

San Joaquin Hills

Fiscal Year 2010 Proposed Budget



Transportation Corridor Agencies



Preparing the Budget

- Staff began working on the budget in January
- Three board member budget workshops
- Proposed fiscal year 2010 budgeted expenses are below fiscal year 2009 projected actuals
- Recommended budget will maintain customer service and prepare for the agency's future needs
- Increases to tolls, fees and penalties included
- Continue to watch traffic, revenue and expenses on a daily basis

Accomplishments and Programs

- Construction began to add a northbound lane to a portion of the 73
- Bonita Creek Interactive Classroom workshop
- Spring Native Habitat Tours



Accomplishments and Programs

- 3.3% annual growth in FasTrak accounts
- 3.5% annual growth in transponders
- Toll attendants honored
- Replaceable battery transponders
- FasTrak Incentive - \$30 in tolls
- E-statement incentive
- Costco holiday incentive
- Facebook fan page



Initiatives

- Complete construction of the new northbound 73 lane
- 10th anniversary of the Spring Habitat Tour Program
- Expanded outreach to schools:
 - Bonita Creek Interactive Classroom
 - “Fossils in your backyard”
- Ongoing environmental mitigation management

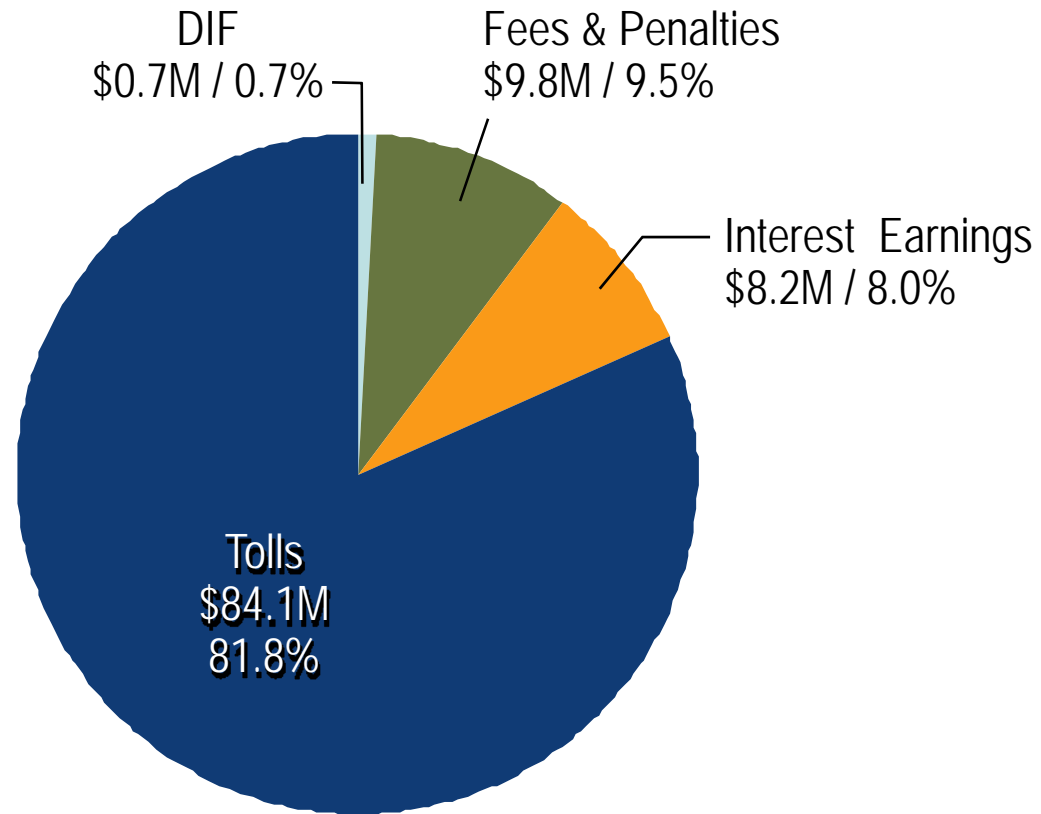


Initiatives

- Focus on customers:
 - Continue ridership incentives
 - Continue website usage incentives
 - Continue cost-efficient account payment incentives - ACH
 - Update IVR messaging
- Violation camera upgrade
- Strategic planning and policy study to guide future of toll operations functions



