

FY 2020-21 Recommended Operating & Capital Budgets

September 9, 2020



FY20-21 Recommended Operating Budget Overview

- Revenues: \$466.4M
 - “Regular” Revenues: \$382.2M
 - CARES Act Funds: \$84.2M
- Expenses: \$466.4M
 - Expenses reduced 1% from prior fiscal year



Revenues *Changes from Proposed Budget*

- \$1M reduction overall
 - Farebox: -\$3M due to delayed start of collection
 - MTC Lifeline Program Cycle 6: +\$1M
 - Various operating projects: +\$930k (Transit Info Displays, RM2 Marketing/OUSD subsidy)



Expenses *Changes from Proposed Budget*

- \$1M reduction to match revenues
 - Minor labor expense changes: +\$574k
 - All due to added operating projects (Transit Info Displays, RM2 Marketing/OUSD subsidy)
 - All other changes in non-labor: -\$1.6M

Expenses
Changes from Proposed Budget

- Non-Labor Increases
 - Operating project expenses: +\$356k (non-labor part)
 - Tempo IT Operating needs: +\$416k
 - PPE for employees and riders: +\$336k
 - Contact tracing system: +\$230k
 - Executive Search: +\$160k



Expenses *Changes from Proposed Budget*

- Non-Labor Reductions:
 - East Bay Paratransit: -\$2.0M remove buffer over “moderate” usage scenario
 - Services: -\$556k based on further analysis
 - Clipper: -\$250k from delayed fare collection
 - Security Services: -\$200k based on further analysis



Headcount

- *No changes from Proposed Budget*

- 2,209 down from 2,268
 - Reduced operator (vacant) positions: -70
 - *New operator position count: 1,280*
 - Proposed new positions: +11

Recommended New Positions

- *No changes from Proposed Budget*
- 1 Payroll Administrator
- 1 Senior Electronic Technician (BRT)
- 2 Bus Stop Maintenance Worker (BRT)
- 1 Journey Facilities Maintenance Mechanic (BRT)
- 6 Janitors

FY21-22 Budget Outlook

- Where will revenues be in July 2021?
- Unlikely revenues will return to “normal” levels by then
- Without further state or federal assistance, FY21-22 Budget will likely have a deficit
 - Example: sales taxes are 5% below “normal”, fares are 10% below “normal”, and property taxes drop 5% – all plausible scenarios – that is a \$23 million deficit