



**SFMTA**

San Francisco Municipal Transportation Agency

# **FY 24-25 & FY 25-26 MTA Budget**

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# Mission, Vision, Values

**Mission:** We connect San Francisco through a safe, equitable and sustainable transportation system.

**Vision:** A city of diverse and vibrant neighborhoods seamlessly connected by safe, reliable, affordable transportation for all.

**Values:** Trust, equity, respect, inclusivity, integrity, economic vitality, environmental stewardship





# The SFMTA budget pays for ...



72 MUNI LINES



BUSES AND LRVS



CABLE CARS



2,500 MUNI DRIVERS



PARATRANSIT



CROSSING GUARDS



STREET DESIGN



TAXIS



BIKESHARE



TRAFFIC SIGNALS



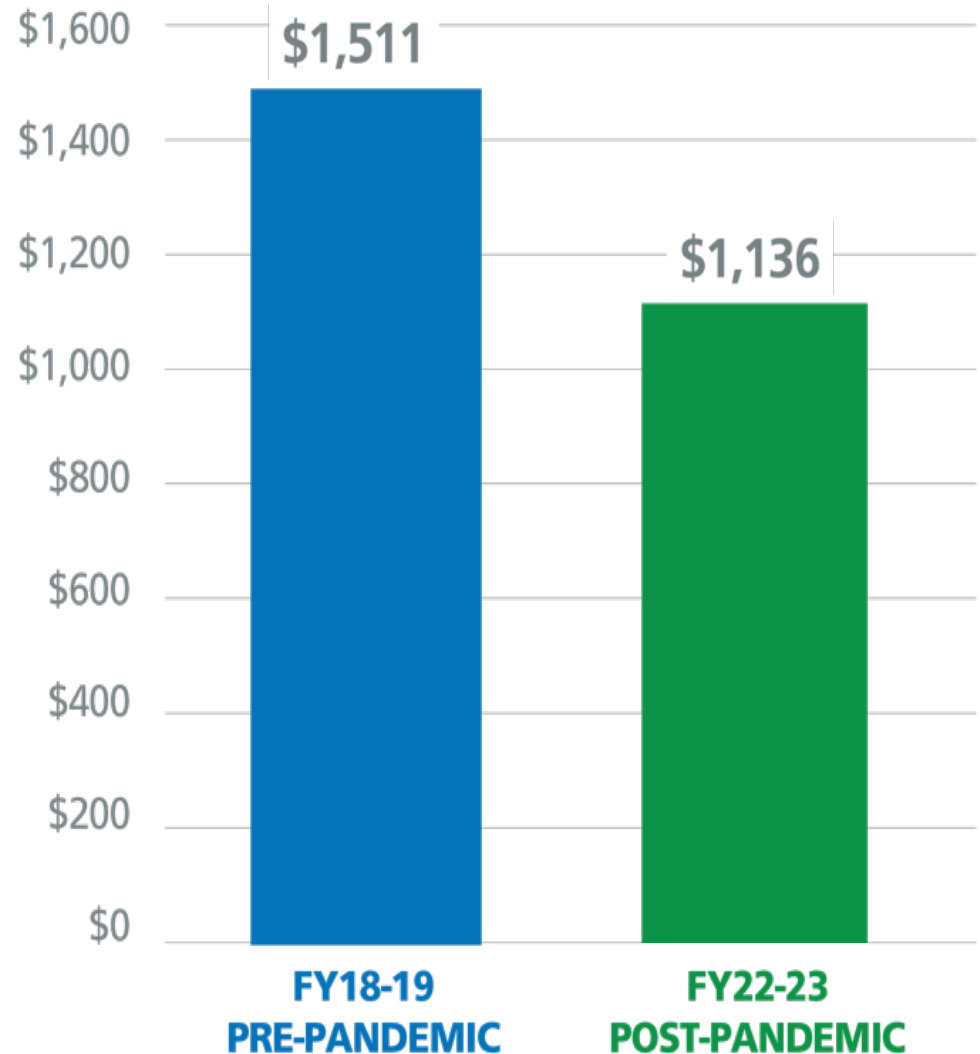
STREET SAFETY



TRANSIT INFRASTRUCTURE

# Budget Context

- Revenue is lower than pre-pandemic due to high rate of remote work.
- Expenditures are higher because of inflation.
- COVID relief has offset the impact of lower revenue and higher expenditures.
- Relief is expected to run out in FY25-26.

