



Memorandum

Date: 05.15.13 **RE:** Citizens Advisory Committee
May 22, 2013

To: Citizens Advisory Committee

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

Subject: **ACTION** – Adopt a Motion of Support for the Adoption of the Proposed Fiscal Year 2013/14 Annual Budget and Work Program

Summary

Pursuant to State statutes (PUC Code Sections 131000 et seq.) and the Authority's Fiscal Policy, the Authority Board must adopt an annual budget for Fiscal Year (FY) 2013/14 by June 30. The proposed Fiscal Year (FY) 2013/14 Annual Budget includes projections of sales tax revenues; federal, state and regional grants; investment income for the fiscal period; and projections of operating and administrative costs, capital expenditures, and associated financing costs. The proposed FY 2013/14 Annual Budget also includes a description of the Authority's proposed Work Program for the coming fiscal year. Total revenues are projected to be \$109.9 million, including \$88.3 million in sales tax revenues. Total expenditures are projected to be \$245.1 million. Capital project expenditures are projected to be \$235.8 million or about 96.2% of total expenditures. The budgeted other financing sources and uses anticipates a bond issue of \$470 million, which would be used to fund Prop K capital projects and to redeem outstanding commercial paper debt. The final proposed FY 2013/14 Annual Budget and Work Program will be presented to the Finance Committee and Authority Board in June. A public hearing will precede consideration of the FY 2013/14 Annual Budget and Work Program at the Authority Board's June meeting. **We are seeking a motion of support for adoption of the proposed FY 2013/14 Annual Budget and Work Program.**

BACKGROUND

Pursuant to State statutes (PUC Code Sections 131000 et seq.), the Authority must adopt an annual budget for Fiscal Year (FY) 2013/14 by June 30, 2013. As called for in the Authority's Fiscal Policy (Resolution 13-07) and Administrative Code (Ordinance 13-02), it is the responsibility of the Finance Committee to set both the overall budget parameters for administrative and capital expenditures, the spending limits on certain line items, as well as to recommend adoption of the budget to the Authority Board prior to June 30 of each year.

The purpose of this memorandum is to present the Authority's proposed FY 2013/14 Annual Budget and Work Program and to seek a motion of support for its adoption.

DISCUSSION

The Authority's proposed FY 2013/14 Work Program includes activities in five major functional areas that are overseen by the Executive Director: 1) Policy and Programming, 2) Capital Projects delivery support and oversight, 3) Planning, 4) Technology Services, and 5) Finance and Administration. These categories of activities are organized to efficiently address the Authority's designated mandates, including overseeing the Prop K Sales Tax Expenditure Plan, functioning as the Congestion Management Agency (CMA) for San Francisco, acting as the local program manager for the Transportation Fund for Clean Air (TFCA) program, and administering the \$10 Prop AA vehicle registration fee. Our organizational approach also reflects the principle that all activities at the Authority

contribute to the efficient delivery of transportation plans and projects, even though many activities are funded with a combination of revenue sources and in coordination with a number of San Francisco agencies as well as and federal, state and regional agencies. Attachment B contains a description of the Authority's proposed Work Program for FY 2013/14.

Attachment A displays the proposed budget in a format described in the Authority's Fiscal Policy. Total revenues are projected to be \$109.9 million. Sales tax revenues, net of interest earnings, are projected to be \$88.3 million, or 80.4% of FY 2013/14 revenues. Total expenditures are projected to be about \$245.1 million. Of this amount, capital project costs are \$235.8 million. Capital projects costs are 96.2% of total projected expenditures, with 3% of expenditures budgeted for administrative operating costs, and 0.8% for debt service and interest costs. The division of revenues and expenditures into the sales tax program, CMA program, TFCA program, and Prop AA program on Attachment A reflects the four distinct Authority responsibilities and mandates.

Attachment C shows a more detailed version of the proposed budget. The sales tax revenue projection of \$88.3 million is an increase from the sales tax revenues expected to be received by the Authority in FY 2012/13. Sales tax revenues have recovered from the FY 2009/10 low and FY 2013/14 revenues are projected to be the highest collected in a single fiscal year since the inception of the Prop K program. CMA revenues include federal, state, and regional sources, and used are for professional services contracts and staffing expenditures to implement the Authority's planning, oversight and programming responsibilities. CMA revenues include project specific grants, and also include annual funding sources such as federal Surface Transportation Program funds, and state Planning, Programming, and Monitoring funds, that can be used to fund a number of eligible activities. CMA revenues also include federal, state, and regional reimbursements of \$8.9 million for work on the I-80/Yerba Buena Island Interchange Improvement Project and Yerba Buena Bridge Structures (collectively known as YBI Interchange Improvement Project), an effort undertaken under agreement by the Authority in its role as CMA for San Francisco. Other CMA revenues include reimbursement in federal Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds for the Transportation Demand Management Partnership and eFleet: Carsharing Electrified projects. Prop AA revenues in FY 2013/14 are projected to be \$4.7 million or 4.3% of all budgeted revenues, which, following the Board's approval of its Strategic Plan in December 2012, are now available for new eligible projects and programs.

Attachment C also displays a breakdown of projected expenses. Capital expenditures for projects and programs have been based on project sponsors' estimates of annual cash flow demands as reflected in the Strategic Plan and 5-Year Prioritization Programs, as well as a review of current project delivery and reimbursement rates. The budget assumes a current estimate of \$210.6 million in Sales Tax funded capital expenditures for projects and programs, roughly evenly split between prior allocations and new allocations anticipated in FY 2013/14. The capital project expenditures in this category include the San Francisco Municipal Transportation Agency's (SFMTA's) replacement of 60 60-foot trolley coaches and 42 60-foot Neoplans, Radio Communications System & Computer-Aided Dispatch Replacement, the Central Control and Communications Program, and Central Subway projects; the Transbay Joint Powers Authority's Transbay Transit Center/Downtown Extension Project; the Presidio Parkway project; as well as various transit and street maintenance improvements, and pedestrian and bicycle projects.

CMA capital expenditures of \$14 million include technical consulting services which are needed in order to fulfill the Authority's CMA Program responsibilities under state law. Projects in this category include the Geary Corridor and Van Ness Avenue Bus Rapid Transit environmental studies, and various local area plans and station studies, such as the 19th Avenue Transit Corridor Investment Study, the Balboa Park Station Area Circulation Study, the Treasure Island Mobility Management Study, the San Francisco

Transportation Plan, the Transportation Demand Management Partnership Project and eFleet Carsharing Electrified Program. The FY 2013/14 budget also includes \$8.9 million from federal, state, and regional funding for work on the I-80/YBI Interchange Improvement Project and YBI Bridge structures.

Personnel costs are budgeted at \$5.5 million, approximately the same level as FY 2012/13. Salary costs have not been increased, but there is a budgeted increase for benefit costs. Employees are not entitled to any cost of living adjustment, and all salary adjustments are determined by the Executive Director based on performance only.

Debt service costs of \$1.6 million are included in the FY 2013/14 budget. This assumes a continuation of the commercial paper agreements and also includes an interest contingency in case bonds need to be issued earlier than budgeted.

The Other Financing Sources and Uses section of the budget includes interfund transfers, and also includes the assumption of a bond issue of \$470 million in FY 2013/14. The amount and timing of the bond issue depends on the estimated Prop K project cash flows from project sponsors, interest rates and credit market conditions at the time.

The budgetary fund balance is generally defined as the difference between assets and liabilities, and the ending balance is based on previous year's audited fund balance plus the current year's budget amendment and the budgeted year's activity.

The Authority's Fiscal Policy directs that the Authority shall allocate between 5% and 15% of the estimated annual sales tax revenues as a hedge against emergencies in the fiscal year. The FY 2013/14 budget sets aside \$8.8 million, or 10% of annual projected sales tax revenues, as a set-aside for a program and operating contingency reserve. The Authority has also set aside \$472,776 or 10% as a program and operating contingency reserve for the Prop AA Program.

