

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 11/10/2021

Staff Report No. 21-537

TO: Financing Corporation Board of Directors
FROM: Michael A. Hursh, General Manager
SUBJECT: FY 2020-21 Internal Fourth Quarter Financial Statements

BRIEFING ITEM

RECOMMENDED ACTION(S):

Consider receiving the Financial Statements for the AC Transit Financing Corporation for the Fourth Quarter Ended June 30, 2021.

BUDGETARY/FISCAL IMPACT:

Overall, accrued interest on the Certificates of Participation (COPs) through the Fourth Quarter was \$340,424 which was \$134,408 lower than that of the prior fiscal year and consistent with the amortization schedules. The accrued interest does not equal the interest payment due to the timing of the semi-annual cash payment of the interest expense.

BACKGROUND/RATIONALE:

The Financing Corporation was created to provide financing to the Alameda-Contra Costa Transit District. The Board receives quarterly and annual reports on the Financing Corporation financial results. The financial statements reflect the current Certificate of Participation financing as follows:

- In December 2019, the District issued Refunding Certificates of Participation Series 2019 (2019 COPS). The proceeds from the issuance of the \$11.66 million were used to refund and retire the 2009A COPS. In connection with this transaction, the District incurred a non-cash deferred loss on refunding that is reported as a deferred outflow of resources in the amount of \$583,000 which will be recognized as a component of interest expense over the remaining life of the debt. Principal payments on these 2019 Refunding COPS were deferred until August 2022, however, fiscal year to date interest payments and accruals were \$340,424.

ADVANTAGES/DISADVANTAGES:

There are no notable advantages or disadvantages to receiving this report.

ALTERNATIVES ANALYSIS:

There are no significant alternatives to the receiving the report and information presented.

PRIOR RELEVANT BOARD ACTION/POLICIES:

None

ATTACHMENTS:

1. AC Transit District Financing Corporation Financial Statements for the Fourth Quarter ended June 30, 2021.

Prepared by:

Kenneth Myers, Acting Controller

Approved/Reviewed by:

Chris Andrichak, Chief Financial Officer