



SFMTA

San Francisco Municipal Transportation Agency

Fiscal Year 2021 – 2022

Budget & Overview

SFMTA Board

August 18, 2020

Core Values

Safe Transportation System

Equity

Decarbonization

Work Culture that delivers
excellent customer service.

Transportation services and investments
supporting a strong economic recovery.

Budget Savings

Contracts & Purchase Orders

Procurement management controls will be Implemented in the FY 2021 and FY 2022.



Overtime

Overtime management controls will be Implemented in the FY 2021 and FY 2022.



Labor Attrition & Position Restructuring

Hiring freeze will be in place, vacancies will increase with attrition and the agency will be restructuring existing work



Service Constraints



Increased Medical Leave
(due to pandemic)



Reduced Capacity
(social distancing)



Unfilled Positions
(reduced service hours)

Service Trends

100,000 daily riders
Down 85%

Customers are currently more likely to be:
People of color, esp. Black & Indigenous
Low income
Without housing

Service Goals

Focus on serving communities of concern

Focus on providing capacity and routes with heaviest ridership

Focus on routes utilized more at pandemic's start

Actions Taken to Date



No Fare Increase



Launched Essential Trips Program & Waived Taxi Fees



Voluntarily Suspended SFSU Class Pass Payments



Lowered Meter Rates



Delayed Parking Fee Changes



Launched "Slow Streets" and "Shared Spaces"



