



SFMTA
Municipal
Transportation
Agency

Budget Overview

Fiscal Years 2017 & 2018

Investing in Transportation for Today and Tomorrow

Serving San Francisco

\$1.02 Billion

2016 Annual Operating Budget

\$3.3 Billion

5-Year Capital Budget

1,053 Transit
Vehicles In the
Muni Fleet

Over 700,000 daily
transit boardings
on Muni

Over 3 million hours
of transit service
annually

433 lane miles of
bicycle paths, lanes
and routes

441,950 publicly
available parking
spaces

1,956 taxi
medallions across
the city

1,201 signalized
intersections

281,700 street
signs

More than 5,400
employees

Vision

- **San Francisco: great city, excellent transportation choices**

Goals

- Create a safer transportation experience for everyone
- Make transit, walking, bicycling, taxi, ridesharing and carsharing the most attractive and preferred means of travel
- Improve the environment and quality of life in San Francisco
- Create a workplace that delivers outstanding service

Baseline Budget Projections

Baseline Budget

- FY 2017 \$1.07 billion (\$13.5 million shortfall)
- FY 2018 \$1.09 billion (\$14.3 million shortfall)

5-Year Capital Improvement Program (CIP) for FY 2017–FY 2021

- Estimated at \$3.4 billion (current is \$3.3 billion)



Public Discussions and Meetings	Date
1st Public Hearing at SFMTA Board to consider changes to fees, fares and fines at SFMTA Board Meeting	February 16, 2016
2 nd Public Hearing at SFMTA Board to consider changes to fees, fares and fines at SFMTA Board Meeting	March 15, 2016
Webinar- interactive online budget presentation	March 21, 2016
1 st Budget Open House Meeting	March 23, 2016
Citizens Advisory Council Meeting – Action on Budget	March 24, 2016
2 nd Budget Open House Meeting	March 26, 2016
SFMTA Board Meeting – Action on Budget	April 5 or April 19, 2016
Submission of Approved Budget to Mayor and Board of Supervisors (<i>per charter requirements</i>)	May 1, 2016

Budget info available in multiple languages on sfmta.com/budget



Agency Priorities

FY 2017 & 2018

Make Streets Safer for People

- Progress on Vision Zero goals
 - Engineer 13 miles of safety improvements
 - Educate public on street safety
 - Outreach to communities of concern



“We never planned on losing our son. Just Imagine this was someone you loved – your mother, your children. Dylan would be 24 years old if he was still alive today. Vision Zero is the one thing I can support to help make change in memory of Dylan.”

Fair and Equitable Transportation

- Continue Free Muni for low-moderate income youth, seniors and people with disabilities
- Implement Muni Equity Strategy
- Expand support for low income programs
- Pay SF's fair share to Caltrain



Improve Muni Reliability

- Expand Light Rail Vehicle and Bus Fleets
- Continue Muni Forward rollout
- Maintain Assets & Infrastructure
- Secure Driver Training Facility



