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 sandag.org

# MEETING NOTICE AND AGENDA

## **TransNet INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE (ITOC)**

The ITOC may take action on any item appearing on this agenda.

Wednesday, November 9, 2016

9:30 a.m.

SANDAG, 7th Floor Conference Room  
 401 B Street, Suite 800  
 San Diego, CA 92101

***Please take the elevator to the 8th floor to access the meeting room.***

Staff Contact: José A. Nuncio  
 (619) 699-1908  
 jose.nuncio@sandag.org

### **AGENDA HIGHLIGHTS**

- **CITY OF SAN DIEGO TRANSPORTATION CAPITAL IMPROVEMENT PROGRAM STREAMLINING UPDATE**
- **TransNet DASHBOARD OVERVIEW**
- **TransNet SMART GROWTH INCENTIVE PROGRAM AND ACTIVE TRANSPORTATION GRANT PROGRAM**

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 La Mesa  
 Lemon Grove  
 National City  
 Oceanside  
 Poway  
 San Diego  
 San Marcos  
 Santee  
 Solana Beach  
 Vista  
 and  
 County of San Diego

**ADVISORY MEMBERS**

- Imperial County
- California Department of Transportation
- Metropolitan Transit System
- North County Transit District
- United States Department of Defense
- San Diego Unified Port District
- San Diego County Water Authority
- Southern California Tribal Chairmen's Association
- Mexico



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# INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

Wednesday, November 9, 2016

<b>ITEM NO.</b>		<b>RECOMMENDATION</b>
+1.	<b>APPROVAL OF MEETING MINUTES</b>  The Independent Taxpayer Oversight Committee (ITOC) is asked to review and approve the minutes from its October 12, 2016, meeting.	<b>APPROVE</b>  Estimated Start Time: 9:30 a.m.
2.	<b>PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS</b>  Members of the public shall have the opportunity to address the ITOC on any issue within the jurisdiction of SANDAG that is not on this agenda. Anyone desiring to speak shall reserve time by completing a "Request to Speak" form and giving it to the meeting coordinator prior to speaking. Public speakers should notify the meeting coordinator if they have a handout for distribution to ITOC members. Public speakers are limited to three minutes or fewer per person. ITOC members also may provide information and announcements under this agenda item.	Estimated Start Time: 9:35 a.m.
<b>CONSENT</b>		
+3.	<b>2017 ITOC MEETING CALENDAR (Veronica Serrano)</b>  The ITOC is asked to approve the meeting calendar for the upcoming year.	<b>APPROVE</b>  Estimated Start Time: 9:40 a.m.
<b>REPORTS</b>		
4.	<b>SUMMARY OF TRANSPORTATION COMMITTEE AND BOARD OF DIRECTORS ACTIONS ON <i>TransNet</i>-RELATED AGENDA ITEMS (Ariana zur Nieden)</b>  This monthly briefing is intended to keep the ITOC informed about relevant SANDAG actions taken on <i>TransNet</i> -related projects and programs. Staff will provide a summary of Transportation Committee and SANDAG Board of Directors actions on agenda items that the ITOC has reviewed.	<b>INFORMATION</b>  Estimated Start Time: 9:45 a.m.
+5.	<b>OVERVIEW OF DEVELOPMENTS IN THE FINANCIAL MARKETS (Ray Major, André Douzdjian, and José Nuncio)</b>  Staff will provide the quarterly briefing intended to keep the ITOC informed about the latest developments in the financial markets, the economy, and sales tax revenues, and the strategies being explored and implemented to minimize possible impacts to the <i>TransNet</i> program. As discussed during the most recent Plan of Finance update, staff also will provide an update on the upcoming Transportation Infrastructure Finance and Innovation Act program loan execution.	<b>INFORMATION</b>  Estimated Start Time: 9:50 a.m.

- |     |   |                                  |
|-----|---|----------------------------------|
| +6. | <b>QUARTERLY <i>TransNet</i> FINANCIAL REPORTS FOR THE PERIOD ENDING SEPTEMBER 30, 2016, AND OTHER FINANCIAL DATA (Lisa Kondrat-Dauphin)</b>  | <b>INFORMATION</b>               |
|     | Staff provides certain <i>TransNet</i> financial information on a quarterly basis in accordance with requests from the ITOC as well as in response to recommendations from the first and second <i>TransNet</i> Triennial Performance Audits. Staff also will present an update on the monitoring of local jurisdiction balances.   | Estimated Start Time: 10:10 a.m. |
| 7.  | <b>CITY OF SAN DIEGO TRANSPORTATION CAPITAL IMPROVEMENT PROGRAM STREAMLINING UPDATE (Vic Bianes, Assistant Director, Transportation and Storm Water Department; and Ben Battaglia, Program Manager, Transportation and Storm Water Department)</b>  | <b>INFORMATION</b>               |
|     | Vic Bianes, Assistant Director, Transportation and Storm Water Department; and Ben Battaglia, Program Manager, Transportation and Storm Water Department will present an update to ITOC summarizing the City of San Diego's <i>TransNet</i> local street and road fund balance updates and project delivery streamlining efforts.   | Estimated Start Time: 10:30 a.m. |
| +8. | <b><i>TransNet</i> DASHBOARD OVERVIEW (Asitha Seneviratne)</b>  | <b>INFORMATION</b>               |
|     | Staff will provide an overview of the <i>TransNet</i> Dashboard reporting system, a history of implementation and development enhancements, and its current functionality and usage statistics.   | Estimated Start Time: 10:50 a.m. |
| 9.  | <b><i>TransNet</i> SMART GROWTH INCENTIVE PROGRAM AND ACTIVE TRANSPORTATION GRANT PROGRAM (Hammed Hashemian and Gregory Humora, City of La Mesa; Kathleen Brand, Civic San Diego; Brad Raulston, City of National City; and Tracy Ferchaw)</b>  | <b>INFORMATION</b>               |
|     | Hammed Hashemian and Gregory Humora, City of La Mesa; Kathleen Brand, Civic San Diego; and Brad Raulston, City of National City will highlight three recently completed Smart Growth Incentive Program projects: the La Mesa Downtown Village Streetscape Improvement Project, Civic San Diego East Village Green/14th Street Promenade Master Plan, and the National City Downtown Westside Community Connections, respectively. | Estimated Start Time: 11:10 a.m. |
| 10. | <b>FUTURE MEETING SCHEDULE</b>  | <b>INFORMATION</b>               |
|     | The next regular ITOC meeting is scheduled for Wednesday, January 11, 2017, at 9:30 a.m.  | Estimated Start Time: 11:35 a.m. |
| 11. | <b>ADJOURNMENT</b>  |                                  |

+ next to an agenda item indicates an attachment

# INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

November 9, 2016

AGENDA ITEM NO.: **1**

**Action Requested: APPROVE**

OCTOBER 12, 2016, MEETING MINUTES

File Number 1500200

The meeting of the *TransNet* Independent Taxpayer Oversight Committee (ITOC) was called to order by Chair Stewart Halpern at 9:35 a.m.

1. MEETING MINUTES (APPROVE)

Action: Upon a motion by Ms. Carolyn Lee, and a second by Mr. Jonathan Tibbitts, the ITOC approved the July 13, 2016, meeting minutes. Yes – Chair Halpern, Vice Chair Dustin Fuller, Mr. Brad Barnum, Ms. Lee, Mr. Kai Ramer, and Mr. Tibbitts. No – None. Abstain – None. Absent – Mr. Dick Vortmann.

2. PUBLIC COMMENTS/COMMUNICATIONS/MEMBER COMMENTS (INFORMATION)

Mr. Tibbitts congratulated Gary Gallegos and Brad Barnum for being named among the 100 Most Influential People in San Diego by the San Diego Daily Transcript.

Mr. Tibbitts also commented that the San Diego Daily Transcript reported that the City of San Diego has launched a mobile app to help monitor street repair.

Ariana zur Nieden, Senior *TransNet* Program Manager, introduced Veronica Serrano, Associate Project Control Analyst. Ms. Serrano will assist in providing support to the ITOC.

## CONSENT

3. *TransNet* ENVIRONMENTAL MITIGATION PROGRAM: FY 2017-2018 WORK PLAN AND FY 2017 ANNUAL FUNDING (INFORMATION)

Each year the SANDAG Board of Directors allocates \$4 million toward implementation of regional land management and biological monitoring pursuant to a Memorandum of Agreement with state and federal agencies on the implementation of the *TransNet* Environmental Mitigation Program. On September 23, 2016, the SANDAG Board of Directors approved the proposed FY 2017-2018 Work Plan for regional management and monitoring to allocate \$4 million in funding for FY 2017.

4. FINAL 2016 REGIONAL TRANSPORTATION IMPROVEMENT PROGRAM: INCLUDING THE AIR QUALITY CONFORMITY ANALYSIS (INFORMATION)

SANDAG, as the Metropolitan Planning Organization, is required by state and federal laws to develop and adopt a Regional Transportation Improvement Program (RTIP), a multi-year program of proposed major transportation projects, including the *TransNet* Program of Projects. The 2016 RTIP covers FY 2017 through FY 2021, and was submitted to the state on September 30, 2016.

5A. FY 2017 BUDGET AMENDMENT: SAN DIEGO RIVER BRIDGE PROJECT (INFORMATION)

On August 17, 2016, California State Transportation Agency announced the award of Transit and Intercity Rail Capital Program (TIRCP) funding under the state's cap-and-trade program for three SANDAG projects, including the San Diego River Bridge project. The SANDAG Board of Directors approved FY 2017 Program Budget increased the expenditure plan for the San Diego River Bridge project with the intent of finalizing project funding in coordination with other regional projects and funds pending the outcome of the state's cap-and-trade TIRCP awards. At its September 23, 2016, meeting, the SANDAG Board of Directors approved the FY 2017 budget amendment and updated funding plan for the project to add \$11.466 million in *TransNet* funding necessary to fully fund the project budget.

5B. 2016 STATE CAP-AND-TRADE TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM: REQUEST FOR LETTER OF NO PREJUDICE FOR THE ELVIRA TO MORENA DOUBLE TRACK PROJECT (INFORMATION)

In accordance with TIRCP guidelines, agencies may apply to the California Transportation Commission (CTC) for a Letter of No Prejudice (LONP) to allow an agency to expend its own local funds for projects and to be eligible for future reimbursement. At its October 7, 2016, meeting, the Transportation Committee is scheduled to consider that SANDAG submit a request for a LONP for the Elvira to Morena Double Track project for CTC consideration.

6. DOWNTOWN BUS STOPOVER AND MULTIUSE FACILITY BUDGET AMENDMENT (INFORMATION)

At its September 23, 2016, meeting, the SANDAG Board of Directors approved an amendment to the FY 2017 Program Budget to allocate \$30 million of *TransNet* funding capacity, as detailed in the latest *TransNet* Plan of Finance, in order to facilitate property acquisition for the Downtown Bus Stopover and Multiuse Facility.

