



DATE: February 26, 2020

TO: South Hayward BART Access Authority Board

FROM: Co-Executive Directors

SUBJECT: Adopt the Proposed Fiscal Year 2019 & Fiscal Year 2020 Budgets

RECOMMENDATION

That the Board adopts the attached resolutions approving the proposed FY 2019 (Attachment II) and FY 2020 (Attachment III) Budgets and appropriates the necessary funds.

DISCUSSION

The FY 2019 budget is based on FY 19 actuals (Attachment IV). In FY 2019, the JPA received \$586,786 in revenues and incurred \$519,354 in costs. The reimbursement rate to cover operations and maintenance (O&M) costs for BART and the City of Hayward was \$387 per space, including electricity costs (billed separately prior to the 2018 LED lighting project). In FY 19, the JPA’s fund balance increased by \$67,432, or 6%.

The proposed FY 2020 budget forecasts \$599,502 in total revenue. This figure assumes the following:

FIG. 1 – FY 20 PARKING ASSUMPTIONS AND ANTICIPATED ANNUAL REVENUE

Revenue Center	Assumed Utilization Rate	Annual Revenue
Daily Fee	78%	\$489,949
Single Day Permit	53%	\$10,115
Monthly Permit	98%	\$34,692
Airport/Long-Term	63%	\$4,746

Each parking fee payment incurs a small transaction revenue of \$0.06 - \$0.21. In prior budget years, revenues were calculated less these transaction costs, and the JPA received net parking program revenues from BART. In FY 20, parking transaction fees have been included in the O&M reimbursement rate, resulting in both higher reported revenues and a higher reimbursement rate for this fiscal year.

The proposed FY 2020 expenditures total \$593,350. The proposed expenditures include O&M payments to BART and to the City, calculated at a rate of \$425/space, which includes electricity costs (billed separately prior to the 2018 LED project).

The Authority will continue to retain Goldfarb & Lipman, LLP as legal counsel for FY 2020 at an annual estimated cost of \$7,000. The JPA will utilize the City's auditor Maze and Associates to conduct the annual audit of the Authority at a cost of \$6,000. The Budget also includes a \$10,000 contingency for any cost overages.

The proposed FY 2020 budget projects an end-of-year fund balance increase of \$6,152, or 1%, resulting in a total fund balance of \$1,140,054 available for allocation to capital improvements projects. Due to increased year-over-year costs, in order to sustain fund growth and balanced budgets in out years, revenue will also need to increase.

NEXT STEPS

Following adoption of the proposed FY 2019 and FY 2020 budgets, the Co-Executive Directors will execute contracts, disperse funds, and take all necessary actions to administer and execute the affairs of the Authority in a manner consistent with the budget.

Prepared by: Laurel James, Management Analyst II, City of Hayward

Recommended by: Kelly McAdoo, City Manager, City of Hayward
Sean Brooks, Real Estate & Property Development, BART

Approved by:



Kelly McAdoo, City Manager