



RESOLUTION AMENDING THE ADOPTED FISCAL YEAR 2013/14 BUDGET TO INCREASE REVENUES BY \$2,907,954, DECREASE EXPENDITURES BY \$110,932,870, DECREASE OTHER FINANCING SOURCES BY \$290,324,510 FOR A TOTAL NET DECREASE IN FUND BALANCE OF \$176,483,686 AND AMENDING THE PROP K STRATEGIC PLAN

WHEREAS, Section 131265(a) of the Public Utilities Code requires the Transportation Authority to adopt an annual budget; and

WHEREAS, In June 2013, through approval of Resolution 13-60, the Transportation Authority adopted the Fiscal Year (FY) 2013/14 Annual Budget and Work Program; and

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

WHEREAS, Revenue and expenditure figures related to several capital projects, including the eFleet Carsharing Electrified project; the Transit Reliability Research study; the Interstate 80/Yerba Buena Island Ramps (YBI) Interchange Improvement projects; the Van Ness Avenue Bus Rapid Transit (BRT) Project; the Treasure Island Mobility Management Agency (TIMMA); the Presidio Parkway Project; the Folsom Street Ramps project; the Waterfront Transportation Assessment; the Bicycle Sharing Strategic Analysis Report (SAR); the Geary Corridor BRT Project; Prop K, Transportation for Clean Air Program, and Prop AA Vehicle Registration Fee capital expenditures, the Enterprise Resource Planning System; and other revenues and expenditures need to be updated from the original estimates contained in the adopted FY 2013/14 budget; and

WHEREAS, The Transportation Authority's adopted FY 2013/14 budget assumed to earn approximately 1.02% during the year for deposits in the Pooled Investment Fund with an average sales tax fund budgeted cash balance of approximately \$70 million during the year; and



WHEREAS, Interest income earned through December 2013 was \$254,116, due to a lower average earned income yield of 0.78%; and

WHEREAS, This amendment decreases Interest Income by \$421,494 for FY 2013/14 activity; and

WHEREAS, The Transportation Authority serves as a fiscal agent to support City CarShare and required local match funds are reimbursed to the Transportation Authority by City CarShare; and

WHEREAS, For the eFleet Carsharing Electrified Project, we anticipate higher expenditures in FY 2013/14 due to project delays associated with federal procurement processes from the previous fiscal year, and

WHEREAS, This amendment increases Federal Revenues and Capital Project Expenditures by \$628,844 for FY 2013/14 activity; and

WHEREAS, Due to limited staff capacity to undertake the work for Transit Reliability Research, a portion of the revenues and expenditures budgeted for FY 2013/14 is deferred to FY 2014/15; and

WHEREAS, This amendment reduces Federal Revenues by \$85,000, Capital Project Expenditures by \$140,000 and shifts Administrative Operating (Personnel) Expenditures from Congestion Management Agency (CMA) Programs to Sales Tax Program by \$18,240 for FY 2013/14 activity; and

WHEREAS, The Transportation Authority is working jointly with the Treasure Island Development Authority (TIDA) on the development of the I-80/YBI Ramps Improvement Project and YBI Bridge Structures; and

WHEREAS, Construction activities, which began on February 18, 2014, are slightly slower than anticipated and will be completed by Spring 2016 due to delays in tree removal; and



WHEREAS, This amendment decreases Federal Revenues by \$358,934 and decreases Capital Project Expenditures by \$358,934 for FY 2013/14 activity; and

WHEREAS, In addition, due to delays in transferring the land from the US Navy to TIDA, TIDA has requested and we have agreed to defer the first payment date and restructure the loan repayment schedule from a four-year period to a three-year period while maintaining the December 31, 2016 deadline for full repayment of the loan; and

WHEREAS, This amendment decreases Regional Revenues by \$336,645 and Other Revenues by \$2,571,750 for FY 2013/14 activity; and

WHEREAS, In December 2012, through Resolution 13-20, the Board approved amending the Memorandum of Agreement (MOA) with San Francisco Municipal Transportation Agency (SFMTA) to provide an additional \$208,962 in appropriated Prop K funds to the SFMTA and accept \$434,531 in Federal Transit Administration (FTA) Small Starts Funds from the SFMTA to complete the environmental phase of the Van Ness Avenue BRT project and both agencies finalized the transition plan for the project; and