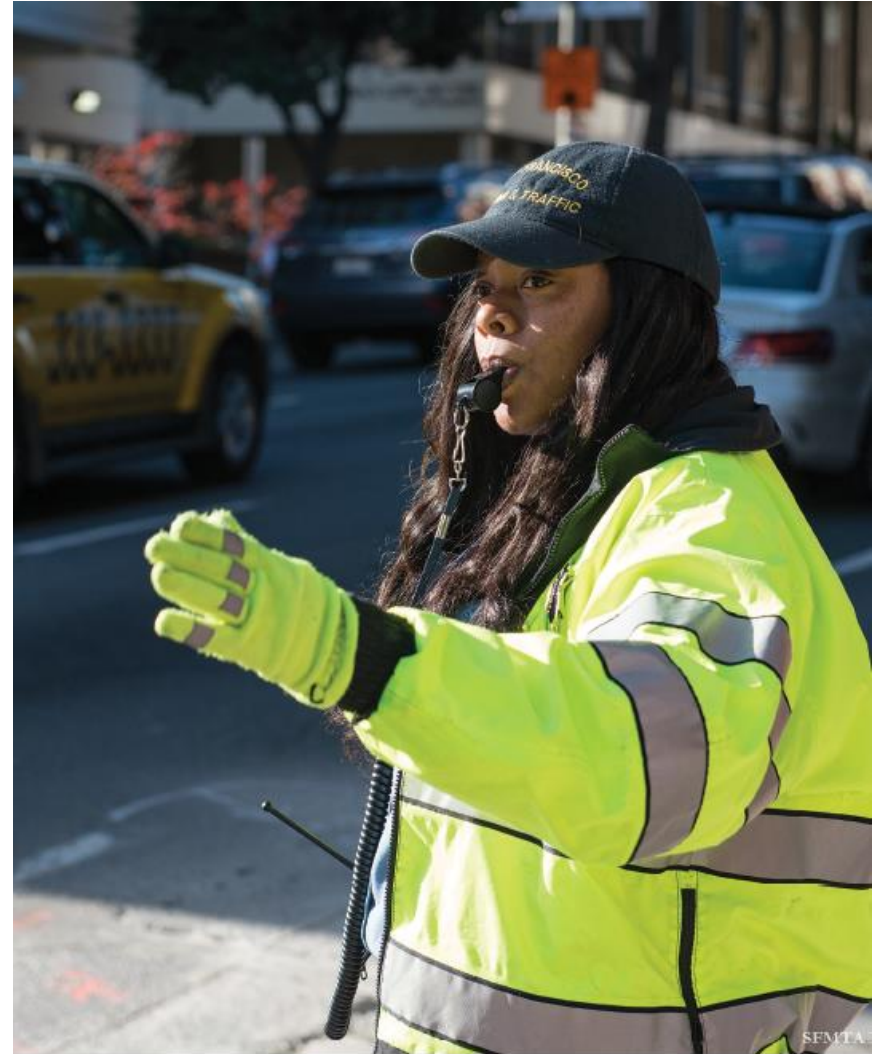
Investing in Infrastructure

- Fix and Maintain Existing Assets
- Use Fund Balance to Shore Up Capital Infrastructure Needs



Keep Our Streets Moving

- Upgrade traffic signal technology
- Provide traffic enforcement
- Improve on- and off-street parking options



Plan and Build for the Future



Future Chinatown Station

What We Heard in Public Feedback

Emails, tweets and in-person comments

- Expand youth fares to cover 18 year olds
- Establish an additional \$0.25 cash fare to encourage use of Clipper and MuniMobile
- Reset senior, youth and disabled discount fares at 50% of the adult fare
- Increase “A” pass \$5 above the indexed price
- Provide 50% discount to nonprofit agencies who serve needy populations.
- Charge for Sunday and Evening meters
- Fund outreach on extending Central Subway to North Beach and Fisherman’s Wharf
- Make bicyclists a revenue source



Muniverse @sfmuniverse

Hey @SFMTA_Muni, if you keep giving away free Sunday parking it's not fair to make #SFMuni riders pay all 7 days of the week. #SFMTAbudget



Henry @panhenomium Agency should consider Sunday and evening metering, before ticketing passengers/slowing service down #sfmtabudget @sfmta_muni



Eric Butler @codebutler . @sfmta_muni Stop giving away free parking on Sundays, expand @SFMTA_SFpark dynamic pricing city-wide. #SFMTAbudget



Revenue Sources and Expenditures

Recommendations for FY 2017 & 2018

Changes to the Baseline

Revenue Sources

- Fare Proposals
- Towing Fee Reductions
- Enhanced Parking Management
- Revised Estimates Based on FY 2016 Actuals
- Additional General Funds
- Use of Fund Balance



Expenditure Uses

- Incremental Debt Service
- Worker's Compensation
- Training Facility Lease
- Caltrain Operating Contribution
- New Ongoing Programs
- One-time Expenditures from Fund Balance

Revenue Changes Included in Budget (\$Mil)