Attachment D provides additional descriptions of line items in the budget.

The final proposed FY 2013/14 Annual Budget and Work Program will be presented to the Finance Committee and Authority Board in June. A public hearing will precede consideration of the FY 2013/14 Annual Budget and Work Program at the Authority Board's June meeting.

We are seeking a motion of support for adoption of the proposed FY 2013/14 Annual Budget and Work Program.

ALTERNATIVES

1. Adopt a motion of support for the adoption of the proposed FY 2013/14 Annual Budget and Work Program, as presented.
2. Adopt a motion of support for the adoption of the proposed FY 2013/14 Annual Budget and Work Program, with modifications.
3. Defer action, pending additional information or further staff analysis.

FINANCIAL IMPACTS

As described above.

RECOMMENDATION

Adopt a motion of support for the adoption of the proposed FY 2013/14 Annual Budget and Work Program.

Attachments

- A. Proposed FY 2013/14 Annual Budget
- B. Proposed FY 2013/14 Annual Work Program
- C. Proposed FY 2013/14 Annual Budget – Line Item Detail
- D. Line Item Descriptions



Attachment A
Fiscal Year 2013/14 Budget

Proposed Budget by Fund

	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund For Clean Air Program	Vehicle Registration Fee For Transportation Improvements Program	Proposed Budget Fiscal Year 2013/14	Change from prior year: Increase/ (Decrease)	Amended Budget Fiscal Year 2012/13
Revenues:							
Sales Tax Revenues	\$ 88,294,414	\$ -	\$ -	\$ -	\$ 88,294,414	\$ 3,802,152	\$ 84,492,262
Vehicle Registration Fee	-	-	-	4,727,760	4,727,760	(83,760)	4,811,520
Interest Income	939,991	-	3,000	5,000	947,991	(64,051)	1,012,042
Federal/State/Regional Revenues	-	12,505,356	736,195	-	13,241,551	(30,793,660)	44,035,211
Other Revenues	2,571,750	88,143	-	-	2,659,893	2,543,405	116,488
Total Revenues	91,806,155	12,593,499	739,195	4,732,760	109,871,609	(24,595,914)	134,467,523
Expenditures:							
Capital Projects Costs	210,587,000	13,958,968	1,433,954	9,817,216	235,797,138	53,197,771	182,599,367
Administrative Operating Costs	4,726,681	2,734,876	36,501	236,388	7,734,446	272,581	7,461,865
Debt Service Interest and Fiscal Charges	1,600,000	-	-	-	1,600,000	262,367	1,337,633
Total Expenditures	216,913,681	16,693,844	1,470,455	10,053,604	245,131,584	53,732,719	191,398,865
Other Financing Sources (Uses):	271,218,165	4,100,345	-	-	275,318,510	275,318,510	-
Net Change in Fund Balance	\$ 146,110,639	\$ -	\$ (731,260)	\$ (5,320,844)	\$ 140,058,535	\$ 196,989,877	\$ (56,931,342)
Budgetary Fund Balance, as of July 1	\$ (139,134,453)	\$ -	\$ 877,384	\$ 7,968,695	\$ (130,288,374)	N/A	\$ (76,563,801)
Budgetary Fund Balance, as of June 30	\$ 6,976,186	\$ -	\$ 146,124	\$ 2,647,851	\$ 9,770,161	N/A	\$ (133,495,143)

Attachment B
Proposed Fiscal Year 2013/14 Annual Work Program



The Authority's proposed Fiscal Year (FY) 2013/14 Work Program includes activities in five major functional areas overseen by the Executive Director: 1) Policy and Programming, 2) Capital Projects delivery support and oversight, 3) Planning, 4) Technology Services, and 5) Finance and Administration. These categories of activities address the Authority's designated mandates. These include overseeing the Prop K Sales Tax Expenditure Plan, functioning as the Congestion Management Agency (CMA) for San Francisco, acting as the local program manager for the Transportation Fund for Clean Air (TFCA) program and administering the \$10 Prop AA vehicle registration fee. Our organizational approach also reflects the principle that all activities at the Authority contribute to the efficient delivery of transportation plans and projects, even though many activities are funded with a combination of revenue sources and in coordination with a number of San Francisco agencies as well as federal, state and regional agencies. The proposed Work Program reflects the coordinated manner in which activities are managed by the Authority, by functional areas and projects.

POLICY AND PROGRAMMING

The FY 2013/14 Work Program for the Policy and Programming section focuses on strategic funding and policy issues that will affect the implementation of many of the important improvements to the transportation system made possible by the passage of Prop K, as well as emerging new priorities identified through the San Francisco Transportation Plan (SFTP). As always, opportunities to improve leveraging (i.e., matching) of Prop K funds with other federal, state, regional or local funds remain critically important. Given the political climate at the state and federal levels, FY 2013/14 presents a bleak outlook for increased revenues at the state and (particularly) federal level and a real chance of decreased revenues from the latter. Yet there are also opportunities such as further stabilizing state transportation revenues to provide a more reliable revenue stream and increased opportunities for public-private partnerships (P3) and pricing initiatives. This climate underscores the need for clear priorities, ensuring that San Francisco projects are truly competitive for discretionary programs, and ongoing oversight to comply with timely use of funds deadlines so that funds are not lost to projects or to San Francisco.

In this context, the 2013 update of the Prop K Strategic Plan and the 21 5-Year Prioritization Programs (5YPPs) covering FYs 2014/15 through 2018/19 will provide a strong framework for this work. The 2013 updates are a multi-jurisdictional effort led by the Policy and Programming section and involving all other Authority sections, the Board, the public and project sponsors in broad-based discussions regarding project readiness, project phasing options, timing of environmental clearances, full funding plans and strategies including options for advancing or swapping different fund sources, and other technical information to arrive at a well-considered plan that maximizes the Authority's ability to leverage the Prop K program while minimizing financing costs and expediting delivery of transportation improvements.

In FY 2013/14, the Policy and Programming section will focus on ongoing implementation of Prop K, with a concerted effort to upgrade project delivery oversight and reporting (particularly public-facing reporting), in concert with the Capital Projects, Finance and Administration, and Technology Services sections, to help ensure that the Prop K program is delivered in a timely fashion and leveraging opportunities are realized. Similarly, the Policy and Programming section will ensure efficient and effective implementation of the Prop AA program by applying lessons learned from Prop K and making use of existing Prop K systems. Further, this section will work with the Technology Services section to develop web-based formats for public reporting of Prop AA project delivery progress, which is especially important given Prop AA's voter mandate to quickly delivery projects that provide tangible benefits to the public.

This section will continue to provide key input to the Planning section for the SFTP update, including funding strategies for existing and new revenue sources, policy considerations, and capital project

Attachment B
Proposed Fiscal Year 2013/14 Annual Work Program



prioritization. The new revenue strategy will include recommendations related to state and federal revenue advocacy, but given the current political climate and budget challenges at those levels of government, the focus will be on local measures. Related activities include participating in the Mayor's 2030 Transportation Task Force, active involvement in the development of proposals for new transportation revenues, particularly at the regional and state levels such as participating in the new revenue advocacy efforts stemming from the Metropolitan Transportation Commission's (MTC's) Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) (see Planning section for more detail). In addition, the Authority monitors state legislation affecting San Francisco's transportation programs, and develops strategies for advancing legislative initiatives beneficial to the program.

Programming has traditionally been a cyclical set of activities, but the multiplicity of fund programs handled by the Authority and the additional requirements established by Prop K, such as 5YPPs, result in a steady year-round workload, exacerbated during particularly acute peaks, such as the end of the fiscal year when we bring annual Prop K allocation requests and TFCA programming recommendations for the upcoming fiscal year to the Board for approval. Based on the Prop K and Prop AA Strategic Plans and ongoing conversations with project sponsors, we are anticipating about \$110.8 million in new allocations for Prop K capital expenditures and about \$8.7 million in new allocations for Prop AA capital expenditures. In addition, we anticipate programming just about \$732,000 to new TFCA capital projects.

