

Transportation and Parking Services

Summary of Financial Position

TAPS Summary of Financial Position

Introduction and Back ground

- Transportation and Parking Services has moved to a kinder, gentler philosophy in order to encourage community engagement and focus on customer service.
- This change in philosophy has led to a reduction in citation and event parking revenue.
- Additionally, the continued success of our Alternative Transportation program has resulted in decreased demand for permits.
- Meaningful actions have been taken in TAPS to reduce expenditures as a result of the lower revenue.

TAPS Summary of Financial Position

Introduction and Back ground

TAPS 5-Year plan highlights:

1. Life safety projects will be prioritized.
2. Lot maintenance to preserve our existing assets will continue to be performed.
3. Necessary expansion will be achieved in a low cost manner.
4. Small permit increases will be implemented to eliminate the operating and projected accumulated earnings deficits. Year one will have no increase followed by a 6.3% average increase over the next 4 years. These increases will be re-evaluated annually.
5. At the end of this 5-year period, UCR parking rates will still be significantly lower than comparable rates at other UC campuses.

TAPS Summary of Financial Position

Background on TAPS Revenue & Expenses

Revenue is broken down into 5 sources, as described below:

- A chart depicting revenue by source for 2011-12 and 2012-13 appears below.

<u>Revenue Source</u>	FY2011-12 Actuals		FY2012-13 Projected	
	\$ Amt	% of Total	\$ Amt	% of Total
Permit Sales	\$4,512,477	65.19%	\$4,460,562	73.65%
Housing Support	\$669,740	9.68%	\$523,983	8.65%
Vanpools	\$214,765	3.10%	\$237,963	3.93%
Citations	\$916,661	13.24%	\$549,979	9.08%
Events/Transit/Mobility	\$426,033	6.15%	\$284,058	4.69%
Other (equipment sales)	\$182,516	2.64%	\$292	0.00%
	\$6,922,192		\$6,056,837	

TAPS Summary of Financial Position

Background on TAPS Revenue & Expenses

Expenditures are grouped into four general categories, as described below:

- A chart depicting expenses by major category for 2011-12 and 2012-13 appears below.

<u>Category</u>	FY2011-12 Actuals		FY2012-13 Projected	
	\$ Amt	% of Total	\$ Amt	% of Total
Permit Administration	\$5,114,948	69.29%	\$4,514,604	66.33%
Alternative Transportation	\$1,101,753	14.92%	\$1,153,185	16.94%
Events/Transit/Mobility	\$736,922	9.98%	\$567,353	8.34%
Major Maintenance/Equipment Purchases	\$428,716	5.81%	\$571,111	8.39%
	\$7,382,339		\$6,806,253	

TAPS Summary of Financial Position

TAPS' Current Financial Position

The chart below illustrates the changes in overall net revenue:

<u>Operations</u>	2010-11	2011-12	2012-13
Operating Revenue	\$6,305,394	\$6,922,192	\$6,056,837
Operating Expenses	\$5,670,559	\$6,953,623	\$6,235,142
Net from Operations	\$634,835	(\$31,431)	(\$178,305)

<u>Accumulated Earnings</u>	2010-11	2011-12	2012-13
Beginning Balance	\$1,565,534	\$1,728,095	\$1,298,508
Net from Operations	\$634,835	(\$31,431)	(\$178,305)
Major Maint/Const/Equip Purchases	(\$507,294)	(\$428,716)	(\$571,111)
Other Adjustments	\$35,020	\$30,559	\$22,767
Ending Balance	\$1,728,095	\$1,298,508	\$571,859

Total Expenses	\$6,177,853	\$7,382,338	\$6,806,253
Overall Annual Net Revenue	\$127,541	(\$460,146)	(\$749,416)

FY2011-12 Expenditures increased as a result of (1) Land Rent ~\$350k (2) Service Center Assessment ~\$246k (3) T2 Flex purchase ~\$171k (4) Police SSA ~\$157k (5) Fleet vehicle increase ~\$128k (6) Retirement & Benefit contribution increase ~\$95k (7) UCOP assessment ~\$81k

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Recent trends in revenue and expenditures

In dealing with this reduced revenue and developing ways to be more efficient, TAPS has also taken steps to reduce expenses this past fiscal year.

