatives on Treasure Island	20.200	693JJ31850002	\$ 212,464
Total Highway Research and Development Program			<u>212,464</u>
Highway Planning and Construction			
<i>Passed through - Metropolitan Transportation Commission</i>			
Surface Transportation Program:			
Innovative Deployments to Enhance Arterials Shared			
Automated Vehicle - Treasure Island Automated Vehicle Shuttle Project	20.205	STPNI-6084(244)	22,608
Transportation Planning and Programming	20.205	STPL-6084(284)	879,000
<i>Passed through - State of California Department of Transportation</i>			
Yerba Buena Island Multi-Use Pathway	20.205	STPL-6272(053)	374,763
Yerba Buena Island - Reconstruct Existing Westbound On- and Off- Ramps on East Side of Yerba Buena Island	20.205	BRLS-6272(023)	55,396
Yerba Buena Island Ramps Southgate Road	20.205	BRLS-6272(047)	2,338,127
Yerba Buena Island Westside Bridges	20.205	STPLZ-6272(046)	<u>715,437</u>
Total Highway Planning and Construction			<u>4,385,331</u>
Total Federal			<u>\$ 4,597,795</u>

San Francisco County Transportation Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Agencywide
Year Ended June 30, 2023

	Agencywide			Favorable (Unfavorable) Variance Final to Actual
	Budget Amounts		Actual	
	Original	Final		
Revenues and Transfers In				
Sales tax	\$ 101,701,000	\$ 111,212,000	\$ 111,473,916	\$ 261,916
Vehicle registration fee	4,834,049	4,834,049	4,651,843	(182,206)
Traffic congestion mitigation tax	7,815,500	7,546,000	8,371,545	825,545
Investment income	374,570	1,041,735	970,832	(70,903)
Program revenues				
Federal	7,632,364	26,983,302	2,009,062	(24,974,240)
State	3,779,538	6,826,840	551,271	(6,275,569)
Regional and other	6,626,864	5,563,503	1,135,458	(4,428,045)
Transfers in from other funds	4,869,152	18,456,346	12,812,599	(5,643,747)
Total Revenues and Transfers In	137,633,037	182,463,775	141,976,526	(40,487,249)
Expenditures and Transfers Out				
Administrative operating costs	12,581,240	13,171,304	10,274,614	2,896,690
Transportation improvement	166,774,647	149,894,603	113,518,861	36,375,742
Debt service				
Principal	14,125,000	14,125,000	15,025,065	(900,065)
Interest and fiscal charges	10,504,505	7,673,050	7,501,866	171,184
Transfers out to other funds	4,869,152	18,456,346	12,812,599	5,643,747
Total Expenditures and Transfers Out	208,854,544	203,320,303	159,133,005	44,187,298
Other Financing Sources (Uses)				
Proceeds from debt	75,000,000	20,000,000	-	(20,000,000)
Change in Fund Balance	3,778,493	(856,528)	(17,156,479)	(16,299,951)
Fund Balance - Beginning	60,975,210	60,975,210	60,975,210	-
Fund Balance - Ending	\$ 64,753,703	\$ 60,118,682	\$ 43,818,731	\$ (16,299,951)

Note 1 - Schedule of Expenditures of Federal Awards

Basis of Presentation and Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal award activity of the Transportation Authority, a component unit of the City and County of San Francisco, California, under programs of the federal government for the year ended June 30, 2023. Funds received under the various grant programs have been recorded in the CMA programs and TIMMA special revenues funds of the Transportation Authority. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Transportation Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Transportation Authority.

Expenditures reported in the schedule are reported on the modified accrual basis of accounting. When applicable, such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. No federal financial assistance has been provided to a subrecipient.

Indirect Cost Rate

The Transportation Authority does not draw for indirect administrative expenses and has not elected to use the 10% de minimus cost rate.

Note 2 - Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual - Agencywide

Comparisons with financial results for the current fiscal period for agency-wide funds are presented as supplementary information and include, in addition to actual expenditures, amounts that have been appropriated for projects and programs. Unexpended capital budget appropriations are carried forward to subsequent years. The budget represents a process through which policy decisions are made, implemented, and controlled. Budgets are adopted on a basis consistent with generally accepted accounting principles.



Statistical Section

STATISTICAL SECTION

This part of the Transportation Authority's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the Transportation Authority's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Transportation Authority's most significant local revenue source, the sales tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Transportation Authority's current level of outstanding debt and the Transportation Authority's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules present information to help the reader understand the environment within which the Transportation Authority's financial activities take place.

Operating Information

These schedules contain service data to help the reader understand how the information in the government's financial report relates to the services the Transportation Authority provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules was derived from the Transportation Authority's relevant Basic Financial Statements.

San Francisco County Transportation Authority
Financial Trends - Net Position by Component
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
Investment in capital assets	\$ 858,176	\$ 824,191	\$ 1,010,594	\$ 1,247,867	\$ 1,449,408	\$ 1,713,049	\$ 1,923,785	\$ 2,224,413	\$ 2,518,580	\$ 2,804,523
Restricted										
Debt service	-	6,205,210	-	-	4,431,964	12,645,404	-	-	-	342,674
Capital projects	72,023,655	56,867,952	42,420,369	28,673,442	21,553,559	17,499,296	16,189,389	15,656,533	13,486,451	12,153,268
Unrestricted deficit	<u>(203,225,545)</u>	<u>(201,477,738)</u>	<u>(186,037,397)</u>	<u>(169,271,644)</u>	<u>(180,165,759)</u>	<u>(173,430,826)</u>	<u>(120,140,255)</u>	<u>(80,561,178)</u>	<u>(37,049,305)</u>	<u>(51,234,240)</u>
Total Governmental Activities Net Position (Deficit)	<u><u>\$(130,343,714)</u></u>	<u><u>\$(137,580,385)</u></u>	<u><u>\$(142,606,434)</u></u>	<u><u>\$(139,350,335)</u></u>	<u><u>\$(152,730,828)</u></u>	<u><u>\$(141,573,077)</u></u>	<u><u>\$(102,027,081)</u></u>	<u><u>\$(62,680,232)</u></u>	<u><u>\$(21,044,274)</u></u>	<u><u>\$(35,933,775)</u></u>

San Francisco County Transportation Authority
Financial Trends - Changes in Net Position
Last Ten Fiscal Years

EXPENSES	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities:										
Transportation improvement	\$ 125,265,303	\$ 126,576,936	\$ 115,410,193	\$ 102,329,345	\$ 137,196,233	\$ 148,566,289	\$ 160,954,620	\$ 246,207,732	\$ 130,290,251	\$ 90,771,643
Interest	6,138,590	6,655,208	6,989,411	7,475,771	7,686,374	7,933,535	1,098,535	794,172	1,468,189	1,354,423
Total Expenses	131,403,893	133,232,144	122,399,604	109,805,116	144,882,607	156,499,824	162,053,155	247,001,904	131,758,440	92,126,066
REVENUES										
Program revenues:										
Operating grants and contributions	13,172,428	22,744,769	21,800,630	16,186,972	10,020,517	9,330,091	15,255,413	97,263,152	42,080,284	17,587,975
Total Revenues	13,172,428	22,744,769	21,800,630	16,186,972	10,020,517	9,330,091	15,255,413	97,263,152	42,080,284	17,587,975
Net (Expense) / Revenue	(118,231,465)	(110,487,375)	(100,598,974)	(93,618,144)	(134,862,090)	(147,169,733)	(146,797,742)	(149,738,752)	(89,678,156)	(74,538,091)
GENERAL REVENUES										
Governmental activities:										
Sales tax	111,473,916	104,818,305	86,530,445	99,268,709	115,670,918	100,969,925	101,922,012	102,136,600	100,278,511	93,930,566
Vehicle registration fees	4,651,843	4,652,149	4,828,943	4,701,173	4,945,470	4,907,713	4,550,482	5,362,050	4,862,063	4,881,668
Traffic congestion mitigation tax	8,371,545	6,120,263	5,625,880	-	-	-	-	-	-	-
Investment income	970,832	(1,201,096)	19,960	2,782,633	2,844,187	1,703,664	773,032	383,456	462,845	637,677
Other	-	142	262,294	246,122	243,764	181,548	205,367	220,688	315,222	304,466
Total General Revenues	125,468,136	114,389,763	97,267,522	106,998,637	123,704,339	107,762,850	107,450,893	108,102,794	105,918,641	99,754,377
Governmental Activities										
Change in Net Position										
(Deficit)	\$ 7,236,671	\$ 3,902,388	\$ (3,331,452)	\$ 13,380,493	\$ (11,157,751)	\$ (39,406,883)	\$ (39,346,849)	\$ (41,635,958)	\$ 16,240,485	\$ 25,216,286

San Francisco County Transportation Authority
Financial Trends - Fund Balances - Governmental Funds
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Sales Tax Program										
Nonspendable	\$ 355,924	\$ 123,876	\$ 81,580	\$ 81,580	\$ 139,716	\$ 81,580	\$ 81,580	\$ 81,580	\$ 136,760	\$ 249,102
Restricted	181,671	9,211,064	2,864,318	2,693,783	7,937,068	16,150,508	-	32,929,667	99,455,392	342,674
Unassigned	9,979,056	24,017,256	57,026,186	88,481,666	90,842,495	123,503,753	18,923,409	-	-	(56,765,333)
Total Sales Tax Program	10,516,651	33,352,196	59,972,084	91,257,029	98,919,279	139,735,841	19,004,989	33,011,247	99,592,152	(56,173,557)
All Other Governmental Funds										
Restricted	33,302,080	27,623,014	20,989,782	16,571,323	15,710,751	12,635,071	9,526,011	7,371,688	8,418,895	11,782,031
Unassigned	-	-	-	(47,970)	-	-	-	-	-	-
Total All Other Governmental Funds	\$ 33,302,080	\$ 27,623,014	\$ 20,989,782	\$ 16,523,353	\$ 15,710,751	\$ 12,635,071	\$ 9,526,011	\$ 7,371,688	\$ 8,418,895	\$ 11,782,031

San Francisco County Transportation Authority
Financial Trends - Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
REVENUES										
Sales tax	\$111,473,916	\$ 104,818,305	\$ 86,530,445	\$ 99,268,709	\$115,670,918	\$103,263,191	\$102,237,230	\$ 99,528,116	\$100,278,511	\$ 93,930,566
Vehicle registration fee	4,651,843	4,652,149	5,513,643	4,016,473	4,945,470	4,907,713	4,550,482	5,362,050	4,862,063	4,881,668
Traffic congestion mitigation tax	8,371,545	6,120,263	5,625,880	-	-	-	-	-	-	-
Investment income	970,832	(1,201,096)	19,960	2,782,633	2,844,187	1,703,664	773,032	383,456	462,845	637,677
Program revenues	3,695,791	14,930,418	11,787,462	10,612,361	9,047,343	12,466,490	17,402,180	94,091,288	43,576,403	15,469,707
Project funds and other revenues	-	142	35,328	43,631	53,328	45,919	69,738	85,059	179,593	168,837
Leasehold incentives	-	-	-	-	-	-	-	-	-	-
Total Revenues	129,163,927	129,320,181	109,512,718	116,723,807	132,561,246	122,386,977	125,032,662	199,449,969	149,359,415	115,088,455
EXPENDITURES										
Current - transportation improvement										
Personnel expenditures	7,787,811	7,030,501	7,087,755	6,613,922	6,247,903	5,917,828	5,483,832	5,321,186	5,687,882	5,211,708
Non-personnel expenditures	2,486,803	1,967,710	2,556,765	2,671,878	2,603,262	2,626,464	2,384,250	2,175,819	2,308,971	1,984,933
Capital project costs	113,391,366	117,594,422	105,044,103	92,419,890	127,851,363	139,400,940	152,869,532	238,735,052	122,103,000	82,846,542
Capital outlay	127,495	133,548	36,455	94,771	33,338	90,684	48,448	51,852	52,965	195,221
Debt service										
Principal	15,025,065	14,578,406	13,310,000	12,920,000	24,664,165	115,000,000	21,000,000	20,000,000	-	-
Interest and fiscal charges	7,501,866	8,002,250	8,371,509	8,852,994	8,902,097	5,644,154	1,098,535	794,172	1,468,189	1,354,423
Total Expenditures	146,320,406	149,306,837	136,406,587	123,573,455	170,302,128	268,680,070	182,884,597	267,078,081	131,621,007	91,592,827
Excess (Deficiency) of Revenues Over (Under) Expenditures	(17,156,479)	(19,986,656)	(26,893,869)	(6,849,648)	(37,740,882)	(146,293,093)	(57,851,935)	(67,628,112)	17,738,408	23,495,628
OTHER FINANCING SOURCES (USES)										
Transfers in	12,812,599	10,122,759	16,200,028	5,947,273	1,918,798	1,236,864	804,813	5,494,966	1,299,593	8,849,095
Transfers out	(12,812,599)	(10,122,759)	(16,200,028)	(5,947,273)	(1,918,798)	(1,236,864)	(804,813)	(5,494,966)	(1,299,593)	(8,849,095)
Proceeds from long term obligations	-	-	-	-	-	270,133,005	46,000,000	-	134,664,165	-
Total Other Financing Sources (Uses)	-	-	-	-	-	270,133,005	46,000,000	-	134,664,165	-
NET CHANGE IN FUND BALANCES	(17,156,479)	(19,986,656)	(26,893,869)	(6,849,648)	(37,740,882)	123,839,912	(11,851,935)	(67,628,112)	152,402,573	23,495,628
Fund Balances - Beginning	60,975,210	80,961,866	107,780,382	114,630,030	152,370,912	28,531,000	40,382,935	108,011,047	(44,391,526)	(67,887,154)
Cumulative Change in accounting principle	-	-	75,353	-	-	-	-	-	-	-
Fund Balances - Ending	\$ 43,818,731	\$ 60,975,210	\$ 80,961,866	\$107,780,382	\$114,630,030	\$152,370,912	\$ 28,531,000	\$ 40,382,935	\$108,011,047	\$ (44,391,526)
Debt Service as a Percentage of Noncapital Expenditures	15.41%	15.14%	15.90%	17.63%	19.71%	44.92%	12.09%	7.79%	1.12%	1.48%

San Francisco County Transportation Authority
Revenue Capacity - Sales Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Sales Tax Rate	Sales Tax Revenue (in thousands)	Annual Growth	Total Taxable Sales in San Francisco County (in thousands)
2023	0.5%	\$ 111,474	6.35%	\$ 19,496,303
2022	0.5%	104,818	21.13%	18,499,992
2021	0.5%	86,530	-12.83%	14,695,295
2020	0.5%	99,269	-14.18%	17,894,572
2019	0.5%	115,671	14.56%	20,762,507
2018	0.5%	100,970	-0.93%	19,824,321
2017	0.5%	101,922	-0.21%	19,334,503
2016	0.5%	102,137	1.85%	19,378,945
2015	0.5%	100,279	6.76%	18,661,884
2014	0.5%	93,931	9.54%	17,878,929

Source: California Department of Tax and Fee Administration.

San Francisco County Transportation Authority
Revenue Capacity - Principal Sales Tax Payers by Segment for the County
Last Ten Fiscal Years (in thousands)

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Building Material, Garden Equipment & Supplies Dealer	\$ 653,939	\$ 692,779	\$ 668,123	\$ 678,394	\$ 688,526	\$ 660,316	\$ 586,018	\$ 590,523	\$ 567,502	\$ 514,998
Clothing and Clothing Accessories Stores	1,686,952	1,732,815	1,350,205	1,592,984	2,004,367	2,081,039	2,099,019	2,129,867	2,200,024	2,096,465
Food and Beverage Stores	778,351	742,122	713,524	822,192	859,081	862,682	851,556	845,680	805,017	758,809
Food Services and Drinking Places	4,474,180	3,761,223	2,052,954	3,756,963	4,958,157	4,806,903	4,680,694	4,573,912	4,293,647	3,937,397
Gasoline Stations	573,928	554,725	331,589	440,577	563,607	548,415	445,369	442,063	520,987	652,121
General Merchandise Stores	654,732	708,140	609,807	657,382	767,933	812,795	822,175	857,385	864,504	891,592
Home Furnishings Stores and Appliance Stores	840,426	983,527	821,785	874,722	1,058,102	970,745	917,409	989,560	982,826	929,378
Motor Vehicle and Parts Dealers	571,864	591,880	653,969	565,616	678,081	613,264	613,651	552,476	575,056	581,188
Other Retail Group	2,566,554	2,620,198	2,568,101	2,666,115	2,582,246	2,469,161	2,292,527	2,171,479	2,131,146	1,927,610
Total Retail and Food Services	12,800,926	12,387,409	9,770,057	12,054,945	14,160,100	13,825,320	13,308,418	13,152,945	12,940,709	12,289,558
All Other Outlets	6,695,377	6,112,583	4,925,238	5,839,627	6,602,407	5,999,001	6,026,085	6,226,000	5,721,175	5,589,371
Total All Outlets	\$ 19,496,303	\$ 18,499,992	\$ 14,695,295	\$ 17,894,572	\$ 20,762,507	\$ 19,824,321	\$ 19,334,503	\$ 19,378,945	\$ 18,661,884	\$ 17,878,929

Source: California Department of Tax and Fee Administration.

San Francisco County Transportation Authority
Debt Capacity - Ratios of Outstanding Debt
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Revolving Credit Agreement	Commercial Paper	Lease Liability	Sales Tax Revenue Bonds	Debt Per Capita *	Total Debt as a % of Personal Income
2023	\$ -	\$ -	\$ 1,907,273	\$208,773,667	\$ 264	0.15%
2022	-	-	2,807,338	224,114,390	282	0.17%
2021	-	-	-	239,040,113	271	0.19%
2020	-	-	-	253,565,836	287	0.20%
2019	-	-	-	267,701,559	304	0.22%
2018	24,664,165	-	-	268,917,282	333	0.25%
2017	139,664,165	-	-	-	159	0.13%
2016	114,664,165	-	-	-	131	0.12%
2015	134,664,165	-	-	-	156	0.15%
2014	-	135,000,000	-	-	158	0.17%

* Debt per capita and personal income amounts calculated using prior fiscal year population.

San Francisco County Transportation Authority
Debt Capacity - Direct and Overlapping Legal Debt Margin Information and Limitations
Last Ten Fiscal Years

The Transportation Authority does not have overlapping debt with other governmental agencies. Additionally, the Transportation Authority does not have a legal debt limit.

San Francisco County Transportation Authority
Debt Capacity - Pledge Revenue Coverage
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Available Revenue		Annual Debt Service		Total	Coverage
	Sales Tax Revenue		Principal*	Interest**		
2023	\$	111,473,916	\$ 14,125,000	\$ 7,467,407	\$ 21,592,407	5.2
2022		104,818,305	13,710,000	7,812,156	21,522,156	4.9
2021		86,530,445	13,310,000	8,371,509	21,681,509	4.0
2020		99,268,709	12,920,000	8,852,994	21,772,994	4.6
2019		115,670,918	-	8,864,534	8,864,534	13.0
2018		100,969,925	-	3,464,487	3,464,487	29.1
2017		101,922,012	-	1,098,535	1,098,535	92.8
2016		102,136,600	-	794,172	794,172	128.6
2015		100,278,511	-	1,468,189	1,468,189	68.3
2014		93,930,566	-	1,354,423	1,354,423	69.4

*Excluded from this schedule are the Transportation Authority's payment of outstanding principal under the Revolving Credit Agreement in the amounts of \$24,664,165, \$115,000,000, \$21,000,000 and \$20,000,000 for fiscal year 2019, 2018, 2017, and 2016, respectively.

**Includes interest paid under the Transportation Authority's Revolving Credit Agreement and on the outstanding Senior Sales Tax Revenue Bonds.

San Francisco County Transportation Authority
Demographic and Economic Information - Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Population	Total Personal Income (in thousands)	Per Capita Personal Income	Average Unemployment Rate
2023	798,206	\$ 137,238,298	\$ 169,758	2.7%
2022	808,437	133,601,151	165,259	3.3%
2021	811,253	131,043,138	161,532	6.9%
2020	870,393	122,788,484	141,072	4.8%
2019	881,549	117,635,944	133,442	2.3%
2018	880,696	115,444,581	131,083	2.6%
2017	879,166	106,006,635	120,576	3.1%
2016	876,103	96,161,308	109,760	3.4%
2015	862,004	89,533,450	103,867	4.0%
2014	852,469	77,233,279	90,600	5.2%

Source: City and County of San Francisco Annual Comprehensive Financial Report for the year ended June 30, 2023.

San Francisco County Transportation Authority
Demographic and Economic Information - Principal Employers
For the Year Ended 2012 and 2021

Employer	2021*		
	Rank	Number of Employees	Percentage of Total City Employment
City and County of San Francisco	1	35,802	6.38%
University of California, San Francisco	2	29,500	5.26%
Salesforce	3	10,603	1.89%
San Francisco Unified School District	4	10,322	1.64%
Sutter Health	5	6,100	1.09%
Wells Fargo & Co	6	5,899	1.05%
Uber Technologies Inc.	7	5,500	0.98%
Allied Universal	8	4,095	0.72%
Kaiser Permanente	9	3,921	0.70%
First Republic Bank	10	3,042	0.54%
Total		<u>114,784</u>	

* Most recent information available.

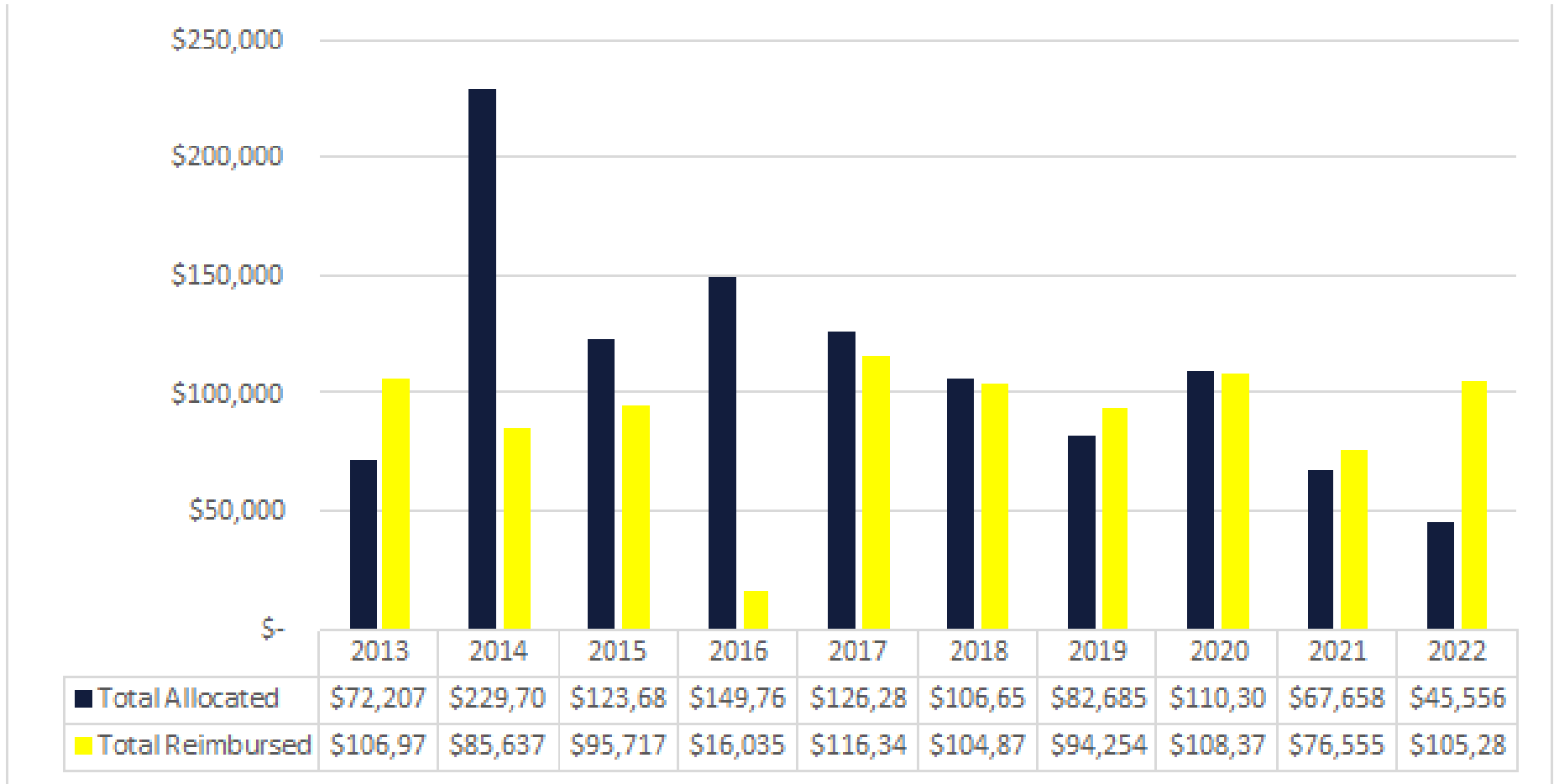
Employer	2012		
	Rank	Number of Employees	Percentage of Total City Employment
City and County of San Francisco	1	25,458	5.33%
University of California, San Francisco	2	22,664	4.74%
California Pacific Medical Center	3	8,559	1.79%
Wells Fargo & Co.	4	8,300	1.74%
San Francisco Unified School District	5	8,189	1.71%
Gap, Inc	6	6,000	1.26%
PG&E Corporation	7	4,415	0.92%
State of California	8	4,184	0.88%
Salesforce	9	4,000	0.84%
Kaiser Permanente	10	3,581	0.75%
Total		<u>95,350</u>	

Source: City and County of San Francisco Annual Comprehensive Financial Report for the year ended June 30, 2021.

San Francisco County Transportation Authority
Operating Information - Full Time Equivalent Employees by Function
Last Ten Calendar Years

Function	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Capital Projects	5.00	4.00	4.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00
Executive	8.00	5.00	7.00	6.00	7.00	7.00	6.00	6.00	6.00	5.00
Finance and Administration	9.00	10.00	10.00	9.00	9.00	9.00	8.00	6.00	8.00	5.00
Planning	6.00	6.00	6.00	7.00	7.00	8.00	8.00	7.00	9.00	8.00
Policy and Programming	6.00	7.00	8.00	8.00	7.00	8.00	8.00	7.00	6.00	8.00
Technology, Data, and Analysis	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.00
Total Employees	38.00	36.00	39.00	37.00	37.00	39.00	38.00	34.00	37.00	33.00

San Francisco County Transportation Authority
 Operating Information - Operating Indicators by Function - Project Fund Allocations and Reimbursements
 Last Ten Calendar Years (in thousands)



Source: San Francisco County Transportation Authority's Annual Report from 2013 to 2022. Calendar year basis for data presented.

