



Memorandum

AGENDA ITEM 6

DATE: April 17, 2025

TO: Transportation Authority Board

FROM: Cynthia Fong – Deputy Director for Finance and Administration

SUBJECT: 05/13/2025 Board Meeting: Amend the Adopted Fiscal Year 2024/25 Budget to Decrease Revenues by \$3,517,851 and Decrease Expenditures by \$8,877,808 for a Total Net Increase in Fund Balance of \$5,359,957

<p>RECOMMENDATION <input type="checkbox"/> Information <input checked="" type="checkbox"/> Action</p> <p>Amend the adopted Fiscal Year (FY) 2024/25 budget to decrease revenues by \$3,517,851 and decrease expenditures by \$8,877,808 for a total net increase in fund balance of \$5,359,957.</p> <p>SUMMARY</p> <p>Every year, we present the Board with any adjustments to the adopted annual budget. This revision is an opportunity to take stock of significant changes in revenue trends, recognize large grant amounts spent or other funds that are obtained subsequent to the original approval of the annual budget, and adjust for material unforeseen expenditures. In June 2024, through Resolution 24-47, the Board adopted the FY 2024/25 Annual Budget and Work Program.</p> <p>The effect of the proposed amendment on the adopted FY 2024/25 Budget in the aggregate line item format specified in the Fiscal Policy is shown in Attachments 1 and 3. A comparison of revenues and expenditures to prior year actual and adopted budgeted numbers is presented in Attachment 2.</p>	<div><input type="checkbox"/> Fund Allocation</div> <div><input type="checkbox"/> Fund Programming</div> <div><input type="checkbox"/> Policy/Legislation</div> <div><input type="checkbox"/> Plan/Study</div> <div><input type="checkbox"/> Capital Project Oversight/Delivery</div> <div><input checked="" type="checkbox"/> Budget/Finance</div> <div><input type="checkbox"/> Contract/Agreement</div> <div><input type="checkbox"/> Other: _____</div>
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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 proposed budget amendment reflects a decrease of \$3.5 million in revenues and a decrease of \$8.9 million in expenditures for a total net increase of \$5.4 million in fund balance. Detailed budget revisions for the Treasure Island Mobility Management Agency (TIMMA) will be presented as a separate item at future TIMMA Committee and TIMMA Board meetings.

Revenue and expenditure revisions are mainly related to the decrease in federal, state and other program revenues and expenditures in the TIMMA program, and the decrease in the Prop D Traffic Congestion Mitigation (TNC) Tax capital expenditures.

TIMMA. Budgeted revenues for the federal Ferry Boat Discretionary grant funds with matching funds from the state Affordability Housing and Sustainable Communities grant funds are projected to decrease by \$3.1 million, from \$3.3 million to \$191,819, due to the postponement of corresponding capital project costs for the Treasure Island Ferry Terminal Enhancements project from FY 2024/25 to FY 2025/26. The original budget assumed construction activities for the project would begin in FY 2024/25, which will be deferred to FY 2025/26 due to finalizing the construction cost estimates, drawings and Buy America compliance requirements for federal bid process. We anticipate advertising for construction services in late April 2025 and award of a contract in July 2025. Construction is planned to start Fall 2025.

In addition, budgeted revenues for federal Advanced Transportation and Congestion Management Technologies Deployment grant funds with matching funds from Treasure Island Community Development LLC will be deferred to FY 2025/26 and are projected to decrease in FY 2024/25 by \$443,976, from \$641,118 to \$180,142, for work related to the toll and affordability program. Budgeted expenditures for capital project costs for this effort are also projected to decrease by the same amount. In FY 2024/25, staff will continue work to update the project's National Environmental Policy Act clearance; however, work on the toll and affordability program will resume in FY 2025/26.



