Agenda Item No. (9)

To:       Finance-Auditing Committee/Committee of the Whole  
          Meeting of April 22, 2021

From:     Jennifer Menucci, 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 the new changes included in this month’s report are the following:

1. Addition of a graphical breakdown by revenue and expense category for FY 21/22 proposed budget included in Attachment C.

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  
               C. Transit Funding & Expense Comparison
<table>
<thead>
<tr>
<th>Description</th>
<th>Annualized Value</th>
<th>Change Compared to FY20/21 Budget</th>
<th>Cumulative Change VS. $87 M Needed to Balance FY20/21 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMOUNT NEEDED TO BALANCE PROPOSED FY 20/21 BUDGET</td>
<td></td>
<td></td>
<td>$98,200,000</td>
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<tr>
<td>Adopted FY 20/21 Toll Recovery Rate Adjustment</td>
<td>$11,000,000</td>
<td>$11,000,000</td>
<td>$87,200,000</td>
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<tr>
<td>AMOUNT NEEDED TO BALANCE ADOPTED FY 20/21 BUDGET</td>
<td></td>
<td></td>
<td>$87,200,000</td>
</tr>
</tbody>
</table>

**Implemented Changes to Reduce Expenses or Increase Revenues**

1. **FY 19/20 Carry Over Funds***
   - $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. **FY 20/21 CRRSAA “first tranche”**
   - $20,320,000
   - $40,631,000

3. **Delay Filling Most Staffing Vacancies (salaries and benefits)**
   - $3,984,000
   - $36,647,000

4. **Switch Non-Represented Employees and Painters to CalPERS health care plans**
   - $343,000
   - $36,475,000

5. **No COLA for Non-Represented Employees (3%)**
   - $709,000
   - $36,475,000

6. **Bus Division Service Changes**
   - $12,868,000
   - $24,602,000

6A. **July Bus Service Change**
   - $8,671,000
   - $8,310,000

6B. **September Bus Service Change (additional changes from July Service Changes)**
   - $1,823,000
   - $1,443,000

6C. **October Bus Service Change (additional changes from July and Sept Service Changes)**
   - $871,000
   - $617,000

6D. **Change in Operating Expenses Due to Projected Lower Ridership**
   - $1,503,000
   - $1,503,000

7. **Ferry Division Service Changes**
   - $8,420,000
   - $16,182,000

7A. **Current Ferry Service Changes**
   - $6,820,000
   - $6,820,000

7B. **Change in Operating Expenses Due to Projected Lower Ridership**
   - $1,600,000
   - $1,600,000

8. **Bridge Division Savings**
   - $4,461,000
   - $11,721,000

8A. **Closure of Bridge Visiting Areas (Bridge Division OT)**
   - $224,000
   - $224,000

8B. **Bridge Division Savings Due to Projected Lower Debt Interest**
   - $2,200,000
   - $2,200,000

8C. **Change in Operating Expenses Due to Lower Projected Traffic Volume**
   - $2,037,000
   - $2,037,000

9. **Updated MTC (Jan 2021) Projected VS Budget TDA/STA/RM2 Operating Subsidies**
   - $2,607,000
   - $9,114,000

10. **Updated Transit Ridership Recovery Projection***
    - ($10,566,000)
    - $19,680,000

10A. **Updated Projected FY 20/21 Total Bus Fares vs Adopted FY 20/21 Budget**
     - ($3,917,000)
     - ($3,917,000)

10B. **Updated Projected FY 20/21 Total Ferry Fares vs Adopted FY 20/21 Budget**
     - ($6,649,000)
     - ($6,649,000)

11. **Updated Toll Revenue Recovery Projection***
    - ($422,000)
    - $20,102,000

12. **Tolls and Transit Fares -- FY 20/21 Updated Projection VS Actual Revenues (through March 31, 2021)**
    - ($2,478,400)
    - $22,580,400

12A. **Updated Projected FY 20/21 Total Tolls vs Actual FY 20/21**
     - ($2,302,300)
     - ($2,302,300)

12B. **Updated Projected FY 20/21 Total Bus Fares vs Actual FY 20/21**
     - ($135,300)
     - ($135,300)

12C. **Updated Projected FY 20/21 Total Ferry Fares vs Actual FY 20/21**
     - ($422,000)
     - ($422,000)

13. **Second Tranche CRRSAA Funding***
    - $39,429,500
    - $22,580,400
    - $0

**PROJECTED SHORTFALL**

$0

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**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 are 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.

