



ALAMEDA-CONTRA COSTA TRANSIT DISTRICT

Master Minute Order

File Number: 20-062d

Report ID: 20-062d

Type: Regular - Finance & Audit

Status: Adopted

**Agenda
Section:**

Meeting Body: Board of Directors -
Regular Meeting

Report Created: 06/10/2020

Final Action: 09/09/2020

ded Action: Consider adoption of Resolution No. 20-044 approving the FY 2020-21 Recommended Operating and Capital Budgets.

Sponsors:

Enactment Date:

Attachments: STAFF REPORT, Att 1 Resolution 20-044 Revised,
Att 2 Recommended Operating Budget, Att 3
Recommended Positions, Att 4 Recommended
Capital Budget, Att 5 Classification Changes Report,
Att 6 Recommended Budget Book, RED FOLDER:
FY21 Recommended Budget Presentation

Enactment Number:

Hearing Date:

Effective Date:

History of Legislative File

Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
Board of Directors - Regular Meeting	09/09/2020	Adopted				Pass
Action Text:	MOTION: ORTIZ/WALLACE to adopt Resolution No. 20-044 approving the FY 2020-21 Recommended Operating and Capital Budgets. The motion carried by the following vote:					
Notes:	Deputy Chief Financial Officer Chris Andrichak presented the staff report. The presentation given at the meeting is incorporated into the file by reference.					

Director Shaw inquired about the loss of farebox revenues and increases in salaries and other materials and supplies. Mr. Andrichak advised that staff is expecting to start fare collection in October, with three months of fare losses already built into the budget. He added that salaries went up because of a couple of operating projects: one related to transit information displays and another involving the use of Regional Measure 2 marketing funds that were not included in the proposed budget and had labor costs associated with them. Materials and supplies increased as a result of the additional cost of personal protective equipment.

Director Harper commented on the receipt of \$84 million in CARES Act funds for FY

20/21 which resulted in a balanced budget but noted that staff was only projecting a \$23 million deficit for FY 21/22 with no reduction in expenses and asked staff to explain how it made up for the \$61 million difference between the two fiscal years. Mr. Andrichak responded that CARES Act funds were used to fill an \$84 million gap this fiscal year. He added that staff did not expect revenues to fully bounce back in FY 21/22 and they needed to figure out how to fill a \$23 million loss of funding, assuming there are no changes in expenses. Director Harper further believed that staff was being too optimistic with respect to the FY 21/22 budget. Chief Financial Officer Claudia Allen acknowledged that while staff cannot predict what is going to happen, staff is watching sales tax trends very closely and early estimates look positive for FY 21/22. Mr. Andrichak advised that State Transit Assistance is also looking better than first thought. Director Harper advocated for a conservative approach in predicting future revenues. Ms. Allen advised that staff will do its best and hoped to have an indication of how things are trending sooner rather than later.

Vice President Ortiz questioned the cost of a head-hunter to recruit for future vacancies, noting that she hoped the District would be judicious in its spending on these services.

Director Williams asked if any transit or infrastructure plans had been featured in presidential campaigns. Executive Director of Marketing, External Affairs and Communications Beverly Greene advised that there would be more information on this topic in the Legislative Report to the Board.

Public Comment:

Dave Campbell, Bike East Bay, asked how the passage of Proposition 15 would impact AC Transit's revenue.

Pat Piras, Sierra Club, urged staff to review the sales tax update memo before the ACTC's Finance & Administration Committee on Monday (9/14) for curious calculations and assumptions.

Derek Sagehorn, East Bay Transit Riders Union, advised that the Prop 15 campaign released analysis showing the Alameda county section of AC Transit Special District 1 would yield \$24 million a year to the District once fully operational.

G. Lozano, Division 3 bus operator, asked if the 3% wage increase to be discussed in March will be included in the budget.

Ayes: 6 Vice President Ortiz, President Wallace, Director Williams, Director
Peeples, Director Young, Director Shaw
Nays: 1 Director Harper