San Francisco County Transportation Authority
Operating Information - Capital Asset Statistics
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Capital assets										
Construction in progress	\$ 233,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Leasehold improvements	3,023,624	3,023,624	3,023,624	3,023,624	3,023,624	3,023,624	3,023,624	3,023,624	3,023,624	3,023,624
Furniture and equipment	1,148,679	1,042,367	908,819	899,864	850,135	856,146	890,753	890,753	961,989	909,024
Right-to-use leased assets	3,675,744	3,675,744	-	-	-	-	-	-	-	-
Total capital assets	8,081,147	7,741,735	3,932,443	3,923,488	3,873,759	3,879,770	3,914,377	3,914,377	3,985,613	3,932,648
Less accumulated depreciation										
Leasehold improvements	2,557,825	2,324,925	2,092,025	1,859,125	1,626,225	1,393,325	1,160,425	927,525	694,626	461,727
Furniture and equipment	920,001	866,345	829,824	816,496	798,126	773,396	825,211	762,439	772,407	666,398
Right-to-use leased assets	1,837,872	918,936	-	-	-	-	-	-	-	-
Total accumulated depreciation	5,315,698	4,110,206	2,921,849	2,675,621	2,424,351	2,166,721	1,985,636	1,689,964	1,467,033	1,128,125
Total capital assets, net	\$ 2,765,449	\$ 3,631,529	\$ 1,010,594	\$ 1,247,867	\$ 1,449,408	\$ 1,713,049	\$ 1,928,741	\$ 2,224,413	\$ 2,518,580	\$ 2,804,523



Compliance Section

Independent Auditor's Reports
June 30, 2023

San Francisco County
Transportation Authority



Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Board of Commissioners
San Francisco County Transportation Authority
San Francisco, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of the San Francisco County Transportation Authority (Transportation Authority), a component unit of the City and County of San Francisco, California, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Transportation Authority's basic financial statements, and have issued our report thereon dated December 22, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Transportation Authority's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Transportation Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Transportation Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Transportation Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Transportation Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Menlo Park, California
December 22, 2023

Independent Auditor’s Report on Compliance for the Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Board of Commissioners
San Francisco County Transportation Authority
San Francisco, California

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited the San Francisco County Transportation Authority’s (Transportation Authority) compliance with the types of compliance requirements subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on the Transportation Authority’s major federal program for the year ended June 30, 2023. The Transportation Authority’s major federal program is identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Transportation Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Transportation Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Transportation Authority’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Transportation Authority's federal program.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Transportation Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Transportation Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Transportation Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Transportation Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Transportation Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

The signature is written in a cursive, handwritten style. It reads "Eide Bailly LLP". The letters are dark and the ink appears to be black.

Menlo Park, California
December 22, 2023

San Francisco County Transportation Authority
 Summary of Auditor's Results
 Year Ended June 30, 2023

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major Federal programs:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Type of auditor's report issued on compliance for major Federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No

Identification of major programs:

Catalog of Federal Domestic Assistance (CFDA) Number	Name of Federal Program or Cluster
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs:	\$ 750,000
Auditee qualified as low-risk auditee?	No

San Francisco County Transportation Authority
Financial Statement Findings
Year Ended June 30, 2023

None reported.

None reported.

San Francisco County Transportation Authority
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023

None reported.



**San Francisco
County Transportation
Authority**

1455 Market Street, 22nd Floor
San Francisco, CA 94103
415-522-4800
www.sfcta.org



December 22, 2023

To the Governing Board
San Francisco County Transportation Authority
San Francisco, California

We have audited the financial statements of San Francisco County Transportation Authority (Transportation Authority) as of and for the year ended June 30, 2023, and have issued our report thereon dated December 22, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards* and our Compliance Audit under the Uniform Guidance

As communicated in our letter dated August 2, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America and to express an opinion on whether the Transportation Authority complied with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Transportation Authority major federal programs. Our audit of the financial statements and major program compliance does not relieve you or management of its respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Transportation Authority solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Our responsibility, as prescribed by professional standards as it relates to the audit of the Transportation Authority major federal program compliance, is to express an opinion on the compliance for each of the Transportation Authority major federal programs based on our audit of the types of compliance requirements referred to above. An audit of major program compliance includes consideration of internal control over compliance with the types of compliance requirements referred to above as a basis for designing audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, as a part of our major program compliance audit, we considered internal control over compliance for these purposes and not to provide any assurance on the effectiveness of the Transportation Authority's internal control over compliance.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated December 22, 2023. We have also provided our comments regarding compliance with the types of compliance requirements referred to above and internal controls over compliance during our audit in our Independent Auditor's Report on Compliance with Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance dated December 22, 2023.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

As stated in our auditor's report, professional standards require us to design our audit to provide reasonable assurance that the financial statements are free of material misstatement whether caused by fraud or error. In designing our audit procedures, professional standards require us to evaluate the financial statements and assess the risk that a material misstatement could occur. Areas that are potentially more susceptible to misstatements, and thereby require special audit considerations, are designated as "significant risks." We have identified the following as significant risks.

- Revenue Recognition – Generally Accepted Auditing Standards require a presumed risk of improper revenue recognition, unless otherwise noted.
- Management Override of Controls – Management Override of Controls was determined to be an overall financial statement risk, which is standard financial statement level risk for audit engagements.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Transportation Authority is included in Note 2 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during fiscal year 2023, except for the adoption of GASB Statement No. 96, *Subscription Based Information Technology Arrangements*. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. The most sensitive accounting estimates affecting the financial statements are related to the Management's estimate of the net pension liabilities and related deferrals and net other postemployment benefit liabilities and related deferrals is based on actuarial valuations performed by actuarial specialists. We evaluated the key factors and assumptions used to develop the net pension liability and net other postemployment benefit liability and determined that these estimates are reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the Transportation Authority's financial statements relate to:

- **Note 2** summarizes the Transportation Authority's significant accounting policies.
- **Note 6** describes the Transportation Authority's related party transactions with the City and County of San Francisco.
- **Note 7** describes the Transportation Authority's long term debt.
- **Notes 8 and 9** describes the valuation of the District's net pension liability, other postemployment benefits liability, and related deferred outflows and inflows of resources. Such amounts are sensitive to the underlying actuarial assumptions used including, but not limited to, the investment rate of return and discount rate. As disclosed, a one percent increase or decrease in the discount rate has a material effect on the District's net pension liability.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no uncorrected or corrected misstatements identified as a result of our audit procedures.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. We did not identify any circumstances that affect the form and content of the auditor's report.

Representations Requested from Management

We have requested certain written representations from management which are included in the management representation letter dated December 22, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Transportation Authority, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Transportation Authority's auditors.

Other Information Included in Annual Reports

Pursuant to professional standards, our responsibility as auditors for other information, whether financial or nonfinancial, included in the Transportation Authority's annual reports, does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

However, in accordance with such standards, we have read the other information and considered whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

The financial statements include the financial statements of Treasure Island Mobility Management Agency (Agency), a blended component unit, which we considered to be significant components of the financial statements. Consistent with the audit of the financial statements as a whole, our audit included obtaining an understanding of the Agency. and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements of the Agency and completion of further audit procedures.

This report is intended solely for the information and use of the governing board, and management of San Francisco County Transportation Authority and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "Eide Sully LLP".

Menlo Park, California
December 22, 2023



**San Francisco
County Transportation
Authority**

BD010924

MOTION NO. 24-01

MOTION ACCEPTING THE SAN FRANCISCO COUNTY TRANSPORTATION
AUTHORITY'S AUDIT REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Pursuant to the annual audit requirements in its Fiscal Policy, the San Francisco County Transportation Authority hereby accepts the audit report for the fiscal year ended June 30, 2023.

Attachment:

1. Audit Report for the Year Ended June 30, 2023



MOTION ADOPTING THE SAN FRANCISCO COUNTY TRANSPORTATION
AUTHORITY 2023 ANNUAL REPORT

Pursuant to Section 131303 of the California Public Utilities Code, the
Transportation Authority hereby adopts the San Francisco County Transportation
Authority 2023 Annual Report.

Attachment:

1. 2023 Annual Report

2023 ANNUAL REPORT

Draft Report: January 2024



San Francisco
County Transportation
Authority

THE 2023 TRANSPORTATION AUTHORITY BOARD AND ITS COMMITTEES

TRANSPORTATION AUTHORITY BOARD / TIMMA BOARD

Rafael Mandelman, SFCTA CHAIR

Myrna Melgar, SFCTA VICE CHAIR

Matt Dorsey, TIMMA CHAIR

Rafael Mandelman, TIMMA VICE CHAIR

Connie Chan

Joel Engardio

Aaron Peskin

Dean Preston

Hillary Ronen

Ahsha Safaí

Catherine Stefani

Shamann Walton

Tilly Chang, EXECUTIVE DIRECTOR

PERSONNEL COMMITTEE

Rafael Mandelman, CHAIR

Myrna Melgar, VICE CHAIR

Hillary Ronen

TREASURE ISLAND MOBILITY MANAGEMENT AGENCY (TIMMA) COMMITTEE

Matt Dorsey, CHAIR

Rafael Mandelman, VICE CHAIR

Hillary Ronen

COMMUNITY ADVISORY COMMITTEE

Kevin Ortiz, CHAIR

Kat Siegal, VICE CHAIR

Sara Barz

Rosa Chen

Najuawanda Daniels

Mariko Davidson*

Phoebe Ford*

Calvin Ho*

Sean Kim*

Jerry Levine

Austin Milford-Rosales*

Rachael Ortega

Eric Rozell*

* served part of 2023

On the cover:

People board an 8 Bayshore Muni bus at the newly-opened Balboa Park Upper Yard plaza.

This Annual Report, prepared in fulfillment of statutory and Expenditure Plan requirements, details the Transportation Authority's progress in delivering the local transportation sales tax program and vehicle registration fee program over the previous 12 months. It also provides an overview of progress in delivering programs and projects paid for with other funds under the Transportation Authority's jurisdiction.

DATE OF PUBLICATION: JANUARY 2024



**San Francisco
County Transportation
Authority**

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TABLE OF CONTENTS

Acronyms Used in this Report	4
Our Mission	5
2023 AT A GLANCE	6
LETTER FROM THE CHAIR	8
PLANNING AND DELIVERING TRANSPORTATION PROJECTS	9
INVESTING IN SAN FRANCISCO'S TRANSPORTATION FUTURE	27
TRANSPARENCY AND ACCOUNTABILITY	57
AGENCY HIGHLIGHTS	69
Transportation Authority Staff Members in 2023	72
Consultants Assisting the Transportation Authority in 2023	73

ACRONYMS USED IN THIS REPORT

In each major section of the report, the full name is spelled out in the first occurrence.

AV

Autonomous Vehicle

BART

San Francisco Bay Area Rapid Transit District

Caltrans

California Department of Transportation

CHSRA

California High-Speed Rail Authority

CMA

Congestion Management Agency

DBE

Disadvantaged Business Enterprise

LBE

Local Business Enterprise

MTC

Metropolitan Transportation Commission

NTP

Neighborhood Transportation Program or
Neighborhood Program

Prop AA

Proposition AA

Prop K

Proposition K

Prop L

Proposition L

Public Works

San Francisco Public Works

SBE

Small Business Enterprise

San Francisco Environment

San Francisco Environment Department

SFMTA

San Francisco Municipal Transportation Agency

SFTP

San Francisco Transportation Plan

TFCA

Transportation Fund for Clean Air

TIMMA

Treasure Island Mobility Management Agency

TJPA

Transbay Joint Powers Authority

TNC Tax

Traffic Congestion Mitigation Tax (Prop D)

Our Mission

The San Francisco County Transportation Authority's mission is to make travel safer, healthier, and easier for all. We plan, fund, and deliver local and regional projects to improve travel choices for residents, commuters, and visitors throughout the city.

Our Values

At the San Francisco County Transportation Authority, our values guide staff in their work every day. We value:

ACCOUNTABILITY: We are responsible for informing the public about the work we do and how we spend taxpayer funds.

COLLABORATION: We achieve our best work by engaging collectively with the community.

DATA-DRIVEN ANALYSIS: Facts guide our work and our recommendations.

EQUITY: Everyone deserves high-quality transportation options.

INNOVATION: We strive to develop creative solutions that save time and money and lead to better outcomes.

INTEGRITY: We believe in honest, straight-forward relationships both internally and outside our agency.

RESPECT: We value the diversity of views, identities, and experiences within our agency and throughout the broader San Francisco community.

Our Role

What We Do

PROP K AND PROP L ADMINISTRATOR

Prop K is the local sales tax for transportation approved by San Francisco voters in November 2003. The 30-year Expenditure Plan prioritizes \$2.35 billion (in 2003 dollars). Prop L, approved by San Francisco voters in November 2022, superseded Prop K on April 1, 2023. Prop L continues the local sales tax with a new 30-year Expenditure Plan that prioritizes \$2.60 billion (in 2020 dollars) and leverages another \$23 billion in federal, state, and other funds for transportation improvements.

Administer the tax. Allocate funds to eligible projects. Monitor and expedite the delivery of sales tax funded projects. Prepare the Strategic Plan to guide the timing of sales tax expenditures and maximize leveraging. Advance project delivery through debt issuance and funding strategy.

CONGESTION MANAGEMENT AGENCY (CMA)

State legislation establishing Congestion Management Agencies was adopted in 1989. The Transportation Authority was designated as the CMA for San Francisco County in 1990.

Prepare the long-range Countywide Transportation Plan for San Francisco. Gauge the performance of the transportation system. Prioritize and recommend local projects for state and federal funding. Help local agencies compete for discretionary funds and support delivery.

TRANSPORTATION FUND FOR CLEAN AIR (TFCA) PROGRAM MANAGER

Funds come from a \$4 per year vehicle registration fee used for projects that help clean up the air by reducing motor vehicle emissions. The Transportation Authority was designated San Francisco program manager in 1992.

Prioritize projects for San Francisco's local share of TFCA funds. Help local agencies compete for regional discretionary TFCA funds. Oversee implementation of TFCA projects in San Francisco.

PROP AA ADMINISTRATOR

State legislation, adopted in 2009, enabled CMAs to establish up to a \$10 countywide vehicle registration fee to fund transportation projects having a relationship or benefit to the people paying the fee. San Francisco voters approved Prop AA in November 2010, designating the Transportation Authority as the administrator of the \$10 fee.

Administer the fee. Allocate funds to eligible projects. Monitor and expedite delivery of Prop AA projects. Prepare the Strategic Plan to guide the timing of Prop AA expenditures and maximize leveraging.

TREASURE ISLAND MOBILITY MANAGEMENT AGENCY (TIMMA)

The Transportation Authority was designated Treasure Island Mobility Management Agency in 2014. State legislation, passed in 2008, enables TIMMA to implement congestion pricing on the island.

Plan for sustainable mobility on Treasure Island. Coordinate new ferry and regional bus service, on-island shuttle, bike share, and car share opportunities. Implement congestion pricing. Develop and implement transit affordability program.

2023 at a Glance

The regional Transit Transformation Action Plan is helping to re-shape transit
PAGE 20



Treasure Island Autonomous Shuttle Pilot
PAGE 13



Yerba Buena Island Roadway Projects
PAGE 12

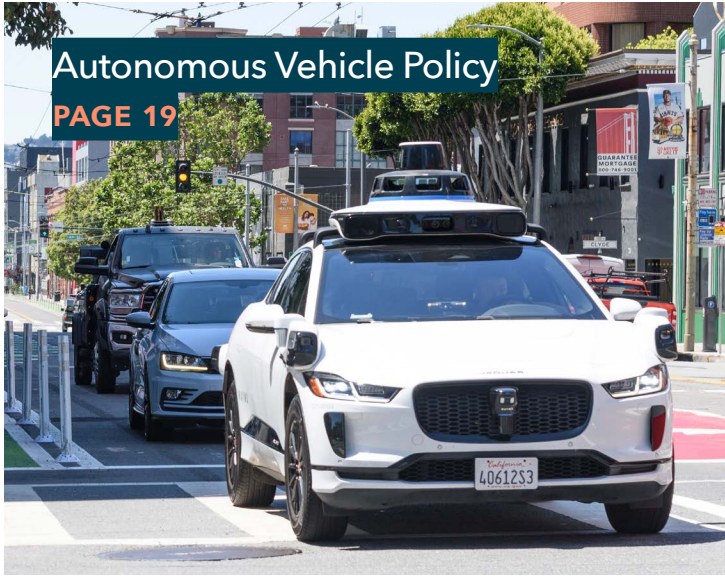


The Transportation Authority continued to support Vision Zero
PAGE 16

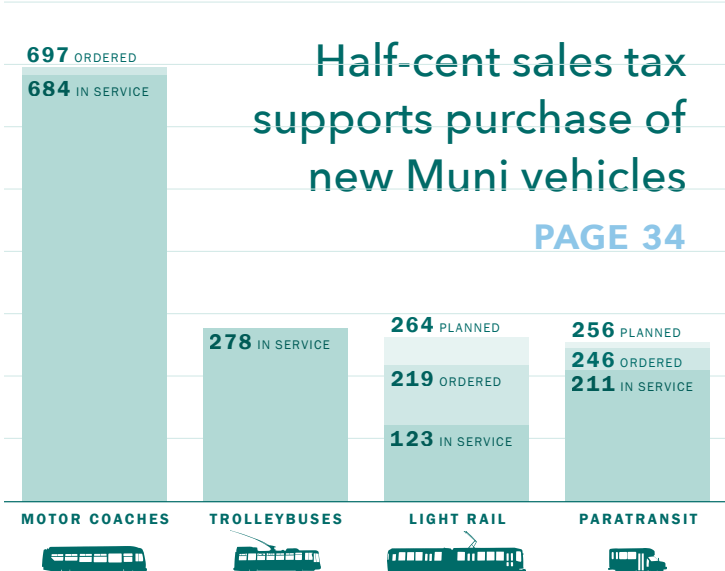
The Transportation Authority Board adopted San Francisco's first citywide School Access Plan.
PAGE 16



San Francisco School Access Plan



This past year, we focused on standing up Prop L, building on lessons learned from decades of sales tax program administration and incorporating new features and requirements of Prop L.
PAGE 10



We released the first comprehensive study of ride-hailing activity statewide.
PAGE 26

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PLANNING AND DELIVERING TRANSPORTATION PROJECTS

As San Francisco's congestion management agency, we monitor travel activity on our streets and adopt plans to reduce traffic congestion and improve sustainable travel options. We lead long-range planning to establish San Francisco's transportation investment policies and priorities. We lead major capital projects and provide project delivery oversight and support.

2022 TRANSPORTATION EXPENDITURE PLAN (PROPOSITION L)

In November 2022, San Francisco voters approved Proposition L (Prop L), the Sales Tax for Transportation Projects measure that will direct \$2.6 billion (2020 dollars) in half-cent sales tax funds over 30 years to help deliver safer, smoother streets, more reliable transit, continue paratransit services for seniors and persons with disabilities, reduce congestion, and improve air quality.

Prop L superseded the prior sales tax (Proposition K or Prop K) on April 1, 2023. This past year, we focused on standing up Prop L, building on lessons learned from decades of sales tax program administration and incorporating new features and requirements of Prop L. We've worked closely with project sponsors such as the San Francisco Municipal Transportation Agency (SFMTA), BART, San Francisco Public Works (Public Works), and Caltrain to adopt policies and procedures, update revenue forecasts, and identify the specific projects to be funded from the 28 Prop L programs over the next five-year period (July 2023 to June 2028).

By year end, the Transportation Authority Board approved programming over \$400 million in sales tax funds to projects large and small, and allocated \$75 million dollars to project sponsors – supporting needed transportation improvements for residents, workers, and visitors while boosting the local economy.

The Prop L Expenditure Plan includes funding for:

- Neighborhood-level investments such as road repair, crosswalks, traffic calming, new and upgraded traffic signals, bicycle lanes, and Safe Routes to School programs.
- Citywide improvements like electrifying Muni's bus fleet, bus lanes and transit signal priority, maintaining buses and trains so they operate safely and reliably, and increasing the capacity of both Muni and BART systems.
- Implementing transportation improvements identified in community-based plans across the city and particularly in Equity Priority Communities.
- Major projects like the The Portal, which will extend Caltrain tracks to Salesforce Transit Center.

Learn more at sfcta.org/ExpenditurePlan

The Transportation Authority has administered the half-cent sales tax since the first measure was approved by voters in 1989. The half-cent transportation sales tax generates about \$100 million per year and has helped fund transportation projects across the city and support economy. Major capital investments have included the purchase of new Muni buses and light rail vehicles, Salesforce Transit Center, the electrification of Caltrain, Muni Central Subway, and reconstructing Doyle Drive, now known as Presidio Parkway.

The sales tax program also impacts people's lives through smaller projects like traffic calming, street repaving, paratransit service for seniors and persons with disabilities, bike lanes, new traffic signals, and sidewalk repair

See sfcta.org/stories for examples from everyday San Franciscans.

Prop L will direct \$2.6 billion (2020 dollars) in half-cent sales tax funds over 30 years to transportation improvements.



TREASURE ISLAND TRANSPORTATION PROGRAM

We continued to advance the Treasure Island transportation program in our capacity as the Treasure Island Mobility Management Agency (TIMMA).

We continue to seek funding for our improvements on the islands. In November, working with One Treasure Island, the Treasure Island Development Authority, and the SFMTA, we submitted a grant application for \$14.8 million to implement priority strategies recommended by the Supplemental Transportation Study. We continued to coordinate with our partners on several other grant opportunities that target transportation and air quality improvements in Equity Priority Communities including one for an electric ferry charging station on Treasure Island from the state's Solutions for Congested Corridors program and another for a package of transportation improvements to support affordable housing on the island from the Department of Housing and Community Development.

YERBA BUENA ISLAND ROADWAY PROJECTS

The Transportation Authority is working jointly with the Treasure Island Development Authority, California Department of Transportation (Caltrans), and the Bay Area Toll Authority to improve pedestrian, bicyclist, and vehicular access to Yerba Buena and Treasure islands. The Transportation Authority completed construction of the Southgate Road Realignment project, opening a new Bay Bridge off-ramp to traffic and new bicycle access to Macalla and Northgate roads. The West Side Bridges retrofit project, which will seismically upgrade eight existing bridge structures along Treasure Island Road with a Class II bicycle facility started construction. The Yerba Buena Island Multi-Use Pathway project obtained state and federal environmental approvals in order to advance the design. The project will improve safety and access by building a new separated pedestrian and bicycle path along Treasure Island and Hillcrest roads to connect the Bay Bridge East Span multi-use path landing on Yerba Buena Island to the Treasure Island Ferry Terminal. Lastly, the Hillcrest Road Improvement Project, will bring Hillcrest Road up to modern City standards between the Southgate Road Realignment project and the West Side Bridges Retrofit project and will provide accommodations for the future Yerba Buena Island Multi-Use Path. We worked to secure funding to finish design in early 2024 and enable start of construction by Summer 2024.



The Southgate Realignment project opened for use in Spring 2023.

We supported the San Francisco Bay Area Water Emergency Transportation Authority in their successful grant application for \$16 million for electrical charging infrastructure which, combined with prior grants for electric vessels, helps facilitate zero-emission service to Treasure Island.

We continued to participate in the Bay Area Council's re-launched Waterfront Committee, working to realize the vision of a ferry network that would connect waterfront locations in San Francisco from Fort Mason down to the Bayview, including Treasure Island, and integrate with Muni and other travel modes.

In 2023 we executed grant agreements, procured a contractor, and completed environmental clearance for the Treasure Island Ferry Terminal Enhancements project, which includes the construction of public restrooms and other improvements at the ferry terminal.

After a pause in the Spring and Summer while the City worked to restructure the development plans, we are continuing to work with our City partners on a refreshed approach to the program's transit, toll and affordability program and expect to engage with the public in 2024.

Learn more at sfcta.org/treasure-island

THE LOOP: TREASURE ISLAND AUTONOMOUS SHUTTLE PILOT

TIMMA operates the Loop – an autonomous shuttle pilot on Treasure Island, funded largely through federal grants and local half-cent sales tax. The Loop pilot launched in August 2023, offering free rides to the public with a multi-passenger, ADA-compliant, and fully electric vehicle operating on a fixed route on Treasure Island. Due to evolving road conditions and significant resources required to adjust the Loop's route and permits, we concluded the Loop pilot service in January 2024. The vehicle always has a human attendant on board to monitor the vehicle and take control of the shuttle should the need arise.

The Loop is the first autonomous shuttle pilot on public roads in California. The pilot allowed us to test autonomous shuttle service on a limited basis to better understand the technology and its capabilities. Community engagement included efforts to explore related workforce development, economic development, educational, and other opportunities to promote learnings and local participation in this emerging industry.

