

**FY 2009-2010 MTA BOARD APPROVED
AMENDED
OPERATING BUDGET**

**Board of Supervisors
Budget & Finance Committee**



MAY 6, 2009 SAN FRANCISCO, CALIFORNIA

FY 2009-2010 AMENDED OPERATING BUDGET
Changes to Revenues (millions)
Presented to the MTA Board on April 7, 2009

Revenue Category	2009-2010 Approved Budget	2009-2010 Projection as of Feb 2009	2009-2010 Projected Surplus / (Deficit)	Description
State/Regional Funds	115.7	60.9	(54.8)	State Budget Eliminated Transit Assistance Funding (\$42.8M), TDA Sales Tax and AB1107 from MTC (\$11.5M), Gas Tax (\$0.5M)
General Fund	252.2	227.9	(24.3)	Less General Fund Baseline Available due to declining General Fund revenues
Advertising	16.2	10.0	(6.2)	Advertising market declines
Parking Citations	103.8	97.8	(6.0)	Reduced citations from street sweeping schedule changes plus Courthouse fee increase to State
Garage Revenues	31.4	27.7	(3.7)	Reflects anticipated reduction in garage revenues due to declining patronage and economic conditions
Parking Meters	35.0	32.0	(3.0)	Variable pricing projections from SFpark adjusted back to original assumption
Interest	5.6	4.8	(0.8)	Lower Interest rates
Fund Balance	36.4	42.3	5.9	Use of additional fund balance
Taxi Services	0.0	2.2	2.2	Addition of Taxi Services to MTA
Cable Car Fares	4.6	5.5	0.9	Increased collection of Cable Car fares
Other Revenues	215.8	215.8	0.0	No changes projected at this time
TOTAL	\$816.7	\$726.9	(\$89.8)	

FY 2009-2010 AMENDED OPERATING BUDGET
Changes to Expenditures (millions)
Presented to the MTA Board on April 7, 2009

Expenditure Category	2009-2010 Approved Budget	2009-2010 Projection as of Feb 2009	2009-2010 Projected (Deficit)	Description
Salaries & Benefits	496.4	521.5	(25.1)	\$6.6M increase due to retirement benefits as a result of the passage of Proposition B in June 2008. Increase adjustment of \$14M in overtime based on actual usage. Increased additional benefits and salary adjustments of \$4.5M – unemployment insurance, position changes.
Services from City Departments	68.4	80.2	(11.8)	<ul style="list-style-type: none"> •SF Police Department \$7M •SF General Hospital \$3M •311 Call Center \$2.2M •Tax Collector's Office \$0.5M •Telecommunications Department \$0.5M •Risk Manager's Office \$0.4M •Planning Department \$0.3M •Department of Human Resources (\$1.2M) •Various other adjustments known at this time
Taxi Services	0.0	2.2	(2.2)	Addition of Taxi Services
Other Line items	251.9	251.9	0	No changes projected to other various expenditures at this time
TOTAL	\$816.7	\$855.8	(\$39.1)	

FY 2009-2010 AMENDED OPERATING BUDGET
Changes to Expenditures (millions)
Presented to the MTA Board on April 7, 2009

	FY 2009-2010 Approved Budget	2009-2010 Projection as of Feb 2009	FY 2009-2010 (Deficit)
Revenues	\$816.7	\$726.9	(\$89.8)
Expenditures	\$816.7	\$855.8	(\$39.1)
Total FY 2009-2010 Projected (Deficit)			(\$128.9)

**FY 2009-2010 Amended Operating Budget
 Changes to Revenues (\$ millions)
 Approved by the MTA Board on April 30, 2009
 (including technical adjustments)**

