

**Bay Area Toll Authority
Oversight Committee**

November 8, 2023

Agenda Item 4d - 23-1282

**Bay Area Toll Authority (BATA) Resolution No. 169, Revised –
FY 2023-24 Operating and Capital Budgets Amendment No. 1**

Subject:

Bay Area Toll Authority (BATA) Fiscal Year (FY) 2023-24 Operating and Capital Budgets Amendment 1.

Background:

Staff requests that BATA Resolution No. 169, Revised, which amends FY 2023-24 BATA Operating and Capital Budgets, be referred to the Authority for approval. The proposed amendment increases total revenue by \$1.7 million and total expenses by \$2.3 million, resulting in a \$632,000 reduction in the operating surplus. Total operating revenue is budgeted at \$1,072 million, including \$894 million of general toll revenue. Total operating expense and transfers are \$1,043 million. The operating surplus of \$29 million will be transferred to the operating reserve. The FY 2023-24 BATA Rehabilitation Program budget remains at \$185 million and the other capital programs do not have amendments.

Operating Budget Amendments:

Amendments to the operating budget are proposed as follows:

- \$1.7 million additional revenue from the fee payments in the BATA-Conduent license agreement that cover the related BATA-Bay Area Housing Authority (BAHA) lease agreement for the FasTrak[®] walk-in customer service center with a corresponding increase in rental expense of \$1.6 million and security service expense of \$80 thousand paid to Cushman & Wakefield.
- \$515 thousand additional expense for net changes in staffing costs for two new positions added related to RM3 and toll operations work in the Electronic Payments Section, two new positions added due to the need for more contracts compliance and

an Enterprise Resource Planning (ERP) lead in the Facilities and Contracts Section, and reduction in funding from BATA for an existing position in the Design and Planning Department now to be funded by the Metropolitan Transportation Commission (MTC).

- \$139 thousand net increase in other administration expenses due to implementation of a new budget software and reduced funding for sales tax service.

The budget is balanced as presented, with a projected operating surplus of \$28.6 million, reduced from \$29.2 million in the adopted FY 2023-24 budget. The operating budget schedule is attached (Attachment A) and is summarized below (in thousands).

| | <u>FY 2023-24</u> <u>Adopted</u> | <u>Change</u> | <u>FY 2023-24</u> <u>Amendment No. 1</u> |
|--------------------|-------------------------------------|-----------------|---|
| Toll Revenue | | | |
| RM1 | \$ 542,600 | | \$ 542,600 |
| RM2 | 117,400 | | 117,400 |
| RM3 | 233,600 | | 233,600 |
| Violation | 26,000 | | 26,000 |
| Other | 0 | \$ 1,680 | 1,680 |
| Interest | 62,117 | | 62,117 |
| Reimbursement | 17,920 | | 17,920 |
| Rebate for BABS* | <u>70,339</u> | | <u>70,339</u> |
| Total Revenue | \$1,069,976 | \$ 1,680 | \$1,071,656 |
| Operating Expenses | | | |
| Caltrans | \$ 11,690 | | \$ 11,690 |
| FasTrak | 109,660 | | 109,660 |
| Admin/Other | 42,380 | \$ 2,312 | 44,692 |
| Debt Service | 546,105 | | 546,105 |
| RM2 | 49,202 | | 49,202 |
| RM3 | 228,928 | | 228,928 |
| Transfers | 38,190 | | 38,190 |
| Extraordinary | <u>14,627</u> | | <u>14,627</u> |
| Total Expenses | <u>\$1,040,782</u> | <u>\$ 2,312</u> | <u>\$1,043,094</u> |
| Operating Surplus | \$ 29,194 | (\$ 632) | \$ 28,562 |

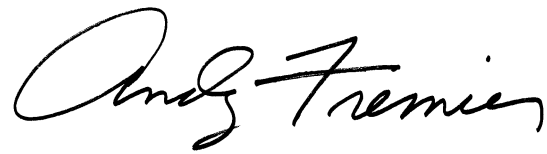
*Build for America Bonds

Recommendations:

Staff recommends referral of Resolution No. 169, Revised, amending the FY 2023-24 BATA Toll Bridge Operating and Capital Budgets, for approval to the Authority.

Attachments:

- BATA Resolution No. 169, Revised, FY 2023-24 BATA Toll Bridge Operating and Capital Budget Amendment No. 1

A handwritten signature in black ink, reading "Andrew B. Fremier". The signature is written in a cursive style with a large initial "A".

Andrew B. Fremier