

Minutes of 09 APR 2025 VTA BPAC Meeting

Meeting was held as a Joint Advisory Committee Workshop in lieu of the regular BPAC meeting

Attendees:

VTA BPAC

Committee for Transportation Mobility and Aecessibility (CTMA)

Citizens Advisory Committee/2000 Measure A Citizens Watchdog Committee (CAC/CWC)

Policy Advisory Committee (PAC)

Technical Advisory Committee (TAC)

As well as members of the public, Vice Mayors of several cities and others. Approx 75 people in all.

Review of Proposed Fiscal Year 2026 and 2027 Biennial Budget.

Key Issue is projected budget shortfall resulting in draw down of reserves and then an overall deficit beginning in 2030 which will continue to grow (see chart)

Actions the VTA is planning to take include:

Hiring Freeze (excepting critical positions) resulting in an increase in employee vacancy rate from current 8% to 20%

Zeroing out Capital Funding Allocations from the Transit Fund for fiscal years 2026 and 2027.

32 capital projects with a local share of 61.3 million will continue to be funded.

Non labor budget increases will be limited to 5% (71% of budgeted Operating Expenses support labor costs)

No new FTE requests

I had Proposed that VTA have a capital project freeze on all programs which are designed to add vehicle capacity in favor of programs which increase transit capacity (by bus, train, bike, pedestrian, etc) as studies show that adding vehicle capacity does not reduce vehicle demand and therefore does not align with CAP, and VMT reductions sought.

For complete budget packet and review of slide deck presentation go to

<https://santaclaravta.iqm2.com/Citizens/FileOpen.aspx?Type=1&ID=4200&Inline=True>

Second part of meeting was breakout workshops for updating VTA strategic plan process and aspirations for Advisory Committee members for VTA as an agency

Project webpage is www.vta.org/programs/vtas-strategic-plan-2026

Draft strategic plan to be presented in Winter of 2026 for review

Long Range Financial Plan 10-Year Projection

	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>	<u>FY2032</u>	<u>FY2033</u>	<u>FY2034</u>	<u>FY2035</u>
Revenues	606.6	596.1	571.1	571.5	597.4	625.0	654.4	671.0	688.0	706.8
Expenses	607.5	611.1	659.8	676.7	698.1	718.3	740.7	761.9	785.1	808.6
Surplus/Deficit	(0.9)	(15.0)	(88.6)	(105.2)	(100.7)	(93.3)	(86.3)	(90.8)	(97.1)	(101.8)
Operating Reserve Beginning Balance	225.98	225.1	210.1	121.5	16.3	0.0	0.0	0.0	0.0	0.0
Operating Reserve Ending Balance	225.1	210.1	121.5	16.3						
Net Operating Balance					(84.4)	(93.3)	(86.3)	(90.8)	(97.1)	(101.8)

FY2026, 2027: 20% Salary savings
 FY2028 onwards: 8% Salary savings
 Operating Reserves: Accumulative Op + Sales tax Stabilization + Debt Reduction

Financial projection outlining revenues and expenditures over the next 10-years and anticipated deficits