Revenue Category (a)	Original Approved Budget (b)	Projection as of Feb 2009 (c)	Proposed Amended Budget (d)	Explanation of Figures Between February 2009 Projection and Proposed Amended Budget Columns (c) and (d)
State/Regional Funds	134.6	79.8	79.8	No change
General Fund	252.4	228.1	227.6	Further reduction in General Fund Transfer (0.5)
Advertising	20.0	13.8	13.8	No change
Parking Citations	103.8	97.8	101.4	\$3 surcharge for Courthouse Construction Fee
Parking Meters	44.3	41.3	42.3	Additional Holiday Enforcement (Remove Sunday parking and weeknight parking beyond existing hours)
Garage Revenues	33.6	29.9	31.4	Garage rate increases
Interest	5.6	4.8	4.8	No change
Fund Balance	36.4	42.3	42.3	No change
Taxi Services	0.0	2.2	18.2	Taxi Pilot Medallion Program (\$15M) , Cost Recovery of permit fees (\$0.58) and Other Fees (\$0.4)
Transit Fares	163.4	164.3	181.7	Increase in single ride fares, discount fares, monthly fast passes, Cable Car Passports, Paratransit fares, Candlestick Park and Special Event Services + Premium Monthly Passes for BART/Muni use + increased collection of Cable Car fares.
Other Revenues	22.6	22.6	22.3	Decrease in Recoveries from Other City Departments
TOTAL	\$816.7	\$726.9	\$765.6	+ \$38.7M

**FY 2009-2010 Amended Operating Budget
 Changes to Expenditures (\$ millions)
 Approved by the MTA Board on April 30, 2009
 (including technical adjustments)**

Expenditure Category (a)	Original Approved Budget (b)	Projection as of Feb 2009 (c)	Proposed Amended Budget (d)	Explanation of Figures Between February 2009 Projection and Proposed Amended Budget Columns (c) and (d)
Salaries & Benefits	496.4	521.5	488.6	Savings from 456 net eliminated positions + increased overtime (\$7.0) + increases to Health Care Costs (\$2.2)
Materials & Supplies	69.6	69.6	65.4	Savings from service reductions and other expenditure reductions
Services from City Departments	68.4	80.2	66.3	SFPD Work Order (\$6.1M), City Attorney (\$0.5M), 311 (\$0.8M), SFGH (\$5.1 M moved from Work Orders to Claims), \$1.4M Work Orders included in Taxi Services)
Taxi Services	0.0	2.2	2.8	Increased Staffing and Expenditures for Taxi Services (including work orders)
Reserve	10.0	10.0	0.0	Use of reserve
Capital Outlay	7.9	7.9	0.0	Reduction in STA Funds
Other Expenditures	164.4	164.4	142.5	Rollback of CPI and service reductions, debt service
TOTAL	\$816.7	\$855.8	\$765.6	- \$90.2M

FY 2009-2010 Amended Operating Budget
Approved by the MTA Board on April 30, 2009
(including technical adjustments)

	Original Approved Budget (a)	Projection as of Feb 2009 (b)	Proposed Amended Budget (c)	Variance (c) Compared to (b)
Revenues	\$816.7	\$726.9	\$765.6	↑\$38.7
Expenditures	\$816.7	\$855.8	\$765.6	↓\$90.2
Revenues Less Expenditures	\$0	(\$128.9)	\$0	

Addressing the Deficit

Sharing in the Solution

- SFMTA: eliminating positions, reducing non labor costs, reduction in work orders
- Users of the System: higher charges, service modifications

Solutions for Addressing the Deficit in the Proposed Amended Operating Budget for FY 2009-2010 (millions)

Description Of Proposal	Notes	Amount
Eliminating Positions	Eliminate 370 positions	\$32.00
Use of Reserve	Use of Reserve established by Board Approved Reserve Policy	\$10.00
Roll Back all Non-personnel line items	Eliminate half the CPI increases assumed in 2009-2010 to 2008-2009 figures	\$11.30
Reduce increase to overtime budget	The original proposal was to increase the overtime budget by \$14 million to reflect actual expenditures in overtime for the past 4 years. However, this increase will be reduced by half in anticipation of improved overtime management	\$7.00
Increase Single Ride Fare	Increase the \$1.50 for adult single rides to \$2.00 and discount single rides from \$0.50 to \$0.75 as of July 1, 2009.	\$14 .00
Increase Cable Car Passports	Increase the 1-day, 3-day and 7-day passports by \$2.00 to \$13, \$20 and \$26 respectively as of January 1, 2010	\$0.65

Solutions for Addressing the Deficit in the Proposed Amended Operating Budget for FY 2009-2010 (millions) continued

