

Farebox: \$21.9

Other Operating: \$19.1

Property Taxes: \$147.3

Wages: \$155.0

Fringe Benefits: \$184.1

MID-YEAR BUDGET ADJUSTMENT

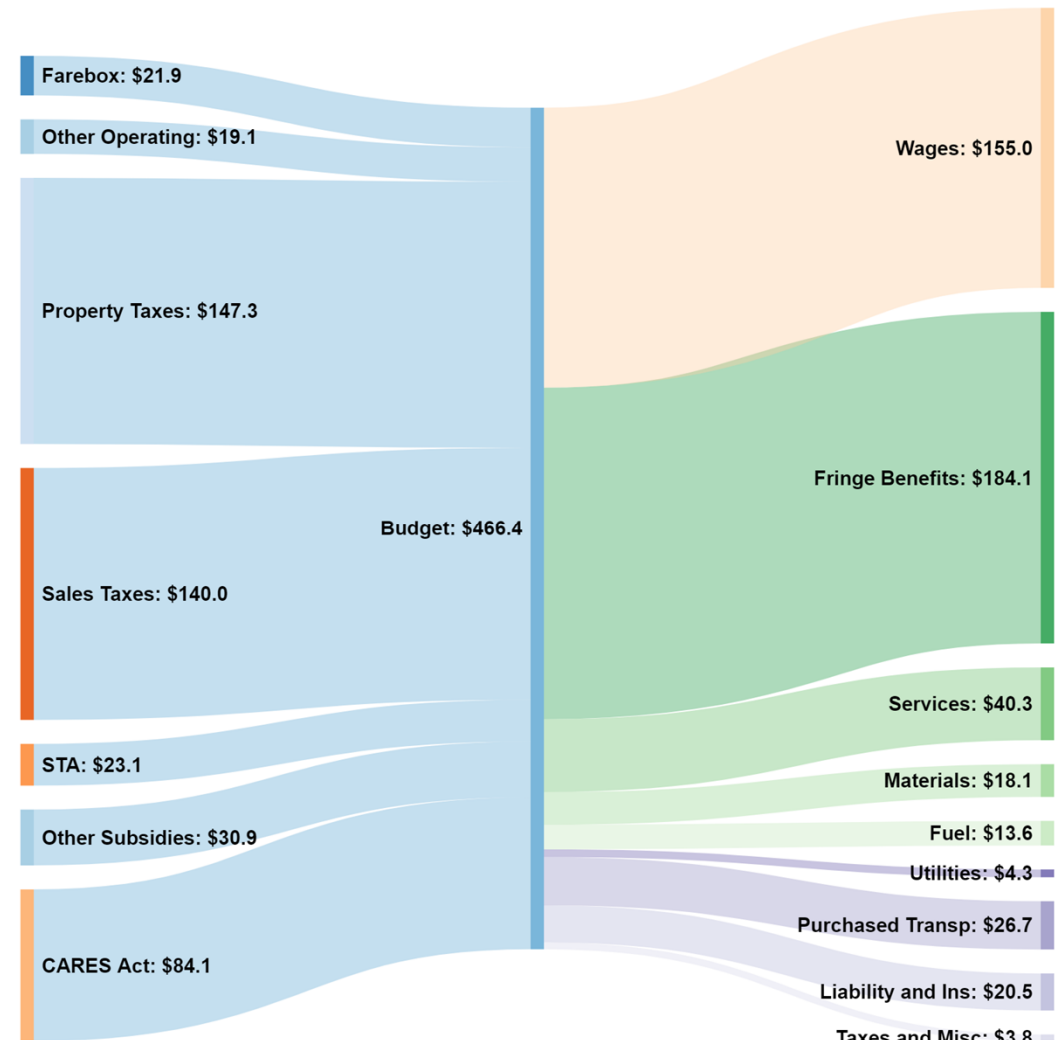
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ADOPTED BUDGET



- \$466.4M revenues and expenses – balanced
- Projections developed March through August 2020
(seems like ages ago...)