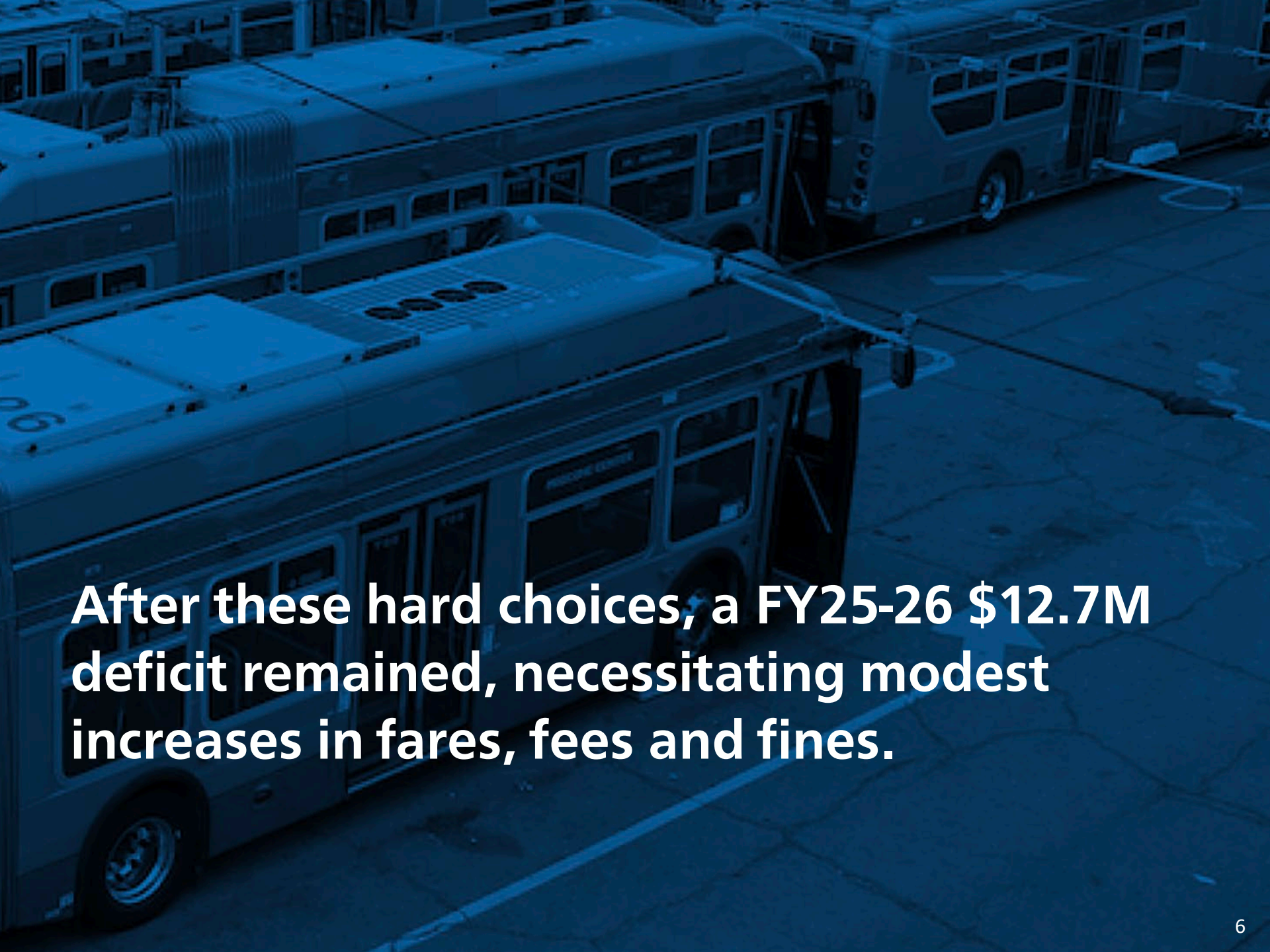


# Reduced Spending

To mitigate the impact of reduced revenue:

- Increased **operational efficiency**:
  - Reinvest Muni travel time savings into additional service
  - Improved project delivery
  - Consolidated agency functions
- Implemented only **cost-neutral Muni service changes**.
- Prioritized **hiring** to key positions in FY22-23, saving \$52.8 million ongoing.





**After these hard choices, a FY25-26 \$12.7M deficit remained, necessitating modest increases in fares, fees and fines.**

# FY24-25 and FY25-26 Budget (\$M)

Proposed budget grows less than COLA and CPI and maintains existing service levels.

Category	FY23-24 Budget	FY24-25 Budget	FY25-26 Budget	Year 1 Growth	Year 2 Growth
Revenue	1,407.6	1,445.5	1,489.8	2.7%	3.1%
Expenditure	1,407.6	1,445.5	1,489.8	2.7%	3.1%

# Increases to fares, fees, fines

Modest fare, fee and fine increases close the budget gap.