WHEREAS, All project expenditures were included in the Transportation Authority's adopted FY 2013/14 budget and budgeted expenditures associated with updating the Project Management Plan and the Quality Management Plan for the project were less than anticipated due to the shift of responsibilities from the Transportation Authority to SFMTA; and

WHEREAS, This amendment increases Federal Revenues by \$434,531 and decreases Capital Project Expenditures by \$235,136; and

WHEREAS, On January 8, 2014, the TIDA Board approved a resolution recommending that the San Francisco Board of Supervisors designate the Transportation Authority as TIMMA to implement the Treasure Island Transportation Implementation Plan in support of the Treasure Island/Yerba Buena Island Development Project; and



WHEREAS, At its February 2014 meeting, the Finance Committee approved an MOA with TIDA, in an amount not to exceed \$200,000, for the FY 2013/14 operating budget and work plan; and

WHEREAS, Together with the TIDA contribution, the two grant awards will support the total proposed budget for FY 2013/14 work; and

WHEREAS, This amendment increases Federal Revenues by \$61,419, increases Regional Revenues by \$126,909 and increases Capital Project Expenditures by \$185,328 for FY 2013/14 activity; and

WHEREAS, Construction of the Presidio Parkway is organized into two phases, with Phase I being delivered under a traditional design-bid-build process and Phase II under a public-private partnership agreement, and

WHEREAS, Due to the delay of complete invoice submittals, revenue reimbursements for Phase I construction costs of \$4,641,715 incurred by Caltrans through June 30, 2012 has been deferred to FY 2013/14, and

WHEREAS, This amendment increases Regional Revenues by \$4,641,715 million and decreases Capital Projects Expenditures by \$500,000 for FY 2013/14 activity; and

WHEREAS, In August 2013, the Office of Community Investment and Infrastructure, as the Successor Agency to the San Francisco Redevelopment Agency, requested that the Transportation Authority be the lead agency in the implementation of the project and will fully reimburse the Transportation Authority for project management, administrative, construction management, and construction services, collectively referred to as the construction phase; and

WHEREAS, This amendment increases Regional Revenues by \$413,000, increases Capital Projects Expenditures by \$366,000 and shifts Administrative Operating (Personnel) Expenditures from Sales Tax Program to CMA Programs by \$47,000 for FY 2013/14 activity, and



WHEREAS, The Office of Economic and Workforce Development, in partnership with private development sponsors and the Port of San Francisco are proposing three major development projects along the San Francisco Waterfront (Waterfront Developments): Piers 30-32/Seawall Lot 330 (sponsored by the Golden State Warriors), Seawall Lot 337/Pier 48, and Pier 70; and

WHEREAS, Based on feedback received during the scoping process, we expanded the study area for the Transportation Authority analysis south to include the proposed Seawall Lot 337 and Pier 70 developments; and

WHEREAS, This amendment increases Regional Revenues by \$230,000, increases Capital Projects Expenditures by \$125,306 and shifts Administrative Operating (Personnel) Costs from Sales Tax Program to CMA Programs by \$104,694 for FY 2013/14 activity; and

WHEREAS, During FY 2013/14, the Transportation Authority has been successful in receiving a number of federal grants and in obtaining reimbursement on costs originally approved in the adopted FY 2013/14 work program; and

WHEREAS, Additional revenues anticipated in FY 2013/14 include \$21,562 from the City/County Association of Governments of San Mateo County and Peninsula Corridor Joint Powers Board for the Geneva-Harney Way BRT Feasibility Study to provide local match to the federal grant and \$56,135 for the Eastern Neighborhoods Transportation Implementation Planning Study; and

WHEREAS, We also anticipate the reimbursement of an additional \$23,262 in federal grants, \$19,800 in contributions from the San Francisco Department of Environment for sharing shower and bicycle facilities at our current office location, and \$24,600 of rental fees from subleasing a portion of our office space; and

WHEREAS, This amendment increases Federal Revenues by \$23,262, increases Regional



Revenues by \$77,697, and increases Other Revenues by \$44,400; and

WHEREAS, Our estimated FY 2013/14 capital expenditures for Prop K project grants, programs and initiatives was based on sponsor input and analyses leading to adoption of the 2013 Strategic Plan Baseline in July 2013, the amended 5-Year Prioritization Programs, and a review of current project delivery and reimbursement rates; and

WHEREAS, We recommend revising this estimate down from \$208,190,000 to \$100,000,000, a \$108,190,000 decrease; and

WHEREAS, Through the TFCA program, the Transportation Authority recommends projects that improve air quality by reducing motor vehicle emissions; and

