



# FY 2021-22 DRAFT BUDGET

SR 21-140A | 4-28-2021



- **Still too early to project year-end results, but expecting a surplus due to:**
  - Sales Tax revenue better than expected
  - Lower operating expenses due to reduced service levels
- **Year-end surplus will increase cash flow available for future expenses**





# FY 2021-22 DRAFT BUDGET OVERVIEW



<i>(\$millions)</i>	FY 2020-21 Budget	FY 2021-22 Draft Budget
Operating	\$37.2	\$43.8
Subsidies	342.4	379.0
CARES/CRRSA	84.2	55.5
<b>Total Revenue</b>	<b>\$463.8</b>	<b>\$478.3</b>
Labor	\$339.0	\$351.5
Non-Labor	120.8	126.6
<b>Total Expenses</b>	<b>\$459.9</b>	<b>\$478.3</b>
<b>Surplus/(Deficit)</b>	<b>4.0</b>	<b>0.0</b>





## Farebox Revenues

- Farebox revenue assumes slow but steady economic recovery
- Bus capacity limits will limit ridership and fare revenue

<i>(\$millions)</i>	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Budget	FY 2021-22 Draft Budget
Farebox Revenue	\$57.3	\$44.5	\$21.9	\$29.8



## Sales Tax

- Sales taxes performing above expectations, but still below pre-pandemic levels.  
Conservatively projecting flat from end of year level.

## Property Tax

- Property Taxes have been resilient during the pandemic. Slight increase budgeted over previous year.

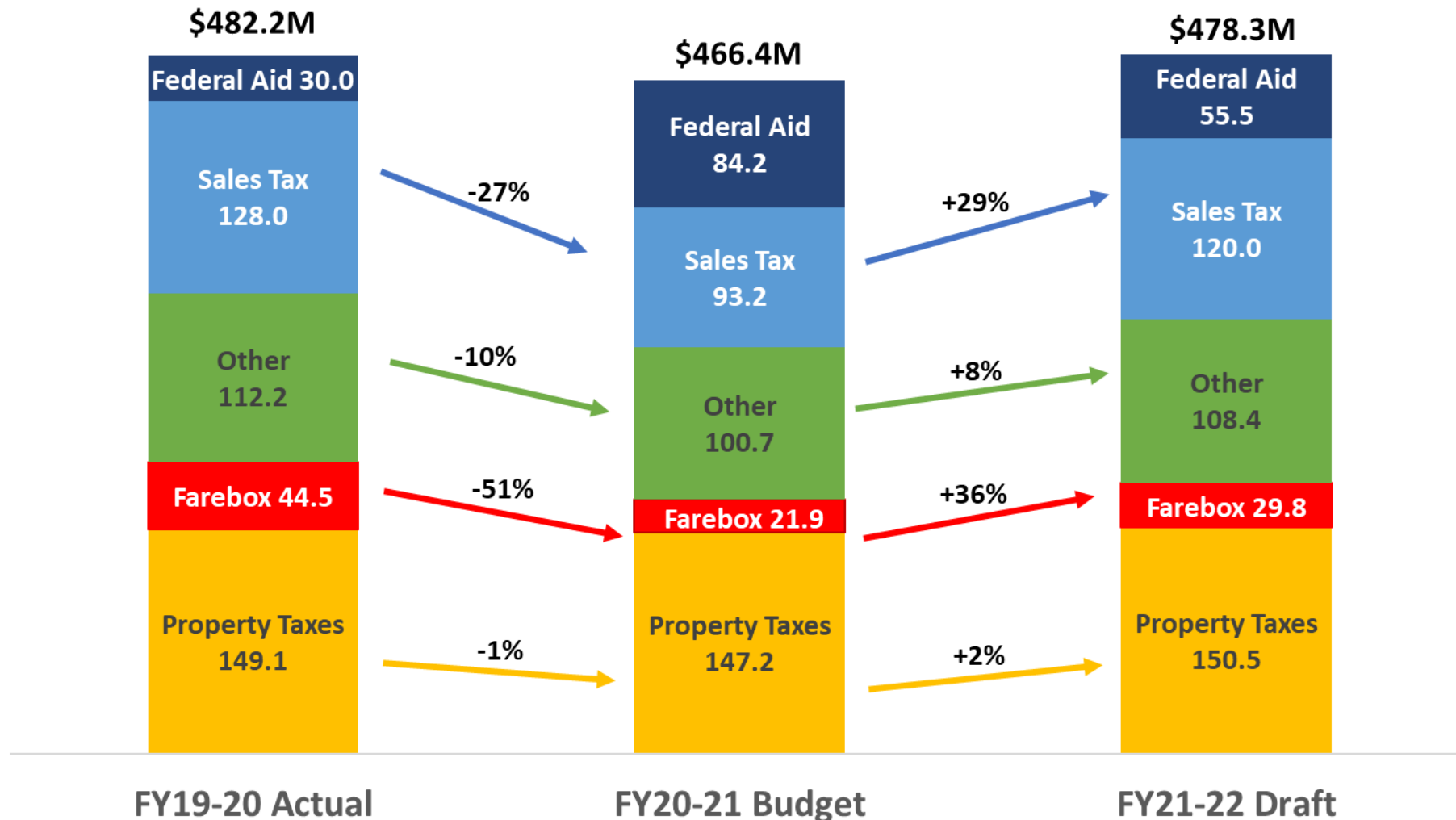




## COVID Funding

- \$114M CARES Act funds received during FY 2019-20 and FY 2020-21
- Draft Budget includes \$55M of CRRSA Act funding
- ARP Act funds not included in the FY 2021-22 Draft Budget

## Change in Top 5 Revenue Categories (\$millions)



## Service Level Assumptions

- Service levels increase from 75% to 85%
- Addition of supplemental school service
- Operator headcount is controlling the level of service increases (NBO additions vs. attrition)
- Around 30 Operators required for 85% service
- New Bus Operator classes started March 2021





## Labor Expenses

- Labor budget increases by \$12.9M (3.8%)
- Labor budget driven by New Bus Operator hires required for service levels as well as contractual wage increases
- Overtime projected to be flat compared to FY 2020-21 levels
- No new positions assumed in Draft Budget. Any new positions will be included with Proposed Budget.



## Non-Labor Expenses

- Non-Labor increases by \$5.8M (4.7%)
- Paratransit increase (\$6.3M) based on assumed increases in usage as well as software and office moving costs
- Insurance premiums to increase 6%
- TIPA STC obligation is \$5.0M
- PPE costs remain at FY 2020-21 levels
- Temperature Checkers remain until December 2021
- Bus parts and fuel costs increase due to increased service level





FY 2021-22 Draft Capital Budget	
(\$millions)	
District Capital	\$6.0
Grants	70.3
Total	\$76.3



- 40 Zero-Emission Buses
- 36 Over-the-road Coaches
- Charging Infrastructure and Facilities at D2 and D4 for Battery Electric Buses
- Quick Build Projects – Durant and MacArthur
- Expansion and Upgrade of Automated Passenger Counters



- 4/28 Board Meeting – Draft Budget
- 5/26 Board Meeting – Proposed Budget
- May/June – ARP Act funding initial allocation
- 6/9 Board Meeting – Recommended Budget
- 7/1 – Adopted Budget