Category	Description	Additional 2-Year Revenue (\$M)
Transit Fares	FY25 - Reduce Clipper discount by \$0.25/no change to cash fare/index cable car/reduce multiplier from 32 to 31 FY26 - Index/no change to cash fare/reduce multiplier from 31 to 30	1.8
Parking Fines	Increase by 8% each year, 16% total	7.4
RPP Fees	Implement inflation indexing + add'l costs	2.9
Taxi Fees	Reinstate taxi fees (excluding drivers) and apply inflation indexing	1.2
<b>Total</b>		<b>13.3</b>
<b>Deficit</b>		<b>12.7</b>
<b>NET</b>		<b>0.6</b>



# Fares, fees and fines

- **Protect vulnerable populations** by keeping the cash fare at \$3.00 and funding discount programs.
- **Protect existing discount programs** including Free Muni for Youth and discounts for seniors and low-income and disabled riders.
- **Increase fare equity** by reducing the Clipper discount from \$0.50 to \$0.25.
- **Support the future financial health of the agency** by indexing fares in FY25-26.
- **Encourage mode shift** by making the monthly pass a more attractive option.



# Discount fare media

SFMTA fare policy provides financial relief for people with low incomes at an estimated annual value of \$24 million.

Fare Media Type	Eligibility	Start Date	Admin Cost (\$M)	Foregone Revenue FY22-23 (\$M)	Total Impact FY22-23 (\$M)
<b>Lifeline Monthly Pass (50% Discount)</b>	Adults at or below 200% of federal poverty	2005	-0.6	-3.7	-4.3
<b>Free Muni for Youth</b>	Youth 18 and under	2013	0.0	-5.4	-5.4
<b>Free Muni for Seniors and People with Disabilities</b>	Seniors/people with disabilities at/or below 100% Bay Area Median Income	2015	-2.0	-11.4	-13.4
<b>Access Pass</b>	Free Muni for those experiencing homelessness	2023	-0.2	0	-0.2
<b>Clipper START</b>	50% single ride fare discount for people at or below 200% federal poverty	2022	N/A	-0.7	-0.7
<b>Total</b>			<b>-2.8</b>	<b>-21.2</b>	<b>-24.0</b>

# Community feedback

- Improve fare compliance
- Limit transit fare increases
- Improve and expand Muni service
- Focus on street safety
- Initiate parking reform in the next budget cycle
- Make agency operations more efficient
- Support taxis drivers





# Budget priorities

## Muni service

Maintains current Muni and paratransit service levels.

Continues to make Muni safer, cleaner, faster and more reliable

## Street safety

Reallocates resources to improve Vision Zero project delivery

Implements automatic speed enforcement cameras

## Personal safety and fare compliance

Adds 36 Transit Fare Inspectors to improve safety, fare compliance, and increase use of discount programs.

## Equity

Expands communications and outreach about discount fare programs.

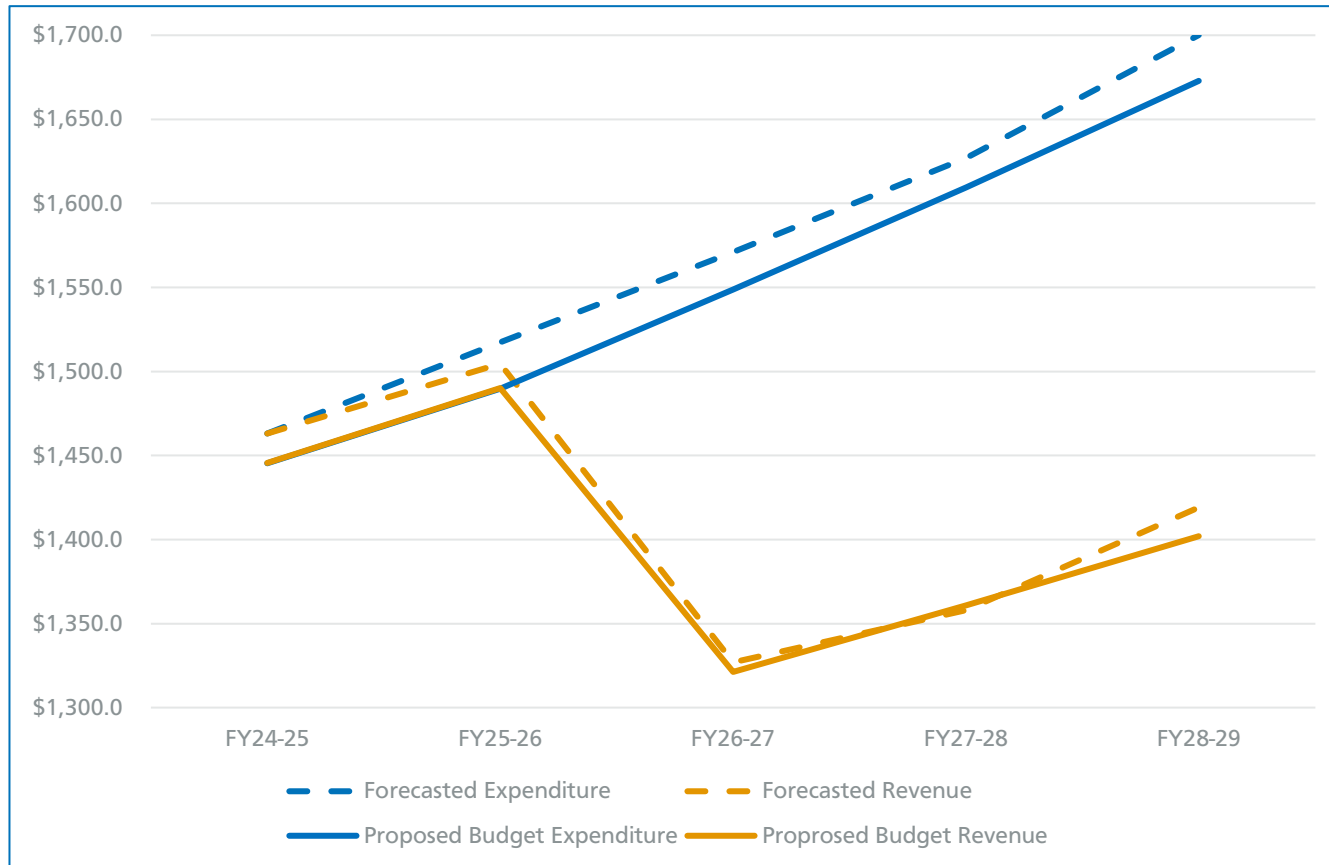
Supports Muni Equity Working Group, community liaison program.

