



Memorandum

Date: 03.16.17 **RE:** Citizens Advisory Committee
March 22, 2017

To: Citizens Advisory Committee

From: Cynthia Fong – Deputy Director for Finance and Administration *CF*

Subject: **ACTION** – Adopt a Motion of Support for Amendment of the Adopted Fiscal Year 2016/17 Budget to Increase Revenues by \$13,396,777, Increase Expenditures by \$15,356,835 and Increase Other Financing Sources by \$21,335,835 for a Total Net Increase in Fund Balance of \$19,375,777

Summary

Every year between January and April, we present the Board with any adjustments to the annual budget adopted the previous June. This revision is an opportunity to take stock of changes in revenue trends, recognize grants or other funds that are obtained subsequent to the original approval of the annual budget, and adjust for unforeseen expenditures. In June 2016, through Resolution 16-58, the Transportation Authority adopted the Fiscal Year (FY) 2016/17 Annual Budget and Work Program. Revenue and expenditure figures pertaining to several capital projects need to be updated from the original estimates contained in the adopted FY 2016/17 Budget. 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. We propose that the adopted FY 2016/17 Budget be amended as shown in Attachment 1.

BACKGROUND

In June 2016, through approval of Resolution 16-58, the Transportation Authority adopted the Fiscal Year (FY) 2016/17 Annual Budget and Work Program. 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. Every year between January and April, we present the Board with any adjustments to the annual budget adopted the previous year. The budget revision is an opportunity to take stock of changes in revenue trends, recognize grants or other funds that are obtained subsequent to the original budget approval, and adjust for unforeseen expenditures. Also at that time, revenue projections and expenditure line items are revised to reflect new information or requirements identified in the months elapsed since the adoption of the annual budget. The revisions typically take place after completion of the annual fiscal audit, which certifies actual expenditures and carryover revenues.

DISCUSSION

The purpose of this memorandum is to brief the Citizens Advisory Committee on the proposed FY 2016/17 budget revisions and to seek a motion of support for adoption of an amended budget. The budget revision reflects an increase of \$13,396,777 in revenues, increase of \$15,356,835 in expenditures and increase of \$21,335,835 in other financing sources for a total net increase of \$19,375,777 in fund balance. These revisions include carryover expenditures from the prior period. The effect of the amendment on the adopted FY 2016/17 Budget (in the aggregate line item format specified in the

Transportation Authority's Fiscal Policy) is shown in Attachments 1 and 2. The detailed budget explanations by line item are included in Attachment 3.

Revenue and expenditure revisions are related to several capital project costs, administrative operating costs, and debt service reported in the Sales Tax Program (Prop K), Congestion Management Agency Programs, and Treasure Island Mobility Management Agency Program and impacted the following projects: Interstate 80/Yerba Buena Island Ramps Interchange Improvement and Bridge Structures projects; Geary Corridor Bus Rapid Transit Project; Bay Area Rapid Transit Travel Incentives Program, eFleet Carsharing Electrified project; South of Market Freeway Ramp Intersection Safety Improvement Study; San Francisco Long-Range Transportation Planning Program; Commuter Shuttle Hub Study; Treasure Island Mobility Management Agency; Travel Demand Modeling Assistance; Strategic Highway Research Program Transit Passenger Simulation; and other revenues and expenditures need to be updated from the original estimates contained in the adopted FY 2016/17 budget.

We propose that the adopted FY 2016/17 Budget be amended as shown in Attachment 1.

ALTERNATIVES

1. Adopt a motion of support for amendment of the adopted FY 2016/17 budget to increase revenues by \$13,396,777, increase expenditures by \$15,356,835 and increase other financing sources by \$21,335,835 for a total net increase in fund balance of \$19,375,777, as requested.
2. Adopt a motion of support for amendment of the adopted FY 2016/17 budget to increase revenues by \$13,396,777, increase expenditures by \$15,356,835 and increase other financing sources by \$21,335,835 for a total net increase in fund balance of \$19,375,777, with modifications.
3. Defer action, pending additional information or further staff analysis.

FINANCIAL IMPACTS

If approved, the proposed amendment to the FY 2016/17 Budget would increase \$13,396,777 in revenues, increase expenditures by \$15,356,835 and increase other financing sources by \$21,335,835 for a total net increase in fund balance of \$19,375,777 in fund balance as described above.

