

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 2/22/2023

Staff Report No. 22-158e

TO: AC Transit Board of Directors
FROM: Michael A. Hursh, General Manager/Chief Executive Officer
SUBJECT: Revised FY 2022-23 Mid-Year Budgeted Positions

ACTION ITEM

AGENDA PLANNING REQUEST: ☐

RECOMMENDED ACTION(S):

Consider adoption of Resolution No. 23-011 amending and approving the addition of two positions funded by the Metropolitan Transportation Committee (MTC) to the FY 2022-23 Annual Operating Budget.

Staff Contact:
Chris Andrichak, Chief Financial Officer

STRATEGIC IMPORTANCE:

Goal - High-Performing Workforce
Initiative - Employee Recruitment, Training and Retention

Goal - Financial Stability and Resiliency
Initiative - Financial Efficiency and Revenue Maximization

Amending the Annual Operating budget benefits staff and Board Members in understanding revisions needed for the remainder of the fiscal year to better align the District budget with projected revenues and expenses.

BUDGETARY/FISCAL IMPACT:

Approving the proposed budget changes will increase the Operating Revenue and Expense budgets by approximately \$141,000 each, resulting in a balanced operating budget. There are no changes to the FY 2022-23 Capital Budget.

The changes reflect the revenue sources and expenses for two new Principal Planner positions made possible by funds identified by the Metropolitan Transportation Commission (MTC) to implement regional coordination activities.

BACKGROUND/RATIONALE:

The District will receive grant funds allocated by MTC to pay for two time-limited Principal Planner positions that have been identified as critical for the execution of key items in the Bay Area Transit Transformation Action Plan (TAP), a plan developed by the Bay Area's Blue Ribbon Transit Recovery Task Force.

Adopted by MTC in July 2021, the TAP identifies specific tasks to be completed by the end of 2024. The two Principal Planners will be hired by the District but be dedicated to represent the Bay Area's transit operators to work on actions identified in the TAP, specifically the development of the Connected Network Plan and the Transit Priority program. The two planners will serve as co-leads with MTC staff to carry out these two actions over the next three years.

The fully burdened, pro-rated cost for these two positions for the remainder of this fiscal year is approximately \$141,000. The fully burdened annual cost is approximately \$563,000. Funding for these positions will be included in the FY 2023-24 and FY 2024-25 Operating and Capital budgets as well. District expenses will not increase with the addition of these positions since they are entirely funded by MTC.

ADVANTAGES/DISADVANTAGES:

The advantage of this change to budgeted positions is to align the projected revenues and expenses with District hiring.

ALTERNATIVES ANALYSIS:

There are no practical alternatives to the recommendations presented in this report. The region's general managers considered which agency would be best suited to hire and manage these two planner positions and determined it to be AC Transit given its heavy involvement in the Bay Area's regional coordination effort, its offering of different service types from local routes to express routes, and its need to coordinate with multiple jurisdictions on different levels for the implementation of transit priority.

PRIOR RELEVANT BOARD ACTION/POLICIES:

SR 22-158 FY 2022-23 Budget Goals and Objectives

SR 22-158a Draft FY 2022-23 Operating and Capital Budgets

SR 22-158b Proposed FY 2022-23 Operating and Capital Budgets

SR 22-158c Recommended FY 2022-23 Operating and Capital Budgets

SR 22-158d Mid-Year FY2022-23 Operating and Capital Budgets

ATTACHMENTS:

1. Resolution

Prepared by:

Mary Archer, Budget Manager

Approved/Reviewed by:

Chris Andrichak, Chief Financial Officer

Richard Oslund, Director of Management & Budget

Robert del Rosario, Director of Service Development and Planning

Jill A. Sprague, General Counsel/Chief Legal Officer