## Agency financial health

Decreases deficit while maintaining service levels, demonstrating SFMTA commitment to efficiency.

# Future financial health

The proposed budget is balanced, but deficits exceed \$220M starting in FY26-27 when federal and state relief is no longer available.



# Agency performance metrics

(partial list)

## Equity

- Utilization of free or discounted fare programs
- Muni service hours delivered along Equity Strategy Routes

## Accessibility

- Paratransit on-time performance

## Safety

- Traffic fatalities
- SFPD-reported Muni-related crimes per 100,000 miles
- Customer rating: Feeling safe and secure on Muni

## Trust

- Customer rating: Overall satisfaction with Muni
- Customer commendations
- Customer complaints

## Service Quality

- Percent of scheduled Muni service hours delivered
- Muni on-time performance

## Climate Action

- Transportation mode share

## Workplace Metrics

- Employee rating: Overall employee satisfaction

For a full list of performance measures, see [SFMTA.com/performance-metrics](https://www.sfmta.com/performance-metrics).



# Questions?

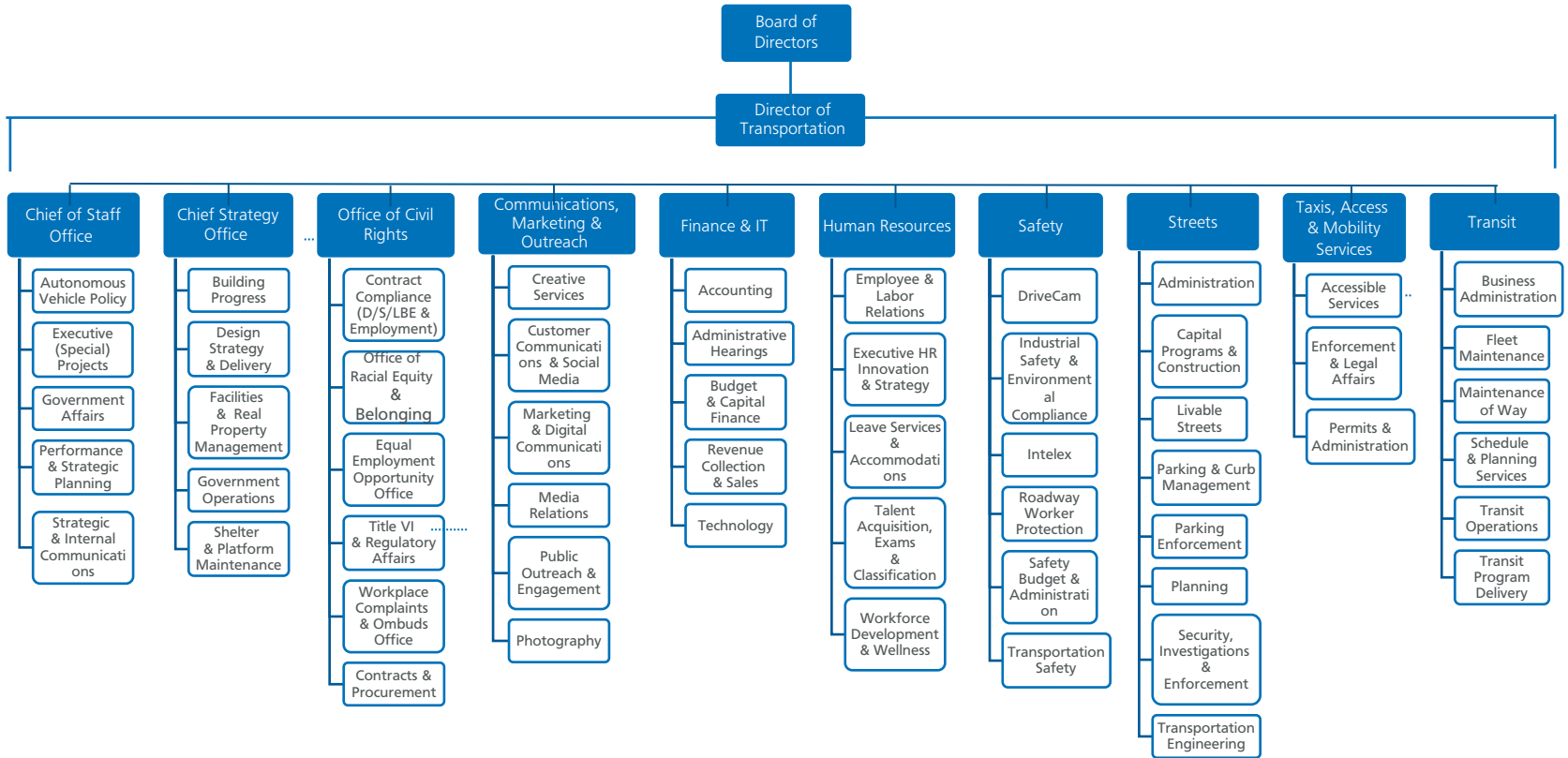


# Appendix



SFMTA

# SFMTA Org Chart





# Historic staffing

FTE growth has been flat, consistent with financial constraints.

	<b>FY 22-23</b>	<b>FY 23-24</b>	<b>FY 24-25</b>	<b>FY 25-26</b>
Total FTE	5,961	5,975	5,954	5,930
Percent Change	0%	0%	0%	0%

Budgeted positions. Does not reflected funded positions.

# Top classifications

More than 60% of staff are in 5 classifications, all of which directly support transit provision and traffic control.

Classification	FY 22-23	FY 23-24	FY 24-25	FY 25-26
Transit Operator	2,670	2,670	2,670	2,670
Parking Control Officers	401	401	392	392