7. PROGRESS REPORT ON *TransNet* MAJOR CORRIDOR PROJECTS (INFORMATION)

This report provided an overview of the *TransNet* Major Corridor projects in terms of cost control and schedule adherence based on quarterly data provided through the Dashboard reporting system. This item related to the required quarterly reporting process specified under Paragraph 10 of the *TransNet* Extension Ordinance Statement of Understanding.

8. *TransNet* SENIOR MINI-GRANT PROGRAM STATUS UPDATE (INFORMATION)

This report provided an overview of the progress made to date by each grant recipient for the Senior Mini-Grant program.

9. *TransNet* SMART GROWTH INCENTIVE PROGRAM AND ACTIVE TRANSPORTATION GRANT PROGRAM: QUARTERLY PROGRESS REPORT AND PROPOSED GRANT AMENDMENT (INFORMATION)

This report provided an overview of progress made by *TransNet* Smart Growth Incentive Program and Active Transportation Grant Program recipients through June 30, 2016.

10. *TransNet* ENVIRONMENTAL MITIGATION PROGRAM: LAND MANAGEMENT GRANT PROGRAM QUARTERLY STATUS UPDATE (INFORMATION)

The SANDAG Board of Directors has awarded seven cycles of the *TransNet* Environmental Mitigation Program (EMP) Land Management Grant Program. This report provided information to the ITOC on the quarterly status of active projects.

Action: Consent Item Nos. 3 through 10 were provided for information.

## REPORTS

11. SUMMARY OF TRANSPORTATION COMMITTEE AND BOARD OF DIRECTORS ACTIONS ON *TransNet*-RELATED AGENDA ITEMS (INFORMATION)

This briefing is intended to keep the ITOC informed about relevant SANDAG actions taken on *TransNet*-related projects and programs.

Ms. zur Nieden provided a summary of Transportation Committee and Board of Directors actions on agenda items that the ITOC has reviewed: RTIP Amendment No. 13; *TransNet* Smart Growth Incentive Program and Active Transportation Grant Program: Quarterly Progress Report and Proposed Grant Amendment; 2016 Bond Issuance; Final 2016 RTIP, including the Air Quality Conformity Analysis; *TransNet* EMP FY 2017-2018 Work Plan and FY 2017 Annual Funding; Downtown Bus Stopover and Multiuse Facility Budget Amendment; *TransNet* Senior Mini-Grant Program: Call for Projects for Fifth Cycle of Grant Funding; FY 2017 Budget Amendment: San Diego River Bridge project; 2016 State Cap-and-Trade Transit and InterCity Rail Capital Program: Request for Letter of No Prejudice for the Elvira to Morena Double Track project; and Coastal Rail Trail: Chesterfield to G Street project.

Action: This item was presented for information.

12. FY 2018 *TransNet* TRIENNIAL PERFORMANCE AUDIT: DRAFT SCOPE OF WORK, SCHEDULE, AND EVALUATION CRITERIA (APPROVE)

In accordance with the *TransNet* Extension Ordinance, the ITOC is responsible for triennial performance audits of the *TransNet* Program. The fourth of these performance audits is scheduled to be conducted in FY 2018. In July 2016, the ITOC appointed Vice Chair Fuller, Mr. Barnum, Mr. Tibbitts, and Tracy Drager to serve on the performance audit subcommittee. A draft scope of work, project schedule, and evaluation criteria, have been developed by the subcommittee.

Ms. zur Nieden presented the item.

The ITOC directed staff to incorporate evaluation of the implementation of bicycle and pedestrian accommodation for projects added to the *TransNet* Program of Projects consistent with SANDAG Board Policy No. 031: *TransNet* Ordinance and Expenditure Plan Rules under Task 5 of the scope of work.

Action: Upon a motion by Ms. Lee, and a second by Mr. Tibbitts, the ITOC reviewed and approved the draft scope of work, project schedule, and evaluation criteria, for inclusion in the Request for Proposals for soliciting a qualified independent consultant to conduct the FY 2018 *TransNet* Triennial Performance Audit, as amended. Yes – Chair Halpern, Vice Chair Fuller, Mr. Barnum, Ms. Lee, Mr. Ramer, and Mr. Tibbitts. No – None. Abstain – None. Absent – Mr. Vortmann.

13. *TransNet* ENVIRONMENTAL MITIGATION PROGRAM LAND MANAGEMENT GRANT PROGRAM: DRAFT PROJECT RANKINGS AND draft FUNDING RECOMMENDATIONS FOR EIGHTH CYCLE OF GRANT FUNDING (DISCUSSION)

Based on a competitive scoring process, the draft project rankings and draft funding recommendations for the eighth cycle of the *TransNet* Environmental Mitigation Program Land Management Grant Program are now available. The SANDAG Board of Directors will be asked to approve the final project rankings and grant awards at its meeting on November 18, 2016. The ITOC was asked to review and discuss the draft project rankings to ensure that the projects recommended for funding are consistent with *TransNet* Extension Ordinance provisions.

Sarah Pierce, Regional Planner II, presented the item.

Action: This item was presented for discussion.

14. QUARTERLY *TransNet* FINANCIAL REPORTS FOR THE PERIOD ENDING JUNE 30, 2016, AND OTHER FINANCIAL DATA (INFORMATION)

Staff provides certain *TransNet* financial information on a quarterly basis in accordance with requests from the ITOC as well as in response to recommendations from the first and second *TransNet* Triennial Performance Audits.

Lisa Kondrat-Dauphin, Senior Accountant, presented the item. In addition, Ms. Kondrat-Dauphin presented an update on the monitoring of local jurisdiction balances.

Action: This item was presented for information.

15. OVERVIEW OF DEVELOPMENTS IN THE FINANCIAL MARKETS (INFORMATION)

Ray Major, Chief Economist, and André Douzdjian, Director of Finance, provided the quarterly briefing intended to keep the ITOC informed about the latest developments in the financial markets, the economy, and sales tax revenues, and the strategies being explored and implemented to minimize possible impacts to the *TransNet* program.

Action: This item was presented for information.

16. FUTURE MEETING SCHEDULE

The next regular ITOC meeting is scheduled for Wednesday, November 9, 2016, at 9:30 a.m.

17. ADJOURNMENT

Chair Halpern adjourned the meeting at 11:14 a.m.



**INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE  
 MEETING ATTENDANCE FOR OCTOBER 12, 2016**

JURISDICTION/ORGANIZATION	NAME	ATTENDING	COMMENTS
Finance/Budgeting	Stewart Halpern	Yes	Chair
Biology/Environmental	Dustin Fuller	Yes	Vice Chair
Contractor/Construction	Brad Barnum	Yes	
Right of Way Acquisition	Carolyn Lee	Yes	
Licensed Engineer	Kai Ramer	Yes	
Licensed Civil/Traffic Engineer	Jonathan Tibbitts	Yes	
Private Sector	Dick Vortmann	No	
ADVISORY MEMBERS LISTED BELOW (ATTENDANCE <b>NOT</b> COUNTED FOR QUORUM PURPOSES)			
San Diego County Auditor's Office	Tracy Drager (1st Alt.)	Yes	
SANDAG STAFF MEMBERS LISTED BELOW			
José A. Nuncio, <i>TransNet</i> Department Director Ariana zur Nieden, Senior <i>TransNet</i> Program Manager Veronica Serrano, Associate Project Control Analyst			

# INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

November 9, 2016

AGENDA ITEM NO.: **3**

**Action Requested: APPROVE**

2017 ITOC MEETING CALENDAR

File Number 1500200

## **Introduction**

The Independent Taxpayer Oversight Committee (ITOC) typically meets every second Wednesday of the month. The proposed meeting dates for calendar year 2017 are shown below. The ITOC is asked to approve the meeting calendar for the upcoming year.

- January 11, 2017
- February 8, 2017
- March 8, 2017
- April 12, 2017
- May 10, 2017
- June 14, 2017
- July 12, 2017
- August 9, 2017
- September 13, 2017
- October 11, 2017
- November 8, 2017
- December 13, 2017

Meeting dates in August and December 2017 are included in the list above; however, typically the ITOC has not held meetings in both of these months. Consistent with prior ITOC direction, agendas and monthly meetings will continue to be managed so that when a potential meeting agenda includes only information items or action items that are not time sensitive, cancelling that meeting and rescheduling those items to the next regular meeting will be considered.

Key Staff Contact: Veronica Serrano, (619) 595-5317, [veronica.serrano@sandag.org](mailto:veronica.serrano@sandag.org)

# INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

November 9, 2016

AGENDA ITEM NO.: **5**

**Action Requested: INFORMATION**

OVERVIEW OF DEVELOPMENTS IN THE FINANCIAL MARKETS

File Number 1500100

## Introduction

Staff provides quarterly briefings intended to keep the Independent Taxpayer Oversight Committee (ITOC) informed about the latest developments in the financial markets, the economy, sales tax revenues, and the strategies being explored and implemented to minimize possible impacts to the *TransNet* program. At the November 9, 2016, ITOC meeting, staff will provide an update on municipal market conditions, the current SANDAG debt portfolio, the economy, and sales tax revenues.