Updated Tow Policy to Reduce Low-Income and Homeless Fees



Opened 4 new Customer Service Centers Throughout the City



Increased Bus and Facility Maintenance/Cleaning

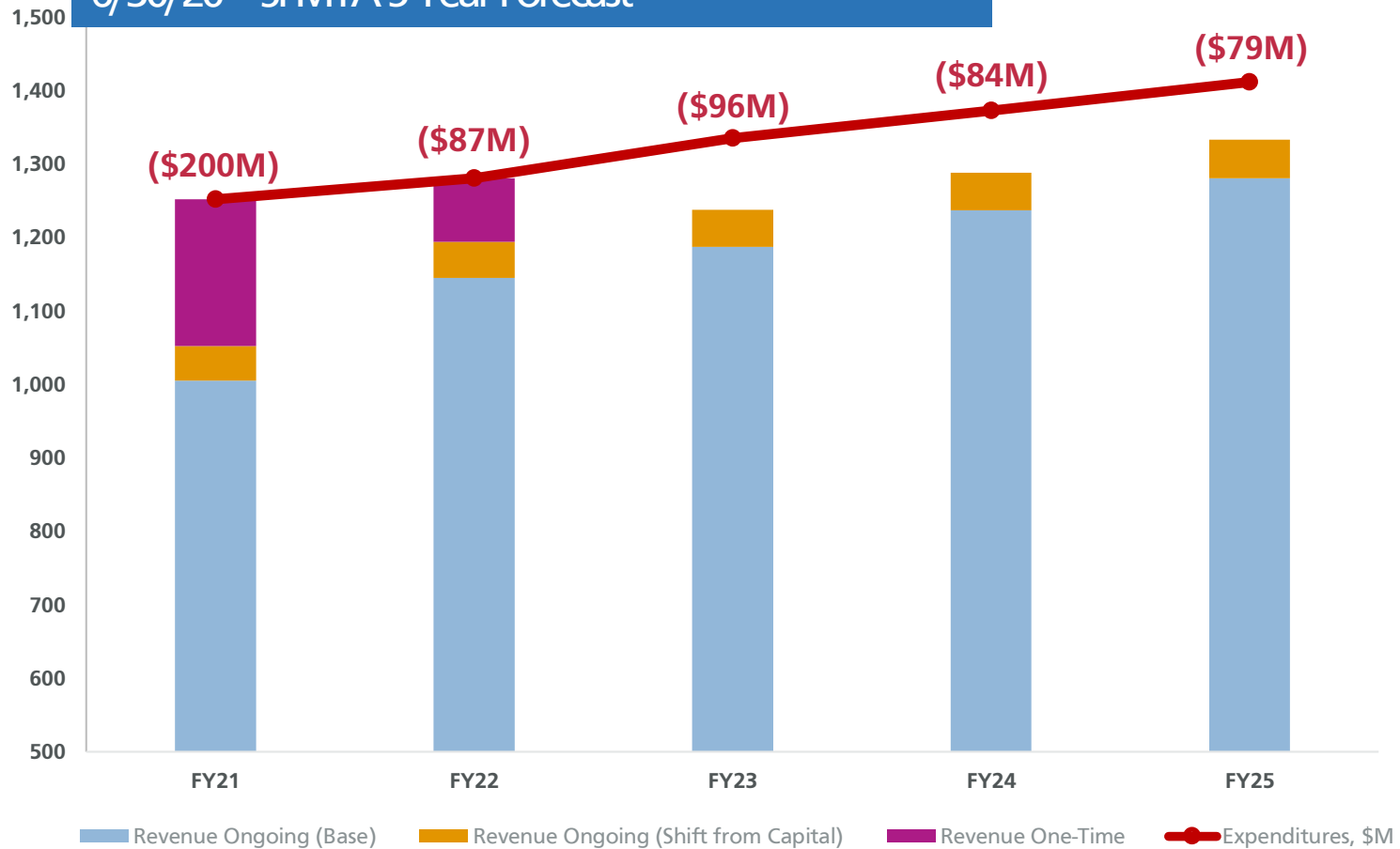
Equity Work



Ongoing Structural Deficit (excluding Equity Clipper Fare Increases)

The SFMTA 2-year budget is balanced however an ongoing structural deficit remains.

6/30/20 – SFMTA 5-Year Forecast



FY 2021 and FY 2022 Budget Comparison

FY 20 Adopted
Operating Budget
\$1.27 b

FY 21 Proposed
Operating Budget
\$1.24 b

FY 22 Proposed
Operating Budget
\$1.31 b

FY 2019-20
Adopted Operating Budget

FY 2020-21 and FY 2021-22
Proposed Operating Budget

Labor by Division (Operating, PSF and Temporary FTEs including attrition)

- A hiring freeze will be in place and vacancies increased with attrition
- New program positions, a recommended option on 4/21, were eliminated

Division	FY 20 Amended FTE	FY 21 Proposed FTE	FY 22 Proposed FTE	FY 21 vs FY 20	FY 22 vs FY 21
Transit	4,310.20	4,087.00	4,088.29	(223.20)	1.29
Sustainable Streets	691.92	828.77	862.07	136.85	33.30
Finance & Info Tech	501.54	488.53	489.45	(13.01)	0.92
Capital Programs and Construction	209.15	186.49	186.60	(22.66)	0.11
Human Resources	166.74	78.53	78.53	(88.21)	0.00
Communications	41.31	36.32	36.32	(4.99)	0.00
Taxi & Accessible Services	29.69	28.38	29.53	(1.31)	1.15
System Safety	19.95	26.04	26.04	6.09	0.00
Other	10.78	18.81	22.50	8.03	3.69
Total	5,981.28	5,778.87	5,819.33	(202.41)	40.46

SFMTA's Financial Future

Potential Revenue Options	Est. Revenue
2 nd GO Bond (confirmed for June 2022)	\$350 million
Prop K Transportation Sales Tax Reauthorization	\$100 million/yr
New Regional Measure one cent sales tax	\$100 billion over 40 years
Congestion Pricing	\$80 million/yr
Additional Sales Tax	\$51 million to \$157 million/yr
Commercial Property Rent Tax Increase	\$3 million to \$100 million/yr
Platform/Gig Economy Tax	\$8 million to \$30 million/yr
Transportation Network Company Fee (Passed November 2019)	\$12.5 million to \$62.5 million/yr
Community Facility District	Revenue varies by district
Increase Vehicle License Fee to maximum allowable	\$73 million/yr

Potential Non-Referendum Measure	Est. Revenue
Revenue Bonds (Est. debt service \$7m/yr for every \$100m raised)	Up to \$75 million

Federal and State Grants	Est. Revenue
State Transit and Intercity Rail Capital Program	\$120 million (one-time funds)
Federal Capital Investment Grant Program/Other Federal Grants	\$200 million (one-time funds)

Operating Budget Status: Agenda

- Technical Adjustments changes from budget approved by MTA Board on 6/30/2020
- Early Revenue/Expenditure update incorporating July 2020 data.
- Transit fare and parking revenue scenarios- better and worse case.
- Labor cost snapshot based on July data.