The following activities are anticipated for the Policy and Programming section in the upcoming fiscal year:

- Prop K Allocation Requests: Evaluate project sponsor applications and amendments
- Prop K Strategic Plan and 5YPP: Manage ongoing implementation and amendments in coordination with Capital Projects, Planning, and Finance and Administration sections, as well as manage the 2013 Strategic Plan and 5YPP updates, working closely with the Authority Board and project sponsors, seeking public input throughout the process
- Prop K Project Delivery Oversight: Provide oversight of delivery of all programmatic (i.e., non-project specific) categories in Prop K, with primary responsibility for all programmatic categories (e.g., bicycle and pedestrian circulation and safety, transit preferential streets, traffic calming, signs and signals), except for transit rehabilitation categories where the Policy and Programming section supports the Capital Projects section, particularly in funding assessments and strategy
- Project Controls and Oversight System: Work with Capital Project, Technology Services, and Finance and Administration sections to improve project delivery monitoring and reporting, including assessments of project readiness and expenditure status, streamlining invoice and reporting processes for project sponsors, and project reporting to the public
- 2013 RTP/SCS: Work closely with the Planning section to represent San Francisco's interests and project priorities to the MTC, participating in related efforts such as the Transit Sustainability Project, new revenue advocacy and other policy initiatives; support Planning section's efforts to develop the OBAG Transportation Investment and Growth Strategy in coordination with relevant city agencies, regional transit operators, and other stakeholders
- Regional Transit Expansion Agreement (MTC Resolution 3434): Provide ongoing advocacy for San Francisco priorities
- Prop AA Vehicle Registration Fee: Evaluate project sponsor applications and amendments; provide project delivery oversight; review and approve reimbursement requests; and further development and enhance project delivery reporting

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Proposed Fiscal Year 2013/14 Annual Work Program



- New Regional Fund Programs Stemming from 2013 RTP/SCS: Manage second cycle programming for CMA administered programs (e.g. OneBayArea Block grant), conduct project oversight and provide assistance to sponsors with timely use of funds deadlines for federally-funded San Francisco projects, whether directly prioritized by the Authority or not, consistent with assigned CMA responsibilities
- Lifeline Transportation Program: Work with sponsors and MTC to implement programming recommendations from Cycle 3; coordinate with transit operators that directly receive funds under revised program guidelines; collect performance data from sponsors, monitor project delivery, and assist sponsors with obligation of funds in a timely manner
- TFCA Annual Local Programming Cycle: Determine priorities, manage program, assist sponsors with applications and amendments
- TFCA Administration: Work with CMAs and Bay Area Air Quality Management District to further streamline TFCA administration and potentially seek legislative reform
- TFCA Regional Programming Cycle: Assist sponsors with applications
- Oversight and Project Delivery Support: As CMA, assist MTC with oversight of San Francisco projects funded with federal, regional and other funds; provide assistance with compliance of timely use of funds deadlines and work to ensure no loss of funds to San Francisco projects
- State Transportation Improvement Program (STIP): Manage 2014 STIP development seeking to secure and advance funds for the Authority's adopted Regional Improvement Program priorities (e.g. Central Subway); provide ongoing strategy development and implementation for advancing funds and dealing with likely STIP allocation plans and other issues related to state budget challenges and the significant impacts this has had on the availability of STIP revenues; provide ongoing assistance with project sponsor allocation and amendment requests to avoid loss of funds given stringent timely-use-of-funds requirements; and provide support to Capital Projects section for Presidio Parkway funding and financing strategy
- Interregional Transportation Improvement Program: Manage prioritization of San Francisco projects and negotiation with other Bay Area CMAs, MTC, and the state
- Central Subway Funding and Financing Strategy Support: Assist the San Francisco Municipal Transportation Agency (SFMTA) with ongoing refinement and implementation of a strategy that includes support for timely appropriation of Federal New Starts funds committed to the project, timely allocation of Prop 1B transit formula funds from the California Transportation Commission (CTC), programming and allocation of the remaining STIP funds committed to the project by the Authority, and development of a bridge financing and/or fund swap strategy to meet the project's cash flow needs in the likely event that not all of the New Starts and RIP funds will be available when needed
- Regional, State and Federal Funds: Provide advocacy (including MTC/Partnership and Bay Area CMA committee work) and ongoing coordination with and appearances before the MTC, CTC, and federal agencies on behalf of San Francisco project sponsors
- Federal Transportation Improvement Program: Provide amendments and updates (coordination and processing with MTC and project sponsors)

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Proposed Fiscal Year 2013/14 Annual Work Program



- SFTP: Support the Planning section's SFTP update, including finalization of a preferred and a vision investment package, development of funding strategies, identification of new revenue sources and advocacy strategy, assessment of funding shortfalls, and assistance with development of project prioritization and policy recommendations; participate in Mayor's 2030 Transportation Task Force
- State and Federal Legislation: Manage tracking, strategy and development in coordination with all other Authority sections and project sponsors
- SFMTA Bicycle Program: Work with the SFMTA to ensure that necessary resources are in place to support timely and within budget implementation of bicycle network improvement projects and parking, and a steady pipeline of new project development, maximizing leveraging of funds and complete streets coordination opportunities
- Transit Effectiveness Project (TEP): In coordination with the Planning section, provide input to the SFMTA on planning and environmental studies for the TEP and assist with development of funding and project delivery strategies to implement capital recommendations, including planned amendments of the relevant Prop K and Prop AA 5YPPs and a strategy for targeting near-term discretionary funding cycles
- Better Streets Plan/Complete Streets: Provide assistance with development of implementation strategy and ongoing efforts to streamline planning, approvals, project delivery, etc.
- Prop B Grants: Work with project sponsors to close out remaining Prop B grants
- eFleet: Carsharing Electrified Project: Act as a fiscal agent to support City CarShare, a Bay Area non-profit organization, in deploying a fleet of electric vehicles with supportive infrastructure and operations

CAPITAL PROJECTS

The Capital Projects section works to facilitate the timely and cost-effective delivery of Authority-funded transportation projects and programs, and to ensure implementation of the project delivery policies. The Capital Projects section will focus its oversight efforts on the delivery of the Prop K major capital projects, such as the Presidio Parkway, the SFMTA's Central Subway, and the Caltrain Downtown Extension/Transbay Terminal (Transbay Transit Center). The Capital Projects section also provides primary oversight of Prop K projects in four programmatic categories: transit vehicles, guideways, facilities, and the Caltrain Capital Improvement Program, supported by the Policy and Programming section. The Capital Projects section works with the Planning and the Policy and Programming sections to provide engineering support for Authority-led planning efforts, as well as for regional, state, and federal grant applications and Prop K and Prop AA allocation requests. The Capital Projects section provides technical assistance to help project sponsors meet timely use of funds deadlines and other requirements, to avoid the loss of discretionary state and federal grant funds.