****Remaining second tranche CRRSAA balance will be carried over to FY 21/22.

^ March toll revenues are understated due to a technical issue creating a lag time in toll processing.
## Bridge Current Projected Recovery Rates

### Current Bridge Recovery Rate

<table>
<thead>
<tr>
<th></th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recovery Rate</td>
<td>58%</td>
<td>63%</td>
<td>66%</td>
<td>69%</td>
<td>70%</td>
<td>70%</td>
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<tr>
<td>Actual Rate</td>
<td>63%</td>
<td>64%</td>
<td>62%</td>
<td>67%</td>
<td>68%</td>
<td>63%</td>
</tr>
<tr>
<td>Projected Bridge SB Traffic</td>
<td>980,742</td>
<td>1,088,786</td>
<td>1,091,418</td>
<td>1,163,855</td>
<td>1,069,563</td>
<td>1,064,616</td>
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<tr>
<td>Actual Bridge SB Traffic</td>
<td>1,078,655</td>
<td>1,119,346</td>
<td>1,046,347</td>
<td>1,144,440</td>
<td>1,049,531</td>
<td>973,226</td>
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<tr>
<td>Projected Bridge Revenue</td>
<td>$7,676,800</td>
<td>$8,522,500</td>
<td>$8,543,100</td>
<td>$9,110,100</td>
<td>$8,372,000</td>
<td>$8,333,300</td>
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<tr>
<td>Actual Bridge Revenue</td>
<td>$8,369,697</td>
<td>$9,044,391</td>
<td>$8,349,936</td>
<td>$9,464,190</td>
<td>$8,894,672</td>
<td>$7,913,605</td>
</tr>
<tr>
<td>Increase (Decrease)</td>
<td>$692,897</td>
<td>$521,891</td>
<td>($193,164)</td>
<td>$354,090</td>
<td>$522,672</td>
<td>($419,695)</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>January</th>
<th>February *</th>
<th>March *</th>
<th>April</th>
<th>May</th>
<th>June</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recovery Rate</td>
<td>65%</td>
<td>66%</td>
<td>67%</td>
<td>68%</td>
<td>69%</td>
<td>70%</td>
</tr>
<tr>
<td>Actual Rate</td>
<td>62%</td>
<td>69%</td>
<td>70%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Projected Bridge SB Traffic</td>
<td>1,017,277</td>
<td>944,241</td>
<td>1,121,932</td>
<td>1,133,529</td>
<td>1,201,253</td>
<td>1,199,836</td>
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<tr>
<td>Actual Bridge SB Traffic</td>
<td>965,695</td>
<td>984,248</td>
<td>1,177,590</td>
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<tr>
<td>Projected Bridge Revenue</td>
<td>$8,256,285</td>
<td>$7,663,517</td>
<td>$9,105,672</td>
<td>$9,199,788</td>
<td>$9,749,446</td>
<td>$9,737,940</td>
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<tr>
<td>Actual Bridge Revenue</td>
<td>$7,987,939</td>
<td>$7,360,449</td>
<td>$7,374,790</td>
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<tr>
<td>Increase (Decrease)</td>
<td>($268,346)</td>
<td>($303,068)</td>
<td>($1,730,882)</td>
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</tr>
</tbody>
</table>

**Note:**

* - Toll revenue for February and March is understated due to toll processing delay.
### Bus Current Projected Recovery Rates

#### Current Bus Recovery Rate

<table>
<thead>
<tr>
<th></th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recovery Rate</td>
<td>16%</td>
<td>18%</td>
<td>20%</td>
<td>22%</td>
<td>22%</td>
<td>22%</td>
</tr>
<tr>
<td>Actual Rate</td>
<td>21%</td>
<td>20%</td>
<td>21%</td>
<td>21%</td>
<td>23%</td>
<td>18%</td>
</tr>
<tr>
<td>Projected Bus Ridership</td>
<td>41,730</td>
<td>50,178</td>
<td>52,537</td>
<td>59,173</td>
<td>51,434</td>
<td>48,413</td>
</tr>
<tr>
<td>Actual Bus Ridership</td>
<td>56,326</td>
<td>55,660</td>
<td>55,273</td>
<td>57,323</td>
<td>54,811</td>
<td>40,474</td>
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<tr>
<td>Projected Bus Revenue</td>
<td>$227,400</td>
<td>$273,400</td>
<td>$286,300</td>
<td>$322,400</td>
<td>$280,200</td>
<td>$263,800</td>
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<tr>
<td>Actual Bus Revenue</td>
<td>$305,094</td>
<td>$242,283</td>
<td>$162,849</td>
<td>$267,755</td>
<td>$219,361</td>
<td>$201,540</td>
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<tr>
<td>Increase (Decrease)</td>
<td>$ 77,694</td>
<td>($31,117)</td>
<td>($123,451)</td>
<td>($54,645)</td>
<td>($60,839)</td>
<td>($62,260)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recovery Rate</td>
<td>22%</td>
<td>23%</td>
<td>23%</td>
<td>24%</td>
<td>25%</td>
<td>25%</td>
</tr>
<tr>
<td>Actual Rate</td>
<td>13%</td>
<td>19%</td>
<td>20%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Projected Bus Ridership</td>
<td>55,928</td>
<td>52,354</td>
<td>59,676</td>
<td>64,801</td>
<td>67,595</td>
<td>63,601</td>
</tr>
<tr>
<td>Actual Bus Ridership</td>
<td>33,663</td>
<td>43,050</td>
<td>52,674</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Projected Bus Revenue</td>
<td>$244,593</td>
<td>$228,961</td>
<td>$260,982</td>
<td>$283,396</td>
<td>$295,616</td>
<td>$278,147</td>
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<tr>
<td>Actual Bus Revenue</td>
<td>$149,856</td>
<td>$190,593</td>
<td>$258,801</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Increase (Decrease)</td>
<td>($94,737)</td>
<td>($38,368)</td>
<td>($2,181)</td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
### Ferry Current Projected Recovery Rates