## Discussion

### **Market Review and Update**

#### **Overview**

Throughout 2016, financial markets have been volatile due to economic and political uncertainties. Rates dropped to new record lows in the aftermath of Brexit

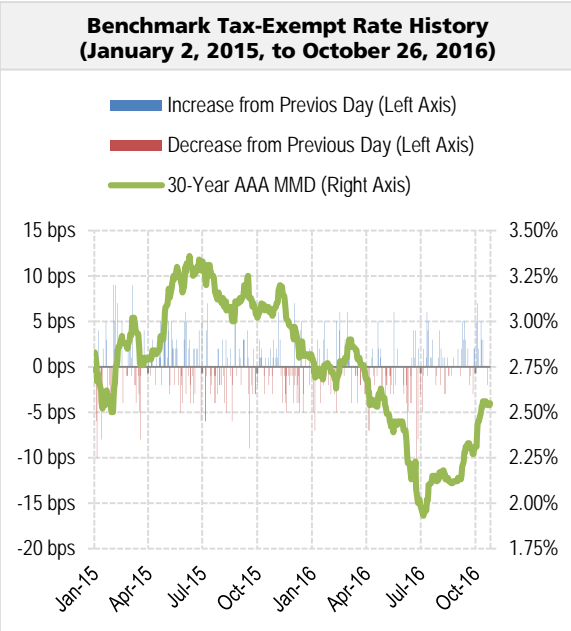
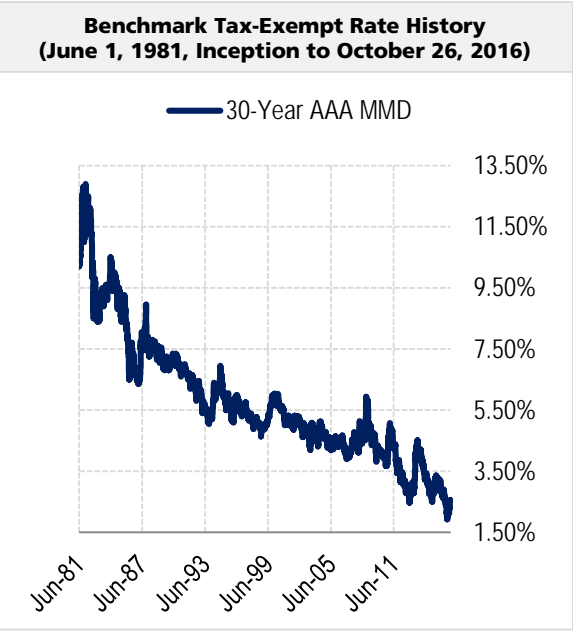
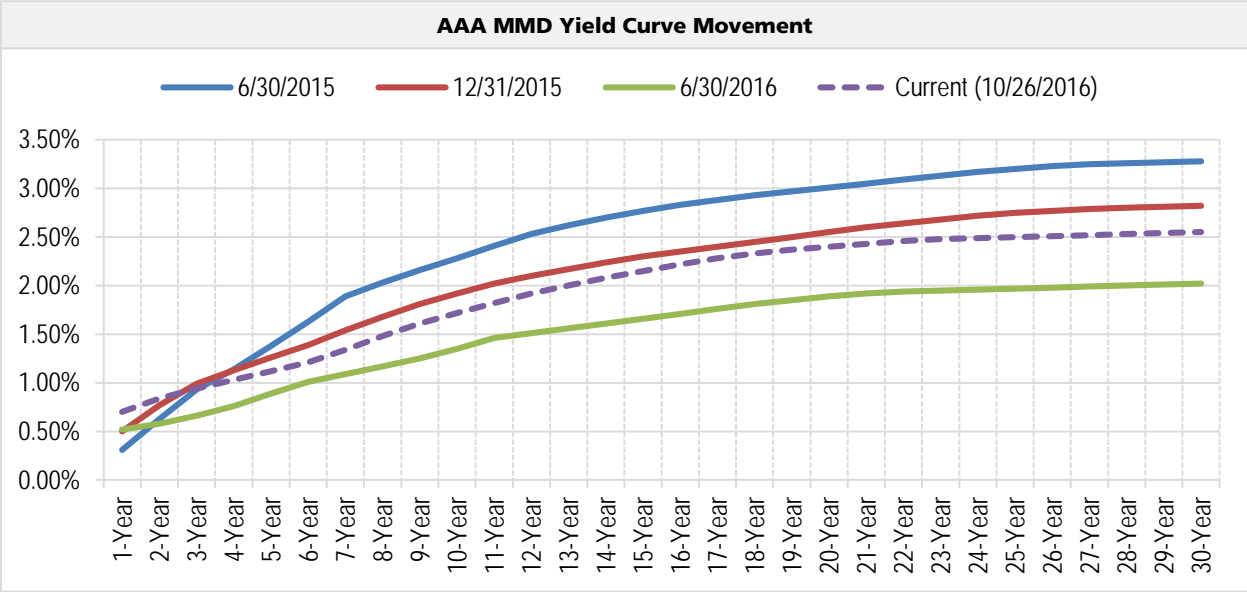
Maturity	AAA MMD Rate Movements					
	9/30/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016	10/26/2016
3-Year	0.79%	0.99%	0.81%	0.66%	0.88%	0.94%
5-Year	1.27%	1.26%	1.07%	0.89%	1.02%	1.12%
10-Year	2.03%	1.92%	1.70%	1.35%	1.51%	1.72%
20-Year	2.80%	2.55%	2.44%	1.89%	2.16%	2.40%
30-Year	3.04%	2.82%	2.69%	2.02%	2.31%	2.55%

(British exit from European Union) as investors began moving from equities to fixed income securities. The volatility that characterized the days immediately following the Brexit referendum gave way to a more stable market as investors concluded that any effects from the vote could take up to two years to be realized. Since then, better-than-expected domestic growth has paved the way for higher rates, but economic difficulties globally continue to restrict rates. In reaction to these challenging economic conditions, a number of central banks ramped up stimulus efforts. The Bank of England instituted a bond buying program and cut its policy rate to 0.25 percent. The European Central Bank launched a similar bond buying program (but later questioned its effectiveness and stalled future efforts pending an investigation). The Bank of Japan decided to keep the target rate for its 10-year bond near zero percent. S&P finished at 2,139.8, 1.3 percent lower compared to the second quarter.

Second quarter U.S. Gross Domestic Product (GDP) growth was revised upward to 1.4 percent, an improvement over the 0.8 percent seen in the first quarter. The labor market remained strong as 575,000 jobs were added from July to September, the most since the first quarter. Despite improvements in GDP and the strong labor market, inflation continued to run below the Federal Open Market Committee's (FOMC) target of 2 percent.

Despite global economic challenges and the uncertainty around the presidential elections, rates have been inching up from the record low levels. Since Brexit the AAA MMD is up by 20 basis points (bps) on the short end and 60 bps on the long end. The increase is mainly attributable to strong and consistent domestic economic growth, characterized by solid job gains, growth in household spending, and an overall increase in economic activity. While rates were not raised at the last FOMC meeting in September, the committee indicated that the case for a rate hike has evidently strengthened and market has already priced in a rate hike for December. Despite this, the rates are still fairly low. The current 30-year AAA MMD is 2.55 percent, down 0.27 percent since the start of the year. This rate has been lower only 1.7 percent of the time since the inception of the index.

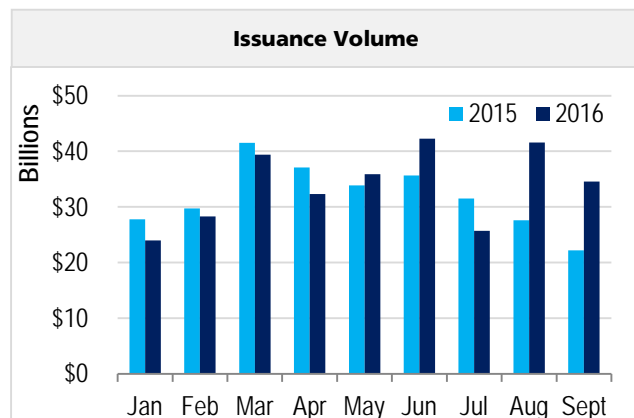
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## Municipal Market Supply<sup>1</sup>

Through September, municipal bond supply was up 5.9 percent to \$303.9 billion in 2016 compared to \$286.9 billion in 2015. Both August and September issuance totals were largest on record. The significantly higher supply resulted in issuers having to offer higher yields with some widening in credit spreads. The rush to market was primarily due to issuers pulling deals forward to avoid uncertainty around the U.S. presidential election in November and a potential Federal rate hike in December. Approximately



41.8 percent is due to refunding existing bonds, while 37.4 percent is from issuing new money bonds. The remainder is attributable to combined new money and refunding transactions. The transportation sector's issuance volume is \$29.7 billion, up 7.8 percent compared to 2015.

## Interest Rate Forecasts

After raising the federal funds target rate at their December 2015 meeting, FOMC officials have voted against raising rates at each of their six meetings in 2016. Inflation remains below the FOMC's target rate of 2 percent and has been a primary factor preventing a rate hike. However, the minutes of the September meeting indicated that several members dissented in favor of a rate hike "relatively soon". With the November meeting scheduled before the presidential elections, decisive action, if any, can only be expected at the December meeting.

The table below provides an average of interest rate forecasts by industry professionals. These are surveyed and compiled by Bloomberg. As noted, the ten-year United States Department of the Treasury (U.S Treasury) rate is forecast to decrease slightly to 1.72 percent by the fourth quarter of calendar year 2016. The 30-year U.S. Treasury is forecast to decrease to 2.47 percent by the fourth quarter of calendar year 2016. The two-year U.S. Treasury is forecasted to increase slightly to 0.9 percent by the fourth quarter of 2016. All these levels are higher than what was forecasted at the time of our last ITOC update. Separate from these forecasts, Bloomberg calculates the probability of the FOMC raising the target Fed Funds Rate based on trading data. Based on the current market data, there's a nearly 72.5 percent chance of a rate hike at the Fed's December 2016 meeting.

The Street's Interest Rate Forecast <sup>2</sup>							
Forecast	10/26/16	Q4 16	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18
<b>30-Year UST</b>	<b>2.54%</b>	2.47%	2.55%	2.68%	2.76%	2.84%	2.99%
<b>10-Year UST</b>	<b>1.79%</b>	1.72%	1.82%	1.92%	2.02%	2.12%	2.34%
<b>2-Year UST</b>	<b>0.87%</b>	0.90%	0.99%	1.12%	1.23%	1.35%	1.56%
<b>3M LIBOR</b>	<b>0.89%</b>	0.94%	1.02%	1.14%	1.24%	1.37%	1.62%

<sup>1</sup> Issuance data from Thomson Reuters

<sup>2</sup> Bloomberg survey compilation as of October 26, 2016

The Street's Interest Rate Forecast <sup>2</sup>							
Forecast	10/26/16	Q4 16	Q1 17	Q2 17	Q3 17	Q4 17	Q1 18
<b>Fed Funds Target Rate Upper Bound</b>	<b>0.50%</b>	0.70%	0.75%	0.90%	1.00%	1.15%	1.30%
<b>Fed Funds Target Rate Lower Bound</b>	<b>0.25%</b>	0.46%	0.51%	0.67%	0.73%	0.89%	1.04%

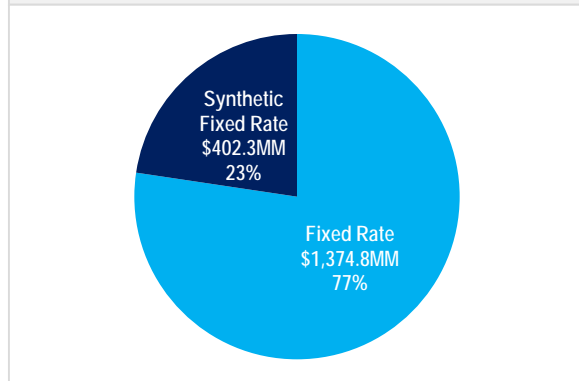
## Debt Portfolio Overview and Update

### Outstanding Debt Overview

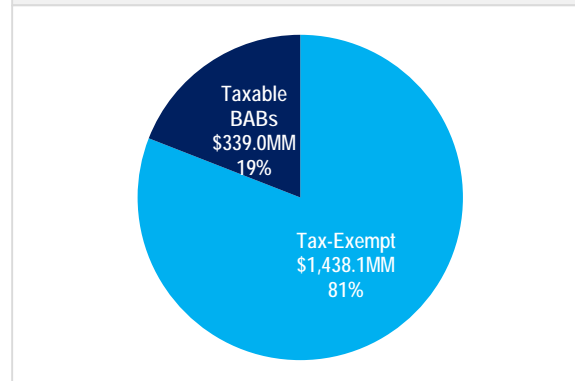
SANDAG has \$1.78 billion of outstanding long-term debt, consisting of the Series 2008 variable-rate bonds, the 2010 Series A taxable Build America Bonds, the 2010 Series B tax-exempt fixed-rate bonds, the 2012 Series A tax-exempt fixed-rate bonds, the 2014 Series A tax-exempt fixed-rate bonds, and the 2016 Series A tax-exempt fixed-rate bonds. Of the total debt portfolio, 23 percent consists of synthetic fixed-rate bonds (variable-rate bonds hedged with fixed-payer interest rate swaps) and the remaining 77 percent are fixed-rate bonds. A summary of the outstanding bonds is tabulated and graphically presented below.

