



Memorandum

AGENDA ITEM 5

DATE: April 18, 2024

TO: Treasure Island Mobility Management Agency Committee

FROM: Cynthia Fong - Deputy Director for Finance and Administration

SUBJECT: 04/23/24 Committee Meeting: Recommend Amendment of the Adopted Fiscal Year 2023/24 Budget to Decrease Revenues by \$59,949, Decrease Expenditures by \$7,975 and Increase Other Financing Sources by \$51,974

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Recommend amendment of the adopted Fiscal Year (FY) 2023/24 budget to decrease revenues by \$59,949, decrease expenditures by \$7,975 and increase other financing sources by \$51,974.</p> <p>SUMMARY</p> <p>In June 2023, through Resolution 23-07, the Board adopted the FY 2023/24 Annual Budget and Work Program. Revenue and expenditure figures pertaining to several project components need to be updated from the original estimates contained in the adopted FY 2023/24 budget. The effect of the amendment, with a comparison of revenues and expenditures to the adopted budget is shown in Attachment 1.</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Fund Allocation <input type="checkbox"/> Fund Programming <input type="checkbox"/> Policy/Legislation <input type="checkbox"/> Plan/Study <input type="checkbox"/> Capital Project Oversight/Delivery <input checked="" type="checkbox"/> Budget/Finance <input type="checkbox"/> Contract/Agreement <input type="checkbox"/> Other: _____
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BACKGROUND

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



DISCUSSION

The budget revision reflects a decrease of \$59,949 in revenues, a decrease of \$7,975 in expenditures and an increase of \$51,974 in other financing sources. These revisions include carryover revenues and expenditures from the prior period. The effect of the amendment, with a comparison of revenues and expenditures to the adopted FY 2023/24 budget, is shown in Attachment 1. The Treasure Island Mobility Management Agency (TIMMA)'s FY 2023/24 budget revisions are included in the San Francisco County Transportation Authority's (Transportation Authority's) FY 2023/24 budget amendment, which will be presented to the Transportation Authority Board for final approval on April 23, 2024.

Work Program. In FY 2023/24, we completed preparations for the Autonomous Vehicle (AV) Shuttle pilot project (called "The Loop") and commenced operation on Treasure Island in August 2023. The Loop operated passenger service through December 2023 and the project was concluded in January 2024, earlier than planned, due to changing road conditions. We also worked to advance the Toll and Affordability Program, including participating in a public Open House in January 2024, and supporting the Treasure Island Development Authority (TIDA) and the Office of Economic and Workforce Development's efforts to amend the Development Agreement. The Ferry Terminal Enhancements project is nearing completion of the Preliminary Engineering phase including permits and environmental clearance with federal and state grant funds. Work in other subprojects of the Treasure Island Mobility Management Program was largely paused this year.

Program Revenues. The program revenue for FY 2023/24 covers the full costs of all Transportation Authority activities in support of TIMMA. This amendment decreases total revenues by \$59,949. Budgeted revenues from federal reimbursements will be decreased by \$143,375 due to the reduced expenditure of the Innovative Deployments to Enhance Arterials Shared Automated Vehicles Program grant resulting from the early conclusion of the AV Shuttle pilot. Budgeted revenues from state reimbursements will be increased by \$15,958 due to increased activities for the Ferry Terminal Enhancement project and regional and other reimbursements will be increased by \$67,468 due to the agreement with TIDA to use TIDA and federal Advanced Transportation and Congestion Management Technologies Deployment (ATCMTD) program grant funds to support TIMMA work on the toll and affordability program.



Program Expenditures. Changes proposed to expenditures are described below.

Technical Professional Services Costs - Technical professional services include planning, engineering, design, communications, environmental, and toll system final design services. Included are technical services contracts already awarded for the AV Shuttle pilot (shuttle operations, technical advisory) and Ferry Terminal Enhancements (environmental clearance, project management), on-call demand model development and application; on-call transportation planning; and strategic advising/project management support. Additional technical services contracts anticipated in this line item include strategic communications and outreach services. Corresponding technical professional services expenditures will decrease by \$352,083 as compared to the adopted budget, which is primarily due to the early conclusion of the AV Shuttle pilot and termination of the vendor contract.

Administrative Operating Costs - As stated in the Administrative Code (Ordinance 23-01), the Transportation Authority shall lend staff to TIMMA as appropriate, subject to reimbursement by TIMMA for salary and related benefits and other costs allocable to services performed for TIMMA by Transportation Authority staff. Personnel costs encompass technical staffing across each of the six divisions of the Transportation Authority. Non-personnel costs include legal services and Commissioner meeting fees. Non-personnel expenditures will increase by \$117,174, and personnel expenditures will increase by \$226,934 for a total increase of \$344,108 in Administrative Operating Costs for FY 2023/24 activity. The increase of non-personnel expenditures is due to increased need of legal services greater than anticipated for the AV Shuttle pilot and the review of the amendment to the Development Agreement. The increase in personnel expenditures is due to TIMMA work on the toll and affordability program funded by TIDA and the ATCMTD grant, which was not anticipated at the time of budget adoption; and increased staff effort needed to address challenges with the AV Shuttle pilot project.