Learn more at ti-loop.com

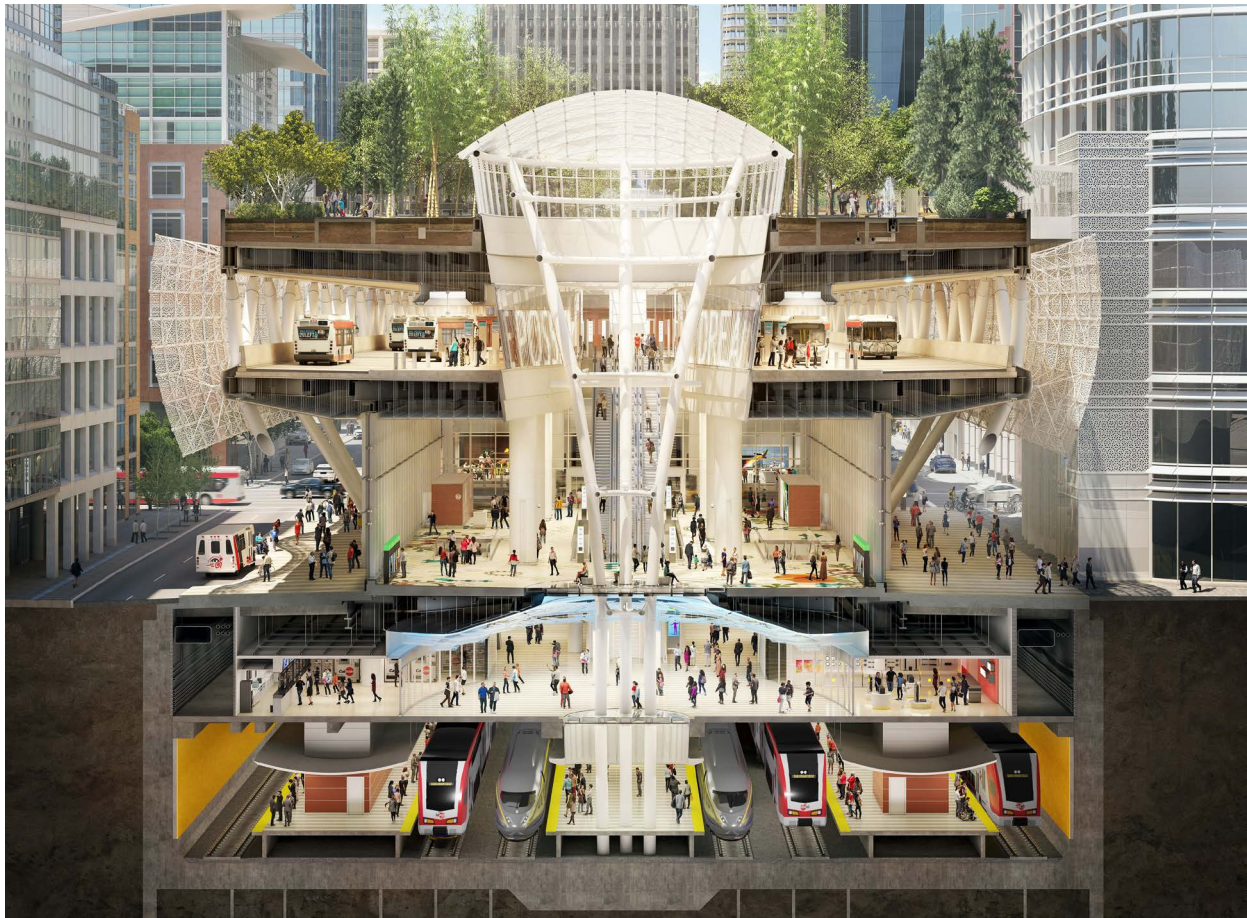


ADVANCING CALTRAIN AND HIGH-SPEED RAIL

The Portal (Downtown Rail Extension)

The Portal project (also known as the Downtown Rail Extension) will extend Caltrain underground from 4th and King streets to the Salesforce Transit Center in downtown San Francisco. The project is led by the Transbay Joint Powers Authority. In addition to Caltrain, The Portal will serve future California High-Speed Rail and will be designed to enable future connectivity across the Bay. During 2023, the multi-agency project team successfully advanced the project within the Federal Transit Administration Project Development process, including a comprehensive risk review and request to advance to the next phase of the Federal Transit Administration grant process, in order to seek a multi-billion dollar federal investment. The Transportation Authority continued to lead or co-lead several of the project's work program tasks, including the funding plan, project delivery strategy, governance review, and ridership forecasting. In 2023, the Transportation Authority and the other project partners extended the Peninsula Rail Program Memorandum of Understanding into 2024 to provide governance continuity while delivery-phase governance is implemented.

Learn more at sfcta.org/projects/downtown-rail-extension



Pennsylvania Avenue Extension

The Pennsylvania Avenue Extension will complete the grade separation of the Caltrain corridor in San Francisco, by eliminating surface rail crossings at Mission Bay Drive and 16th Street. In 2023, the Transportation Authority secured funding for the Pre-Environmental Study phase and initiated engagement with agency partners to refine the study approach. We will launch technical and planning activities in 2024. The Pre-Environmental Study will prepare the project for the environmental review phase.

Learn more at sfcta.org/projects/pennsylvania-avenue-extension

4th and King Railyards

The Transportation Authority continued to be an active participant in the 4th and King Railyards Working Group, consisting of parties to the Railyards Memorandum of Understanding, who are jointly working to plan for the future transportation needs and development opportunities of the site, which is a critical location for Caltrain operations and which will serve as the interface point of The Portal and Pennsylvania Avenue Extension projects. In 2023, Caltrain and the site owner, in collaboration with the Railyards Working Group, advanced a Preliminary Business Case analysis for the site, including development of potential configurations for the station, storage and maintenance needs, and potential land use options on the Railyards site. The Preliminary Business Case phase of study is planned for completion in 2024.

Southeast Rail Station Study

The Bayview Caltrain Station Location Study will recommend a single new location for a Caltrain station in the Bayview and prepare the station for environmental approval. The Paul Avenue Caltrain Station closed in 2005. The Prop L Expenditure Plan includes early local match funding for development of a replacement station. The new station will restore access to Caltrain and the regional transit network to the Bayview community and travelers to and from the Bayview. Building on prior work, in 2023 we initiated and advanced work to design station alternatives and undertook community engagement to inform a recommendation for the location and configuration of this station. We will conduct further engagement and anticipate seeking approval of a final recommendation to advance to further design and environmental clearance in early 2024.

Learn more at sfcta.org/bayview-caltrain

California High-Speed Rail

California High-Speed Rail is the backbone of the State Rail Plan and is central to the state's climate goals. Phase 1 of the high-speed rail system will provide a one-seat ride between San Francisco and Los Angeles in less than three hours. In December 2023, the Federal Railroad Administration awarded a grant of \$3.07 billion in funding to the California High-Speed Rail Authority (CHSRA) to support completion of the initial operating segment in the Central Valley. As this segment advances to completion, the Transportation Authority is continuing to support CHSRA's project development work for the system's Northern California connection, which will follow the Central Valley segment. The Transportation Authority also continued to advocate for investment in high-speed rail bookends, including The Portal project.

Learn more at hsr.ca.gov

VISION ZERO

San Francisco's Vision Zero policy aims to eliminate all traffic fatalities in the city. The Transportation Authority Board provided guidance and support to City agencies and stakeholders and encouraged public engagement for Vision Zero. Among other grants, the Transportation Authority allocates sales tax and Traffic Congestion Mitigation Tax (TNC Tax) funds to quick-build projects on the High Injury Network and traffic calming projects. The passage of Assembly Bill 645 authorizing a pilot of speed safety cameras on streets with the highest crash rates and in school zones in six cities, including San Francisco, represents a significant Vision Zero win after years of advocacy. The Transportation Authority has allocated Prop L funds to SFMTA to support community engagement and planning for the pilot that can begin in 2025 per state statute.

Learn more at sfmta.com/getting-around/walk/vision-zero-sf

SCHOOL ACCESS PLAN

In May 2023 the Transportation Authority Board adopted San Francisco's first citywide School Access Plan. The plan engaged students and caregivers to identify transportation solutions for families burdened by medium and long distance school commutes. The plan recommends strategies which improve the availability or quality of existing transportation options, prioritize safety, address affordability, and promote effective communication between caregivers and government agencies. The plan also identifies ways to improve transportation options specifically for youth in foster care and experiencing homelessness.

In the second half of 2023, we began implementing recommendations. San Francisco Unified School District used outreach and findings from the plan to secure state funding for ten new yellow school bus routes. We worked with the SFMTA to improve and expand the School Walk Audit program, a Prop L funded effort which identifies and implements infrastructure safety improvements at school sites. At the request of District 6 Commissioner Matt Dorsey, we launched the Mission Bay School Access Plan to explore connectivity improvements ahead of the opening of the school district's newest elementary school. Last, we applied for discretionary grant funds to pilot additional School Access Plan recommendations including a Transportation Coordinator role and multi-passenger electric-bike lending library.

Learn more at sfcta.org/projects/school-access-plan



OCTAVIA IMPROVEMENTS STUDY

In June 2023, the Board adopted the Octavia Improvements Study, requested by former District 5 Commissioner Vallie Brown and supported by Commissioner Dean Preston. Funded through the Neighborhood Program, the study identifies improvements to address local safety and circulation issues near Octavia Boulevard. Given the broader goal of reducing overall vehicle usage along the boulevard, the study also includes concepts to shift longer-distance trips that use Octavia Boulevard and the Central Freeway and the regional traffic congestion on approach routes such as Oak Street. Recommendations for local safety and circulation complement the quick-build strategies underway on parallel streets such as Page by focusing on Oak Street conflicts and conditions. In the mid-to long-run, strategies such as regional express buses and high occupancy vehicle priority can reduce the number of vehicles queuing in the neighborhood. Recommendations will be implemented with funding from the Market and Octavia Special Fund.

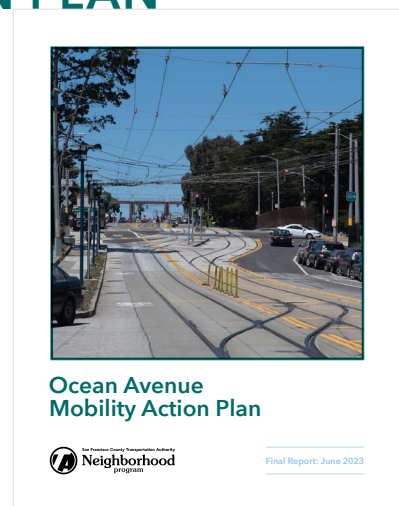
Learn more at sfcta.org/projects/octavia-improvements-study



OCEAN AVENUE MOBILITY ACTION PLAN

The Board adopted the Ocean Avenue Mobility Action Plan – requested by Vice Chair Myrna Melgar and Commissioner Ahsha Safaí and funded through the Neighborhood Program – in June 2023. The plan prioritizes both small and large scale projects to address the Ocean Avenue corridor’s mobility challenges. Working with Vice Chair Melgar and Commissioner Safaí, we convened a task force of residents, businesses, and community representatives to undertake the work and help conduct generalized community outreach during the process. Task Force recommendations include pedestrian safety and speed management improvements on Ocean Avenue, an east-west bike connection via Holloway, a mixed-use path along Ocean Ave connecting the Balboa Park BART Station with City College, and the K Ingleside Muni Forward project. We are working with SFMTA to secure funding to advance the plan recommendations.

Learn more at sfcta.org/projects/ocean-avenue-mobility-action-plan



TRANSPORTATION CAPITAL PROJECTS DELIVERY STUDY

In July, the Transportation Authority released the Transportation Capital Projects Delivery Study, commissioned by Chair Rafael Mandelman and prior Vice-Chair Aaron Peskin to examine ways to improve delivery of large scale, complex transportation projects in San Francisco. The study is based on information gathered from previous studies, workshops, focus groups, one-on-one interviews with senior management and experts, and city department surveys.

Some of the key recommendations include: establish a Capital Project Management Office, strengthen the construction cost estimating processes, expand collaborative interdepartmental risk review and management, invest in enhanced right of way and utility investigation programs, facilitate structured collaborative partnering.

Learn more at sfcta.org/project-delivery



TREASURE ISLAND SUPPLEMENTAL TRANSPORTATION STUDY

The Board approved the Treasure Island Supplemental Transportation Study, which identified near-term supplemental transportation services to meet the current needs of Treasure Island residents. We partnered with One Treasure Island to conduct a community outreach and evaluation process which resulted in five priority actions: launch a community ambassador program; improve bus shelter safety; pilot a microtransit shuttle to San Francisco; expand direct Muni service to more destinations in the city, and improve marketing and communications for transportation services.

Learn more at sfcta.org/projects/treasure-island-supplemental-transportation-study



AUTONOMOUS VEHICLE POLICY

Early in the year, two autonomous vehicle (AV) companies (Cruise and Waymo) applied to the California Public Utilities Commission for permission to provide driverless fared passenger service in San Francisco. The Transportation Authority advocated that any expansion of AV services in San Francisco should be incremental and performance-based – limited in terms of areas of the city, times of day, the size of the AV fleet; and include transparent data reporting. Despite this appeal, the Commission approved permits in August for both AV companies to provide driverless fared passenger service throughout the entire city, at all times of day, with no limits on fleet size. Within weeks of this approval, Cruise was involved in a number of significant disruptions on city streets, culminating in a major injury crash with a pedestrian in the South of Market. Following these events, the Transportation Authority Board held a hearing in October with local and national experts on AV technology and deployment, and the California Department of Motor Vehicles and Commission revoked Cruise’s driverless AV permits. Throughout the year, the Transportation Authority engaged with regulatory agencies, the AV industry, and community stakeholders to advocate for greater transparency as well as for a more incremental approach to expansion of AV technologies.



PLAN BAY AREA AND TRANSIT 2050+

Bay Area regional agencies kicked off the development of Plan Bay Area 2050+, a focused update of the region’s long-range transportation and land use plan, and Transit 2050+, a concurrent planning effort to rethink the region’s transit network post-COVID. The Transportation Authority coordinates with partner agencies to ensure the City’s policy and project priorities are represented in these efforts and participates in the implementation of the current regional plan. We participated in ongoing implementation of 2021’s Plan Bay Area 2050 included updating the Major Project Advancement Policy and Transit Oriented Communities Policy, and advocating for state and federal transportation funding.

Learn more at planbayarea.org



CONGESTION MANAGEMENT PROGRAM

As the Congestion Management Agency (CMA) for San Francisco, the Transportation Authority is responsible for developing and adopting a Congestion Management Program every two years. We conduct performance monitoring of the transportation network that includes transit, bicycles, and pedestrians in addition to autos. The program addresses San Francisco's congestion management strategies and efforts and includes updates to the Travel Demand Management Program that encourages more efficient use of existing transportation infrastructure.

The Transportation Authority adopted the 2023 Congestion Management Program report in December. Data from the current monitoring period reveal that as people returned to pre-pandemic activity levels, traffic congestion has worsened and multimodal volumes have increased in San Francisco, though they have not fully returned to pre-pandemic levels. Notably, congestion has worsened more significantly on freeways than on surface arterials since 2021. Transit ridership remains significantly lower than pre-pandemic levels.

Learn more at sfcta.org/projects/congestion-management-program



TRANSIT TRANSFORMATION ACTION PLAN AND SUSTAINABLE TRANSIT FUNDING

Implementation of the regional Transit Transformation Action Plan is helping to re-shape transit into a more customer-focused, equitable, and seamless network and is a core element of supporting the city and region's recovery from the COVID-19 pandemic. Focus areas include integrated fares, customer information, and improved and consistent wayfinding at regional transfer points.

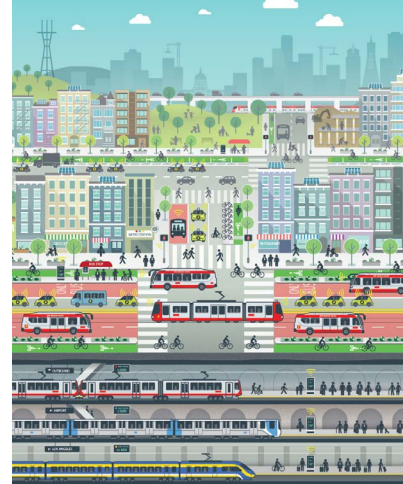


With transit ridership remaining well below pre-pandemic levels, major transit systems like Muni and BART are experiencing significant revenue challenges. Federal relief funds have heretofore helped transit operators avoid severe service cuts, but those funds will soon run out. MTC worked with transit operators to quantify Bay Area transit operating shortfalls estimated at \$744 million for Fiscal Years 2023/24 and 2024/25 alone. We supported efforts by MTC, transit operators, and others to advocate for the State to provide 'bridge' funding to help offset this gap near-term to avoid transit service cuts. MTC began work on state legislation to enable a future regional transportation revenue measure, to be put on the ballot as soon as 2026, that could provide a sustainable source of funds for transit operations and support other transportation investments for transit, pedestrians, cyclists, and drivers. Transportation Authority staff provided input into these efforts, including testifying at a state Senate Select Committee on Bay Area Transportation.

Learn more at mtc.ca.gov/planning/transportation/public-transit/transit-transformation-action-plan

CONNECTSF AND THE SAN FRANCISCO TRANSPORTATION PLAN

As San Francisco's CMA, the Transportation Authority develops a long-range countywide transportation plan to guide development of the transportation sector. In December 2022, the Transportation Authority Board adopted a major update known as the San Francisco Transportation Plan 2050 (SFTP 2050). The SFTP is part of the ConnectSF long-range transportation planning program and is consistent with the MTC's Plan Bay Area 2050, the long-range transportation plan for the nine-county Bay Area. ConnectSF is a multiagency effort of the Transportation Authority, the SFMTA, and San Francisco Planning Department to build an effective, equitable, and sustainable transportation system for San Francisco's future. Following the 2022 SFTP 2050 adoption, we continued to provide input and peer review into the final phase of ConnectSF, the San Francisco Planning Department's Transportation Element update. Through grant opportunities, we also advanced recommendations of the SFTP 2050 and other ConnectSF recommendations: the Geary/19th Avenue Subway and Regional Connections work; 101/280 Express Lanes and Bus Project; and the Bayview Caltrain Station location selection. We also pursued funding to advance other recommendations including for the Fillmore / Geary Underpass Community Planning Study and the Bayview Truck Safety study efforts.



Learn more at connectsf.org

COVID-19 TRANSPORTATION RECOVERY WORK

The COVID-19 pandemic fundamentally changed people's commute and other travel patterns, and its impacts continue to be felt four years later. Office vacancies are at their highest levels in decades and transit ridership continues to remain well below pre-pandemic levels, though roadway congestion in some locations is worse than before the pandemic. We are partnering with other agencies to monitor and adapt to these conditions, including data collection efforts such as a regional household travel survey with additional sampling in San Francisco, to understand changes in telecommuting (e.g. work from home) patterns, use of delivery services, and mode shifts. These data will also be used to support other Transportation Authority efforts, and will be available to our partners in San Francisco and the region to support work from the planning and design of transportation demand management efforts to project specific analyses (e.g. transit expansion and enhancements) to the underway Plan Bay Area 2050+ update.



I-280 INTERCHANGE UPGRADES AT BALBOA PARK

The I-280 Ocean Avenue Off-Ramp project will realign the southbound I-280 Ocean Avenue off-ramp into a signal-controlled T-intersection to enhance safety for pedestrians and bicyclists. In 2023, we continued to collaborate with SFMTA, City College of San Francisco, and Caltrans to advance the project's design, and completed the initial environmental and geotechnical site investigations. The Board programmed additional sales tax funds for design, which is anticipated to be done by Summer 2025.

For the Geneva Avenue Off-Ramp Modification Feasibility Study, we analyzed traffic patterns and worked with Caltrans to implement signal timing and phasing changes that improved overall ramp traffic circulation and mitigated a pedestrian crossing conflict. We anticipate presenting the study to the Transportation Authority Board in early 2024. The Board approved the programming of Prop L sales tax funds for additional planning and preliminary, and matching funds for design engineering.

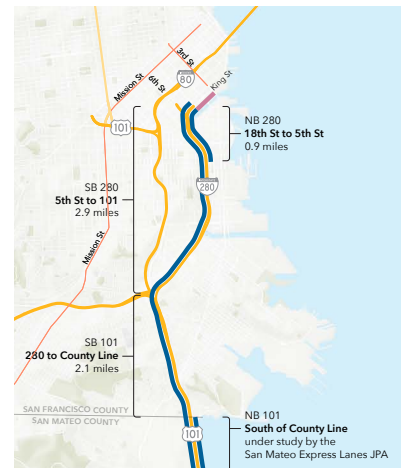
Learn more at sfcta.org/projects/balboa-park



101/280 EXPRESS LANES AND BUS PROJECT

We continued planning and environmental clearance of managed lanes along the US 101 - I 280 corridor between the San Mateo County line and Downtown San Francisco, focusing on the Northbound I-280 Transit/Carpool Lane Study. This study is evaluating options for carpools and transit to bypass congestion via a transit/carpool lane at the northern terminus of I-280 from 18th to 5th streets, with an extension onto King Street. The project team prepared existing traffic conditions analysis and sought public input on the project alternatives and analysis approach. In March 2023, the Transportation Authority Board received an update on Bay Area Express lanes during which several members expressed an interest in resumed planning for a Southbound US 101 - I 280 managed lane and bus project in coordination with San Mateo and Santa Clara Counties, which both operate Express (High Occupancy Vehicle plus Toll) Lanes on US 101. Once completed, this managed lanes network will extend through the US 101 Peninsula corridor to support increased person throughput and reliability for carpool and transit riders during peak travel hours.

Learn more at sfcta.org/projects/101280-express-lanes-and-bus-project



BROTHERHOOD WAY SAFETY AND CIRCULATION PLAN

We kicked-off the Brotherhood Way Safety and Circulation Plan and completed the first round of outreach focused on confirming study goals and hearing from community members about transportation needs, barriers, and challenges along the Brotherhood Way and Alemany Boulevard corridors. This plan is a recommendation of the 2022 Streets and Freeways Study and is funded by a Caltrans Sustainable Transportation Planning grant and sales tax matching funds. In 2024, we will use what we learn to develop three long-range concepts and accompanying quick-build proposals which address community needs.

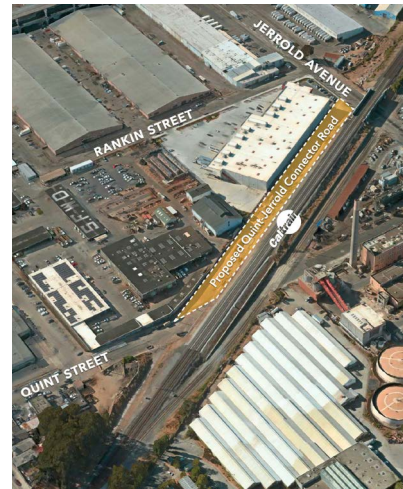
Learn more at sfcta.org/brotherhood



QUINT-JERROLD CONNECTOR ROAD

The Quint-Jerrold Connector Road in the Bayview neighborhood will restore access from Quint Street to Jerrold Avenue, following closure of Quint Street in 2013. Right-of-way acquisition, which is being led by the City's Real Estate Division is ongoing. We increased its contribution to the design phase and right-of-way acquisition via a Prop L programming action in order to contribute to solving the funding shortfall and help leverage the San Francisco Public Utilities Commission in proceeding with the street vacation to gather the remaining funds needed for right-of-way acquisition.

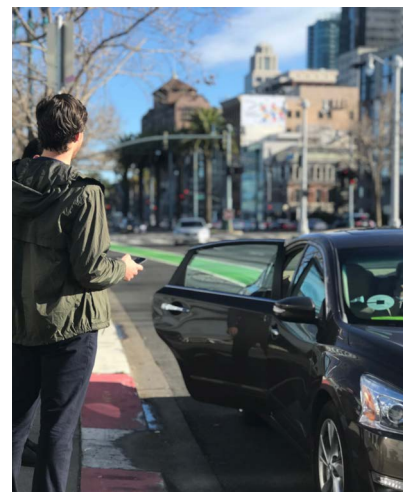
Learn more at sfcta.org/projects/quint-jerrold-connector-road



TRAFFIC CONGESTION MITIGATION TAX (TNC TAX)

TNC Tax total revenues totaled \$16.9 million, up 39% compared to the prior year as the city recovers from the COVID-19 pandemic. The Transportation Authority Board programmed approximately \$21.6 million to SFMTA projects that improve safety such as traffic calming and signal upgrades. The Board also allocated \$14.7 million to quick-build projects on the High Injury Network and application-based traffic calming projects. Revenues are generated by a voter-approved per-trip fee on Transportation Network Company (e.g., Uber, Lyft) trips originating in the city.

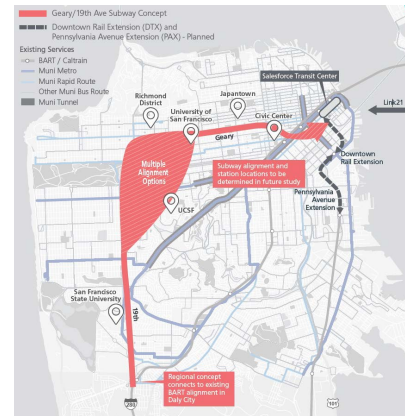
Learn more at sfcta.org/funding/tnc-tax



GEARY / 19TH AVENUE SUBWAY & REGIONAL CONNECTIONS STUDY

The ConnectSF Transit Strategy identified a new subway under Geary Boulevard and 19th Avenue as one of four high-priority, long-term major transit investments. In partnership with the SFMTA and San Francisco Planning Department, we initiated the first phase of project-specific planning work for the project: Geary/19th Avenue Subway & Regional Connections Study. The study has advanced work to develop clear project goals and objectives; explore strategic design and feasibility parameters to define alternatives; and identify required next steps for future planning, environmental, and implementation phases of work.

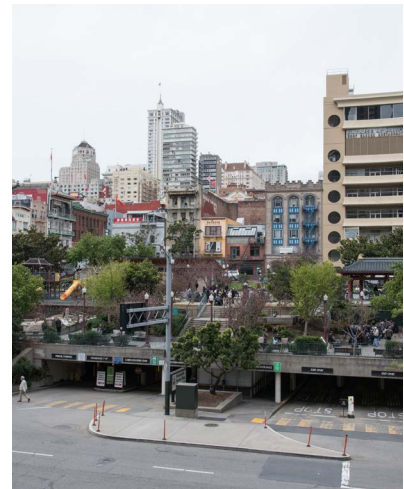
Learn more at sfcta.org/Geary19th



PORTSMOUTH SQUARE NTP FOLLOW UP

The Transportation Authority continued to advance recommendations from the Portsmouth Square Community Based Transportation Plan. We worked closely with the SFMTA and Public Works to scope the Walter U Lum Placemaking effort which will develop various scenarios for a people-first Walter U Lum Place, including a shared street, traffic-calmed street, and time-restricted vehicle access. Funded by the Neighborhood Program, the Transportation Authority and the SFMTA will partner to develop an urban design strategy to connect Walter U Lum Place with other cultural destinations in Chinatown.

Learn more at sfcta.org/projects/portsmouth-square



BETTER MARKET STREET

The Better Market Street project will improve transit reliability and travel time, increase bicycle and pedestrian safety, and help revitalize the corridor between Octavia Boulevard and Steuart Street with streetscape enhancements. Phase 1 between 5th to 8th streets kicked off construction in 2023 including the use of a 2-week Market Street closure for efficiency in constructing new gutters, street base and asphalt, loading bays, conduit and foundations for traffic signals, soil cells for trees, sidewalk improvements, and curb ramps. Phase 1 is anticipated to finish construction in mid-2024.

Learn more at sfpublicworks.org/bettermarketstreet



DISTRICT 4 COMMUNITY SHUTTLE STUDY

Based on findings from the District 4 Mobility Study, and at the request of former Commissioner Gordon Mar, we advanced the business plan for a proposed on-demand microtransit shuttle service in District 4, including peer service reviews and community engagement. The business plan, anticipated to be completed in 2024, will define the service and funding model based on technical analysis and community input. This work is supported by Neighborhood Program funds.