Summary of Outstanding Debt						
Series	Tax Status	Coupon Type	Original Issue Size	Outstanding Par	Call Option	Final Maturity
2008A	Tax-Exempt	Variable-Rate	\$150,000,000	\$100,575,000	Current	4/1/2038
2008B	Tax-Exempt	Variable-Rate	\$150,000,000	\$100,575,000	Current	4/1/2038
2008C	Tax-Exempt	Variable-Rate	\$150,000,000	\$100,575,000	Current	4/1/2038
2008D	Tax-Exempt	Variable-Rate	\$150,000,000	\$100,575,000	Current	4/1/2038
2010A	Taxable BABs	Fixed-Rate	\$338,960,000	\$338,960,000	Make-Whole	4/1/2048
2010B	Tax-Exempt	Fixed-Rate	\$11,040,000	\$7,590,000	4/1/2020	4/1/2030
2012A	Tax-Exempt	Fixed-Rate	\$420,585,000	\$357,695,000	4/1/2022	4/1/2048
2014A	Tax-Exempt	Fixed-Rate	\$350,000,000	\$345,540,000	4/1/2024	4/1/2048
2016A	Tax-Exempt	Fixed-Rate	\$325,000,000	\$325,000,000	4/1/2026	4/1/2048
<b>Total</b>				<b>\$1,777,085,000</b>		

Outstanding Par Breakdown by Fixed and Hedged

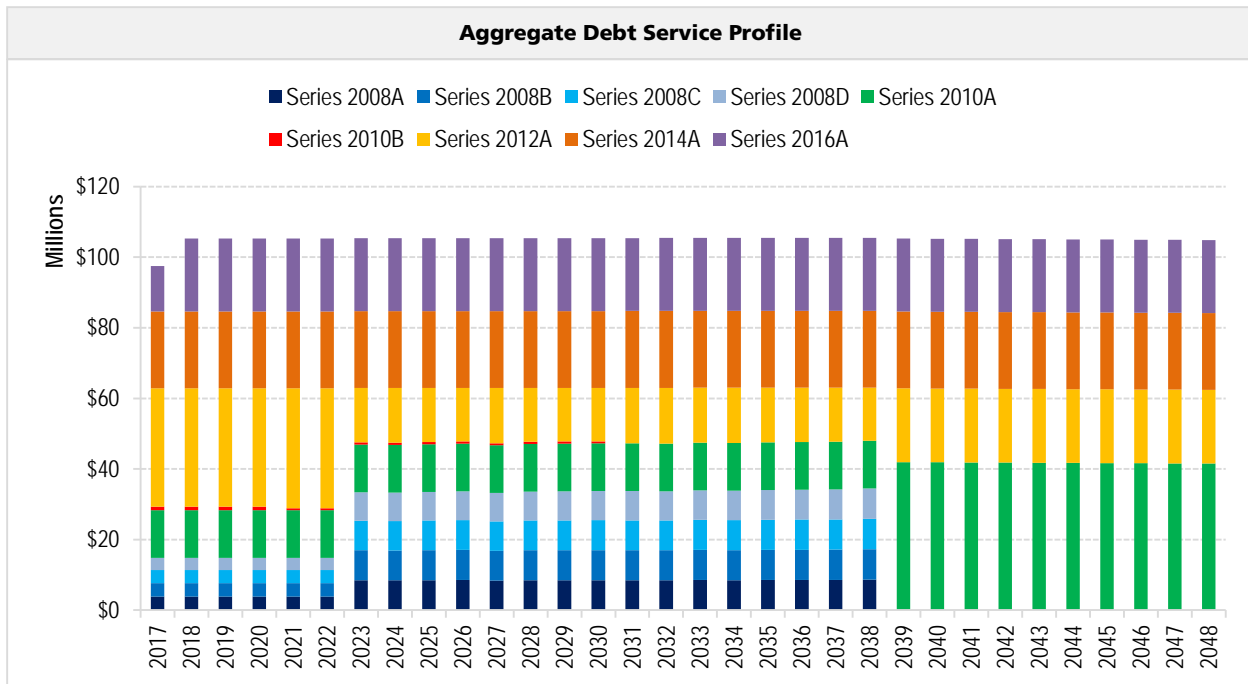


Outstanding Par Breakdown by Tax Status



**Debt Service and Coverage**

As seen in the figure below, SANDAG has an aggregate level debt service profile with approximately \$105.3 million in debt service per year through FY 2048. Debt service coverage, using sales tax receipts of \$276.3 million for the last 12 months ended September 30, 2016, is 2.62 times. For every \$1.00 of debt service, SANDAG received \$2.62 of sales tax revenue providing ample coverage. This high debt service coverage, together with the level annual debt service payment, the fairly conservative debt portfolio, and a well-managed program are critical factors that support the



SANDAG triple-A ratings from Fitch and S&P.

**Recent Variable-Rate Demand Bond and Swap Mark-to-Market Performance**

SANDAG has \$402.3 million of outstanding variable-rate demand bonds (Series 2008 A, B, C, and D), as shown below. These variable-rate demand bonds (VRDBs) are backed by Standby Bond Purchase Agreements (SBPAs) from certain financial institutions. The interest rate on these bonds resets weekly through a remarketing process.

The Securities Industry and Financial Markets Association (SIFMA) Index (the benchmark short-term municipal index) reset to 0.63 percent on October 26, 2016. It is anomalously higher than where it began the year at 0.01 percent. This is due to investors moving dollars out of tax-exempt money market mutual funds in an attempt to comply with new Net Asset Value rules, which became effective in October. Although, it is typically equal to 70 percent of the 1-Month London Interbank Offer Rate (LIBOR), SIFMA spiked to well over 150 percent of the 1-Month LIBOR in the months leading up to October. With the last couple resets in October, SIFMA seems to be reverting to expected levels relative to 1-Month LIBOR. Even with SIFMA increasing, SANDAG VRDBs continue to trade well compared to this benchmark.



<b>SANDAG Series 2008ABCD VRDB Resets Since December 31, 2015</b>					
<b>Series</b>	<b>SBPA Provider</b>	<b>Remarketing Agent</b>	<b>Reset Average</b>	<b>SIFMA Average</b>	<b>Spread to SIFMA</b>
2008A	J.P. Morgan Chase Bank NA	Barclays Capital Inc.	0.36%	0.37%	-1 bps
2008B	J.P. Morgan Chase Bank NA	Goldman Sachs & Company	0.37%	0.37%	0 bps
2008C	Mizuho Corporate Bank	J.P. Morgan Securities LLC	0.37%	0.37%	0 bps
2008D	State Street	Stifel, Nicolaus & Company Inc.	0.37%	0.37%	0 bps

SANDAG also has \$402.3 million of fixed-payer interest rate swaps outstanding, the purpose of which is to hedge the interest rate variability associated with the \$402.3 million of variable-rate bonds. Additionally, SANDAG has \$313.2 million of basis swaps outstanding. Under the basis swaps, which become effective on April 1, 2018, when the existing fixed-payer swaps were originally scheduled to convert from the LIBOR to the SIFMA based indices, SANDAG will pay its counterparty a floating interest rate payment based upon the SIFMA Index and will receive a floating payment based upon 107.4 percent of three-month LIBOR. The market value of the SANDAG swap portfolio changes with interest rate fluctuations. The mark-to-market valuation, as of October 26, 2016, is approximately (\$108,509,533); meaning SANDAG would need to pay approximately \$108.5 million to terminate the entire swap portfolio in the current market. However, the swaps are performing as expected and currently there are no reasons that SANDAG would terminate the swaps. Additionally, SANDAG is not required to post collateral under the swap agreements. On an annual basis and in accordance with SANDAG Board Policy No. 032: San Diego County Regional Transportation Commission Interest Rate Swap Policy, an annual written description of the swaps and an evaluation of the risks associated with outstanding interest rate swaps are presented to the Board of Directors for review.

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Swap Portfolio Overview								
Associated Series	SANDAG Pays	SANDAG Receives	Trade Date	Effective Date	Maturity Date	MTM Value (As of 10/26/16)	Notional Outstanding	Bank Counterparty
Series 2008	3.8165%	65% of USD-LIBOR 'til 04/18; SIFMA Swap Index thereafter	05/23/12	05/23/12	04/01/2038	(\$41,825,408)	\$134,100,000	Bank of America, N.A. (A1/A/A+)
Series 2008	3.8165%	65% of USD-LIBOR 'til 04/18; SIFMA Swap Index thereafter	05/23/12	05/23/12	04/01/2038	(\$41,825,408)	\$134,100,000	Goldman Sachs Mitsui Marine Derivative Products, L.P. (Aa2/AA+)
Series 2008	3.4100%	65% of USD-LIBOR	05/23/12	05/23/12	04/01/2038	(\$40,517,798)	\$134,100,000	Bank of America, N.A. (A1/A/A+)
<b>Total Fixed Payer Swaps</b>						<b>(\$124,168,614)</b>	<b>\$402,300,000</b>	
Series 2008	SIFMA Swap Index	107.4% of 3 Month LIBOR	03/19/09	04/01/18	04/01/2038	\$7,829,541	\$156,600,000	Barclays Bank PLC (A2/A-/A)
Series 2008	SIFMA Swap Index	107.4% of 3 Month LIBOR	03/19/09	04/01/18	04/01/2038	\$7,829,541	\$156,600,000	Barclays Bank PLC (A2/A-/A)
<b>Total Index Conversion Swaps</b>						<b>\$15,659,082</b>	<b>\$313,200,000</b>	
<b>Total Combined</b>						<b>(\$108,509,533)</b>	<b>\$715,500,000</b>	

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## Cost of Capital

SANDAG has a very attractive weighted average cost of capital (WACC) of 3.78 percent. This cost can vary based upon swap performance and the cost of liquidity to support the variable-rate debt.