Other Financing Sources. Other financing sources will increase by \$51,974, as Sales Tax appropriations to TIMMA deferred from prior years are available for use this fiscal year.



FINANCIAL IMPACT

The proposed amendment to the FY 2022/23 budget would decrease revenues by \$59,949, decrease expenditures by \$7,975 and increase other financing sources by \$51,974 as described above.

SUPPLEMENTAL MATERIALS

- Attachment 1 - Proposed Fiscal Year 2023/24 Budget Amendment
- Attachment 2 - Resolution

**Treasure Island Mobility Management Agency
Attachment 1
Proposed Fiscal Year 2023/24 Budget Amendment Line
Item Detail**



	Proposed Budget Amendment Fiscal Year 2023/24	Increase/ (Decrease)	Adopted Budget Fiscal Year 2023/24
Program Revenues:			
<u>Federal</u>			
Advanced Transportation and Congestion Management Technologies Deployment	\$ 524,119	\$ 304,716	\$ 219,403
Ferry Boat Discretionary Funds - Treasure Island Ferry Terminal	183,035	63,832	119,203
Innovative Deployments to Enhance Arterials Shared Automated Vehicle	176,505	(511,923)	688,428
<u>State</u>			
Affordable Housing and Sustainable Communities - Treasure Island Ferry Terminal	45,759	15,958	29,801
<u>Regional and Other</u>			
Treasure Island Community Development LLC - Ferry Exchange	441,315	(167,475)	608,790
Treasure Island Development Authority	234,943	234,943	-
Total Program Revenues	1,605,676	(59,949)	1,665,625
Expenditures:			
Technical Professional Services	1,018,170	(352,083)	1,370,253
Administrative Operating Costs			
Personnel Expenditures			
Salaries	351,782	151,998	199,784
Fringe Benefits	173,429	74,936	98,493
Non-personnel Expenditures			
Administrative Operations	158,424	117,174	41,250
Commissioner-Related Expenses	3,100	-	3,100
Total Expenditures	1,704,905	(7,975)	1,712,880
Other Financing Sources (Uses):			
Transfer in from Transportation Authority	99,229	51,974	47,255
Transfer out to Transportation Authority	-	-	-
Total Other Financing Sources (Uses)	99,229	51,974	47,255
Net Change in Fund Balance	\$ -	\$ -	\$ -



RESOLUTION AMENDING THE ADOPTED FISCAL YEAR 2023/24 BUDGET TO DECREASE REVENUES BY \$59,949, DECREASE EXPENDITURES BY \$7,975, AND INCREASE OTHER FINANCING SOURCES BY \$51,974

WHEREAS, In June 2023, through Resolution 23-07, the Treasure Island Mobility Management Agency (TIMMA) Board adopted the Fiscal Year (FY) 2023/24 Annual Budget and Work Program; and

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

WHEREAS, In FY 2023/24, TIMMA commenced operations for the Autonomous Vehicle (AV) Shuttle pilot project on Treasure Island in August 2023, operated passenger service through December 2023, and concluded the project in January 2024, earlier than planned, due to changing road conditions; and

WHEREAS, The Ferry Terminal Enhancements project is nearing completion of the Preliminary Engineering phase including permits and environmental clearance; and

WHEREAS, Although staff continues to advance the toll and affordability program in support of the Treasure Island Development Authority and the Office of Economic and Workforce Development, work on the Treasure Island Mobility Management Program were largely paused this year; and

WHEREAS, Budgeted revenues from federal reimbursements would be decreased by \$143,375 resulting from the early conclusion of the AV Shuttle pilot; and

WHEREAS, Budgeted revenues from state reimbursements will be increased by \$15,958 due to increased activities for the Ferry Terminal Enhancement project and regional and other reimbursements will be increased by \$67,468 to support TIMMA work on the toll and affordability program; and



WHEREAS, Corresponding technical professional services expenditures would decrease by \$352,083 as compared to the adopted budget; and

WHEREAS, Non-personnel expenditures would increase by \$117,174, and personnel expenditures would increase by \$226,934 for a total increase of \$344,108 in administrative operating costs for FY 2023/24 activity; and

WHEREAS, Other financing sources would increase by \$51,974, as appropriations of Sales Tax to TIMMA deferred from prior years are available for use in FY 2023/24; and

WHEREAS, The proposed amendment to the FY 2023/24 budget would decrease revenues by \$59,949, decrease expenditures by \$7,975 and increase other financing sources by \$51,974; now, therefore be it

WHEREAS, At its April 23, 2024, meeting, the TIMMA Committee was briefed on the proposed budget amendment and unanimously recommended approval of the staff recommendation; now, therefore, be it

RESOLVED, That TIMMA's adopted FY 2023/24 budget is hereby amended to decrease revenues by \$59,949, decrease expenditures by \$7,975 and increase other financing sources by \$51,974.

Attachment:

1. Proposed FY 2023/24 Budget Amendment