



Agenda Item No. (10)

To: Finance-Auditing Committee/Committee of the Whole  
Meeting of May 20, 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 the new changes included in this month's report are the following:

1. Estimation for year-end CRRSAA second tranche
2. Estimation for year-end savings
3. Monthly data for actuals is current through March, and April data will be incorporated next month

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

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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
	<b>AMOUNT NEEDED TO BALANCE ADOPTED FY 20/21 BUDGET</b>			<b>\$87,200,000</b>
	<b><u>Implemented Changes to Reduce Expenses or Increase Revenues</u></b>			
1	<b>FY 19/20 Carry Over Funds*</b>	<b>\$26,249,000</b>	<b>\$26,249,000</b>	<b>\$60,951,000</b>
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	<b>FY 20/21 CRRSAA "first tranche"</b>	<b>\$20,320,000</b>	<b>\$20,320,000</b>	<b>\$40,631,000</b>
3	<b>Delay Filling Most Staffing Vacancies (salaries and benefits)</b>	<b>\$3,984,000</b>	<b>\$3,984,000</b>	<b>\$36,647,000</b>
4	<b>Switch Non-Represented Employees and Painters to CalPERS health care plans**</b>	<b>\$343,000</b>	<b>\$172,000</b>	<b>\$36,475,000</b>
5	<b>No COLA for Non-Represented Employees (3%)</b>	<b>\$709,000</b>	<b>\$0</b>	<b>\$36,475,000</b>
6	<b>Bus Division Service Changes</b>	<b>\$12,868,000</b>	<b>\$11,873,000</b>	<b>\$24,602,000</b>
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	<b>Ferry Division Service Changes</b>	<b>\$8,420,000</b>	<b>\$8,420,000</b>	<b>\$16,182,000</b>
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	<b>Bridge Division Savings</b>	<b>\$4,461,000</b>	<b>\$4,461,000</b>	<b>\$11,721,000</b>
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	<b>Updated MTC (Jan 2021) Projected VS Budget TDA/STA/RM2 Operating Subsidies</b>	<b>\$2,607,000</b>	<b>\$2,607,000</b>	<b>\$9,114,000</b>
10	<b>Updated Transit Ridership Recovery Projection***</b>	<b>(\$10,566,000)</b>	<b>(\$10,566,000)</b>	<b>\$19,680,000</b>
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	<b>Updated Toll Revenue Recovery Projection***</b>	<b>(\$422,000)</b>	<b>(\$422,000)</b>	<b>\$20,102,000</b>
12	<b>Tolls and Transit Fares -- FY 20/21 Updated Projection VS Actual Revenues (through March 31, 2021)</b>	<b>(\$2,478,400)</b>	<b>(\$2,478,400)</b>	<b>\$22,580,400</b>
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	(\$40,800)	(\$40,800)	
13	<b>FY20/21 year-end estimated expense/revenues savings (primarily vacancies and unused professional services)</b>	<b>\$8,663,400</b>	<b>\$8,663,400</b>	<b>\$13,917,000</b>
14	<b>Second Tranche CRRSAA Funding****</b>	<b>\$39,429,500</b>	<b>\$13,917,000</b>	<b>\$0</b>
	<b>PROJECTED SHORTFALL</b>			<b>\$0</b>

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.

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

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**Bridge Current Projected Recovery Rates**

**Current Bridge Recovery Rate**

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

**Note:**

\* - Toll revenue for February and March is understated due to toll processing delay.

**Bus Current Projected Recovery Rates**

**Current Bus Recovery Rate**

	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>
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)
	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>
Recovery Rate	22%	23%	23%	24%	25%	25%
Actual Rate	13%	19%	20%			
Projected Bus Ridership	55,928	52,354	59,676	64,801	67,595	63,601
Actual Bus Ridership	33,663	43,050	52,674			
Projected Bus Revenue	\$244,593	\$228,961	\$260,982	\$283,396	\$295,616	\$278,147
Actual Bus Revenue	<u>\$149,856</u>	<u>\$190,593</u>	<u>\$258,801</u>			
Increase (Decrease)	(\$94,737)	(\$38,368)	(\$2,181)			