Electric Transit System Mechanic	270	270	298	298
Transit Supervisor	242	242	272	272
Automotive Mechanic	171	171	183	183
Top Five Total	3,754	3,754	3,815	3,815

Budgeted positions. Does not reflected funded positions.

# FY24-25 and FY25-26 Revenue

Increases in Operating Grants and Federal and State Relief are offset by decreases in parking and transit revenue. Balancing the budget requires use of \$60.0M fund balance, reflected in Other.

Category	FY23-24 Budget (\$M)	FY24-25 Budget (\$M)	FY25-26 Budget (\$M)	Yr1 Growth (%)	Yr2 Growth (%)
General Fund	542.3	543.2	558.4	0.2	2.8
Operating Grants	193.3	232.0	235.7	20.0	1.6
Federal and State Relief	201.1	231.0	256.6	14.9	8.8
Parking Revenue	282.0	248.8	258.1	-11.8	3.7
Transit Revenue	140.6	108.6	113.6	-22.8	4.6
Other Revenue*	48.2	81.8	67.3	69.6	-12.4
Total	1,407.6	1,445.5	1,489.8	2.7	3.1

\*Other Revenue includes one-time fund balance in FY24-25 and FY25-26

# Revenue in prior budget cycles

Parking fines were indexed during the pandemic, but transit fares were not.

	<b>FY 19-20</b>	<b>FY 23-24</b>	<b>Change (\$)</b>	<b>Change (%)</b>
Street Cleaning	83.00	90.00	7.00	8%
RPP Overtime	95.00	102.00	7.00	7%
Meter Overtime (Outside Downtown)	84.00	92.00	8.00	10%
Single-Ride Cash Fare	3.00	3.00	0.00	0%
Clipper	2.50	2.50	0.00	0%

# Impact of not indexing transit fares

SFMTA fares have remained the same for four years. As a result, SFMTA generated \$18.4M less revenue between FY19-20 and FY23-24.

Fiscal Year	Revenue Loss (\$M)	Cumulative Total (\$M)
20-21	0.3	0.3
21-22	2.3	2.6
22-23	7.6	10
23-24	10.8	18.4
24-25	14.4	32.8
25-26	18.4	51.2



# Balance equity and ridership impact to transit fares

Due reduction in monthly pass multiplier, impact to transit fares is less than original recommendation.