Proposal	Description	Revenue Impact FY17	Revenue Impact FY18
Change Youth Definition	Increase Youth Age to 18 from 17 – similar to the Free Muni Program for Low and Moderate Income Youth. Aligns with regional definition.	(2.2)	(2.2)
Set Discount Fares at 50% of Adult Fares	Establish senior, youth and disabled discount fares at 50% of the adult fares (FTA requires senior fares be set no higher than 50% of adult fares). Low and moderate income seniors, youth and disabled riders have the Free Muni programs and low income adults have access to the Lifeline Program.	1.4	1.5
Discount for Clipper & MuniMobile	Establish an additional \$0.25 fare increase for Muni riders paying cash or using limited use cards to reduce cash payments and to encourage use of Clipper® and Mobile Ticketing. This will reduce dwell times, speed up Muni and improve farebox performance.	3.8	3.9

*Title VI equity analysis completed on fare proposals.
New Fare Proposals effective January 1, 2017*

Revenue Changes Included in Budget (\$Mil)

Proposal	Description	Revenue Impact FY17	Revenue Impact FY18
Increase Vendor Commissions	Vendor commissions have not been increased in many years. The current vendor commission is \$0.50 per fare item and maps. Increasing the commission to \$0.75 for fare products and \$1.50 for maps will encourage vendors to sell these items.	(0.1)	(0.1)
Monthly "A" Pass Increase (BART)	Increase "A" pass \$5 above indexed price (covers 5.5% BART pass-through increase per trip).	0.7	0.7
Tokens and Passes for Needy Populations	Provide 50% discount to nonprofit agencies	(1.0)	(1.0)

*Title VI equity analysis completed on fare proposals.
New Fare Proposals effective January 1, 2017*

Revenue Changes Included in Budget (\$Mil)

Proposal	Description	Revenue Impact FY17	Revenue Impact FY18
Tow Fees	Per Board of Supervisors' recommendation reduce tow fees and create a low-income discount program (<i>Approved by SFMTA Board on March 15, 2016</i>)	(3.5)	(3.5)
Parking Management	Enhanced parking management as recommended by the SFMTA Board.		4.0

New Expenditures Included in Budget (\$Mil)

Description	Amount
Transit - supporting the top priority safety, state of good repair and maintenance program proposal	\$6.0
Sustainable Streets - supporting Enforcement, Meter and Signal Shop, Parking, Outreach and Data Analysis efforts	\$2.0
Caltrain Operating Contribution	\$0.9
Safety Compliance	\$0.5
Taxi Investigators and driver drug program support	\$0.2
Storekeepers – supporting Transit Maintenance and Procurement needs	\$0.3
Communications Outreach	\$0.3
Human Resources Analysts	\$0.2

One Time Uses of Fund Balance (\$Mil)

Description	FY 2017	FY 2018 *
Equipment Needs – Technology equipment including servers and network upgrades, non-revenue vehicles and replacement of old equipment	\$ 4.7	\$16.5
Signal Priority for Transit – J Church, K Ingleside and T third	\$ 9.6	\$ 8.4
Facility Upgrades – Bancroft roof, underground Storage Tanks Program	\$14.0	\$ 3.0
Cable Car safety improvements and automatic transfer switch and turntable	\$ 3.0	\$12.5
Surface Switch replacement for Transit	\$ 5.0	\$ 5.0
Parking Garage elevator modernization and life safety upgrades	\$ 1.0	\$ 5.0
Vision Zero education and outreach	\$ 1.0	\$ 1.0
Traffic Signals - signal visibility upgrades, new traffic signs, new pavement markers	\$ 1.0	
Parking and Traffic Technology	\$ 0.6	\$ 0.4
Transportation Demand Management outreach	\$ 0.3	

* Portion of the proposed expenditures for FY 18 will be held in reserve, and released only following a positive review of fiscal situation by DOT and CFO

Fund Balance and Reserves (\$Mil)

Fiscal Year Ending (Projected) *	Total Fund Balance	Available Reserve	Required Reserve (10%)	Fund Balance Available above Reserve Level	Appropriated for Use for Next Year
2016	\$243	24%	\$102	\$141	\$45
2017	\$198	17%	\$115	\$83	\$47
2018	\$151	13%	\$117	\$34	n/a

