



October 22, 2009

TO: Transportation Authority of Marin Board of Commissioners
FROM: Dianne Steinhauser, Executive Director
THROUGH: Li Zhang, Manager of Finance and Administration
RE: FY2009-10 First Quarterly Financial Report - Agenda Item 10

Dear Commissioners:

Executive Summary

This Quarterly Financial Report is for the period ended September 30, 2009 and covers TAM's revenue and expenditure activities for the period of July 1, 2009 to September 30, 2009. The following five attachments are included in the report for your review:

- Attachment 1. FY2009-10 Quarterly Budget to Actual Comparison as of 9/30/2009
- Attachment 2. Summary of FY2009-10 Budget Amendments as of 9/30/2009
- Attachment 3. FY2009-10 Revenue and Expenditure Report as of 9/30/2009– Measure A Detail
- Attachment 4. FY2008-09 and FY2009-10 Monthly Measure A Disbursement Comparison
- Attachment 5. Marin County Treasurer Portfolio Yield Report as of 9/30/2009

As of September 30, 2009, total Measure A cash disbursements received from the Board of Equalization (BOE) for the three months from July 2009 to September 2009 are \$4.7 million, which is 15.1% lower than the total Measure A disbursement for the same period of last year. There are mixed signs in terms of whether the recession is coming to an end and the recovery has started or not. When the TAM Board adopted the FY2009-10 Annual Budget in June this year, based on the sales tax collection/projection information available at that time, the accrued FY2009-10 Measure A revenue was expected to be \$19.5 million. If there is no improvement in the sales tax revenue in the next few months, TAM may end up collecting less than the \$19.5 million budgeted for FY2009-10 as illustrated in Attachment 4. As of now, staff recommends that the Board stay with the \$19.5 million budget for FY2009-10. Staff will monitor the sales tax revenue closely and report to the Board in January 2010 if reduction of the FY2009-10 Measure A Transportation Sales Tax revenue is necessary.

Expenditures for most budget line items are happening at a slower pace than projected. Staff is available to provide detailed information if Board members have any specific questions.

TAM staff discussed this item with the Executive Committee on October 12th. The Executive Committee raised no exceptional concerns, with questions answered by staff.

Recommendation: Information Item Only

Background

This report, along with all accompanying attachments, provides a summary of the financial activities for the first quarter of FY2009-10, ended September 30, 2009. Revenues and expenditures are presented on a cash basis for the period covered. Any material revenues or expenditures that have occurred but haven't been received/paid will be highlighted in the staff report for your information.

Revenue Highlights

As of September 30, 2009, total Measure A cash disbursements received from the Board of Equalization (BOE) for the three months from July 2009 to September 2009 is \$4.7 million, which is 15.1% lower than the total Measure A disbursement for the same period of last year. These payments reflect actual collections in the period from April through June of 2009. Note that actual collection for the first quarter of 2009, from January through March, was down more than 19%. TAM ended FY2008-09 with a total of \$19.3 million and assumed no further revenue reduction in FY2009-10. There are mixed signs in terms of whether the recession is coming to an end and the recovery has started or not. If there is no improvement in the sales tax revenue in the next few months, TAM may end up collecting less than the \$19.5 million budgeted for FY2009-010 as illustrated in Attachment 4. As of now, staff recommends that the Board stay with the \$19.5 million budget for FY2009-10. Staff will monitor the sales tax revenue closely and report to the Board in January 2010 if reduction of the FY2009-10 Measure A Transportation Sales Tax revenue is necessary.

TAM has received in full the total \$430,000 contribution from cities/towns/county, for the CMA planning, programming, and project delivery support services provided. TAM is expecting the first quarter interest revenue from the County of Marin soon. Interest revenue for the first quarter should be at the same level as the fourth quarter of FY2008-09, which is about \$100,000.

MTC is awaiting the federal transportation revenue apportionment and obligation limits for federal fiscal year 2009-10 (October 1st 2009 to October 1st, 2010) before they release a new funding agreement for the CMA's to utilize a share of federal funds for planning and programming activities. The STP/CMAQ planning fund is TAM's major revenue source for most of the CMA related planning and programming activities. TAM staff has been working with MTC closely to develop this fund agreement and also make sure all expenditures prior to the execution of the agreement are eligible for reimbursement.

Staff is also planning to invoice MTC for all RM2 related expenditures that occurred in the first quarter of this year. Once the Cooperative Agreements with Caltrans regarding the MSN projects are signed by both TAM and Caltrans, TAM will also be able to invoice Caltrans for \$1.4 million advanced TCRP funding for design activity related to the MSN projects.

