



Photo: Jim Mauer

FY 2020-21 Fund Estimate Revision

Programming and Allocations Committee
July 8, 2020

Agenda Item 3a

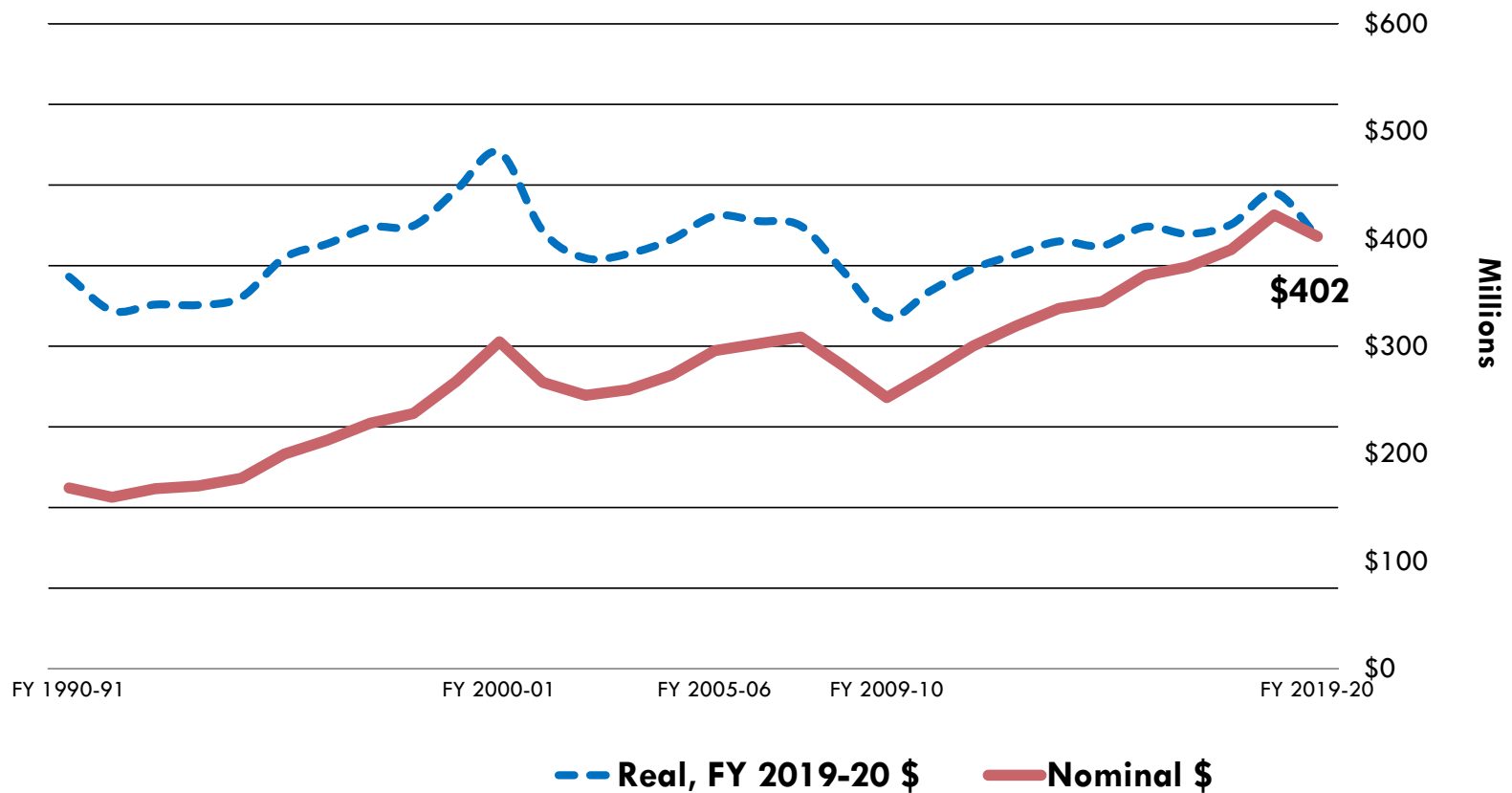
July Fund Estimate Revision

- Updates the Fund Estimate to incorporate actual FY 2019-20 revenue for the TDA ¼ cent sales tax and the AB 1107 sales tax in the three BART district counties
- TDA sales tax revenue for FY 2019-20 is -6.4% lower than originally anticipated, resulting in a loss of \$28 million
- Rescissions and FY 2020-21 allocations to operators
- Endorsement of SGR Program project list for FY 2020-21
- STA and SGR Program revisions to the Fund Estimate will take place this fall