* Assumes that the Agency will not dip into fund balance any further than the figures in the Chart above and assumes that the Agency's revenues and expenditures will meet budget



Operating Budget

FY 2017 and FY 2018

Operating Revenues (\$Mil)

Revenue Category	FY 2016 Year End Projections	FY 2017 Proposed Budget	FY 2018 Proposed Budget
Transit Fares	202.2	205.9	207.9
Operating Grants	136.4	144.8	147.2
Parking and Traffic Fees & Fines	314.4	328.2	340.1
Other (Advertising, Interest, Inter- departmental Recovery, Taxi)	30.2	44.6	66.2
General Fund Transfer	277.0	292.6	304.1
Capital Projects (Development Fees, Population Based General Fund Allocation)	58.0	93.6	61.3
Use of Fund Balance	28.0	45.0	47.0
TOTAL	\$1,046.2	\$1,154.7	\$1,173.8

Operating Expenditures (\$Mil)

Expenditure Category	FY 2016 Year End Projections	FY 2017 Proposed Budget	FY 2018 Proposed Budget
Salaries & Benefits	597.3	647.8	681.7
Contracts and Other Services *	138.7	149.1	154.1
Materials & Supplies *	92.6	76.4	76.3
Equipment & Maintenance *	34.8	16.1	27.6
Rent & Building	7.3	11.8	12.8
Insurance, Claims & Payments to Other Agencies	66.0	67.5	68.0
Work Orders	67.6	65.0	65.5
Reserves	0.0	0.5	0.5
Transfer to Capital Projects	71.0	120.5	87.3
TOTAL	\$1,075.3	\$1,154.7	\$1,173.8

* FY 2016 figures include items encumbered in prior years and carried forward to be paid FY 2016

** Does not include Capital Projects that are funded through grants and other sources coming directly to SFMTA
 – only includes capital projects funded through local sources (e.g. Population Baseline, development fees)

Operating Expenditures by Division

Includes operating expenditures and portion of the capital budget that flows through the operating budget

Expenditure Category	FY 2016 Year End Projections	FY 2017 Proposed Budget	FY 2018 Proposed Budget
Agency-wide	97.7	150	155.4
Board of Directors	0.6	0.6	0.7
Communications	5.8	7.1	7.4
Capital Program & Construction	55.1	45.4	49.5
Director of Transportation	2.5	1.6	1.6
Finance and IT	89.3	125.4	111.1
Government Affairs	1.1	1.2	1.2
Human Resources	37.7	32.6	34.4
Safety	5.4	4.2	4.4
Sustainable Streets	153.7	170.6	157.9
Taxi and Accessible Services	29.2	30.9	32.0
Transit	597.2	585.1	618.2
TOTAL	\$1,075.3	\$1,154.7	\$1,173.8

* FY 2016 figures include items encumbered in prior years and carried forward to be paid FY 2016

** Does not include Capital Projects that are funded through grants and other sources coming directly to SFMTA – only includes capital projects funded through local sources (e.g. Population Baseline, development fees)

