



Agenda Item No. (7)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of August 27, 2020

From: Jennifer Mennucci, Director of Budget and Electronic Revenue
Joseph M. Wire, Auditor-Controller
Denis J. Mulligan, General Manager

Subject: **STATUS REPORT ON THE FY 20/21 BUDGET**

Recommendation

There is an informational report and requires no action.

Summary

Attached is a tracking report of the FY 20/21 projected budget shortfall. The tracking document shows how the District is increasing revenues and decreasing expenses to balance the FY 20/21 budget. Items Number 9 and Number 10 are new projections displayed in detail in the last pages of the report. The tracking report will be updated each month until no longer needed.

Traditionally the 10-year financial projections are performed in September of the Fiscal Year. Given the Fiscal Year has started out unpredictable for long term trends, staff is going to look at performing the 10-year projections early calendar year 2021 when the fiscal trend is more established.

Fiscal Impact

There is no fiscal impact associated with this document, it is for informational purposes only.

Attachments: A. FY 20/21 Budget Tracking Report
B. FY 20/21 Bus Monthly Projections
C. FY 20/21 Ferry Monthly Projections

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<u>Description</u>	<u>Annualized Value</u>	<u>Change Compared to FY20/21 Budget</u>	<u>Cumulative Change VS. \$87 M Needed to Balance FY 20/21 Budget</u>
AMOUNT NEEDED TO BALANCE PROPOSED FY 20/21 BUDGET			\$98,200,000
Adopted FY 20/21 Toll Recovery Rate Adjustment	\$11,000,000	\$11,000,000	\$87,200,000
AMOUNT NEEDED TO BALANCE ADOPTED FY 20/21 BUDGET			\$87,200,000
Implemented Changes to Reduce Expenses or Increase Revenues			
1 Transit Funding Revenue Carry Over from spending CARES Act funds in FY 19/20	\$28,283,665	\$28,283,665	\$58,916,335
2 Delay Filling Most Vacancies (salaries and benefits)	\$3,984,000	\$3,984,000	\$54,932,335
3 Switch Non-Represented Employees to CalPERS health care plans	\$343,000	\$172,000	\$54,760,335
4 No COLA for Non-Representative Employees (3%)	\$709,000	\$0	\$54,760,335
5 July Bus Service Change (full year estimate)	\$8,671,000	\$8,671,000	\$46,089,335
6 Current Ferry Service (full year estimate)	\$6,820,000	\$6,820,000	\$39,269,335
7 Closure of Bridge visiting areas (Bridge Division OT)	\$224,000	\$224,000	\$39,045,335
8 Adopted FY 20/21 Total Tolls vs Actual FY 20/21 Budget		\$0	\$39,045,335
9 Projected FY 20/21 Total Bus Fares vs Adopted FY 20/21 Budget		\$ (3,197,400)	\$42,242,735
10 Projected FY 20/21 Total Ferry Fares vs Adopted FY 20/21 Budget		\$ (6,192,900)	\$48,435,635

NOTE: The amounts may change due to updated information and any change resulting in less than \$250,000 annually will not be reflected.

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Bus Recovery Rates

Updated Bus Recovery Rate

	July	August	September	October	November	December
Recovery Rate	16%	18%	20%	22%	22%	22%
Projected Bus Ridership	41,730	50,178	52,537	59,173	51,434	48,413
Projected Bus Revenue	\$227,400	\$273,400	\$286,300	\$322,400	\$280,200	\$263,800
	January	February	March	April	May	June
Recovery Rate	22%	22%	24%	26%	28%	30%
Projected Bus Ridership	54,565	48,328	60,094	67,748	73,061	73,654
Projected Bus Revenue	\$297,300	\$263,300	\$327,400	\$369,100	\$398,100	\$401,300

Original Bus Recovery Rate

	July	August	September	October	November	December
Recovery Rate	20%	30%	37%	41%	43%	43%
Projected Bus Ridership	52,163	83,630	97,193	110,276	100,530	94,626
Projected Bus Revenue	\$284,200	\$455,700	\$529,600	\$600,800	\$547,800	\$515,500
	January	February	March	April	May	June
Recovery Rate	43%	45%	48%	50%	53%	55%
Projected Bus Ridership	106,650	98,852	120,188	130,284	138,294	135,032
Projected Bus Revenue	\$581,100	\$538,600	\$654,900	\$709,900	\$753,500	\$735,800

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Ferry Recovery Rates

Updated Ferry Recovery Rate

	July	August	September	October	November	December
Recovery Rate	2%	3%	4%	5%	6%	6%
Projected Ferry Ridership	4,829	7,339	8,362	10,867	10,247	9,396
Projected Ferry Revenue	\$40,800	\$62,000	\$70,600	\$91,500	\$86,200	\$79,000
	January	February	March	April	May	June
Recovery Rate	6%	6%	7%	9%	12%	15%
Projected Ferry Ridership	10,718	8,777	12,908	18,225	23,640	30,914
Projected Ferry Revenue	\$89,800	\$73,600	\$108,400	\$153,400	\$198,800	\$260,500

Original Ferry Recovery Rate

	July	August	September	October	November	December
Recovery Rate	10%	22%	34%	42%	42%	42%
Projected Ferry Ridership	24,146	53,822	71,081	91,284	71,731	65,769
Projected Ferry Revenue	\$204,200	\$455,000	\$600,100	\$768,600	\$603,200	\$552,900
	January	February	March	April	May	June
Recovery Rate	42%	42%	44%	47%	49%	51%
Projected Ferry Ridership	75,025	61,441	81,136	95,177	96,532	105,109
Projected Ferry Revenue	\$628,900	\$514,900	\$681,300	\$800,800	\$811,600	\$885,800

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