WHEREAS, The TFCA capital program includes new FY 2013/14 projects (a placeholder had been included in the adopted budget), and carryover prior year projects with multi-year schedules as well as projects not anticipated to be completed in FY 2012/13; and

WHEREAS, This amendment decreases Capital Project Expenditures by \$210,576 for FY 2013/14 activity; and

WHEREAS, Our estimate for FY 2013/14 Prop AA capital expenditures was based on the Strategic Plan as amended and approved allocations; and

WHEREAS, After reviewing and consulting with project managers regarding project delivery and reimbursements rates for existing allocations, and likely timing of allocations for remaining FY 2013/14 programming, we recommend decreasing the budgeted \$9,817,216 Prop AA Capital Budget Expenditures by \$4,385,054 to a total of \$5,432,162; and

WHEREAS, At the September 10, 2013 Board meeting, Chair Avalos requested a SAR to investigate possible governance structures of a regional bike sharing program beyond the current Bay Area Bike Share pilot, which opened to the public on August 29, 2013; and

WHEREAS, In November 2013, through Resolution 14-35, the Board appropriated \$43,000



in Prop K funds for the SAR; and

WHEREAS, This amendment increases Capital Project Expenditures by \$25,000 for technical tasks and shifting Administrative Operating Costs from Sales Tax Program to CMA Programs by \$18,000 for development of the SAR, for a total cost of up to \$43,000 for FY 2013/14 activity; and

WHEREAS, As lead agency for the environmental review phase of the Geary BRT project, we have made substantial progress toward completing the current phase of work, having refined the project alternatives to address community input and advancing environmental technical studies; and

WHEREAS, In July 2013, through Resolution 14-17, the Board appropriated \$2,790,598 in Prop K funds to augment previous appropriations totaling \$3,955,515, to complete this phase of the project; and

WHEREAS, This amendment increases Capital Project Expenditures by \$762,240 for FY 2013/14 activity, to incorporate the cash-flow projections from the July 2013 appropriation; and

WHEREAS, The Transportation Authority's Personnel Manual calls for a periodic review of the Transportation Authority job classification structure to amend job classifications and descriptions, compensation, and benefits; and

WHEREAS, In 2012, we conducted a total compensation study and in May 2013, the Transportation Authority adopted a revised salary structure, which structure does not have immediate budgetary implications because salary increases are only granted on the basis of performance, not for inflation or as blanket cost-of-living increases; and

WHEREAS, This amendment increases Administrative Operating Expenditures by \$308,924 for FY 2013/14 activity; and

WHEREAS, In December 2013, the Transportation Authority awarded a consultant contract for implementation, licensing, support and maintenance services for Microsoft Dynamics



AX 2012; and

WHEREAS, The adopted 2013 Prop K Strategic Plan Baseline allows 6.1% of sales tax annual proceeds for sales tax administration, programming, planning and project delivery oversight to support the Prop K program; and

WHEREAS, In order to help fund the Enterprise Resource Planning System, this amendment increases Administrative Operating Expenditures by \$423,850 for FY 2013/14 activity; and also amends the Strategic Plan to add 0.6% to the 6.1% allowance from of the Expenditure Plan for FY 2013/14 only, without violating statutory limits; and

WHEREAS, Additional expenditures anticipated in FY 2013/14 include \$78,000 for the 19<sup>th</sup> Avenue Bulb-outs Study; \$106,038 for various other planning studies, including Geneva-Harney Way BRT Feasibility Study; \$33,000 for the installation of bicycle rack facilities; \$55,000 for developing an agency-wide communication strategy; and \$20,000 for additional community-based organization outreach for the San Francisco Transportation Plan; and

WHEREAS, Furthermore, staff time budgeted for a few planning studies that completed earlier than anticipated reduces Administrative Operating Expenditures of \$182,154, which will allow staff to begin a few recently new requested projects, programs and initiatives in FY 2013/14 such as the Neighborhood Transportation Improvement Program, 19<sup>th</sup> Avenue/M-Ocean View Project, supporting Vision Zero initiatives and Central Subway Phase III – Initial Study; and

WHEREAS, The startup costs associated with these new projects, programs and initiatives are minimal and can be absorbed in the Transportation Authority's adopted FY 2013/14 budget; and

WHEREAS, We assessed the budgeted issuance of additional debt and deemed it not necessary during the current fiscal year; and