Expenditure Highlights

While expenditures are trending under the budgeted amounts as of the end of the first quarter, growth in several expenditure areas will occur in the next quarter. Marin Transit is expected to invoice TAM for the first quarter reimbursement soon. TAM's activities on the MSN projects are picking up since the Cooperative Agreements between TAM and Caltrans were signed on October 8, 2009, and TAM has the funds to start up design work again. Invoices for the Measure A Major Roads projects and for the distribution to Marin cities/towns/county for Measure A Local Infrastructure are increasing as well. Note that TAM is disbursing Local Infrastructure payments

as we are billed; in most cases cities and towns are billing and receiving the annual amount due to them all at once.

Recommendation

| Information Item Only. Staff is available to answer any detailed questions.

Attachments

- Attachment 1. FY2009-10 Quarterly Budget to Actual Comparison as of 9/30/2009
- Attachment 2. Summary of FY2009-10 Budget Amendments as of 9/30/2009
- Attachment 3. FY2009-10 Revenue and Expenditure Report as of 9/30/2009– Measure A Detail
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- Attachment 5. Marin County Treasurer Portfolio Yield Report as of 9/30/2009

Attachment I: FY2009-10 Budget to Actual Comparison as of 9/30/09

	FY 2010 Total Budget	Actual 9/30/09	\$ Variance with Budget	Actual as % of Budget
REVENUE				
Measure A Sales Tax	19,500,000	4,691,420	(14,808,580)	24.1%
Cities/Towns and County Contribution	430,000	430,000	-	100.0%
Interest Earned	500,000	-	(500,000)	0.0%
STP/CMAQ	375,000	-	(375,000)	0.0%
T-Plus	150,000	-	(150,000)	0.0%
STIP/PPM	450,000	-	(450,000)	0.0%
RM2 Revenue	5,425,000	-	(5,425,000)	0.0%
Community Based Transportation Funding	4,000	-	(4,000)	0.0%
TDA Article 3	1,560,500	-	(1,560,500)	0.0%
TFCA Funding	360,000	-	(360,000)	0.0%
Non-Motorized Transportation Pilot Program Funding	74,000	-	(74,000)	0.0%
MSN Federal Earmark	500,000	-	(500,000)	0.0%
CMIA Bond Revenue	600,000	-	(600,000)	0.0%
TCRP	5,358,000	-	(5,358,000)	0.0%
Other Agency Contribution - Note 1	175,000	180,500	5,500	103.1%
Total Revenue Available	<u>35,461,500</u>	<u>5,301,920</u>	<u>(30,159,580)</u>	<u>15.0%</u>
EXPENDITURES				
Administration				
Salaries & Benefits - Note 2	1,900,000	572,564	(1,327,436)	30.1%
Office Lease - Note 3	200,000	68,646	(131,354)	34.3%
Equipment	10,000	2,085	(7,915)	20.9%
Agency Car Leasing	20,000	-	(20,000)	0.0%
Telephone/Internet/Web Hosting Svcs	25,000	5,218	(19,782)	20.9%
Office Supplies	22,000	6,937	(15,063)	31.5%
Insurance	8,000	5,136	(2,864)	64.2%
Audit	18,500	5,000	(13,500)	27.0%
Legal	20,000	10,000	(10,000)	50.0%
Accounting/Payroll	10,000	-	(10,000)	0.0%
Document Reproduction	30,000	-	(30,000)	0.0%
Memberships	20,000	3,920	(16,080)	19.6%
Travel/Meetings/Conferences	25,000	1,574	(23,426)	6.3%
Professional Development	5,000	450	(4,550)	9.0%
Misc. Expenses	5,000	65	(4,935)	1.3%
Subtotal, Administration	<u>2,318,500</u>	<u>681,596</u>	<u>(1,636,904)</u>	<u>29.4%</u>