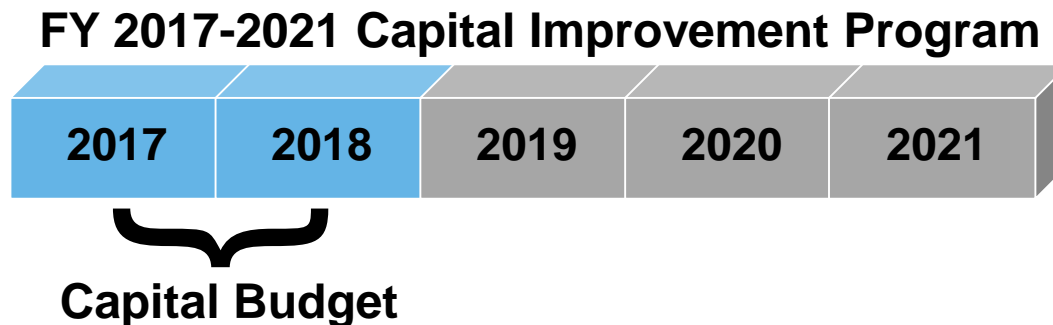


Capital Budget

Recommendations for FY 2017 & 2018

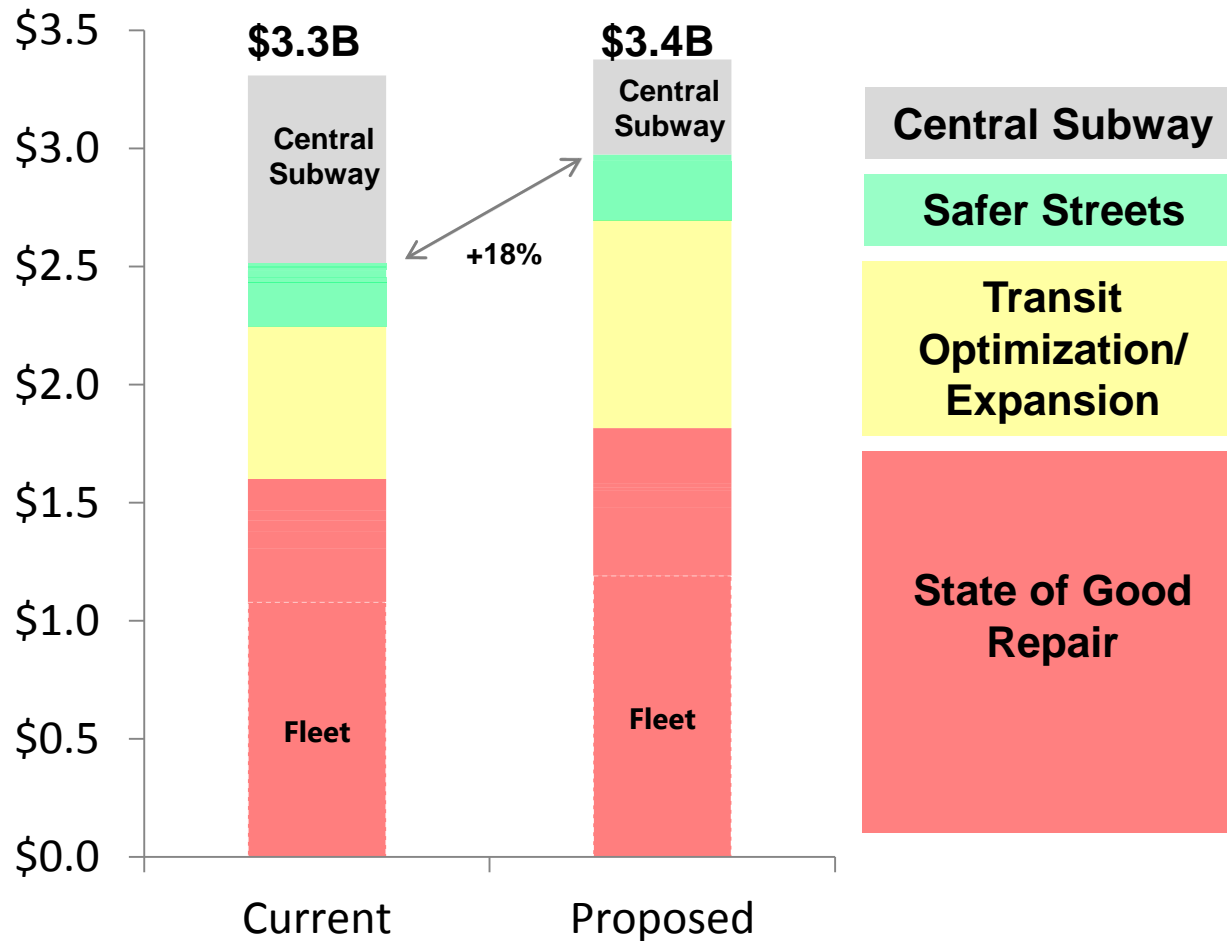
What is the Capital Improvement Program?