Key activities foreseen for FY 2013/14 for the Capital Projects section include the following:

- Presidio Parkway Project: Continue supporting California Department of Transportation (Caltrans) with construction management and design support during construction to closeout Phase I; serve as lead for various components of the P3 contract awarded to Golden Link Concessionaire for Phase II; work with Caltrans to ensure compliance with conditions associated with prior allocations of federal economic stimulus funds; actively assist Caltrans with implementation and oversight of the P3 contract for Phase II

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Proposed Fiscal Year 2013/14 Annual Work Program



- Central Subway: With modeling support from Technology Services section and financing support from Policy and Programming section, provide project management oversight and scope/cost/schedule and funding assessment
- Transbay Transit Center: Project management oversight; scope/cost/schedule and funding assessment
- Prop K Transit State of Good Repair Categories: Allocation support, including scope/cost/schedule assessment and project management oversight, especially for major capital projects
- I-80/Yerba Buena Island (YBI) Interchange Improvement Project: Continue final engineering and design work; management activities with Caltrans, the Bay Area Toll Authority, the Office of Economic and Workforce Development and Treasure Island Development Authority on coordination of the construction of the I-80/YBI Interchange Improvement Project with the construction the new Eastern Span of the San Francisco-Oakland Bay Bridge
- Caltrain Electrification and California High-Speed Rail Program: With support from the Planning section, coordination with the California High-Speed Rail Authority (CHSRA) and San Francisco agencies on issues affecting the city; work with Caltrain, the MTC, the Mayor's Office and other Peninsula stakeholders to monitor delivery of the Caltrain Electrification project including the Communications Based Overlay Signal System (CBOSS), and with support from the Policy and Programming section, work with the Mayor's Office on development and implementation of a funding strategy for San Francisco's local partner contribution to the Electrification and CBOSS projects
- Authority-led Prop K Projects: Engineering support for Prop K projects, such as bus rapid transit (BRT) environmental studies on Van Ness Avenue and Geary Corridor, and Balboa Park Station Area planning and engineering efforts (scope/cost/schedule assessment, project management oversight)
- Authority-programmed Grants: Engineering support for state and federal Authority-programmed grants; scope/cost/schedule assessment to assist with timely-use of-funds compliance and issue resolution
- 2013 Prop K Strategic Plan and 5YPP Updates: In coordination with the Policy and Programming section, monitor, and report Prop K cash flow needs for major capital and transit SOGR projects to forecast financing needs and to provide input to Strategic Plan and 5YPP updates; manage Prop K reimbursements to project sponsors for major capital projects and four transit rehabilitation categories; support other divisions for reimbursement and oversight of remaining Prop K projects
- Project Controls and Oversight System: Implementation, maintenance, and enhancement of project controls data management system, in coordination with Finance and Administration, Policy and Programming and Technology Services sections

PLANNING

The Authority's planning activities for FY 2013/14 will focus on coordinating the SFTP recommendations with the Mayor's Transportation Task Force, supporting design and other implementation activities for the Van Ness Avenue BRT project and selecting a Locally Preferred Alternative and releasing the Draft Environmental Impact Statement/Environmental Impact Report (EIS/EIR) for the Geary Corridor BRT project. The Authority will also continue working on the 19th Avenue Bulb Outs designs and Transit

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Proposed Fiscal Year 2013/14 Annual Work Program



Corridor Study, along with the Balboa Park Station Access and Circulation Study and Geneva BRT Study. During FY 2013/14, the Authority will also advance our pricing program via advancing the Treasure Island Transportation Study and Parking Regulation and Pricing Study. Our neighborhood transportation planning work will include the initiation of the Potrero Hill Neighborhood Transportation Plan and support for traffic calming and safety improvements to San Jose Avenue, as recommended by the Authority's Central Freeway/Octavia Boulevard Circulation Study. The Planning section will also continue to lead the Quint-Jerrold Connector Road designs and environmental review, as well as support the City's Transportation Sustainability Project work. We will continue to work closely with the Policy and Programming section and other external partners such as the San Francisco Planning Department on regional planning work related to the anticipated adoption of the region's first Sustainable Communities Strategy, the One Bay Area Plan. This includes development and implementation of a Priority Development Area Transportation Investment and Growth Strategy and related Federal capital and planning funds. The Planning section works with the Capital Projects section for engineering support, Policy and Programming section for development of a funding strategy to support the various planning efforts and with the Technology Services section for travel demand forecasting and related analytical support.

The planning activities anticipated for FY 2013/14 are:

- SFTP Update: Incorporate public input on Draft Plan recommendations, coordinate investment strategies with the Mayor's Transportation Task Force, and seek formal approval and adoption of plan
- RTP/SCS: Working with the Policy and Programming section, and Planning Department, support implementation of the One Bay Area Plan
- Parking Pricing and Regulation Study: Continue review of citywide parking pricing and regulation strategies that yield demand management and transportation system performance benefits in cooperation with SFMTA
- Treasure Island Transportation Plan: Obtain designation of Authority as Transportation Management Agency to plan and implement the Treasure Island Transportation Program; includes setting up the new agency, and continued management of the Treasure Island Mobility Study
- Congestion Pricing Pilot: Seek funding for Congestion Pricing Pilot System Planning and Environmental Studies
- Van Ness Avenue BRT EIS/EIR Study: Support SFMTA design engineering phase including through ensuring environmental compliance; support SFMTA vehicle procurement process and branding, and integration of these with the SFMTA fleet plan, TEP, Geary BRT and other projects and programs
- Geary Corridor BRT Study: Select a Locally Preferred Alternative for the project leading to release of Draft EIS/EIR and associated public outreach
- 19th Avenue Pedestrian and Transit Bulbouts Project: Finalize bulbout designs and cost estimates in parallel with SFMTA completion of planning and environmental studies in the corridor
- 19th Avenue Transit Corridor Investment Study: Continue to manage study of M-Line Light Rail Transit operations and re-design options; includes engineering, transit operations, traffic and non-motorized transportation planning and public outreach
- Bi-County Transportation Program Coordination: Following adoption of the Bi-County

Attachment B
Proposed Fiscal Year 2013/14 Annual Work Program



Transportation Study, lead work on the top priority project from the Bi-County program: the Geneva BRT feasibility study, including seating of a Community Advisory Committee; and continue to coordinate with sponsors of other projects in the area including San Mateo County's US 101/Candlestick Interchange project

- Better Market Street Project: Wind down consultant contract for the conceptual planning phase, participate on Technical Advisory Committee for the environmental phase
- San Francisco Public-Private Travel Demand Management (TDM) Partnership Project: Implement and evaluate employer-led TDM pilots for three area-wide working groups; develop recommendations with SFMTA for the Muni Partners Program, and launch parking cashout TDM pilot
- Transportation Sustainability Project (TSP) EIR: Continue supporting Planning Department-led EIR for the TSP (new California Environmental Quality Act transportation impact methodology and mitigation approach) and providing support to the State Resources Agency on new regulations consistent with Senate Bill 375
- Bayview Oakdale Caltrain Station: Continue working with Peninsula Corridor Joint Powers Board (PCJPB) and Department of Public Works staff on the Quint Street Bridge Replacement and Quint-Jerrold Connector Road projects; coordinate with PCJPB on infill station policy development and potential next steps for project development including environmental review
- Balboa Park Circulation Study and CAC Support: Continue to lead the study through the concept evaluation stage, leading to identification of a preferred alternative
- Congestion Management Program Update: Conduct speed surveys on the city's main arterial network, for both vehicle and surface transit for adoption and submittal to MTC as required of all CMAs biennially
- California High-Speed Rail Planning in San Francisco: Work in collaboration with Capital Projects section and coordinate San Francisco input to CHSRA as well as Caltrain Electrification
- Other Outside Studies: Provide support to the SFMTA's TEP; Mayor's Pedestrian Safety Task Force; Market/Octavia Plan, Glen Park Plan, Eastern Neighborhoods Transportation Improvements Plan; Balboa Park Station Transportation Plan; Central Corridor Plan, Transbay Transit Center District Plan; Treasure Island Development Plan; Waterfront Development Plan; Cesar Chavez East Transportation Plan; MTC and Caltrans planning studies
- Transportation/Land Use Coordination: Participate in activities, as required by MTC of all CMAs, including, in addition to RTP/SCS policy and program development as described above: One Bay Area Grant and Transportation Investment and Growth Policy initiatives; Freeway Performance Initiative and Express Lane Master Plan development, and integration of equity considerations into corridor transportation studies

In addition, the Planning section attends coordination meetings with other city, regional and state agencies and community organizations as necessary to deliver the main products in the Work Program, and cover relevant MTC and Bay Area Partnership meetings as necessary to accomplish the program.

