

**FY 2007-08 Fund Estimate Revision  
and TDA / STA Allocations  
(Res. Nos. 3793, 3810, 3811 & 3812)**



**Presentation to the  
Programming and Allocations  
Committee**

**July 11, 2007**

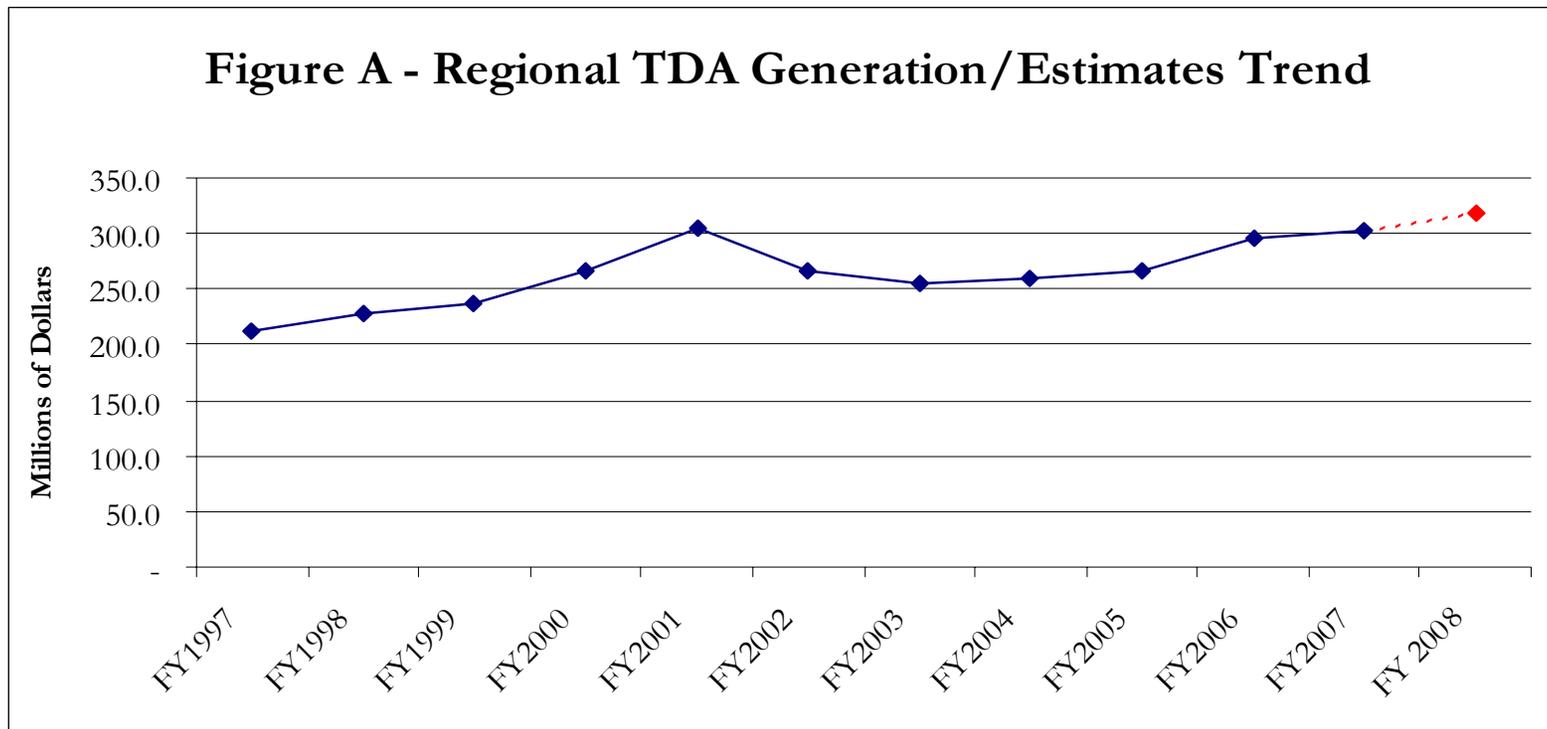
**METROPOLITAN TRANSPORTATION COMMISSION**