MID-YEAR OPERATING BUDGET CHANGES



Revenues reduced \$2.5M

- Farebox and other operating down \$3.8M
- Subsidies up \$1.3M

Expenses reduced \$6.5M

- Labor expenses down \$1.8M
- Non-Labor expenses down \$3.7M

Revised mid-year budget – \$4.0M surplus to help with deficit in coming year budget



FY 2020-21 FIRST HALF REVENUES



Ridership/farebox below projections

- Farebox - \$2.5M reduction

Property Taxes

- Coming in slightly above budget

Sales Taxes

- Coming in above budget so far

FY 2020-21 FIRST HALF EXPENSES



Partial hiring freeze is holding labor expenses down

- Reductions in regular time and pension expense

Overtime is down significantly, but above budget

- Budget had aggressive 40% decrease from FY 19-20
- Actual decrease of 25%, adjust budget to match

Operator hiring process needs to start in spring

- Expense budget increase for “New Bus Operators”

Non-Labor expenses generally below budget

- Paratransit and diesel fuel both reduced significantly
- COVID-19 costs increased: temp takers and PPE



OPERATOR STATISTICS



Category	Count
Budgeted	1280
Vacancies	-80
Active Operators	1200
Planned Unavailability	-160
Unplanned Unavailability	-200
Available for Service	840
Service Demand Required	-800
Net Operator Balance	40



MAJOR EXPENSE CHANGES



Expense	Addition	Primary Reason
Operators Premium Time	\$1,700,000	Operator Overtime
Temporary Help - Additional (HR)	548,851	Continued temperature checkers
Public Liability and Other (Legal)	380,000	Settlement - McNaulty case
Diesel Fuel	350,000	Possible diesel fuel cap expense
Election of Directors	318,318	Increased estimate for Election of Directors
NBO Training Regular Time	295,000	New Bus Operator classes starting up in March
Clerical Regular Time	241,817	Additional Clerical Regular Time
Safety and Medical Supplies	209,000	Miscellaneous PPE - gloves, wipes, KN95 masks
Operator Wages & Fringe (TEC)	203,000	Workforce grant matching expenses (Apprentice program and CalETP)
Temporary Help - Additional (HR)	160,000	PeopleSoft SME and PM to implement eProcure and Contract Mgmt Modules

Expense	Reduction	Primary Reason
ADA Consortium	-\$3,440,232	Lower use than forecast
Diesel Fuel	-3,000,000	Low diesel prices
Operators Regular Time	-3,000,000	Operator Regular Time Decrease
Pension	-1,206,895	Pension expense lower based on updated Pension System estimate
Contract Maintenance	-300,006	Tire service reduction
Maintenance Overtime	-150,000	Maintenance OT Adjustment
Temporary Help - Additional (HR)	-93,734	Reduce non-temperature-checker temps
Professional Services (Planning & Eng)	-85,000	Later start to 2021 Service Plan
Professional Services (Planning & Eng)	-85,000	Reducing projects due to timing
Gasoline	-73,323	Most vehicles are parked

FY 2020-21 AND FY 2021-22



FY 2020-21

- Expected end of year surplus will be used to help with deficit in coming year budget

FY 2021-22

- November Workshop forecast: -\$23M deficit
 - *With same (insufficient) level of service as today*
- CRRSAA (“2nd stimulus”) funding is TBD
 - *Will we just break even or can we begin to restore service?*

CAPITAL BUDGET



- **Three project changes**
 - Add - Passenger Load Information, \$507k
 - Equip remainder of fleet with APCs
 - 100% coverage removes greatly simplifies ridership counts
 - Add - GO 9th Floor Reconfiguration Design, \$30k
 - Preliminary design for converting excess server room space
 - Remove – Peoplesoft Hosting Services, \$200k
 - Contract award under budgeted amount

NEXT STEPS



- **2/24 Board Meeting – Forecast Update**
- **FY 2021-22 Budget Process starts next week**
- **Early March – should know CRRSAA funding amount**
- **March – Budget Goals**
- **April – Draft Budgets**
- **May – Proposed Budgets**
- **June – Recommended Budgets**