TECHNOLOGY SERVICES

The Technology Services section will continue to coordinate all technology support needs at the Authority,

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Proposed Fiscal Year 2013/14 Annual Work Program



including travel forecasting and analysis, data analysis, print graphics, the agency website, and internal systems.

- Travel Modeling/Forecasting Support and Analysis for Authority Studies: Provide modeling, mapping, and graphics services to support the Planning, Capital Projects, and Policy and Programming sections (e.g., SFTP update, Geary Corridor BRT and Transportation Sustainability Fee environmental studies, Balboa Park Station Area Study, Geneva BRT, Van Ness Avenue BRT, Broadway Traffic Study, Parking Pricing and Regulation Study, and the 19th Avenue Investment Study will depend on modeling support)
- Modeling Service Bureau and Data Dissemination Operations: Provide travel model services to city agencies and consultants in support of many projects and studies; expected service bureau support this year will be provided for the Better Market Street, Central Subway, Central Corridor EIR, and the SFMTA's Waterfront Transportation Plan; continue to serve as a data resource for city agencies, consultants, and the public and enhance data management and dissemination capabilities by developing web-based tools such as the "Count Dracula" portal for organizing, mapping, and analyzing traffic, bike, and pedestrian counts
- Complete the requirements for model consistency in coordination with MTC as a part of the Congestion Management Plan update
- Land Use Growth Allocation Model Development and Land Use Analysis: Continue supporting the refinement of the Bay Area land use growth allocation model with Association of Bay Area Governments (ABAG) and MTC, and coordinate land use analysis activities in cooperation with the Planning Department and our regional partners: ABAG and MTC
- Travel Demand Model Enhancements: Implement numerous SF-CHAMP and Dynamic Traffic Assignment model improvements, with special emphasis on transit reliability; begin analyzing and using data from the 2012 California Household Travel Survey and scope the development of SF-CHAMP 5 to meet upcoming planning needs
- Support Related Research: Support researchers working on topics that complement and will enhance our understanding of travel behavior; this year, proposed research will analyze the usefulness of cell phone data for transportation planning; examine transit perceptions from frequent and infrequent transit users using smartphone-based surveys; explore the fusion of multiple geographic data sources such as cell phone data with transit fare card, vehicle location, and passenger data; analyze the stability of model parameters and forecasts over time; and examine bicycle route impedances
- Project Controls and Oversight System: Continue enhancing the system (e.g. Portal) in coordination with project sponsors, Capital Projects, Policy and Programming, and Finance and Administration sections, assist with the implementation of new accounting software (including interfaces with the Project Controls and Oversight System), and enhance project delivery and reporting capabilities (both internal and public-facing)
- Website Development: Expand content and capabilities to add, maintain and enhance interactive project delivery reporting features such as the mystreetsf.com project map
- Graphics and Multimedia: Provide support, strengthen the Authority's capabilities in producing high-quality graphic and multimedia materials in support of the agency work program, and maintain the existing Geographic Information System data and capabilities

Attachment B
Proposed Fiscal Year 2013/14 Annual Work Program



- Information Technology: Provide internal development and support; maintain existing technology systems including phone and data networks; develop new collaboration tools to further enhance efficiency and technological capabilities; and expand contact management capabilities

FINANCE AND ADMINISTRATION

Finance and Administration activities during the year will include and continue:

- Audits: Prepare, procure, manage fiscal, single, compliance, and management audits
- Budget: Develop and administer Authority budget, including performance monitoring, internal program and project tracking
- Accounting: Maintain payroll functions, general ledger and accounting system, including paying, receiving and recording functions; implement a new accounting software to improve accounting functions, general ledger reconciliations and financial reporting, as well as enabling improved data sharing with project delivery oversight
- Reports and Financial Statements: Monitor internal controls and prepare reports and financial statements
- Contract Support: Oversee procurement process for professional consultant contracts, prepare contracts, manage compliance for contracts and associated Memoranda of Agreement and Understanding
- Grants Management: Manage grants and prepare invoices for reimbursement
- Disadvantaged Business Enterprise and Local Business Enterprise: Administer program, review and update policy for any new state and federal requirements, and review applications and award certifications
- Human Resources: Administer recruitment, personnel and benefits management and office procedures
- Policies: Maintain and update Administrative Code, fiscal, debt, procurement, investment, and travel policies
- Office Management and Administrative Support: Maintain facilities and provide procurement of goods and services and administration of services contracts
- Legal Issues: Manage routine legal issues, claims and public records requests
- Capital Financing Program Management: Provide monitoring of financial performance, maintain the cash flow model, analyzing finance options, developing recommendations, issuing and managing debt
- Authority Board and Committee Support: Provide assistance to the Clerk of the Authority as required with preparation of agenda packets and minutes, updates to website and clerking meetings
- Front Office Duties: Greet visitors, respond to general inquiries from the public and other agencies, and assist staff with general office requests

Attachment B
Proposed Fiscal Year 2013/14 Annual Work Program



EXECUTIVE DIRECTOR

The Executive Director's office is responsible for directing the agency, for the development of the annual emphasis areas and plans, and for the efficient management of staff to accomplish assigned and established work products and goals. The Executive Director's office is responsible for effective communications with the Board, the Mayor's Office, and San Francisco's elected representatives at the state and federal levels; for coordination and partnering with other city agencies, regional, state and federal agencies, and other CMAs. The Executive Director's office is also responsible for an appropriate level of external communications, including community and press relations, communication of agency program goals, project identity, and advocacy issues.

