



MARCH 11, 2010

AGENDA ITEM # 7

SECOND AMENDMENT TO FY 2009-10 STA BUDGET

Action Requested: Approve budget amendment

Key Staff: Brian Williams, Executive Director

Recommendation

Amend the FY 2009-10 STA budget to account for a revised revenue forecast.

Discussion

In June 2009, your Board adopted the STA's FY 2009-10 budget. Your Board subsequently amended the budget in August to accommodate an anticipated 2.5% reduction in the original revenue forecast. Since that time, the local and state retail economies have continued to struggle. The cumulative Measure A revenue distribution from the Board of Equalization for the period July 2009 through February 2010 is running approximately 14.9% below the same period one year ago. As such, staff recommends that your Board adopt a revised revenue estimate and expenditures for the current fiscal year. The proposed budget amendment reflects a net 12.8% reduction from the August estimate (15% year-over-year).

The revised revenue forecast has an immediate impact on the amount of Measure A funds distributed to local transportation providers for operations and maintenance activities. There will be some near-term impact on the Measure A capital program as well, but most of those affected expenditures are from bond proceeds that are already in hand. The proposed budget amendment does not affect Freeway Service Patrol or the Sacramento Abandoned Vehicle Service Authority, because neither of those programs receives funding from the Measure A sales tax program.

Attachments