RECOMMENDATION

Adopt a motion of support for amendment of the adopted FY 2016/17 budget to increase revenues by \$13,396,777, increase expenditures by \$15,356,835 and increase other financing sources by \$21,335,835 for a total net increase in fund balance of \$19,375,777.

Attachments (3):

1. Proposed Fiscal Year 2016/17 Budget Amendment
2. Proposed Fiscal Year 2016/17 Budget Amendment Line Item Detail
3. Fiscal Year 2016/17 Budget Amendment Explanations

**San Francisco County Transportation Authority
Attachment I
Proposed Fiscal Year 2016/17 Budget Amendment**



Proposed Budget Amendment by Fund

	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	Proposed Budget Amendment Fiscal Year 2016/17	Increase/ (Decrease)	Adopted Budget Fiscal Year 2016/17
Revenues:								
Sales Tax Revenues	\$ 108,219,139	\$ -	\$ -	\$ -	\$ -	\$ 108,219,139	\$ -	\$ 108,219,139
Vehicle Registration Fee	-	-	-	4,834,049	-	4,834,049	-	4,834,049
Interest Income	329,206	-	2,500	3,000	-	334,706	-	334,706
Federal/State/Regional Revenues	99,670	8,883,163	751,324	-	1,575,000	11,309,157	(1,051,507)	12,360,664
Prior Year Program Revenue Carryover	1,344,335	12,839,638	-	-	243,649	14,427,622	14,427,622	-
Other Revenues	67,012	195	-	-	-	67,207	20,662	46,545
Total Revenues	110,059,362	21,722,996	753,824	4,837,049	1,818,649	139,191,880	13,396,777	125,795,103
Expenditures:								
Capital Project Costs	201,552,335	8,497,885	1,158,590	6,533,249	1,048,102	218,790,161	(1,153,190)	219,943,351
Administrative Operating Costs	6,975,512	1,762,875	37,566	216,703	572,966	9,565,622	264,289	9,301,333
Debt Service	1,326,667	-	-	-	-	1,326,667	366,667	960,000
Prior Year Expenditure Carryover	1,891,051	13,744,369	-	-	243,649	15,879,069	15,879,069	-
Total Expenditures	211,745,565	24,005,129	1,196,156	6,749,952	1,864,717	245,561,519	15,356,835	230,204,684
Other Financing Sources (Uses):	23,007,634	2,282,133	-	-	46,068	25,335,835	21,335,835	4,000,000
Net Change in Fund Balance	\$ (78,678,569)	\$ -	\$ (442,332)	\$ (1,912,903)	\$ -	\$ (81,033,804)	\$ 19,375,777	\$ (100,409,581)
Budgetary Fund Balance, as of July 1	\$ 33,011,247	\$ -	\$ 394,366	\$ 6,977,322	\$ -	\$ 40,382,935	N/A	\$ 22,749,946
Budgetary Fund Balance, as of June 30	\$ (45,667,322)	\$ -	\$ (47,966)	\$ 5,064,419	\$ -	\$ (40,650,869)	N/A	\$ (77,659,635)

San Francisco County Transportation Authority
Attachment 2
Proposed Fiscal Year 2016/17 Budget Amendment
Line Item Detail