# Overview of Items / Requested Commission Actions

- **Approval of a revision to the FY 2007-08 Fund Estimate to reflect actual revenue received in FY 2006-07**
- **Allocation of FY 2007-08 TDA, STA and AB1107 Funds**
- **Finding of “No Unmet Transit Needs” for Solano County**

# Economic Backdrop – TDA Trend

- **TDA quarter-cent sales tax revenues have nearly recovered to their 2001 peak levels but are growing at a slower pace than expected**



# Actual Revenue vs. Estimates – TDA

- **FY 2007 TDA revenues grew 2.5% over FY 2006 revenues region-wide**
- **Actual generations in FY 2007 were below County Auditor estimates in five counties**
- **FY 2008 estimates may have to be revised downward to avoid significant rescissions at the end of the fiscal year.**

	FY07 Original Estimates	FY 07 Actual Generations	Increase / (Decrease)	FY 08 Estimates
<b>TDA</b>				
Alameda	\$ 64,910,540	\$ 63,918,498	\$ (992,042)	\$ 69,175,123
Contra Costa	\$ 36,614,635	\$ 35,180,377	\$ (1,434,258)	\$ 36,855,604
Marin	\$ 10,983,934	\$ 10,909,950	\$ (73,985)	\$ 10,983,934
Napa	\$ 5,708,516	\$ 6,221,159	\$ 512,643	\$ 6,137,376
San Francisco	\$ 36,497,137	\$ 35,607,503	\$ (889,634)	\$ 37,673,059
San Mateo	\$ 32,934,541	\$ 33,077,039	\$ 142,498	\$ 35,316,254
Santa Clara	\$ 79,134,280	\$ 82,627,900	\$ 3,493,620	\$ 84,436,053
Solano	\$ 16,244,823	\$ 15,864,472	\$ (380,351)	\$ 16,956,193
Sonoma	\$ 19,950,000	\$ 20,197,720	\$ 247,720	\$ 21,200,000
<b>Total</b>	<b>\$ 302,978,406</b>	<b>\$ 303,604,617</b>	<b>\$ 626,211</b>	<b>\$ 318,733,596</b>