TDA Sales Tax Revenue

First Decline in a Decade in FY 2019-20



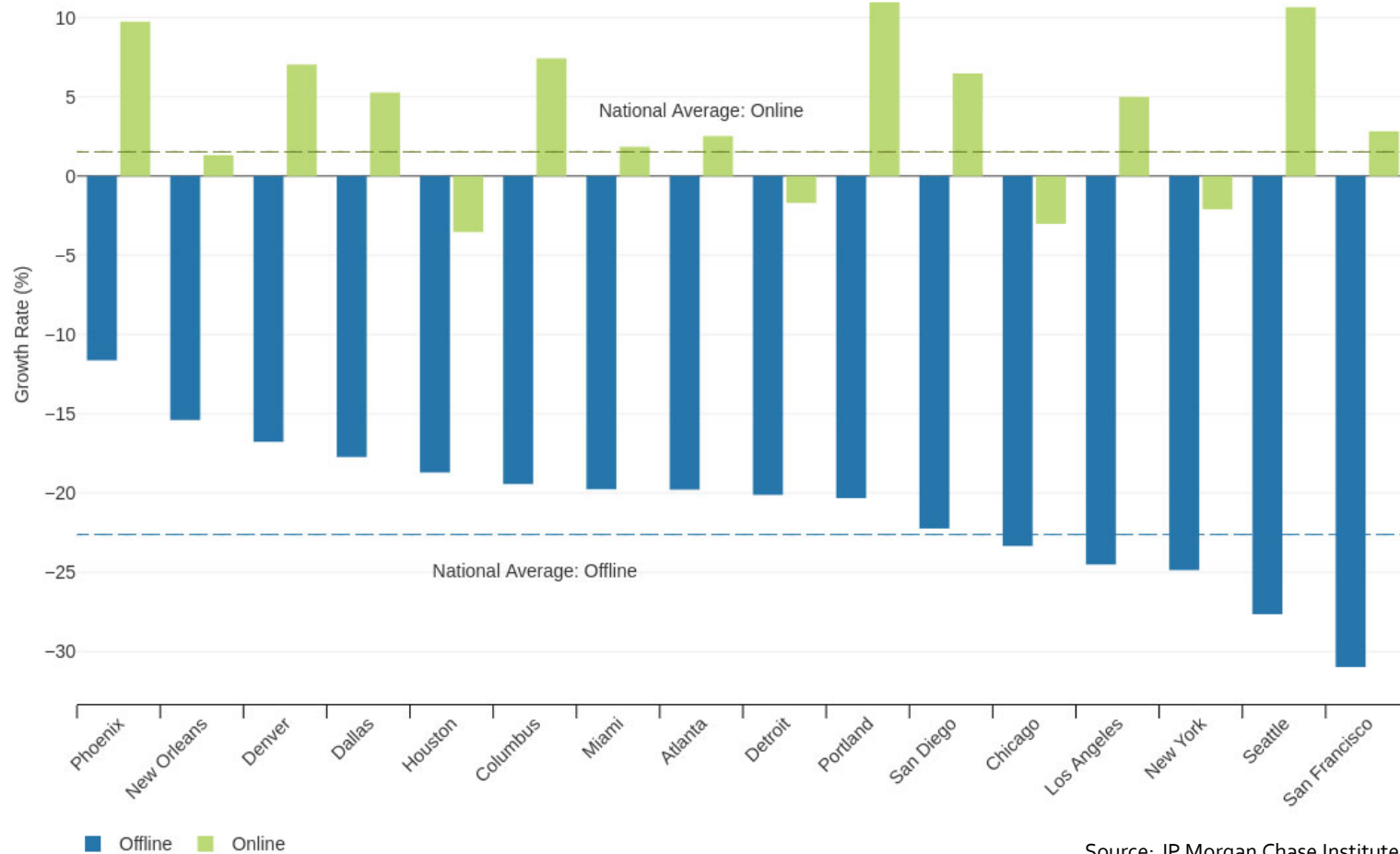
Source:
1. Actuals reported by CA Dept. of Tax & Fee Admin.

Impact of COVID-19 on Sales Tax Revenue

- Tremendous uncertainty about the magnitude of the impact of COVID-19 on sales tax revenue due to delays in reporting and state sales tax deferral programs
- Early indicators show a major decline in sales tax revenue which will impact local government
- TDA sales tax funds are a key source of transit operations funding

Credit Card Data Offers Hints of Impact on Sales Tax

% Change March 2019 to March 2020



Source: JP Morgan Chase Institute

Other Items Included in this Fund Estimate Update

- Endorsement of SGR Program project list for FY 2020-21
 - Required by Caltrans
 - Funds generated by SB 1 vehicle registration fee, so will not be significantly impacted by COVID-19
- Allocations of FY 2020-21 TDA sales tax and STA funds
 - Approximately \$30 million to five transit operators



Staff recommendation is to forward to the Commission for approval:

MTC Resolutions

- **4402**, Revised (FY 2020-21 Fund Estimate),
- **4430**, Revised (TDA Allocations)
- **4431**, Revised (STA Allocations)
- **4434** (FY 2020-21 SGR Program Project List)