CAVEAT: Wide range of possible outcomes: results will be highly dependent on:

- Course of pandemic
- SF economy
- Evolving public health guidelines regarding our vehicle capacity

We are preparing for whatever the future brings

Operating Budget Status: Technical Adjustments

- **Transit fare** revenue adjusted from \$140M to \$100M in FY 2020-21 to reflect current trends.
- **CARES** updated to \$176.6M from \$161.5M based on the actual allocation.
- **Board Reserve** \$15.5M eliminated in FY 2020-21 as partial offset to transit fare reduction.
- **General Fund Baseline Transfer** reduced from \$357M to \$328M in FY 2020-21 based on updated estimates from the Controller's Office.
- **Use of Fund Balance** was shifted between FY 2021-22 to FY 2020-21 to balance each FY.

Operating Budget Revenues as of July 2020, \$M

Revenue Category	FY 20-21 Proposed Budget	FY 20-21 Actual to date	FY 20-21 Projected Total	FY 20-21 Projected Surplus (Shortfall)
City Baselines and other Support	\$406	-	\$406	-
Parking & Traffic	279	10	249 - 279	(57) to (0)
CARES Act	177	-	177	-
Operating Grants	181	0	181	-
Transit Fares	100	1	30 - 79	(70) to (35)
Miscellaneous	38	1	38	-
Transit Development Fees	26	-	26	-
Prop D Congestion (TNC) Tax	7	-	7	-
Fund Balance	30	30	30	-
Total Operating Sources	\$1,243	\$42	\$1,116 to \$1,208	\$(127) to \$(35)

Pre-COVID Budget FY 2020-21 proposal including starting implementation of Muni Working Group proposals was \$1,300M. We have brought that down by \$57M, and it would have been lower but for the CARES Act.

City Baselines includes revenue and population baselines, parking tax in-lieu, and Mission Bay Transportation Improvement Fund.

Miscellaneous includes vehicle and station advertising, commercial rents, pole antenna licenses, interest, cost recovery from City departments, etc.

Operating Budget Expenditures as of July 2020, \$M

Expenditure Category	FY 20-21 Proposed Budget	FY 20-21 Actual to date	FY 20-21 Projected Total	FY 20-21 Projected Surplus (Shortfall)
Salaries & Benefits	\$842	\$50	\$807	35
Contracts & Other Services	183	1	183	-
Services of Other Departments	85	-	85	-
Materials & Supplies	74	5	74	-
Judgments, Claims & Workers Comp	42	3	42	-
Equipment, Rent & Maintenance	30	3	30	-
Debt Service	23	1	23	-
Offset to Capital Projects	(36)	(0)	(36)	-
Total Operating Expenditures	\$1,243	\$63	\$1,208	\$35
Net Surplus (Shortfall): <i>\$(92M) Shortfall to \$0M Surplus</i>				

Operating Budget Transit Revenue Scenarios, \$M

Fare Category	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Budget	Jul 20 Actual	Better Case		Worse Case	
					FY Total	Diff to Bgt	FY Total	Diff to Bgt
Standard Passes	\$78	\$63	\$31	\$0.54	\$25	(5)	\$2	(29)
Single Ride Fares	77	58	56	0.05	33	(23)	12	(44)
Discount Passes	10	8	9	0.03	4	(5)	16	7
Cable Car	24	17	-	0.00	0	0	0	0
Other Transit	8	5	4	0.02	2	(2)	2	(3)
Total Fares	\$197	\$150	\$100	\$0.64	\$65	(35)	\$30	(40)

PY Actuals (Mar 2019 - Feb 2020)

\$18

\$199

\$199

% PY actuals

4%

33%

15%

Transit Better Case (Capacity constraints lifted by Jan): Rise to 30% PY rev by Dec, standard passes rise to 60% PY by June, other fares to 80%, no cable car restart until FY 2021-22.

Transit Worse Case (Capacity remains constrained): 20% PY rev for Sep-Jan, rise to 35% PY through June, no cable car restart until FY 2021-22.