FY 2010 Proposed Revenues



Total Revenues \$102.8M



Toll Revenue – \$84.1M

- Assumes transactional toll revenue of \$87 million, a 1.4% increase over projected FY2009 transactional toll revenue of \$85.8 million
- Reduced by violations and non-revenue transactions of \$2.9 million estimated at approximately 3.3% of transactional toll revenue
 - 1.4% of the revenue is pursuable
 - 1.9% of the revenue represents unprocessable violations and non-revenue transactions

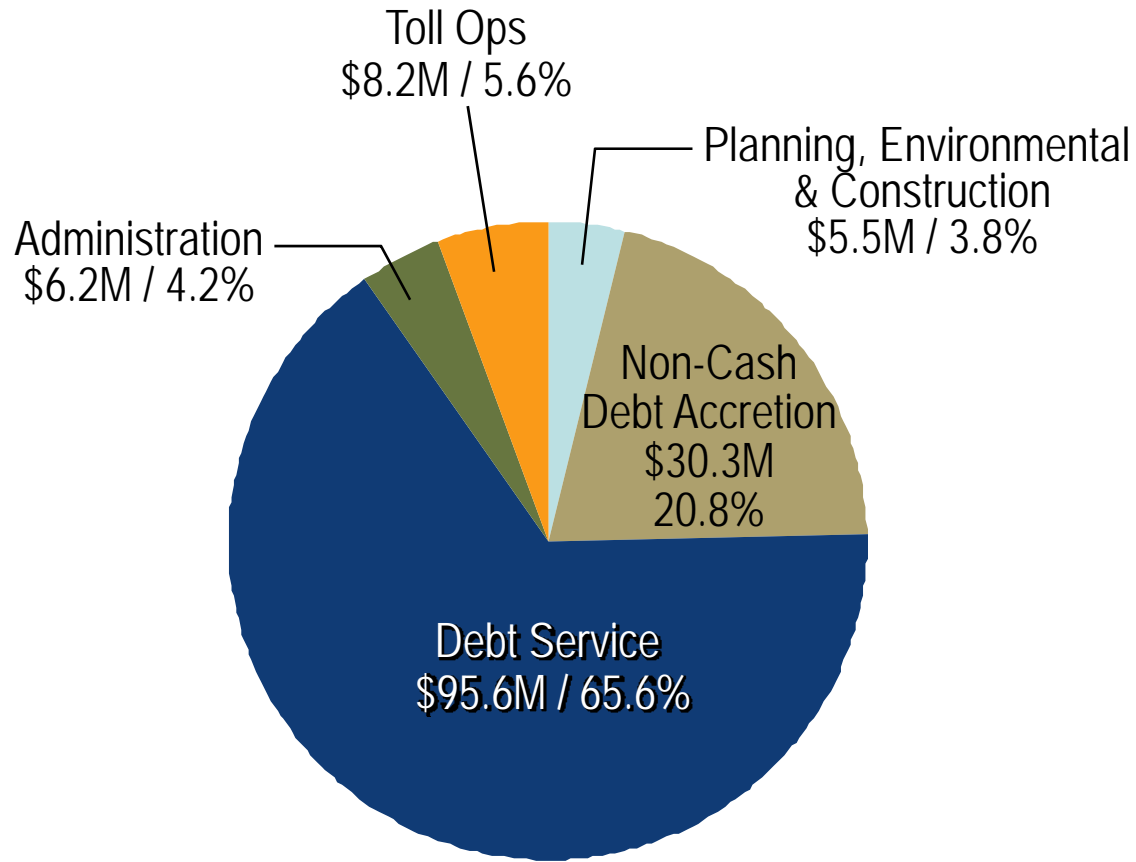
FY10 Recommended Toll Rates

Location	Time/Type	Current FY09	Proposed FY10	Change from Current
El Toro	Cash	\$2.00	\$2.25	\$0.25
	AVI	\$1.75	\$2.00	\$0.25
Catalina View ML	Cash Off-Peak	\$4.50	\$4.75	\$0.25
	AVI Off-Peak	\$3.75	\$4.00	\$0.25
	Cash Peak	\$5.25	\$5.50	\$0.25
	AVI Peak	\$4.50	\$4.75	\$0.25
	Weekend Cash	\$4.25	\$4.50	\$0.25
	Weekend AVI	\$3.50	\$3.75	\$0.25
Newport Coast	Cash	\$1.75	\$2.00	\$0.25
	AVI	\$1.50	\$1.75	\$0.25
La Paz	Cash	\$1.50	\$1.50	—
	AVI	\$1.25	\$1.25	—
Aliso Creek	Cash	\$1.75	\$1.75	—
	AVI	\$1.50	\$1.50	—
Bonita Canyon	Cash	\$1.00	\$1.00	—
	AVI	\$0.75	\$0.75	—

