



January 24, 2008

TO: Transportation Authority of Marin Commissioners
FROM: Dianne Steinhauser, Executive Director
THROUGH: Li Zhang, Manager of Finance and Administration
RE: FY2007-08 Quarterly Financial Report, Agenda Item 13

Dear Commissioners:

Executive Summary

This Quarterly Financial Report is for the period ended December 31, 2007 and covers TAM revenue and expenditure activities for the period of July 1, 2007 to December 31, 2007. The following five attachments are included in the report for your review:

- Attachment 1. FY2007-08 Quarterly Budget to Actual Comparison as of 12/31/2007
- Attachment 2. Summary of FY2007-08 Budget Amendments as of 12/31/2007
- Attachment 3. FY2007-08 Revenue and Expenditure Report as of 12/31/2007 – Measure A Detail
- Attachment 4. FY2006-07 and FY2007-08 Monthly Measure A Disbursement Comparison
- Attachment 5. Marin County Treasurer Portfolio Yield Report as of 11/30/2007

Overall, Measure A revenues are coming in higher than budgeted, and expenditures for most budget line items are happening at a slower pace than projected. Staff is available to provide detailed information if you have any specific questions.

Recommendation: Information Item Only

Background

This report, along with all accompanying attachments, provides a summary of the financial activities for the first and second quarter of FY2007-08, ended December 31, 2007. 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

TAM closed FY2006-07 with a total of \$22.3 million of Measure A revenues on a cash basis (including cash disbursements from July 2006 through June 2007), which is \$2.8 million higher than the \$19.5 million budgeted in the FY2006-07 TAM Budget. As of December 2007, total cash disbursements for the six month covering June to December are \$11.4 million. If the same

revenue level can be maintained for the second half of the year, TAM is expected to collect \$22.8 million for this year, \$2 million higher than the \$20.8 million budgeted. However, due to the financial market woes, housing market crisis, and the worries of another economic recession, it is very likely the revenue level will not sustain through the year. Staff will monitor the revenue trend closely and provide timely updates to the TAM Board.

Even though no interest revenue has been distributed to TAM from the County Investment Pool for FY2007-08, interest revenues for the first half of the fiscal year is estimated to be about \$600,000. Staff also invoiced MTC for the reimbursement of more than \$440,000 in RM2 project expenditures. A payment of \$265,250 is also expected from MTC to reimburse the cost of STP/CMAQ planning, programming and T-Plus activities for the first half of the year. Allowed under the Cooperative Agreement with Caltrans for the 580/101 Connector Project, staff also has requested \$500,000 advance payment out of the CMIA bond revenue to meet the cash flow needs of this project. Staff is also in the process of preparing invoice to Caltrans for the reimbursement of expenditures related to the STIP PPM activities for the first half of the year. Estimated reimbursement is around \$100,000.

Expenditure Highlights

While expenditures are trending under the budgeted amounts for the first and second quarter of the year, growth in several expenditure areas will occur in the next quarter. Marin Transit invoiced TAM for its first quarter expenditures and is expected to request payment for the second quarter of the year soon. TAM's activities on the Marin-Sonoma Narrows and I-580/ Highway 101 are scheduled to be increased and expenditures for those projects will pick up soon. Invoices for the Measure A Major Roads projects and for the distribution to Marin cities/towns/county for the Measure A Local Roads will start to come in soon. With the moving to the new office space in downtown San Rafael finally taking place, expenditures related to office furniture, equipment and IT support increased rapidly in the past few months. However, those spending activities will cease or slow down once TAM moves into the new office. TAM also paid its first two months' rent to the new office location in down San Rafael. It's likely a few of the line items related to the move will exceed the approved amount. All of these exceedances in estimates staff made almost a year ago, such as for furniture, can be contained within the Administrative Category of the budget by savings in other categories. Staff will come back next quarter with a detailed explanation of budget adjustments.

Recommendation

Information Item Only

Attachments

Attachment 1. FY2007-08 Quarterly Budget to Actual Comparison as of 12/31/2007

Attachment 2. Summary of FY2007-08 Budget Amendments as of 12/31/2007

Attachment 3. FY2007-08 Revenue and Expenditure Report as of 12/31/2007 – Measure A Detail