	Proposed Budget Amendment by Fund					Proposed Budget Amendment Fiscal Year 2016/17	Increase/ (Decrease)	Adopted Budget Fiscal Year 2016/17
	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			
Revenues:								
Sales Tax Revenues	\$ 108,219,139	\$ -	\$ -	\$ -	\$ -	\$ 108,219,139	\$ -	\$ 108,219,139
Vehicle Registration Fee	-	-	-	4,834,049	-	4,834,049	-	4,834,049
Interest Income	329,206	-	2,500	3,000	-	334,706	-	334,706
Federal/State/Regional Revenues								
Federal BART Travel Incentives Program	-	219,326	-	-	-	219,326	60,926	158,400
Federal CMAQ Program: eFleet Carsharing Electrified Project	-	11,530	-	-	-	11,530	(245,137)	256,667
Federal FHWA Transit Reliability Research	-	48,500	-	-	-	48,500	-	48,500
Federal Highway Bridge Program - I-80/Yerba Buena Island Interchange Improvement	-	3,674,341	-	-	-	3,674,341	1,001,883	2,672,458
Federal Highway Bridge Program - Yerba Buena Island Bridge Structures	-	1,206,581	-	-	-	1,206,581	(2,844,928)	4,051,509
Federal South of Market Freeway Ramp Intersection Safety Improvement Study	-	77,172	-	-	-	77,172	77,172	-
Federal Strategic Highway Research Program	-	77,392	-	-	-	77,392	(41,069)	118,461
Federal Surface Transportation Program 3% Revenue	-	1,385,317	-	-	-	1,385,317	-	1,385,317
State Planning, Programming & Monitoring SB45 Funds	-	447,000	-	-	-	447,000	-	447,000
State Seismic Retrofit Proposition 1B - I/80 YBI Interchange Improvement Project	-	476,050	-	-	-	476,050	129,805	346,245
Regional Agency Contributions - Model Service Bureau	-	71,257	-	-	-	71,257	(43,344)	114,601
Regional BART - Travel Incentives Program	-	30,832	-	-	-	30,832	5,832	25,000
Regional BATA - I-80/Yerba Buena Island Interchange Improvement	-	817,738	-	-	-	817,738	817,738	-
Regional San Francisco (Planning) - Long-Range Transportation Planning Program	-	-	-	-	-	-	(660,412)	660,412
Regional San Francisco (Planning, SFMTA) - Travel Demand Modeling Assistance	-	225,000	-	-	-	225,000	25,000	200,000
Regional San Francisco (SFMTA) - Alemany Interchange Improvement Study	99,670	-	-	-	-	99,670	-	99,670
Regional San Francisco (SFMTA) - Commuter Shuttle Hub Study	-	70,027	-	-	-	70,027	70,027	-
Regional San Francisco (SFMTA) - School Transportation Survey	-	45,100	-	-	-	45,100	20,000	25,100
Regional San Francisco (SFMTA) - Treasure Island Mobility Management Agency	-	-	-	-	75,000	75,000	75,000	-
Regional TIDA - Treasure Island Mobility Management Agency	-	-	-	-	1,500,000	1,500,000	500,000	1,000,000
Regional Vehicle Registration Fee Revenues (TFCA)	-	-	751,324	-	-	751,324	-	751,324
Prior Year Program Revenue Carryover	1,344,335	12,839,638	-	-	243,649	14,427,622	14,427,622	-
Other Revenues								
Local Match: City CarShare eFleet Carsharing Electrified	-	195	-	-	-	195	(4,138)	4,333
San Francisco Dept of Environment - Shower Facilities	2,000	-	-	-	-	2,000	-	2,000
San Francisco Municipal Transportation Agency - Project Management Training	24,800	-	-	-	-	24,800	24,800	-
Sublease of Office Space	40,212	-	-	-	-	40,212	-	40,212
Total Revenues	110,059,362	21,722,996	753,824	4,837,049	1,818,649	139,191,880	13,396,777	125,795,103

**San Francisco County Transportation Authority
Attachment 2
Proposed Fiscal Year 2016/17 Budget Amendment
Line Item Detail**



