



October 28, 2010

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director

THROUGH: Li Zhang, Manager of Finance and Administration

RE: FY2010-11 First Quarter Financial Report - Agenda Item 10

Dear Commissioners:

Executive Summary

This Quarterly Financial Report is for the period ended September 30, 2010 and covers TAM's revenue and expenditure activities for the period of July 1, 2010 to September 30, 2010. The following five attachments are included in the report for your review:

- Attachment 1 FY2010-11 Quarterly Budget to Actual Comparison as of 9/30/2010
- Attachment 2 Summary of FY2010-11 Budget Amendments as of 9/30/2010
- Attachment 3 FY2010-11 Revenue and Expenditure Report as of 9/30/2010– Measure A Detail
- Attachment 4 FY2009-10 and FY2010-11 Monthly Measure A Disbursement Comparison
- Attachment 5 Marin County Treasurer Portfolio Yield Report as of 9/30/2010

As of September 30, 2010, total Measure A cash disbursements received from the Board of Equalization (BOE) for the three-month period from July 2010 to September 2010 were \$4.8 million, 3.1% higher than the total Measure A disbursement for the same period of last year. There are more signs that indicate that the recession is coming to an end and slow recovery is on the way. If this holds true, Measure A sales tax most likely will be higher than the \$18.0 million estimated in the FY2010-11 Annual Budget, adopted in June of this year. The Board also authorized the usage of \$1.5 million in reserve to hold the overall funding level at \$19.5 million back in June. The usage of reserve may not be needed if this year's actual collection approaches the budgeted amount, and will be higher than last year's \$19.0 million. As of now, staff recommends that the Board stay with the \$18.0 million budget for FY2010-11. Staff will monitor the sales tax revenue closely and report to the Board in a timely manner if there is any major change in the trend.

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.

Recommendation: Information Item, Staff is available to answer any specific questions.

Background

This report, along with all accompanying attachments, provides a summary of the financial activities for the first quarter of FY2010-11, ended September 30, 2010. 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 are highlighted in the staff report presented.

Revenue Highlights

As of September 30, 2010, total Measure A cash disbursements received from the Board of Equalization (BOE) for the three-month period from July 2010 to September 2010 were \$4.8 million, 3.1% higher than the total Measure A disbursement for the same period of last year. There are more signs indicate that the recession is coming to an end and slow recovery is on the way. If this holds true, Measure A sales tax most likely will be higher than the \$18.0 million estimated in the FY2010-11 Annual Budget, adopted in June this year. The Board also authorized the usage of \$1.5 million in reserve to hold the overall funding level at \$19.5 million back in June. The usage of reserve may not be needed if this year's actual collection will be higher than last year's \$19.0 million. As of now, staff recommends that the Board stay with the \$18.0 million budget for FY2010-11. Staff will monitor the sales tax revenue closely and report to the Board timely if there is any major change in the trend.

TAM has received \$269,710 of the total \$430,000 annual 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. Two invoices in the total of \$218,498 were sent to Caltrans for the work that was done in the first two months of FY2010-11 for the MSN projects TAM manages. Staff is also in the process of invoicing MTC for all CMA planning activities and RM2 project related expenditures that occurred in the first quarter of this year.

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. 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. Staff is available to answer any specific questions.

Attachments

- Attachment 1 FY2010-11 Quarterly Budget to Actual Comparison as of 9/30/2010
- Attachment 2 Summary of FY2010-11 Budget Amendments as of 9/30/2010
- Attachment 3 FY2010-11 Revenue and Expenditure Report as of 9/30/2010 – Measure A Detail
- Attachment 4 FY2009-10 and FY2010-11 Monthly Measure A Disbursement Comparison
- Attachment 5 Marin County Treasurer Portfolio Yield Report as of 9/30/2010