TNC Tax. Capital Project Costs for the TNC Tax Program in FY 2024/25 are expected to decrease by \$5.4 million, or 54.4%, as compared to the adopted budget. The funds have been allocated to two San Francisco Municipal Transportation Agency (SFMTA) projects that have been slow to seek reimbursement requests: SFMTA's FY 2023/24 and FY 2024/25 Application Based Residential Traffic Calming Program, which is having significant project delivery issues, and SFMTA's Vision Zero Quick-Build Program, which is progressing; however, SFMTA has been slow to submit reimbursement requests.

FINANCIAL IMPACT

The proposed amendment to the FY 2024/25 budget would decrease revenues by \$3,517,851 and decrease expenditures by \$8,877,808 for a total net increase in fund balance of \$5,359,957, as described above. The proposed amendment will result in an ending budgetary negative fund balance of \$8,768,347.

CAC POSITION

The Community Advisory Committee will consider this item at its April 23, 2025, meeting.

SUPPLEMENTAL MATERIALS

- Attachment 1 - Proposed Budget Amendment
- Attachment 2 - Proposed Budget Amendment - Comparison of Revenues and Expenditures
- Attachment 3 - Proposed Budget Amendment - Line Item Detail



**San Francisco
County Transportation
Authority**

**Attachment 1
Proposed Fiscal Year 2024/25 Budget Amendment**

	Proposed Budget Amendment by Fund						Proposed Fiscal Year 2024/25 Budget Amendment
	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund for Clean Air Program	Vehicle Registration Fee for Transportation Improvements Program	Treasure Island Mobility Management Agency Program	Traffic Congestion Mitigation Tax Program	
Revenues:							
Sales Tax Revenues	\$ 108,308,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 108,308,000
Vehicle Registration Fee	-	-	-	4,545,508	-	-	4,545,508
Traffic Congestion Mitigation Tax	-	-	-	-	-	8,500,000	8,500,000
Interest Income	622,416	-	760	26,491	-	835,978	1,485,645
Program Revenues	-	65,918,659	681,176	-	371,961	-	66,971,796
Total Revenues	108,930,416	65,918,659	681,936	4,571,999	371,961	9,335,978	189,810,949
Expenditures							
Capital Project Costs	135,265,000	68,260,379	764,583	10,341,345	217,723	4,575,000	219,424,030
Administrative Operating Costs	7,826,196	4,917,804	47,445	227,275	368,926	180,000	13,567,646
Debt Service Costs	24,983,500	-	-	-	-	-	24,983,500
Total Expenditures	168,074,696	73,178,183	812,028	10,568,620	586,649	4,755,000	257,975,176
Other Financing Sources (Uses):	57,525,788	7,259,524	-	-	214,688	-	65,000,000
Net change in Fund Balance	\$ (1,618,492)	\$ -	\$ (130,092)	\$ (5,996,621)	\$ -	\$ 4,580,978	\$ (3,164,227)
Budgetary Fund Balance, as of July 1	\$ (42,865,093)	\$ -	\$ 922,951	\$ 15,244,055	\$ -	\$ 21,093,967	\$ (5,604,120)
Budgetary Fund Balance, as of June 30	<u>\$ (44,483,585)</u>	<u>\$ -</u>	<u>\$ 792,859</u>	<u>\$ 9,247,434</u>	<u>\$ -</u>	<u>\$ 25,674,945</u>	<u>\$ (8,768,347)</u>



**San Francisco
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**Attachment 2
Proposed Fiscal Year 2024/25 Budget Amendment
Comparison of Revenues and Expenditures**