Learn more at sfcta.org/projects/district-4-community-shuttle-study



DISTRICT 1 MULTIMODAL TRANSPORTATION STUDY

The District 1 Multimodal Transportation Study was requested by Commissioner Connie Chan and funded through the Neighborhood Program. The study will identify near- to medium-term concepts to improve transit reliability and pedestrian and bicycle safety, and longer-term concepts to support mode shift and reduce emissions for trips that start and end within District 1. We conducted community outreach and prepared draft concept designs. We expect to complete the study in Summer 2024.

Learn more at sfcta.org/D1-study



DOWNTOWN CONGESTION PRICING STUDY

In 2021, we paused the Downtown San Francisco Congestion Pricing Study due to the fluid and changing conditions around COVID pandemic recovery. Given the study pause, we did not present congestion pricing policy recommendations to the Transportation Authority Board in 2021 as originally anticipated. Instead, the policy recommendations will be completed following the resumption of public outreach activities at a future date.

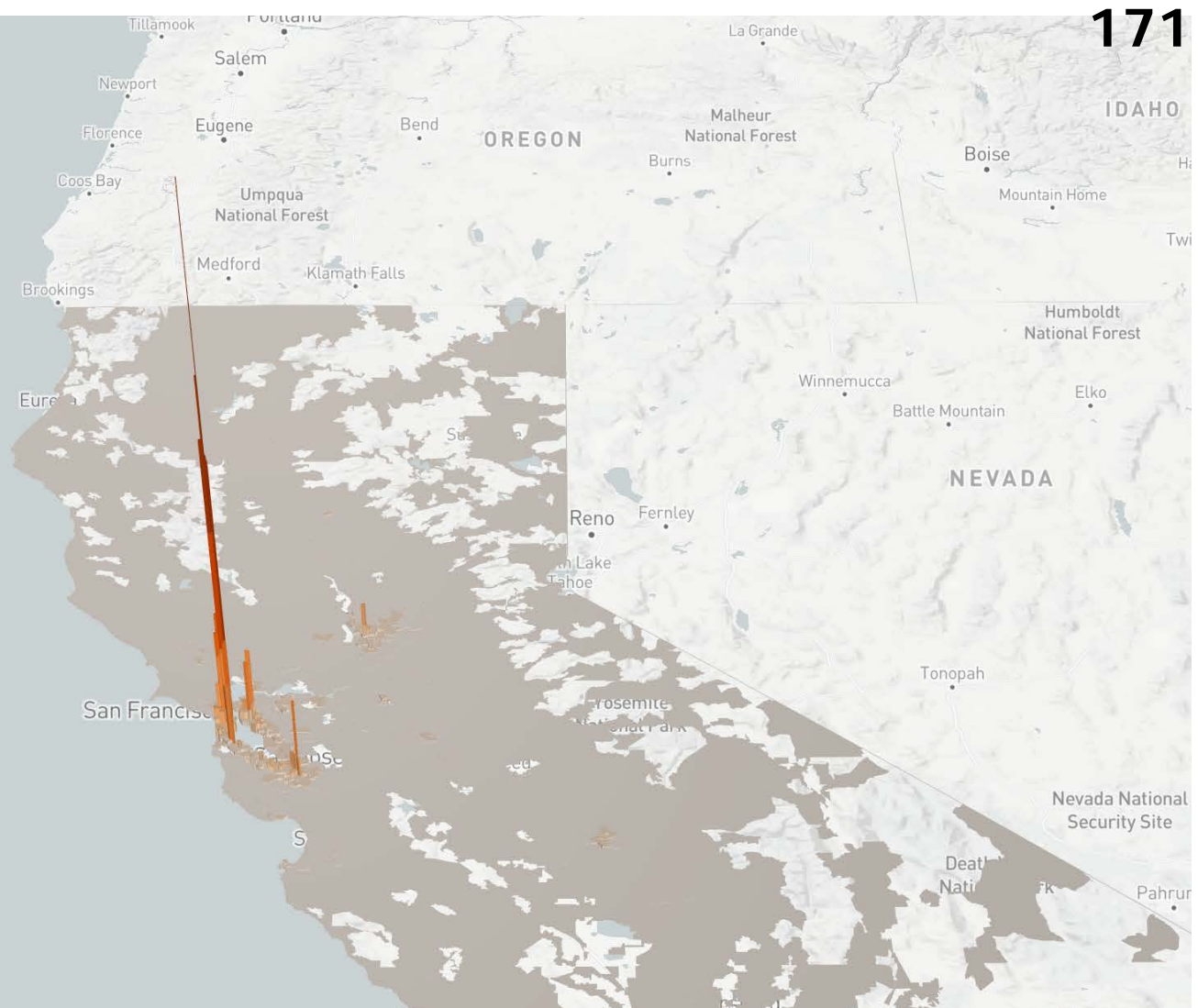
Learn more at sfcta.org/downtown



TNCS 2020: A PROFILE OF RIDE-HAILING IN CALIFORNIA

We released the "TNCS 2020: A Profile of Ride-Hailing in California," the first comprehensive study of ride-hailing activity statewide, based on an analysis of annual reports filed by Uber and Lyft to the California Public Utilities Commission. The TNCS 2020 report presented findings on a range of topic areas: Reporting Compliance and Integrity, General Characteristics, Public Safety, Labor, Environment, and Accessibility. The report found that Uber and Lyft trips are highly concentrated in the urban areas of San Francisco, Los Angeles and San Diego counties, and San Francisco has 500 times more trips per square mile than the rest of the state.

Explore more at sfcta.org/tncs-2020



INVESTING IN SAN FRANCISCO'S TRANSPORTATION FUTURE

We fund projects to improve transit, reduce congestion, increase street safety, and improve travel choices. We oversee project implementation and provide project delivery support to our partner agencies like SFMTA, Public Works, and BART as they deliver transportation improvements across the city.

LOCAL HALF-CENT TRANSPORTATION SALES TAX

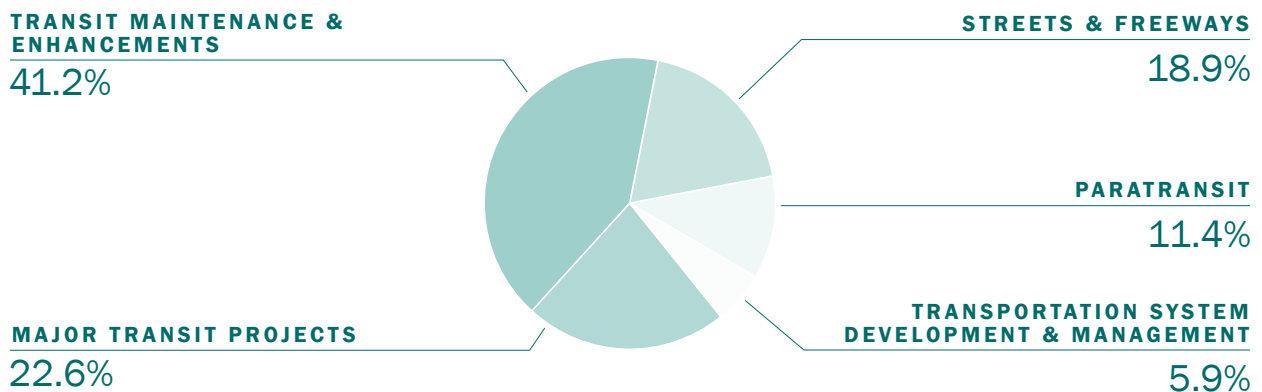
New Prop L Expenditure Plan Commences, Superseding Prop K Expenditure Plan which Infused over \$2.1 Billion in Projects Citywide

Whether we invest in smoother streets, traffic signals, new buses, new curb ramps, or bicycle lanes, we seek to stretch taxpayer dollars further by matching sales tax funds with federal, state, and other funds. This year marked the transition from the 2003 Prop K Expenditure Plan to the Proposition L (Prop L) Expenditure Plan, approved by San Francisco voters in November 2022. Prop L superseded the Prop K measure on April 1, 2023, bringing a new Expenditure Plan and a 30-year extension of the half-cent sales tax. Existing Proposition K (Prop K) financial obligations such as remaining balances on grants and paying back debt, carried forward into Prop L. We will continue to provide oversight and project delivery support for Prop K grants until they are closed out.

Like its predecessor, the Prop L Expenditure Plan requires that the Transportation Authority adopt a 30-year Strategic Plan that establishes policies for Prop L administration; forecasts sales tax revenues and expenditures, including setting programming and cash flow by fiscal year for each of the 28 Prop L Expenditure Plan programs; and estimating debt needs to advance project delivery faster than pay-as-you go revenues would allow. While the Strategic Plan is the long-range financial planning tool for the program, it is developed in concert with 5-Year Prioritization Programs that are used to identify the specific projects to be funded in the next five years. Transportation Authority Board adoption of these documents is a prerequisite for allocation of funds from Prop L.

The first step in developing the Strategic Plan and 5-year project lists is establishing the Strategic Plan Baseline to determine how much Prop L funding is available to each expenditure plan program through 2053. This is akin to setting the sales tax budget for each program. The Transportation Authority adopted the first Prop L Strategic Plan Baseline in June 2023. We have worked with project sponsor agencies such as the San Francisco Municipal Transportation Agency (SFMTA), BART, San Francisco Public Works (Public Works), and Caltrain to identify projects to fund through Fiscal Year 2027/28. To date, the Board has approved fifteen 5-Year Prioritization Programs and allocated over \$75 million in Prop L funds.

Visit mystreetsf.sfcta.org to see Prop K and other Transportation Authority-funded projects near you.



SALES TAX ALLOCATIONS

The Transportation Authority allocated \$112.7 million in sales tax funds to pedestrian, bicycle, transit, and roadway projects in 2023.

Investments in our public transit system exceeded \$91 million last year with projects that will improve reliability, safety, and accessibility; speed up travel; reduce crowding; and improve the customer experience while supporting climate goals. We contributed \$35 million toward the purchase of 54 new Fleet of the Future railcars as part of BART's Core Capacity Program that will enable BART to operate a maximum of 30 ten-car trains per hour in each direction through the heavily used Transbay Tube, up from the current maximum of 24.

Transit allocations to SFMTA were mainly for projects that support the modernization and electrification of Muni fleet and facilities, including \$12.5 million to rebuild and modernize the Potrero Yard maintenance facility, \$5.2 million to modernize the Presidio Yard maintenance facility, and \$1 million for the renovation and upgrade of the Kirkland facility and yard. The Board also allocated \$3.2 million to design reliability and travel improvements on the J Church corridor between Duboce Avenue and Balboa Park Station.

For Caltrain, we directed \$5.7 million to new visual messaging signs and state of good repair work systemwide, and to advance design of ADA access improvements at its 22nd Street Station. We also provided \$12.5 million to BART to replace all fare gates at all eight San Francisco stations to increase reliability and access, improve ridership experience, and reduce maintenance costs.

We continued to support development of The Portal (Caltrain Downtown Rail Extension) with \$13.5 million in sales tax funds for design and oversight. We also appropriated \$2.5 million to study alternatives for the Pennsylvania Avenue Extension, which will underground a portion of the Caltrain corridor south of The Portal to avoid at grade crossings at two key entrances to Mission Bay.

The Transportation Authority allocated nearly \$8 million for repair, maintenance, and upgrade of city streets. This includes \$3 million for pavement renovation on Sunset Boulevard, and \$3 million for curb ramps, \$1 million for planting and establishment of 408 trees, and \$518,000 to address about 200 sidewalk and curb repair requests at various locations throughout the city.

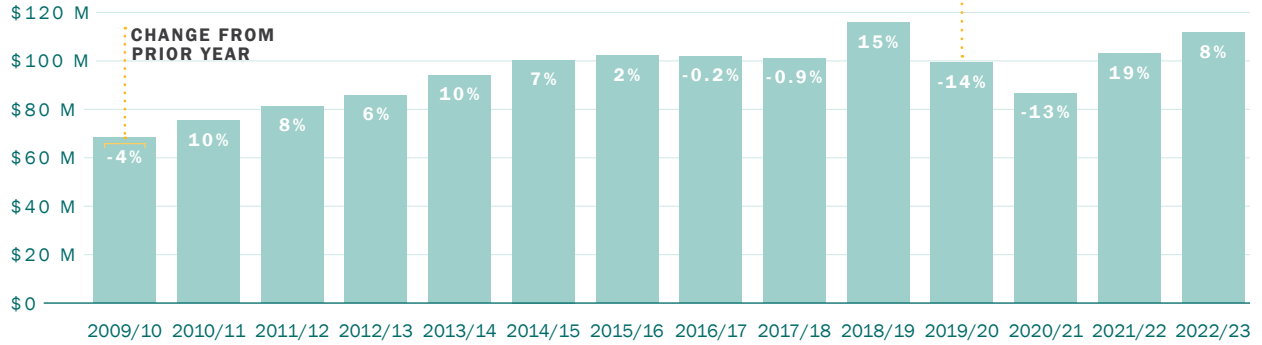
In support of the City's Vision Zero policy, the Transportation Authority allocated \$4 million for traffic calming, and traffic signal visibility and hardware upgrades across the city, and Phase 3 of the Vision Zero Ramps Intersection study.

Smaller grants can also have outsized impacts. For instance, we appropriated over \$400,000 for a Transportation Demand Management Market Analysis that will help us collect household travel diary data to better understand new post-pandemic travel patterns. The Board also appropriated \$50,000 in local match funds for a study to consider zero emission delivery strategies for local businesses in downtown Equity Priority Communities. Finally, the Transportation Authority allocated \$3.8 million for new Neighborhood Program projects to advance the delivery of community supported, neighborhood-scale projects citywide. See Neighborhood Program later in this section for more information.



Every dollar of Prop K sales tax invested in San Francisco transportation projects is typically matched with \$4 to \$7 in federal, state, or other funds – multiplying our local dollars several times over.

Sales Tax Revenues in millions of dollars

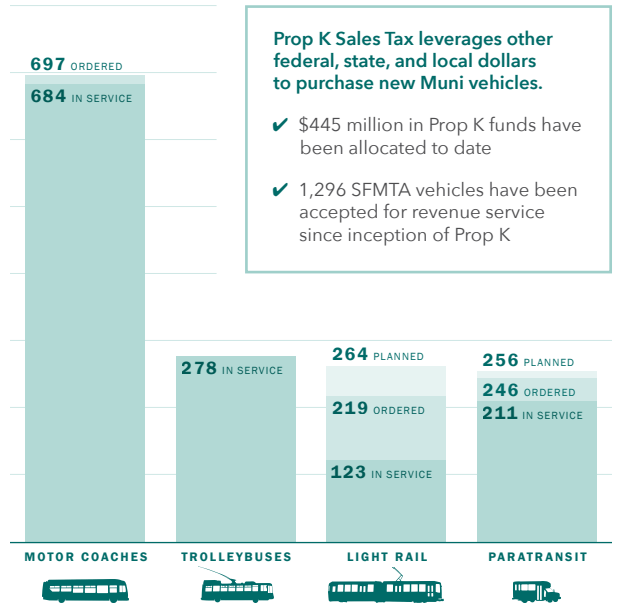


Prop K – Allocated and Reimbursed
Inception to December 2023*

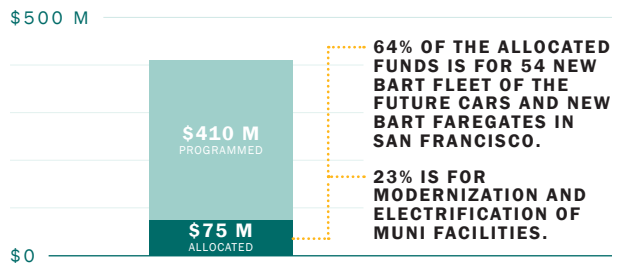


* Prop K allocations ended March 2023.

Prop K Sales Tax Supports Purchase of New Muni Vehicles
Data as of December 20, 2023*



Prop L – Programmed and Allocated
Inception to December 2023



* The Board has approved 15 of 28 5-Year Prioritization Programs through December 2023, programming \$410M to projects over the first five years of Prop L (FY 2023/24 - 2027/28)

SALESFORCE TRANSIT CENTER AND THE PORTAL

Advancing The Portal; Project progresses toward federal grant

The largest investment in both the Prop K and Prop L Expenditure Plans, the Transbay Transit Center and Downtown Rail Extension, will transform downtown San Francisco and regional transportation well into the 21st century. The Transbay Program is led by the Transbay Joint Powers Authority (TJPA) and consists of three elements:

1. **Building a new transit terminal building;**
2. **Extending commuter rail service 1.3 miles** from its current terminus at 4th and King streets to the new terminal, designed to also serve future high-speed rail; and
3. **Creating a transit-friendly neighborhood** with housing (35% affordable), open space, and mixed-use commercial development.

The \$2.3 billion Salesforce Transit Center opened for passenger service in 2018. The Downtown Rail Extension, now known as The Portal, is currently under project development, with completion scheduled for the early 2030s, dependent upon funding. The Transportation Authority has committed over \$264 million to the Transbay Program, including more than \$230 million in Prop K sales tax funds, in addition to State Transportation Improvement Program and One Bay Area Grant funds. The Prop L Expenditure Plan, approved by San Francisco voters in 2022, includes an additional \$300 million in sales tax funds for the project.

Phase One: Salesforce Transit Center

The Salesforce Transit Center connects eight Bay Area counties through nine transit systems, with The Portal to add connections to Caltrain and future California High-Speed Rail. In addition to its transit hub functions, the Transit Center's rooftop park provides much needed recreational/leisure space for the growing neighborhood, while also serving as a regional destination.

Phase Two: The Portal

Project development for The Portal continued in 2023, consistent with the Peninsula Rail Program Memorandum of Understanding executed in 2020 among project partners, including the Transportation Authority. In 2022, the project team completed a comprehensive risk assessment, developed a revised capital cost estimate, and initiated project procurement activities.

The Transportation Authority is serving as lead or co-lead agency for multiple activities under the Peninsula Rail Memorandum of Understanding, including the funding plan, project delivery strategy, governance review, and ridership forecasting. In August 2023, the TJPA Board approved The Portal Governance Blueprint, prepared by the Transportation Authority and the Metropolitan Transportation Commission (MTC).

The Transportation Authority and TJPA continued to work together to advocate for the project at a regional, state, and federal level. In April 2023, the California State Transportation Agency awarded \$60 million in project development funding to TJPA to continue to advance the project.

Learn more at tjpa.org/portaldtx



CENTRAL SUBWAY

Opened for service on January 7, 2023

The Central Subway project is one of the signature projects in the Prop K Expenditure Plan. Phase 2 of the T-line connects Chinatown to Visitacion Valley and provides a direct link between BART and Muni Metro at Powell Station and to Caltrain at 4th and King streets. The project includes underground stations at Chinatown, Union Square, Yerba Buena/Moscone, and a surface station at 4th and Brannan streets. By providing a direct, rapid transit link between downtown and the existing T Third route on 3rd Street, the Central Subway improves transportation to and from some of the city's busiest, most densely populated areas.

After a brief period of free, limited weekend service, full-revenue passenger service on the Central Subway commenced on January 7, 2023. A celebration with attendance from federal, state, and local dignitaries took place to celebrate the much-anticipated occasion. This completes the second phase of the T Third line, which started with the 3rd Street Light Rail Project, in service since 2007. The T-line provides the first north-south line in SFMTA's Muni Metro system.

The Transportation Authority was a significant funding partner for the Central Subway, providing about \$175 million from a combination of the Prop B (approved 1989) and Prop K sales tax programs and other federal and state funds. The total project cost is \$1.9 billion.

[Learn more at sfmta.com/projects/central-subway-project](https://sfmta.com/projects/central-subway-project)

CALTRAIN MODERNIZATION PROGRAM

Construction of the Overhead Contact System is complete

The Caltrain Modernization Program is a \$2.77 billion suite of projects that will electrify and upgrade the performance, operating efficiency, capacity, safety, and reliability of Caltrain commuter rail service, while improving air quality. The program has three components: Positive Train Control, electrification of the Caltrain line between San Jose and San Francisco, and the purchase of electric multiple-unit trains to operate on the electrified railroad. The Transportation Authority has provided \$41 million to the program.

One of the signature projects in the Prop K Expenditure Plan, the Caltrain Modernization Program extends for 52 miles from San Francisco to San Jose. The program is also preparing the corridor for future High-Speed Rail service.

The Positive Train Control project, completed in 2020, increases safety on the Caltrain corridor by preventing train-to-train collisions, overspeed derailments, movements through misaligned switches, and incursions through work zones.

As of November 2023, the Peninsula Corridor Electrification Project (electrification from San Francisco to San Jose and vehicle procurement) was 91 percent complete. Caltrain completed construction of the Overhead Contact System, which will distribute power to the trains along the alignment, in December 2023. Construction of the Signals System and Power Substations is also complete.

Electric vehicle fabrication is also progressing. To date, six trainsets have been delivered to the Caltrain Maintenance and Operations Facility, where they are undergoing static and dynamic testing. The remaining 13 trainsets are in various stages of assembly. In September, Caltrain held a celebration at the 4th and King Station in San Francisco, where over 4,400 members of the general public were welcomed to tour the new electric trains.

The current program schedule projects substantial completion date for electrification in April 2024 and revenue service by September 2024.

Learn more at caltrain.com/projects/electrification



MUNI FLEET – REHABILITATION, REPLACEMENT, AND EXPANSION

Newer and well-maintained buses and trains improve reliability and safety, and reduce maintenance cost

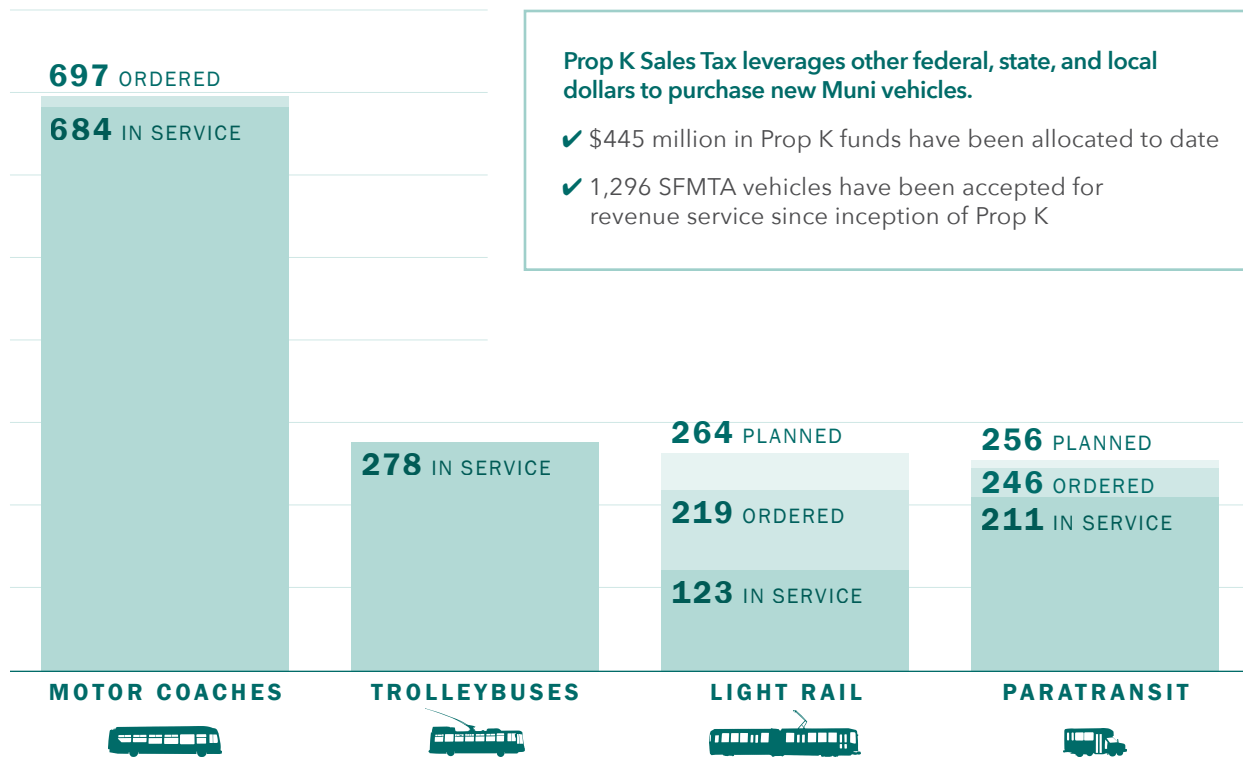
Sales tax funds provide critical local match funds to help replace Muni’s bus and light rail vehicle fleets when they reach the end of their useful life, and support capital maintenance to keep vehicles running safely and reliably.

Buses

From 2014 to 2017, the Transportation Authority provided \$193 million in Prop K sales tax funds for the SFMTA’s \$1.3 billion replacement of its entire bus fleet. SFMTA replaced 424 standard (40-foot) and articulated (60-foot) diesel-electric hybrid buses and 278 electric trolley buses by early 2020. In 2021, the Transportation Authority allocated \$16 million to replace the 30 shorter-frame 32-foot hybrid diesel motor coaches that SFMTA uses to serve community routes such as 35 Eureka, 36 Teresita, 37 Corbett, 39 Coit, and 56 Rutland. Seventeen of the 30 buses have been placed into revenue service by end of 2023.

Light Rail Vehicles

The SFMTA continues to replace and expand its light rail fleet despite some supply chain issues. The Breda light rail vehicles, purchased in 1997, are reaching the end of their useful lives and are experiencing increased breakdowns and greater maintenance challenges. While waiting for the new vehicles to arrive and be placed in service, SFMTA has been using \$6.6 million in Prop K funds to make



targeted repairs and upgrades to the Breda vehicles to ensure that they are operational and reliable until replaced. SFMTA completed the overhauls of the Breda light rail vehicles this year.

Meanwhile, through a \$1.2 billion contract with Siemens for the purchase of new light rail vehicles, SFMTA completed a 68-vehicle expansion of its light rail fleet in 2020 and is continuing to retire the Breda vehicles through the purchase of 151 new light rail vehicles. Thus far, SFMTA has placed 55 additional light rail vehicles into revenue service, 35 of which were commissioned in 2023. Sales tax contribution toward procurement of the new light rail fleet totals nearly \$192 million.

