

FY21-22 PRE-BUDGET DISCUSSION

GCTD BOARD

May 5, 2021



FY20-21 FISCAL SNAPSHOT

- **GCTD Operating Budget is \$28.2M**
- **Revenues Projected by Year End to be Approx. \$24.9M - \$25.4M**
- **Two POSITIVE Non-Recurring Revenue Increases:**
 - \$3.5M - LTF Apportionment Revision
 - \$4.9M – CARES Act funding drawdowns
- **Energy Credit Revenue – Increased by Approximately \$300K**
- **Costs for COVID-19 FFCRA (80 hours) and FMLA Childcare (10 weeks) increased Overtime to fill shifts. Operations Overtime increased 17% (\$486K)**
- **Projected Carryover (Excluding GASB 68/75 Charges): \$2.1m**

FY21-22 REVENUE OVERVIEW

- **Preliminary LTF Revenue \$14.6M - \$293K Decrease – However... Initial Member Requirements Increase \$193K**
- **FTA Formula Revenue – Decreased slightly (Was \$3.69M for FY 2020)**
- **One-Time Grant Funds – CMAQ and 5310 – New Services**
- **Stable State Funding (SB1) – STA+SGR – Remaining at \$250K**
- **Energy Credit Revenue – Increase for FY21-22 – New CNG Contract**
- **Fare Revenues Increasing Slowly but not to Pre-COVID levels**
- **American Rescue Plan Act of 2021 (ARPA) funds available – Amount TBD**

Bottom Line...Revenue Increase \$1M to \$1.9M, Maybe Less

FY21-22 EXPENSE / DEBT OVERVIEW

Too Early in the Process to Provide Accurate Cost Budget Data, However...

- **Represented Employee Wages subject to Negotiations**
- **GCTD Medical Contribution Increases - TBD**
- **CalPERS Employer Rate down 0.44% (10.84% to 10.4%) plus \$1.35M Fixed Portion**
- **Fixed Route Revenue Hours Increase (Service Levels Restored on Core Routes to pre-COVID levels)**
- **Paratransit Ridership anticipated to increase (Microtransit and Late Night Rides Services)**
- **Cost of Demolition at 301 Yard**
- **\$1.38M COP Payment Obligation in FY2021-22**

FY21-22 FINAL NOTE

The CARES Act helped us weather the storm of FY 20-21, and the ARPA funds (TBD) will help us get through FY 21-22.

Grants funds like CMAQ and 5310 will help us launch new projects like Microtransit and Late-Night Rides. We will be using these funds to restore service and help community recover.

The carryover we have will help us prepare for a rainy day and restoring our Capital Reserve will prepare us for applying for future capital projects such as zero emissions bus replacements.

**A DRAFT BUDGET WILL BE PRESENTED AT THE
JUNE MEETING.**

Questions?