Attachment I: FY2009-10 Budget to Actual Comparison as of 9/30/09

	FY 2010 Total Budget	Actual 9/30/09	\$ Variance with Budget	Actual as % of Budget
Professional Services				
Congestion Management Plan Update	65,000	-	(65,000)	0.0%
T-PLUS	35,000	-	(35,000)	0.0%
Project Management Oversight	500,000	13,948	(486,052)	2.8%
101 Construction Management Oversight	75,000	12,414	(62,586)	16.6%
Community Based Transportation Plan	4,000	-	(4,000)	0.0%
MSN Congestion Pricing Study	250,000	1,706	(248,294)	0.7%
MSN Project Management	300,000	-	(300,000)	0.0%
MSN San Antonio Interchange Design	2,375,000	7,809	(2,367,191)	0.3%
MSN San Antonio Curve Design	2,375,000	9,202	(2,365,798)	0.4%
MSN On-Call Contract	100,000	-	(100,000)	0.0%
Federal Legislative Assistance	35,000	-	(35,000)	0.0%
State Legislative Assistance	35,000	8,333	(26,667)	23.8%
Financial Advisor	35,000	-	(35,000)	0.0%
Human Resources/Board Support	30,000	1,147	(28,853)	3.8%
Information Technology Support	30,000	3,625	(26,375)	12.1%
Hwy 101 Greenbrae / Twin Cities PA&ED	1,200,000	97,039	(1,102,961)	8.1%
Central Marin Ferry Connection PA&ED	1,050,000	46,904	(1,003,096)	4.5%
580/101 Connector Construction Management	600,000	-	(600,000)	0.0%
Street Smarts / School Pool / Safe Routes Education	250,000	-	(250,000)	0.0%
Transportation Demand Management	50,350	-	(50,350)	0.0%
Planning Initiatives	50,000	-	(50,000)	0.0%
On Call Public Outreach Contract	75,000	-	(75,000)	0.0%
Consulting Pool	75,000	1,580	(73,420)	2.1%
Subtotal, Professional Services	<u>9,594,350</u>	<u>203,707</u>	<u>(9,390,643)</u>	<u>2.1%</u>
Measure A Programs				
Reserve	975,000	-	(975,000)	0.0%
Bike / Ped Path Maintenance	75,000	-	(75,000)	0.0%
Strategy 1 - Transit	9,475,697	-	(9,475,697)	0.0%
Substrategy 1.1 - Local Bus	6,166,154	-	(6,166,154)	0.0%
Substrategy 1.2 - Rural Bus	520,172	-	(520,172)	0.0%
Substrategy 1.3 - Special Needs	1,382,420	-	(1,382,420)	0.0%
Substrategy 1.4 - Bust Transit	1,406,950	-	(1,406,950)	0.0%
Strategy 2 - Hwy 101 Gap Closure	7,228,414	5,704	(7,222,710)	0.1%

Attachment I: FY2009-10 Budget to Actual Comparison as of 9/30/09

	FY 2010 Total Budget	Actual 9/30/09	\$ Variance with Budget	Actual as % of Budget
MTC Loan Repayment	1,785,714	-	(1,785,714)	0.0%
TE/TLC/STP Swap Project	2,500,000	-	(2,500,000)	0.0%
Nolte Contract	50,000	5,704	(44,296)	11.4%
Measure A Payment to Caltrans	2,892,700	-	(2,892,700)	0.0%
Strategy 3 - Local Transportation Infrastructure	7,351,964	510,958	(6,841,006)	6.9%
Substrategy 3.1 - Major Roads	4,869,500	-	(4,869,500)	0.0%
Substrategy 3.2 - Local Roads	2,482,464	510,958	(1,971,506)	20.6%
Strategy 4 - Safer Access to Schools	2,371,528	30,792	(2,340,736)	1.3%
Substrategy 4.1 - Safe Routes to Schools	650,000	-	(650,000)	0.0%
Substrategy 4.2 - Crossing Guards	-	-	-	
Crossing Guards Contract	565,000	5,501	(559,499)	1.0%
NUSD Agreement	185,000	-	(185,000)	0.0%
Crossing Guard Recertification				
Traffic Counts	150,000	-	(150,000)	0.0%
Substrategy 4.3 - Safe Pathways to School Projects	821,528	25,291	(796,237)	3.1%
Other Misc Contracts	50,000	-	(50,000)	0.0%
Subtotal, Measure A Program	<u>27,527,603</u>	<u>547,454</u>	<u>(26,980,149)</u>	<u>2.0%</u>
Interagency Agreements				
County Calpark RM2 Project - Construction	2,892,000	-	(2,892,000)	0.0%
Old Redwood Highway Roadway Improvement - Larkspur	420,000	-	(420,000)	0.0%
Subtotal, Interagency Agreements	<u>3,312,000</u>	<u>-</u>	<u>(3,312,000)</u>	<u>0.0%</u>
Other Capital Expenditures				
TFCA - Calpark Project	53,625	-	(53,625)	0.0%
Other TFCA Projects	420,000	600	(419,400)	0.1%
TDA Article 3 Payment to Caltrans	1,560,500	-	(1,560,500)	0.0%
Subtotal, Other Capital Exp	<u>2,034,125</u>	<u>600</u>	<u>(2,033,525)</u>	<u>0.0%</u>
Total Expenditures	<u>44,786,578</u>	<u>1,433,357</u>	<u>(43,353,221)</u>	<u>3.2%</u>

Note 1: Other Agency Contribution includes the \$175,000 grant received from Marin Community Foundation and \$5,500 from Supervisor Hal Browne to fund an crossing guard under his request.