FY 2010 Budget Sources

Total Revenues	\$102.8M
Rollover of Operating Account Funds Not Spent in FY09	\$2.0M
Estimated Available Cash	\$76.0M
Sources Available to Cover Cash Uses	\$180.8M

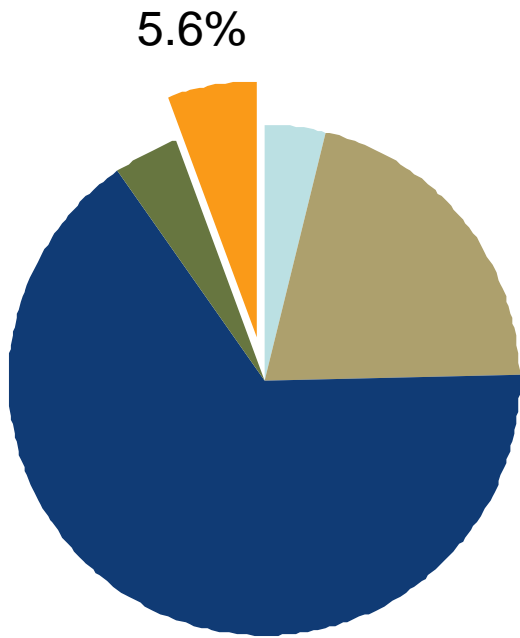
FY 2010 Proposed Budgeted Uses



Total Uses \$145.8M

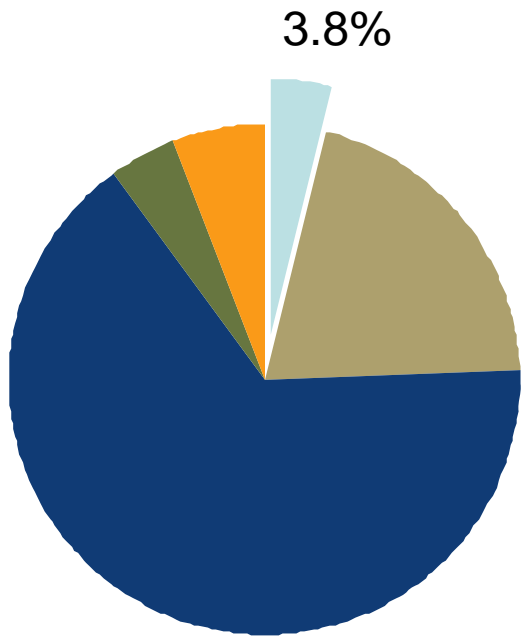
Cash Uses \$115.5M

Toll Operations – \$8.2M



	FY09 Amended Annual Budget	FY09 Est. Actuals	FY10 Budget	Change Between Est. FY09 Actuals & FY10 Budget
Toll Customer Service and Compliance	\$4.7M	\$4.2M	\$4.0M	(\$0.2M)
Toll Systems	\$1.8M	\$1.7M	\$1.6M	(\$0.1M)
Toll Equipment	\$1.3M	\$1.1M	\$1.0M	(\$0.1M)
Toll Collections	\$1.4M	\$1.3M	\$1.2M	(\$0.1M)
Toll Facilities	\$0.5M	\$0.4M	\$0.4M	\$0.0M
Total	\$9.7M	\$8.7M	\$8.2M	(\$0.5M)

Planning, Environmental & Construction \$5.5M



	FY09 Amended Budget	FY09 Est. Actuals	FY10 Budget	Change Between Est. FY09 Actuals & FY10 Budget
Mainline Widening	\$9.5M	\$7.8M	\$5.3M	(\$2.5M)
Caltrans Maintenance Station	\$0.1M	\$0.0M	\$0.0M	(\$0.0M)
Environmental	\$0.2M	\$0.1M	\$0.2M	\$0.1M
Other	\$0.1M	\$0.0M	\$0.0M	\$0.0M
Total	\$9.9M	\$7.9M	\$5.5M	(\$2.4M)