The 2008A-D bonds with the current swap rate and associated fees provide a cost of capital equal to 4.10 percent. The 2010A bonds were issued as taxable Build America Bonds and have a borrowing cost of 3.89 percent. The 2010B tax-exempt bonds have a borrowing cost of 3.14 percent. The 2012A and 2014A bonds were sold at an all-in cost of 3.72 percent and 3.85 percent, respectively. The most recent Series 2016A bonds were sold at an all-in cost of 3.29 percent. Taken together, SANDAG has issued approximately \$1.89 billion in bonds, to accelerate project delivery, for a weighted average cost of 3.78 percent.

SANDAG's WACC Calculations					
<b>Synthetic Fixed Rate:</b>					
Series	Par Post '12 Refunding	Swap Rate	SBPA Fee	Remarketing Agent Fee	Cost of Capital
2008A	\$100,575,000	3.8165%	0.390%	0.06%	4.2665%
2008B	\$100,575,000	3.8165%	0.390%	0.06%	4.2665%
2008C1	\$67,050,000	3.8165%	0.320%	0.06%	4.1965%
2008C2	\$33,525,000	3.4100%	0.320%	0.06%	3.7900%
2008D	\$100,575,000	3.4100%	0.340%	0.06%	3.8100%
<b>2008 Weighted Avg.</b>					<b>4.1010%</b>
<b>Fixed Rate:</b>					
Series	Original Par	-	-	-	All-in TIC
2010A	\$338,960,000	-	-	-	3.8871%
2010B	\$11,040,000	-	-	-	3.1434%
2012A	\$420,585,000	-	-	-	3.7167%
2014A	\$350,000,000	-	-	-	3.8507%
2016A	\$325,000,000	-	-	-	3.2947%
<b>Total Weighted Avg.</b>					<b>3.7832%</b>

## Commercial Paper

In addition to the long-term debt, SANDAG has a short-term commercial paper program supported by a Letter of Credit from Union Bank. The commercial paper program was authorized at \$100 million and has a current outstanding balance of \$27.2 million as of October 31, 2016. The paper was most recently remarketed out 56 days at a rate of eighty-two basis points. The Letter of Credit expires in September 2017.

## Looking Ahead

SANDAG and its financing team continue to make progress in discussions and preparation of a formal application for a Federal Transportation Infrastructure Finance and Innovation Act (TIFIA) loan to support the Mid-Coast Project. SANDAG provided TIFIA staff with a revised plan in June.

Following its credit committee, TIFIA invited SANDAG to formally apply this fall. SANDAG is working toward finalizing the application. It has met with rating agencies to receive indicative ratings and expects the application to be filed by first week of November. The TIFIA loan is currently expected to be successfully executed in the first or second quarter of 2017.

### ***The Local Economy and Sales Tax Revenues***

The United States economy's growth in 2016 is similar to that of 2015. The nation's total value of goods and services produced, GDP, rose at an annual rate of 0.8 percent during the first quarter of 2016, rising to 1.4 percent in the second quarter, with the estimate of third quarter growth at 2.9 percent. The slow economic growth has forced most forecasters to keep their economic growth estimate for the full year at 2 percent or lower, which would be slightly down from the 2.6 percent growth achieved in 2015.

The slow economic growth has been primarily attributed not to poor domestic conditions, but to troublesome international issues, such as BREXIT and sluggish Euro zone performance, slowing or negative growth in emerging economies, and continued or escalating strife in the Middle East

To achieve a GDP growth rate of 3.25 percent or higher likely requires more jobs in total, more jobs of a higher quality, and more wages than have been produced over this past year. Job growth during 2015 averaged 230,000 new jobs per month, and in 2016 has averaged 180,000 monthly, continuing an unprecedented streak of positive monthly job growth dating back to October of 2010. Nearly 2.4 million jobs were created nationwide during the past 12 months (a growth rate of about 2%). The increase in job production pushed the unemployment rate down to 5.0 percent currently, nearly the same level as before the start of the Great Recession. Recently, the unemployment rate has stabilized even with job growth, as the labor force has increased modestly.

Locally, the increase in jobs has outpaced the improved national rate. The San Diego region recorded 37,000 new payroll jobs in the last 12 months, a rise of 2.4 percent. In addition, the local unemployment rate dropped more than the nation's, falling to 4.7 percent, below the national level. Generally, wage growth has been sluggish to nonexistent during the recovery, but reports in the last several months have indicated that wages are starting to trend upward.

The improved trend for job growth is dampened by lingering concerns about the volatility of economic growth and political stability globally. Additional concerns include weakness in wage growth and the average number of hours worked, but recent signs have been positive, though wage gains since 2008 have primarily accrued to high earners. These trends, combined with the types of jobs (primarily lower-paying) that have been created since the end of the recession, have contributed to keeping real per-capita disposable income almost stagnant for the past decade, and only rising slowly in the past two years. This in turn, has led to weak growth in consumer spending, which makes up more than 70 percent of the economy and is a primary driver of sales tax revenue. While personal consumption expenditures have driven recent GDP gains, private investment and government expenditures have been flat. Additional economic headwinds are expected from the slowing of economic growth globally and in turn, the effect on the trade value of the dollar. Most of the United States' major trading partners continue to experience slower economic growth, including China, Japan, Europe, Mexico, Brazil, and Russia, and in turn, the trade value of the dollar is rising making our goods in these markets more expensive and reducing our exports, which provides a drag on the national economy.

These economic headwinds and volatility, as well as some potential structural changes, are affecting consumer spending habits. Locally, for example, taxable retail sales over the last four quarters (July 2015-June 2016) have increased 2.6 percent which is below the 3.5 percent expected, but also lower than other regions in California. Much of the local slowdown is from the reduction in gas prices and relatively weak auto sales, which are slowing again after robust post-recession recovery. Gas prices have seemed to stabilize at a low level in the last two quarters, and the trend away from brick-and-mortar retail to on-line, as well as reduced cross-border retail activity from the decline in the Mexican Peso have been a drag on local retail sales. In light of the decline in the unemployment rate, increase in labor force, and small uptick in wages since last year, taxable sales could be expected to pick up as consumer confidence and economic status improve.

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# INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

November 9, 2016

AGENDA ITEM NO.: **6**

## Action Requested: **INFORMATION**

QUARTERLY *TransNet* FINANCIAL REPORTS FOR THE PERIOD ENDING  
SEPTEMBER 30, 2016, AND OTHER FINANCIAL DATA

File Number 1500200

### **Introduction**

Staff provides certain *TransNet* financial information on a quarterly basis in accordance with requests from the Independent Taxpayer Oversight Committee (ITOC) as well as in response to recommendations from the first and second *TransNet* Triennial Performance Audits.

### **Discussion**

Recommendation No. 17 of the first *TransNet* Triennial Performance Audit includes the following:

*SANDAG should...report to the ITOC on the status of the debt-to-revenue ratio on a regular basis.*

SANDAG has an aggregate level debt service profile with approximately \$105.3 million in debt service per year through FY 2048. Debt service coverage, using sales tax receipts of \$276.3 million for the last 12 months ended September 30, 2016, is 2.62 times. For every \$1.00 of debt service, SANDAG received \$2.62 of sales tax revenue providing ample coverage. The debt-to-revenue ratio includes the FY 2017 debt service of the 2008 variable-rate demand bonds, the 2010 fixed-rate bonds, the 2012 fixed-rate bonds, the 2014 fixed-rate bonds, and the 2016 fixed-rate bonds.

Recommendation No. 18 of the first *TransNet* Triennial Performance Audit includes the following:

*Other data that would be valuable for the ITOC to receive is the quarterly data related to sales tax revenue collected in the particular quarter, collected to date, and distributed amongst the various Extension Ordinance projects, programs, and entities.*

The *TransNet* Extension Quarterly Report (Attachment 1) provides the sales tax allocation and disbursement information for the quarter ending September 30, 2016.

Recommendation No. 7 of the second *TransNet* Triennial Performance Audit includes the following:

*Replacing the 30 percent fund balance limitation with a more effective measure to monitor performance... where SANDAG and ITOC could observe progress and performance through administrative processes rather than through an audit compliance mechanism.*

At its November 2013 meeting, the ITOC requested minor adjustments to the Local Agency Street and Road balances attachment to assist in monitoring balances and expected use of local agency *TransNet* funds. The Local Agency Street and Road balances schedule (Attachment 2) includes unaudited balances held at SANDAG and the local jurisdictions through September 30, 2016, remaining programming through June 30, 2017 (e.g., balance of programmed funds remaining in the Regional Transportation Improvement Program available for payment in FY 2017), and an analysis of *TransNet* funds spent to date and estimated to be spent through September 30, 2016.

The ITOC also requested that the following additional items be provided on a quarterly basis:

1. *TransNet* Extension estimated annual sales tax revenue as compared to actual receipts (Attachment 3). This report includes a summary of annual sales tax revenue compared to estimated sales tax revenue in 2002 dollars.
2. Annual ITOC operating budget, including future budget projections (Attachment 4).
3. Local Agency Street & Road Maintenance amounts paid to the local agencies (Attachment 5).
4. Committed and actual spent activity of *TransNet* grant programs (Attachment 6).

### ***ITOC Operating Budget***

The ITOC operating budget analysis (Attachment 4) includes the Board of Directors approved FY 2017 budget, along with the actual (unaudited) expenses to date for the three months ending September 30, 2016, and the projected budgets for FY 2018 through FY 2019.