	Proposed Budget Amendment by Fund					Proposed Budget Amendment Fiscal Year 2016/17	Increase/ (Decrease)	Adopted Budget Fiscal Year 2016/17
	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund For Clean Air Program	Vehicle Registration Fee For Transportation Improvements Program	Treasure Island Mobility Agency Program			
Expenditures:								
Capital Project Costs								
Individual Project Grants, Programs & Initiatives	200,000,000	-	1,158,590	6,508,249	-	207,666,839	-	207,666,839
Technical Professional Services	1,552,335	8,497,885	-	25,000	1,048,102	11,123,322	(1,153,190)	12,276,512
Administrative Operating Costs								
Personnel Expenditures								
Salaries	2,950,781	1,155,366	25,545	110,504	306,384	4,548,580	-	4,548,580
Fringe Benefits	1,388,603	543,702	12,021	52,002	144,180	2,140,508	-	2,140,508
Pay for Performance	194,965	-	-	-	-	194,965	-	194,965
Non-personnel Expenditures								
Administrative Operations	2,224,663	63,807	-	54,197	118,202	2,460,869	264,289	2,196,580
Equipment, Furniture & Fixtures	144,700	-	-	-	-	144,700	-	144,700
Commissioner-Related Expenses	71,800	-	-	-	4,200	76,000	-	76,000
Debt Service								
Interest and Fiscal Charges	1,326,667	-	-	-	-	1,326,667	366,667	960,000
Prior Year Expenditure Carryover	1,891,051	13,744,369	-	-	243,649	15,879,069	15,879,069	-
Total Expenditures	211,745,565	24,005,129	1,196,156	6,749,952	1,864,717	245,561,519	15,356,835	230,204,684
Other Financing Sources (Uses):								
Transfers in - Prop K Match to Grant Funding	-	2,282,133	-	-	46,068	2,328,201	863,222	1,464,979
Transfers out - Prop K Match to Grant Funding	(2,328,201)	-	-	-	-	(2,328,201)	(863,222)	(1,464,979)
Revolving Credit Loan Repayment	(21,000,000)	-	-	-	-	(21,000,000)	-	(21,000,000)
Draw on Revolving Credit Agreement	46,335,835	-	-	-	-	46,335,835	21,335,835	25,000,000
Total Other Financing Sources (Uses)	23,007,634	2,282,133	-	-	46,068	25,335,835	21,335,835	4,000,000
Prior Year Expenditure Carryover	-	-	-	-	-	-	-	-
Net Change in Fund Balance	\$ (78,678,569)	\$ -	\$ (442,332)	\$ (1,912,903)	\$ -	\$ (81,033,804)	\$ 19,375,777	\$ (100,409,581)
Budgetary Fund Balance, as of July 1	\$ 33,011,247	\$ -	\$ 394,366	\$ 6,977,322	\$ -	\$ 40,382,935	N/A	\$ 22,749,946
Budgetary Fund Balance, as of June 30	\$ (45,667,322)	\$ -	\$ (47,966)	\$ 5,064,419	\$ -	\$ (40,650,869)	N/A	\$ (77,659,635)
Includes Sales Tax, TFCA and Vehicle Registration Fee For Transportation Improvements Reserved for Program and Operating Contingency								
Fund Reserved for Program and Operating Contingency	\$ 10,821,914	\$ -	\$ 75,132	\$ 483,405	\$ -	\$ 11,380,451		

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year 2016/17 Budget Amendment Explanations**

No.	Description	Adopted Budget FY2016/17	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY2016/17	Explanation
1.	Bay Area Rapid Transit (BART) Travel Incentives Program	\$183,400	\$66,758	\$250,158	We are partnering with the BART District on a pilot project to address train crowding in downtown San Francisco by incentivizing riders to shift their travel to the shoulders of the peak period. The pilot project will involve creating a BART loyalty program whereby riders receive rewards for using BART during off-peak periods. The three-year pilot project is funded by a federal Value Pricing Program grant, BART operating revenues, and a Prop K sales tax appropriation (Resolution 16-12). Work on the evaluation phase of the project began earlier than planned. It was originally scoped that most of this work would be completed in the following fiscal year. This amendment increases Federal Revenues by \$60,926 and Regional Revenues by \$5,832. Corresponding Capital Project - Technical Professional Services Expenditures will increase by \$55,261 and Administrative Operating - Personnel Costs will shift from Sales Tax Program to CMA Programs by \$11,497 for FY 2016/17 activity.
2.	eFleet Carsharing Electrified Project	261,000	(249,275)	11,725	We serve as a fiscal agent to support City CarShare for deploying electric vehicles within the City and County of San Francisco and the City of Berkeley, with supportive infrastructure and operations for the eFleet: Carsharing Electrified Project. The project is funded by federal Congestion Mitigation and Air Quality Improvement Program funds through the California Department of Transportation (Caltrans) and local match funds by City CarShare. We anticipate lower expenditures in FY 2016/17 due to the change in City CarShare's organizational structure that ended operation of Electric Vehicle (EV) carsharing. City CarShare formed a strategic partnership with Getaround in November 2016, and as part of the partnership, Getaround decided not to continue the EV carsharing. We are currently working with City CarShare and Caltrans to dispose the EVs in compliance with federal requirements and close out the project by the end of this fiscal year. This amendment decreases Federal Revenues by \$245,137 and Other Revenues by \$4,138. Corresponding Capital Project - Technical Professional Services Expenditures will decrease by \$249,275 for FY 2016/17 activity.