San Francisco County Transportation Authority

Attachment C

Fiscal Year 2013/14 Budget

Line Item Detail



PrdcgYX Budget by Fund

	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund For Clean Air Program	Vehicle Registration Fee For Transportation Improvements Program	PrdcgYX Budget FY 2013/14 Total	Change from prior year: Increase (Decrease)	Amended Budget FY 2012/13 Total
Revenues:							
Sales Tax Revenues	\$ 88,294,414	\$ -	\$ -	\$ -	\$ 88,294,414	\$ 3,802,152	\$ 84,492,262
Vehicle Registration Fee	-	-	-	4,727,760	4,727,760	(83,760)	4,811,520
Interest Income	939,991	-	3,000	5,000	947,991	(64,051)	1,012,042
Federal/State/Regional Revenues							
Federal 19th Avenue/State Route 1 Transit Corridor Investment Study	-	175,601	-	-	175,601	(60,904)	236,505
Federal Balboa Park Station Area Circulation Study	-	179,255	-	-	179,255	(29,478)	208,733
Federal Congestion Mitigation and Air Quality (CMAQ) Program: eFleet Carsharing Electrified	-	159,016	-	-	159,016	(1,296,126)	1,455,142
Federal CMAQ Program: Transportation Demand Manangement Partnership Project	-	487,063	-	-	487,063	274,401	212,662
Federal FHWA Dynamic Traffic Assignment	-	-	-	-	-	(36,925)	36,925
Federal FHWA Transit Reliability Research	-	90,000	-	-	90,000	90,000	-
Federal Geneva-Harney Bus Rapid Transit Feasibility Study	-	118,984	-	-	118,984	57,284	61,700
Federal Highway Bridge Program - I-80/Yerba Buena Island Interchange Improvement Project	-	5,289,361	-	-	5,289,361	4,083,344	1,206,017
Federal Highway Bridge Program - Yerba Buena Island Bridge Structures	-	2,598,356	-	-	2,598,356	(292,149)	2,890,505
Federal San Francisco Parking Pricing and Regulation Study	-	239,643	-	-	239,643	143,643	96,000
Federal Small Smart Funds (from SFMTA): Van Ness Avenue Bus Rapid Transit	-	-	-	-	-	(434,531)	434,531
Federal State Planning and Research Project (FTA 5304) - Better Market Street Transit Planning Study	-	-	-	-	-	(51,000)	51,000
Federal Surface Transportation Program - Better Market Street	-	-	-	-	-	(76,500)	76,500
Federal Surface Transportation Program 3% Revenue	-	873,886	-	-	873,886	33,611	840,275
Federal Treasure Island Mobility Management Priority Development Area Study	-	292,362	-	-	292,362	228,261	64,101
State Seismic Retrofit Proposition 1B - I/80 YBI Interchange Improvement Project	-	639,413	-	-	639,413	639,413	-
State Environmental Justice Program - Bayview Hunters Point Mobility Management Study	-	-	-	-	-	(127,734)	127,734
State Potrero Hill Community-Based Transportation Plan	-	78,166	-	-	78,166	65,666	12,500
State Planning, Programming & Monitoring SB45 Funds	-	491,000	-	-	491,000	(36,805)	527,805
Regional AB 1171 - Presidio Parkway (MTC)	-	-	-	-	-	(34,134,838)	34,134,838
Regional Agency Contributions - Model Service Bureau	-	103,133	-	-	103,133	44,184	58,949
Regional MTC Community-Based Transportation Planning Grant - Chinatown	-	60,000	-	-	60,000	60,000	-
Regional MTC Community-Based Transportation Planning Grant - Potrero Hill	-	46,900	-	-	46,900	39,400	7,500
Regional Octavia Boulevard Parcel Sales	-	-	-	-	-	(100,000)	100,000
Regional San Francisco Parking Pricing and Regulation Study (MTC)	-	29,955	-	-	29,955	17,955	12,000
Regional San Francisco (SFPUC, SFDPW) Contributions - Better Market Street	-	30,000	-	-	30,000	(322,000)	352,000
Regional San Francisco (successor Agency to the SFRDA) Contributions - Folsom Street Ramps	-	90,000	-	-	90,000	90,000	-
Regional TFCA Match Transportation Demand Manangement Partnership Project	-	23,526	-	-	23,526	(20,172)	43,698
Regional TIDA - Treasure Island Mobility Management Agency	-	73,091	-	-	73,091	1,701	71,390
Regional TIDA Funding - Yerba Buena Island Bridge Structures	-	336,645	-	-	336,645	336,645	-
Regional Vehicle Registration Fee Revenues (TFCA)	-	-	736,195	-	736,195	19,994	716,201
Other Revenues							
Local Match: City CarShare eFleet Carsharing Electrified	-	40,277	-	-	40,277	(12,550)	52,827
Local Match: 19th Avenue Investment Study	-	47,866	-	-	47,866	(15,795)	63,661
TIDA Loan Reimbursement	2,571,750	-	-	-	2,571,750	2,571,750	-
Total Revenues	91,806,155	12,593,499	739,195	4,732,760	109,871,609	(24,595,914)	134,467,523

San Francisco County Transportation Authority

Attachment C

Fiscal Year 2013/14 Budget

Line Item Detail



Prccdcg/X Budget by Fund

	Sales Tax Program	Congestion Management Agency Programs	Transportation Fund For Clean Air Program	Vehicle Registration Fee For Transportation Improvements Program	Proposed Budget FY 2013/14 Total	Change from prior year: Increase (Decrease)	Amended Budget FY 2012/13 Total
Expenditures:							
Capital Project Costs							
Individual Project Grants, Programs & Initiatives	208,190,000	-	1,433,954	9,817,216	219,441,170	52,394,228	167,046,942
Technical Professional Services	2,397,000	13,958,968	-	-	16,355,968	803,543	15,552,425
Administrative Operating Costs							
Personnel Expenditures							
Salaries	1,948,349	1,742,572	25,592	59,994	3,776,507	-	3,776,507
Fringe Benefits	830,521	742,805	10,909	25,574	1,609,809	105,429	1,504,380
Pay for Performance	163,519	-	-	-	163,519	-	163,519
Non-personnel Expenditures							
Administrative Operations	1,504,292	249,499	-	150,820	1,904,611	112,152	1,792,459
Equipment, Furniture & Fixtures	225,000	-	-	-	225,000	55,000	170,000
Commissioner-Related Expenses	55,000	-	-	-	55,000	-	55,000
Debt Service Interest and Fiscal Charges	1,600,000	-	-	-	1,600,000	262,367	1,337,633
Total Expenditures	216,913,681	16,693,844	1,470,455	10,053,604	245,131,584	53,732,719	191,398,865
Other Financing Sources (Uses):							
Transfers in - Prop K Match to Grant Funding	-	4,100,345	-	-	4,100,345	173,010	3,927,335
Transfers out - Prop K Match to Grant Funding	(4,100,345)	-	-	-	(4,100,345)	(173,010)	(3,927,335)
Face Value of Debt Issued	470,000,000	-	-	-	470,000,000	470,000,000	-
Premium/Discount on Issuance of Debt	3,055,000	-	-	-	3,055,000	3,055,000	-
Bond Reserve Fund	(47,000,000)	-	-	-	(47,000,000)	(47,000,000)	-
Debt Issuance Cost	(736,490)	-	-	-	(736,490)	(736,490)	-
Commercial Paper Refund	(150,000,000)	-	-	-	(150,000,000)	(150,000,000)	-
Total Other Financing Sources (Uses)	271,218,165	4,100,345	-	-	275,318,510	275,318,510	-
Net Change in Fund Balance	\$ 146,110,639	\$ -	\$ (731,260)	\$ (5,320,844)	\$ 140,058,535	\$ 196,989,877	\$ (56,931,342)
Budgetary Fund Balance, as of July 1	\$ (139,134,453)	\$ -	\$ 877,384	\$ 7,968,695	\$ (130,288,374)	N/A	\$ (76,563,801)
Budgetary Fund Balance, as of June 30	\$ 6,976,186	\$ -	\$ 146,124	\$ 2,647,851	\$ 9,770,161	N/A	\$ (133,495,143)
<u>Includes Sales Tax and Vehicle Registration Fee For Transportation Improvements Reserved for Program and Operating Contingency</u>							
Fund Reserved for Program and Operating Contingency	\$ 8,829,441	\$ -	\$ -	\$ 472,776	\$ 9,302,217		
Reserved Fund Balance					467,944		
					\$ 9,770,161		

**Attachment D
Line Item Descriptions**



TOTAL PROJECTED REVENUES..... \$109,871,609

Prop K Sales Tax Revenues:\$88,294,414

The budgeted revenues for Sales Tax programs are from a voter-approved levy of 0.5% sales tax in the County of San Francisco for transportation projects and programs included in the voter-approved Expenditure Plan. The 2003 Prop K Expenditure Plan includes investments in four major categories: 1) Transit; 2) Streets and Traffic Safety; 3) Paratransit services for seniors and disabled people and 4) Transportation System Management/Strategic Initiatives. Based on Fiscal Year (FY) 2012/13 revenues to date, the Authority projects FY 2013/14 sales tax revenues to increase compared to the budgeted revenues for FY 2012/13 by \$4 million. This projection is aligned with the Controller's Office's projection that FY 2013/14 sales tax revenues will increase by 4.5% as compared to the actual revenues earned in FY 2012/13. The sales tax revenue projection is net of the Board of Equalization's charges for the collection of the tax.

Vehicle Registration Fee for Transportation Improvements Program (Prop AA) Revenues:\$4,727,760

These revenues (excluding interest earnings included in Interest Income below) fund projects that will be delivered under Prop AA's Expenditure Plan. This measure, approved by San Francisco voters in November 2010, collects an additional \$10 vehicle registration fee on motor vehicles registered in San Francisco. Revenues must be used to fund projects included in the voter-approved Expenditure Plan, such as local road repairs, pedestrian safety improvements, and transit reliability improvements. The Department of Motor Vehicles (DMV) began assessing the fee on vehicle registrations starting May 2011. This amount is net of the DMV's charges for the collection of these fees.

Interest Income:.....\$947,991

Most of the Authority's investable assets are deposited in the City's Treasury Pool. Per direction from the Treasurer's Office, the deposits in the Pooled Investment Fund are assumed to earn approximately 1.02% during the year. The level of Authority deposits held in the pool during the year depends on the Prop K capital project reimbursement requests. An average sales tax fund budget cash balance during the year of approximately \$70.0 million was assumed. The budgeted cash balance consists largely of allocated Prop K funds, which are invested until invoices are received and sponsors are reimbursed.

