

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 11/14/2024

Staff Report No. 24-540

TO: Distict Parcel Tax Fiscal Oversight Committee
FROM: Michael A. Hursh, General Manager
SUBJECT: FY 2023-24 Measure VV/C1 Financial Statement

ACTION ITEM

RECOMMENDED ACTION(S):

Review the Measure VV/C1 Financial Statement and consider the adoption of Resolution No. 24-001 determining that the Measure VV/C1 funds collected during the 2023-24 Fiscal Year have been appropriated and expended in Special Transit Service District No. 1 for operation and maintenance activities.

- History of the District 1 - District 2 Allocation Methodology;
- Measure VV/C1 Agreed Upon Procedure, including an Hours and Miles Comparison for District 1/District 2;
- AC Transit Audited Financial Statements (includes the D1/D2 Report and Supplemental Schedule).

Staff Contact:
Chris Andrichak, Chief Financial Officer

BUDGETARY/FISCAL IMPACT:

There are no budgetary or fiscal impacts associated with this report.

BACKGROUND/RATIONALE:

The parcel tax was initially enacted in 2002. Proceeds from this special tax can only be used to fund the operations and maintenance of bus service within District 1. In 2008, the voters in District 1 approved Measure VV, which increased the tax to \$96 per year per parcel for a 10-year period.

In 2016, the voters in District 1 approved Measure C1, which extended the expiration date of the Parcel Tax until 2039. Measure VV proceeds are specifically designated for the operation and maintenance of bus services and this revenue is essential to the sustainability of operations in District 1.

Measure VV funds for Operations and Maintenance Expenses by County and Special Transit Service District for the fiscal year ending June 30, 2024 are shown in Attachment 2 - Measure VV Schedules with Independent Auditor's Report

Revenue Collection History for Measure VV/C1

	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24
--	----------	----------	----------	----------	----------	----------

Measure VV/C1	\$29.7M	\$29.6M	\$30.1M	\$29.8M	\$29.9M	\$30.0M
---------------	---------	---------	---------	---------	---------	---------

On November 12, 2008, the Board of Directors adopted Resolution 08-064 establishing the Alameda-Contra Costa Transit District Parcel Tax Fiscal Oversight Committee. The Committee is required to meet at least once per year to determine that funds generated by the District’s parcel tax measures have been expensed in accordance with the intentions of the voters. In addition, the Committee is required to provide a written report or resolution regarding its findings to the Board of Directors and during the same time frame that the Chief Financial Officer makes his/her report on the annual fiscal year audit. In accordance with this resolution, the Committee is requested to review the use of Measure VV funds as accounted for in the attached report and to provide a written report and/or resolution to the AC Transit Board of Directors at the Regular Board meeting on December 11, 2024. Resolution 24-001 is attached for the Committee’s consideration in confirming that the Measure VV funds collected during the 2023-24 fiscal year have been appropriated and expended in District 1 for operations and maintenance activities.

ADVANTAGES/DISADVANTAGES:

There are no advantages or disadvantages associated with this report.

ALTERNATIVES ANALYSIS:

There are no alternatives as this report is a requirement for the Parcel Tax Fiscal Oversight Committee.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report 23-488 with Resolution 23-001, FY 2022-23 Measure VV/C1 Tax Proceeds to AC Transit Special Transit Service District

ATTACHMENTS:

1. Resolution 24-001
2. Measure VV Agreed Upon Procedures (draft)
3. Schedules for Districts No. 1 and No. 2 (draft)
4. AC Transit Audited Financial Statements; Year Ended June 30, 2024 (draft)
5. Presentation

Prepared by:

Kenneth Myers, Controller

Approved/Reviewed by:

Chris Andrichak, Chief Financial Officer

Michael A. Hursh, General Manager/Chief Executive Officer

Aimee L. Steele, General Counsel/Chief Legal Officer (as to Resolution only)