Description Of Proposal	Notes	Amount
Increase Adult Month Fast Pass	Increase the adult Fast Pass rate from \$55 to \$60 on January 1, 2010. The rate is set to increase from \$45 to \$55 on July 1, 2009.	\$3.50
Increase Discount Passes for Youth, Seniors and Disabled fares	Increase the discount Fast Pass rate from \$15 to \$20 on January 1, 2010. The rate is set to increase from \$10 to \$15 on July 1, 2009.	\$1.25
Increase Paratransit Fares	Increase Van Services from \$1.65 to \$2 and All Taxi Services from \$4 to \$5 per scrip book valued at \$30 on July 1, 2009. These rates were last increased in 2006.	\$0.40
Premium Monthly Pass for BART/Muni Use	Increase pass by \$10.00 for those customers using both systems as of January 1, 2010. Currently SFMTA pays BART \$1.02 per trip or over \$12 million per year. Assuming 40,000 trips per day on BART by Fast Pass purchasers. (e.g. monthly adult pass would be \$70).	\$1.35
Candlestick Park Express and Special Event Service	Increase fares by \$2 effective January 1, 2010. Adult-\$9; Senior/Disabled/Youth -\$7; Adult/Senior/Disabled/ Youth with valid pass or pass equivalent-\$5	\$0.05

**Solutions for Addressing the Deficit in the Proposed Amended Operating Budget for
FY 2009-2010 (millions), continued**

Description Of Proposal	Notes	Amount
Increase Motorcycle Parking Meter Rates in all Zones	Parking meters rates were last raised in 2002-2003 by the Board of Supervisors. Motorcycles would pay proportionally to the space they occupy relative to a 18 foot space, or a 21 foot space with buffer red zones, rounded to the nickel. Current rates are \$0.25 per hour in Zone One, \$0.15 per hour in Zones Two and Four and \$0.10 per hour in Zone 3. This would increase to \$0.70, \$0.60, \$0.40, \$0.60 if meter rates increased by \$0.50.	\$0.60
Increase Parking Meter Rates	In June of 2005 the Board of Supervisors approved a \$1 increase in the hourly parking meter rates in parking meter zones 1, 2, and 4 and an increase of \$0.50 in parking meter zone 3. Recommend a \$0.50 increase in all zones, effective September 1, 2009.	\$3.00
Expand Holiday Enforcement	Expand current enforcement to all Holidays except for New Year's Day, Thanksgiving Day, and Christmas Day. Revenue estimate is net of additional Parking Control Officers and Meter Repair Staff.	\$0.25
Taxi Permit Fees	Increase permit fees to cost recovery amounts	\$0.58

Recommended Solutions for Addressing the Deficit in the Proposed Amended Operating Budget for FY 2009-2010 (millions), continued

Description Of Proposal	Notes	Amount
Taxi Medallion Program	New Taxi Medallion Program. Revenue collected will depend on whether medallions are newly issued or existing, whether the program involves a fee for conversion to a transferable medallion type or outright sale or franchise structure as well as the amount of a conversion fee or the percentage of auction sales might be collected or the franchise payments.	\$15.00
Increase Garage Rates	Various Garage Rates	\$1.50
Reduce Work Orders	SFPD Work Order (\$1.9 M), City Attorney (\$0.5M), 311 (\$0.8M), Other (1.4M)	\$4.60
Transit Service System Reduction	Various Routes (Described in Following Slides) 108 position reduction	\$13.4 Million

Proposed Service Reductions

\$13.4 million in annual savings derived from:

80 Operator Positions	\$6.8 M
15 Other Positions in Muni Operations	\$1.7 M
13 Positions in Finance/IT (11), Administration (1), Safety (1)	\$1.0 M
Fuel/Parts Savings – Muni Operations	\$2.9 M
Other Non Labor – Other Divisions	\$1.0 M
Total	\$13.4 M

NOTE: SFMTA will also convert approximately 100 operator positions to part-time to more efficiently schedule service delivery.