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year 2016/17 Budget Amendment Explanations**

No.	Description	Adopted Budget FY2016/17	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY2016/17	Explanation
3.	I-80/YBI Improvement Project	3,018,703	1,949,426	4,968,129	<p>We are working jointly with the Treasure Island Development Authority (TIDA) on the development of the I-80/YBI Ramps Improvement Project. In July 2013, Caltrans approved a \$77.5-million construction phase funding request, consisting of a combination of Federal Highway Bridge Program (HBP) and State Proposition 1B Seismic Retrofit funds. Construction activities for the I-80/YBI Ramps Improvement Project began in February 2014 is approximately 97% complete. In October 2016, the project reached a significant milestone with the opening of the I-80/YBI Ramps to traffic. The proposed increase is due to three significant items that have been added to the scope the project which are 1) landscaping; 2) Vista Point improvements; and associated coordination with the opening of the bicycle and pedestrian path on the east span of the SFOBB; and 3) Southgate Road Realignment Improvements. This amendment increases Federal Revenues by \$1,001,883, State Revenues by \$129,805 and Regional Revenues by \$817,738. Corresponding Capital Project - Technical Professional Services Expenditures will increase by \$1,949,426 for FY 2016/17 activity.</p>
4.	YBI Bridge Structures	4,051,509	(2,844,928)	1,206,581	<p>We are also working jointly with TIDA on the seismic retrofit of the YBI Bridge Structures on the west side of the island. In May 2015, the Transportation Authority received an additional \$5.78 million of federal HBP funds from Caltrans for the reimbursement of engineering and environmental analysis to implement the Value Engineering Analysis Alternative, which will also improve seismic performance, simplify construction efforts and minimize maintenance cost. Given the Construction Manager General Contractor (CMGC) legislation approval, which is now the project delivery method, we are not incurring as much costs at this point until we have a construction contractor onboard through the CMGC contract, anticipated to be in FY 2017/18. This amendment decreases Federal Revenues and corresponding Capital Project - Technical Professional Services Expenditures by \$2,844,928 for FY 2016/17 activity.</p>

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**San Francisco County Transportation Authority
Fiscal Year 2016/17 Budget Amendment Explanations**

No.	Description	Adopted Budget FY2016/17	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY2016/17	Explanation
5.	South of Market Freeway Ramp Intersection Safety Improvement Study	-	77,172	77,172	In March 2017, we received a federal Caltrans Planning Grant to develop a prioritized set of short-, medium-, and long-term safety improvements at up to ten ramp intersections in the South of Market area with some of the highest rates of injury collisions in the city. Local matching funds to the federal grant will be fulfilled by Prop K sales tax appropriation (Resolution 17-12). This amendment increases Federal Revenues by \$77,172. Corresponding Capital Project - Technical Professional Services Expenditures will increase by \$48,176 and Administrative Operating - Personnel Costs will shift from Sales Tax Program to CMA Programs by \$28,996 for FY 2016/17 activity.
6.	Strategic Highway Research Program Transit Passenger Simulation	118,461	(41,069)	77,392	In Fall 2014, the Federal Highway Administration (FHWA) awarded the Transportation Authority (as part of a three-agency consortium) a \$700,000 grant to implement applied research on transit passenger simulation in a real-world planning environment. At the conclusion of this grant, San Francisco will have a more robust set of tools with which to analyze transit crowding and transit reliability. A portion of the activities in FY 2016/17 is deferred to FY 2017/18 in order to focus resources through the end of this fiscal year to other grants with earlier expiration dates. This amendment decreases Federal Revenues by \$41,069. Corresponding Administrative Operating - Personnel Costs will shift from CMA Programs to Sales Tax Program by \$41,069 for FY 2016/17 activity.

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year 2016/17 Budget Amendment Explanations**