The SFMTA continued to work closely with Siemens to resolve some performance issues and to incorporate design and systems modifications reflecting customer, transit operator, and maintenance staff input. Siemens has retrofitted the expansion vehicles and incorporated the modifications into the designs for the replacement vehicles currently under assembly. The SFMTA continues to work with Siemens on system updates and upgrades, including brake components.

Paratransit Vehicles

In 2022, we allocated sales tax funds to SFMTA to procure 45 new paratransit vehicles to replace vehicles that have exceeded their useful lives, including funding for the first electric paratransit vehicle as part of a pilot program to test their performance in San Francisco and to inform the future electrification of the paratransit vehicle fleet. SFMTA placed 6 new sales tax funded paratransit vehicles in service in 2023. Each new van seats up to 14 passengers and provides space for up to four wheelchairs. These vans are a critical component of SFMTA's paratransit program that provides door-to-door service for seniors and persons with disabilities who are unable to use Muni's regular fixed route bus and rail service. In October 2023, SFMTA gave a comprehensive update to the Transportation Authority Board about its plans for the electrification of the paratransit facilities and fleet, including vehicle procurement, charging infrastructure, maintenance and storage, and funding.

MUNI RELIABILITY, SPEED, AND SAFETY PROJECTS

Muni Forward and System Reliability

Muni Forward is a comprehensive program of improvements to enhance pedestrian and vehicle safety, limit overcrowding, reduce travel times, and increase reliability on Muni bus and rail lines. To date, the Transportation Authority has provided \$25.8 million from the Prop K sales tax and \$2 million from the Prop AA vehicle registration fee to support Muni Forward, including allocation of \$1 million in Prop AA funds this year for M Ocean View Transit Reliability and Mobility Improvements.

SFMTA has planned and designed travel time reduction improvements on 17 transit corridors, including the J Church, L Taraval, 22 Fillmore, N Judah, and 29 Sunset and has finalized conceptual engineering work on four additional corridors, including the 30 Stockton along 3rd and 4th streets, the 5 Fulton from Arguello to 25th Street, and the 14 Mission – Downtown. To date, SFMTA has completed construction on nine corridors. This year, SFMTA completed bus bulb, bus pad, curb ramp, and sewer installation work along the 22 Fillmore and overhead contact system poles, surface repaving, boarding islands, pedestrian bulbs, and traffic signals on L Taraval. SFMTA anticipates finishing the second phase of construction for the L Taraval in 2024.

MUNI MAINTENANCE FACILITIES AND STATIONS

Modernizing Facilities, Preparing for an Electrified Fleet, and Advancing Joint Development

Since 2003, the sales tax has contributed \$91.5 million for expansion, repair, and upgrade of SFMTA's operations and maintenance facilities and stations. This year, the Transportation Authority allocated \$18.7 million for several facility modernization projects that support SFMTA's transition to an electrified fleet, including some that incorporate joint development opportunities as a way to finance project delivery, potentially provide an ongoing revenue stream to support transit operations, and/or contribute to helping address the city's housing needs.

The Transportation Authority allocated over \$1 million for SFMTA to begin preliminary planning of the renovation and upgrade of the Kirkland facility and yard to support the future deployment of battery-electric buses, some of which SFMTA is in the process of testing via a pilot.

The Potrero Yard Modernization Project will result in the demolition and reconstruction of the existing 100+ year old transit facility to service an all-trolley bus electric transit fleet. The 4.4 acre site, located at 2500 Mariposa Street, services 153 40' and 60' trolley buses. The Potrero Yard Modernization Project is a partnership of SFMTA and Public Works in coordination with a public-private-partnership developer that will build the site. A parallel project to build affordable family and workforce housing, or to operate paratransit vehicles, above the maintenance facility is also proposed as part of the overall site development plan. The project advanced this year using previously allocated sales tax funds, with SFMTA awarding a Pre-development Agreement to the Potrero Neighborhood Collective for technical design work. In December, the Transportation Authority allocated \$12.5 million for SFMTA to complete design and advance the project to the construction phase in 2024.



In December, the Transportation Authority Board allocated \$5 million to SFMTA to plan for the modernization of the Presidio Yard maintenance facility. The new Presidio Yard facility will service over 215 battery electric buses. SFMTA envisions parallel development plans on an adjacent SFMTA-owned parcel with mixed used development of commercial uses, and affordable and market rate housing to generate revenues for capital maintenance and transit service. Sales tax funds will support pre-development planning, stakeholder engagement, community outreach, environmental review, and preparation of bids for a public-private-partnership development partner.

The Transportation Authority will perform an enhanced level of oversight on the Potrero and Presidio projects due to the scale, complexity, and impact of both projects, as well as the public-private-partnership delivery method which SFMTA has not used before.

MUNI GUIDEWAYS PROJECTS

Track, overhead lines, and other guideway upgrades improve safety and reliability

While often less visible to the public, maintaining and upgrading tracks, overhead lines, and other infrastructure and equipment that enable SFMTA's light rail, trolleybuses, and cable cars to operate safely and reliably is mission critical. As part of its L Taraval Transit Enhancements project, SFMTA advanced work along the L Taraval corridor between West Portal and Sunset Boulevard (Segment B) including sewer and water line installation; Overhead Catenary System pole foundation and system conduits installation; curb ramps construction; installation of traffic signal conduits, track, and traction power; and road base reconstruction. SFMTA also moved forward with the Cable Car Propulsion Gearboxes project and completed a bid package. This work will extend the service life of the cable car system and support safe and reliable service. Staff also worked on the cable car pulley rebuild project, another state of good repair effort.

The sales tax has contributed \$162 million for the upgrade and replacement of track, communications, and other guideway improvements to support Muni's light rail, trolleybus, and cable car networks.

CALTRAIN MAINTENANCE, REHABILITATION, AND REPAIR

Maintenance repairs and upgrades support safety and reliability

Since 2003, the transportation sales tax has been the primary funding source covering San Francisco's member share contribution to the Caltrain capital budget on behalf of SFMTA and the City. This member contribution, which continues under Prop L, is specifically for maintenance, rehabilitation, and repair of Caltrain to keep the system running safely and reliably. The sales tax has supported a wide variety of projects including but not limited to repairs and upgrades to trains; rehabilitating Caltrain stations, tunnels, and bridge structures; and communication system improvements.

This year Caltrain performed track rehabilitation work including rail replacement, bridge inspections, and fencing and cross tie installation. Caltrain maintained its fleet of trains by replacing batteries and suspensions and refurbishing car interiors. As part of the Ticket Vending Machine Rehab program, the agency completed upgrades of 39 ticket vending machines at various stations. Caltrain also completed design and began construction of the Guadalupe River Bridge Replacement and Extension project.

CALTRAIN 22ND STREET STATION ADA ACCESS IMPROVEMENTS FEASIBILITY STUDY

In March 2023, the Transportation Authority Board adopted the recommendations of the Caltrain 22nd Street Station ADA Access Improvements Study. This Caltrain-led study, which was initiated at the request of Transportation Authority Board Member Shamann Walton and was funded by Prop K sales tax funds, recommended design improvements at the station to provide universal access, compliant with the Americans with Disabilities Act. The Transportation Authority allocated additional sales tax funding to Caltrain to advance design for the recommended project. This work has confirmed the feasibility of the planned improvements. Caltrain and Transportation Authority staff coordinated to prepare the project for a planned grant application in early 2024 to the federal All Stations Accessibility Program for construction funding.

BART MAINTENANCE, REHABILITATION, AND REPAIR

Improving the customer experience, safety, and reliability

In 2023, we allocated over \$12.5 million in sales tax funds for the installation of BART's next generation of faregates at all eight San Francisco stations. The new fare gates will feature a swing-style design with sensors to detect patrons, wheelchairs, children, luggage, and bicycles, and will improve reliability, access, rider experience, and reduce maintenance costs.

Work continued on sales tax funded repairs to mitigate water intrusion into BART's tunnels in San Francisco, replacement of the traction power substation at Powell Street Station, and replacement of hearing loop equipment in station agent booths in all San Francisco stations. BART completed design of elevator renovations at Powell Street and Civic Center Stations, which will move into construction in 2024.

PARATRANSIT

Providing essential door-to-door service for seniors and persons with disabilities

Since 2003, the half-cent sales tax has been a major and stable funding source for the SFMTA's paratransit program, supporting persons with disabilities and seniors. The SFMTA contracts with a broker to provide paratransit services through a suite of providers and resources, including 150 city-owned vehicles, as well as private taxis, group vans



associated with community centers throughout the city, and inter-county paratransit services. The Transportation Authority also supports shopping and recreational shuttles operated as part of the paratransit program. The SFMTA, through its paratransit broker and providers, provided approximately 530,000 paratransit trips in 2023 to approximately 17,000 registered paratransit customers. See the Muni Fleet section of this report for information on the paratransit vehicles funded by the sales tax.

The pandemic has resulted in a decline in some of the other fund sources that the SFMTA relies on for its paratransit program. To provide near-term funding stability for this essential program, the Transportation Authority increased the sales tax commitment from \$10.2 million to \$13.3 million in sales tax funds starting in Fiscal Year 2022/2023. In 2023, the Transportation Authority continued its commitment to providing a stable fund source for paratransit through the approval of \$69.6 million in Prop L programming for paratransit operations over the next five years, as well as programming \$3.3 million in Lifeline Transportation Program funds in 2023.

The SFMTA continued to assist with the City's response to the pandemic with the Essential Trip Card program, funded in part with sales tax funds. Launched in 2020, this subsidized taxi program supplements core paratransit services by assisting persons with disabilities and seniors in completing essential trips. As of November, over 6,800 individuals have enrolled in the program with over 267,000 trips provided.

19TH AVENUE COMBINED CITY PROJECT

Public Works, SFMTA and the San Francisco Public Utilities Commission are working together to deliver this complete streets project which includes bus and pedestrian bulb-outs to improve pedestrian safety; bus stop consolidation and relocation; water system replacement, new installation, and upgrades; wastewater system repair and replacement; and signal modifications and upgrades throughout the corridor. Construction reached substantial completion in 2023. The construction team completed trench work, water pipeline installation, and sidewalk/roadway work between Taraval Street to Eucalyptus Drive. Between Eucalyptus Drive to Hollway Avenue, the team poured new bus pads, sidewalks, curb ramp, and catch basins. Caltrans is anticipated to repave 19th Avenue after completion of the Combined City Project.



Half-cent sales tax funds supported planning and design of the 19th Avenue project.

BALBOA PARK UPPER YARD

The 100% affordable transit-oriented housing development at Balboa Park Upper Yard opened in September. The development contains 131 units of affordable housing and is built on a former rail car storage area adjacent to the Balboa Park BART station. City agencies including the Mayor's Office of Housing and Community Development, SFMTA, and Public Works worked together with BART to develop and deliver this project. The project includes a new public plaza, funded in part with \$950,000 in transportation sales tax funds, linking the housing development with BART Balboa Park Station. The open space plaza features a tiered plaza design providing views of the city in all directions, a direct and accessible path to passenger loading areas for the BART and Muni stations, seating areas, lighting, security cameras, and trees throughout. The project also reconfigured an auto-oriented passenger drop off zone to improve pedestrian safety and comfort. We are proud that the Transportation Authority's strategic commitment of local funds early in the project helped ensure that this project was competitive and successful with obtaining state grants.

Transportation Authority funding helped construct a new public plaza at BART's Balboa Park Station.



STREETS AND TRAFFIC SAFETY, TRANSPORTATION SYSTEM MANAGEMENT

The sales tax funds a wide variety of neighborhood scale street projects that improve the safety, efficiency, and user experience of city streets for all who travel on them. These projects include improvements such as street paving, new curb ramps, traffic calming, new or upgraded traffic signals, bike lanes, and transportation demand management efforts to encourage travel at less busy times and encourage use of sustainable transportation options rather than single occupant vehicle travel. Many sales tax funds projects are also funded with Prop AA vehicle registration fee, Traffic Congestion Mitigation Tax (TNC Tax), and Transportation Fund for Clean Air (TFCA) grants awarded by the Transportation Authority. More information on these three fund programs is found later in this section of the Annual Report.

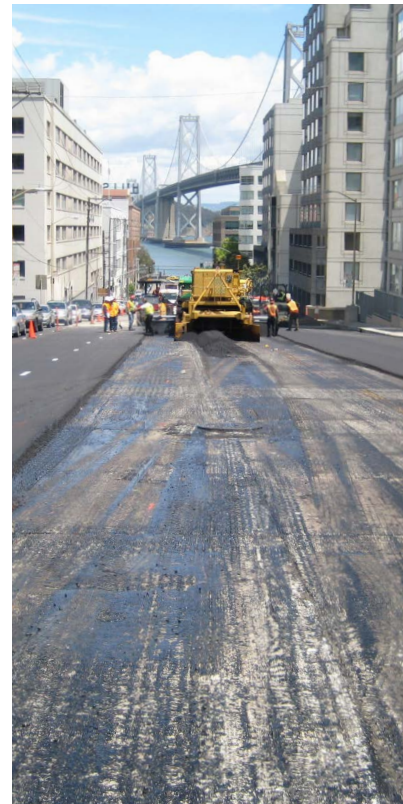
Street Repair and Reconstruction and Complete Streets

Street repair and reconstruction projects provide smoother, safer pavement for pedestrians, cyclists, buses, and motor vehicles. Street reconstruction projects typically include rebuilt or repaired curbs and gutters, sidewalk repair, and accessible curb ramps, in addition to new roadway pavement and striping. This year Public Works started construction of the Junipero Serra Boulevard Pavement Renovation (17 blocks) and Mission and Geneva Pavement Renovation (55 blocks) projects, and advanced construction of the Richmond Residential Streets Pavement Renovation project (18 blocks). Public Works completed the Golden Gate Avenue and Laguna Street Pavement Renovation project (36 blocks). Additionally, the Transportation Authority Board allocated \$3.1 million in Prop K funding to Public Works for pavement renovation of Sunset Boulevard (42 blocks). Public Works awarded the construction contract in September and work is set to proceed in January 2024.

Complete streets projects may include a wide variety of other features such as landscaping, new lane configurations, bike lanes, widened sidewalks at intersections, and other Vision Zero safety elements. This year, SFMTA began design of the sales tax funded Howard Streetscape project between 4th and 11th streets, located on the High Injury Network, and Public Works began design of the Sickles Avenue Streetscape project in the Excelsior. Both projects will improve transportation safety and livability for users of the corridors.

Street Repair and Cleaning Equipment

Public Works placed three ten-wheel dump trucks and two full size street sweepers in service as part of the Prop K funded Street Repair and Cleaning Equipment program. The equipment will improve the efficiency of Public Works' street cleaning and repair work.



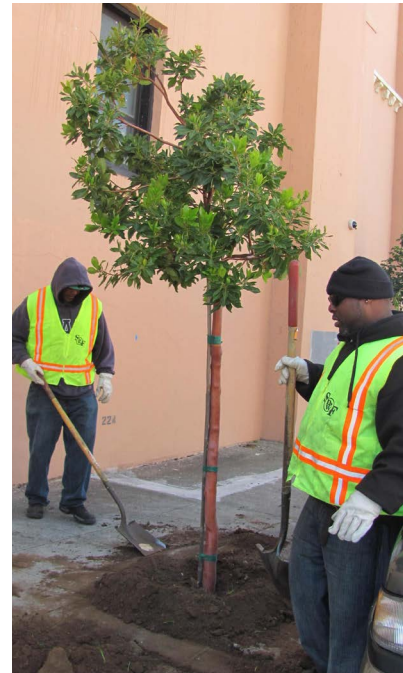
Curb Ramps

Public Works and the SFMTA constructed 258 new curb ramps throughout the city as part of larger Transportation Authority funded street improvement projects. Most curb ramps are constructed as part of larger projects, with a relatively small number constructed as stand-alone improvements or repairs. Prop K sales tax funded 104 curb ramps as part of the L Taraval Transit Enhancements project; 63 curbs ramps along 19th Avenue as part of a signal upgrade project; 26 curb ramps as part of the Junipero Serra Boulevard Pavement Renovation project; 23 curb ramps as part of the Golden Gate Avenue and Laguna Street Pavement Renovation project; 14 curb ramps as part of the Upper Market Street Safety Improvement project; 10 curb ramps at various locations in Districts 5, 6, 8, and 11; 8 curb ramps for a Neighborhood Program project to improve pedestrian safety at Elk and Sussex Streets; and 6 curb ramps as part of SFMTA's New Signal Contract 65.



Sidewalk Repair and Trees

As part of its Public Sidewalk Repair Program, Public Works used Prop K funds to repair non-tree related damage on sidewalk and curb damage at 165 locations in the public right-of-way, making sidewalks safer and easier to navigate. Also funded by Prop K, Public Works planted 1,184 street trees in the public right-of-way and helped establish street trees during the critical first three years after planting. Thereafter, the City takes over maintenance of these trees.



Signals and Signs

The Transportation Authority allocated \$2.4 million in sales tax funds for design and construction of new traffic signals, rapid flashing pedestrian crossing beacons, traffic signal hardware, and visibility upgrades for existing signals. The SFMTA activated upgraded traffic signals at 12 intersections mostly along 19th Avenue. Several signal projects, including the 19th Avenue Signals Phase III and New Traffic Signal Contract 65, installed 42 pedestrian countdown signals and 26 accessible audible pedestrian signals. The SFMTA's Upper Market Street Safety Improvements completed construction and the project installed traffic signal upgrades and new traffic signals at five intersections.

Signal upgrade projects typically include larger, brighter signal heads, curb ramps, pedestrian signals, controllers, mast arms, poles, and signs to improve traffic, pedestrian and bicycle safety.

Traffic Calming

The Transportation Authority is the primary funder of SFMTA's Residential Traffic Calming Program, which we support with sales tax and TNC Tax funds. Through this program, SFMTA evaluates community-initiated requests for locations that can benefit from slower traffic speeds that can be achieved through implementation of low cost improvements such as speed humps. This year, the SFMTA implemented 224 traffic calming measures identified from this application-based program, including 33 bulb-outs, 22 speed humps, 154 speed cushions, 4 speed tables, 10 striped crosswalks, and 1 raised crosswalk. The Transportation Authority allocated \$4.2 million in TNC Tax funds to SFMTA's newly revised multi-phase, multi-year Application-Based Residential Traffic Calming Program. The revamped program is intended to reduce the timeline for implementation from 3 - 4.5 years to 9 - 12 months.

The Transportation Authority also supported the SFMTA's Schools Engineering Program with Prop K funds. Schools Engineering is a program within San Francisco's Safe Routes to School program which serves all K-12 schools in San Francisco (both public and private). Through this program, SFMTA finalized walk audit reports for Lawton Elementary School, Mission Preparatory Elementary School, Paul Revere Elementary School, Aptos Middle School and Chinese Immersion Elementary School at De Avila Elementary School. SFMTA staff worked to implement recommended improvements such as raised crosswalks, speed cushions, and speed humps identified as priorities through school walk audits at Galileo High School, Martin Luther King Jr. Middle School, Mission High School, Rosa Parks Elementary School, and Tenderloin Community Elementary School.

Since the launch of the TNC Tax in 2019, the Transportation Authority has allocated \$15.9 million in TNC tax funds and \$10.3 million in Prop K local sales tax funds for the SFMTA's Vision Zero Quick-Build Program. In 2023, the SFMTA completed three quick-build corridor projects: Battery/Sansome, Bayshore Boulevard, and Valencia Street.

Quick-build projects are traffic safety improvements that can be installed relatively quickly and can be easily adjusted, or, if necessary, reversed. They include parking and loading changes, roadway and curb paint, signs, transit boarding islands, and traffic signal timing updates. Safety improvements include adjustments to parking regulations, bike lanes, changes to the configuration of traffic lanes, and painted safety zones.

Bike Projects

The Transportation Authority invests in bicycle education, pilot studies, and planning, design, and construction of capital improvements to support safe, convenient cycling in the city.

This year, the SFMTA used sales tax funds to implement several quick-build safety projects. These included protected bike lanes on Battery and Sansome streets to form a continuous corridor for cyclists between Market Street and The Embarcadero and protected bikeways on Bayshore Boulevard between Industrial Street and Oakdale Avenue through the Bayshore Boulevard Quick-Build Project. The SFMTA is also in the midst of a pilot of a center-running two-way bikeway on Valencia Street, the first of its kind in San Francisco. Sales tax funds will support evaluation of this pilot to inform the permanent bike improvements in this corridor.

Ongoing bicycle projects this year included a new round of funding for bicycle safety education classes; bicycle facility maintenance including replacing safe hit posts, refreshing paint, and spot paving on bike lanes where pavement condition is an issue; and providing TFCA and sales tax funds to install more than 1,400 on-street bike racks, with approximately 30% of racks installed within Equity Priority Communities over the last few years.

We are excited to see the future delivery of bike projects that received sales tax funding in 2023, including a protected bikeway on Lake Merced Boulevard between Skyline Boulevard and John Muir Drive, and bicycle safety improvements on the Vision Zero High Injury Network including on Beach Street from The Embarcadero to Van Ness and on Oak Street between Shrader and Baker streets.

Transportation Demand Management

Transportation Demand Management (TDM) is a strategic set of low-capital projects, programs, and policies to increase travel choices and shift when and how people travel. TDM efforts help to maximize the benefits of investments in the transportation system, including priorities identified in the SFTP, and help to reduce vehicle miles traveled, congestion, and greenhouse gas emissions to help the City meet its climate goals.

This year, the Transportation Authority allocated sales tax funds to the Eco-Friendly Downtown Business Deliveries Study to match a grant from the Carbon Neutral Cities Alliance. The study will convene a community-led working group of local businesses in downtown Equity Priority Communities. The working group will explore strategies to reduce emissions from goods movement and reduce vehicle miles traveled.

We also allocated sales tax funds to Transportation Demand Management Market Analysis, which will identify travel markets and the types of strategies and tools that are expected have the biggest opportunity to shift travel choices. Findings from this analysis will inform prioritization and design of transportation demand management strategies throughout the city.

SFMTA and San Francisco Environment completed the Residential Transportation Demand Management Program, including evaluation of its main initiative, the Go Mission Challenge, a text message-based initiative to reduce carbon emissions by engaging San Francisco residents to shift their travel choices to more sustainable modes, like walking, biking, scootering, and taking transit. The Challenge was designed to gamify choosing low-carbon transportation options, providing rewards



for participants who undertook sustainable travel habits, and celebrating those who were already using low-carbon modes. The Challenge's creative and accessible program structure illuminated the effectiveness of texting as a method of communication for Mission residents, and confirmed that incentives with concrete, achievable ways of winning are successful in getting high levels of resident participation while supporting local businesses.

San Francisco Environment continued to administer its TFCA-funded Emergency Ride Home Program, which provides a free taxi ride home in cases of emergency to encourage employees to rely on ride share, transit, or biking for their commutes to work. The department completed the Essential Worker Ride Home Program in February after nearly two years of providing taxi rides to essential workers whose normal transit commute service was reduced or eliminated due to the pandemic.

See the Planning and Delivering Transportation Improvements section for information on the 101-280 Managed Lanes and Bus Project. This effort is considering pricing as a way to incentivize the use of sustainable modes like transit and ride sharing, while using revenues generated from pricing to enhance and expand sustainable alternatives to driving alone.

NEIGHBORHOOD PROGRAM



Supporting community-based planning and neighborhood-scale investments

The Transportation Authority developed the Neighborhood Program in response to the San Francisco Transportation Plan's equity analysis finding that walking, biking, and transit reliability initiatives are important ways to address socio-economic and geographic disparities in San Francisco. The Transportation Authority Board and the public reinforced this finding through feedback that also placed an emphasis on investing in neighborhoods. The Neighborhood Program is also referred to as the Neighborhood Transportation Program or NTP.

The purpose of the program is to build community awareness of, and capacity to provide input to, the transportation planning process. The program is also designed to advance the delivery of community-supported, neighborhood-scale projects citywide by funding neighborhood planning efforts and providing matching capital funds to help deliver projects.

Since the program's inception in 2014, we have funded a diverse portfolio of projects in all 11 supervisorial districts. Recognizing the ongoing success of the program, the Prop L Expenditure Plan now includes the Neighborhood Program as its own program with dedicated funding. The Board approved programming for this five-year funding cycle in July 2023, following two successful cycles of Prop K funding for the Neighborhood Program. In 2023, which included final year of the Prop K funding cycle and the first year of the Prop L funding cycle, the Board provided funding for 11 Neighborhood Program projects. The map on the following page shows all current Neighborhood Program projects, including the 9 projects that were completed this year.

Learn more at sfcta.org/policies/neighborhood-program

Neighborhood Program Projects Completed in 2023

In District 1, the **Fulton Street Safety** project implemented safety improvements between Stanyan and La Playa streets along the border of Golden Gate Park, segments of which are located on the High Injury Network. SFMTA led the improvements, including daylighting 34 intersections to improve pedestrian visibility, 14 painted safety zones, two signalized bike connections to Golden Gate Park at 10th Avenue and 22nd Avenue, a speed radar sign at 41st Avenue, and paving a dirt path in the park near 22nd Avenue.

In District 2, the **Lombard Street Safety** project designed pedestrian safety improvements along Lombard Street from Van Ness Avenue to Richardson Avenue, including daylighting, advance stop bars, and pedestrian and bus bulb-outs. The SFMTA and Public Works also constructed continental crosswalks and implemented leading pedestrian interval signal timing. The remaining design elements will be implemented with a future Caltrans paving project.

In District 4, the **Sloat/Skyline Intersection Alternatives Analysis** project evaluated three alternatives for the reconfiguration of the intersection of Sloat Boulevard, Skyline Boulevard, and 39th Avenue to improve operations and safety for pedestrians, cyclists, transit, and vehicular traffic. The SFMTA-led analysis concluded that a signalized T-intersection was the best alternative, and recommended the project move forward with detailed design of this option.

In District 5, the **Octavia Improvements Study** evaluated the accessibility, safety, and circulation of Octavia Boulevard leading to the Central Freeway. Led by the Transportation Authority in partnership with the SFMTA, and based on two major rounds of community engagement, the study recommends both local safety and connectivity improvements, including bulbouts, red light camera enforcement, and other traffic calming measures; and regional congestion management strategies, including a transit and High Occupancy Vehicle lane on Oak Street and a Regional Express Transit Hub to connect San Francisco with Peninsula cities.

In District 6, the **Treasure Island Supplemental Transportation Study** identified near-term supplemental transportation services to meet the current needs of Treasure Island residents. We partnered with One Treasure Island to conduct a community outreach and evaluation process which resulted in the following five priority actions: launch a community ambassador program; improve bus shelter safety; pilot a microtransit shuttle to San Francisco; expand direct Muni service to more destinations in San Francisco, and improve marketing and communications for transportation services.

