



Agenda Item No. (8)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of December 17, 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

This 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. The tracking report will be updated each month until no longer needed.

The report has sub-categories in some of the activities. In addition, the report records the actual monthly difference in bridge patronage and transit ridership recovery rates. That data is summarized in Attachment B.

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 Bridge, Bus, & 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
	<u>Implemented Changes to Reduce Expenses or Increase Revenues</u>			
1	Transit Funding Revenue Carry Over from spending CARES Act funds in FY 19/20	\$23,225,000	\$23,225,000	\$63,975,000
2	Delay Filling Most Staffing Vacancies (salaries and benefits)	\$3,984,000	\$3,984,000	\$59,991,000
3	Switch Non-Represented Employees and Painters to CalPERS health care plans*	\$343,000	\$172,000	\$59,819,000
4	No COLA for Non-Representative Employees (3%)	\$709,000	\$0	\$59,819,000
5	Bus Division Service Changes	\$11,365,000	\$10,370,000	\$49,449,000
5A	July Bus Service Change	\$8,671,000	\$8,310,000	
5B	September Bus Service Change (additional changes from July Service Changes)	\$1,823,000	\$1,443,000	
5C	October Bus Service Change (additional changes from July and Sept Service Changes)	\$871,000	\$617,000	
6	Ferry Division Service Changes	\$6,820,000	\$6,820,000	\$42,629,000
6A	Current Ferry Service Changes	\$6,820,000	\$6,820,000	
7	Bridge Division Savings	\$4,361,000	\$4,361,000	\$38,268,000
7A	Closure of Bridge Visiting Areas (Bridge Division OT)	\$224,000	\$224,000	
7B	Bridge Division Savings Due to Projected Lower Debt Interest	\$2,200,000	\$2,200,000	
7C	FasTrak Expenses Due to Lower Projected Transaction Volume	\$1,937,000	\$1,937,000	
8	Projected VS Budget TDA/STA/RM2 Operating Subsidies	(\$1,100,000)	(\$1,100,000)	\$39,368,000
9	Updated Transit Ridership Recovery Rate Projection	(\$9,390,000)	(\$9,390,000)	\$48,758,000
9A	Projected FY 20/21 Total Bus Fares vs Adopted FY 20/21 Budget	(\$3,197,000)	(\$3,197,000)	
9B	Projected FY 20/21 Total Ferry Fares vs Adopted FY 20/21 Budget	(\$6,193,000)	(\$6,193,000)	
10	Tolls and Transit Fares -- FY 20/21 Budget VS Actual Revenues (through October 31, 2020)*	\$3,693,000	\$1,231,000	\$47,527,000
10A	Adopted FY 20/21 Total Tolls vs Actual FY 20/21	\$4,128,000	\$1,376,000	
10B	Projected FY 20/21 Total Bus Fares vs Actual FY 20/21	(\$396,000)	(\$132,000)	
10C	Projected FY 20/21 Total Ferry Fares vs Actual FY 20/21	(\$39,000)	(\$13,000)	
11	Layoff Due to the Financial Impact of COVID-19	\$23,028,000	\$11,514,000	\$36,013,000
11A	Bus Division	\$17,178,000	\$8,589,000	
11B	Ferry Division	\$5,010,000	\$2,505,000	
11C	District Division	\$840,000	\$420,000	
12	Severance Due to COVID-19 Layoffs	(\$2,100,000)	(\$2,100,000)	\$38,113,000
13	Management and Board Furlough	\$ 418,000	\$ 418,000	\$37,695,000
14	Legal Services 10% Reduction	\$ 215,000	\$ 215,000	\$37,480,000

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

*Savings estimate does not include any unspent HRA funds associated with the current High Deductible Health Care Plans that sunset December 31, 2020.

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Bridge Recovery Rates

Current Bridge Recovery Rate

	July	August	September	October	November	December
Recovery Rate	58%	63%	66%	69%	70%	70%
Actual Rate	64%	65%	63%	68%		
Projected Bridge SB Traffic	980,742	1,088,786	1,091,418	1,163,855	1,069,563	1,064,616
Actual Bridge SB Traffic	1,078,655	1,119,346	1,046,347	1,144,440		
Projected Bridge Revenue	\$7,676,800	\$8,522,500	\$8,543,100	\$9,110,100	\$8,372,000	\$8,333,300
Actual Bridge Revenue	<u>\$8,369,697</u>	<u>\$9,044,391</u>	<u>\$8,349,936</u>	<u>\$9,464,188</u>		
Increase (Decrease)	\$692,897	\$521,891	(\$193,164)	\$354,088		
	January	February	March	April	May	June
Recovery Rate	70%	70%	72%	75%	79%	85%
Actual Rate						
Projected Bridge SB Traffic	1,063,344	961,959	1,158,095	1,200,894	1,321,090	1,399,466
Actual Bridge SB Traffic						
Projected Bridge Revenue	\$8,323,300	\$7,529,700	\$9,065,000	\$9,400,000	\$10,340,800	\$10,954,300
Actual Bridge Revenue						
Increase (Decrease)						

Bus Recovery Rates

Current Bus Recovery Rate

	July	August	September	October	November	December
Recovery Rate	16%	18%	20%	22%	22%	22%
Actual Rate	22%	20%	21%	21%		
Projected Bus Ridership	41,730	50,178	52,537	59,173	51,434	48,413
Actual Bus Ridership	56,326	55,660	51,144	57,323		
Projected Bus Revenue	\$227,400	\$273,400	\$286,300	\$322,400	\$280,200	\$263,800
Actual Bus Revenue	<u>\$305,094</u>	<u>\$242,283</u>	<u>\$162,848</u>	<u>\$267,756</u>		
Increase (Decrease)	\$ 77,694	(\$31,117)	(\$123,452)	(\$54,644)		
	January	February	March	April	May	June
Recovery Rate	22%	22%	24%	26%	28%	30%
Actual Rate						
Projected Bus Ridership	54,565	48,328	60,094	67,748	73,061	73,654
Actual Bus Ridership						
Projected Bus Revenue	\$297,300	\$263,300	\$327,400	\$369,100	\$398,100	\$401,300
Actual Bus Revenue						
Increase (Decrease)						

Ferry Recovery Rates

Current Ferry Recovery Rate

	July	August	September	October	November	December
Recovery Rate	2%	3%	4%	5%	6%	6%
Actual Rate	2.5%	2%	3%	3%		
Projected Ferry Ridership	4,829	7,339	8,362	10,867	10,247	9,396
Actual Ferry Ridership	6,051	5,765	6,141	7,243		
Projected Ferry Revenue	\$40,800	\$62,000	\$70,600	\$91,500	\$86,200	\$79,000
Actual Ferry Revenue	<u>\$93,894</u>	<u>\$44,447</u>	<u>\$44,041</u>	<u>\$69,718</u>		
Increase (Decrease)	\$53,094	(\$17,553)	(\$26,559)	(\$21,782)		
	January	February	March	April	May	June
Recovery Rate	6%	6%	7%	9%	12%	15%
Actual Rate						
Projected Ferry Ridership	10,718	8,777	12,908	18,225	23,640	30,914
Actual Ferry Ridership						
Projected Ferry Revenue	\$89,800	\$73,600	\$108,400	\$153,400	\$198,800	\$260,500
Actual Ferry Revenue						
Increase (Decrease)						

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