Other Transit: Paratransit, Chase Center tickets, BART feeder payment, Proof of Pmt.

Operating Budget Parking & Traffic Revenues, \$M

Revenue Category	FY 18-19 Actual	FY 19-20 Actual	FY 20-21 Budget	Jul 20 Actual	Better Case		Worse Case	
					FY Total	Diff to Bgt	FY Total	Diff to Bgt
Parking Fees and Fines	\$123	\$95	\$119	\$3.6	\$121	\$1	\$96	(23)
Parking Garage Revenue	72	55	67	1.6	69	3	54	(12)
Parking Meter	61	44	69	2.0	60	(10)	47	(22)
Neighborhood Parking Permits etc.	27	19	24	3.2	30	6	24	1
Subtotal Parking & Traffic	\$283	\$213	\$279	\$10.4	\$279	0	\$222	(57)

PY Actuals (Mar 2019 - Feb 2020)

\$22.1 **\$276**

% PY Actuals

47%

Parking & Traffic Better Case: Rebounded vehicle use grows garage and meter usage. Expanded hours rolled out and additional PCO's hired. Revenue rises to 110% PY by Nov and 114% by Jan 2021.

Parking & Traffic Worse Case: Economy slower, dampening garage, meter and fee/fine revenues. Gradual rise to 100% PY by Mar 2021.

Operating Budget Status: Labor Costs

Average Overtime

- Pre-COVID: \$1.8M/week
- May – Jul 2020: \$0.6M/week
- Will review again after service restoration beginning 8/22.

Latest paid FTE count (pay period ending 7/24/20)

- Paid Full-Time Equivalents (FTE): 5,048
- Headcount paid = 5,431, including 386 on leave during full pay period.

With modest net hiring continuing (mission-critical hiring freeze exceptions), expect at least ~\$35M salary savings to help offset portion of revenue shortfalls.

Operating Budget Status: Next Steps

- Closely monitor and continue monthly budget status updates
- Continue controlling expenditures and overtime
- Monitor potential for new federal or other revenue sources.
- If projected revenues not sufficient to cover expenditures, provide options to MTA Board by January 2021.
- Work on potential new local funding measure options for 2022 ballot.

Operating Budget Status: Takeaway

Whatever the future brings with COVID and the economy, we are watching our fiscal situation closely.

We will work with you regarding how to use our resources most wisely, in alignment with our values and fiscal reality.



Temporary Rail Service Changes



COVID-19 Muni Core Service Plan

S **N** Rail/Tren/火車/Entrenar
10 minutes or less
 10 minutos o menos
 10分鐘之內
L **K** **T** **M** 10 minuto o mas kaunti

