



Agenda Item No. (9)

To: Finance-Auditing Committee/Committee of the Whole
Meeting of June 22, 2023

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 22/23 BUDGET**

Recommendation

This is an informational report and requires no action.

Summary

Attached is a tracking report of the efforts to balance the FY 22/23 budget. The tracking document shows how the District is using one-time federal COVID relief funds and managing its expenses to balance the FY 22/23 budget. The tracking report will be updated each month until no longer needed.

Please note in this month’s report are the following:

1. Monthly revenue data for actuals is current through May 31, 2023.
2. The remaining balance of the “Second Tranche” of ARP and a portion of the “Third Tranche” will be used to fund FY 22/23. The remaining balance of the “Third Tranche” will be used in FY 23/24 and future fiscal years. Updated Graph to reflect change in expenses and the usage of one-time federal funding and FY 22/23 Adopted Budget.

The report also records the actual monthly difference in bridge patronage and transit ridership recovery rates. The data is summarized in Attachment B.

The Proposed Budget for FY 23/24 projects that actual expenses in this year (FY22/23) will be less that expected due to lower customer demand for transit service. The receipt of one-time Federal funding mentioned above coupled with the lower that budgeted transit expense will enable the transfer to reserve of approximately \$30 million in current year toll revenue.

Fiscal Impact

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

- Attachments: A. FY 22/23 Budget Tracking Report
B. FY 22/23 Bridge, Bus, & Ferry Monthly Projections
C. Transit Funding & Expense Comparison

Attachment A

	<u>Description</u>	<u>Annualized Value</u>	<u>Change Compared to FY22/23 Budget</u>	<u>Cumulative Change VS. \$75 M Needed to Balance FY 22/23 Budget</u>
	AMOUNT NEEDED TO BALANCE ADOPTED FY 22/23 BUDGET			(\$75,073,600)
	<i>Implemented Changes to Reduce Expenses or Increase Revenues</i>			
1	FY 22/23 ARP "second tranche" approved by MTC on October 27th, 2021*	\$43,838,300	\$43,838,300	(\$31,235,300)
2	FY 22/23 ARP "third tranche" allocated by the FTA on March 23, 2022*	\$17,387,100	\$17,387,100	(\$13,848,200)
3	Tolls and Transit Fares -- FY 22/23 Budget VS Actual Revenues (through May 31, 2023)	\$ 13,848,200	\$13,848,200	\$0
3A	Adopted Budget FY 22/23 Total Tolls vs Actual FY 22/23	\$ 6,837,200	\$ 6,837,200	
3B	Adopted Budget FY 22/23 Total Bus Fares vs Actual FY 22/23	\$ 2,054,300	\$ 2,054,300	
3C	Adopted Budget FY 22/23 Total Ferry Fares vs Actual FY 22/23	\$ 4,956,700	\$ 4,956,700	
CURRENT BALANCE DIFFERENCE				\$0

* MTC allocated \$43,855,200 for ARP II and FTA allocated \$75 million in ARP III funding. Spent \$16,900 of ARP II in FY 21/22. The remaining balance of ARP II (\$43,838,300) and a portion of ARP III will be used to fund FY 22/23. The remaining balance of ARP III will be used in FY 23/24 and future fiscal years.

Bridge Current Projected Recovery Rates

Current Bridge Recovery Rate

	July	August	September	October	November	December
Recovery Rate	84%	81%	82%	81%	88%	86%
Actual Rate	80%	83%	84%	83%	85%	83%
Projected Bridge SB Traffic	1,442,600	1,427,838	1,372,163	1,388,094	1,362,140	1,334,868
Actual Bridge SB Traffic	1,379,116	1,456,006	1,409,294	1,419,700	1,319,036	1,274,482
Projected Bridge Revenue	\$12,269,317	\$12,143,758	\$11,670,246	\$11,805,739	\$11,585,001	\$11,353,049
Actual Bridge Revenue	<u>\$12,051,411</u>	<u>\$12,765,299</u>	<u>\$12,815,323</u>	<u>\$12,238,069</u>	<u>\$12,150,046</u>	<u>\$11,353,053</u>
Increase (Decrease)	\$(217,906)	\$621,541	\$1,145,077	\$432,330	\$565,045	\$4
	January	February	March	April	May	June
Recovery Rate	75%	79%	80%	81%	84%	85%
Actual Rate	76%	83%	81%	84%	85%	
Projected Bridge SB Traffic	1,180,436	1,135,428	1,334,209	1,351,609	1,458,075	1,462,109
Actual Bridge SB Traffic	1,195,666	1,187,067	1,360,415	1,403,141	1,479,378	
Projected Bridge Revenue	\$10,039,605	\$9,656,819	\$11,347,452	\$11,495,431	\$12,400,927	\$12,435,240
Actual Bridge Revenue	<u>\$11,276,473</u>	<u>\$10,753,353</u>	<u>\$11,595,875</u>	<u>\$12,773,465</u>	<u>\$12,832,221</u>	
Increase (Decrease)	\$1,236,868	\$1,096,534	\$248,423	\$1,278,034	\$431,294	