No.	Description	Adopted Budget FY2016/17	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY2016/17	Explanation
7.	Travel Demand Modeling Assistance – Model Service Bureau	114,601	(43,344)	71,257	The Transportation Authority maintains the “SF-CHAMP” San Francisco Travel Demand Forecasting Model, which is the official transportation modeling tool for San Francisco and is certified as compliant with the Regional Transportation Plan by the MTC. A portion of the adopted FY 2016/17 budget included conducting travel demand forecasting analysis in support of planning efforts led by the San Francisco Municipal Transportation Agency (SFMTA) for the 6 th Street Pedestrian Safety Improvement Project. Shortly after the project started in March 2016, the Planning Commission adopted Vehicle Miles Traveled as the new transportation impact measure for the California Environmental Quality Act, replacing the previous metric: Level of Service. This allowed the project to be completed with fewer model runs than originally budgeted. This amendment decreases Regional Revenues by \$43,344. Corresponding Administrative Operating - Personnel Costs will shift from CMA Programs to Sales Tax Program by \$43,344 for FY 2016/17 activity.
8.	San Francisco Long-Range Transportation Planning Program (LRTPP)	969,345	(887,539)	81,806	The LRTPP is a long range, comprehensive multi-agency effort to define the desired and achievable transportation future for San Francisco. The effort will produce a roadmap to arrive at that future, including policies, planning, project development, and funding strategies. Our schedule anticipates completion of an update of the SFTP by mid-2017, a vision document by late-2017, with a new SFTP in 2021. The primary consultant contract was executed through the San Francisco Planning Department instead of through Transportation Authority. In addition, contract negotiation delays also resulted in delays in schedule and associated work that was planned to be completed by staff this fiscal year. This amendment decreases Federal Revenues by \$227,127 and Regional Revenues by \$660,412. Corresponding Capital Project – Technical Professional Services Expenditures will decrease by \$660,412 and Administrative Operating - Personnel Costs will shift from CMA Programs to Sales Tax Program by \$227,127 for FY 2016/17 activity.

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year 2016/17 Budget Amendment Explanations**

No.	Description	Adopted Budget FY2016/17	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY2016/17	Explanation
9.	Commuter Shuttle Hub Study	-	70,027	70,027	In July 2016, the SFMTA requested us to analyze and evaluate the impact of commuter shuttles on traffic congestion, neighborhood safety, the environment and public transportation, as well as explore a “hub” or potentially more efficient zone network model. In November 2016, the Transportation Authority and the SFMTA have finished analysis and presented findings from the joint-agency Commuter Shuttle Hub Study, as well as from SFMTA’s mid-year review of the current program. This amendment increases Regional Revenues by \$70,027. Corresponding Capital Project – Technical Professional Services Expenditures will increase by \$26,643 and Administrative Operating – Personnel Costs will shift from Sales Tax Program to CMA Programs by \$43,384 for FY 2016/17 activity.
10.	Treasure Island Mobility Management Agency (TIMMA)	1,000,000	621,068	1,621,068	On April 1, 2014, through Resolution No. 110-14, the San Francisco Board of Supervisors designated the Transportation Authority as the TIMMA for San Francisco to oversee the implementation of the Treasure Island Transportation Implementation Plan in accordance with the Treasure Island Transportation Management Act (AB 981), which includes congestion pricing and travel demand management on Treasure Island. Original estimated contributions from TIDA need to be updated to reflect the additional \$500,000 commitment from TIDA. SFMTA is also reimbursing us \$75,000 to develop a Parking Management Plan for the redevelopment of Treasure Island and Yerba Buena Island. Prop K funds appropriated through Resolution 15-13 will cover remaining project costs. This amendment increases Regional Revenues by \$575,000. Corresponding Capital Project – Technical Professional Services Expenditures will increase by \$311,102, Administrative Operating - Non-personnel Costs will increase by \$80,902 and Administrative Operating - Personnel Costs will shift from Sales Tax Program to TIMMA Program by \$229,064 for a total increase of \$621,068 in expenditures for FY 2016/17 activity.

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year 2016/17 Budget Amendment Explanations**