Attachment I: FY2010-II Budget to Actual Comparison as of 9/30/10

	Annual Budget	Actual 9/30/10	\$ Difference	% Difference
REVENUE				
Measure A Sales Tax	18,000,000	4,839,865	(13,160,135)	26.9%
Measure A Reserve	1,425,000	-	(1,425,000)	0.0%
Cities/Towns and County Contribution	430,000	269,710	(160,290)	62.7%
Interest Earned	400,000	-	(400,000)	0.0%
STP/CMAQ Planning Fund	435,000	-	(435,000)	0.0%
T-Plus Planning Fund	160,000	-	(160,000)	0.0%
MTC Block Grant Administration Fund	102,000	-	(102,000)	0.0%
MTC Freeway Performance Initiative Fund	200,000	-	-	0.0%
State STIP/PPM	162,000	-	-	0.0%
RM2 Revenue	6,128,365	-	-	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	345,000	-	(345,000)	0.0%
Non-Motorized Transportation Pilot Program Funding	16,000	-	(16,000)	0.0%
MSN Federal Earmark	254,892	-	(254,892)	0.0%
CMIA Bond Revenue	330,000	-	(330,000)	0.0%
TCRP Fund	5,161,379	-	(5,161,379)	0.0%
Other Agency Contributions	200,000	-	(200,000)	0.0%
<i>Total Revenue Available</i>	<i>35,314,135</i>	<i>5,109,575</i>	<i>(30,204,560)</i>	<i>14.5%</i>
EXPENDITURES				
Administration				
Salaries & Benefits - Note 1	1,841,720	516,861	(1,324,859)	28.1%
Office Lease - Note 2	200,000	63,355	(136,645)	31.7%
Equipment Purchase/Lease	10,000	1,463	(8,537)	14.6%
Telephone/Internet/ Web Hosting Services	30,000	5,077	(24,923)	16.9%
Office Supplies	25,000	4,527	(20,473)	18.1%
Insurance	8,000	668	(7,332)	8.4%
Audit	18,860	-	(18,860)	0.0%
Legal	40,000	3,930	(36,070)	9.8%
Accounting/Payroll	10,000	-	(10,000)	0.0%
Document Reproduction	30,000	4,187	(25,813)	14.0%
Memberships	10,000	4,800	(5,200)	48.0%
Travel/Meetings/Conferences	20,000	1,083	(18,917)	5.4%
Professional Development	5,000	127	(4,873)	2.5%
Misc. Expenses	5,000	100	(4,900)	2.0%
<i>Subtotal, Administration</i>	<i>2,253,580</i>	<i>606,177</i>	<i>(1,647,403)</i>	<i>26.9%</i>

Attachment I: FY2010-II Budget to Actual Comparison as of 9/30/10

	Annual Budget	Actual 9/30/10	\$ Difference	% Difference
Professional Services				
CMP Update/Traffic Monitoring	75,000	-	(75,000)	0.0%
Traffic Model Maintenance & Update	65,000	-	(65,000)	0.0%
T-PLUS	75,000	-	(75,000)	0.0%
Project Management Oversight	200,000	4,410	(195,590)	2.2%
101 Construction Management Oversight	35,000	3,542	(31,458)	10.1%
Community Based Transportation Plan	4,000	-	(4,000)	0.0%
MSN Congestion Pricing Study	245,000	788	(244,213)	0.3%
MSN Redwood Landfill Interchange Design	2,242,000	6,495	(2,235,505)	0.3%
MSN San Antonio Curve Design	2,562,000	34,939	(2,527,061)	1.4%
Federal Legislative Assistance	25,000	-	(25,000)	0.0%
State Legislative Assistance	35,000	8,750	(26,250)	25.0%
Financial Advisor	35,000	-	(35,000)	0.0%
Human Resources/Board Support	30,000	4,151	(25,849)	13.8%
Information Technology/Web Support	30,000	3,645	(26,355)	12.2%
Hwy 101 Greenbrae/Twin Cities PA&ED	1,200,000	60,977	(1,139,023)	5.1%
Central Marin Ferry Connection PA&ED	1,729,109	37,865	(1,691,244)	2.2%
580/101 Connector Construction Management	110,000	32,529	(77,471)	29.6%
580/101 Right of Way	300,000	295	(299,705)	0.1%
Street Smarts/School Pool/Safe Routes Education	191,000	7,240	(183,760)	3.8%
Transportation Demand Management	75,000	6,832	(68,168)	9.1%
MSN Project Management	200,000	-	(200,000)	0.0%
Hwy 101 Freeway Performance Study	200,000	-	(200,000)	0.0%
Planning Initiatives/EV Study	50,000	4,181	(45,819)	8.4%
Consultant Support for SB83	25,000	2,294	(22,706)	9.2%
SB 83 Ballot Measure Cost	300,000	-	(300,000)	0.0%
Consulting Pool	75,000	-	(75,000)	0.0%
<i>Subtotal, Professional Services</i>	<i>10,113,109</i>	<i>218,931</i>	<i>(9,894,178)</i>	<i>2.2%</i>