Bus Current Projected Recovery Rates

Current Bus Recovery Rate

	July	August	September	October	November	December
Recovery Rate	32%	30%	32%	32%	36%	35%
Actual Rate	41%	43%	43%	42%	43%	41%
Projected Bus Ridership	84,795	83,198	84,498	86,601	84,510	78,742
Actual Bus Ridership	109,093	121,184	115,109	115,324	102,624	91,699
Projected Bus Revenue	\$429,100	\$421,000	\$427,600	\$438,200	\$427,600	\$398,400
Actual Bus Revenue	<u>\$606,324</u>	<u>\$681,813</u>	<u>\$632,140</u>	<u>\$635,300</u>	<u>\$535,815</u>	<u>\$423,715</u>
Increase (Decrease)	\$177,224	\$260,813	\$204,540	\$197,100	\$108,215	\$25,315
	January	February	March	April	May	June
Recovery Rate	27%	28%	30%	30%	30%	33%
Actual Rate	38%	43%	42%	41%	44%	
Projected Bus Ridership	67,861	63,852	77,584	80,691	82,419	82,767
Actual Bus Ridership	97,628	97,499	109,892	111,240	118,241	
Projected Bus Revenue	\$343,400	\$323,100	\$392,600	\$408,300	\$417,000	\$418,800
Actual Bus Revenue	<u>\$511,989*</u>	<u>\$533,582*</u>	<u>\$674,280</u>	<u>\$604,580</u>	<u>\$641,103</u>	
Increase (Decrease)	\$168,589	\$210,482	\$281,680	\$196,280	\$224,103	

* Accounting adjustment to January and February Bus Fare revenues

Ferry Current Projected Recovery Rates

Current Ferry Recovery Rate

	July	August	September	October	November	December
Recovery Rate	25%	17%	20%	19%	21%	21%
Actual Rate	49%	48%	50%	44%	44%	37%
Projected Ferry Ridership	63,352	44,569	44,496	41,911	35,751	34,028
Actual Ferry Ridership	121,856	123,908	108,920	97,834	76,211	59,954
Projected Ferry Revenue	\$594,800	\$418,500	\$417,800	\$393,500	\$335,700	\$319,500
Actual Ferry Revenue	<u>\$1,217,231</u>	<u>\$1,148,306</u>	<u>\$1,021,315</u>	<u>\$866,526</u>	<u>\$683,265</u>	<u>\$476,638</u>
Increase (Decrease)	\$622,431	\$729,806	\$603,515	\$473,026	347,565	\$157,138
	January	February	March	April	May	June
Recovery Rate	18%	23%	23%	23%	27%	29%
Actual Rate	32%	46%	40%	52%	57%	
Projected Ferry Ridership	32,014	34,145	42,982	50,209	57,670	63,805
Actual Ferry Ridership	56,560	69,248	76,711	111,130	120,396	
Projected Ferry Revenue	\$300,600	\$320,600	\$403,600	\$471,400	\$541,500	\$599,100
Actual Ferry Revenue	<u>\$386,702</u>	<u>\$647,737</u>	<u>\$607,397</u>	<u>\$1,301,590</u>	<u>\$1,117,450</u>	
Increase (Decrease)	\$86,102	\$327,137	\$203,797	\$830,190	\$575,950	

Attachment C – Transit Funding & Expense Comparison