14R **8** 5 Minutes or Less
 5 minutos o menos
 5分鐘之內
 5 minuto o mas kaunti

9R **9** Every 6-10 minutes
 Cada 6-10 minutos
 每6-10分鐘
 Tuving 6-10 minuto

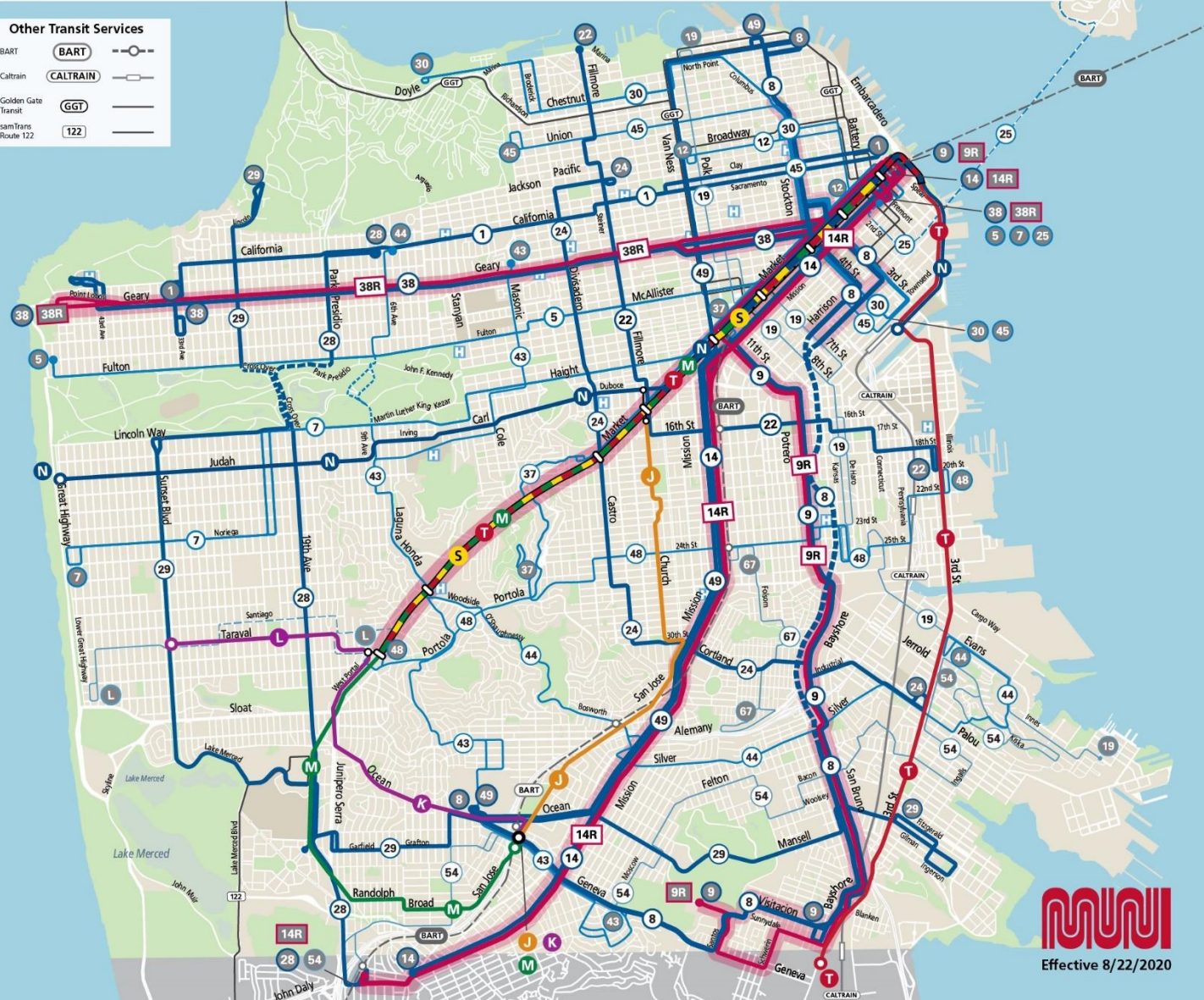
5 **19** Every 11-15 minutes
 Cada 11-15 minutos
 每11-15分鐘
 Tuving 11-15 minuto

19 Every 16-20 minutes
 Cada 16-20 minutos
 每16-20分鐘
 Tuving 16-20 minuto

High-frequency corridors / Corredores de alta frecuencia / 更頻繁的班次 / Mas madalas na serbisyo

Other Transit Services

BART **BART**
 Caltrain **CALTRAIN**
 Golden Gate Transit **GGT**
 SamTrans Route 122 **122**



Draft Equity Analysis Toolkit

SFMTA Equity Toolkit

Equity Areas

Educational Attainment

— overview tbd

Bayview

Chinatown

Visitacion Valley

Western Addition

The Mission



Equity Toolkit

Over 880,000 people live in San Francisco. Many residents rely on Muni as their primary means for getting to work and other destinations-- prior to the pandemic, Muni served over 700,000 daily riders. While many residents are now working remotely and delivery services have lessened the commute burden, a considerable number of residents continue to commute to work.

As SFMTA makes changes to Muni service in the coming months and years, we are furthering our commitment to go above and beyond federal Title VI requirements to better serve residents in equity areas.