1. A 5-year program of **capital projects**
2. An **implementation plan** for regional, citywide, and agency-wide **strategies** and **policy goals**
3. The **Capital Budget** is the first two years of the Capital Improvement Program (CIP)



Capital Improvement Program Revenue Overview

Preliminary FY17-21 CIP (\$B)



The Proposed CIP Includes Revenue from Potential November 2016 and 2018 Ballot Measures

- New revenue sources currently under consideration are needed to fill critical gaps in the agency's capital program.
- Seeking to advance new revenue measures in 2016 and 2018, consistent with Mayor's 2013 Transportation Task Force recommendations
- Specific measure and expenditure plan are under development

\$10 BILLION TRANSPORTATION FUNDING NEED THRU 2030

**\$3.7 BILLION IN
EXISTING FUNDING**

**\$3 BILLION IN TTF
RECOMMENDATIONS**

**\$3.3 BILLION
UNFUNDED**

- ✓ 1st GO Bond: **\$500M**
- Vehicle License Fee: **\$1B**
- Sales Tax: **\$1B**
- 2nd GO Bond: **\$500M**

Proposed CIP Assumes New Revenue Sources

2016 - 2018 Revenue Measures Would Contribute \$45Mil to \$65Mil per Year

Uses of capital addresses funding gaps for high-priority programs

Transit (FY 18-21)

\$45M - \$55M per year split between:

- Fleet Expansion (Motor Coach and Light Rail Vehicles)
- Facilities (Upgrades/Enhancements)
- Transit Optimization (Muni Forward, Major Corridor and Rail Capacity Strategy Projects)

Streets (FY 20-21)

\$10M per year to support Vision Zero:

- WalkFirst
- Bicycle Strategy
- Streetscape Projects
- Signals

Capital Improvement Program Revenue Overview

Preliminary FY17-21 CIP by Capital Program (\$Mil)

CAPITAL PROGRAM	FY 17	FY 18	FY 19	FY 20	FY 21	2-Year Total	5-Year Total
Central Subway	\$ 154.0	\$ 150.0	\$ 98.5	\$ -	\$ -	\$ 304.0	\$ 402.5
Communications/IT	\$ 8.8	\$ 0.4	\$ 0.7	\$ 0.7	\$ 0.7	\$ 9.1	\$ 11.2
Facility	\$ 105.9	\$ 29.6	\$ 38.9	\$ 10.5	\$ 50.5	\$ 135.5	\$ 235.4
Fleet	\$ 504.6	\$ 352.2	\$ 158.9	\$ 101.3	\$ 73.2	\$ 856.8	\$ 1,190.2
Parking	\$ 1.2	\$ 5.0	\$ 10.0	\$ -	\$ -	\$ 6.2	\$ 16.2
Security	\$ 5.6	\$ 10.1	\$ 3.0	\$ 3.0	\$ 3.0	\$ 15.7	\$ 24.7
Streets	\$ 36.4	\$ 46.8	\$ 75.3	\$ 43.0	\$ 49.7	\$ 83.2	\$ 251.2
Taxi	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.4	\$ 0.8	\$ 2.0
Traffic/Signals	\$ 23.1	\$ 13.6	\$ 13.8	\$ 8.0	\$ 12.8	\$ 36.7	\$ 71.4
Transit Fixed Guideway	\$ 43.7	\$ 62.9	\$ 86.7	\$ 40.3	\$ 57.7	\$ 106.6	\$ 291.2
Transit Optimization/Expansion	\$ 196.5	\$ 184.4	\$ 241.7	\$ 167.4	\$ 90.4	\$ 380.9	\$ 880.5
Other	\$ 3.7	\$ 4.7	\$ 0.7	\$ 0.8	\$ 0.2	\$ 8.4	\$ 10.0
Total	\$ 1,083.9	\$ 860.0	\$ 728.5	\$ 375.3	\$ 338.7	\$ 1,943.8	\$ 3,386.4