Category	Fiscal Year 2024/25 Adopted Budget	Proposed Fiscal Year 2024/25 Budget Amendment	Variance from Fiscal Year 2024/25 Adopted Budget	% Variance
Sales Tax Revenues	\$ 108,308,000	\$ 108,308,000	\$ -	0.0%
Vehicle Registration Fee	4,545,508	4,545,508	-	0.0%
Traffic Congestion Mitigation Tax	8,500,000	8,500,000	-	0.0%
Interest Income	1,485,645	1,485,645	-	0.0%
Program Revenues				
Federal	34,084,667	31,403,579	(2,681,088)	-7.9%
State	24,891,514	24,276,739	(614,775)	-2.5%
Regional and other	11,513,466	11,291,478	(221,988)	-1.9%
Total Revenues	193,328,800	189,810,949	(3,517,851)	-1.8%
Capital Project Costs	228,301,838	219,424,030	(8,877,808)	-3.9%
Administrative Operating Costs				
Personnel expenditures	10,231,638	10,231,638	-	0.0%
Non-Personnel expenditures	3,336,008	3,336,008	-	0.0%
Debt Service Costs	24,983,500	24,983,500	-	0.0%
Total Expenditures	266,852,984	257,975,176	(8,877,808)	-3.3%
Other Financing Sources (Uses)	65,000,000	65,000,000	-	0.0%
Net change in Fund Balance	\$ (8,524,184)	\$ (3,164,227)	\$ 5,359,957	
Budgetary Fund Balance, as of July 1	\$ (5,604,120)	\$ (5,604,120)		
Budgetary Fund Balance, as of June 30	\$ (14,128,304)	\$ (8,768,347)		



	Proposed Budget Amendment by Fund						Proposed Fiscal Year 2024/25 Budget Amendment
	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund for Clean Air Program	Vehicle Registration Fee for Transportation Improvements Program	Treasure Island Mobility Management Agency Program	Traffic Congestion Mitigation Tax Program	
Revenues:							
Sales Tax Revenues	\$ 108,308,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 108,308,000
Vehicle Registration Fee	-	-	-	4,545,508	-	-	4,545,508
Traffic Congestion Mitigation Tax	-	-	-	-	-	8,500,000	8,500,000
Interest Income	622,416	-	760	26,491	-	835,978	1,485,645
Program Revenues							
Federal							
Advanced Transportation and Congestion Management Technologies Deployment	-	-	-	-	90,071	-	90,071
Congestion Mitigation and Air Quality Improvement Program - YBI Multi-Use Pathway Project	-	2,250,000	-	-	-	-	2,250,000
Ferry Boat Discretionary Funds - Treasure Island Ferry Terminal	-	-	-	-	153,455	-	153,455
Highway Bridge Program - Yerba Buena Island (YBI) Westside Bridges	-	20,000,000	-	-	-	-	20,000,000
Priority Conservation Area Program - YBI Multi-Use Path	-	239,718	-	-	-	-	239,718
Reconnecting Communities & Neighborhoods Program - Geary-Fillmore Underpass Study	-	697,076	-	-	-	-	697,076
Rebuilding American Infrastructure with Sustainability and Equity - YBI Westside Bridges	-	6,039,663	-	-	-	-	6,039,663
Safe Streets and Roads for All - Vision Zero Ramps Intersection Study Phase 3	-	183,762	-	-	-	-	183,762
Surface Transportation Program 3% Revenue and Augmentation	-	1,749,834	-	-	-	-	1,749,834
State							
Affordable Housing and Sustainable Communities - Treasure Island Ferry Terminal	-	-	-	-	38,364	-	38,364
Active Transportation Program - YBI Multi-Use Path	-	516,630	-	-	-	-	516,630
Planning, Programming & Monitoring SB45 Funds	-	199,000	-	-	-	-	199,000
Infill Infrastructure Grant Program - Hillcrest Road Improvement Project	-	15,615,423	-	-	-	-	15,615,423
Senate Bill 1 Local Partnership Program - I-280 SB Ocean Ave Off-Ramp Realignment Project	-	582,716	-	-	-	-	582,716
Senate Bill 1 Local Partnership Program - YBI Hillcrest Road Improvement Project	-	1,214,434	-	-	-	-	1,214,434
Senate Bill 1 Local Partnership Program - YBI Multi-Use Path	-	240,718	-	-	-	-	240,718
Senate Bill 1 Local Partnership Program - YBI Westside Bridges	-	3,038,436	-	-	-	-	3,038,436
Seismic Retrofit Proposition 1B - YBI Westside Bridges	-	2,591,212	-	-	-	-	2,591,212
Sustainable Communities - Brotherhood Way Safety and Circulation Plan	-	239,806	-	-	-	-	239,806
Regional and other							
BATA - I-80/YBI Interchange Improvement	-	7,860,680	-	-	-	-	7,860,680
BATA - YBI Westside Bridges	-	162,698	-	-	-	-	162,698
CNCA - Decarbonizing Downtown Business Deliveries Study	-	7,497	-	-	-	-	7,497
SFMTA - Travel Demand Modeling Assistance	-	75,000	-	-	-	-	75,000
SFPLN - In-Kind (Geary-Fillmore Underpass Study)	-	27,000	-	-	-	-	27,000
Treasure Island Community Development LLC - Ferry Exchange	-	-	-	-	90,071	-	90,071
TIDA - YBI Westside Bridges	-	2,387,356	-	-	-	-	2,387,356
Vehicle Registration Fee Revenues (TFCA)	-	-	681,176	-	-	-	681,176
Total Revenues	\$ 108,930,416	\$ 65,918,659	\$ 681,936	\$ 4,571,999	\$ 371,961	\$ 9,335,978	\$ 189,810,949



