



SFMTA

San Francisco Municipal Transportation Agency

FY24-25 Q3 Financial Update

Bree Mawhorter, Chief Financial Officer

Agenda

1. FY24-25 Financial Update
2. FY25-26 Outlook



FY24-25 Financial Update Summary

- FY24-25 deficit is slightly lower than prior quarterly update.
- Revenue is slightly lower than budgeted, primarily because of lower-than-expected parking revenue and lower-than-expected operating grants.
- Expenditure is slightly lower than budgeted, due to active spending control and limited hiring.
- Revenue uncertainty and possibility of unexpected costs require strong internal controls.



FY24-25 Financial Update

Financial picture is slightly improved relative to prior quarterly update. FY24-25 year-end deficit projected at -\$3M, down from -\$4M.

Category	Revised Budget (\$M)	Projected Actuals (\$M)	Budget vs. Actuals (\$M)
Revenue	1,527	1,517	-10
Expenditure	1,540	1,520	20
Surplus/Deficit	-13	-3	10

As of March 31, 2025

Actions taken earlier in fiscal year to freeze hiring and monitor non-labor spending will address projected deficit.

FY24-25 Revenue Actuals

Revenue actuals are less than budgeted due to lower-than-expected operating grant and parking revenue, consistent with the prior quarterly update.

Category	FY24-25 Revised Budget (\$M)	FY24-25 Projected Actuals (\$M)	FY24-25 Budget vs. Actuals (\$M)
Transit Fares	109	107	-2
Operating Grants	237	234	-3
Parking	253	250	-3
Other	151	149	-2
CCSF Support	543	543	0
Federal, State & Regional Relief	234	234	0
Revenue Total	1,527	1,517	-10

As of March 31, 2025.

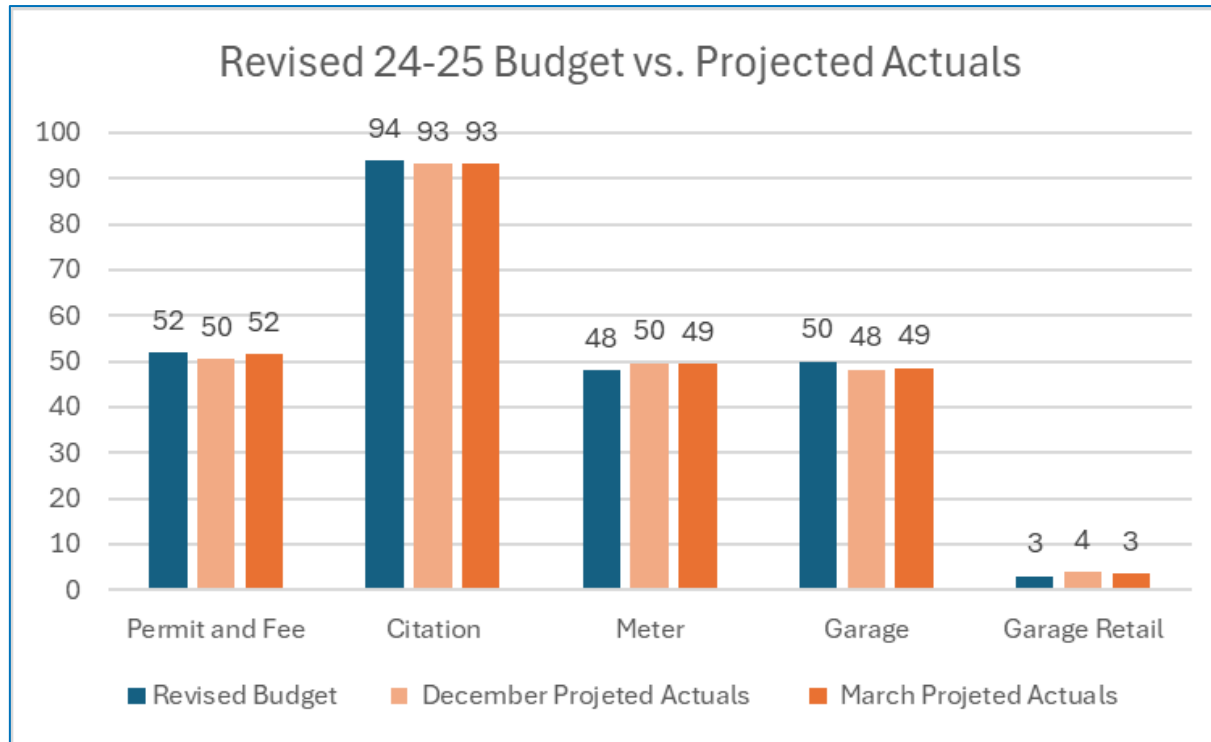
FY24-25 Transit Revenue

Increased staffing and fare inspector productivity projected to increase FY24-25 single-ride cash fare revenue \$4.6M.