- Attachments:
1. *TransNet* Extension Quarterly Report for FY 2017, First Quarter
  2. Local Agency Street & Road Balances as of September 30, 2016
  3. *TransNet* Extension Estimated Annual Sales Tax Revenue as Compared to Actual Receipts through September 2016
  4. ITOC Operating Budget Analysis
  5. Local Agency Street & Road Maintenance Analysis as of September 30, 2016
  6. *TransNet* Grant Program Balances as of September 30, 2016

Key Staff Contact: Lisa Kondrat-Dauphin, (619) 699-1942, [lisa.kondrat-dauphin@sandag.org](mailto:lisa.kondrat-dauphin@sandag.org)

# TransNet EXTENSION QUARTERLY REPORT

FISCAL YEAR: FY 2017      QUARTER: 1												
PROGRAM & RECIPIENT	TransNet Allocations					Fund Disbursements						
	Sales Tax Allocations			Other Income <sup>1</sup>	Total Allocation	Program Disbursements <sup>2</sup>			Debt Service <sup>3</sup>			Total Disbursements
	This Quarter	FY to Date	Program to Date	Program to Date	Program to Date	This Quarter	FY to Date	Program to Date	This Quarter	FY to Date	Program to Date	Program to Date
SANDAG Admin	\$703,374	\$703,374	\$20,064,483	\$142,302	\$20,206,785	\$(785,000)	\$(785,000)	\$(19,861,548)	\$0	\$0	\$0	\$(19,861,548)
ITOC	\$0	\$0	\$1,730,878	\$22,388	\$1,753,266	\$(48,324)	\$(48,324)	\$(1,521,257)	\$0	\$0	\$0	\$(1,521,257)
Bicycle/Pedestrian/Neighborhood Safety	\$1,406,748	\$1,406,748	\$40,128,966	\$3,647,951	\$43,776,917	\$(975,065)	\$(975,065)	\$(36,421,440)	\$0	\$0	\$0	\$(36,421,440)
Major Corridor Capital Projects	\$25,926,364	\$25,926,364	\$738,919,108	\$(65,359,282)	\$673,559,826	\$(5,033,489)	\$(5,033,489)	\$(1,795,571,877)	\$(60,838,806)	\$(60,838,806)	\$(585,245,569)	\$(2,380,817,446)
Major Corridor Project EMP	\$3,002,000	\$3,002,000	\$85,559,055	\$10,676,135	\$96,235,190	\$(1,176,606)	\$(1,176,606)	\$(205,198,106)	\$(8,916,053)	\$(8,916,053)	\$(136,671,226)	\$(341,869,332)
Local Project EMP	\$1,228,091	\$1,228,091	\$35,001,431	\$891,337	\$35,892,768	\$(457)	\$(457)	\$(8,437,921)	\$0	\$0	\$0	\$(8,437,921)
Smart Growth Incentive Program	\$1,432,773	\$1,432,773	\$40,835,003	\$939,347	\$41,774,350	\$(533)	\$(533)	\$(18,446,401)	\$0	\$0	\$0	\$(18,446,401)
Local Streets and Roads												
City of Carlsbad	\$698,214	\$698,214	\$19,656,400	\$8,162,709	\$27,819,109	\$(258)	\$(258)	\$(10,743,805)	\$0	\$0	\$0	\$(10,743,805)
City of Chula Vista	\$1,446,517	\$1,446,517	\$39,417,974	\$4,196,263	\$43,614,237	\$(393,852)	\$(393,852)	\$(30,838,858)	\$0	\$0	\$0	\$(30,838,858)
City of Coronado	\$144,391	\$144,391	\$4,195,624	\$826,216	\$5,021,840	\$(200,050)	\$(200,050)	\$(3,985,150)	\$0	\$0	\$0	\$(3,985,150)
City of Del Mar	\$49,006	\$49,006	\$1,522,533	\$163,417	\$1,685,950	\$(14)	\$(14)	\$(4,002,273)	\$(49,305)	\$(49,305)	\$(1,097,121)	\$(5,099,394)
City of El Cajon	\$588,831	\$588,831	\$16,803,251	\$2,288,179	\$19,091,430	\$(35,217)	\$(35,217)	\$(15,783,787)	\$0	\$0	\$0	\$(15,783,787)
City of Encinitas	\$401,936	\$401,936	\$11,763,808	\$3,574,839	\$15,338,647	\$(147)	\$(147)	\$(10,340,006)	\$0	\$0	\$0	\$(10,340,006)
City of Escondido	\$865,844	\$865,844	\$24,749,773	\$4,885,814	\$29,635,587	\$(321)	\$(321)	\$(16,757,265)	\$0	\$0	\$0	\$(16,757,265)
City of Imperial Beach	\$169,873	\$169,873	\$5,040,220	\$554,525	\$5,594,745	\$(52,109)	\$(52,109)	\$(5,136,828)	\$0	\$0	\$0	\$(5,136,828)
City of La Mesa	\$381,827	\$381,827	\$10,905,969	\$3,260,938	\$14,166,907	\$(139)	\$(139)	\$(13,535,981)	\$(131,603)	\$(131,603)	\$(2,287,232)	\$(15,823,213)
City of Lemon Grove	\$174,931	\$174,931	\$5,039,961	\$573,242	\$5,613,203	\$(61)	\$(61)	\$(3,594,938)	\$0	\$0	\$0	\$(3,594,938)
City of National City	\$341,831	\$341,831	\$9,809,903	\$1,122,279	\$10,932,182	\$(124)	\$(124)	\$(11,234,535)	\$(94,931)	\$(94,931)	\$(6,905,967)	\$(18,140,502)
City of Oceanside	\$1,118,640	\$1,118,640	\$32,450,568	\$8,416,809	\$40,867,377	\$(416)	\$(416)	\$(28,977,652)	\$0	\$0	\$0	\$(28,977,652)
City of Poway	\$367,088	\$367,088	\$10,745,237	\$1,148,674	\$11,893,911	\$(133)	\$(133)	\$(11,123,243)	\$0	\$0	\$0	\$(11,123,243)
City of San Diego	\$7,897,776	\$7,897,776	\$224,394,761	\$25,054,949	\$249,449,710	\$(2,475,410)	\$(2,475,410)	\$(206,070,848)	\$0	\$0	\$0	\$(206,070,848)
City of San Marcos	\$529,758	\$529,758	\$14,587,834	\$3,002,273	\$17,590,107	\$(194)	\$(194)	\$(22,764,199)	\$(235,842)	\$(235,842)	\$(3,676,095)	\$(26,440,294)
City of Santee	\$355,052	\$355,052	\$10,196,540	\$1,081,882	\$11,278,422	\$(441,129)	\$(441,129)	\$(18,214,872)	\$(241,206)	\$(241,206)	\$(8,301,854)	\$(26,516,726)
City of Solana Beach	\$106,940	\$106,940	\$3,156,787	\$439,261	\$3,596,048	\$(36)	\$(36)	\$(7,184,380)	\$(81,094)	\$(81,094)	\$(1,357,051)	\$(8,541,431)



PROGRAM & RECIPIENT	TransNet Allocations					Fund Disbursements						
	Sales Tax Allocations			Other Income <sup>1</sup>	Total Allocation	Program Disbursements <sup>2</sup>			Debt Service <sup>3</sup>			Total Disbursements
	This Quarter	FY to Date	Program to Date	Program to Date	Program to Date	This Quarter	FY to Date	Program to Date	This Quarter	FY to Date	Program to Date	Program to Date
City of Vista	\$554,637	\$554,637	\$15,978,564	\$3,574,178	\$19,552,742	\$(204)	\$(204)	\$(16,052,319)	\$0	\$0	\$0	\$(16,052,319)
San Diego County	\$3,661,044	\$3,661,044	\$105,440,764	\$13,271,379	\$118,712,143	\$(904,680)	\$(904,680)	\$(108,428,129)	\$(339,438)	\$(339,438)	\$(16,820,748)	\$(125,248,877)
<b>Total Local Streets and Roads</b>	<b>\$19,854,136</b>	<b>\$19,854,136</b>	<b>\$565,856,471</b>	<b>\$85,597,826</b>	<b>\$651,454,297</b>	<b>\$(4,504,494)</b>	<b>\$(4,504,494)</b>	<b>\$(544,769,068)</b>	<b>\$(1,173,419)</b>	<b>\$(1,173,419)</b>	<b>\$(40,446,068)</b>	<b>\$(585,215,136)</b>
Transit Services												
MTS	\$7,750,454	\$7,750,454	\$220,236,508	\$309,501	\$220,546,009	\$(4,864,369)	\$(4,864,369)	\$(217,641,065)	\$0	\$0	\$0	\$(217,641,065)
NCTD	\$3,141,177	\$3,141,177	\$90,182,438	\$143,500	\$90,325,938	\$(3,351,168)	\$(3,351,168)	\$(87,919,328)	\$(33,494)	\$(33,494)	\$(1,089,567)	\$(89,008,895)
Senior Grant Program	\$365,869	\$365,869	\$10,427,510	\$98,147	\$10,525,657	\$(136)	\$(136)	\$(9,445,978)	\$0	\$0	\$0	\$(9,445,978)
<b>Total Transit Services</b>	<b>\$11,257,500</b>	<b>\$11,257,500</b>	<b>\$320,846,456</b>	<b>\$551,148</b>	<b>\$321,397,604</b>	<b>\$(8,215,673)</b>	<b>\$(8,215,673)</b>	<b>\$(315,006,371)</b>	<b>\$(33,494)</b>	<b>\$(33,494)</b>	<b>\$(1,089,567)</b>	<b>\$(316,095,938)</b>
New Major Corridor Transit Operations	\$5,526,409	\$5,526,409	\$157,506,442	\$4,054,654	\$161,561,096	\$261,273	\$261,273	\$(35,403,888)	\$0	\$0	\$0	\$(35,403,888)
<b>TOTAL TRANSNET EXTENSTION</b>	<b>\$70,337,395</b>	<b>\$70,337,395</b>	<b>\$2,006,448,293</b>	<b>\$41,163,806</b>	<b>\$2,047,612,099</b>	<b>\$(20,478,368)</b>	<b>\$(20,478,368)</b>	<b>\$(2,980,637,877)</b>	<b>\$(70,961,772)</b>	<b>\$(70,961,772)</b>	<b>\$(763,452,430)</b>	<b>\$(3,744,090,307)</b>

**Commercial Paper Program Activity**

PROGRAM & RECIPIENT	Commercial Paper Disbursements	
	FY to Date	Program to Date
City of National City	\$0	\$(4,500,000)
City of Santee	\$0	\$(3,950,000)
NCTD	\$0	\$(34,000,000)
City of La Mesa	\$0	\$(2,500,000)
City of Del Mar	\$0	\$(704,000)
Major Corridor Capital Projects	\$0	\$(72,413,679)
Major Corridor Project EMP	\$0	\$(16,052,321)
<b>Total CP Disbursements</b>	<b>\$0</b>	<b>\$(134,120,000)</b>

PROGRAM & RECIPIENT	Commercial Paper Program Availability <sup>6</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
CP Program	\$75,000,000	\$0	\$0	\$75,000,000
NCTD	\$(28,075,000)	\$1,325,000	\$1,325,000	\$(26,750,000)
City of La Mesa	\$(480,000)	\$0	\$0	\$(480,000)
Major Corridor Capital Projects	\$(41,096,679)	\$41,096,679	\$41,096,679	\$0
Major Corridor Project EMP	\$(5,348,321)	\$5,348,321	\$5,348,321	\$0
<b>CP AVAILABLE FOR ISSUANCE</b>	<b>\$0</b>	<b>\$47,770,000</b>	<b>\$47,770,000</b>	<b>\$47,770,000</b>