**Ferry Current Projected Recovery Rates**

**Current Ferry Recovery Rate**

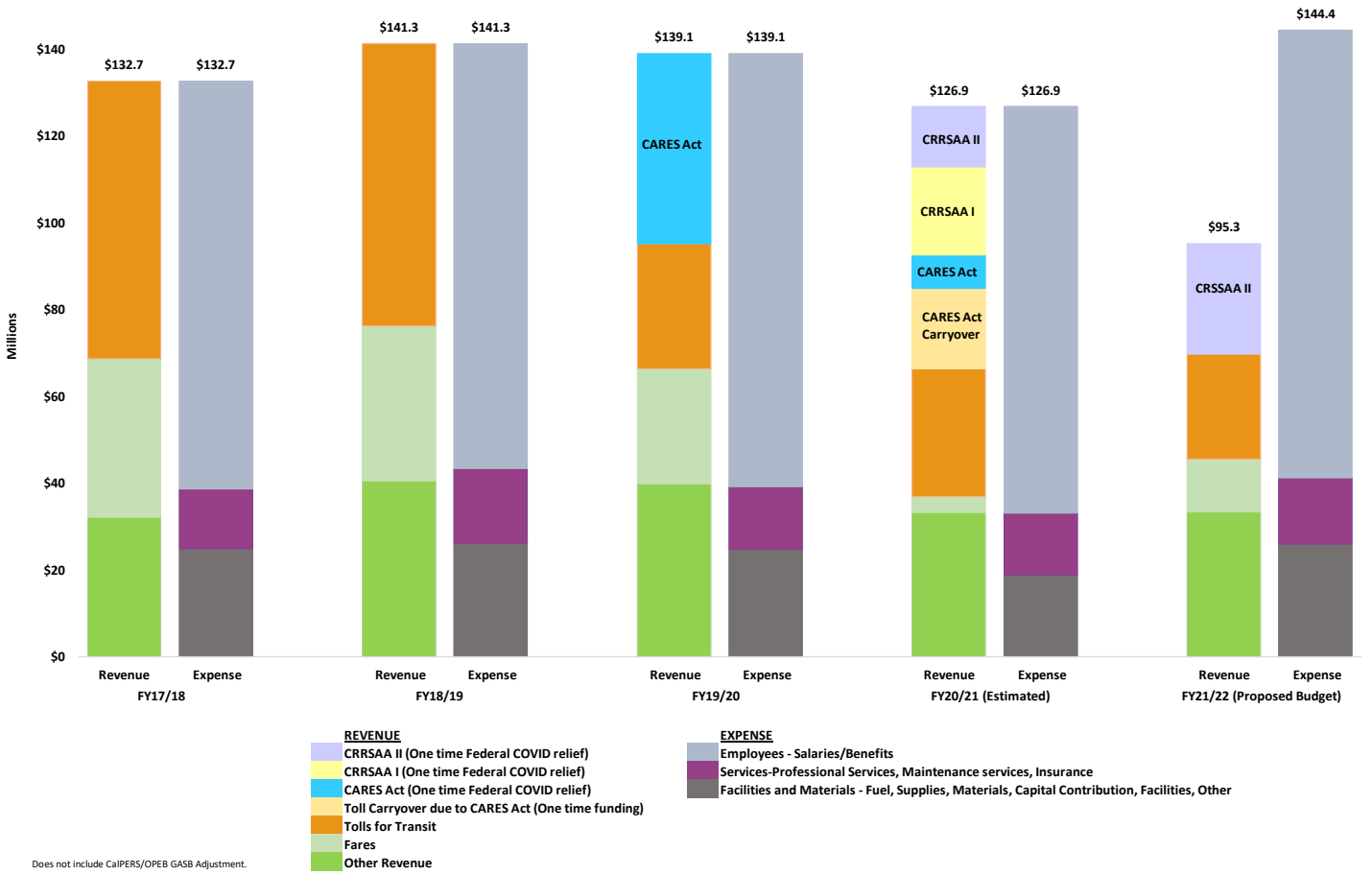
	<b>July</b>	<b>August</b>	<b>September</b>	<b>October</b>	<b>November</b>	<b>December</b>
Recovery Rate	2%	3%	4%	5%	6%	6%
Actual Rate	2%	2%	3%	3%	3%	3%
Projected Ferry Ridership	4,829	7,339	8,362	10,867	10,247	9,396
Actual Ferry Ridership	6,051	5,765	6,141	7,243	5,957	4,279
Projected Ferry Revenue	\$40,800	\$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)
	<b>January</b>	<b>February</b>	<b>March</b>	<b>April</b>	<b>May</b>	<b>June</b>
Recovery Rate	3%	3%	3%	4%	6%	8%
Actual Rate	2%	3%	3.4%			
Projected Ferry Ridership	5,233	4,524	5,721	8,617	12,596	17,884
Actual Ferry Ridership	3,181	4,420	6,420			
Projected Ferry Revenue	\$49,872	\$43,112	\$54,519	\$82,126	\$120,041	\$170,437
Actual Ferry Revenue	<u>\$26,700</u>	<u>\$37,836</u>	<u>\$42,186</u>			
Increase (Decrease)	(\$23,172)	(\$5,276)	(\$12,333)			