Attachment I: FY2010-II Budget to Actual Comparison as of 9/30/10

	Annual Budget	Actual 9/30/10	\$ Difference	% Difference
Measure A Programs				
Bike/Ped Path Maintenance	75,000	-	(75,000)	-
Interest Fund Commitment to Strategy 2	525,000	-	(525,000)	-
<u>Strategy 1 - Transit</u>	9,999,732	-	(9,999,732)	-
<i>Substrategy 1.1 - Local Bus Transit Service</i>	6,302,771	-	(6,302,771)	0.0%
<i>Substrategy 1.2 - Rural Bus Transit System</i>	640,664	-	(640,664)	0.0%
<i>Substrategy 1.3 - Special Needs Transit Services</i>	1,567,907	-	(1,567,907)	0.0%
<i>Substrategy 1.4 - Bus Transit Facilities</i>	1,488,390	-	(1,488,390)	0.0%
<u>Strategy 2 - Hwy 101 Gap Closure</u>	6,103,345	2,783	(6,100,562)	0.0%
<i>MTC Loan Repayment</i>	1,861,019	-	(1,861,019)	0.0%
<i>TE/TLC/STP Swap Project</i>	1,500,000	-	(1,500,000)	0.0%
<i>Nolte Contract</i>	70,000	2,783	(67,217)	4.0%
<i>Construction Capital Support Payment to Caltrans</i>	2,672,326	-	(2,672,326)	0.0%
<u>Strategy 3 - Local Transportation Infrastructure</u>	6,425,655	93,437	(6,332,218)	1.5%
<i>Substrategy 3.1 - Major Roads</i>	4,133,991	9,730	(4,124,261)	0.2%
<i>Substrategy 3.2 - Local Roads</i>	2,291,664	83,707	(2,207,957)	3.7%
<u>Strategy 4 - Safer Access to Schools.</u>	2,395,000	81,525	(2,313,475)	3.4%
<i>Substrategy 4.1 - Safe Routes to Schools</i>	550,000	-	(550,000)	0.0%
<i>Substrategy 4.2 - Crossing Guards</i>				
<i>Crossing Guards Contract</i>	610,000	33,525	(576,475)	5.5%
<i>NUSD Agreement</i>	185,000	-	(185,000)	0.0%
<i>Substrategy 4.3 - Safe Pathways To School</i>				
<i>Safe Pathways Plan Development</i>	150,000	-	(150,000)	0.0%
<i>Safe Pathway Capital Projects</i>	900,000	48,000	(852,000)	5.3%
Subtotal, Measure A Programs	25,523,732	177,745	(25,345,988)	0.7%

Attachment I: FY2010-II Budget to Actual Comparison as of 9/30/10

	Annual Budget	Actual 9/30/10	\$ Difference	% Difference
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%
Funding Agreement w/ San Rafael Station Study Match	15,000	10,000	(5,000)	66.7%
Funding Agreement w/ San Rafael for 580/101 Outreach	50,000	-	(50,000)	0.0%
<i>Subtotal, Interagency Agreements</i>	<i>3,377,000</i>	<i>10,000</i>	<i>(3,367,000)</i>	<i>0.3%</i>
<i>Other Capital Expenditures</i>				
TFCA - Calpark Project	53,625	-	(53,625)	0.0%
TFCA - Puerto Suello Hill Park	520,000	-	(520,000)	0.0%
TDA Article 3 Payment to Caltrans	1,560,500	-	(1,560,500)	0.0%
<i>Subtotal, Other Capital Expenditures</i>	<i>2,134,125</i>	<i>-</i>	<i>(2,134,125)</i>	<i>0.0%</i>
<i>Total Expenditures</i>	<i>43,401,546</i>	<i>1,012,853</i>	<i>(42,388,694)</i>	<i>2.3%</i>

Note 1: Exceeded the quarterly 25% share since TAM paid LGS staff cost for October by 9/30.

Note 2: Exceeded the quarterly 25% share since TAM paid the rent for October by 9/30 and also had not received sub-lease payments from Marin Transit and SMART.

Attachment 2: Summary of FY2010-11 Budget Amendments as of 9/30/10

No Budget Amendments are proposed for the First Quarter of FY2010-11

Attachment 3: FY2010-II Revenue and Expenditure Report as of 9/30/10 – Measure A Detail

Budget Line	Interest	5% Reserve	1% Admin	4% Program	Strategy PM	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																
FY2010 Accural Balance	#####	5,382,896	60,670	1,084,737	-	625,330	1,024,285	284,599	1,661,275	1,622,232	5,303,051	2,320,588	751,883	1,079,556	1,724,729	25,729,583
FY2011 Revenue	-	-	18,315	73,259	39,583	612,017	49,623	148,869	99,246	195,833	210,759	221,176	48,835	62,154	51,795	1,831,464
EXPENSES																
101 Gap Closure CMO				3,542												3,542
Accounting/Payroll				-												-
Audit				-												-
Consulting Pool																-
Document Reproduction				4,185												4,185
Equipment				1,463												1,463
Financial Advisor																-
HR/Board Support				4,151												4,151
Insurance				668												668
IT Support				3,645												3,645
Legal				3,414												3,414
Membership				2,800												2,800
Misc Expense				100												100
Office Lease				63,357												63,357
Office Supplies				4,527												4,527
Professional Development				127												127
Program Management Oversight				2,888												2,888
Salaries & Benefits			51,171	106,259	40,434											197,865
Strategy 1 - Transit																-
Strategy 2 - Gap Closure																-
Strategy 3 - Streets & Rds											9,730	83,707				93,437
Strategy 4- Safe Routes														33,525	48,000	81,525
Telephone/Internet/Web Hosting Services				5,077												5,077
Travel/Meetings/Conferences				444												444
Total Expenses	-	-	51,171	206,647	40,434	-	-	-	-	-	9,730	83,707	-	33,525	48,000	473,214
BALANCE	2,803,752	5,382,896	27,814	951,349	(851)	1,237,347	1,073,908	433,468	1,760,521	1,818,065	5,504,080	2,458,057	800,718	1,108,185	1,728,524	27,087,833