Congestion Management Agency (CMA) Program Federal, State and Regional Grant Revenues:\$12,505,356

The CMA program revenues (excluding Other Revenues) for FY 2013/14 will be used to cover ongoing staffing and professional/technical service contracts required to implement the CMA programs and projects, as well as for large projects undertaken in the Authority's role as CMA. The FY 2013/14 budget includes \$8.9 million from federal, state and regional funding for work on the I-80/Yerba Buena Island (YBI) Interchange Improvement Project and YBI Bridge structures (collectively known as YBI Interchange Improvement Project). CMA revenues are also comprised of federal, state and regional grant funds, including funds received from the Federal Highway Administration, Metropolitan Transportation Commission (MTC), and the California Department of Transportation (Caltrans). Several of these grants are project-specific, such as those for the San

Attachment D
Line Item Descriptions



Francisco Parking Pricing and Regulation Study, the 19th Avenue Transit Corridor Investment Study, the Balboa Park Station Area Circulation Study and the Treasure Island Mobility Management Study. Other funding sources, such as federal Surface Transportation Program funds and state Planning, Programming, and Monitoring funds, can be used to fund a number of eligible planning, programming, and project delivery support activities, including the San Francisco Transportation Plan. During FY 2013/14, the Authority continues to receive federal Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds for the Transportation Demand Management Partnership and eFleet: Car Sharing Electrified projects, both of which are high-impact, innovative projects with the greatest potential to reduce greenhouse gas emissions that can be replicated on a larger-scale around the region. Regional CMA program revenues include travel demand model services provided to City agencies in support of various projects and studies as well as other contributions for designated projects and plans, such as the Community-Based Transportation Planning Grants from MTC for Chinatown and Potrero Hill neighborhoods.

Transportation Fund for Clean Air (TFCA) Program Regional Revenues: \$736,195

The TFCA Vehicle Registration Fee Revenues (excluding interest earnings included in Interest Income above) are derived from a \$4 surcharge on vehicles registered in the nine Bay Area counties and must be used for cost-effective transportation projects which reduce motor vehicle air pollutant emissions. Budgeted revenues are based on a funding estimate provided by the Bay Area Air Quality Management District, which administers these revenues. The FY 2013/14 budgeted amount includes new estimated revenues only.

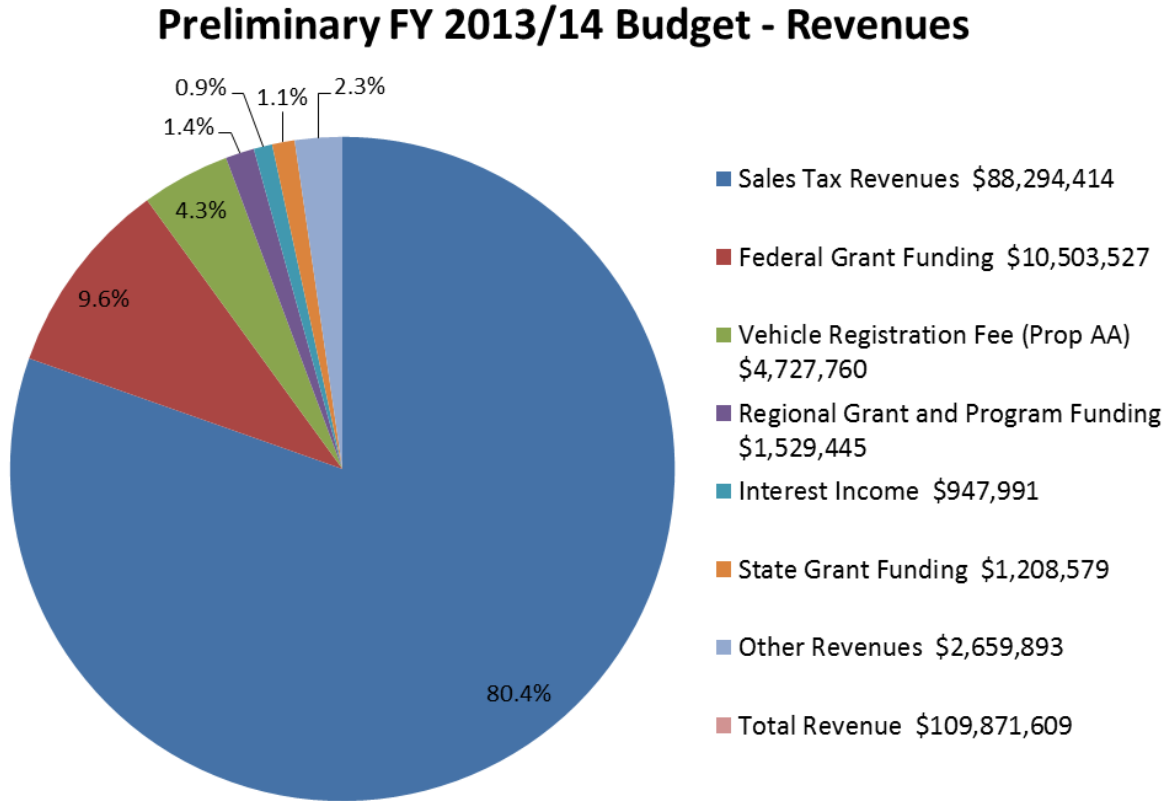
Other Revenues: \$2,659,893

Other revenues budgeted in FY 2013/14 include contributions from City CarShare for the eFleet: CarSharing Electrified Project and three private partners, Parkmerced, San Francisco State University, and General Growth Properties, the owners of Stonestown Galleria, for the 19th Avenue Transit Corridor Investment Study to fulfill a portion of the local match requirements of the respective federal grants. In addition, the Authority will receive the first of four loan repayments from the Treasure Island Development Authority (TIDA) on the environmental phase of the YBI Interchange Improvement Project. Under the terms of the agreement with TIDA, the repayment to the Authority may be made in four annual installment payments on the earlier of 30 days after the first close of escrow for transfer of the Naval Station Treasure Island from TIDA to Treasure Island Community Development, LLC or December 31, 2013.

**Attachment D
Line Item Descriptions**



The following chart shows the composition of revenues for the proposed FY 2013/14 budget.



TOTAL PROJECTED EXPENDITURES \$245,131,584

The Authority’s Total Expenditures projected for the budget year are comprised of Capital Projects Expenditures of \$235.8 million, Administrative Operating Expenditures of \$7.7 million, and Debt Service Interest and Fiscal Charges of \$1.6 million.

CAPITAL PROJECTS EXPENDITURES.....\$235,797,138

Capital expenditures in FY 2013/14 are budgeted to increase from FY 2012/13 by 29.1% due to higher activity in existing projects, as well as new allocations. Project expenditures by Program Fund are detailed below.

Sales Tax Program Expenditures:.....\$210,587,000

Based on the 2009 Strategic Plan and 5-Year Prioritization Programs, as well as ongoing conversations with project sponsors, we have estimated Prop K budgeted expenditures for both existing and new allocations at \$210.6 million. The capital project expenditures in this category include the SFMTA’s replacement of 60 60-foot trolley coaches and 42 60-foot Neoplans, Radio Communications System & Computer-Aided Dispatch Replacement, Central Control and Communications Program, and Central Subway projects; the Transbay Joint Powers Authority’s

Attachment D
Line Item Descriptions



Transbay Transit Center/Downtown Extension Project; the Presidio Parkway project; as well as various transit and street maintenance improvements, and pedestrian and bicycle projects.