**Other Activity**

PROGRAM & RECIPIENT	Sales Tax Revenue Transfers for EMP Debt Service Payments			
	Prior Years	This Quarter	FY to Date	Program to Date
Major Corridor Capital Projects	\$(16,868,725)	\$5,754,937	\$5,754,937	\$(11,113,788)
Major Corridor Project EMP	\$16,868,725	\$(5,754,937)	\$(5,754,937)	\$11,113,788
<b>Total Other Activity</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>2008 ABCD Sales Tax Revenue Bond Activity - \$600,000,000</b>				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>4</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
San Diego County	\$16,893,500	\$0	\$0	\$16,893,500
Major Corridor Capital Projects	\$392,721,119	\$0	\$0	\$392,721,119
Major Corridor Project EMP	\$45,517,182	\$0	\$0	\$45,517,182
<i>Total 2008 Bond Disbursement</i>	\$455,131,801	\$0	\$0	\$455,131,801

<b>2010 A Sales Tax Revenue Bond Activity - \$338,960,000</b>				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>5</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
City of San Marcos	\$15,253,815	\$0	\$0	\$15,253,815
City of Solana Beach	\$5,515,065	\$0	\$0	\$5,515,065
Major Corridor Capital Projects	\$276,292,690	\$0	\$0	\$276,292,690
Major Corridor Project EMP	\$43,419,140	\$0	\$0	\$43,419,140
<i>Total 2010 A Bond Disbursement</i>	\$340,480,710	\$0	\$0	\$340,480,710

<b>2010 B Sales Tax Revenue Bond Activity - \$11,040,000</b>				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>5</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
City of National City	\$3,383,956	\$0	\$0	\$3,383,956
City of Santee	\$8,519,844	\$0	\$0	\$8,519,844
<i>Total 2010 B Bond Disbursement</i>	\$11,903,800	\$0	\$0	\$11,903,800

<b>2012 A Sales Tax Revenue Bond Activity - \$420,585,000</b>				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>4,5,6</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
San Diego County	\$6,032,360	\$0	\$0	\$6,032,360
Major Corridor Capital Projects	\$428,890,327	\$0	\$0	\$428,890,327
Major Corridor Project EMP	\$42,366,080	\$0	\$0	\$42,366,080
<i>Total 2012 A Bond</i>	\$477,288,767	\$0	\$0	\$477,288,767

<b>2014 A Sales Tax Revenue Bond Activity - \$350,000,000</b>				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>6</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
City of Del Mar	\$2,717,864	\$0	\$0	\$2,717,864
City of San Marcos	\$1,202,714	\$0	\$0	\$1,202,714
City of Santee	\$2,972,209	\$0	\$0	\$2,972,209
Major Corridor Capital Projects	\$343,784,800	\$0	\$0	\$343,784,800
Major Corridor Project EMP	\$52,233,981	\$0	\$0	\$52,233,981
<i>Total 2014 A Bond Disbursement</i>	\$402,911,568	\$0	\$0	\$402,911,568

<b>2016 A Sales Tax Revenue Bond Activity - \$325,000,000</b>				
PROGRAM & RECIPIENT	Bond Proceeds Disbursements <sup>6</sup>			
	Prior Years	This Quarter	FY to Date	Program to Date
Major Corridor Capital Projects	\$0.00	\$60,947,845.00	\$60,947,845.00	\$60,947,845.00
Major Corridor Project EMP	\$0.00	\$12,839,395.00	\$12,839,395.00	\$12,839,395.00
<i>Total 2016 A Bond Disbursement</i>	\$0.00	\$73,787,240.00	\$73,787,240.00	\$73,787,240.00

FOOTNOTES:

1. Other income includes interest revenue, transfers from TransNet I, other non-sales tax revenue, and the one-time swap of Major Corridor Sales Tax Revenue (to LSI Cities and County) for ARRA funds.
2. Program Disbursements include payments to TransNet recipient agencies and program costs, including payments made for Early Action Projects in prior years, and return of funds.
3. Debt Service includes principal and interest payments, including debt payments beginning in March 2008 upon issuance of the 2008 ABCD Sales Tax Revenue Bonds, and other debt service costs net of interest earnings.
4. 2008 Bond Proceeds have been fully disbursed, net of Reserve Requirement of \$17.1 million. The Program to Date total includes interest earnings. The 2008 Bonds were partially defeased with the issuance of the 2012 Bonds on June 14, 2012, thereby reducing the 2008 Bond Proceed Disbursement.
5. 2010 and 2012 Bond Proceeds have been fully disbursed and the Program to Date includes interest earnings.
6. The 2012 Bond total includes a premium of \$55.8 million, the 2014 Bond total includes a premium of \$55.3 million, and the 2016 Bond total includes a premium of \$78.8 million.

**Local Agency Street & Road Balances**  
**As of September 30, 2016**  
**(in thousands)**

<60%<sup>5</sup><75%<sup>5</sup>

Local Agency	A	B	C	D	E	F	G	H	I	J
	LSI Allocations			Cash Balances Held			Actual % spent (Cumulative)	Remaining Programming FY 17 <sup>3</sup>	Cumulative Estimated Balance available	Anticipated % to be spent at 9/30/16 (Cumulative) <sup>6</sup>
	Cumulative (Actuals) Received Through 09/30/16	FY17 Estimated Allocation Balance net of D/S Costs	Cumulative Disbursed <sup>4</sup>	At SANDAG <sup>1</sup>	At Local Agencies <sup>1</sup>	Cash Balances Total				
City of Carlsbad	\$ 27,819	\$ 2,144	\$ (10,744)	\$ 17,075	\$ 267	\$ 17,342	35.0%	\$ 11,832	\$ 7,387	74.5%
City of Chula Vista	43,614	4,442	(30,839)	12,775	(856)	11,920	66.0%	16,259	958	99.8%
City of Coronado	5,022	443	(3,985)	1,037	165	1,202	69.9%	777	702	84.1%
City of Del Mar <sup>2</sup>	1,686	1	(4,002)	8	5	13	237.0%	1	8	237.0%
City of El Cajon	19,091	1,808	(15,784)	3,308	(827)	2,481	79.5%	3,613	1,503	96.8%
City of Encinitas	15,339	1,234	(10,340)	4,999	194	5,193	61.2%	6,178	54	98.5%
City of Escondido	29,636	2,659	(16,757)	12,878	1,646	14,524	46.8%	13,214	2,323	87.7%
City of Imperial Beach	5,595	521	(5,137)	458	69	527	82.9%	642	337	93.4%
City of La Mesa <sup>2</sup>	14,167	867	(13,536)	844	291	1,135	88.1%	1,682	(267)	99.3%
City of Lemon Grove	5,613	536	(3,595)	2,018	(338)	1,680	64.0%	1,376	1,179	86.3%
City of National City <sup>2</sup>	10,932	764	(11,235)	676	(385)	291	99.3%	937	502	107.4%
City of Oceanside	40,867	3,435	(28,978)	11,890	(985)	10,905	67.6%	9,466	5,859	89.0%
City of Poway	11,894	1,127	(11,123)	771	438	1,209	82.1%	1,672	225	94.9%
City of San Diego	249,450	24,258	(206,071)	43,379	(3,410)	39,968	76.5%	63,138	4,499	99.6%
City of San Marcos <sup>2</sup>	17,590	408	(22,764)	7,599	1,044	8,643	120.7%	4,162	3,844	143.8%
City of Santee <sup>2</sup>	11,278	366	(18,215)	204	85	288	155.7%	569	(1)	160.6%
City of Solana Beach <sup>2</sup>	3,596	84	(7,184)	570	(10)	560	195.5%	181	472	200.4%
City of Vista	19,553	1,703	(16,052)	3,500	(3,075)	426	90.0%	(216)	5,419	89.0%
County of San Diego <sup>2</sup>	118,712	10,295	(108,428)	21,589	1,096	22,685	83.2%	12,967	18,917	93.2%
	\$ 651,453	\$ 57,092	\$ (544,769)	\$ 145,577	\$ (4,584)	\$ 140,993		\$ 148,451	\$ 53,922	

<sup>1</sup> Amounts are unaudited<sup>2</sup> For participants in the SDCRTC Debt Program (bonds or commercial paper) amounts may include interest earned on the unspent proceeds (cash and investment balances) and bond proceeds.<sup>3</sup> Remaining biennial programmed amounts available for drawing during FY 2017 and FY 2018, less negative balances at local agencies.<sup>4</sup> Disbursements include formula-based regular monthly payments to local agencies as requested and may include program costs, debt service payments and payments using debt proceeds.<sup>5</sup> Monitoring threshold. Amounts in **bold** exceeding 100% show estimated percentage spent in excess of available funds that may be due to debt proceeds disbursed and/or programming based on two years of allocations.<sup>6</sup> Results of this column (J) represent the balance remaining if estimated available funds for the fiscal year were spent according to how they have been programmed.

**TransNet Extension Estimated Annual Sales Tax Revenue  
as Compared to Actual Receipts through September 2016**

	Annual		Current Year	Current Year	Annual
	Estimates <sup>1</sup>	Actuals	Actuals vs. Estimates	Actuals vs. Prior Year	Forecast vs. Prior Year <sup>1</sup>
FY 2009	\$ 229,741,846	\$ 221,991,360	-3.37%	-9.07%	-6.00%
FY 2010	199,792,224	204,191,747	2.20%	-8.02%	-10.00%
FY 2011	216,443,252	221,304,015	2.25%	8.38%	6.00%
FY 2012	232,369,215	236,947,112	1.97%	7.07%	5.00%
FY 2013	249,979,204	247,221,161	-1.10%	4.34%	5.50%
FY 2014	262,478,164	260,114,931	-0.90%	5.22%	5.00%
FY 2015	269,965,509	268,840,550	-0.42%	3.35%	4.00%
FY 2016	278,249,968	275,500,023	-0.99%	2.48%	3.50%
FY 2017	287,988,716	<u>70,337,396</u> <sup>2</sup>	-2.15%	1.20% <sup>3</sup>	3.50%
Cumulative		\$ 2,006,448,295			

**The following data is available on a fiscal year basis and has been updated with the June 30, 2016, data:** In 2002 SANDAG estimated that the agency would collect \$14.023 billion (real 2002\$) over the 40 year life of the *TransNet* program that was extended by voters in 2004 and implemented in 2008. Unadjusted for inflation through FY2016 SANDAG has received from the State Board of Equalization \$1.936 billion in sales tax revenue. To determine if SANDAG is on track to collect the initial estimate of sales tax revenue the actual revenue received must be adjusted for the impacts to purchasing power from inflation and the sales tax revenue forecasts made in 2002 must be normalized to the first complete *TransNet* revenue collection year, 2009. Using the San Diego Consumer Price Index from the Bureau of Labor Statistics to adjust both the estimated and actual revenue amounts shows that the actual revenue received in 2002\$ is 11.7% below the estimated amount through FY2016. A majority of this shortfall was the result of the decline in retail sales from the economic impacts of the Great Recession (2007-2009). Although some of the sales tax revenue decline was offset by declines in the prices paid for construction projects, the decline in construction prices was not sufficient to offset all of the fall in sales tax revenue.