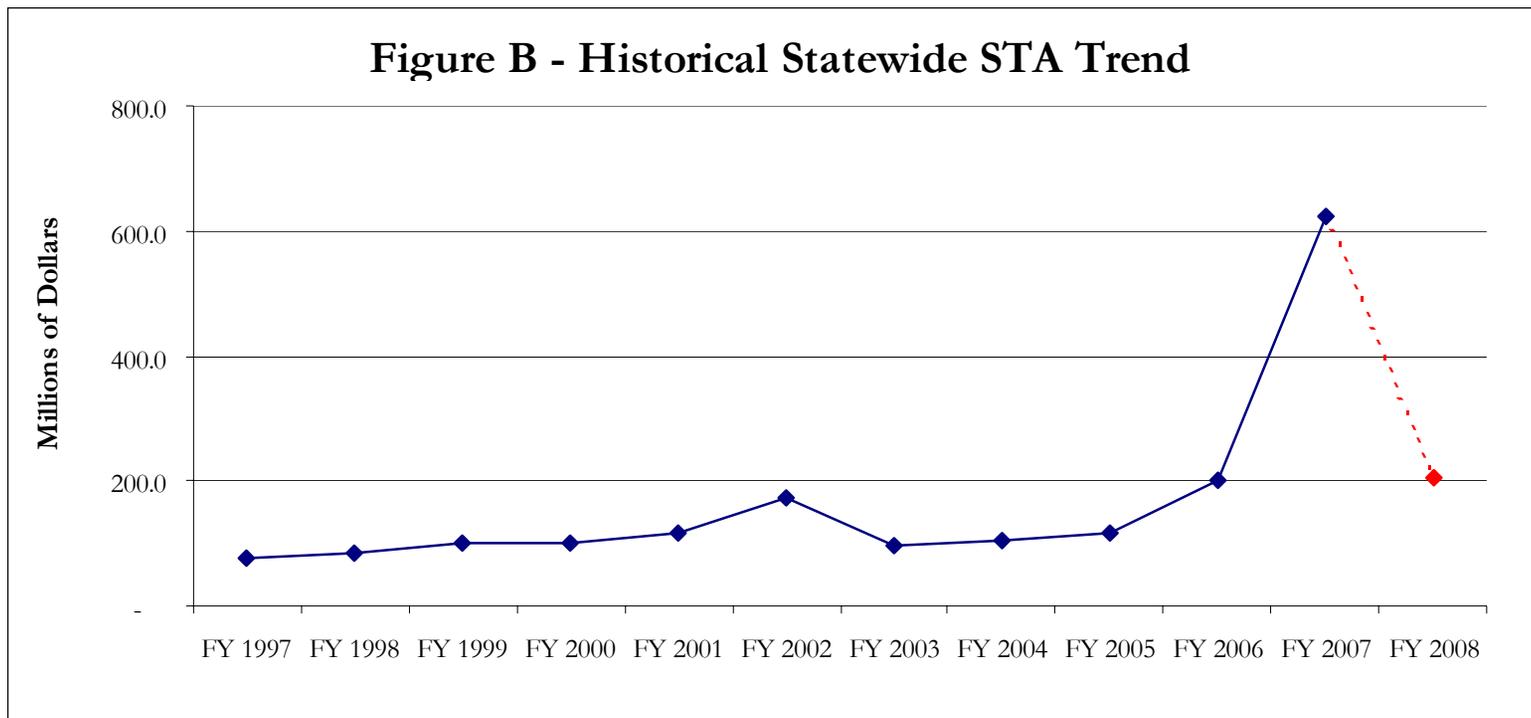
# TDA Rescission Actions

- **Small TDA rescission actions are needed to match FY 2006-07 allocations to the actual revenue collected**
- **No significant STA rescissions are required**

TDA Rescissions	
Alameda	
AC Transit	\$ (399,684)
Contra Costa	
AC Transit	\$ (237,736)
CCCTA	\$ (32,953)
ECCTA	\$ (17,377)
WCCTA	\$ (12,006)
Marin	
GGBHTD	\$ (57,050)
San Francisco	
SFMTA	\$ (718,414)
Solano	
Dixon	\$ (18,526)
Vallejo	\$ (46,789)
Solano County	\$ (11,676)
<b>Total</b>	<b>\$ (1,552,212)</b>

