



SFMTA
Municipal Transportation Agency

AUDIT REPORT AND FINANCIAL STATEMENTS FISCAL YEAR 2014-2015

SFMTA BOARD OF DIRECTORS

01 | 05 | 2016

SAN FRANCISCO, CALIFORNIA

YEAR END AUDIT

FY 2014-2015

The SFMTA's audit is part of the City's overall audit

The auditor is selected by the Controller

Annually the year-end audit includes:

- Financial audit – picture of SFMTA's financial status
 - Single audit – grant compliance. This is scheduled for completion by end of January 2016.
 - Management Letter – auditor's recommendations to improve financial management and oversight
- No findings

**SUMMARY OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
COMPARATIVE JUNE 30, 2015 AND 2014
(IN THOUSANDS)**

Category	FY14-15	FY13-14	Change	Notes
Operating revenues	\$504,625	\$527,268	(\$22,643)	Lower taxi medallion sales and parking fines & penalties
Non-operating revenues	166,761	163,973	2,788	Increase in operating grants
Capital contributions	293,350	445,939	(152,589)	Decrease in grants for capital project such as Central Subway
Transfers	341,331	316,891	24,440	Increase in City's General Fund baseline allocation
Total Revenues	1,306,067	1,454,071	(148,004)	
Total Expenses	1,011,401	1,032,437	(21,036)	See next page for detail
Change in net position	\$294,666	\$421,634	(\$126,968)	Revenues less Expenses

**SUMMARY OF OPERATING EXPENSES
COMPARATIVE JUNE 30, 2015 AND 2014
(IN THOUSANDS)**

Category	FY14-15	FY13-14	Change	Notes
Personnel services	\$616,056	\$628,849	(12,793)	Reduction mostly due to the new accounting standards board requirement (GASB 68)
Contractual services	101,707	93,140	8,567	Higher rental costs and software license payments
Materials and supplies	73,043	87,332	(14,289)	Lower fuel cost due to new fuel contract and decrease in parts usage as a result of new vehicles
Depreciation and amortization	126,756	120,954	5,802	Increase in assets capitalized
Services from other City departments	52,802	56,957	(4,155)	SFPD work order moved to fund pedestrian and bicycle capital projects
General and administrative	43,732	58,284	(14,552)	Decrease in claims payments
Other operating expenses	(2,695)	(13,079)	10,384	Increase in paratransit contract and projects funded by the operating budget
Total Expenses	\$1,011,401	\$1,032,437	(\$21,036)	

CONDENSED SUMMARY OF NET POSITION
 COMPARATIVE JUNE 30, 2015 AND 2014
 (IN THOUSANDS)

Category	FY14-15	FY13-14	Change	Notes
Current assets	\$1,074,180	\$969,807	\$104,373	Increase in cash due to higher City general fund baseline and grants
Restricted assets	52,475	36,333	16,142	Increase in development fees and debt service reserve for new revenue bonds S2014
Capital assets	2,747,219	2,542,048	205,171	Investment in capital infrastructure
Total Assets	3,873,874	3,548,188	325,686	
Deferred outflows of resources	88,450	-	88,450	Implementation of GASB68 – new provision related to pension reporting
Current liabilities	388,033	383,851	4,182	Grants received for Central Subway from the State yet to be spent, outstanding claims
Noncurrent liabilities	792,967	460,540	332,427	Increase in postemployment benefits, net pension liability, and new debt issuance
Total Liabilities	1,181,000	844,391	336,609	
Deferred Inflows of Resources	230,044	17,737	212,307	Implementation of GASB68 – new provision related to pension reporting
Net Position	2,551,280	\$2,686,060	(\$134,780)	

* The SFMTA restated the beginning net position of fiscal year 2015 with the implementation of GASB Statement No. 68 on accounting and financial reporting on pensions.