	Current	Adopted FY24-25* / FY25-26
Single ride fare – Clipper/Mobile/ Paratransit Van (\$)*	2.50	2.75/2.85
Adult Monthly Pass (\$)	81.00	85.00/86.00
Lifeline Pass (\$)	40.00	43.00/43.00

\*Cash fare remains unchanged

\*\*FY24-25 fare increases effective January 1, 2025

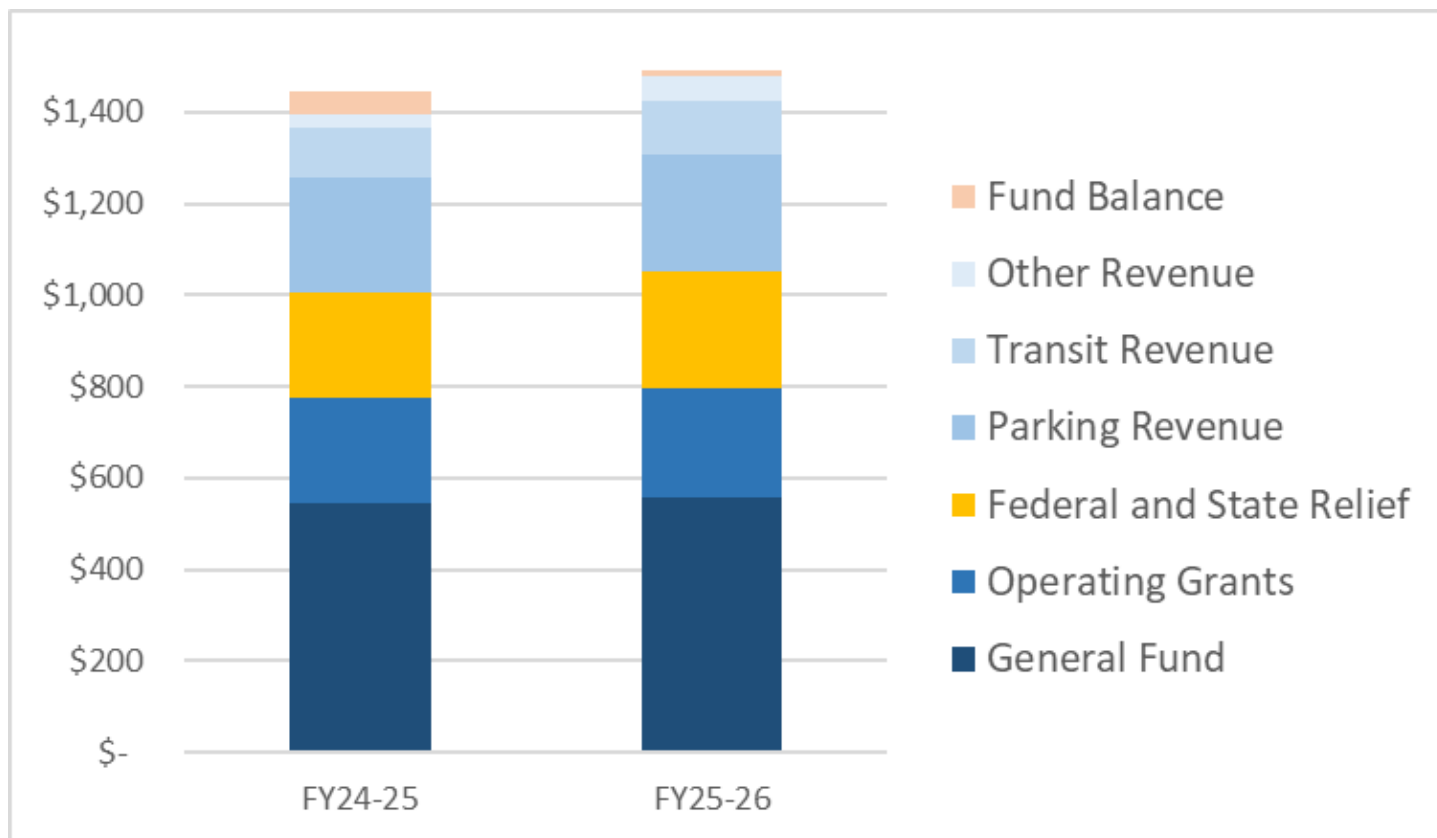
# Balance equity and ridership impact to parking fines and permits

Increase in parking fines offsets cost of maintaining Clipper discount and reducing monthly pass multiplier.

	Current	Adopted FY24-25/ FY25/26
Street Cleaning (\$)	90.00	97.00/105.00
Residential Overtime (\$)	102.00	108.00/108.00
Parking Meter Outside Downtown (\$)	92.00	99.00/107.00
Annual Residential Parking Permit	170.00	190.00/215.00