	Proposed Budget Amendment by Fund						Proposed Fiscal Year 2024/25 Budget Amendment
		Congestion Management Agency Programs	Transportation Fund for Clean Air Program	Vehicle Registration Fee for Transportation Improvements Program	Treasure Island Mobility Management Agency Program	Traffic Congestion Mitigation Tax Program	
Expenditures:	Sales Tax Program						
Capital Project Costs							
Individual Project Grants, Programs & Initiatives	\$ 133,000,000	\$ -	\$ 764,583	\$ 10,341,345	\$ -	\$ 4,500,000	\$ 148,605,928
Technical Professional Services	2,265,000	68,260,379	-	-	217,723	75,000	70,818,102
Administrative Operating Costs							
Personnel Expenditures							
Salaries	2,859,997	3,280,512	31,778	152,227	216,896	120,563	6,661,973
Fringe Benefits	1,409,978	1,617,292	15,667	75,048	106,930	59,437	3,284,352
Pay for Performance	285,313	-	-	-	-	-	285,313
Non-personnel Expenditures							
Administrative Operations	2,989,008	20,000	-	-	42,000	-	3,051,008
Equipment, Furniture & Fixtures	221,900	-	-	-	-	-	221,900
Commissioner-Related Expenses	60,000	-	-	-	3,100	-	63,100
Debt Service Costs							
Fiscal Charges	255,000	-	-	-	-	-	255,000
Interest Expenses	9,603,500	-	-	-	-	-	9,603,500
Bond Principal Payment	15,125,000	-	-	-	-	-	15,125,000
Total Expenditures	\$ 168,074,696	\$ 73,178,183	\$ 812,028	\$ 10,568,620	\$ 586,649	\$ 4,755,000	\$ 257,975,176
Other Financing Sources (Uses):							
Transfers in - Prop K Match to Grant Funding	-	7,259,524	-	-	214,688	-	7,474,212
Transfers out - Prop K Match to Grant Funding	(7,474,212)	-	-	-	-	-	(7,474,212)
Draw on Revolving Credit Agreement	65,000,000	-	-	-	-	-	65,000,000
Total Other Financing Sources (Uses)	57,525,788	7,259,524	-	-	214,688	-	65,000,000
Net change in Fund Balance	\$ (1,618,492)	\$ -	\$ (130,092)	\$ (5,996,621)	\$ -	\$ 4,580,978	\$ (3,164,227)
Budgetary Fund Balance, as of July 1	\$ (42,865,093)	\$ -	\$ 922,951	\$ 15,244,055	\$ -	\$ 21,093,967	\$ (5,604,120)
Budgetary Fund Balance, as of June 30	\$ (44,483,585)	\$ -	\$ 792,859	\$ 9,247,434	\$ -	\$ 25,674,945	\$ (8,768,347)
Fund Reserved for Program and Operating Contingency	\$ 10,830,800	\$ -	\$ 68,118	\$ 454,551	\$ -	\$ 850,000	\$ 12,203,468