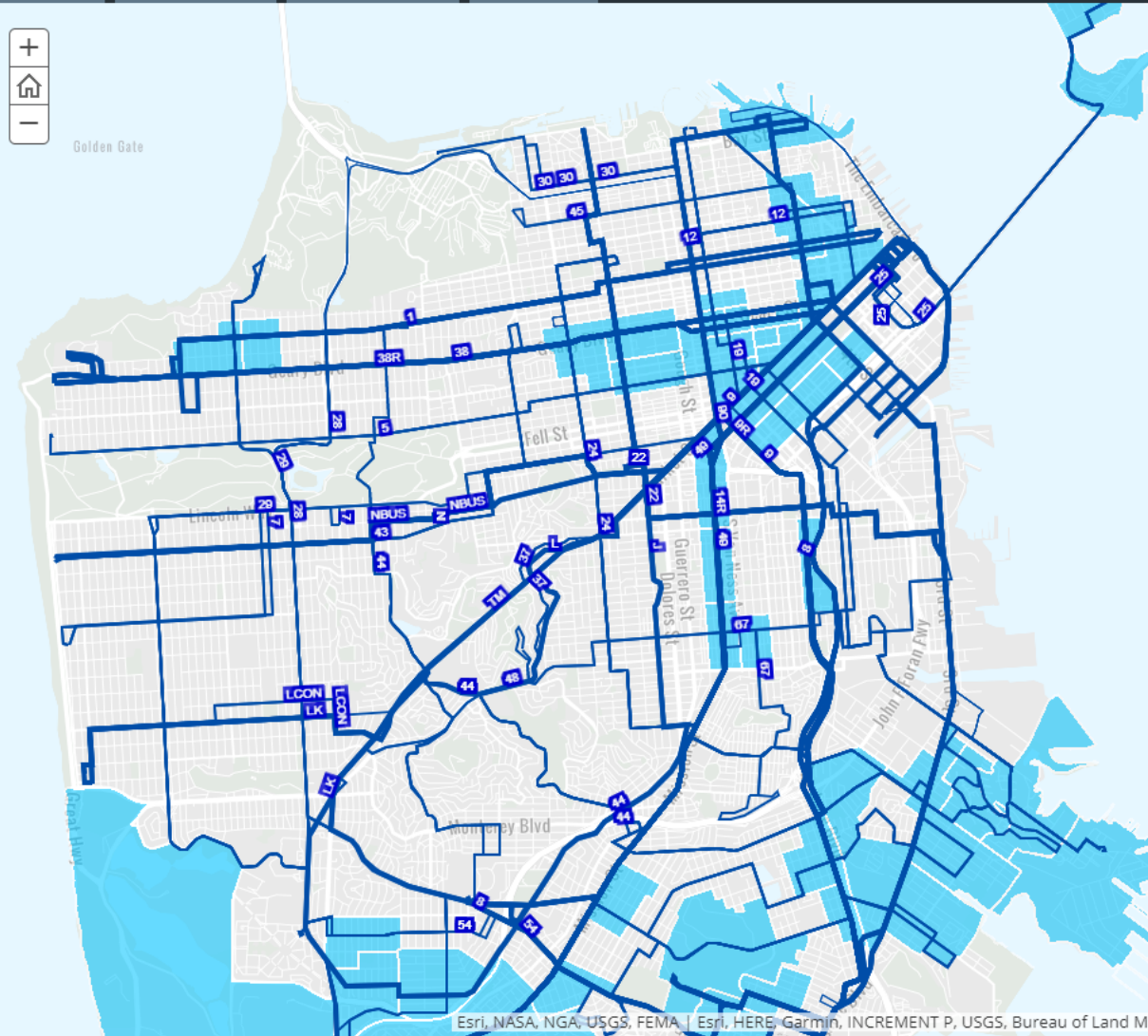
The SFMTA Equity Toolkit provides a framework to enable decision making that centers the needs of residents living in areas of San Francisco that have been historically under-served, and in many cases systematically undermined by both public and private institutions.

The **map on the right** shows the August 22nd Muni Service Plan along with San Francisco's equity areas, shown in light blue. In total, 214,000 people live in San Francisco's equity areas and are within a 10 minute walk to Muni stops. Equity areas have two or more the following characteristics:

- 30% or more are low income
- 70% or more are people of color
- 20% or more have limited English proficiency
- 10% or more households do not own vehicles
- 10% or more are over 75 years of age
- 25% or more have disabilities
- 20% or more are single-parent families
- 15% or more households are severely rent-burdened

Click [here](#) for more information on the methodology used to identify these areas in MTC's Plan Bay Area 2050.