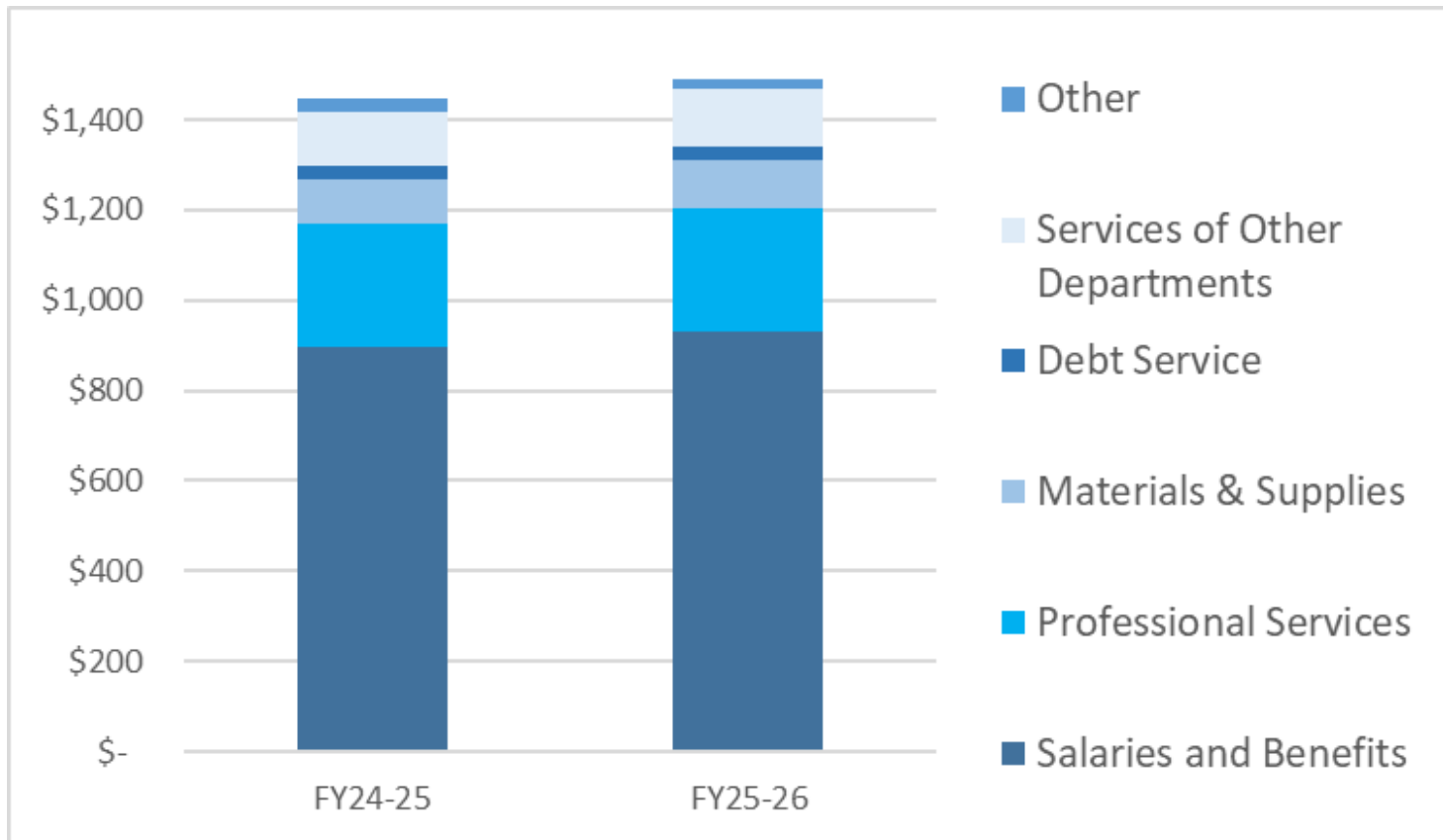
# FY24-25 and FY25-26 Revenue (\$M)

One-time sources helped balance the budget. When COVID relief is fully expended in FY25-26, SFMTA will need new revenue sources to close large future budget deficits.



# FY24-25 and FY25-26 Expenditure by type

As in prior years, labor is the largest budget expenditure, making up more than 60% of the budget. By charter mandate, 97.25% of staff must be non-managerial positions.



# FY24-25 and FY25-26 Expenditure by type

Growth in Materials and Supplies and Services of Other Departments is partially off-set by reductions in labor costs.