No.	Description	Adopted Budget FY2016/17	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY2016/17	Explanation
11.	Prior Year Program Revenue Carryover	-	14,427,622	14,427,622	<p>For several projects, budgeted revenues from anticipated reimbursements were lower than projected and have deferred to the current fiscal year. On June 30, 2016, the Transportation Authority and City and County of San Francisco adopted a new revenue recognition policy and changed the measurement focus and basis of accounting period from 90 days to 60 days (i.e. any revenues collected 60 days after June 30, 2016 for FY 2015/16 services were now considered as revenue for FY 2016/17). There is no issue with the availability of these revenues, only the fiscal year of when these revenues are accounted for. The major projects with carryover revenues include \$1,336,462 in revenue reimbursements on the Presidio Parkway Phase I construction costs due to the delay of complete invoice submittals from Caltrans; I-80/YBI Interchange Improvement Project for \$12,174,822 due to a wet winter season and delays in tree removal and foundation construction work caused by early nesting of birds in the construction area; San Francisco LRTTP for \$258,909 due to a longer than anticipated startup and contracting process. This carryover increases revenues by \$14,427,622 for FY 2016/17.</p>
12.	Geary Corridor Bus Rapid Transit Environmental Clearance	166,030	779,735	945,765	<p>Through a separate request this month, the Transportation Authority is requesting \$602,254 in Prop K funds for additional unanticipated activities required to complete the environmental phase of the project. On January 5, 2017, the Transportation Authority certified the Final Environmental Impact Report (EIR), but has continued to work with the Federal Transit Administration (FTA) to address comments on an administrative draft of the Final Environmental Impact Statement. Funds will provide for additional environmental analysis in response to community input, ongoing work with FTA to complete a stand-alone EIS, and legal defense of the project's EIR. Federal Surface Transportation Program 3% funds will cover remaining project costs. This amendment increases Federal Revenues by \$177,481. Corresponding Capital Project – Technical Professional Services Expenditures will increase by \$674,717 and shifts Administrative Operating – Personnel Costs from Sales Tax Program to CMA Programs by \$105,018 for FY 2016/17 activity.</p>

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year 2016/17 Budget Amendment Explanations**

No.	Description	Adopted Budget FY2016/17	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY2016/17	Explanation
13.	Administrative Operating Costs – Non-personnel Expenditures	2,196,580	264,289	2,460,869	Administrative Operating Costs for non-personnel expenditures also need to be updated from the original estimates contained in the adopted FY 2016/17 budget. The proposed increase includes additional annual maintenance costs and technical support services for our accounting software application, as well as consultant costs to support the development of a potential 2018 local revenue measure. This amendment increases Administrative Operating Costs – Non-personnel Expenditures by \$264,289 for FY 2016/17.
14.	Debt Service Expenditures – Interest and Fiscal Charges	960,000	366,667	1,326,667	We anticipate additional interest and fiscal charges associated with the \$46,335,835 increase of the Revolver Credit Agreement (Revolver) from \$93,644,165 to \$140,000,000. This amendment increases Debt Service Expenditures – Interest and Fiscal Charges by \$366,667 for FY 2016/17 activity. See below for more information.
15.	Draw on Revolving Credit Agreement	25,000,000	21,335,835	46,335,835	In February 2017, through Resolution 17-26, the Transportation Authority Board approved borrowing up to \$46,335,835, to a total amount not to exceed \$140,000,000, from the Revolver with State Street Public Lending Corporation. Through ongoing discussions with our sponsors (particularly SFMTA) and financial advisors, we have conducted cash flow analyses and anticipate the need to borrow \$25 million over the next few months from the Revolver and possibly up to \$46,335,835 in total over the next six-plus months to meet our financial commitments. This amendment increases the Draw on Revolving Credit Agreement by \$21,335,835 for FY 2016/17 activity.

Attachment 3

**San Francisco County Transportation Authority
Fiscal Year 2016/17 Budget Amendment Explanations**

No.	Description	Adopted Budget FY2016/17	Proposed Amendment Increase/ (Decrease)	Proposed Amended Budget FY2016/17	Explanation
16.	Prior Year Expenditure Carryover	-	15,879,070	15,879,070	<p>For several projects, budgeted expenditures from prior year were lower than anticipated and have deferred to the current fiscal year. On June 30, 2016, the Transportation Authority and City and County of San Francisco adopted a new revenue recognition policy and changed the measurement focus and basis of accounting period from 90 days to 60 days (i.e. any revenues collected 60 days after June 30, 2016 for FY 2015/16 services were now considered as revenue for FY 2016/17). There is no issue with the availability of these revenues, only the fiscal year of when these revenues are accounted for. The major projects with carryover expenditures include \$1,336,462 in revenue reimbursements on the Presidio Parkway Phase I construction costs due to the delay of complete invoice submittals from Caltrans; I-80/YBI Interchange Improvement Project for \$12,174,822 due to a wet winter season and delays in tree removal and foundation construction work caused by early nesting of birds in the construction area; and San Francisco LRTPP for \$258,909 due to a longer than anticipated startup and contracting process. This carryover increases expenditures by \$15,879,070 for FY 2016/17.</p>