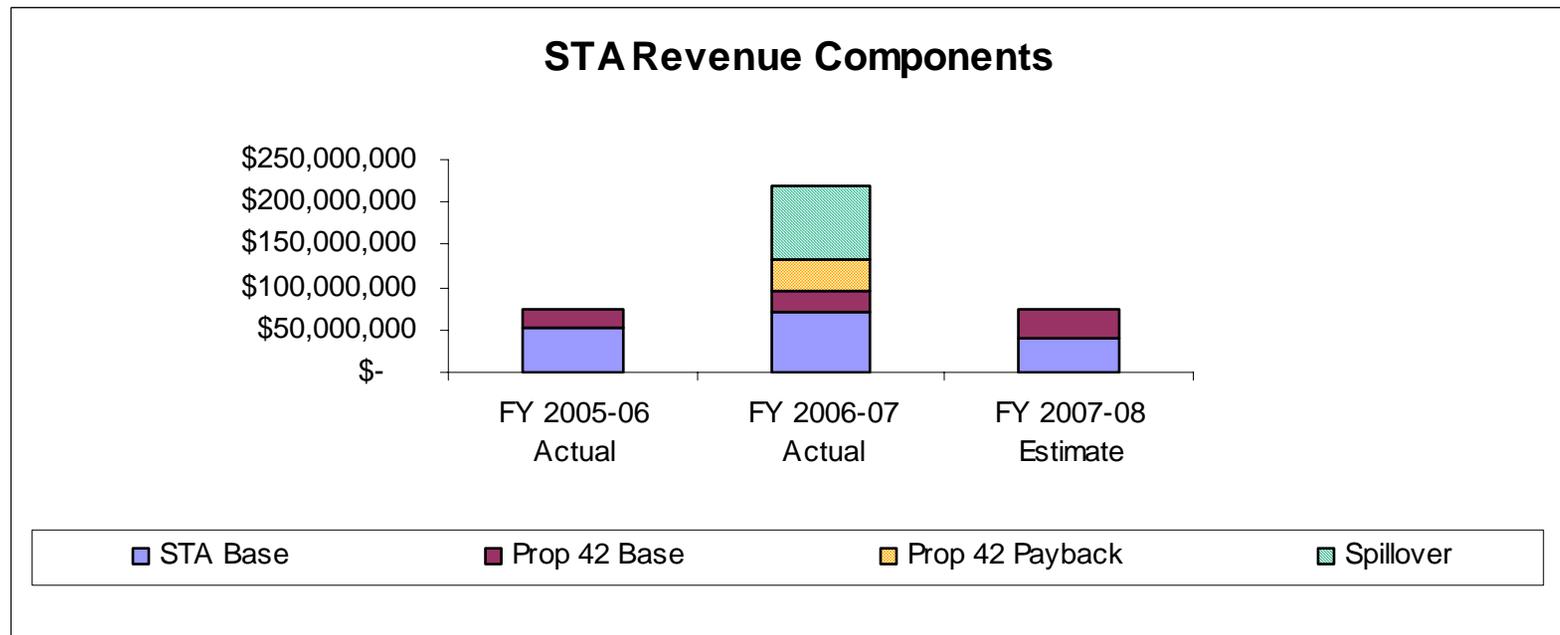
# Economic Backdrop – STA Trend

- **The large increase in FY 2006-07 STA funding is mostly due to a one-time infusion of Proposition 42 payback plus “spillover” funds**
- **FY 2007-08 proposed statewide STA funding is only slightly higher than FY 2005-06 (based on the May revision to the state budget)**



# Revenue Breakdown – STA

- **\$124 million in unanticipated spillover and additional Prop 42 were a welcome bonus for Bay Area transit operators in FY 2006-07**
- **The proposed FY 2007-08 state budget provides \$0 in spillover to STA and applies a \$95 million negative correction to STA base funding statewide**



*\*FY 2006-07 estimate based on February figures adjusted for operators' revenue basis.*

