



OFFICE OF THE CONTROLLER
CITY AND COUNTY OF SAN FRANCISCO

Greg Wagner
Controller
ChiaYu Ma
Deputy Controller

MEMORANDUM

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BOARD OF SUPERVISORS
SAN FRANCISCO
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TO: President Rafael Mandelman and Members of the Board of Supervisors

FROM: Greg Wagner, Controller

CC: Angela Cavillo, Clerk of the Board of Supervisors
Sophia Kittler, Mayor's Budget Director
Bree Mawhorter, MTA Chief Financial Officer
Dan Goncher, Board's Budget & Legislative Analyst

DATE: May 1, 2026

SUBJECT: **San Francisco Municipal Transportation Agency (MTA) Mayor's FY 2026-27 & FY 2027-28 Proposed Budget**

This memorandum outlines items included in the MTA FY 2026-27 & FY 2027-28 Mayor's Proposed Budget over which the Board of Supervisors has line-item approval authority and discusses revenues contingent upon voter approval in the upcoming November 2026 ballot.

Pursuant to Charter Article 8A.106, the Board of Supervisors (Board) may only approve or reject the entire MTA budget and has no discretion to modify or reject specific expenditures contained therein. The Board may allow the MTA's budget to take effect without any action on its part, or it may reject the MTA's budget by a seven-elevenths' vote. However, additional General Fund support to the MTA over the base amount stipulated in the Charter is subject to normal budgetary review and amendment under the general financial provisions of the Charter.

The FY 2026-27 & FY 2027-28 Mayor's Proposed Budget for the MTA appropriates the following General Fund and other revenue sources. Approval of expenditures related to these sources follows the general provisions of the Charter, under which the Board may modify proposed expenses at the level of appropriation.

1. Transfers in each of the budget years from the Department of Public Works' Road Fund total \$3,098,525 annually to support eligible expenses.

2. Transfers in each of the budget years from the General Fund total \$1,225,655 annually to support over-sized vehicle enforcement teams.
3. Transit Sustainability Fees for complete streets improvements, transit service expansion, and reliability improvements for regional transit providers of \$11,887 in FY 2026-27 and \$324,367 in FY 2027-28.
4. Transit Center Community Facilities District (CFD) pay-go capital funding for Accessible Pedestrian Signals of \$120,000 and Traffic Signal Controllers of \$90,000 in FY 2026-27.

Additionally, the FY 2026-27 & FY 2027-28 Mayor's Proposed Budget for the MTA assumes voter approval of the November 2026 ballot measures. The budget includes appropriations of \$17.0 million in FY 2026-27 and \$155.0 million in FY 2027-28 in anticipated sales tax revenue from the regional transit sales tax measure authorized by SB 63, as well as \$166.0 million in parcel tax revenue in FY 2027-28 to support Muni operations. The Controller proposes to place \$17.0 million of capital projects funding and \$321.0 million of personnel appropriations in reserve in FY 2026-27 and FY 2027-28, respectively, pending passage of the revenue measures and receipt of revenues. Should one or both measures fail, the MTA will re-evaluate its FY 2027-28 budget during the next budget cycle to identify adjustments necessary to align expenditures with available sources.

Please contact me or Michelle Allersma, Director of the Controller's Office Budget and Analysis Division, at (415) 554-4792 if you have any questions regarding this information.