#### Current Ferry Recovery Rate

<table>
<thead>
<tr>
<th>Recovery Rate</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual Rate</td>
<td>2%</td>
<td>3%</td>
<td>4%</td>
<td>5%</td>
<td>6%</td>
<td>6%</td>
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</table>

<table>
<thead>
<tr>
<th>Projected Ferry Ridership</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual Ferry Ridership</td>
<td>5,233</td>
<td>4,524</td>
<td>5,721</td>
<td>8,617</td>
<td>12,596</td>
<td>17,884</td>
</tr>
</tbody>
</table>

| Projected Ferry Revenue   | $49,872 | $43,112 | $54,519 | $82,126 | $120,041 | $170,437 |
| Actual Ferry Revenue      | $26,700 | $37,836 | $42,186 |         |         |        |

| Increase (Decrease)       | ($23,172) | ($5,276) | ($12,333) |       |       |      |

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Attachment C – Transit Funding & Expense Comparison

Transit Revenue & Expense by Fiscal Year

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Revenue</th>
<th>Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY17/18</td>
<td>$132.7</td>
<td>$132.7</td>
</tr>
<tr>
<td>FY18/19</td>
<td>$141.3</td>
<td>$141.3</td>
</tr>
<tr>
<td>FY19/20</td>
<td>$139.1</td>
<td>$139.1</td>
</tr>
<tr>
<td>FY20/21 (Estimated)</td>
<td>$126.9</td>
<td>$126.9</td>
</tr>
<tr>
<td>FY21/22 (Proposed Budget)</td>
<td>$97.7</td>
<td>$146.1</td>
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</table>

Transit Revenue & Expense by Month, July - December 2020

<table>
<thead>
<tr>
<th>Month</th>
<th>Revenue</th>
<th>Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jul Actual</td>
<td>$10.0</td>
<td>$10.0</td>
</tr>
<tr>
<td>Aug Actual</td>
<td>$10.3</td>
<td>$10.3</td>
</tr>
<tr>
<td>Sep Actual</td>
<td>$11.1</td>
<td>$11.1</td>
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<tr>
<td>Oct Actual</td>
<td>$9.7</td>
<td>$9.7</td>
</tr>
<tr>
<td>Nov Actual</td>
<td>$11.3</td>
<td>$11.3</td>
</tr>
<tr>
<td>Dec Actual</td>
<td>$9.6</td>
<td>$9.6</td>
</tr>
</tbody>
</table>
Transit Revenue & Expense by Month, January - June 2021

Revenue
- CRRSAA I
- CRRSAA II
- Fares
- Other Revenue

Expense
- Employees - Salaries/Benefits
- Services - Professional Services, Maintenance services, Insurance
- Facilities and Materials - Fuel, Supplies, Materials, Capital Contribution, Facilities, Other

Jan Actual
- CRRSAA I: $10.4
- CRRSAA II: $10.4
- Fares: $7.7
- Other Revenue: $2

Feb Actual
- CRRSAA I: $10.3
- CRRSAA II: $10.3
- Fares: $7.7
- Other Revenue: $2

Mar Actual
- CRRSAA I: $10.3
- CRRSAA II:
- Fares: $7.7
- Other Revenue: $2

Apr Projected
- CRRSAA I:
- CRRSAA II:
- Fares:
- Other Revenue:

May Projected
- CRRSAA I:
- CRRSAA II:
- Fares:
- Other Revenue:

Jun Projected
- CRRSAA I:
- CRRSAA II:
- Fares:
- Other Revenue: