

Bay Area Infrastructure Financing Authority (BAIFA)

March 24, 2021

Agenda Item 3b - 21-0343

BAIFA Financial Statements for Q2 FY 2020-21 (Unaudited)

Background: Attached are the BAIFA financial statements for the second quarter ending on December 31, 2020 (unaudited).

BAIFA ended the second quarter of FY 2020-21 with an operating surplus of \$3.8 million. Overall revenue is coming in stronger than expected due to the start-up of toll operations on the I-880 Express Lane project in October.

Financial highlights include:

I-680 Operating:

The I-680 Express Lane has an operating deficit of \$148,000 as of December 2020. The operating deficit was not unexpected. The FY 2021 operating budget includes a transfer of \$4.8 million from the reserve to cover a potential operating deficit and depreciation expense. I-680 Express Lane has an estimated \$15.6 million reserve as of 7/1/2020.

Total operating revenue is near \$2.2 million but only 27% of the FY 2021 budget. Toll revenue is only \$1.4 million reflecting lower traffic levels caused by the current pandemic. Toll revenue increased by 63% or \$339,000 between the first and second quarter indicating the possibility of an improved revenue stream going into the second half of the year.

Total operating expense was \$2.3 million or 21% of the adopted budget. Most expenses are consistent with the low traffic level. Total expenses, including encumbrances will have to be watched in the second half of the year given the total expense and encumbrance could be nearly \$10 million or 90% of the operating budget and substantially ahead of revenue projections. The mismatch of revenue and expense shows the difficulty of budgeting during this unpredictable regional health emergency. Staff will monitor the operation closely in the second half of the year to determine if an amendment is needed.

I-880 Operating:

The I-880 Express Lane opened in the fall of 2020. The lane opened without an operating budget with the startup expense budget still carried as part of the capital development. Nevertheless, toll revenue is very strong at \$4.2 million in only three months of operation. FY 2022 will provide a better picture as we will get in a full year of operations.

Capital Programs:

The approved life-to-date (LTD) budget for the Capital Program is \$441 million. At the end of the second quarter, there is a budget balance of \$122 million for future capital projects. No projects are over budget on a life-to-date basis.

Actions under Executive Director Contract signature authority:

Please see Attachment A page 5.

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 second quarter ending December 31, 2020



Therese W. McMillan

**BAIFA Operating Budget
As of December 2020**

	FY 2020-21 Budget	Actual YTD	Curent Budget Balance Over/(Under)	% of Budget (YTD/Bud)	Year Expired	Encumbrances	YTD Total (Enc+YTD)
Revenue:							
General Toll Revenue	6,944,327	5,603,656	(1,340,671)	80.7%	50.0%	0	5,603,656
Violation Revenue	850,407	762,083	(88,324)	89.6%	50.0%	0	762,083
Interest Revenue	328,750	3,662	(325,088)	1.1%	50.0%	0	3,662
Miscellaneous	0	38	38	0.0%	50.0%	0	38
Total Revenue	8,123,484	6,369,439	(1,754,045)	78.4%	50.0%	0	6,369,439
Expense:							
FasTrak Operations and Maintenance	2,564,779	418,436	(2,146,342)	16.3%	50.0%	7,937,379	8,355,815
Express Lanes & Backhaul Operations and Maintenance	4,850,810	1,016,814	(3,833,996)	21.0%	50.0%	9,697,259	10,714,073
Express Lanes Administration	3,496,229	1,102,002	(2,394,227)	31.5%	50.0%	89,464	1,191,466
Total Expense	10,911,818	2,537,252	(8,374,566)	23.3%	50.0%	17,724,102	20,261,354
Other/Transfer	(2,788,334)	0	(2,788,334)	0.0%	50.0%	0	0
Total Expense & Transfer	8,123,484	2,537,252	(5,586,232)	31.2%	50.0%	17,724,102	20,261,354
Operating Surplus (Shortfall)	0	3,832,187					