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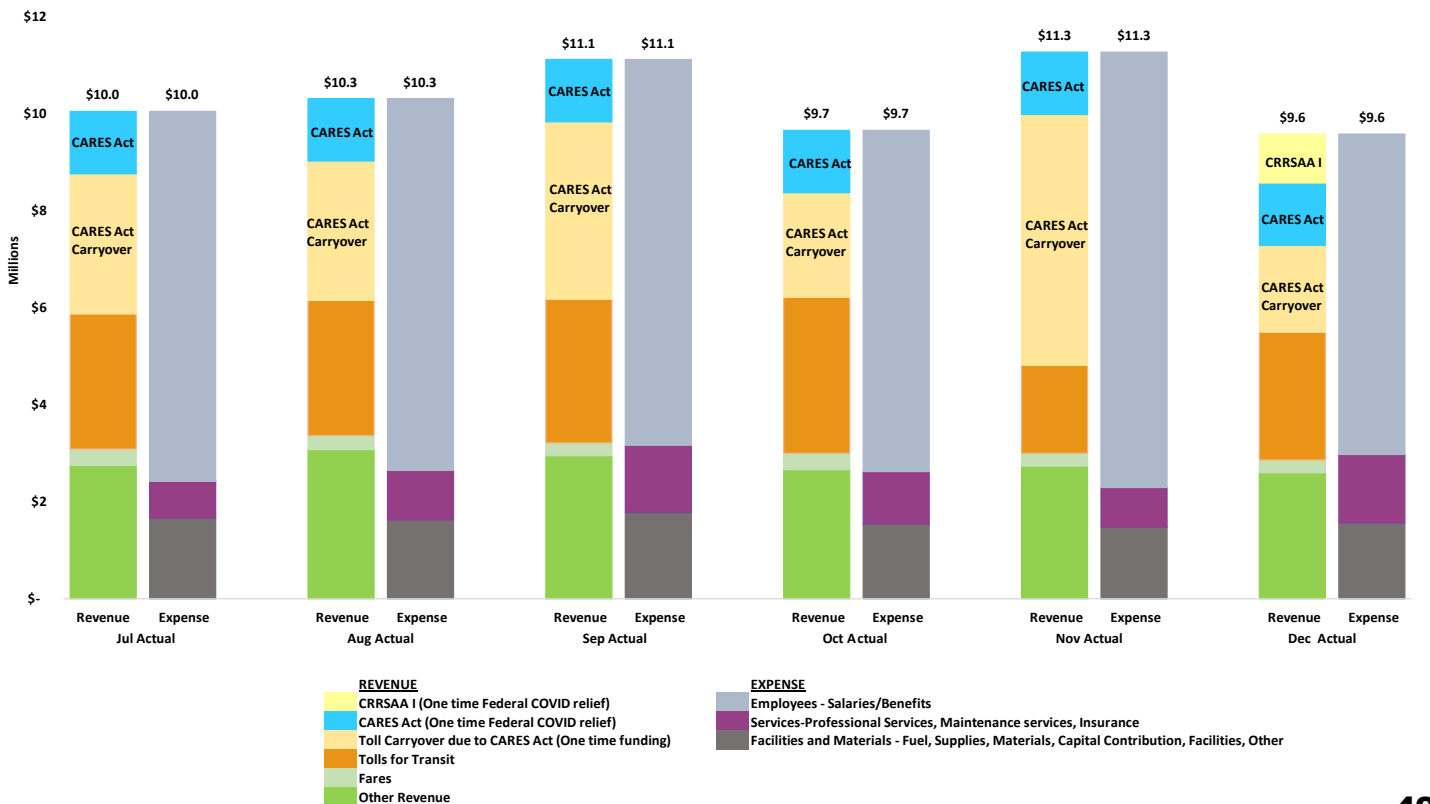


# Attachment C – Transit Funding & Expense Comparison

## Transit Revenue & Expense by Fiscal Year



## Transit Revenue & Expense by Month, July - December 2020



Attachment C – Transit Funding & Expense Comparison

Transit Revenue & Expense by Month, January - June 2021