Equity Areas Data Source: US Census, 2012-2016 ACS Five Year Estimates via MTC, SFMTA



Esri, NASA, NGA, USGS, FEMA | Esri, HERE, Garmin, INCREMENT P, USGS, Bureau of Land Management

Taxis

- Waved all taxi-related fees for the next two years
- Requested SF Federal Credit Union establish a loan deferral plan for taxi medallion holders
- Established the Essential Trip Card (ETC)
- Provided PPE for taxi drivers and trained on proper cleaning procedures
- Distributed clear plastic shields for vehicles
- Frequent communications with Color Schemes and updates to our taxi webpage

FY 2020-21 and FY 2021-22 Budget, \$M

Fiscal Year 2021 and FY 2022 Budget, \$M		
Item	FY 2020-21	FY 2021-22
Salaries & Benefits	806.0	837.5
Contracts & Other Services	176.0	182.2
Materials and Supplies	73.7	73.6
Equipment & Maintenance	13.5	14.2
Rent & Building	16.5	17.3
Judgments, Claims & Workers Comp	41.7	41.7
Taxes, Licenses & Permits	29.5	30.0
Services of Other Departments	85.3	89.5
Travel	0.5	0.5
Board Reserve	-	18.7
TOTAL	1,243.2	1,305.1

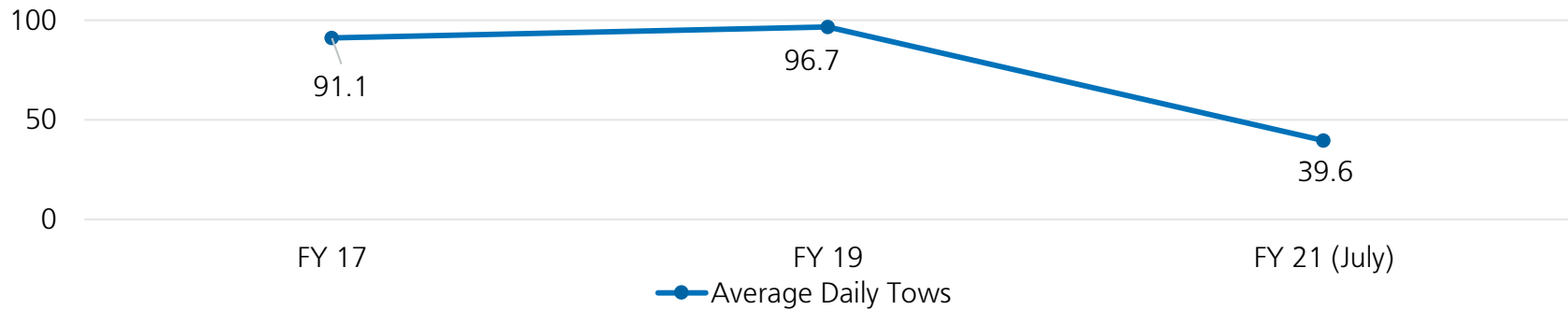
FY 2020-21 and FY 2021-22 Positions

Fiscal Year 2021 and FY 2022 Positions

Positions by Category	FY 2019-20	FY 2020-21	FY 2021-22
Operating	6,003.35	6,142.34	6,188.92
Project (PSF)	504.00	482.77	486.00
Temporary	68.60	50.85	50.96
Attrition Savings	(594.67)	(897.09)	(906.55)
Total	5,981.28	5,778.87	5,819.33

Updated Towing Policy: Reducing low income and homeless fees

Average Daily Tows Reduced During Pandemic



Tow and Boot Fees	FY 20 Fee	FY 21 Fee	FY 22 Fee
First Time Tow/Admin Fee	\$449	\$524	\$543
Repeat Tow/Admin Fee	\$537	\$574	\$593
Low Income Tow/Admin Fee	\$238	\$100	\$100
New Tow/Admin Fee for people certified as experiencing homelessness	n/a	\$0	\$0
Standard Boot Fee	\$515	\$525	\$550
Low Income Boot Fee	\$100	\$75	\$75
New Boot Fee for people certified as experiencing homelessness	n/a	\$0	\$0