Single Ride Cash Fare	# Fares Paid (M)
FY 2023-24	11.9
FY 2024-25 (Projected)	13.7
Increase from Prior Year	1.8
Adjustment for Ridership Increase (6.4%)	0.1
Increase in # Fares Paid	1.7

FY24-25 Parking Revenues

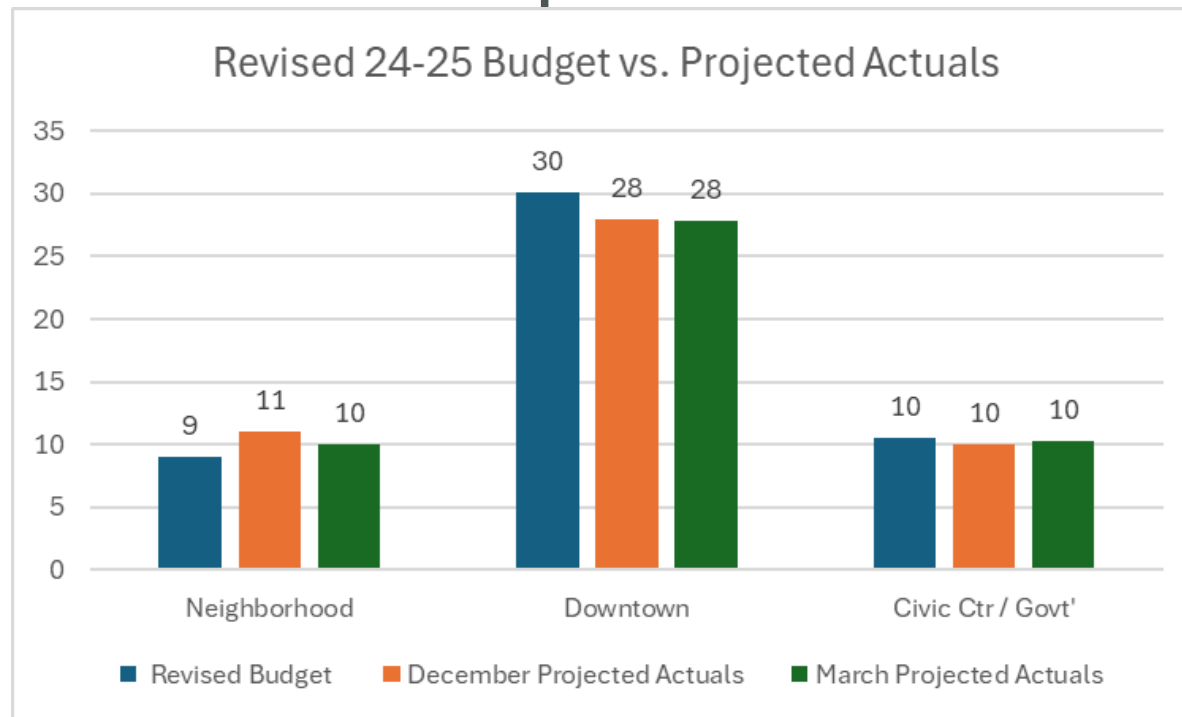
Parking revenues -3\$M below budget, consistent with prior quarterly update.



As of March 31, 2025

FY24-25 Garage Revenue

Downtown garages are under-performing: Sutter-Stockton, 5th & Mission, and Ellis-O'Farrell, consistent with prior quarterly update.



As of March 31, 2025

FY24-25 Expenditure Actuals

Projected expenditure is \$20M lower than budgeted, \$9M less than the prior quarterly report.

Category	FY24-25 Revised Budget (\$M)	FY24-25 Projected Actuals (\$M)	FY24-25 Difference (\$M)
Salary & Fringe	928	887	41
Non-Personnel Svc	301	340	-39
Materials & Supplies	121	118	-3
Capital Outlay & Transfers	43	33	10
Debt Service	28	28	0
Svc of Other Dept.	119	114	5
Total	1,540	1,520	20

As of March 31, 2025 non-labor, March 16, 2025 labor.

Increases in projected Non-Personnel Svc spending since December are offset by decreases in projected spending in Salary & Fringe, Materials & Supplies and Capital Outlay & Transfers.