- This will lead to a projected reduction of over \$575K in expenditures in 2012-13, based on the following key factors:
 1. Salary and benefits reductions associated with re-organization efforts this fiscal year will save roughly \$300K.
 2. A one-time expenditure of roughly \$170K associated with the purchase of our T2 Flex permit and citations management software in 2011-12 will not be repeated in 2012-13.

TAPS Summary of Financial Position

Recent trends in revenue and expenditures

3. Expenditure reductions of over \$250K are projected for various supplies and services this fiscal year.
4. As a result of the reduction in citation revenue, county taxes applied to citations will decrease \$150K.
5. Increases of \$295K in salaries, benefits and other costs like the RTA U-Pass program will result in the net \$575K overall decrease projected for this fiscal year.

<u>Category</u>	Variance from 11/12 to 12/13	
	\$ Amt	% change
Permit Administration	(\$600,344)	-11.74%
Alternative Transportation	\$51,432	4.67%
Events/Transit/Mobility	(\$169,569)	-23.01%
Major Maintenance/Equipment Purchases	\$142,395	33.21%
	(\$576,085)	-7.80%

TAPS Summary of Financial Position

TAPS' Recovery & Growth Plan, 2014-15 through 2017-18

Without rate increase, TAPS revenue would increase slightly as the campus population grows:

Operating Revenue - No Permit Increases

Item/Description	ACTUAL		P R O J E C T E D					
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Total Operating Revenue	\$6,305,394	\$6,922,192	\$6,056,837	\$6,195,021	\$6,318,005	\$6,421,057	\$6,529,509	\$6,652,222
Operating Revenue	\$6,305,394	\$6,922,192	\$6,056,837	\$6,195,021	\$6,318,005	\$6,421,057	\$6,529,509	\$6,652,222

- This would result in an approximate deficit of \$3.2 million by the end of FY2017-18.
- Over the next 5 years the following assumptions were made: no staffing increases, 3% annual increase in salaries, 1% annual increase in benefits as a percent of salaries, and average annual major maintenance expenditures of approximately \$467k.
- With an average increase of 6.3% per year from FY2014-15 through FY2017-18 TAPS will return to a breakeven position.

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TAPS' Recovery & Growth Plan, 2014-15 through 2017-18

Based on all of these assumptions, TAPS is projected to be in an overall deficit position at the end of 2013-14, but return to a break even position in 2017-18 as illustrated in the following chart.

Operating Revenue

Item/Description	ACTUAL		P R O J E C T E D					
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Total Operating Revenue	\$6,305,394	\$6,922,192	\$6,056,837	\$6,195,021	\$6,622,417	\$7,045,791	\$7,490,308	\$7,969,367
Operating Revenue	\$6,305,394	\$6,922,192	\$6,056,837	\$6,195,021	\$6,622,417	\$7,045,791	\$7,490,308	\$7,969,367

Operating Expenses

Item/Description	ACTUAL		P R O J E C T E D					
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Salaries & Wages	\$1,909,745	\$1,954,940	\$1,796,601	\$1,950,739	\$2,009,261	\$2,069,539	\$2,131,625	\$2,195,574
Benefits	\$652,961	\$775,709	\$811,148	\$903,806	\$951,013	\$1,000,239	\$1,051,562	\$1,105,065
Other Expenses	\$3,107,853	\$4,222,974	\$3,627,393	\$3,600,858	\$3,600,858	\$3,600,858	\$3,600,858	\$3,600,858
Operating Expenses	\$5,670,559	\$6,953,623	\$6,235,142	\$6,455,403	\$6,561,132	\$6,670,636	\$6,784,045	\$6,901,497
NET REVENUE	\$634,835	(\$31,431)	(\$178,305)	(\$260,382)	\$61,285	\$375,155	\$706,263	\$1,067,871