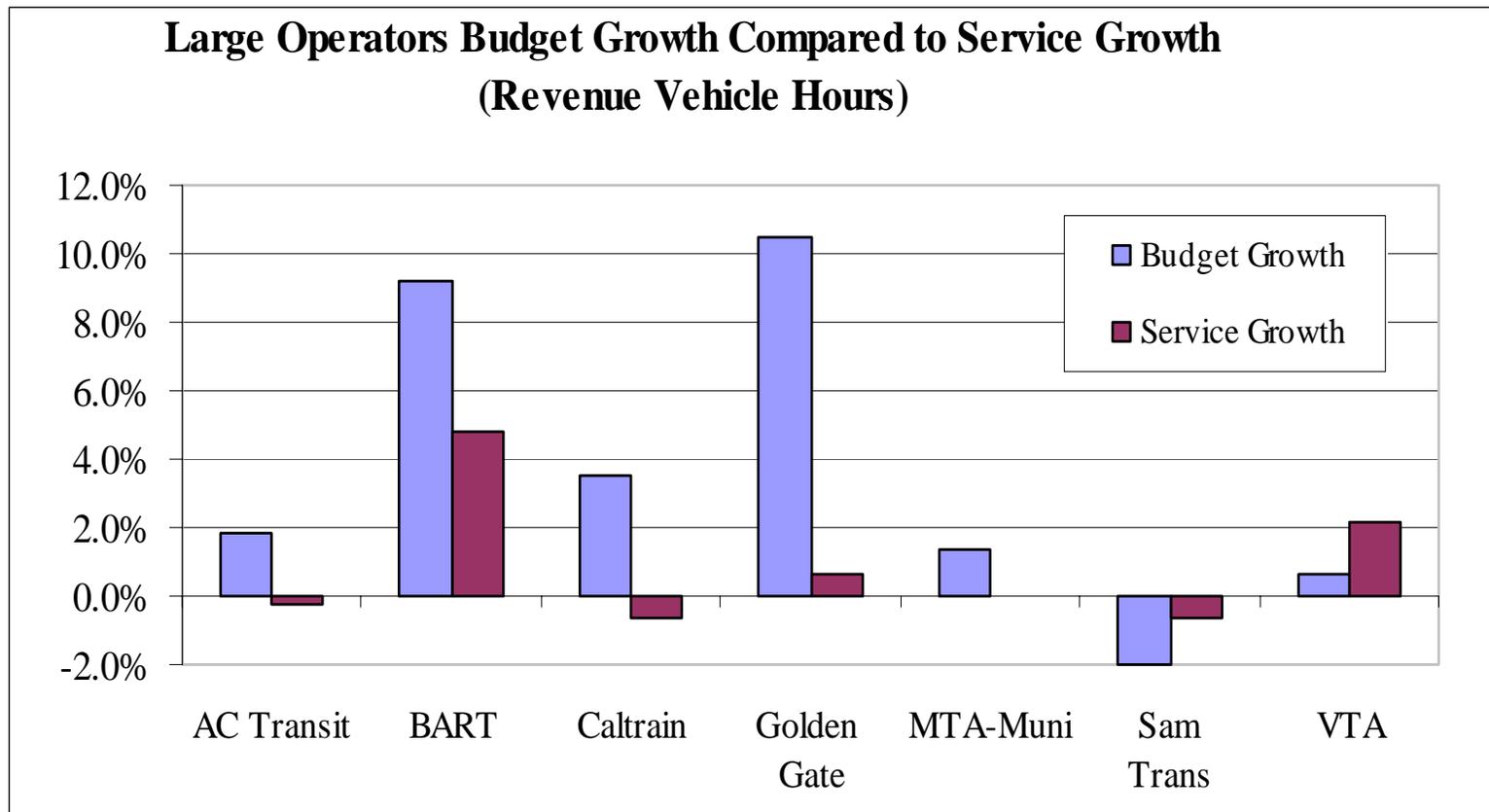
# Spillover Diversion Impact – STA

- **May Revise diversion of \$413.5 Million in STA Spillover statewide translates to a \$145.5 Million loss of STA funding for the Bay Area**
- **Staff will update the Fund Estimate to reflect final STA figures if the state budget is enacted prior to the Commission meeting**

Apportionment Jurisdictions	Proposed State Budget	Spillover Loss (May Revise)
<b>STA FUNDING STATEWIDE</b>	<b>\$205,845,000</b>	<b>(\$413,500,000)</b>
AC Transit	\$ 4,980,849	\$ (10,005,495)
ACE	\$ 208,359	\$ (418,549)
BART	\$ 14,200,474	\$ (28,525,813)
Caltrain	\$ 2,388,009	\$ (4,797,016)
Central Contra Costa Transit Authority (County Connection)	\$ 293,042	\$ (588,661)
Eastern Contra Costa Transit Authority (TriDelta)	\$ 142,872	\$ (287,000)
Golden Gate Bridge, Highway and Transit District	\$ 2,031,842	\$ (4,081,550)
Livermore-Amador Transit (LAVTA)	\$ 90,176	\$ (181,146)
SamTrans	\$ 2,547,288	\$ (5,116,975)
SFMTA	\$ 18,119,382	\$ (36,398,089)
Sonoma County Transit	\$ 65,748	\$ (132,075)
Vallejo	\$ 316,149	\$ (635,078)
Valley Transportation Authority	\$ 7,052,869	\$ (14,167,754)
Western Contra Costa Transit Authority (WestCAT)	\$ 125,190	\$ (251,481)
Other Operators	\$ 160,391	\$ (322,191)
<b>BAY AREA REVENUE BASED AMOUNT</b>	<b>\$ 52,722,641</b>	<b>\$ (105,908,874)</b>
<b>BAY AREA POPULATION BASED AMOUNT</b>	<b>\$ 19,731,375</b>	<b>\$ (39,636,248)</b>
<b>GRAND TOTAL - BAY AREA</b>	<b>\$ 72,454,016</b>	<b>\$ (145,545,122)</b>