In District 7, the **Ocean Avenue Mobility Action Plan** identified a set of five projects for managing congestion and improving safety, connectivity, livability, and transit service on the Ocean Avenue corridor between San Jose Avenue and Junipero Serra. Working with the District 7 and District 11 offices, we convened a Task Force to liaise with the community and determine the set of project recommendations, with consideration for outreach findings and technical analysis conducted by the project team. The five priority concepts that emerged from this process are pedestrian safety improvements on Ocean Avenue; speed management improvements on Ocean Avenue; bike connectivity improvements via Holloway; K Ingleside Muni Forward improvements to improve capacity, reduce travel times, increase reliability, and enhance traffic safety; and a shared pedestrian and bike path between I-280 and the Frida Kahlo/Ocean/Geneva intersection.

In District 8, SFMTA installed upgrades from Octavia Boulevard to Castro Street, a 1-mile segment of the city's Vision Zero High-Injury Network as part of **Upper Market Street Safety Improvements**. Improvements included bulbouts, new traffic signals and traffic signal upgrades, new and upgraded crosswalk striping, curb ramps, and transit boarding islands.

Also in District 8, **Elk Street at Sussex Street Pedestrian Safety Improvements** added a marked crosswalk, rectangular rapid flashing beacons, a new streetlight, four curb ramps, and three bulbouts to the intersection. The SFMTA also reduced the speed limit north of the intersection, improved sightlines between drivers and pedestrians, and closed unsafe pedestrian crossings to channel pedestrians to the improved intersection.

District 11 Traffic Calming Cycle 2 implemented proactive traffic calming measures at 36 locations, focusing on the Oceanview and Ingleside neighborhoods. With the goal of keeping streets safe for people walking and bicycling, SFMTA and Public Works conducted outreach to the neighborhoods and constructed speed humps, speed cushions, speed tables, and raised crosswalks to discourage fast cut-through traffic on neighborhood streets.

New Neighborhood Program Projects in 2023

In District 1, **38th and Geary Rectangular Rapid Flashing Beacons** will design and install rectangular rapid flashing beacons, pedestrian push buttons, and improved signage to improve pedestrian safety at the intersection of 38th Avenue and Geary Boulevard. These improvements, led by the SFMTA and supported by Public Works, will alert motorists to people crossing and encourage them to yield.

The **District 2 Safety Study and Implementation** will address safety challenges and barriers to access on routes that children, seniors, and other vulnerable road users use to access places like parks, schools, hospitals, and recreational areas. SFMTA will develop a toolkit of safety improvements and guidance for implementation. Funding for this project also includes implementation of recommendations as a combination of quick-build or permanent construction.

In District 3, the **Walter U Lum Place Public Space Study** will study various scenarios for a people-first Walter U Lum Place, including a shared street, traffic-calmed street, and time-restricted vehicle access. The Transportation Authority and the SFMTA will partner to develop an urban design strategy to connect Walter U Lum Place with other cultural destinations in Chinatown.

In District 4, **Ortega Street Improvements** will design and implement traffic calming measures on Ortega Street between 19th and 47th avenues to create a safer, more comfortable pedestrian and bicycle route. In partnership with Public Works, the SFMTA will implement improvements based on the Transportation Authority's District 4 Mobility Study, including speed cushions, traffic circles, intersection daylighting, and continental crosswalks.

In District 6, the **Mission Bay School Access Plan** will analyze connectivity between the new Mission Bay Elementary School site, the existing low-stress active transportation network, and existing and planned transit routes. Led by the Transportation Authority in coordination with the SFMTA and the San Francisco Unified School District, the project will design infrastructure improvements to mitigate key barriers to active transportation based on emerging findings from the Transportation Authority-

led School Access Plan. Funding to begin implementation is included in the project, pending design recommendations.

The **District 6 Traffic Calming and Sideshow Deterrence** project will design and install traffic calming devices and sideshow deterrence measures to improve safety at eleven locations in District 6 identified by the District 6 office and its constituents. Led by SFMTA in partnership with Public Works and the San Francisco Fire Department, potential measures include Botts Dots (raised pavement markers) and centerline and corner 'hardening' with paint, delineators, and rubber speed humps.

In District 7, the **Ocean Avenue Safety and Bike Access** project will implement near- and mid-term pedestrian safety, bicycle access, and other upgrades along and adjacent to the Ocean Avenue business district, which were identified in the Ocean Ave Mobility Action Plan. The SFMTA-led upgrades will include pedestrian safety improvements, new and updated traffic signal heads, striping and signage, left-turn traffic-calming and arterial speed management, and improved bicycle connectivity.

In District 7, the **Inner Sunset Multimodal Safety and Access Study** will identify a prioritized short list of five to six recommendations to improve multimodal traffic safety and access in the Inner Sunset commercial core area between Lincoln, Judah, 7th Avenue and 10th Avenue. The Transportation Authority and the SFMTA will partner to develop 2 - 3 low-complexity improvement ideas, such as bike parking or color curb modifications; 2 - 3 conceptual improvement ideas, such as safety and transit priority treatments; and 1 - 2 bold concepts, such as significant circulation changes or vehicle restrictions. These recommendations would require further conceptual design, evaluation, and outreach following this study.

In District 8, the **Next Generation Sanchez Slow Street** project will pilot innovative new treatments and test out 'next generation' improvements, including concrete traffic calming islands and permanent metal wayfinding signs, along Sanchez Street from 23rd Street to 30th Street. Following an approved design, SFMTA will construct the traffic calming islands and potential landscaping and signs.

In District 9, the **Valencia Long-Term Bikeway Study** will identify long-term concepts for safety and streetscape improvements on the Valencia Street corridor between Market Street and Cesar Chavez. The project, led by SFMTA, will work with merchants, stakeholders, and community members to study several community-generated concepts, including a curbside two-way protected bikeway, a pedestrianized Valencia street, converting the corridor to a one-way street, and restricting through-traffic, in addition to a permanent version of the current pilot of a center-running configuration.

In District 10, the SFMTA will lead the **Visitacion Valley & Portola Community Based Transportation Plan Implementation**. Drawing from the completed plan, specific improvements may include speed humps/cushions, lighting, crosswalk flashing beacons, new and/or raised crosswalks, pedestrian bulbouts, new bikeways, and Muni stop improvements. This project will focus specifically on improvements in Visitacion Valley.

CURRENT NEIGHBORHOOD PROGRAM PROJECTS

PLANNING PROJECTS

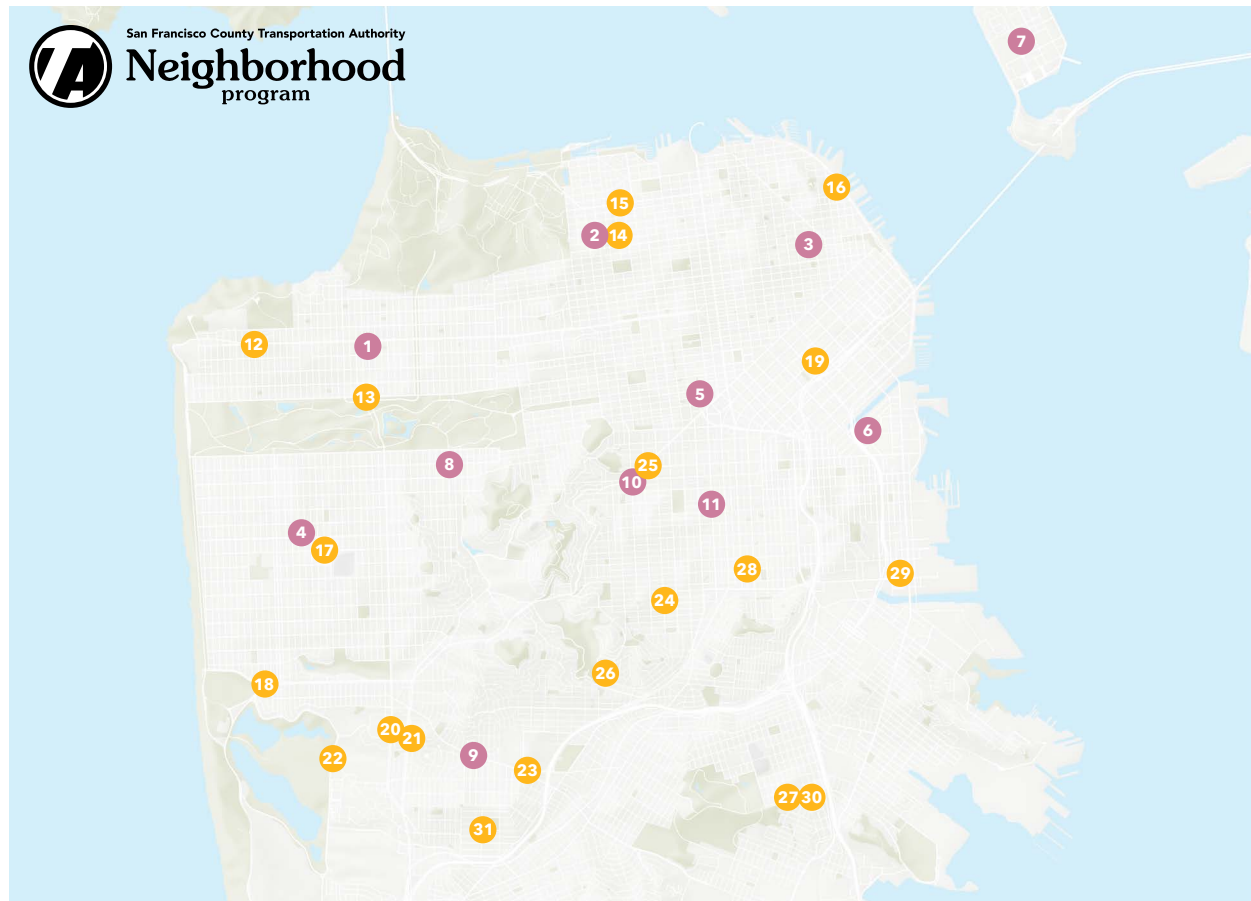
- 1 District 1 Multimodal Transportation Study (District 1)
- 2 District 2 Safety Study (District 2)
- 3 Walter U Lum Place Public Space Study (District 3)
- 4 District 4 Microtransit Business Plan (District 4)
- 5 Octavia Improvements Study (District 5)*
- 6 Mission Bay School Access Plan (District 6)
- 7 Treasure Island Supplemental Transportation Study (District 6)*
- 8 Inner Sunset Multimodal Safety and Access Study (District 7)
- 9 Ocean Avenue Mobility Action Plan (District 7)*
- 10 Jane Warner Plaza Renovation (District 8)
- 11 Valencia Long-Term Bikeway Study (District 9)

CAPITAL PROJECTS

- 12 38th and Geary Rectangular Rapid Flashing Beacons (District 1)
- 13 Fulton Street Safety (District 1)*
- 14 District 2 Safety Study Implementation (District 2)
- 15 Lombard Street Safety (District 2)*
- 16 District 3 Pedestrian Safety Improvements (District 3)
- 17 Ortega Street Improvements (District 4)
- 18 Sloat/Skyline Intersection Alternatives Analysis (District 4)*
- 19 District 6 Traffic Calming and Sideshow Deterrence (District 6)
- 20 FY19 Participatory Budgeting Priorities (District 7)
- 21 FY20 Participatory Budgeting Priorities (District 7)
- 22 Lake Merced Quick Build (District 7) [design complete]
- 23 Ocean Avenue Safety and Bike Access (District 7)

- 24 Next Generation Sanchez Slow Street (District 8)
- 25 Upper Market Street Safety Improvements (District 8)*
- 26 Elk Street at Sussex Street Pedestrian Safety Improvements (District 8)*
- 27 Vision Zero Proactive Traffic Calming – Visitacion Valley and Portola Neighborhoods (District 9)
- 28 District 9 Traffic Calming (District 9)
- 29 Minnesota and 25th Streets Intersection Improvements (District 10)
- 30 Visitacion Valley & Portola Community Based Transportation Plan Implementation (District 10)
- 31 District 11 Traffic Calming Cycle 2 (District 11)*

* Projects completed in 2023



PROP AA VEHICLE REGISTRATION FEE

In 2010, San Francisco voters approved Prop AA, authorizing the Transportation Authority to collect an additional \$10 annual vehicle registration fee on motor vehicles registered in San Francisco and to use the proceeds to fund transportation projects in the following categories:

- Street repair and reconstruction
- Pedestrian safety
- Transit reliability and mobility improvements

Prop AA generates about \$5 million per year and it funds neighborhood-scale projects that can quickly deliver benefits to the public. To that end, Prop AA only funds the final design and construction phases of projects. The expenditure plan requires that the Transportation Authority approve a strategic plan to guide the day-to-day implementation of the program and to identify which projects will receive funds. The Board approved the latest strategic plan, covering Fiscal Years 2022/23 to 2026/27, in 2022.

As of December, 28 of the 45 projects funded from program inception to date have been completed and are open for use by the public. Twelve more projects are under construction and five projects are in the design phase.

What Does Prop AA Fund? The voter-approved Prop AA Expenditure Plan allocates vehicle registration fee revenues to three types of projects in the percentage allocations seen below.

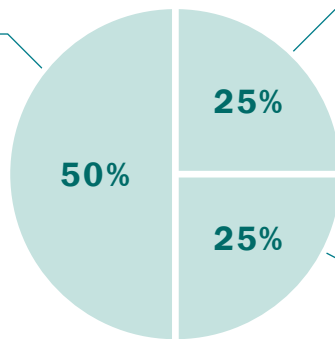
STREET REPAIR AND RECONSTRUCTION

Reconstruction of city streets with priority given to streets located on:

- Bicycle network
- Transit network

Priority to projects that include complete streets elements, including:

- Pedestrian improvements
- Traffic calming
- Bicycle infrastructure



PEDESTRIAN SAFETY

- Crosswalk maintenance
- Sidewalk repair and widening
- Sidewalk bulb-outs
- Pedestrian lighting, signals, and median islands

TRANSIT RELIABILITY AND MOBILITY IMPROVEMENTS

- Transit station/stop improvements
- Transit signal priority
- Travel information improvements
- Parking management pilots
- Transportation demand management

Three Prop AA projects opened for use in 2023:

- 5th Street Quick-Build Improvements:** The SFMTA improved safety along the 5th Street corridor for all road users in the neighborhood. The project included pedestrian, bicycle, transit, loading/parking improvements, a raised crosswalk at Minna Street, four transit boarding islands, and roadway striping along 5th Street between Market and Townsend streets.
- Joice Alley Lighting Improvements:** Public Works designed and constructed three new pedestrian-scale street lights, as well as sidewalk and roadway improvements on Joice Alley between Clay and Sacramento streets in the Chinatown neighborhood. The project makes walking more inviting and safer along this important pedestrian path directly across from Gordon J. Lau Elementary and close to the Powell cable car line, several Muni bus stops, and the Chinatown subway station.
- Page Street Neighborway (Webster to Market):** The SFMTA constructed six sidewalk bulb-outs along Page Street at Gough, Laguna, and Buchanan streets to shorten crossing distances, slow turning vehicle traffic, and improve overall pedestrian safety and comfort. This project also constructed San Francisco's first raised intersection at Page and Buchanan streets with vertical deflection for vehicles, special paving to enhance pedestrian priority, and seating opportunities.

FUNDED IN 2023 (PROJECT SPONSOR)	TOTAL PROJECT COST	PROP AA ALLOCATED	CURRENT PHASE
STREET REPAIR AND RECONSTRUCTION			
Hunters Point, Central Waterfront, and Potrero Hill Area Streets Pavement Renovation (SFPW)	\$5,961,000	\$2,882,492	Construction
PEDESTRIAN SAFETY			
Innes Avenue Sidewalk Improvements (SFPW)	\$179,000	\$179,000	Design
TRANSIT RELIABILITY AND MOBILITY IMPROVEMENTS			
M Ocean View Transit Reliability and Mobility Improvements (SFMTA)	\$3,460,000	\$1,000,000	Design
Salesforce Transit Center Wayfinding Phase 1B (TJPA)	\$886,700	\$300,000	Construction
2023 GRAND TOTAL	\$10,486,700	\$4,361,492	

OPEN FOR USE IN 2023 (PROJECT SPONSOR)	TOTAL PROJECT COST	PROP AA ALLOCATED	CURRENT PHASE
PEDESTRIAN SAFETY			
Joice Alley Lighting Improvements (SFPW)	\$500,000	\$500,000	Design, Construction
5th Street Quick-Build Improvements (SFMTA)	\$1,427,407	\$378,372	Construction
Page Street Neighborway (Webster to Market)	\$2,215,000	\$144,005	Construction
OPEN FOR USE GRAND TOTAL	\$4,142,407	\$1,022,377	

TRANSPORTATION FUND FOR CLEAN AIR

Improving air quality through reduced motor vehicle emissions

The Transportation Authority is the Program Manager for the Transportation Fund for Clean Air (TFCA) in San Francisco. This regional grant program is supported by a \$4 motor vehicle registration fee in the Bay Area and is intended to fund projects that cost-effectively reduce motor vehicle emissions while improving mobility.

This year the Transportation Authority awarded \$887,215 in TFCA funds to four projects:

- San Francisco Environment’s Emergency Ride Home program, which guarantees a ride home for commuters who normally take transit, walk, or bike to work.
- SFMTA’s Short Term Bike Parking project, which will fund siting and installation of 1,217 bike racks, providing 2,434 new parking spaces across the city.
- SFMTA’s Taxi Electrification Vehicle rebate program, which will reimburse an anticipated 21 taxi owners for replacing gas-powered taxicabs with electric vehicles or plug-in hybrid.
- SFMTA’s Taxi Electrification EV Infrastructure rebate program, which will fund acquisition and installation of two electric vehicle charging stations at taxi fleet lots in San Francisco.



TFCA-funded Zero Emissions Battery Electric Bus purchased for Presidio GO shuttle service

Project sponsors completed five previously funded TFCA projects listed in the table below, which resulted in the installation of 1,420 bike racks citywide, 6 fast chargers for electric vehicles, and purchasing a new battery-electric bus for the Presidio GO shuttle.

FUNDED IN 2023 (PROJECT SPONSOR)	TOTAL PROJECT COST	TFCA FUND AMOUNT
Short Term Bike Parking (SFMTA)	\$1,048,507	\$422,963
Emergency Ride Home (SFE)	\$116,252	\$116,252
Taxi Electrification – Vehicles (SFMTA)	\$186,000	\$186,000
Taxi Electrification – EV Infrastructure (SFMTA)	\$180,000	\$162,000
TOTAL	\$1,530,759	\$887,215

COMPLETED IN 2023 (PROJECT SPONSOR)	TOTAL PROJECT COST	TFCA FUND AMOUNT
Short Term Bike Parking (SFMTA)	\$1,075,320	\$465,723
PresidiGo Battery Electric Shuttle (Presidio Trust)	\$1,312,750	\$250,000
Mixed Use Building Fast Charging in San Francisco (EVgo)	\$300,000	\$200,000
Mixed Use Building Fast Charging in San Francisco (EVgo)	\$207,375	\$150,000
Emergency Ride Home (SFE)	\$72,016	\$72,016
TOTAL	\$2,967,461	\$1,137,739

ONE BAY AREA GRANT PROGRAM

Supporting growth with transportation investments

The MTC's One Bay Area Grant program supports projects that advance regional transportation priorities while also advancing the Bay Area's housing and land-use goals. The program distributes federal transportation dollars to reward jurisdictions that accept housing growth and focus transportation investments in support of Priority Development Areas.



In 2022, the Transportation Authority nominated San Francisco's One Bay Area Grant Cycle 3 project priorities, up to a target amount, and MTC decided on the final awards in early 2023. For Cycle 3, we conducted a competitive call for projects and nominated seven new projects to receive up to \$52.76 million in One Bay Area Grant Cycle 3 funds over the program's four-year funding cycle. We also recommended \$7 million to continue supporting the SFMTA's Safe Routes to Schools Non-Infrastructure program. In 2023, the MTC awarded \$50.58 million to six San Francisco projects.

In 2023, the Transportation Authority worked with the MTC and the SFMTA to approve two fund exchanges between OBAG 3 funds programmed to two Transportation Authority projects and local Prop K funds allocated to the SFMTA Light Rail Vehicle Projects, shown in the table below.

We continued to provide oversight and support to One Bay Area Grant project sponsors. We supported delivery of projects such as Caltrain Electrification, which advanced construction, and Elevator Modernization Phase 1.3, which advanced design.

Learn more at sfcta.org/funding/one-bay-area-grant-program

COMPLETED IN 2023 (PROJECT SPONSOR)	TOTAL PROJECT COST	OBAG FUND AMOUNT	CURRENT PHASE
SFMTA Light Rail Vehicles (for SFCTA West Side Bridges Seismic Retrofit fund exchange)	\$1,126,960,331	\$14,899,000	Construction
Elevator Modernization Phase 1.3 (Embarcadero, Montgomery St, Powell St, Civic Center/UN Plaza, Glen Park) (BART)	\$42,900,000	\$13,300,000	Construction
Safe Routes to School Non-Infrastructure (SFMTA)	\$8,000,000	\$7,082,000	Construction
Central Embarcadero Safety (SFMTA)	\$10,695,000	\$6,320,000	Construction
29 Sunset Improvement Project Phase 1 (SFMTA)	\$13,661,000	\$5,976,000	Construction
Yerba Buena Island Multi-Use Path (SFCTA)	\$101,091,000	\$2,250,000	Design
SFMTA Light Rail Vehicles (for SFCTA Yerba Buena Island Multi-Use Path fund exchange)	N/A	\$750,000	Construction
TOTAL	\$1,303,307,331	\$50,577,000	

STATE TRANSPORTATION IMPROVEMENT PROGRAM

As the Congestion Management Agency for San Francisco, the Transportation Authority establishes biennial project priorities for San Francisco's share of funds from the State Transportation Improvement Program. This is one of the few fund sources which we can use to match half-cent sales tax funds for major transit and roadway projects.

This year, the Transportation Authority approved San Francisco's project priorities for the 2024 State Transportation Improvement Program consisting of \$45.6 million in state funds for SFMTA's New Flyer Midlife Overhaul – Phase III project for 136 vehicle overhauls. Performing midlife overhauls on the fleet significantly improves vehicle reliability through the end of its useful life, reduces the incidence of breakdowns, prevents service interruptions with additional costly repairs, and ensures consistency in systems deployed across SFMTA's 800+ buses.



State funds and local sales tax dollars will help SFMTA perform major capital maintenance on its New Flyer fleet to ensure the buses run safely and reliably to the end of their useful lives

The Transportation Authority has had long-standing commitments of future State Transportation Improvement Program funds to signature Prop K sales tax projects. As part of the 2024 State Transportation Improvement Program, the Transportation Authority fulfilled the remaining \$17.8 million commitment to The Portal to support the project's time-sensitive application for a multi-billion-dollar federal Capital Investment Grant. The Portal can't accept State Transportation Improvement Program funds directly because its progressive design-build contracts will be awarded before the funds are available, so we are meeting the commitment to The Portal by programming State Transportation Improvement Program funds to SFMTA's New Flyer Mid-Life Overhaul project and making a dollar-for-dollar amount of Prop L funds available to The Portal through a fund exchange with the sales tax.

The remaining Board-adopted priorities include \$46,699,654 in remaining commitments to two projects: Central Subway (\$15,699,654)(to be fulfilled by programming funds to other eligible SFMTA projects) and Presidio Parkway Advance (\$31 million to repay the MTC for advancing project funds).

FUNDED IN 2023 (PROJECT SPONSOR)	TOTAL PROJECT COST	STATE TRANSPORTATION IMPROVEMENT PROGRAM FUND AMOUNT
New Flyer Midlife Overhaul – Phase III (SFMTA)	\$146,552,000	\$45,569,000
TOTAL	\$146,552,000	\$45,569,000

LIFELINE TRANSPORTATION PROGRAM

Improving transportation access for Equity Priority Communities

MTC established the Lifeline Transportation Program to improve transportation access for low-income communities, many of whom are transit dependent. In its current form, MTC makes State Transit Assistance population-based funds available to CMAs, allowing each county to determine how best to invest in paratransit and other transit operating and capital needs. State Transit Assistance funds are a volatile funding source based on the price of diesel fuel. Thus, each funding cycle MTC projects how much funds will be available, and we work with MTC and project sponsors to reconcile the actual amounts available at the end of the fiscal year.

The Transportation Authority programmed up to \$2.34 million in San Francisco Lifeline Transportation Program Cycle 3 funds to BART's Elevator Attendant Program for two years – extending support provided in Cycles 1 and Cycle 2. The Elevator Attendant Program helps improve safety, mobility, and accessibility for BART and SFMTA customers who rely on the elevators to access the four downtown shared BART and SFMTA stations: Civic Center/UN Plaza, Powell Street, Montgomery Street, and Embarcadero.

Sponsors completed three previously funded projects this year. These include SFMTA's Route 14 Mission Customer First project which provided enhancements to existing bus service along the 14 Mission Corridor to mitigate multi-modal conflicts, reduce delay, and improve accessibility, including: colorization of exclusive transit lanes, transit signal priority along the corridor, information and transit arrival predictions signs, enhanced transit stop and vehicle identification, and transit only lane enforcement cameras on buses. The SFMTA also completed the Bayview Transit Assistant Program, which funded three Transit Assistants on the 29 Sunset, 44 O'Shaughnessy, and the T Third.



Elevator attendant Charles Jones, greets customers at Powell Street Station. Elevator attendants ensure that BART and Muni Civic Center and Powell Street station elevators are clean and reliable.

Learn more at sfcta.org/funding/lifeline-transportation-program

FUNDED IN 2023 (PROJECT SPONSOR)	TOTAL PROJECT COST	SF LIFELINE FUND AMOUNT
Elevator Attendant Program (Cycle 3) (BART)	\$6,785,272	up to \$2,340,041*
TOTAL	\$6,785,272	UP TO \$2,340,041

* Given the volatility of State Transit Assistance revenues, the recommendations include an "up to" amount in case actual revenues are lower.