Reserves/Accumulated Earnings

Item/Description	ACTUAL		P R O J E C T E D					
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Beginning Balance	\$1,565,534	\$1,728,095	\$1,298,508	\$571,859	(\$273,440)	(\$705,977)	(\$749,269)	(\$684,217)
Net Revenues, Current Period	\$634,835	(\$31,431)	(\$178,305)	(\$260,382)	\$61,285	\$375,155	\$706,263	\$1,067,871
STIP Earned	\$36,495	\$30,470	\$22,895	\$10,083	(\$4,821)	(\$12,448)	(\$13,211)	(\$12,064)
Parking Lot Maint/Construction	(\$498,414)	(\$423,051)	(\$526,008)	(\$505,000)	(\$474,000)	(\$391,000)	(\$613,000)	(\$355,000)
Capital Equipment Purchases	(\$8,879)	(\$5,665)	(\$45,103)	(\$90,000)	(\$15,000)	(\$15,000)	(\$15,000)	(\$15,000)
Prior Year Adjustment		\$345						
Furlough/UCOP Assessment	(\$1,475)	(\$256)	(\$128)					
Ending Balance	\$1,728,095	\$1,298,508	\$571,859	(\$273,440)	(\$705,977)	(\$749,269)	(\$684,217)	\$1,590
Total Net +/-	\$127,541	(\$460,146)	(\$749,416)	(\$855,382)	(\$427,715)	(\$30,845)	\$78,263	\$697,871
Ending Balance as % of Revenue				-4.4%	-10.7%	-10.6%	-9.1%	0.0%

TAPS Summary of Financial Position

TAPS' Recovery & Growth Plan, 2014-15 through 2017-18

Projected parking rates

- The following chart illustrates the impact of the 6.3% average annual fee increases proposed for 2014-15 through 2017-18 for each major permit category.

Permit Type	ACTUAL			P R O J E C T E D				
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
X-permits	\$84.00	\$88.00	\$88.00	\$88.00	\$94.00	\$100.00	\$106.00	\$113.00
Red - Faculty & Staff	\$53.50	\$56.00	\$56.00	\$56.00	\$60.00	\$64.00	\$68.00	\$72.00
Blue - Faculty & Staff	\$38.00	\$40.00	\$40.00	\$40.00	\$43.00	\$46.00	\$49.00	\$52.00
Gold - Commuter Student	\$31.00	\$33.00	\$33.00	\$33.00	\$35.00	\$37.00	\$39.00	\$41.00
Pay by Space	\$6.00	\$6.00	\$6.00	\$6.00	\$7.00	\$7.00	\$8.00	\$8.00

- These permit increases will cover operating expenses as well as fund the “must do” maintenance projects listed on the next slide.

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“Must Do” Projects

Project	Description	FY2012-13	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18
EH&S Relocation	New EH&S Lot to be constructed in conjunction with construction of new EH&S building.	\$250,000		\$250,000			
Parking Lot 17	Remove island and relocate lighting	\$31,008					
MLK & Canyon Crest	Phased project to provide approximately 200 overflow parking spaces during times of peak demand in Lot 30. Phase one will include a gravel lot with asphalt connector to kiosk entrance.		\$150,000				
Parking Lot 26	Upgrade Lighting in Lot 26 with new induction light heads		\$300,000				
Campus Lots and Pathways	ADA Accessibility Upgrades.			\$25,000	\$25,000	\$25,000	\$25,000
Rivera Library Dock	Resurface lot to provide accesible parking			\$50,000			
Palm Desert Campus	Seal coat and stripe lot				\$30,000		
Lot 6	Remove and replace asphalt surface				\$200,000		
Lighting upgrades	Add upgraded light poles in various lots				\$45,000		\$150,000
Highlander Hall	Construct 300 space parking lot on current site of Highlander Hall.					\$500,000	
Annual Lot Maintenance & Minor Repairs	Lot repair and maintenance including surface repairs, space rearrangement, light poles, bollards, electrical work, fixture repairs, etc., requiring general repair.	\$188,000	\$55,000	\$119,000	\$66,000	\$88,000	\$130,000
Bicycle Improvements	Install bike racks, concrete pads, etc.	\$32,000		\$30,000	\$25,000		
EV Charging	Install charging stations for electric vehicles.	\$25,000					\$50,000

TAPS Summary of Financial Position

TAPS' Recovery & Growth Plan, 2014-15 through 2017-18

Projected parking rates compared to other UC Campuses

- The following chart compares both the current UCR rates and the proposed UCR rates in 5 years to the current average UC-wide rates:

Permit Type	Current Avg. UC-wide Rate (FY12-13)	Current UCR Rate (FY12-13)	UCR Rate in 5 years (approx. 28% increase)	Variance - UCR Rate in Five Years to Current UC Average Rate
Gold (Student)	\$54.56	\$33.00	\$41.00	-25%
Blue (Faculty/Staff)	\$60.75	\$40.00	\$52.00	-14%
Red (Faculty/Staff)	\$84.17	\$56.00	\$72.00	-14%
X-Permit (Faculty/Staff)	\$121.75	\$88.00	\$113.00	-7%