# Key Issues – Budget vs. Service Growth

- Transit operators' budget increases outpace service growth

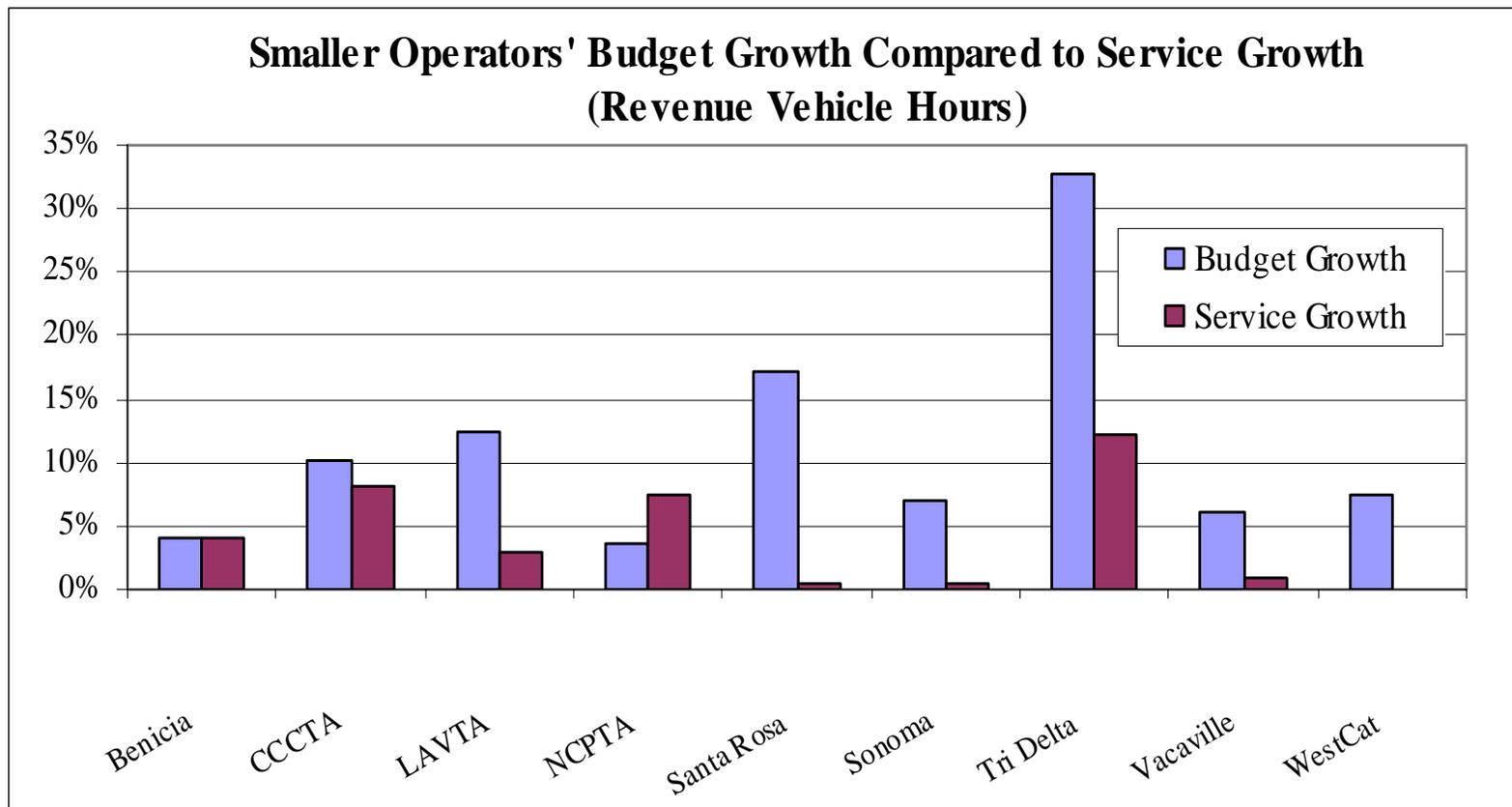


# Budget Service Highlights – Large Operators

- ***AC Transit***
  - Extensive service realignment implemented June of this year.
  - Berkeley/Oakland/San Leandro Rapid Bus Route is part of this change.
- ***BART***
  - Budget includes major initiative to improve train and station cleanliness.
  - Evening and weekend headways will be reduced from 20 minutes to 15 minutes in January.
- ***Golden Gate Transit***
  - Significant part of budget increase due to funding of current and future “Other Post Employment Benefits” (OPEB).
- ***SamTrans***
  - Budget reduction primarily due to elimination of the BART/SFO operating subsidy.

# Key Issues – Budget vs. Service Growth

- **Transit operators' budget increases outpace service growth**



# Budget Service Highlights – Small Operators

## ▪ *Tri Delta Transit*

- Budget increase of 33% will provide for a 12% increase in overall service hours. Other significant cost factors are increases in the service contract rates, fuel costs, and fringe benefit costs.
- Capital projects include a major facility overhaul.

## ▪ *LAVTA*

- Budget increase of 12% largely due to increase in contract service rate.

## ▪ *Santa Rosa CityBus*

- Labor, fringe benefits, services, fuel and lubricants account for 89% of the overall 17% budget increase.
- Service hours will increase only 1%.

# Allocation Summary – June & July

<b>Transit Operator/Claimant</b>	<b>Resolution No. 3810 (TDA)</b>	<b>Resolution No. 3811 (STA)</b>	<b>Resolution No. 3812 (AB 1107)</b>	<b>Total</b>