COMPLETED IN 2023 (PROJECT SPONSOR)	TOTAL PROJECT COST	SF LIFELINE FUND AMOUNT
Route 14 Mission Customer First (SFMTA)	\$12,785,653	\$5,056,891
Elevator Attendant Initiative (Cycle 2) (BART)	\$3,000,000	\$1,035,626
Bayview Transit Assistant Program (SFMTA)	\$622,282	\$600,000
TOTAL	\$16,407,935	\$6,692,517

LOCAL PARTNERSHIP PROGRAM

State Rewards Prop L Passage with \$5 Million Bonus

The Senate Bill 1 Local Partnership Program rewards jurisdictions that have voter approved taxes or fees dedicated solely to transportation. As administrator of the voter approved local transportation sales tax (formerly Prop K, now Prop L) and Prop AA vehicle registration fee, the Transportation Authority annually receives state gas tax funds for capital projects that improve bicycle or pedestrian safety and mobility, the local road system, transit facilities, or the state highway system, among other transportation improvement projects. The City also receives these funds for the TNC Tax, which we help administer. In 2023, the California Transportation Commission rewarded San Francisco with \$5 million in additional Local Partnership Program incentive funds for passing Prop L in November 2022.

In 2023, the Transportation Authority Board programmed Local Partnership Program funds to the Hillcrest Road Improvement Project and Yerba Buena Island Multi-Use Path projects, that the CTC is expected to approve in 2024. These projects are part of a series of transportation infrastructure projects on Yerba Buena Island that will support development on Treasure Island, including 8,000 units of housing at full build out, with 26% of these units being affordable.

The Hillcrest Road Improvement Project will reconstruct the roadway to modern standards to improve and to create space for a future multi-use facility that will improve the bicycle circulation network on Yerba Buena Island. The Yerba Buena Island Multi-Use Path will be a Class I facility, separated from traffic, between the existing Bay Bridge East Span bike/pedestrian landing on Yerba Buena Island and the Macalla Road/Treasure Island Road intersection.

FUNDED IN 2023 (PROJECT SPONSOR)	CURRENT PHASE	COST OF REQUESTED PHASE	LOCAL PARTNERSHIP PROGRAM FORMULA FUND AMOUNT
Hillcrest Road Improvement Project (SFCTA)	Construction	\$33,500,000	\$2,600,000
Yerba Buena Island Multi-Use Path (SFCTA)	Design	\$6,801,000	\$1,000
TOTAL		\$40,301,000	\$2,601,000



“We want to have more people travel downtown via Caltrain because that helps the neighborhood be less congested and allows more people to access the area without a car.”

Brian Shaw
on Caltrain Electrification



See "Sales Tax Stories" at sfcta.org/stories to learn more about how people across San Francisco benefit from the half-cent sales tax for transportation.

TRANSPARENCY AND ACCOUNTABILITY

We are responsible for informing the public about the work we do and how we spend taxpayer funds.

PROP K HIGHLIGHTS

The table below provides a snap shot of the projects Proposition K (Prop K) has delivered from inception through December 2023, with a few illustrative examples of projects completed by Expenditure Plan line. Projects shown are open for use, or are completed planning efforts, unless otherwise noted. Visit the MyStreetSF interactive project map at mystreetsf.sfcta.org to see half-cent sales tax and other Transportation Authority-funded projects near you.

A. TRANSIT

i. Major Capital Projects	
a. Muni	
Rapid Bus Network including Real Time Transit Information	N Judah Transit Improvements, Mission-Geneva Transit and Pedestrian Improvements, Geary Rapid, Van Ness Bus Rapid Transit, 22 Fillmore Muni Forward
Third Street Light Rail (Phase 1)	Done
Central Subway (Third Street Light Rail, Phase 2)	Done
Geary Light Rail	*
b. Caltrain	
Downtown Extension to a Rebuilt Transbay Terminal	Transbay Transit Center – DONE; Downtown Extension in design
Electrification	Under construction
Capital Improvement Program	Train Departure Monitors at Terminal Stations, Right-of-Way Safety Fencing, Marin Street and Napoleon Street Bridges Rehabilitation, 22nd Street ADA Study
c. BART Station Access, Safety and Capacity	
	16th Street BART Station NE Plaza Redesign, 24th Street/Mission Plaza and Pedestrian Improvements, Daly City Bus Circulation Improvements, bicycle parking at Balboa Park and Glen Park stations, wayfinding / passenger information improvements at the 16th Street and 24th Street stations, Powell Street Station Modernization
d. Ferry	
	Downtown Ferry Terminal Expansion
ii. Transit Enhancements	
Extension of Trolleybus Lines/Electrification of Motorcoach Routes	
Extension of Streetcar Service (Fisherman's Wharf to Fort Mason)	
Purchase/Rehab of Historic Streetcars for New/Expanded Service	
Balboa Park BART/Muni Station Access Improvements	Balboa Park Real Time Transit Information, Balboa Park Eastside Connections, Balboa Park Station Area and Plaza Improvements
Relocation of Caltrain Paul Avenue Station to Oakdale Avenue	Oakdale Ridership Study
Purchase of Additional Light Rail Vehicles for Muni Light Rail Lines	24 new light rail vehicles in service
Other Transit Enhancements	Sloat Boulevard Pedestrian Improvements, Glen Park Community Plan Implementation Phase 1, Southwest Subway (19th Avenue / M Ocean View) pre-environmental support
iii. System Maintenance and Renovation	
a. Vehicles	
Transit Vehicle Replacement and Renovation	1,296 new Muni transit vehicles (buses, light rail and paratransit vehicles), rehab of Caltrain locomotives, rebuilt 16 Muni historic streetcars, rehab of 60 articulated trolley buses
Trolleybus Wheelchair-lift Incremental Operations and Maintenance	Done
F-Line Historic Streetcar Incremental Operations and Maintenance	Done
b. Facilities	
Rehabilitation, Upgrade and Replacement of Existing Facilities	New Muni Islais Creek Maintenance Facility, new Transportation Management Control Center, reconstructed 13 Muni escalators, renovated SFMTA's central parts warehouse at 1570 Burke Avenue, installed worker fall protection and safety and maintenance systems at 10 Muni facilities; Caltrain systemwide station improvements.
Muni Metro Extension Incremental Operations and Maintenance	Done
c. Guideways	
	California Street cable car infrastructure improvements, Green Light Rail Center track replacement' Market and Haight street transit and pedestrian improvements' rebuilt Cable Car Barn gearboxes, and upgrades to overhead wires, traffic signals, and other street improvements

* The Expenditure Plan identified this as a Priority 3 project which would only receive funding under the most optimistic revenue forecast. We do not expect revenue levels to reach Priority 3.

B. PARATRANSIT SERVICES

Paratransit Services	Approximately 8.8 million paratransit trips provided from June 2010 through December 2023 for seniors and disabled persons, Ramp Taxi Incentives Program (20% increase in wheelchair trips), Essential Trip Card Program, Shop-a-Round and Van Gogh shuttles
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C. STREETS AND TRAFFIC SAFETY

i. Major Capital Projects	
a. Doyle Drive	Done
b. New and Upgraded Streets	
Bernal Heights Street System Upgrading	Done
Great Highway Erosion Repair	Great Highway reroute project (planning)
Visitation Valley Watershed Area Projects (San Francisco share)	Leland Avenue streetscape, Geneva-Harney Bus Rapid Transit Feasibility Study
Illinois Street Bridge	Done
Traffic Study to Reduce Impacts of SR1 in Golden Gate Park	
Upgrades to Major Arterials (including 19th Avenue)	19th Avenue median improvements, Lombard Street pedestrian safety improvements (curb bulb-outs, crosswalks, signal timing), Alemany Interchange Improvement, Fulton Street Safety Project
ii. System Operations, Efficiency and Safety	
a. New Signals and Signs	72 new traffic signals, 974 pedestrian countdown signals, 811 audible pedestrian signals
b. Advanced Technology and Information Systems (SFgo)*	Variable message signs on Oak, Fell and Third streets; connected Franklin and Gough traffic signals with Transportation Management Center; installed traffic cameras and transit system priority on Muni Rapid routes; rehab of variable message signs at City parking garages
iii. System Maintenance and Renovation	
a. Signals and Signs	482 upgraded traffic signals, over 8,970 traffic signs upgraded, 71 high visibility signal heads
b. Street Resurfacing, Rehabilitation, and Maintenance	
Street Resurfacing and Reconstruction	823 blocks paved — e.g.: Alemany, Anza, Balboa, Battery, Brannan, California, Clayton, Clipper, Kirkham, Golden Gate, Laguna, Page, Parkmerced/Twin Peaks/Mt Davidson Manor, Portola, Potrero
Street Repair and Cleaning Equipment	177 trucks and other equipment purchased for street cleaning and maintenance, such as brick mason's truck, street sweepers, dump trucks, asphalt grinders and a tunnel-washer truck
Embarcadero Roadway Incremental Operations and Maintenance	Done
c. Pedestrian and Bicycle Facility Maintenance	About 6,315 sidewalk locations repaired; safe hit posts on Market, Fell and Oak streets; Division Street green bike lane; repaired automatic bike counters; re-painted bike lanes
iv. Bicycle and Pedestrian Improvements	
a. Traffic Calming	Speed humps (citywide), Safe Routes to School projects (e.g. Sunset Elementary, John Yehall Chin, West Portal, Balboa-Denman), South Park Traffic Calming, Golden Gate Park Traffic Safety, Buchanan Mall Bulbouts, District 11 Traffic Calming, Quick builds at South Van Ness Ave, Evans Ave, and Jones St., school walk audits
b. Bicycle Circulation/Safety	Marina Green Bicycle Trail, circulation improvements at the "Hairball", JFK Drive parking buffered bikeway, Civic Center BART/Muni bike station, Arguello Blvd. near term improvements, Battery & Sansome bicycle connections, Central Embarcadero Quick-Build Two-Way Bikeway, Anza Street Bike Lanes
c. Pedestrian Circulation/Safety	Continental Crosswalks, Bayshore/Cesar Chavez/Potrero Intersection Improvements, Wiggle Neighborhood Green Corridor, ER Taylor and Longfellow Elementary Safe Routes to School, Union Square Accessibility Improvements, Pedestrian Signals on Sunset Blvd., Lower Great Highway Pedestrian Improvements, Kearny/Jackson Intersection Improvements, Tenderloin Traffic Safety Improvements
d. Curb Ramps	Over 1,155 curb ramps funded from this category (excludes curb ramps funded through other projects such as street resurfacing)
e. Tree Planting and Maintenance	Over 9,330 trees planted, over 31,900 maintenance and establishment visits
D. TRANSPORTATION SYSTEMS MANAGEMENT/STRATEGIC INITIATIVES	
i. Transportation Demand Management/Parking Management	BART Travel Incentive Program; Bayview Moves van sharing pilot; Emergency Ride Home; Mobility, Access and Pricing Study; Walkfirst Investment Strategy
ii. Transportation/Land Use Coordination	Broadway Streetscape; Mansell Corridor Improvement; Second Street; Valencia Streetscape, Western Addition Community Based Transportation Plan; Pedestrian Safety in SOMA Youth and Family Zone Plan, Slow Duboce Triangle Study; Ocean Avenue Mobility Action Plan; Treasure Island Supplemental Transportation Study

* The Expenditure Plan identified this as a Priority 3 project which would only receive funding under the most optimistic revenue forecast. We do not expect revenue levels to reach Priority 3.

PROP K HALF-CENT SALES TAX

Activity Detail for Calendar Year 2023

	ALLOCATIONS		EXPENDITURES	
	2023 ALLOCATIONS (DE-OBLIGATIONS)	INCEPTION TO DATE ALLOCATIONS	2023 EXPENDITURES (ADJUSTMENTS)	INCEPTION TO DATE EXPENDITURES
A. TRANSIT				
i. Major Capital Projects				
a. Muni	\$ 3,184,360	\$ 290,857,336	\$ 2,250,671	\$ 269,775,600
Rapid Bus Network including Real Time Transit Information	\$ 3,184,360	\$ 72,296,061	\$ 2,250,671	\$ 51,617,473
Third Street Light Rail (Phase 1)	\$ -	\$ 92,561,275	\$ -	\$ 92,158,127
Central Subway (Third Street Light Rail Phase 2)	\$ -	\$ 126,000,000	\$ -	\$ 126,000,000
Geary Light Rail*	\$ -	\$ -	\$ -	\$ -
b. Caltrain	\$ 16,229,658	\$ 274,436,818	\$ 4,382,572	\$ 252,770,883
Downtown Extension to a Rebuilt Transbay Terminal	\$ 16,000,000	\$ 233,436,395	\$ 2,699,638	\$ 215,211,859
Electrification	\$ -	\$ 20,900,000	\$ 237,118	\$ 20,169,118
Capital Improvement Program	\$ 229,658	\$ 20,100,423	\$ 1,445,816	\$ 17,389,906
c. BART Station Access, Safety, and Capacity	\$ -	\$ 8,197,809	\$ 169,655	\$ 6,887,163
d. Ferry	\$ -	\$ 3,097,715	\$ 39,637	\$ 2,790,352
Total Major Capital Projects	\$ 19,414,018	\$ 576,589,678	\$ 6,842,535	\$ 532,223,998
ii. Transit Enhancements				
Extension of Trolleybus Lines/ Electrification of Motorcoach Routes	\$ -	\$ -	\$ -	\$ -
Extension of Streetcar Service (Fisherman's Wharf to Fort Mason)	\$ -	\$ 926,100	\$ -	\$ 5,609
Purchase/Rehab of Historic Streetcars for New/Expanded Service	\$ -	\$ 374,809	\$ 16,666	\$ 42,107
Balboa Park BART/Muni Station Access Improvements	\$ -	\$ 4,886,999	\$ 115,067	\$ 4,671,670
Relocation of Caltrain Paul Avenue Station to Oakdale Avenue	\$ -	\$ 2,735,689	\$ 1,444	\$ 675,727
Purchase of Additional Light Rail Vehicles for Muni Light Rail Lines	\$ -	\$ 4,694,972	\$ -	\$ 4,598,311
Other Transit Enhancements	\$ -	\$ 5,756,264	\$ 512,913	\$ 2,612,257
Total Transit Enhancements	\$ -	\$ 19,374,833	\$ 646,090	\$ 12,605,681
iii. System Maintenance and Renovation				
a. Vehicles	\$ (5,292,543)	\$ 492,326,171	\$ 37,082,027	\$ 366,765,650
Transit Vehicle Replacement and Renovation**	\$ (5,292,543)	\$ 484,709,640	\$ 37,082,027	\$ 359,149,119
Trolleybus Wheelchair-lift Incremental Operations and Maintenance	\$ -	\$ 2,448,531	\$ -	\$ 2,448,531
F-Line Historic Streetcar Incremental Operations and Maintenance	\$ -	\$ 5,168,000	\$ -	\$ 5,168,000
b. Facilities	\$ 29,995	\$ 98,122,022	\$ 5,144,508	\$ 82,267,066
Rehabilitation, Upgrade and Replacement of Existing Facilities	\$ 29,995	\$ 81,341,022	\$ 5,144,508	\$ 65,486,066
Muni Metro Extension Incremental Operations and Maintenance	\$ -	\$ 16,781,000	\$ -	\$ 16,781,000
c. Guideways	\$ 600,338	\$ 212,600,753	\$ 8,564,314	\$ 164,160,912
Total System Maintenance and Renovation	\$ (4,662,210)	\$ 803,048,946	\$ 50,790,849	\$ 613,193,628
TOTAL TRANSIT	\$ 14,751,808	\$ 1,399,013,457	\$ 58,279,474	\$ 1,158,023,307
B. PARATRANSIT SERVICES				
Paratransit Services	\$ -	\$ 179,050,276	\$ 10,693,727	\$ 173,662,524
TOTAL PARATRANSIT SERVICES	\$ -	\$ 179,050,276	\$ 10,693,727	\$ 173,662,524

* The Expenditure Plan identified this as a Priority 3 project which would only receive funding under the most optimistic revenue forecast. Prop K revenues did not reach Priority 3.

** In 2023, there was more funding deobligated than allocated for this expenditure line item.

PROP K HALF-CENT SALES TAX**Activity Detail for Calendar Year 2023**

	ALLOCATIONS		EXPENDITURES	
	2023 ALLOCATIONS (DE-OBLIGATIONS)	INCEPTION TO DATE ALLOCATIONS	2023 EXPENDITURES (ADJUSTMENTS)	INCEPTION TO DATE EXPENDITURES
C. STREETS AND TRAFFIC SAFETY				
i. Major Capital Projects				
a. Doyle Drive**	\$ (10,000)	\$ 69,084,362	\$ 36,391	\$ 68,841,649
b. New and Upgraded Streets				
Bernal Heights Street System Upgrading	\$ -	\$ 2,550,584	\$ -	\$ 2,550,584
Great Highway Erosion Repair	\$ -	\$ 425,652	\$ -	\$ 335,486
Visitation Valley Watershed Area projects (San Francisco share)	\$ -	\$ 1,380,652	\$ -	\$ 1,380,652
Illinois Street Bridge	\$ -	\$ 2,000,000	\$ -	\$ 2,000,000
Traffic Study to Reduce Impacts of SR1 in Golden Gate Park	\$ -	\$ -	\$ -	\$ -
Upgrades to Major Arterials (including 19th Avenue)**	\$ (89,118)	\$ 2,641,810	\$ 175,237	\$ 2,006,003
Total Major Capital Projects	\$ (99,118)	\$ 78,083,060	\$ 211,628	\$ 77,114,374
ii. System Operations, Efficiency, and Safety				
a. New Signals and Signs				
	\$ 240,475	\$ 24,780,122	\$ 1,927,132	\$ 22,526,748
b. Advanced Technology and Information Systems (SFgo)				
	\$ -	\$ 10,872,552	\$ 721,817	\$ 8,537,542
Total System Operations, Efficiency, and Safety	\$ 240,475	\$ 35,652,674	\$ 2,648,949	\$ 31,064,290
iii. System Maintenance and Renovation				
a. Signals and Signs				
	\$ 936,401	\$ 51,834,486	\$ 1,718,154	\$ 44,107,455
b. Street Resurfacing, Rehabilitation, and Maintenance				
Street Resurfacing and Reconstruction	\$ 3,100,000	\$ 97,457,275	\$ 1,850,567	\$ 80,491,038
Street Repair and Cleaning Equipment**	\$ (237)	\$ 15,238,024	\$ 1,606,557	\$ 14,192,907
Embarcadero Roadway Incremental Operations and Maintenance	\$ -	\$ 2,149,645	\$ -	\$ 2,149,645
c. Pedestrian and Bicycle Facility Maintenance**				
	\$ (28)	\$ 12,275,813	\$ 803,809	\$ 10,652,609
Total System Maintenance and Renovation	\$ 4,036,136	\$ 178,955,243	\$ 5,979,087	\$ 151,593,654
iv. Bicycle and Pedestrian Improvements				
a. Traffic Calming				
	\$ 4,077,926	\$ 57,921,539	\$ 5,987,855	\$ 40,481,151
b. Bicycle Circulation/Safety				
	\$ 2,263,323	\$ 24,731,117	\$ 1,736,350	\$ 17,917,534
c. Pedestrian Circulation/Safety				
	\$ 1,319,738	\$ 21,934,791	\$ 1,433,073	\$ 15,422,713
d. Curb Ramps				
	\$ 3,234,067	\$ 15,302,728	\$ 951,909	\$ 10,847,001
e. Tree Planting and Maintenance				
	\$ -	\$ 21,757,632	\$ 1,765,549	\$ 20,208,652
Total Bicycle and Pedestrian Improvements	\$ 10,895,054	\$ 141,647,807	\$ 11,874,736	\$ 104,877,051
TOTAL STREETS AND TRAFFIC SAFETY	\$ 15,072,547	\$ 434,338,784	\$ 20,714,400	\$ 364,649,369
D. TRANSPORTATION SYSTEMS MANAGEMENT/STRATEGIC INITIATIVES				
i. Transportation Demand Management/Parking Management				
	\$ 406,411	\$ 8,869,013	\$ 350,775	\$ 6,256,277
ii. Transportation/Land Use Coordination**				
	\$ (41,336)	\$ 13,718,314	\$ 781,737	\$ 11,813,361
TOTAL TRANSPORTATION SYSTEMS MANAGEMENT/STRATEGIC INITIATIVES	\$ 365,075	\$ 22,587,327	\$ 1,132,512	\$ 18,069,638
ADDITIONAL ITEMS				
FY2006 Cowcap Suspension Pool (Distribution to be based actual reimbursements)	\$ -	\$ 112,345	\$ -	\$ 112,345
CityBuild Program (Distribution methodology to established in subsequent Strategic Plan)	\$ -	\$ 1,073,719	\$ -	\$ 1,073,719
GRAND TOTAL	\$ 30,189,430	\$ 2,036,175,908	\$ 90,820,113	\$ 1,715,590,902

* The Expenditure Plan identified this as a Priority 3 project which would only receive funding under the most optimistic revenue forecast. Prop K revenues did not reach Priority 3.

** In 2023, there was more funding deobligated than allocated for this expenditure line item.

PROP L HALF-CENT SALES TAX

Activity Detail for Calendar Year 2023

	ALLOCATIONS*		EXPENDITURES	
	2023 ALLOCATIONS (DE-OBLIGATIONS)	INCEPTION TO DATE ALLOCATIONS	2023 EXPENDITURES (ADJUSTMENTS)	INCEPTION TO DATE EXPENDITURES
A. MAJOR TRANSIT PROJECTS				
i. Muni Reliability and Efficiency Improvements	\$ -	\$ -	\$ -	\$ -
ii. Muni Rail Core Capacity	\$ -	\$ -	\$ -	\$ -
iii. BART Core Capacity	\$ 35,295,335	\$ 35,295,335	\$ -	\$ -
iv. Caltrain Service Vision: Capital System Capacity Investments	\$ -	\$ -	\$ -	\$ -
v. Caltrain Downtown Rail Extension and Pennsylvania Alignment	\$ -	\$ -	\$ -	\$ -
TOTAL MAJOR TRANSIT PROJECTS	\$ 35,295,335	\$ 35,295,335	\$ -	\$ -
B. TRANSIT MAINTENANCE AND ENHANCEMENTS				
i. Transit Maintenance, Rehabilitation, and Replacement	\$ 34,715,000	\$ 34,715,000	\$ -	\$ -
a. Muni	\$ 17,650,000	\$ 17,650,000	\$ -	\$ -
b. BART	\$ 12,525,000	\$ 12,525,000	\$ -	\$ -
c. Caltrain	\$ 4,540,000	\$ 4,540,000	\$ -	\$ -
d. Ferry	\$ -	\$ -	\$ -	\$ -
ii. Transit Enhancements	\$ -	\$ -	\$ -	\$ -
a. Transit Enhancements	\$ -	\$ -	\$ -	\$ -
b. Bayview Caltrain Station	\$ -	\$ -	\$ -	\$ -
c. Mission Bay Ferry Landing	\$ -	\$ -	\$ -	\$ -
d. Next Generation Transit Enhancements	\$ -	\$ -	\$ -	\$ -
TOTAL TRANSIT MAINTENANCE AND ENHANCEMENTS	\$ 34,715,000	\$ 34,715,000	\$ -	\$ -
C. PARATRANSIT SERVICES				
i. Paratransit Services	\$ -	\$ -	\$ -	\$ -
TOTAL PARATRANSIT SERVICES	\$ -	\$ -	\$ -	\$ -
D. STREETS AND FREEWAYS				
i. Maintenance, Rehabilitation, and Replacement	\$ 1,998,000	\$ 1,998,000	\$ -	\$ -
a. Street Resurfacing, Rehabilitation, and Maintenance	\$ 380,000	\$ 380,000	\$ -	\$ -
b. Pedestrian and Bicycle Facilities Maintenance	\$ 518,000	\$ 518,000	\$ -	\$ -
c. Traffic Signs and Signals Maintenance	\$ 1,100,000	\$ 1,100,000	\$ -	\$ -
ii. Safer and Complete Streets	\$ 2,150,000	\$ 2,150,000	\$ -	\$ -
a. Safer and Complete Streets	\$ 1,150,000	\$ 1,150,000	\$ -	\$ -
b. Curb Ramps	\$ -	\$ -	\$ -	\$ -
c. Tree Planting	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -
iii. Freeway Safety and Operational Improvements	\$ 150,000	\$ 150,000	\$ -	\$ -
a. Vision Zero Ramps	\$ 150,000	\$ 150,000	\$ -	\$ -
b. Managed Lanes and Express Bus	\$ -	\$ -	\$ -	\$ -
c. Transformative Freeway and Major Streets Projects	\$ -	\$ -	\$ -	\$ -
TOTAL STREETS AND FREEWAYS	\$ 4,298,000	\$ 4,298,000	\$ -	\$ -
E. TRANSPORTATION SYSTEM DEVELOPMENT AND MANAGEMENT				
i. Transportation Demand Management	\$ -	\$ -	\$ -	\$ -
ii. Transportation, Land Use, and Community Coordination	\$ 900,000	\$ 900,000	\$ -	\$ -
a. Neighborhood Transportation Program	\$ 900,000	\$ 900,000	\$ -	\$ -
b. Equity Priority Transportation Program	\$ -	\$ -	\$ -	\$ -
c. Development-Oriented Transportation	\$ -	\$ -	\$ -	\$ -
d. Citywide/Modal Planning	\$ -	\$ -	\$ -	\$ -
TOTAL TRANSPORTATION SYSTEM DEVELOPMENT AND MANAGEMENT	\$ 900,000	\$ 900,000	\$ -	\$ -
GRAND TOTAL	\$ 75,208,335	\$ 75,208,335	\$ -	\$ -

* Prop L allocations began in July 2023.