Note 2: TAM already prepaid October staff costs to its hiring and payroll agency.

Note 3: TAM already paid October rent.

Attachment 2: Summary of FY2009-10 Budget Amendments as of 9/30/2009

No Budget Amendments are proposed for the First Quarter of FY2009-10

Attachment 3: FY2009-10 Revenue and Expenditure Report as of 9/30/09 – Measure A Detail

Budget Line	Interest	5% Reserve	1% Admin	4% Program	S - 1.1 Local Bus	S - 1.2 Rural Bus	S - 1.3 Para.	S - 1.4 Cap. Imp.	S - 2 Gap Closure	S - 3.1 Major Roads	S - 3.2 Local Roads	S - 4.1 SR2S	S- 4.2 C. Guards	S - 4.3 Pathways	Total
REVENUE															
FY2009 Balance *	2,542,490	4,433,667	71,751	1,258,246	897,066	277,021	233,243	1,384,423	3,574,199	4,377,475	2,767,486	731,868	1,184,751	1,846,023	25,579,709
FY2010 Cash Revenue		92,561	18,512	74,049	588,106	47,684	143,053	95,369	195,833	210,606	210,606	52,453	66,758	55,632	1,851,220
EXPENSES															
101 Gap Closure CMO				12,414											12,414
Accounting/Payroll															-
Agency Car Leasing															-
Audit				5,000											5,000
Consulting Pool				1,580											1,580
Document Reproduction															-
Equipment				2,085											2,085
Financial Advisor															-
HR/Board Support				1,147											1,147
Insurance				5,136											5,136
IT Support				3,625											3,625
Legal															-
Membership															-
Misc Expense				65											65
Office Lease				68,646											68,646
Office Supplies				6,937											6,937
Professional Development				450											450
Program Management Oversight				1,962											1,962
Salaries & Benefits			54,586	44,795	3,434	278	835	557		8,536		12,043	15,327	12,773	153,165
Strategy 1 - Transit															-
Strategy 2 - Gap Closure									5,704						5,704
Strategy 3 - Streets & Rds											510,958				510,958
Strategy 4- Safe Routes													5,501	25,291	30,792
Telephone/Internet/Web Hosting Services				5,218											5,218
Travel/Meetings/Conferences				723											723
Total Expenses	-	-	54,586	159,785	3,434	278	835	557	5,704	8,536	510,958	12,043	20,828	38,064	815,608
BALANCE	2,542,490	4,526,228	35,677	1,172,511	1,481,738	324,427	375,460	1,479,234	3,764,329	4,579,544	2,467,134	772,278	1,230,680	1,863,591	26,615,322

* FY2009 Balance includes payments for July and August 2009.