Attachment 4. FY2006-07 and FY2007-08 Monthly Measure A Disbursement Comparison

Attachment 5. Marin County Treasurer Portfolio Yield Report as of 12/31/2007

Attachment I: FY2007-08 Budget to Actual Comparison as of 12/31/2007

	FY 2008 Total Budget	Actual 12/31/2007	Budget 12/31/2007	\$ Variance with Budget Positive (Negative)	Actual as % of Budget
REVENUE					
Measure A Revenue	20,800,000	11,410,618	10,400,000	1,010,618	109.7%
Cities and Counties	430,000	430,000	215,000	215,000	200.0%
Interest Earned	250,000	-	125,000	(125,000)	0.0%
STP/CMAQ(MTC)	375,000	-	187,500	(187,500)	0.0%
T-Plus (MTC)	150,000	-	75,000	(75,000)	0.0%
STIP/PPM (Caltrans)	141,000	-	70,500	(70,500)	0.0%
RM2	7,100,000	3,816	3,550,000	(3,546,184)	0.1%
Community Based Transportation	55,000	24,000	27,500	(3,500)	87.3%
TDA Article 3	63,000	15,441	31,500	(16,059)	49.0%
TFCA/BAAQMD	363,038	-	181,519	(181,519)	0.0%
Non-Motorized Transportation Pilot Program	100,000	-	50,000	(50,000)	0.0%
MSN Federal Earmark	500,000	-	250,000	(250,000)	0.0%
CMIA Bond Revenue	2,500,000	-	1,250,000	(1,250,000)	0.0%
TCRP	3,100,000	-	1,550,000	(1,550,000)	0.0%
Total Revenue Available	<u>35,927,038</u>	<u>11,883,875</u>	<u>17,963,519</u>	<u>(6,079,644)</u>	<u>66.2%</u>
EXPENDITURES					
Administration					
Salaries & Benefits	1,778,000	741,189	889,000	147,811	83.4%
Office Lease	186,500	49,919	93,250	43,331	53.5%
Office Furniture	79,500	100,544	39,750	(60,794)	252.9%
Equipment	80,000	74,269	40,000	(34,269)	185.7%
Telephone	14,300	1,849	7,150	5,301	25.9%
Office Supplies	20,000	1,976	10,000	8,024	19.8%
Insurance	8,000	4,922	4,000	(922)	123.0%
Audit	15,000	14,000	7,500	(6,500)	186.7%
Legal	20,000	-	10,000	10,000	0.0%
Accounting/Payroll	10,000	-	5,000	5,000	0.0%
Document Reproduction	10,000	9,193	5,000	(4,193)	183.9%
Memberships	10,000	471	5,000	4,529	9.4%
Travel/Meetings/Conferences	20,000	5,332	10,000	4,668	53.3%
Professional Development	5,000	-	2,500	2,500	0.0%
Misc Expenses	5,000	-	2,500	2,500	0.0%
Subtotal	<u>2,261,300</u>	<u>1,003,663</u>	<u>1,130,650</u>	<u>126,987</u>	<u>88.8%</u>

Attachment I: FY2007-08 Budget to Actual Comparison as of 12/31/2007

	FY 2008 Total Budget	Actual 12/31/2007	Budget 12/31/2007	\$ Variance with Budget Positive (Negative)	Actual as % of Budget
Professional Services					
Congestion Management Plan	65,000	35,947	32,500	(3,447)	110.6%
T-PLUS	75,000	6,399	37,500	31,101	17.1%
Program Management Oversight	400,000	124,307	200,000	75,693	62.2%
Community Based Transportation	49,000	16,204	24,500	8,296	66.1%
Bike Planning	63,000	19,386	31,500	12,114	61.5%
MSN Hot Lane Follow Up Study	200,000	-	100,000	100,000	0.0%
MSN Preliminary Engineer and Design	3,100,000	-	1,550,000	1,550,000	0.0%
101 Gap Closure CMO	290,000	99,440	145,000	45,560	68.6%
Federal Legislative Assistance	25,000	-	12,500	12,500	0.0%
State Legislative Assistance	35,000	16,667	17,500	833	95.2%
Financial Advisor	35,000	11,188	17,500	6,313	63.9%
HR/IT/Board Support	55,000	29,886	27,500	(2,386)	108.7%
Consulting Pool	50,000	5,926	25,000	19,074	23.7%
Hwy 101/Greenbrae	3,500,000	343,564	1,750,000	1,406,436	19.6%
580/101 Connector	2,350,000	-	1,175,000	1,175,000	0.0%
Street Smarts - NTPP	100,000	-	50,000	50,000	0.0%
Subtotal	<u>10,392,000</u>	<u>708,912</u>	<u>5,196,000</u>	<u>4,487,088</u>	<u>13.6%</u>
Measure A Programs					
Reserve	1,040,000	570,531	520,000	(50,531)	109.7%
Strategy 1 - Transit	9,733,514	2,474,600	4,866,757	2,392,158	50.8%
Strategy 2 - Gap Closure	1,984,115	106,524	992,058	885,534	10.7%
Strategy 3 - Streets and Roads	6,805,406	119,837	3,402,703	3,282,866	3.5%
Strategy 4 - Safe Routes	3,119,250	309,786	1,559,625	1,249,839	19.9%
Subtotal	<u>22,682,285</u>	<u>3,581,278</u>	<u>11,341,143</u>	<u>7,759,865</u>	<u>31.6%</u>
Interagency Agreements					
TFCA	600,000	-	300,000	300,000	0.0%
County RM2	3,800,000	-	1,900,000	1,900,000	0.0%
Subtotal	<u>4,400,000</u>	<u>-</u>	<u>2,200,000</u>	<u>2,200,000</u>	<u>0.0%</u>
Total Expenditures	<u>39,735,585</u>	<u>5,293,853</u>	<u>19,867,793</u>	<u>14,573,939</u>	<u>26.6%</u>