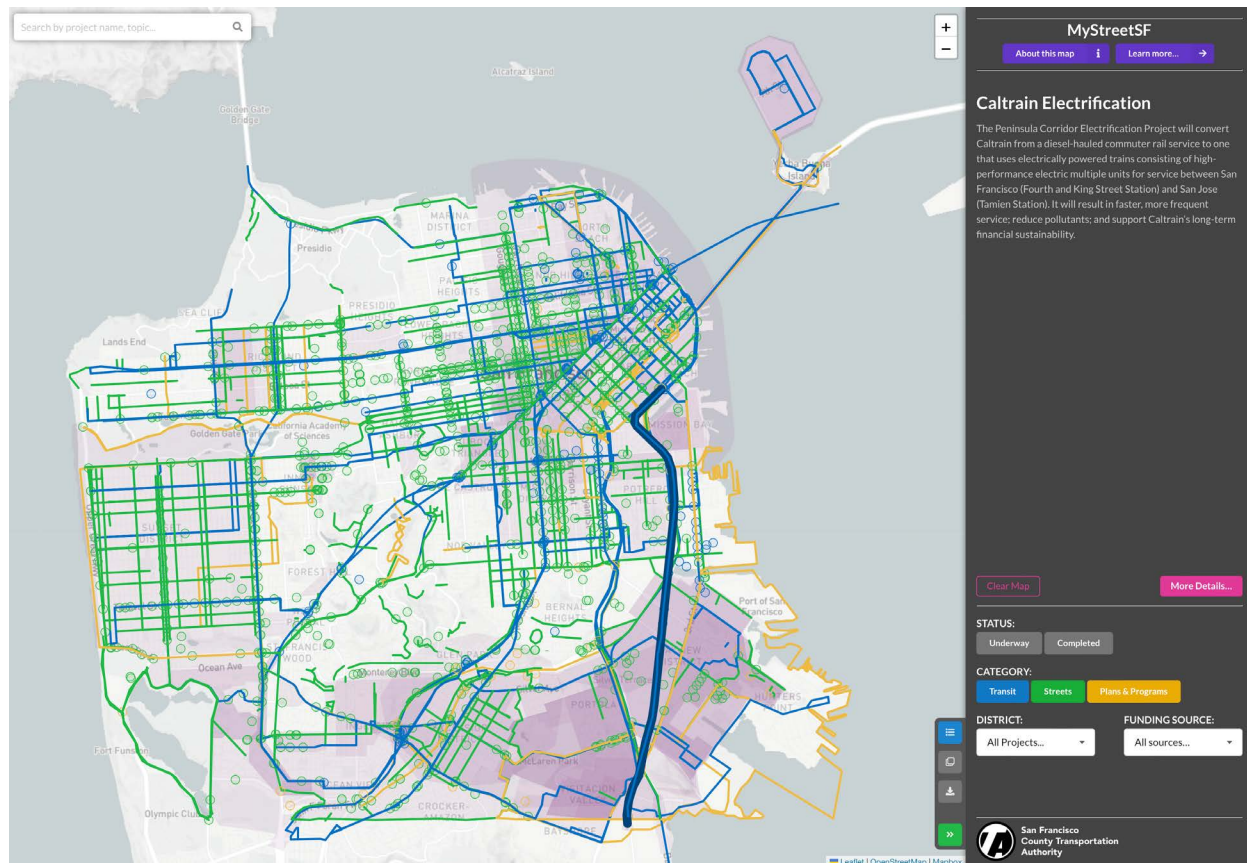
MYSTREETSF

The interactive MyStreetSF website provides access to up-to-date information on transportation projects funded by the Transportation Authority, including the latest Prop L allocations, as well as those for which our agency is responsible for some level of oversight acting as the Congestion Management Agency for San Francisco. From signals to streetcars, bicycles to boulevards, from pedestrian safety to paving, the Transportation Authority funds numerous improvement projects large and small across the city. Users can track how their local taxes are helping to deliver critical transportation improvements in San Francisco via MyStreetSF, which provides transparency and accountability appropriate for administration of taxpayer funds.

By entering an address or search term, users can find projects that we are supporting. Unique features of the map allow users to browse a given area, zoom, and select project information, then download and share it easily. The site also has helpful layers to designate the city's supervisorial district boundaries, the high-injury network and Equity Priority Communities.

MyStreetSF is a resource for anyone who wants to learn about the many transportation improvement projects happening all across San Francisco or in their own neighborhood.

Learn more at mystreetsf.sfcta.org



PROP AA
VEHICLE REGISTRATION FEE
 Activity Detail for Calendar Year 2023

	ALLOCATIONS		EXPENDITURES	
	2023 ALLOCATIONS (DE-OBLIGATIONS)	INCEPTION TO DATE ALLOCATIONS	2023 EXPENDITURES (ADJUSTMENTS)	INCEPTION TO DATE EXPENDITURES
Street Repair and Reconstruction	\$ 2,882,492	\$ 28,085,806	\$ 6,607	\$ 16,947,049
Pedestrian Safety	\$ 179,000	\$ 13,737,063	\$ 628,002	\$ 11,632,654
Transit Reliability and Mobility Improvements	\$ 1,300,000	\$ 14,301,756	\$ 80,390	\$ 5,806,944
Grand Total	\$ 4,361,492	\$ 56,124,625	\$ 714,999	\$ 34,386,647

TNC TAX
 Activity Detail for Calendar Year 2023

	ALLOCATIONS		EXPENDITURES	
	2023 ALLOCATIONS (DE-OBLIGATIONS)	INCEPTION TO DATE ALLOCATIONS	2023 EXPENDITURES (ADJUSTMENTS)	INCEPTION TO DATE EXPENDITURES
Vision Zero Quick-Build Program	\$ 10,451,857	\$ 15,957,543	\$ 3,221,358	\$ 4,545,632
Traffic Calming	\$ 4,270,000	\$ 4,270,000	\$ 176,669	\$ 176,669
Grand Total	\$ 14,721,857	\$ 20,227,543	\$ 3,398,027	\$ 4,722,301

TRANSPARENCY AND ACCOUNTABILITY

The independent audit team of Eide Bailly, LLP, issued an unmodified (also known as a clean/unqualified) audit opinion for the Transportation Authority’s financial statements for the fiscal year ended June 30, 2023. In a concurrent review, the auditors also certified that the Transportation Authority complied with the requirements applicable to the use of federal funds. Pursuant to Government Accounting Standards Board Statement No. 14, the financial statements of the Transportation Authority are included in basic financial statements of the City; however, the Transportation Authority operates as a special purpose government agency under state law. The Transportation Authority, by statute, may issue debt to finance transportation projects in the voter-approved Expenditure Plan, and its debt capacity is separate and distinct from that of the City.



CAPITAL FINANCING AND INVESTMENT PROGRAM

The Transportation Authority maintains credit ratings with Fitch Ratings and S&P Global Ratings. In June, Fitch affirmed its highest AAA rating of the Transportation Authority's sales tax revenue bonds, and the Transportation Authority continues to hold the AA+ rating with S&P. The high ratings reflect the strength and diversity of the economic base that generates San Francisco's half-cent sales tax for transportation, the primary revenue source overseen by the Transportation Authority. The ratings also reflect the Transportation Authority's strong financial position.

The Transportation Authority had commercial paper notes in place, starting in 2004. The paper notes provided a low cost of funding, relative to other financing alternatives, and enabled the Transportation Authority to support faster delivery of sales tax expenditure plan projects sooner than we could on a pay-as-you-go basis. On October 7, 2021, the Transportation Authority entered into a new 3-year Revolving Credit Agreement with U.S. Bank National Association for \$125,000,000. As of December 31, 2023, the revolving credit loan did not have an outstanding balance.

In November 2017, the Transportation Authority issued Senior Sales Tax Revenue Bonds (Series 2017) with the total face amount of \$248,250,000 maturing in February 2034, with interest rates ranging from 3.0% to 4.0%. The Series 2017 Bonds marked the inaugural issuance of long-term Sales Tax Revenue Bonds by the Transportation Authority. The Series 2017 Bonds were sold by way of competitive sale, and proceeds from the bond sale helped pay for projects in the Prop K half-cent sales tax Expenditure Plan, allowing project delivery to be advanced and benefits to the public to be realized sooner than if we operated on a pay-as-you-go basis. As of December 31, 2023, total outstanding bond principal and premium balance was \$210.9 million. As of year-end, we had made cumulative payments of \$114.5 million, including principal payments of \$66.1 million and interest payments of \$48.4 million.

New Muni vehicles were primary recipients of the bond proceeds



DISADVANTAGED BUSINESS ENTERPRISE AND LOCAL BUSINESS ENTERPRISE PROGRAMS

The Transportation Authority has a robust Disadvantaged Business Enterprise (DBE) program and demonstrated commitment to providing DBEs with the maximum feasible opportunity to participate in the performance of contracts funded with federal, state, and local dollars. Our Local Business Enterprise (LBE) program encourages businesses to locate and remain in San Francisco.

In evaluating DBEs and LBEs, the Transportation Authority recognizes certifications from the Caltrans' California Unified Certification DBE Program, the City and County of San Francisco LBE Program, and the California Department of General Services Small Business Enterprise (SBE) program. For firms not already certified by the three agencies mentioned above, the Transportation Authority has adopted a streamlined DBE/LBE certification process.

The Transportation Authority is a member of the Business Outreach Committee, a multi-agency consortium of approximately 26 Bay Area transportation agencies with a common goal to assist small, disadvantaged, and local firms doing business with Bay Area transit and transportation agencies. During 2023, we participated in the Northern California Procurement Technical Assistance women in construction workshop, the Construction Management Association of America NorCal Chapter Owners' Night, and two Business Outreach Committee-sponsored networking events – Procurement Series and Meet the Buyers Procurement Forum. These events were designed to inform disadvantaged and small businesses on how to do business with public agencies and provide networking opportunities. Event topics included meeting public agencies, how to do business with public transportation agencies, upcoming contracting opportunities, and connecting small businesses to prime consultants and Bay Area public transportation agencies.

DBE, LBE, and SBE performance for the Transportation Authority's Vendor Contracts during 2023 are shown below:

	AMOUNT ¹	PERCENTAGE OF TOTAL INVOICES PAID
TOTAL INVOICES PAID	\$20,691,260	100.0%
Total Paid to DBE firms	\$2,476,974	12.0%
Total Paid to LBE firms	\$2,591,063	12.5%
Total Paid to SBE firms	\$4,205,239	20.3%
Total Paid to Female-owned Firms	\$489,267	2.4%
Total Paid to Hispanic-owned Firms ²	\$681,523	3.3%
Total Paid to African American-owned Firms ²	\$210,427	1.0%
Total Paid to Asian Pacific-owned Firms ²	\$515,283	2.5%
Total Paid to Subcontinent Asian-owned Firms ²	\$20,391	0.1%

¹ Amounts shown above exclude payments to other government agencies and non-profit organizations, as well as agency operating expenditures.

² Ethnicity groups identified above represent groups as defined by the California Department of Transportation's DBE Program

PROGRESS REPORT ON RACIAL EQUITY ACTION PLAN

The Transportation Authority is continuing the initiatives of its Racial Equity Working Group, which started in 2018 and is composed of at least one staff person from each division. In 2023, the working group implemented strategies from the agency's Racial Equity Action Plan which was developed at the end of 2020 and serves as a strategic plan focused on advancing more equitable internal processes. The Racial Equity Action Plan is divided into seven different categories:


1. Hiring and Recruitment
2. Retention and Promotion
3. Discipline and Separation
4. Diverse and Equitable Leadership and Management
5. Mobility and Professional Development
6. Organizational Culture of Inclusion and Belonging
7. Boards and Commissions

We continued to implement strategies from the plan such as incorporating equity interview questions into our hiring process. We began offering meeting stipends to our Community Advisory Committee members to support diversity among members and future applicants. We also supported virtual public participation for our Board and Committee meetings to facilitate broader and more diverse community input.

Developing the policies and procedures to stand up the new Prop L Expenditure Plan was a major effort in 2023. The Expenditure Plan includes new equity-focused requirements which staff have been implementing as we roll out the new measure. This includes incorporating two equity-focused prioritization criteria into the process for identifying which specific projects will receive sales tax funding in the next five-year period: projects with clear and diverse community support, including from disadvantaged populations and projects that benefit disadvantaged populations are prioritized in the selection process. We also began tracking the citywide geographic distribution of sales tax allocations and the distribution of projects located in Equity Priority Communities and/or benefiting disadvantaged populations and will use this data to inform selection of the projects for subsequent five-year periods.

Our Commitment to Racial Equity

Racial segregation and systemic discrimination have resulted in inequitable policies and practices throughout transportation planning history. For people of color, this continues to mean higher rates of collisions and fatalities; exposure to higher rates of pollution and associated negative health impacts; fewer and oftentimes more expensive transportation options; and longer commute times. The work of the Transportation Authority must consider issues of race as they connect with other social categorizations such as income, nationality, language, gender and sexual identities, and ability. As an agency, our mission to make travel safer, healthier, and easier for all requires a commitment to designing transportation options that advance equity. It's our responsibility to partner with people of color and disproportionately impacted communities to define their needs as we plan, fund, and deliver transportation projects. We commit to putting the interests of these communities at the forefront of our work in order to improve their safety and health outcomes, economic mobility, and overall quality of life.



“I appreciate the overall vision for more bike lanes and bike safety in our city. Quick-build projects are an excellent way to implement quick safety fixes that will help us get to more permanent solutions in the future.”

**Deon Hua
on the Vision Zero Quick-Build Initiative**

See "Sales Tax Stories" at sfcta.org/stories to learn more about how people across San Francisco benefit from the half-cent sales tax for transportation.

AGENCY HIGHLIGHTS

Agency staff in 2023 were recognized for their outstanding work.

AWARDS & RECOGNITION

Transportation Authority Maintains Highest Rating for Sales Tax Bond Outlook

In June, Fitch Ratings affirmed its highest AAA rating of the Transportation Authority's sales tax revenue bonds and a stable financial outlook. This AAA rating places the Transportation Authority among the highest rated organizations in California. The rating also reflects the agency's strong and resilient maintenance of the voter-approved half-cent sales tax for transportation.

Certificate of Achievement for Excellence in Financial Reporting

In October, the Government Finance Officers Association of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the Transportation Authority for the sixth consecutive year. This award, covering the financial report for fiscal year ended June 30, 2022, is the highest form of recognition in governmental accounting and financial reporting.

SHAPING THE CONVERSATION

Potential Impacts of the Transit Fiscal Cliff

In November 2023, the California Senate's Select Committee on Bay Area Public Transportation held a hearing on the transit fiscal cliff. Our Principal Modeler Dan Tischler presented an analysis of the transit fiscal cliff's potential impacts on transit ridership, job accessibility, and traffic. Using the SF-CHAMP activity-based travel demand model, we investigated hypothetical situations about what could happen to the transportation landscape under various scenarios. This includes transit service cut scenarios, and the associated magnitude of impacts that would likely result if operating funds are not found to bolster Bay Area transit finances by 2026.

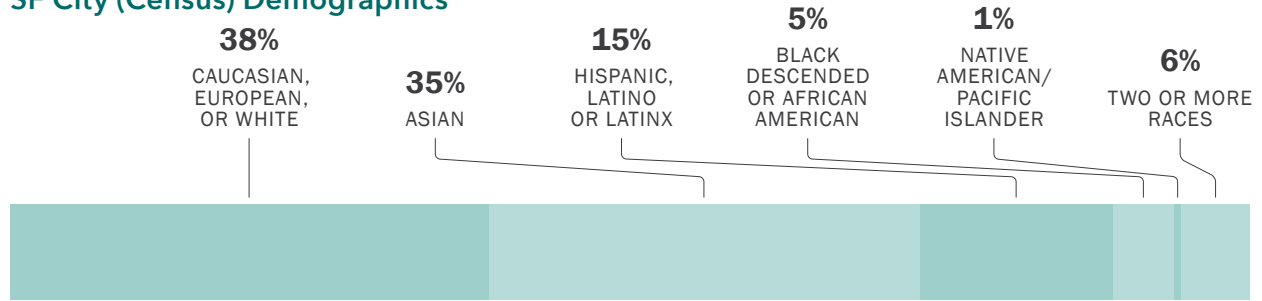
Tilly Chang Keynotes on Transportation Technology

Director Chang provided virtual keynote remarks on the transformative transportation technologies being deployed in San Francisco, as well as the city's safety, climate and equity initiatives, at the Intelligent Transportation Systems (ITS) World Congress in Suzhou, China and spoke at the US DOT's kick-off ARPA-Infrastructure initiative workshop in Seattle, in the fall. Both conferences highlighted the importance of public-private collaboration and transparency in applying technology to the transportation sector.

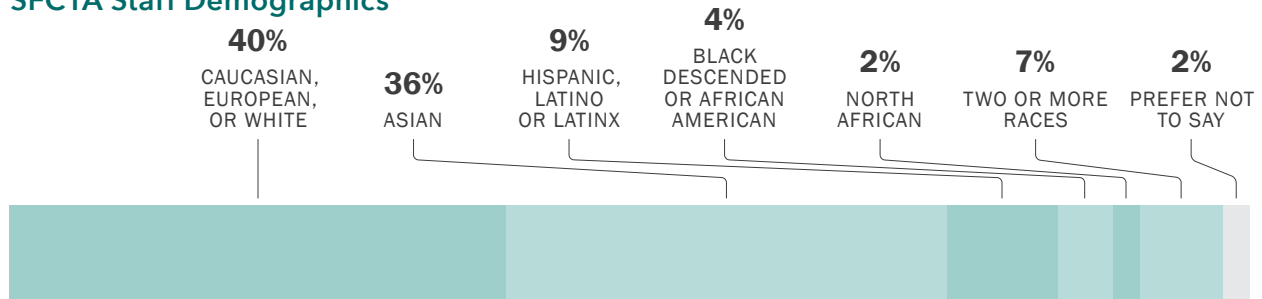
Transportation Authority Hosts Focus on the Future Conference

In late October, Chair Mandelman and Transportation Authority staff joined the Self-Help Counties Coalition in hosting 800 public and private sector leaders from across California for the 34th Annual Focus on the Future Conference. Executive Director Chang chairs the Self-Help Counties Coalition, the association of 25 counties across the state with voter-approved transportation sales tax programs. During his welcome remarks, Transportation Authority Chair Rafael Mandelman (District 8) emphasized that self-help counties provide about \$5 billion annually in transportation solutions throughout California and thanked many participants for their support in passing Proposition L, the Transportation Authority's re-authorized half-cent transportation sales tax, last November.

SF City (Census) Demographics



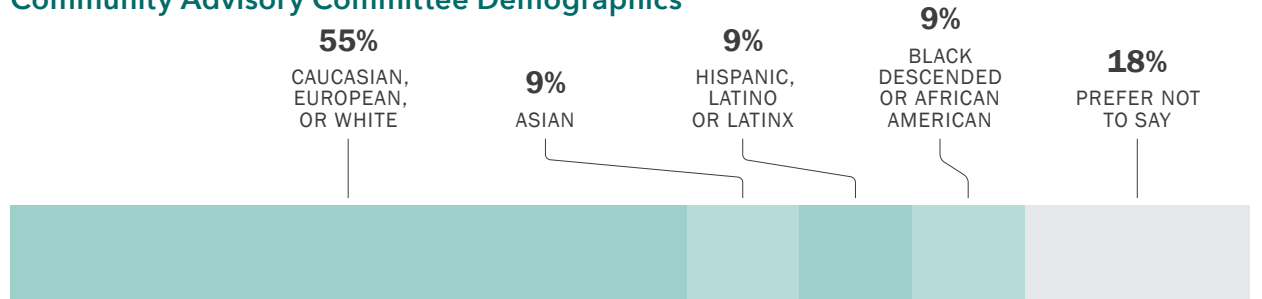
SFCTA Staff Demographics



SFCTA Management Demographics



Community Advisory Committee Demographics



* Totals may not sum to 100% due to rounding

TRANSPORTATION AUTHORITY STAFF MEMBERS IN 2023

TILLY CHANG Executive Director
MARIA LOMBARDO Chief Deputy Director
JOE CASTIGLIONE Deputy Director for Technology, Data, & Analysis
CYNTHIA FONG Deputy Director for Finance & Administration
RACHEL HIATT Deputy Director for Planning
CARL HOLMES Deputy Director for Capital Projects
ANNA LAFORTE Deputy Director for Policy & Programming
JAVIER ALTAMIRANO Controller, Finance & Administration Division
ABE BINGHAM Senior Graphic Designer, Executive Division
CAMILLE CAUCHOIS Assistant Transportation Planner, Policy & Programming Division
BRITTANY CHAN Communications Manager, Executive Division
SUANY CHOUGH Assistant Deputy Director for Planning, Planning Division
CHUN HO CHOW Transportation Modeler, Technology, Data, & Analysis Division
DREW COOPER Principal Transportation Modeler, Technology, Data, & Analysis Division
AMBER CRABBE Public Policy Manager, Executive Division
ANDREW HEIDEL Principal Transportation Planner, Planning Division
KAJOL JOSHI Staff Accountant, Finance & Administration Division
JESSE KOEHLER Rail Program Manager, Capital Projects Division
RONALD LEONG Management Analyst, Finance & Administration Division
DAVID LONG Senior Transportation Planner, Planning Division
YVETTE LOPEZ-JESSOP Administrative Assistant, Finance & Administration Division
HENRY PAN Senior Management Analyst, Finance & Administration Division
JIELIN PAN Senior Engineer, Capital Projects Division
ALIZA PAZ Principal Transportation Planner, Planning Division
MIKE PICKFORD Principal Transportation Planner, Policy & Programming Division
DANIELA RIBLE Senior Communications Manager, Executive Division
ELIJAH SAUNDERS Clerk of the Transportation Authority, Executive Division
JENNIFER SHADER Executive Administrative Assistant, Finance & Administration Division
NICK SMITH Senior Transportation Planner, Policy & Programming Division
MIKE TAN Senior Engineer, Capital Projects Division
AHMED THLEIJI Rail Program Principal Engineer, Capital Projects Division
DANIEL TISCHLER Principal Transportation Modeler, Technology, Data, & Analysis Division
CHRISTY TOU Staff Accountant, Finance & Administration Division
ANGELA TSAO Administrative Assistant, Finance & Administration Division
JEAN PAUL VELEZ Principal Transportation Planner, Technology Policy, Technology, Data, & Analysis Division
LYNDA VIRAY Transportation Planner, Policy & Programming Division
YANA WALDMAN Assistant Deputy Director for Capital Projects, Capital Projects Division
AMELIA WALLEY Program Analyst, Policy & Programming Division
LILY YU Principal Management Analyst, Finance & Administration Division

INTERNS:

Christopher Albert, Jacky Gil, Anthony Irias, Tony Lu, Dominic Lucchesi, Hana O'Neill, Madhav Ponnudurai, Erin Slichter, Myles Smith, Gabriella Trujillo Diaz, Wei Wang

Individuals Serving the Transportation Authority for Part of 2023

Michelle Beaulieu, Lina Plotnikoff, Aprile Smith, Dianne Yee, Eric Young

CONSULTANTS ASSISTING THE TRANSPORTATION AUTHORITY IN 2023

101/280 EXPRESS LANES AND BUS PROJECT WMH Corporation

ACCOUNTING SERVICES NBS Government Finance Group; Rael & Letson

AUDIT SERVICES Eide Bailly LLP

BAYVIEW CALTRAIN STATION LOCATION STUDY Fehr & Peers

BOND AND DISCLOSURE COUNSEL Nixon Peabody LLP

BROTHERHOOD WAY SAFETY AND CIRCULATION PLAN Fehr & Peers

CAPITAL DEBT PROGRAM U.S. Bank National Association

CONGESTION MANAGEMENT PROGRAM Wiltec, Inc.

DISTRICT 1 MULTIMODAL TRANSPORTATION STUDY Kittelson & Associates, Inc.

DISTRICT 4 MICROTRANSIT BUSINESS PLAN WSP USA Inc.

DISTRICT 7 OCEAN AVENUE MOBILITY ACTION PLAN Parametrix, Inc.; Vergara Lobo Associates

ENTERPRISE RESOURCE PLANNING SERVICES CGI Technologies and Solutions Inc.

FINANCIAL ADVISORY SERVICES KNN Public Finance, LLC

GEARY / 19TH AVENUE SUBWAY & REGIONAL CONNECTIONS STUDY Steer Davies & Gleave Inc.

GENERAL COUNSEL San Francisco Office of the City Attorney

GENEVA AVENUE OFF-RAMP MODIFICATION FEASIBILITY STUDY Parametrix, Inc.

HILLCREST ROAD IMPROVEMENT WMH Corporation

I-280 OCEAN AVENUE OFF-RAMP Mark Thomas & Co, Inc.

I-80 / YERBA BUENA ISLAND INTERCHANGE IMPROVEMENT PROJECT AECOM Technical Services, Inc.; Ghilotti Construction Company, Inc.; GSB/OBAYASHI JV; MNS Engineers, Inc.; Muzae Sesay; PGH Wong Engineering, Inc.; WMH Corporation; WSP USA Inc.

INFORMATION TECHNOLOGY Cast Iron Coding, Inc.; SPTJ Consulting

LEGISLATIVE ADVOCATES Mark Watts Advocacy, LLC

MODEL DEVELOPMENT SERVICES Association of Metropolitan Planning Organizations Research Foundation

OCTAVIA IMPROVEMENTS STUDY [NTP] Nelson\Nygaard Consulting Associates

PROJECT MANAGEMENT OVERSIGHT Gray-Bowen-Scott; OLWIT Solutions, LLC.; Zurinaga Associates

SALES TAX REVENUE FORECAST SERVICES MuniServices, LLC

SCHOOL ACCESS PLAN Nelson\Nygaard Consulting Associates

SOFTWARE SYSTEMS AND MAINTENANCE Bentley Systems, Inc.; Carahsoft Technology Corporation; Concur Technologies, Inc.; Faye Business Systems Group, Inc.; Fix Your ERP LLC; OpenGov, Inc.; MIS-Fit; Wipfli LLP

STRATEGIC COMMUNICATIONS, MEDIA, AND COMMUNITY RELATIONS SERVICES Civic Edge Consulting; Convey, Inc.

STRATEGIC PLAN MODEL PFM Financial Advisors, LLC

THE PORTAL / DOWNTOWN RAIL EXTENSION Access Planning Ltd; Arup North America, Ltd.; Gray-Bowen-Scott; Nelson\Nygaard Consulting Associates; T.Y. Lin International; WSP USA Inc.

TRAINING AND PROFESSIONAL DEVELOPMENT SERVICES Left Lane Advisors, LLC; Moore Iacofano Goltman, Inc.

TRANSPORTATION AND SPECIAL COUNSEL Fennemore Wendel; Meyers Nave, APC; Nossaman LLP

TRANSPORTATION CAPITAL PROJECTS DELIVERY STUDY Motive Power, Inc.

TREASURE ISLAND AUTONOMOUS SHUTTLE PILOT Beep, Inc.; HNTB Corporation

TREASURE ISLAND MOBILITY MANAGEMENT PROGRAM Arup N. America; HNTB Corporation; Resource Systems Group, Inc.; WSP USA Inc.

TREASURE ISLAND SUPPLEMENTAL TRANSPORTATION STUDY [NTP] Nelson\Nygaard Consulting Associates; One Treasure Island

VIDEO PRODUCTION SERVICES San Francisco Department of Technology

WEBSITE DEVELOPMENT Mission Web Works

YERBA BUENA ISLAND MULTI-USE PATHWAY Parametrix, Inc.; T.Y. Lin International

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