Attachment 4: FY2009 and FY2010 Monthly Measure A Disbursement Comparison

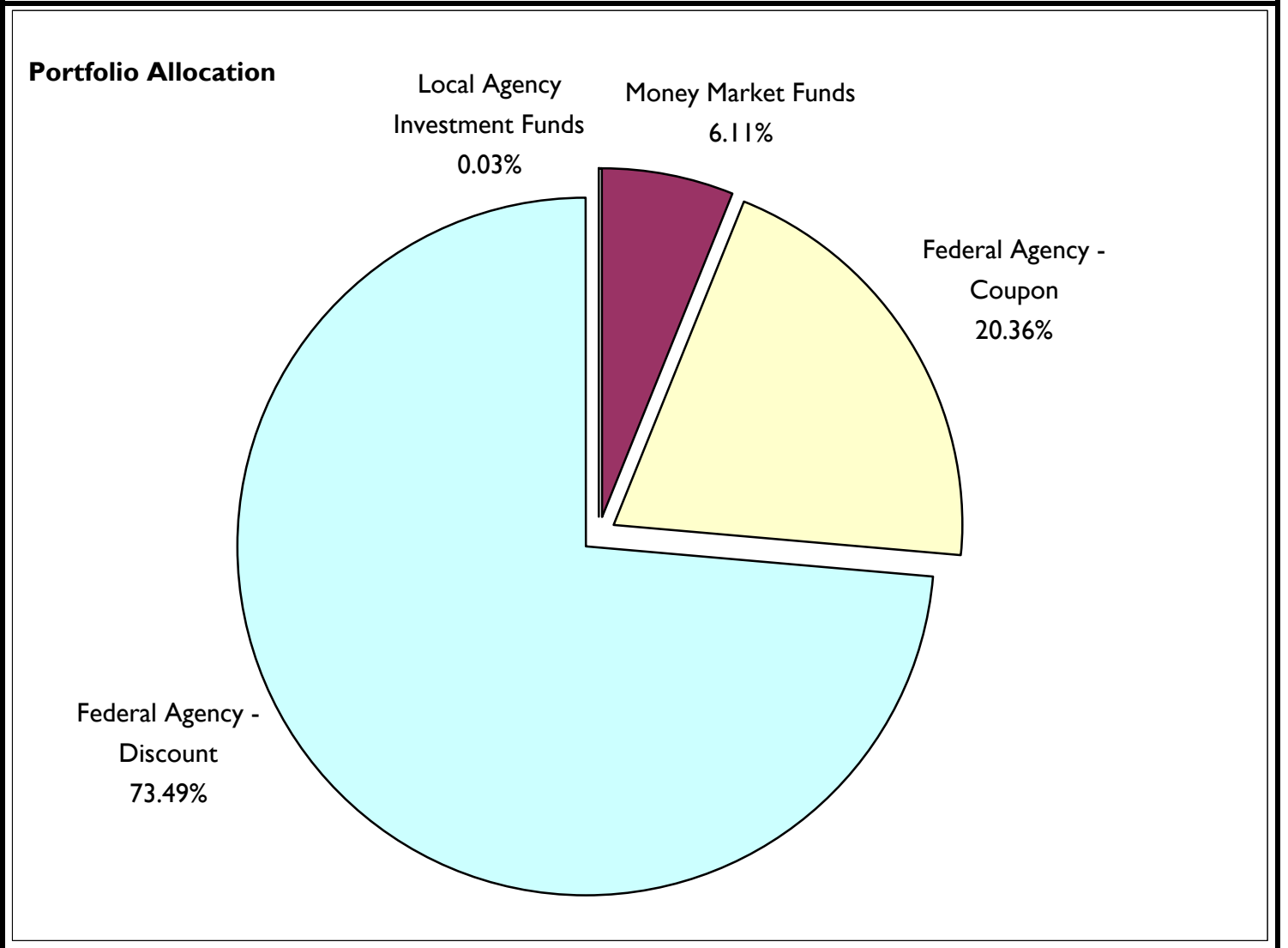
		FY 2009	FY 2010	\$ Difference	% Difference
Actuals	July	1,549,600	1,321,900	(227,700)	-14.69%
	August	2,066,100	1,518,300	(547,800)	-26.51%
	September	1,910,696	1,851,220	(59,476)	-3.11%
FY09 Actuals FY10 Estimates	October - Note 1	1,573,000	1,365,800	(207,200)	-13.17%
	November - Note 1	2,097,300	1,924,400	(172,900)	-8.24%
	December	1,845,038	1,845,038	-	0.00%
	January	1,600,500	1,600,500	-	0.00%
	February	1,755,200	1,755,200	-	0.00%
	March	1,601,892	1,601,892	-	0.00%
	April	1,326,900	1,326,900	-	0.00%
	May	1,390,600	1,390,600	-	0.00%
	June	1,378,869	1,378,869	-	0.00%
	First Quarter	<u>5,526,396</u>	<u>4,691,420</u>	<u>(834,976)</u>	<u>-15.11%</u>
	Annual Disbursement	<u>20,095,696</u>	<u>18,880,620</u>	<u>(1,215,076)</u>	<u>-6.05%</u>
	FY2010 Annual Budget		<u>19,500,000</u>	<u>(619,380)</u>	<u>-3.18%</u>

Note 1: Estimated based on BOE's disbursement formula, should be very close to the actual cash disbursements.

Attachment 5: Marin County Treasurer Portfolio Yield Report as of 8/31/2009

Michael J. Smith, Marin County Treasury
Portfolio Yield Report - Operating Funds
County of Marin, Schools & Special Districts
September 30, 2009

Investment Holdings	Book Value	Portfolio Yields as 8/31/09
Local Agency Investment Funds	231,563.16	0.750%
Money Market Funds	40,513,981.56	0.049%
Federal Agency - Coupon	134,983,600.00	1.886%
Federal Agency - Discount	487,111,224.51	0.405%
Treasury Securities - Coupon		
Treasury Securities - Discount		
TOTAL	662,840,369.23	0.685%



* Detail monthly reports can be provided upon request.