AC Transit	59,707,566	9,288,137	34,435,000	<b>103,430,703</b>
Benicia	1,005,935			<b>1,005,935</b>
County Connection	12,574,668	4,324,347		<b>16,899,015</b>
Golden Gate	15,340,798	2,826,254		<b>18,167,052</b>
LAVTA	7,871,109			<b>7,871,109</b>
MTC		15,955,000		<b>15,955,000</b>
MUNI	35,060,778	24,228,567	34,435,000	<b>93,724,345</b>
NCTPA	4,170,493			<b>4,170,493</b>
Petaluma	1,386,590			<b>1,386,590</b>
Santa Rosa	10,887,588			<b>10,887,588</b>
Sonoma County Transit	7,106,314			<b>7,106,314</b>
Tri Delta Transit	9,694,556	4,425,415		<b>14,119,971</b>
Union City	1,571,262			<b>1,571,262</b>
Vacaville	1,168,812			<b>1,168,812</b>
VTA	82,097,517	6,321,276		<b>88,418,793</b>
WestCAT	2,513,436	1,864,421		<b>4,377,857</b>
<i>June Subtotal</i>	<i>113,663,233</i>	<i>38,683,574</i>	<i>34,435,000</i>	<b><i>186,781,807</i></b>
<i>July Subtotal</i>	<i>138,494,189</i>	<i>30,549,843</i>	<i>34,435,000</i>	<b><i>203,479,032</i></b>
<b>Total Allocations</b>	<b>252,157,422</b>	<b>69,233,417</b>	<b>68,870,000</b>	<b>390,260,839</b>

# No Unmet Transit Needs – Solano County

- In the northern counties, TDA funds may be used for streets and roads purposes if the Commission finds that there are no unmet transit needs that are reasonable to meet.
- Solano County is the only Bay Area county still using TDA funds for streets and roads purposes. In December, MTC held a public hearing in Solano County on unmet transit needs.
- MTC staff reviewed all the issues raised at the hearing, and the Solano Transportation Authority provided detailed responses to these issues.
- Staff recommends that the Commission find that there are no unmet transit needs that are reasonable to meet in Solano County for FY 2007-08.