Expenditure Control

The SFMTA continues to actively managing expenditures by:

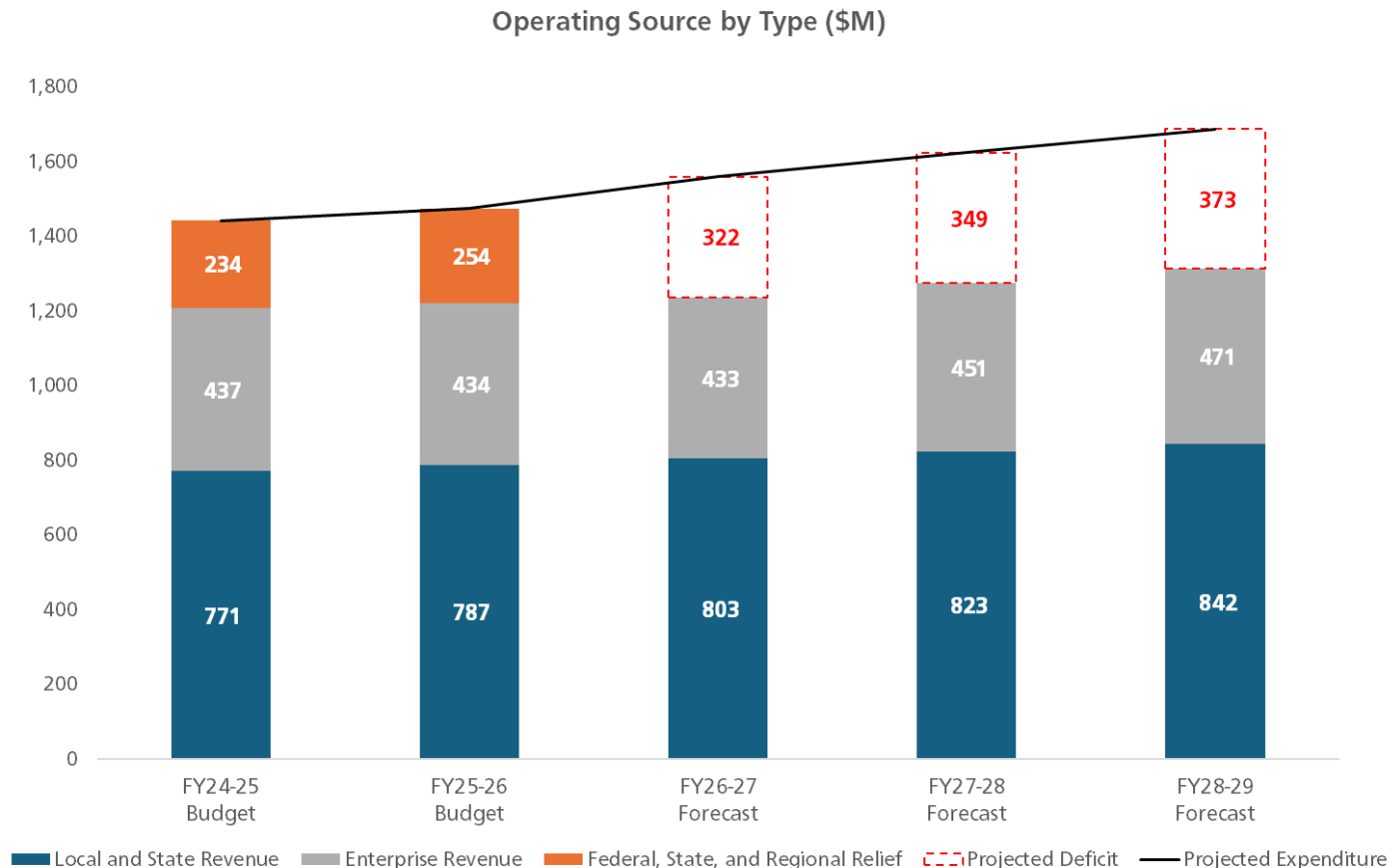
- Defunded 295 FTE positions in FY24-25 budget (160 more defunded positions than FY23-24 budget)
- Slowed hiring starting July 1, 2024, and froze non-essential hiring October 1, 2024.
- Implemented quarterly planning for purchase of materials, supplies, and professional services.
- Reviewing work orders for financial consistency with operational needs, devolving review to Project Managers for tighter expenditure control, and restructuring certain work orders to facilitate charging to capital projects.

Managing Through Financial Uncertainty

- General Fund uncertainty - City's nine-month report emphasizes significant financial instability
 - Citywide hiring freeze
 - Departments that are not safety critical instructed to reduce expenditures 15%
 - Future reductions in General Fund revenue likely
- Other revenue sources, including state and federal funds, also expected to fluctuate
- Finance team is continuously forecasting and planning to manage risk

FY26-27 Deficit

FY26-27 deficit is \$322M, growing over time with the pace of COLA and inflation.



SFMTA Budget Strategy

- **Muni Funding Working Group** helped build local consensus
- Closing the budget gap requires a strategy that includes a variety of funding options
- SFMTA will pursue **revenue measures** for 2026 with regional and state partners and **fight for funding** to make sure San Francisco has the transportation services it needs and deserves

