



Agenda Item No. (7)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of January 21, 2021

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.

Please note for this month's report that the recovery rates now incorporate six month of actual results and the final six months of the fiscal year have been updated based on those actuals. In addition, the FY 19/20 carry over category has been updated to reflect audited actuals that resulted in lower expenses which increased the toll carry over for FY 19/20.

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	FY 19/20 Carry Over Funds*	\$26,249,000	\$26,249,000	\$60,951,000
1A	FY 19/20 Toll Subsidy Available Due to CARES Funding in FY 19/20	\$18,532,000	\$18,532,000	
1B	FY 19/20 Remaining CARES Act Funding	\$7,717,000	\$7,717,000	
2	Delay Filling Most Staffing Vacancies (salaries and benefits)	\$3,984,000	\$3,984,000	\$56,967,000
3	Switch Non-Represented Employees and Painters to CalPERS health care plans**	\$343,000	\$172,000	\$56,795,000
4	No COLA for Non-Representative Employees (3%)	\$709,000	\$0	\$56,795,000
5	Bus Division Service Changes	\$11,365,000	\$10,370,000	\$46,425,000
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	\$39,605,000
6A	Current Ferry Service Changes	\$6,820,000	\$6,820,000	
7	Bridge Division Savings	\$4,361,000	\$4,361,000	\$35,244,000
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)	\$36,344,000
9	Updated Transit Ridership Recovery Projection***	(\$10,554,000)	(\$10,554,000)	\$46,898,000
9A	Updated Projected FY 20/21 Total Bus Fares vs Adopted FY 20/21 Budget	(\$3,914,000)	(\$3,914,000)	
9B	Updated Projected FY 20/21 Total Ferry Fares vs Adopted FY 20/21 Budget	(\$6,640,000)	(\$6,640,000)	
10	Updated Toll Revenue Recovery Projection***	(\$168,000)	(\$168,000)	\$47,066,000
11	Tolls and Transit Fares -- FY 20/21 Updated Projection VS Actual Revenues (through December 31, 2020)	\$0	\$0	\$47,066,000
11A	Updated Projected FY 20/21 Total Tolls vs Actual FY 20/21	\$0	\$0	
11B	Updated Projected FY 20/21 Total Bus Fares vs Actual FY 20/21	\$0	\$0	
11C	Updated Projected FY 20/21 Total Toll Revenues vs Actual FY 20/21	\$0	\$0	
NOTE: The amounts may change due to updated information and any change resulting in less than \$250,000 annually will not be reflected.				
* Note that unrealized investment market gains or losses in the FY 19/20 carry over is not included.				
**Savings estimate does not include any unspent HRA funds associated with the current High Deductible Health Care Plans that sunset December 31, 2020.				
***Projection methodology updated to reflect 6 month actuals.				

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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	63%	64%	62%	67%	68%	63%
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	1,049,531	973,226
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>\$9,464,190</u>	<u>\$8,894,672</u>	<u>\$7,913,605</u>
Increase (Decrease)	\$692,897	\$521,891	(\$193,164)	\$354,090	\$522,672	(\$419,695)
	January	February	March	April	May	June
Updated Recovery Rate	65%	66%	67%	68%	69%	70%
Actual Rate						
Updated Projected Bridge SB Traffic	1,002,427	990,267	1,121,932	1,133,529	1,201,253	1,199,836
Actual Bridge SB Traffic						
Updated Projected Bridge Revenue	\$8,135,762	\$8,037,070	\$9,105,672	\$9,199,788	\$9,749,446	\$9,737,940
Actual Bridge Revenue						
Increase (Decrease)						

January – June 2021 Projected Recovery Rates, Ridership, and Revenue updated

Bus Recovery Rates**Current Bus Recovery Rate**

	July	August	September	October	November	December
Recovery Rate	16%	18%	20%	22%	22%	22%
Actual Rate	21%	20%	21%	21%	23%	18%
Projected Bus Ridership	41,730	50,178	52,537	59,173	51,434	48,413
Actual Bus Ridership	56,326	55,660	55,273	57,323	54,811	40,474
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>\$162,849</u>	<u>\$267,755</u>	<u>\$219,361</u>	<u>\$201,540</u>
Increase (Decrease)	\$ 77,694	(\$31,117)	(\$123,451)	(\$54,645)	(\$60,839)	(\$62,260)
	January	February	March	April	May	June
Updated Recovery Rate	22%	23%	23%	24%	25%	25%
Actual Rate						
Updated Projected Bus Ridership	55,116	53,913	59,676	64,801	67,595	63,601
Actual Bus Ridership						
Updated Projected Bus Revenue	\$241,041	\$235,778	\$260,982	\$283,396	\$295,616	\$278,147
Actual Bus Revenue						
Increase (Decrease)						

January – June 2021 Projected Recovery Rates, Ridership, and Revenue updated

Ferry Recovery Rates

Current Ferry Recovery Rate

	July	August	September	October	November	December
Recovery Rate	2%	3%	4%	5%	6%	6%
Actual Rate	2%	2%	3%	3%	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	5,957	4,279
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>\$44,043</u>	<u>\$69,717</u>	<u>\$50,493</u>	<u>\$35,117</u>
Increase (Decrease)	\$53,094	(\$17,553)	(\$26,557)	(\$21,783)	(\$35,707)	(\$43,883)
	January	February	March	April	May	June
Updated Recovery Rate	3%	3%	3%	4%	6%	8%
Actual Rate						
Updated Projected Ferry Ridership	5,443	5,298	5,721	8,617	12,596	17,884
Actual Ferry Ridership						
Updated Projected Ferry Revenue	\$51,874	\$50,489	\$54,519	\$82,126	\$120,041	\$170,437
Actual Ferry Revenue						
Increase (Decrease)						

January – June 2021 Projected Recovery Rates, Ridership, and Revenue updated

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