	FY 2017		Cumulative:	
	Estimates	FY 2017 Actuals <sup>2</sup>	FY 2017 Actuals vs. FY 2017 Estimates	FY 2017 Actuals vs. Same Period of FY 2016
July	\$ 19,439,238	\$ 18,897,500	-2.79%	1.16%
August	25,832,588	25,196,600	-2.60%	1.72%
September	26,610,157	26,243,296	-2.15%	1.20%
October	19,842,423			
November	26,466,163			
December	27,186,135			
January	20,821,584			
February	27,733,313			
March	24,479,041			
April	18,344,881			
May	24,450,242			
June	26,782,951			
	<u>\$ 287,988,716</u> <sup>1</sup>	<u>\$ 70,337,396</u>		

<sup>1</sup>Latest SANDAG Board of Directors approved estimate.

<sup>2</sup>Reflects actual year-to-date cash receipts through September 2016.

<sup>3</sup>Percentage of increase of FY 2017 as compared to FY 2016.

**ITOC Operating Budget Analysis  
FY 2017 Approved Budget and Actual Expenses  
for the Three Months Ending September 30, 2016  
and Projected Budgets for FY 2018 and FY 2019**

	FY 2017			Projected <sup>2</sup>	
	Budget	Actual <sup>4</sup>	Variance	FY 2018 Budget	FY 2019 Budget
<b>Revenues</b>					
Annual <i>TransNet</i> Allocation <sup>1</sup>	\$ -	\$ -	\$ -	\$ 412,054	\$ 422,483
Carryover <i>TransNet</i> Revenue - budgeted	127,385	127,385	-	-	-
Total Revenues	<u>127,385</u>	<u>127,385</u>	<u>-</u>	<u>412,054</u>	<u>422,483</u>
<b>Expenses</b>					
Annual Fiscal Audits <sup>3</sup>	103,632	14,373	(89,259)	105,704	107,818
Triennial Performance Audit <sup>3</sup>	-	-	-	271,222	-
Mileage	1,625	-	(1,625)	1,667	1,709
Advertisement	1,442	-	(1,442)	1,479	1,516
Postage/Delivery	186	-	(186)	191	196
Reserve for Outside Consulting Services <sup>5</sup>	20,500	-	(20,500)	21,033	21,559
Total Expenses	<u>127,385</u>	<u>14,373</u>	<u>(113,012)</u>	<u>401,298</u>	<u>132,798</u>
<b>Net Difference</b>	-	113,012	113,012 <sup>6</sup>	10,756	289,685
<b>Other Available Funds:</b>					
Carryover <i>TransNet</i> Revenue - unbudgeted	\$130,559			\$130,559	\$141,315
Cumulative Interest Revenue - unbudgeted	<u>\$22,508</u>			<u>22,508</u>	<u>22,508</u>
End of Year	<u>\$ 153,067</u>			<u>\$163,823</u>	<u>\$ 453,508</u>

## Notes:

<sup>1</sup>Annual budget is \$250,000 in 2002 dollars escalated annually by the Consumer Price Index (CPI).

<sup>2</sup>Projected FY 2018 budget is escalated by 2.5% & FY 2019 budget is escalated by 2.6%.

<sup>3</sup>Projected annual fiscal audit budgets are based on the negotiated rates included in the current agreement for independent certified public accounting services entered into in FY 2013. Projected triennial performance audit budget based on most recent audit cost escalated by 3%.

<sup>4</sup>Amounts are unaudited.

<sup>5</sup>Reserve started at \$20,000 in FY 2013 with CPI adjustment each subsequent year.

<sup>6</sup>Remaining (audited) balance will carry forward and be added to Other Available Funds.

**Local Agency Street & Road (LSI)  
Maintenance (30% LSI Funding) Analysis  
Cumulative SANDAG Activity  
As of September 30, 2016<sup>1</sup>  
(in thousands)**

	A	B	C	D	E	F
			= A + B		= C + D	
	LSI: Maintenance					
	<i>TransNet</i> Funds Allocated at September 30, 2016	Other Funds Allocated at September 30, 2016 <sup>2</sup>	Total Funds Allocated at September 30, 2016	Expended at September 30, 2016 <sup>3</sup>	Total Balance at September 30, 2016	Cash Balances Available at September 30, 2016 <sup>4,5</sup>
City of Carlsbad	\$ 5,897	\$ 2,431	\$ 8,328	\$ (294)	\$ 8,033	\$ 8,033
City of Chula Vista	11,825	1,246	13,072	(6,916)	6,156	6,156
City of Coronado	1,259	241	1,500	(71)	1,429	<b>1,037</b>
City of Del Mar	457	48	505	(395)	110	<b>8</b>
City of El Cajon	5,041	678	5,719	(3,163)	2,556	2,556
City of Encinitas	3,529	1,060	4,589	(1,184)	3,404	3,404
City of Escondido	7,425	1,471	8,896	(7,590)	1,305	1,305
City of Imperial Beach	1,512	165	1,677	(1,629)	49	49
City of La Mesa	3,272	979	4,250	(2,642)	1,608	<b>844</b>
City of Lemon Grove	1,512	172	1,684	(1,299)	384	384
City of National City	2,943	319	3,262	(2)	3,260	<b>676</b>
City of Oceanside	9,735	2,533	12,268	(7,686)	4,582	4,582
City of Poway	3,224	342	3,566	(3,431)	135	135
City of San Diego	67,318	7,651	74,968	(72,727)	2,242	2,242
City of San Marcos	4,376	895	5,271	(3,940)	1,331	1,331
City of Santee	3,059	315	3,374	(2,461)	913	<b>204</b>
City of Solana Beach	947	129	1,075	(145)	930	<b>570</b>
City of Vista	4,794	1,085	5,879	(5,076)	803	803
San Diego County	31,632	3,730	35,362	(2,682)	32,680	<b>21,589</b>
Totals	\$ 169,757	\$ 25,490	\$ 195,245	\$ (123,333)	\$ 71,911	\$ 55,909

<sup>1</sup> Unaudited

<sup>2</sup> Other Funds may include *TransNet* I funds carried over to the *TransNet* Extension Program, Interest earnings, and ARRA swap.

<sup>3</sup> Expended Funds include payments made to local jurisdictions and Program Costs.

<sup>4</sup> Maintenance activity is tracked to ensure no more than 30% of funds will be cumulatively spent; however payment to local jurisdictions for Maintenance projects may not exceed both the Total Maintenance Balance (Column E) and available Cash (Column F).

<sup>5</sup> As noted in **bold**, amounts in Column F are less than Column E when the local agency is programming and spending more than 70% LSI on Congestion Relief projects.

**TransNet Grant Program Balances  
As of September 30, 2016**

	A	B	C	D	E = C - D
	Revenue Received				
	Total Revenue Received	Non-Grant (Regional) Revenue	Awarded Grant Revenue	Grantee Expenditures <sup>1</sup>	Unspent Grant Commitment
Active Transportation Grant Program (ATGP - Bike/Ped) <sup>2,3</sup>	\$43,746,911	\$24,244,641	\$ 19,502,270	\$ 9,551,911	\$ 9,950,359
Smart Growth Incentive Program (SGIP) <sup>4</sup>	\$41,743,586	n/a	30,810,532	18,000,993	12,809,539
Local Environmental Mitigation Program <sup>5</sup>	\$35,866,456	23,054,045	12,812,411	11,273,960	1,538,451
Senior Mini-Grant Program <sup>7</sup>	\$10,517,800	n/a	11,657,576	9,178,115	2,479,461

<sup>1</sup> Amounts may include estimated accruals for the period ending September 30, 2016.

<sup>2</sup> Includes awarded ATGP Cycles 1, 2, and 2A (FY 2010-2012). Cycle 3 of the ATGP was funded with TDA funds.

<sup>3</sup> TransNet 2% (Bike/Ped) revenue allocation is used toward regional bike projects in addition to ATGP Grants.

<sup>4</sup> Includes awarded SGIP Cycles 1, 2, and 3 (FY 2009-2016). Awarded Grant Revenue includes \$12 million (Cycle 3) for projects approved in July 2015 which have not yet incurred expenditures.

<sup>5</sup> Local Environmental Mitigation Program revenues are used toward grant and non-grant projects. Includes awarded EMP Land Management Grants (FY 2006-2016). Land Acquisition Grants from Cycle 1 (FY 2014) are funded from Major Corridor EMP and are therefore not included in this report.

<sup>6</sup> Local EMP non-grant projects and expenditures are funded with sales tax revenue while regional projects may also receive bond proceed funding.

<sup>7</sup> Includes awarded Senior Mini-Grant Cycles 1, 2, 3 and 4.

<sup>8</sup> Awarded Grant Revenue (Column C) includes the full FY 2016 and FY 2017 allocations whereas Column A represents Total Revenues Received through September 30, 2016.

# INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE

November 9, 2016

AGENDA ITEM NO.: **8**

**Action Requested: INFORMATION**

*TransNet* DASHBOARD OVERVIEW

File Number 1200100

## **Introduction**

A critical tool in the delivery of the *TransNet* Extension Ordinance has been the development of an online program management tool which provides up-to-date information on transportation projects under way in the San Diego region funded by the *TransNet* half-cent sales tax. The *TransNet* Dashboard is a key element of the larger, comprehensive Keep San Diego Moving website ([KeepSanDiegoMoving.com](http://KeepSanDiegoMoving.com)), which provides detailed information on the *TransNet* Early Action Program.

The *TransNet* Dashboard was developed with significant input from the Independent Taxpayer Oversight Committee (ITOC), particularly on the format of the reports and the definitions to be used in tracking the status of various projects. The *TransNet* Dashboard reports are intended to comply with the *TransNet* Extension Ordinance requirement to provide the ITOC with quarterly reports on the status of each of the *TransNet*-funded major corridor projects.

Key components of the *TransNet* Dashboard include providing:

- accountability with San Diego County taxpayers that the projects approved in the *TransNet* Extension Ordinance are being delivered in an efficient manner;
- meaningful program information to stakeholders;
- tools for project managers to effectively manage data; and
- ability to report seamlessly at the program, corridor, and segment levels.

## **Discussion**

Staff will provide an overview of the *TransNet* Dashboard reporting system, a history of implementation and developmental enhancements, and its current functionality and usage statistics.

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