

# Bay Area Infrastructure Financing Authority (BAIFA)

January 27, 2021

Agenda Item 3a - 20-1707

## BAIFA Financial Statements for Q1 FY 2020-21 (Unaudited)

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**Background:** Attached are the BAIFA financial statements for the first quarter ending on September 30, 2020 (unaudited).

Despite first quarter toll revenue that was less than 25% of FY 2019 or FY 2020 totals, BAIFA ended the first quarter of FY 2021 with an operating surplus of \$160k. Only by combining violation and toll revenue does BAIFA create the ending surplus.

Financial highlights include:

- (1) **Operating:** Total operating revenue was \$912 thousand or 11% of the approved budget. The majority (85%) of BAIFA revenue is generated from toll revenue. If the current toll revenue trend continues, the projected toll revenue for FY 2021 would be approximately \$2.2 million, or 32% of the approved budget. Violation revenue is \$368 thousand at the end of the first quarter and should be more consistent with the budget assumption as toll violation assessments are reinstated in 2021. As a result of the pandemic, the toll revenue generated in the first quarter of FY2020-21 dropped by more than 80% when compared to previous two fiscal years and it is still too early to project when traffic will recover to those prior levels. See toll revenue graph at Attachment A page 4.

Total operating expense of \$751 thousand is only 6.9% of the approved budget. Based on first quarter results, operating expenses will come in well under budget. We should get a more accurate expense picture as we get closer to midyear when year-end FY 2020 closing and encumbrance are finally recorded, and administrative and maintenance expenses pick up. Any encumbrance carryforward from prior year will be added to the budget after clean-up.

Overall, the EL operations reports a \$160 thousand surplus as of the end of September. However, unless traffic levels increase, the fund may show an operating deficit by year end.

The I-880 Express Lanes project had entered into operation starting in October. Staff will provide a financial update for that operation starting next quarter.


(2) **Capital Programs:** The approved life-to-date (LTD) budget for the Capital Program is \$441 million. At the end of the first quarter, the programs maintain a budget balance of \$123 million for future capital projects.

(3) **Actions under Executive Director Contract signature authority:** please see Attachment A page 3.

If you have any questions about this report, please contact Brian Mayhew at (415) 778-6730.

**Recommendation:** None. This item provided as information only.

**Attachments:** Attachment A –BAIFA Unaudited Financial Statements for first quarter ending September 30, 2020

  
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