Capital Budget

Key Capital Projects – Transit

Central Subway Completed in 2019

Transit Fixed Guideway

- Muni Metro Twin Peaks Tunnel Track Replacement Project
- Rail Signal Upgrades at Priority Locations
- Key projects addressing train control throughout the Muni Metro



Transit Optimization & Expansion

- Continued rollout of Muni Forward transit priority projects (e.g. 14 Mission, 22 Fillmore, 28 19th Avenue, 30 Stockton)
- Geary Bus Rapid Transit – Near Term Improvements
- Near-term Rail Capacity Strategy projects

Fleet & Facility

- All Motor Coaches replaced by early-2018
- All Trolley Coaches replaced by late-2019
- First of new LRVs to arrive in 2016
- Replacement of 1,200+ fare boxes for entire fleet
- Paratransit fleet will be replaced & expanded in 2017-18
- Employee Life & Safety Projects at SFMTA Facilities

Key Capital Projects – Streets

Complete Streets

- Initial phases of Major Corridor projects including Taylor Street, Folsom-Howard, 6th Street, 7th and 8th Street
- Bicycle Strategy Corridors
- WalkFirst Quick & Effective Projects
- Upper Market Street Pedestrian Improvements (Construction)
- Permanent Painted Safety Zone Conversion



Traffic & Signals

- WalkFirst Pedestrian Signal Countdowns
- Rail Transit Signal Priority
- Gough Street Traffic Signals Upgrades
- Webster Street Pedestrian Signals Upgrades
- Golden State Warriors Traffic Signals Mitigations Measures



Key Capital Projects – Other

Communications & IT

- Implementation of agency-wide WiFi Infrastructure and VoIP/Lync Telephony
- Continued support for Enterprise Asset Management System (EAMS)
- Procurement of Paratransit Scheduling Software

Taxi

- Continued incentive programs for “green” taxi technology, such as rebates for alternative fuel taxis

Security

- Emergency preparedness and threat mitigation projects

Parking

- Ellis/O’Farrell Garage Seismic Upgrade
- Lighting System Upgrades – Multiple Garages





Thank You!

*We're keeping the future
in focus.*

Automatic Indexing - Fares

Proposed fares increases are tied to formula based on inflation and labor costs

Some Examples of Upcoming Fare Changes	FY16	FY17	FY18
Adult Cash Fare	\$ 2.25	\$2.25	\$2.50
Discount Cash Fare (Youth, Senior and Disabled)	\$ 1.00	\$1.00	\$1.25
Low/Moderate Income Youth, Senior and Disabled - Clipper® card	\$ 0.00	\$0.00	\$0.00
Adult “A” Fast Pass with Ride on BART in SF	\$ 83.00	\$86.00	\$89.00
Adult “M” Fast Pass Muni Only	\$ 70.00	\$73.00	\$75.00

All fare proposals subject to Federal Civil Rights Act Title VI equity analysis prior to approval.

Automatic Indexing - Fees

Some Examples of Proposed Fees	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
Residential Parking Permit (Annual)	\$111	\$127	\$128
Contractor Permit (Annual)	\$938	\$1,167	\$1,280
Color Curb – White or Green Zones (Application Fee)	\$804 - \$3,210 (varies by zone size)	\$1,735 (flat fee)	\$2,083 (flat fee)
Temporary Street Closure (neighborhood block party)	\$177	\$230	\$299
Citation, Residential Parking Violation	\$78	\$81	\$84
Citation, Street Sweeping Violation	\$68	\$71	\$73

Based on either Cost Recovery Methodology or Inflation Increase

Cost recovery is calculated using known labor, material and other costs required to administer and enforce programs.

Title VI Analysis

- No disparate impact or burden from fare changes
- Minority and low-income customers could be more impacted by proposed increase of cash fares to encourage use of Clipper or Muni Mobile cashless options.
- Free Muni programs, Lifeline, tokens from social service agencies mitigates most impacts.
- Focus on easing transition to mobile payment options through increased outreach and expanded vendor options