BAIFA Operating Budget - 680 EL
As of December 2020

	FY 2020-21	Actual	Current Budget	% of Budget	Year		YTD Total
	Budget	YTD	Balance	(YTD/Bud)	Expired	Encumbrances	(Enc+YTD)
			Over/(Under)				
Revenue:							
1 General Toll Revenue	6,944,327	1,421,073	(5,523,254)	20.5%	50.0%	0	1,421,073
2 Violation Revenue	850,407	762,083	(88,324)	89.6%	50.0%	0	762,083
3 Interest Revenue	328,750	3,662	(325,088)	1.1%	50.0%	0	3,662
4 Miscellaneous	0	38	38	0.0%	50.0%	0	38
Total Revenue	8,123,484	2,186,856	(5,936,628)	26.9%	50.0%	0	2,186,856
Expense:							
FasTrak Operations and Maintenance							
1 RCSC Operations	1,754,779	238,078	(1,516,701)	13.6%	50.0%	1,754,779	1,992,857
2 Banking/Credit Card Fees	315,000	33,901	(281,099)	10.8%	50.0%	315,000	348,901
3 BATA Financial Services	135,000	56,220	(78,780)	41.6%	50.0%	0	56,220
4 Collections/DMV Expenses	360,000	0	(360,000)	0.0%	50.0%	360,000	360,000
FasTrak O&M Subtotal	2,564,779	328,199	(2,236,580)	12.8%	50.0%	2,429,779	2,757,978
Express Lanes & Backhaul Operations and Maintenance							
5 Operating Center	415,885	150,592	(265,293)	36.2%	50.0%	0	150,592
6 California Highway Patrol Enforcement	495,000	60,495	(434,505)	12.2%	50.0%	495,000	555,495
7 Roadway Maintenance	1,757,725	274,388	(1,483,337)	15.6%	50.0%	2,442,000	2,716,388
8 Toll System Operations & Maintenance	2,082,200	458,221	(1,623,978)	22.0%	50.0%	2,082,200	2,540,421
9 Utility Service	100,000	14,800	(85,200)	14.8%	50.0%	35,200	50,000
Express Lanes and Backhaul O&M Subtotal	4,850,810	958,495	(3,892,314)	19.8%	50.0%	5,054,400	6,012,895
Express Lanes Administration							
10 Salaries, Benefits & Overhead	2,528,509	915,487	(1,613,022)	36.2%	50.0%	0	915,487
11 Professional/Consultant Service	602,920	35,151	(567,769)	5.8%	50.0%	0	35,151
12 Audit/Accounting	112,000	80,668	(31,332)	72.0%	50.0%	0	80,668
13 Insurance	182,000	11,144	(170,856)	6.1%	50.0%	0	11,144
14 Other	70,800	5,800	(65,000)	8.2%	50.0%	0	5,800
Express Lanes Admin Subtotal	3,496,229	1,048,250	(2,447,979)	30.0%	50.0%	0	1,048,250
Total Expense	10,911,818	2,334,944	(8,576,874)	21.4%	50.0%	7,484,179	9,819,123
Other/Transfer							
15 Transfer (from)/to Reserve	(4,788,334)	0	4,788,334	0.0%	50.0%	0	0
16 Depreciation	2,000,000	0	2,000,000	0.0%	50.0%	0	0
Total Transfer In (out)	(2,788,334)	0	(2,788,334)	0.0%	50.0%	0	0
Total Expense & Transfer	8,123,484	2,334,944	(5,788,540)	28.7%	50.0%	7,484,179	9,819,123
Operating Surplus (Shortfall)	0	(148,088)					

