

## INTER OFFICE MEMO

Administration and Finance Committee  
Summary Minutes  
June 3, 2020

The meeting was called to order at 8:30 a.m. via Teleconference pursuant to the provision of the Governor's Executive Orders N-25-20 and N-29-20. Those in attendance were:

Committee Members:            Director Al Dessayer  
   Director Sue Noack  
   Director Don Tatzin

Staff:                                General Manager Rick Ramacier  
   Assistant General Manager Bill Churchill  
   Chief Operating Officer Scott Mitchell  
   Chief Financial Officer Erick Cheung  
   Director of Human Resources Lisa Rettig  
   Authority Attorney Madeline Chun

1. Approval of Agenda- Approved by each member of the A&F Committee
2. Public Communication- None
3. Approval of Minutes of May 6, 2020- Approved by each member of the A&F Committee.
4. Income Statements for the Nine Months Ended March 31, 2019 – CFO Cheung reported that the actual expenses of \$29,041,361 are 7.9% (\$2,494,112) under budget for nine months of the fiscal year. Expenses are under budget due to vacancies, lower promotions services, schedules/graphics expense, and diesel fuel costs. Finally, the contingency is not needed for the first nine months. Mr. Cheung also noted that fare revenues of \$4,310,835 are 11.0% over budget (\$425,486) due to a combination of fare increases approved in March 2019 and grant funding for fare subsidy. Special fare is higher due to BART Bus Bridges. The committee accepted the report
5. Adoption of Gann Appropriations Spending Limitation for FY 2020-2021 – CFO Cheung reported that the spending limit for FY 2021 is \$81,446,458. The budgeted amount for operating and capital that is paid for by nonfederal monies is \$43,988,664 or \$37,457,794 under the Gann limitation. Approved for Board consent.
6. Placeholder for Administrative Employees Increase – Director of Human Resources Rettig reported that normally the General Manager would request authorization to increase Administrative staff salaries by certain percentage during the June Board meeting. However, due to COVID-19 and our uncertain financial condition, the General Manager is simply asking for a placeholder so that any increase if adopted by the Board of Directors, will be effective July 1, 2020 for the Administrative Staff. The Committee approved Resolution 2020-025 to the Board for consent calendar
7. Fiscal Year 2021 Draft Budget and Ten Year Forecast – CFO Cheung reported that the FY 2021 Budget has been updated and proposes \$45.2 million in operational and capital expenses for fixed route and paratransit with revenues to offset these costs as we are legally required to adopt a budget. The budget assumes we will receive the full amount of the CARES Act funding in FY 2021 for \$4.5 million. Staff is still trying to understand how and when we return to our new normal and what changes are needed. We are in the preliminary stages to address our new financial reality assuming no additional assistance from federal/state agencies. We are recommending that the A&F recommend approval of Resolution 2020-024 to adopt the FY 2021 Budget to the Board, with the understanding staff will need to bring back changes in the coming months as more information becomes available. The A&F Committee approved and recommended Resolution 2020-024 to adopt the FY 2021 Budget to the Board following a public hearing.
8. Review of Vendor Bills, May 2020- Reviewed.
9. Legal Services Statement, March & April 2020 General - Approved.
10. Adjournment- The meeting was adjourned. The next meeting is set for scheduled for 8:30 am on Wednesday, July 1st via teleconference.