WHEREAS, This amendment removes the issuance of additional debt in FY 2013/14 and



anticipates a repayment of a portion of the outstanding Commercial Paper Program in the amount of \$15,006,000; and

WHEREAS, At its February 26, 2014 meeting, the Citizens Advisory Committee considered the subject request and unanimously adopted a motion of support for the staff recommendation; and

WHEREAS, On March 11 2014, the Finance Committee reviewed and unanimously recommended approval of the staff recommendation, now, therefore, be it

RESOLVED, That 2013 Prop K Strategic Plan Baseline is hereby amended to add only in FY 2013/14 an 0.6% to the 6.1% of sales tax annual proceeds for sales tax administration, programming, planning and project delivery oversight to support the Prop K program; and

RESOLVED, That the Transportation Authority's adopted FY 2013/14 budget is hereby amended to increase revenues by \$2,907,954, decrease expenditures by \$110,932,870 and decrease other financing sources by \$176,483,686 for a total net decrease in fund balance of \$176,483,686.

Attachment:

A. Final Amended Fiscal Year 2013/14 Budget



The foregoing Resolution was approved and adopted by the San Francisco County Transportation Authority at a regularly scheduled meeting thereof, this 25<sup>th</sup> day of March, 2014, by the following votes:

**Ayes:** Commissioners Avalos, Breed, Campos, Chiu, Cohen, Farrell, Kim, Tang, Wiener and Yee (10)

**Nays:** (0)

**Absent:** Commissioner Mar (1)

  
\_\_\_\_\_  
John Avalos Date  
Chair

ATTEST:   
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Tilly Chang Date  
Executive Director



**San Francisco County Transportation Authority  
Attachment A  
Fiscal Year 2013/14 Budget Amendment**

**Final Budget Amendment by Fund**

	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund For Clean Air Program	Vehicle Registration Fee For Transportation Improvements Program	Proposed Amended Budget Fiscal Year 2013/14	Increase/ (Decrease)	Adopted Budget Fiscal Year 2013/14
<b>Revenues:</b>							
Sales Tax Revenues	\$ 88,294,414	\$ -	\$ -	\$ -	\$ 88,294,414	\$ -	\$ 88,294,414
Vehicle Registration Fee	-	-	-	4,727,760	4,727,760	-	4,727,760
Interest Income	518,497	-	3,000	5,000	526,497	(421,494)	947,991
Federal/State/Regional Revenues	4,641,715	13,720,439	736,195	-	19,098,349	5,856,798	13,241,551
Other Revenues	44,400	88,143	-	-	132,543	(2,527,350)	2,659,893
<b>Total Revenues</b>	<b>93,499,026</b>	<b>13,808,582</b>	<b>739,195</b>	<b>4,732,760</b>	<b>112,779,563</b>	<b>2,907,954</b>	<b>109,871,609</b>
<b>Expenditures:</b>							
Capital Projects Costs	101,897,000	15,501,654	1,223,378	5,432,162	124,054,194	(111,742,944)	235,797,138
Administrative Operating Costs	5,729,877	2,541,754	36,501	236,388	8,544,520	810,074	7,734,446
Debt Service Interest and Fiscal Charges	1,600,000	-	-	-	1,600,000	-	1,600,000
<b>Total Expenditures</b>	<b>109,226,877</b>	<b>18,043,408</b>	<b>1,259,879</b>	<b>5,668,550</b>	<b>134,198,714</b>	<b>(110,932,870)</b>	<b>245,131,584</b>
<b>Other Financing Sources (Uses):</b>	<b>(19,240,826)</b>	<b>4,234,826</b>	<b>-</b>	<b>-</b>	<b>(15,006,000)</b>	<b>(290,324,510)</b>	<b>275,318,510</b>
<b>Net Change in Fund Balance</b>	<b>\$ (34,968,677)</b>	<b>\$ -</b>	<b>\$ (520,684)</b>	<b>\$ (935,790)</b>	<b>\$ (36,425,151)</b>	<b>\$ (176,483,686)</b>	<b>\$ 140,058,535</b>
Budgetary Fund Balance, as of July 1	\$ (78,510,987)	\$ -	\$ 792,362	\$ 9,831,471	\$ (67,887,154)	N/A	\$ (130,288,374)
Budgetary Fund Balance, as of June 30	\$ (113,479,664)	\$ -	\$ 271,678	\$ 8,895,681	\$ (104,312,305)	N/A	\$ 9,770,161