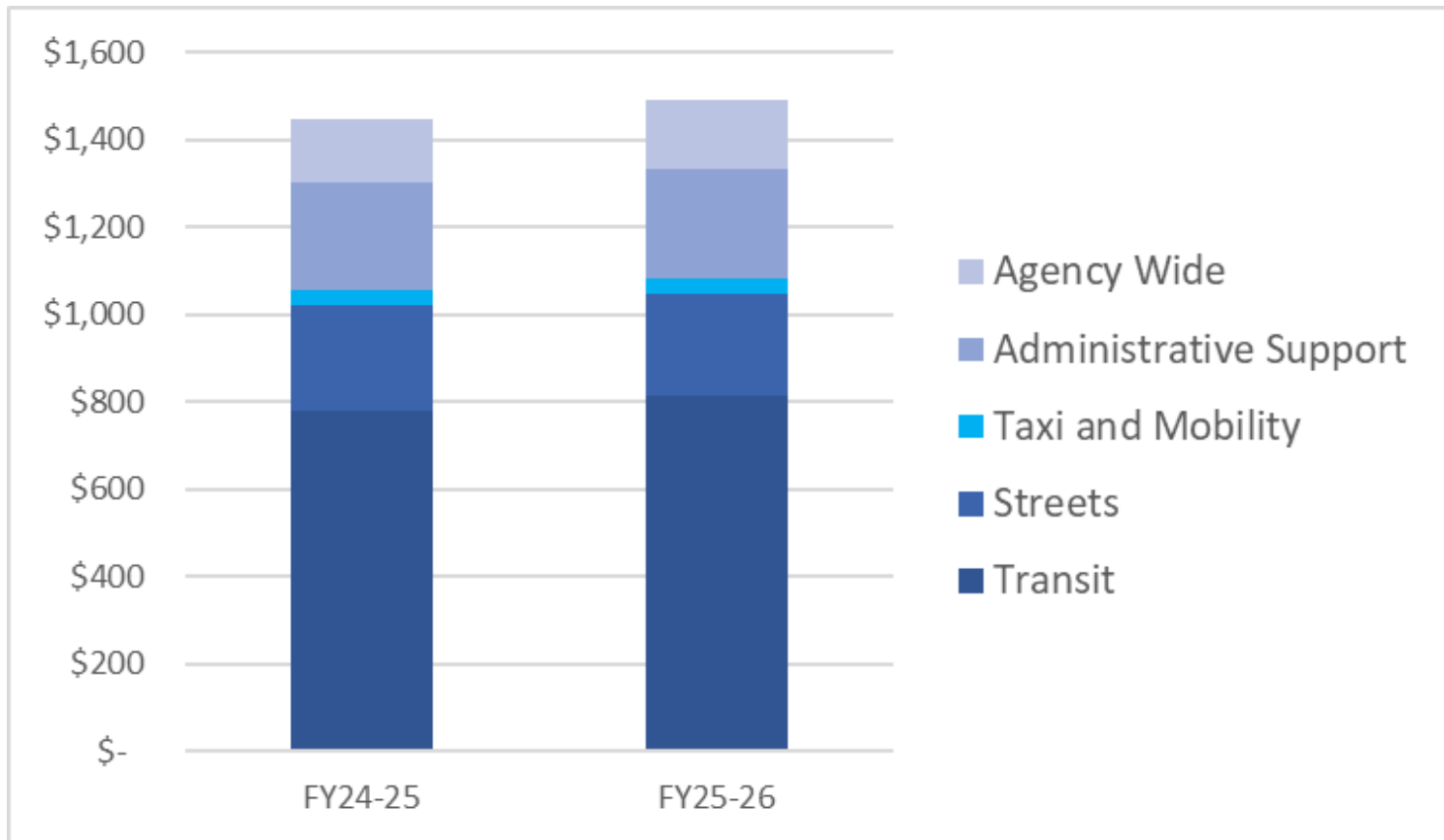
Category	FY23-24 Budget (\$M)	FY24-25 Budget (\$M)	FY25-26 Budget (\$M)	Yr1 Growth (%)	Yr2 Growth (%)
Labor	969.4	919.1	954.2	-5.2	3.8
Professional Services	259.5	271.4	274.1	4.6	1.0
Overhead Recoveries	-34.0	-22.3	-22.7	-34.2	1.8
Materials & Supplies	74.6	99.5	105.5	33.4	6.0
Debt Service	27.9	27.8	27.8	0.0	-0.1
Services of Other Departments	109.7	123.6	130.6	12.6	5.7
Other*	0.4	26.3	20.2	6,428.9	-22.6
Total	1,407.6	1,445.5	1,489.8	2.7	3.1

\*Other includes one-time equipment



# FY24-25 and FY25-26 Expenditure by function

More than 55% of the budget funds Transit. Service delivery depends on a financially healthy SFMTA.



# FY24-25 and FY25-26 Expenditure by function

Increases in Transit and Streets are partially offset by decreases in Taxi and Mobility.

Category	FY23-24 Budget (\$M)	FY24-25 Budget (\$M)	FY25-26 Budget (\$M)	Yr1 Growth (%)	Yr2 Growth (%)
Transit	754.0	779.8	812.9	3.4	4.2
Streets	227.3	239.6	232.6	5.4	-2.9
Taxi and Mobility	39.9	35.7	37.2	-10.3	4.0
Administrative Support	179.9	245.8	249.3	36.6	1.4
Agency Wide	206.5	144.5	157.9	-30.0	9.3
Total	1,407.6	1,445.5	1,489.8	2.7	3.1

Growth in Administrative Support is driven by consolidation of agency-wide real estate and worker's compensation expenditures and transfers of contracting and Equal Employment Opportunity functions.