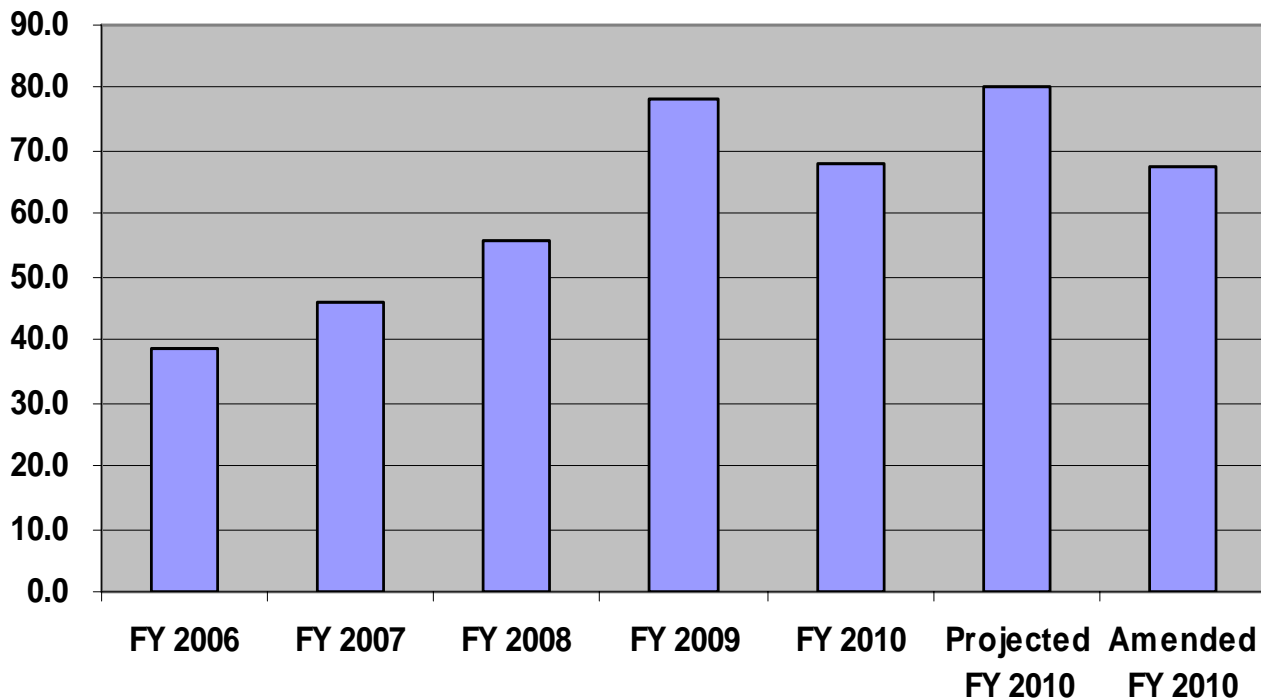
FY 2009-2010 Amended Operating Budget Position Summary by Division

Division	FY 2009-2010	Eliminated Positions	Approved Amended FY 2009-2010
Board of Directors	3	0	3
Executive Director's Office	5	0	5
Muni Operations	3,866	274	3,592
Parking & Traffic	256	37	219
Security & Enforcement	556	57	499
Transportation Safety	31	6	25
Transportation Planning & Development	247	12	235
Administration	181	23	158
Finance & Information Technology	314	47	267
Off Street Parking	8	0	8
Taxi & Accessible Service	16	0	16
SFMTA Total	5,483	456	5,027

MEA Positions

- Prop E cap 1% of total workforce
- Prop A cap 2.75% of total workforce
- Amended Budget for FY 2009-2010
 - Total Workforce = 5,027
 - 2.75 % of Total Workforce = 138.2 available
 - 122 Budgeted
- Actual number of MEA positions as of today = 105

MTA WORK ORDERS (millions)



Adjustments to Projected FY 2010

- SFPD Work Order (\$6.1M)
- City Attorney (\$500K)
- 311 (\$798K)
- SFGH (\$5.1M moved to Claims)
- Controller's (\$176K)
- PUC (\$20K)
- DT +\$444K

Fiscal Year	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	Projected FY 2010	Amended FY 2010
Total Work Orders	38.7	45.9	55.9	78.4	68.2	80.2	67.7
MTA Budget	586.0	681.6	686.1	784.1	816.7	855.8	765.6
WO Percent of Budget	6.6%	6.7%	8.2%	10.0%	8.3%	9.4%	8.8%

Service Reductions

- Developed Three Initial Options
 - Savings ranged from \$5 to \$18 million
 - Reductions ranged from 2.1% to 6.3% of total service hours
- Modified recommendations based on Community & SFMTA Board feedback
- Estimated savings \$13.4 million (4.7%)