BAIFA Operating Budget - 880 EL
As of December 2020

	FY 2020-21	Actual	Current Budget	% of Budget	Year		YTD Total
	Budget	YTD	Balance	(YTD/Bud)	Expired	Encumbrances	(Enc+YTD)
			Over/(Under)				
Revenue:							
1 General Toll Revenue	0	4,182,583	4,182,583	0.0%	50.0%	0	4,182,583
2 Violation Revenue	0	0	0	0.0%	50.0%	0	0
3 Interest Revenue	0	0	0	0.0%	50.0%	0	0
4 Miscellaneous	0	0	0	0.0%	50.0%	0	0
Total Revenue	0	4,182,583	4,182,583	0.0%	50.0%	0	4,182,583
Expense:							
FasTrak Operations and Maintenance							
1 RCSC Operations	0	90,237	90,237	0.0%	50.0%	4,150,100	4,240,337
2 Banking/Credit Card Fees	0	0	0	0.0%	50.0%	1,102,500	1,102,500
3 BATA Financial Services	0	0	0	0.0%	50.0%	135,000	135,000
4 Collections/DMV Expenses	0	0	0	0.0%	50.0%	120,000	120,000
FasTrak O&M Subtotal	0	90,237	90,237	0.0%	50.0%	5,507,600	5,597,837
Express Lanes & Backhaul Operations and Maintenance							
5 Operating Center	0	0	0	0.0%	50.0%	440,675	440,675
6 California Highway Patrol Enforcement	0	0	0	0.0%	50.0%	1,000,000	1,000,000
7 Roadway Maintenance	0	49,299	49,299	0.0%	50.0%	711,004	760,303
8 Toll System Operations & Maintenance	0	0	0	0.0%	50.0%	2,491,180	2,491,180
9 Utility Service	0	9,019	9,019	0.0%	50.0%	0	9,019
Express Lanes and Backhaul O&M Subtotal	0	58,319	58,319	0.0%	50.0%	4,642,859	4,701,178
Express Lanes Administration							
10 Salaries, Benefits & Overhead	0	38,829	38,829	0.0%	50.0%	0	38,829
11 Professional/Consultant Service	0	14,923	14,923	0.0%	50.0%	89,464	104,387
12 Audit/Accounting	0	0	0	0.0%	50.0%	0	0
13 Insurance	0	0	0	0.0%	50.0%	0	0
14 Other	0	0	0	0.0%	50.0%	0	0
Express Lanes Admin Subtotal	0	53,752	53,752	0.0%	50.0%	89,464	143,216
Total Expense	0	202,308	202,308	0.0%	50.0%	10,239,923	10,442,231
Other/Transfer							
15 Transfer (from)/to Reserve	0	0	0	0.0%	50.0%	0	0
16 Depreciation	0	0	0	0.0%	50.0%	0	0
Total Transfer In (out)	0	0	0	0.0%	50.0%	0	0
Total Expense & Transfer	0	202,308	202,308	0.0%	50.0%	10,239,923	10,442,231
Operating Surplus (Shortfall)	0	3,980,275					

BAIFA EL Capital Projects

As of December 2020 - Life to Date

	Project Title	Total Express Lane Budget	Exp Recorded in BATA 849	LTD BAIFA Capital Budget	Actual	Encumbrance	Balance Remaining Over/(Under)
6840	Program Costs: Planning, Coordination & Management	28,437,000	20,254,980	8,182,020	3,574,375	1,136,483	(3,471,162)
6841	Centralized Toll System	32,367,000	20,980,474	11,386,526	3,220,168	4,723,533	(3,442,825)
6842	CC-680 Southern Segment Conversion	54,043,000	52,420,459	1,622,541	116,824	1,495,783	(9,934)
6843	Capitalized Start-up O&M	16,000,000	4,852,589	11,147,411	111,974	1,486,159	(9,549,277)
6844	ALA-880 Conversion	139,098,000	104,122,301	34,975,699	20,440,289	6,880,583	(7,654,827)
6845	CC-680 Northern Segment - Southbound Conversion	54,173,000	16,955,242	37,217,758	22,202,361	12,403,515	(2,611,882)
6847	Program Contingency	2,847,677	-	2,847,677	-	-	(2,847,677)
6849	SOL-80 Express Lane Conversion	18,078,000	11,634,064	6,443,936	83,839	4,020,773	(2,339,324)
6851	84/Dumbarton Bridge	323,140	323,140	-	-	-	-
6852	92/San Mateo Bridge	369,303	369,303	-	-	-	-
6853	San Mateo 101	95,000,000	-	95,000,000	504,775	4,544,164	(89,951,061)
	Express Lanes Total	440,736,120	231,912,552	208,823,568	50,254,606	36,690,992	(121,877,970)

Note: Audited EL Capital expense recorded in BATA Fund 849 as of 6/30/19 was \$231,912,552

PURCHASE ORDERS EXECUTED BY EXECUTIVE DIRECTOR
\$2,500-\$200,000

Oct - Dec 2020

AT&T		\$179,007
	<i>Leased fiber line service for 680 corridor</i>	
SSP DATA		\$101,622
	<i>Network architect consulting</i>	