Administration \$6.2M

	FY09 Amended Budget	FY09 Est. Actuals	FY10 Budget	Change Between FY09 Est. Actuals & FY10 Budget
Salaries & Benefits	\$3.3M	\$3.1M	\$3.2M	\$0.1M
Insurance	\$1.3M	\$0.8M	\$1.0M	\$0.2M
Legal	\$0.7M	\$0.4M	\$0.4M	\$0.0M
Consulting	\$0.7M	\$0.3M	\$0.5M	\$0.2M
TCS	\$0.9M	\$0.1M	\$0.0M	(\$0.1M)
Rent	\$0.5M	\$0.4M	\$0.4M	\$0.0M
Office Expenses & Equipment	\$0.2M	\$0.2M	\$0.2M	\$0.0M
Transportation & Travel	\$0.1M	\$0.1M	\$0.1M	\$0.0M
Other	\$0.2M	\$0.2M	\$0.2M	\$0.0M
Marketing	\$0.2M	\$0.2M	\$0.2M	\$0.0M
Total	\$8.1M	\$5.8M	\$6.2M	\$0.4M

Debt Coverage Calculation FY 2010

	Budget FY 2010 (In Thousands)
Adjusted Net Toll Revenues	
Total Toll Revenues Including Fees and Penalties	\$93,870
Interest Earnings	\$7,355 *
Current Expenses – Funded From Toll Revenues	<u>(\$12,934)</u>
Adjusted Net Toll Revenues	\$88,291
Annual Debt Service Net of Toll Rate Stabilization Funds of \$28.7M	\$66,902
Coverage Ratio	1.32

* Reflects estimated earnings on specific accounts in both the Enterprise and Debt Service Funds as defined per the indenture.

Reconciliation of Sources & Available Cash

Beginning Cash Available to Fund Current & Future Budgets	\$93.1M
Restricted Cash in Debt Service Accounts	(\$7.4M)
Restricted Cash in Operations Accounts	(\$2.0M)
Caltrans Maintenance Station Commitment	(\$7.7M)
Estimated Available Cash at 7/01/09	\$76.0M

Estimated FY 2010 Available Cash \$76.0M

Unrestricted	
Estimated Available Cash	
Estimated Available Cash at Beginning of Year	\$8.0M
Proposed Uses:	
Construction	(\$0.2M)
Non-Operating Administration	(\$1.5M)
Net Available Cash	\$6.3M
Surplus Revenues	\$7.2M
DIFs	\$0.7M
Interest Income	\$0.2M
<i>Estimated Available Cash at 06/30/10</i>	<i>\$14.4M</i>

Restricted	
Mitigation Funds Limited to Projects (\$17M)	
<i>Estimated Available Mitigation Funds at Beginning of Year (Limited to \$17M)</i>	\$7.8M
Proposed Uses:	
Mainline Widening Project	(\$5.3M)
<i>Estimated Available Mitigation Funds at 06/30/10 (Limited to Projects)</i>	<i>\$2.5M</i>

Mitigation Funds for Toll Stabilization	
<i>Estimated Available Mitigation Funds at Beginning of Year for Toll Stabilization</i>	\$60.2M
Estimated Debt Defeasance to Meet Coverage	(\$28.7M)
Interest Income FY 2010	\$0.4M
<i>Estimated Available Mitigation Funds at 06/30/10 for Toll Stabilization</i>	<i>\$31.9M</i>



Reserves

- Caltrans Maintenance Station \$7.7M
- Current Expense \$3.8M
- Use and Occupancy \$15.0M
- Debt Service Reserve \$210.9M

San Joaquin Hills

Staff Recommendation

- Approve budget totaling \$145,817,804
- Approve revised compensation and staffing plan
- Adopt the proposed toll rates as presented on the earlier slide
- Authorize CEO to reallocate within the following categories
 - Administration \$6,154,317
 - Planning, Environmental & Construction \$5,528,000
 - Toll Operations \$8,218,331
 - Debt Expenses \$125,917,156
- Direct staff to submit budget to the trustee