Summary of Service Reductions

- Discontinue Routes
- Eliminate Route Segments
- Modify Route Structure
- Adjust Frequency of Service
- Change Service to End Earlier

Discontinued Routes

- 4-Sutter
- 7-Haight
- 16AX-Noriega “A” Express
- 20-Columbus
- 26-Valencia
- 53-Southern Heights
- 74X-CultureBus
- 89-Laguna Honda

Eliminate Route Segments

- N-Judah on The Embarcadero and King Street (weekends only)
- 1-California south of Sacramento (weekdays only)
- 2-Clement west of 14th Avenue
- 10-Townsend north of Broadway and to Transbay Terminal
- 12-Folsom/Pacific along The Embarcadero
- 18-46th Avenue along Geary and Point Lobos
- 21-Hayes west of Stanyan
- 29-Sunset in the Presidio north of Baker Beach
- 36-Teresita from Monterey/Foerster to Balboa Park BART
- 38-Geary Ocean Beach branch
- 41-Union between Lyon and Steiner
- 67-Bernal Heights on portions of Crescent and Mission
- 88-BART Shuttle west of I-280
- 108-Treasure Island between Transbay Terminal and Caltrain

Modify Route Structure

- 5-Fulton (every other bus extends past 6th Ave during peaks)
- 10-Townsend (reroute to follow 12-Folsom/Pacific to Jackson/Fillmore)
- 12-Folsom/Pacific (reroute along 2nd and Sansome streets; extend to 24th Street BART)
- 16BX-Noriega “B” Express (extend to Great Highway)
- 18-46th Ave (reroute to follow 38-Geary Ocean Beach branch)
- 36-Teresita (reroute to Glen Park BART and Chenery, terminate at Cesar Chavez/Valencia)
- 108-Treasure Island (reroute from Avenue M to Avenue H)

Adjust Frequency of Service

Increase Frequency

- 5-Fulton east of 6th Avenue during peaks
- 6-Parnassus/71L-Haight/Noriega Limited during peaks
- 16BX-Noriega “B” Express during AM peak
- 19-Polk during midday in Potrero Hill and Hunters Point

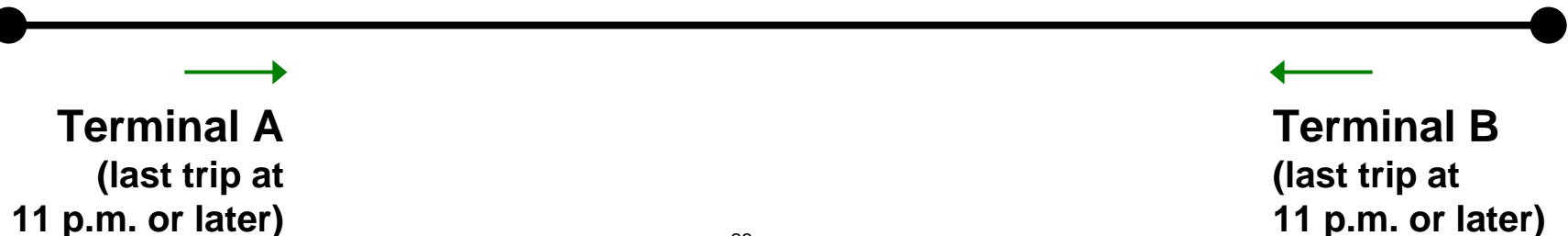
Decrease Frequency

- 5-Fulton west of 6th Avenue during peaks
- 19-Polk during peaks and off-peak on Polk
- 31-Balboa during peak periods
- 36-Teresita during peak periods

Change Service to End Earlier

- Routes 17, 35, 36, 37, 52, 66 & 67 will end at 11 p.m.
- Radial/cross-town bus routes will end between midnight and 1 a.m. (Routes 1, 3, 6, 12, 18, 19, 21, 23, 27, 29, 31, 33, 43, 44, 45, 48, 54 & 71)

*Community Route Example:
Bus will reach midpoint after 11 p.m.*



Next Steps for Service Changes

- SFMTA committed to delivering reliable service and accurate customer information
- Next steps include:
 - Developing new schedule
 - Updating system signage
 - Minimizing missed service
 - Launching information campaign in conjunction with rollout
 - Working with current customers who may now qualify for paratransit