

Agenda Item No. (4)(a)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of June 24, 2021

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

Subject: **AUTHORIZE BUDGET ADJUSTMENT(S) AND/OR TRANSFER(S)**
(a) **AUTHORIZE BUDGET TRANSFERS AND ADJUSTMENTS TO
THE FY 20/21 OPERATING BUDGET**

Recommendation

The Finance-Auditing Committee recommends that the Board of Directors authorize operating budget transfers of \$450,000, or 0.2%, of total FY 20/21 Operating Budget Expenses as detailed in Attachment A, but summarized below:

INTRADIVISION TRANSFERS

	TO	
FROM	Bridge	Bus
Bridge	\$150,000	
Bus		\$300,000

1. The Bridge Division will transfer \$150,000 between budget categories in the Bridge Division.
2. The Bus Division will transfer \$300,000 between budget categories in the Bus Division.
3. There is no cross division transfer between divisions. Each Division is anticipated to maintain their operation within its own Division budget.

This matter will be presented to the Board of Directors at its meeting on June 25, 2021 for appropriate action.

Any additional transfers necessary at the end of the fiscal year will be adjusted as needed per the authority requested as part of the annual Board approval of the FY 20/21 Budget.

Summary

In accordance with Golden Gate Bridge, Highway and Transportation District (District) policy, budget transfers greater than \$50,000 made across different Divisions, or across different line items within the same Division, are subject to Board approval.

This item transfers funds in order to comply with the budget and the District's policies. There are no net additional expenses added to the District's FY 20/21 Operating Budget.

In order to be in compliance, there are three categories of increased expense in the operating budget that must be addressed. These three categories are: 1) Fringe Benefits; 2) Leases & Rentals; and, 3) Depreciation.

There are a few major reasons for the transfers this fiscal year. They are as follows:

1. The Bridge Division, as a whole is anticipated to end the year under budget, but needs to transfer funds in one category within its own Division Budget to comply with District policy. The reason for the transfer is as follows:
 - a. Fringe Benefits primarily due to an unanticipated increase of prior year workers compensation claims.
2. The Bus Division, as a whole is anticipated to end the year under budget, but needs to transfer funds in the Leases & Rentals and Depreciation categories within its own Division Budget to comply with District policy. The reason for the transfer in each area is as follows:
 - a. Leases & Rentals primarily due to an increase in lease rental for the Salesforce Transit Center; an increase in Lease-All Other in leased vehicles.
 - b. Depreciation primarily due to the capitalization of the purchase of paratransit vans.

Fiscal Impact

There is no fiscal impact associated with this action for FY 20/21. The budget transfers, totaling \$450,000, will not result in a net increase in the operating budget for the agency.

Attachment A: Proposed Budget Adjustments FY 20/21

ATTACHMENT A
PROPOSED BUDGET ADJUSTMENTS FY 20/21

BRIDGE DIVISION	BRIDGE	BUS	FERRY	DISTRICT	TOTAL
Bridge – Fringe Benefits	\$150,000				\$150,000
Bridge – Professional Services	(\$150,000)				(\$150,000)
TOTAL NET CONTRIBUTION	\$0	\$0	\$0	\$0	\$0

BUS DIVISION	BRIDGE	BUS	FERRY	DISTRICT	TOTAL
Bus – Fuel & Related Taxes		(\$300,000)			(\$300,000)
Bus – Leases & Rentals		\$150,000			\$150,000
Bus - Depreciation		\$150,000			\$150,000
TOTAL NET CONTRIBUTION	\$0	\$0	\$0	\$0	\$0

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