CMA Program Expenditures:\$13,958,968

This line item includes staff time and technical consulting services such as planning, programming, engineering, design, environmental, or programming services, which are needed in order to fulfill the Authority's CMA responsibilities under state law. Included are technical services contracts already awarded for the Geary Corridor and Van Ness Avenue Bus Rapid Transit environmental studies, and various local area plans and station studies, such as the 19th Avenue Transit Corridor Investment Study, the Balboa Park Station Area Circulation Study, the Treasure Island Mobility Management Study, the San Francisco Transportation Plan, the Transportation Demand Management Partnership Project and eFleet Carsharing Electrified Program. Also included is work on the YBI Interchange Improvement Project, being funded by federal and state funding matched with a funds from the Treasure Island Development Authority and is being undertaken by the Authority in its role as CMA for San Francisco.

TFCA Program Expenditures:..... \$1,433,954

This line item covers projects to be delivered with TFCA funds, a regional program administered by the Bay Area Air Quality Management District. These monies must be used for cost-effective transportation projects which reduce motor vehicle air pollutant emissions. The TFCA capital program includes new FY 2013/14 projects, and carryover prior year projects with multi-year schedules as well as projects not anticipated to be completed in FY 2012/13. The FY 2013/14 program of projects is scheduled to be approved by the Authority Board in May 2013.

Vehicle Registration Fee for Transportation Improvements Program (Prop AA) Expenditures:\$9,817,216

This line item includes projects that will be delivered under the voter-approved Prop AA Expenditure Plan. Consistent with the Expenditure Plan, the revenues will be used for design and construction of ready-to-go local road repairs, pedestrian safety improvements, transit reliability improvements, and travel demand management projects. In December 2012, the Authority Board approved the first Prop AA Strategic Plan, which includes project programming for FYs 2012/13 through 2016/17. The Board also approved the first Prop AA allocations in December 2012. We estimate allocating up to \$8.7 million for FY 2013/14 Prop AA projects, with anticipated FY 2013/14 expenditures from prior and new allocations of up to \$9.8 million.

ADMINISTRATIVE OPERATING EXPENDITURES \$7,734,446

Operating expenditures include personnel expenditures, administrative expenditures, commissioner-related expenditures, and equipment, furniture and fixtures.

Personnel:..... \$5,549,835

In May 2007, through Resolution 07-68, the Authority adopted a staffing reorganization plan and position classifications which added eight positions to the Authority roster, bringing the total number of approved staff positions to 32. Job descriptions and compensation ranges were adopted by the Authority Board through Resolution 07-67 and have not been adjusted since then.

Personnel costs are budgeted at a similar level as in FY 2012/13. Salary costs will not increase;

**Attachment D
Line Item Descriptions**



however, a small increase is included for rising fringe benefit costs. Capacity for merit increases is also included in the pay-for-performance and salary categories; however, there is no assurance of any annual pay increase. Authority employees are not entitled to cost of living increases. All salary adjustments are determined by the Executive Director based on merit only.

Non-Personnel: \$2,184,611

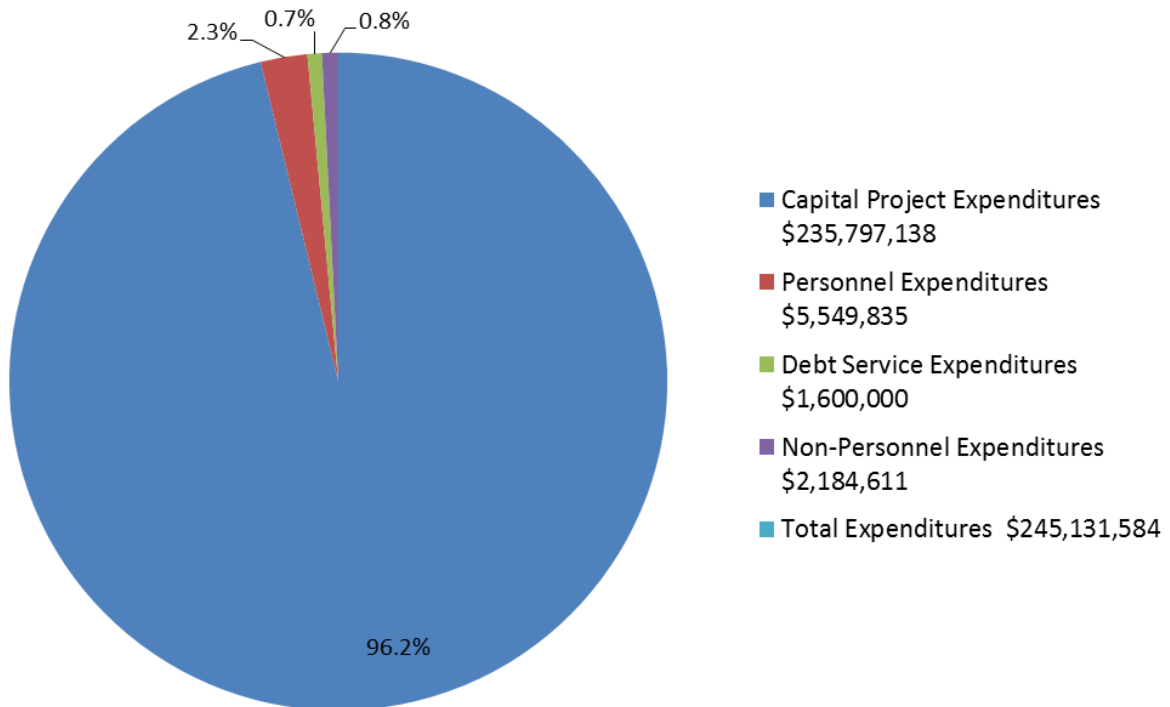
This line item includes typical operating expenditures for office rent, telecommunications, postage, materials and office supplies, printing and reproduction equipment and services, and other administrative support requirements for all Authority activities, along with all administrative support contracts, whether for City-supplied services, such as the City Attorney legal services and the Department of Technology cablecast services, or for competitively procured services (such as auditing, legislative advocacy, outside computer system support, etc.). Also included are funds for ongoing maintenance and operation of office equipment; computer hardware; licensing requirements for computer software; and an allowance for replacement furniture and fixtures. This line item also includes compensation for Commissioner committee and board meetings and office expenditures.

DEBT SERVICE AND FINANCING AND FISCAL CHARGES..... \$1,600,000

This line item assumes a continuation of the current Commercial Paper program agreements and an increase in commercial paper interest rates.

The following chart shows the composition of expenditures for the proposed FY 2013/14 budget.

Preliminary FY 2013/14 Budget - Expenditures



**Attachment D
Line Item Descriptions**



OTHER FINANCING SOURCES/USES.....\$275,318,510

The Other Financing Sources Uses section of the Line Item Detail for the FY 2013/14 budget includes a budgeted option for the issuance of long-term debt and also includes inter-fund transfers (for example between the sales tax and CMA funds). The budgeted size of the bond is \$470 million, which is anticipated for Prop K capital projects, such as the SFMTA's replacement of trolley coaches and Neoplans, Radio Communications System & Computer-Aided Dispatch Replacement, Central Control and Communications Program, and Central Subway; the Transbay Joint Powers Authority's Transbay Transit Center/Downtown Extension Project; the Presidio Parkway project; as well as various transit and street maintenance improvements, and pedestrian and bicycle projects and would also be used to redeem the Authority's outstanding Commercial Paper balance of \$150 million. Costs of issuance and underwriter's discounts to be funded from the bond proceeds are included, as well as the assumed bond reserve fund requirement are also included.

BUDGETARY FUND BALANCE FOR CONTINGENCIES.....\$9,302,217

The Authority's Fiscal Policy directs that the Authority shall allocate not less than 5% and up to 15% of estimated annual sales tax revenues as a hedge against an emergency occurring during the budgeted fiscal year. In the current economic climate, a budgeted fund balance of \$8.8 million, or 10% of annual projected sales tax revenues, is set aside as a program and operating contingency reserve. The Authority has also set aside \$472,776 or 10% as a program and operating contingency reserve for the Prop AA Program.