Attachment 4: FY2010 and FY2011 Monthly Measure A Disbursement Comparison

(Cash Disbursement from July to June)

		FY2010	FY 2010	\$ Difference	% Difference
Actuals	July	1,321,900	1,332,500	10,600	0.80%
	August	1,518,300	1,675,900	157,600	10.38%
	September	1,851,220	1,831,465	(19,755)	-1.07%
	October	1,365,800	1,404,300	38,500	2.82%
Actual/Estimates	November	1,462,400	1,462,400	-	0.00%
	December	1,957,780	1,957,780	-	0.00%
	January	1,432,300	1,432,300	-	0.00%
	February	1,831,900	1,831,900	-	0.00%
	March	1,562,650	1,562,650	-	0.00%
	April	1,144,400	1,144,400	-	0.00%
	May	1,574,400	1,574,400	-	0.00%
	June	1,793,242	1,793,242	-	0.00%
	Jul - Oct	6,057,220	6,244,165	186,945	3.09%
	Annual Disbursement	18,816,292	19,003,237	186,945	0.99%
	FY2011 Annual Budget		18,000,000	1,003,237	5.57%

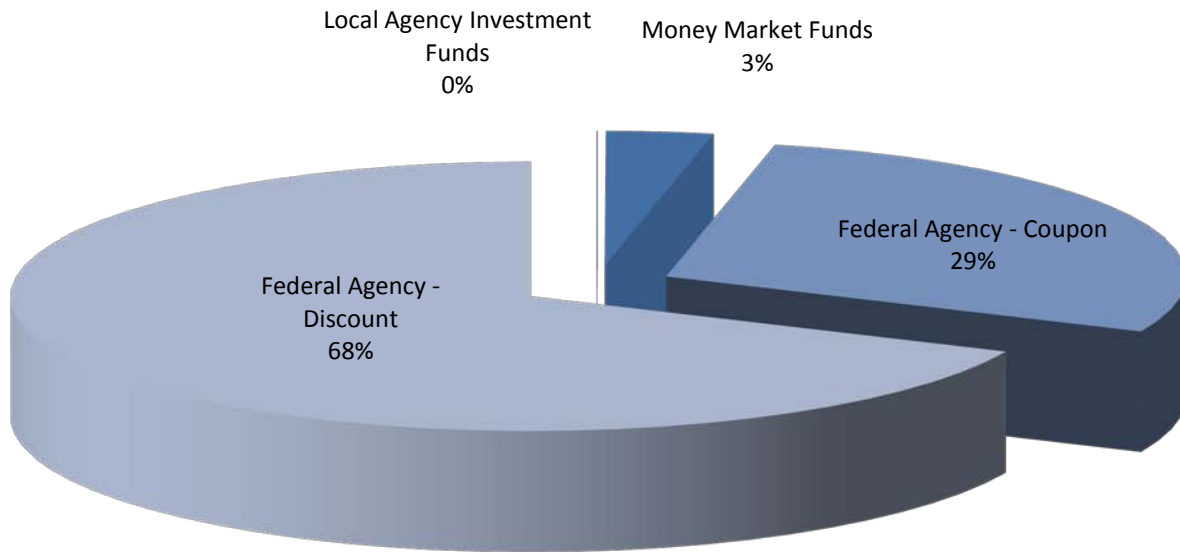
Note 1: To be conservative, all future cash disbursements for FY2010-11 are estimated to be the same as the same month of FY2009-10.

Attachment 5: Marin County Treasurer Portfolio Yield Report as of 9/30/2010

Michael J. Smith, Marin County Treasury
Portfolio Yield Report - Operating Funds
County of Marin, Schools & Special Districts
September 30, 2010

Investment Holdings	Book Value	Portfolio Yields as 2/28/2010
Local Agency Investment Funds	\$ 233,082.54	0.500%
Money Market Funds	\$ 22,972,072.31	0.054%
Federal Agency - Coupon	\$ 195,356,130.00	1.641%
Federal Agency - Discount	\$ 470,221,396.38	0.177%
TOTAL	\$ 688,782,681.23	0.588%

Portfolio Allocation



* Detail monthly reports can be provided upon request.