Attachment 2: Summary of FY2007-08 Budget Amendments as of 12/31/2007

No Budget Amendment Actions Taken as of December 31, 2007

Attachment 3: FY2007-08 Revenue and Expenditure Report as of 12/31/2007 – Measure A Detail

Budget Line	Interest	5% Reserve	1% Admin Note /	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															
Prior Year Carryover	877,820	2,170,048	41,367	710,700	535,594	389,126	(3,397)	1,423,658	1,877,583	4,797,858	2,794,390	577,972	925,049	1,098,229	18,215,995
Revenue	-	570,531	114,106	456,425	3,637,823	294,959	884,876	589,917	1,175,000	1,302,734	1,302,734	324,454	412,942	344,118	11,410,618
EXPENSES															
101 Gap Closure CMO									99,440						99,440
Audit				14,000											14,000
Consulting Pool				5,926											5,926
Reproduction				6,270											6,270
Equipment				74,269											74,269
Financial Advisor				11,188											11,188
Furniture				100,544											100,544
HR/IT/Board Support				8,929											8,929
Insurance				4,922											4,922
Membership				471											471
Office Lease				49,919											49,919
Office Supplies				1,976											1,976
Phone				1,849											1,849
Management Oversight				17,424											17,424
Salaries & Benefits			138,610	115,581	6,713				46,163	24,414		10,767	10,767	10,767	363,782
Assistance				16,667											16,667
Strategy I - Transit Closure					1,615,879	132,730	409,899	316,092							2,474,600
Rds											53,840	65,997			119,837
Routes												120,910	150,668	38,208	309,786
Travel/Meetings/Conferences			13	3,795					79						3,887
Total Expenses	-	-	138,622	433,729	1,622,592	132,730	409,899	316,092	252,206	78,255	65,997	131,677	161,434	48,975	3,792,209
BALANCE	877,820	2,740,579	16,851	733,395	2,550,824	551,355	471,580	1,697,483	2,800,377	6,022,338	4,031,126	770,749	1,176,556	1,393,373	25,834,405

Attachment 4: FY2006-07 and FY2007-08 Monthly Measure A Disbursement Comparison

		FY 2007	FY 2008	\$ Difference	% Difference
Actuals	July	1,179,300	1,510,300	331,000	28.07%
	August	1,572,400	2,013,700	441,300	28.07%
	September	2,827,595	2,170,451	(657,144)	-23.24%
	October	1,192,900	1,558,700	365,800	30.66%
	November	2,623,900	2,078,300	(545,600)	-20.79%
	December	2,126,183	2,079,167	(47,016)	-2.21%
FY2007 Actuals and FY2008 Estimates	January - Note 1	1,541,500	1,635,100	93,600	6.07%
	February - Note 1	2,048,900	2,180,133	131,233	6.41%
	March - Note 2	1,802,755	1,532,342	(270,413)	-15.00%
	April - Note 2	1,277,600	1,085,960	(191,640)	-15.00%
	May - Note 2	1,703,400	1,447,890	(255,510)	-15.00%
	June - Note 2	2,400,052	2,040,044	(360,008)	-15.00%
	Same Period	15,112,679	15,225,852	(113,173)	-0.75%
	Annual Disbursement	22,296,485	21,332,087	(964,398)	-4.33%
	FY 2008 Budgeted Revenue		20,800,000		

Note 1: Estimated based on Board of Equalization's disbursement formula, should be very close to the actual cash disbursements for January and February.

Note 2: 15% revenue reduction for the last four months of the year is assumed based on the current economic condition.

Attachment 5: Marin County Treasurer Portfolio Yield Report as of 12/31/2007

**Michael J. Smith, Marin County Treasurer
Portfolio Yield Report - Operating Funds
County of Marin, Schools & Special Districts
December 31, 2007**

INVESTMENT HOLDINGS	BOOK VALUE	Portfolio Yields as 12/31/07
Local Agency Investment Funds	\$227,415.06	4.801%
Money Market Funds	\$35,602,258.57	4.543%
Negotiable CDs	\$97,000,000.00	4.893%
Bankers Acceptances	\$5,010,170.45	4.809%
Commercial Paper - Discount	\$57,086,841.23	4.783%
Federal Agency - Coupon	\$190,879,435.42	5.064%
Federal Agency - Discount	\$282,367,589.75	4.328%
Treasury Securities - Coupon	\$29,571,172.73	4.625%
Treasury Securities - Discount	\$110,917,143.88	4.029%
TOTAL	\$808,662,027.09	4.584%



- Local Agency Investment Funds
- Money Market Funds
- Negotiable CDs
- Bankers Acceptances
- Commercial Paper - Discount
- Federal Agency - Coupon
- Federal Agency - Discount
- Treasury Securities - Coupon
- Treasury Securities - Discount

* Detail monthly reports can be provided upon request.