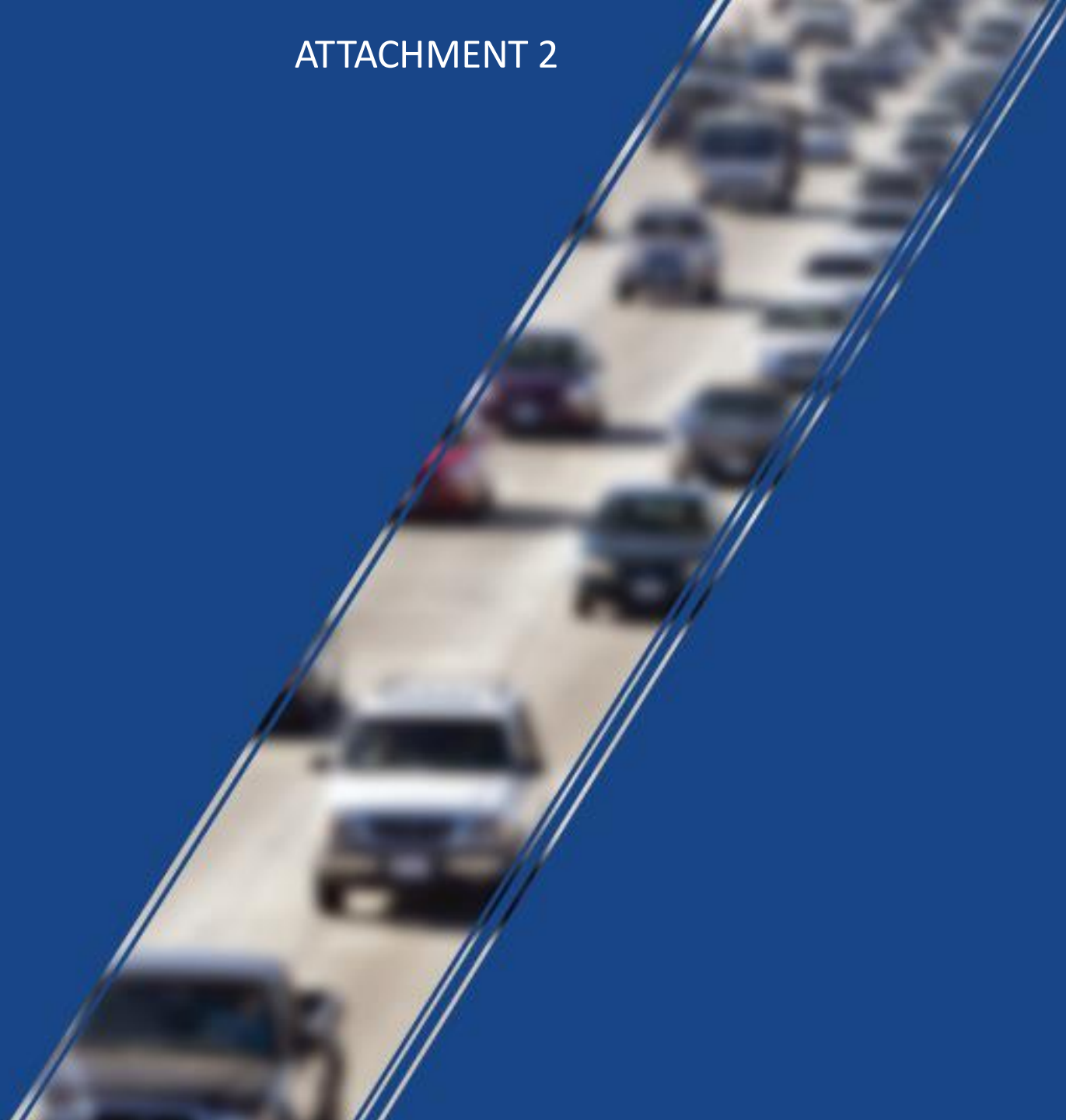




Fiscal Year 2027
Preliminary Budget

Item # 4.2



Agenda

1. FY26 Forecast
2. FY27 Preliminary Budget
 - Budget Assumptions
 - Sources / Uses
 - Equity Program
 - Net Position: Sources over Uses
2. Next Steps

FY26 Forecast: Sources Over Uses (\$ Millions)

	FY2026 BUDGET	FY2026 FORECAST	% CHANGE
Total Sources	\$ 40.32	\$ 37.39	-7.3%
Total Uses	37.08	25.62	-30.9%
Projected Sources over Uses	\$ 3.24	\$ 11.77	262.9%

Capital Reserve Contribution is reflected in the Flow of Funds hence removed from the Budget Statement.

FY26 Forecast

Sources ↓ \$2.93M

- ↓ Toll Revenues: \$1.3M
- ↓ Toll Violations, Fees and Penalties: \$1.3M
- ↓ Revenue Sharing Funds - Equity Program: \$488K

Uses ↓ \$11.46M

- ↓ Toll O&M (BAIFA): \$461K
- ↓ Equity Program Cost: \$562K
- ↓ Staff Support & Consultant: \$543K
- ↓ Bond Interest Expense: \$945K
- ↓ Capital Reserve Contribution: \$9.1M

FY27 Preliminary Budget Assumptions

- Increasing share of toll-free trips (HOV3) to total trip volume
- Vehicle Occupancy Detection (VOD) technology will be explored
- Full year implementation of the new Equity Program (Go Card Program)
- Capital expenditure identified
- Proposed Flow of Funds will determine any applicable bond payments and contribution to various reserve accounts including Capital Reserve
- Caltrans maintenance contract in place

Sources (\$ Millions)

	FY2026 FORECAST	FY2027 PRELIMINARY	% CHANGE
Toll Revenues	\$30.03	\$30.36	1.1%
Toll Violations Fees and Penalties	4.83	4.83	0.0%
Set Aside Prior Years Balance – Equity Program	0.99	0.05	-94.9%
Revenue Sharing Funds – Equity Program*	-	1.37	100.0%
Miscellaneous Revenue (Interest Income)	1.54	1.40	-8.8%
Capital Reserve*	-	2.00	100.0%
TOTAL SOURCES	\$37.39	\$40.01	7.0%

* Subject to Board discussion as part of the FY27 Flow of Funds allocation



Uses (\$ Millions)

	FY2026 FORECAST	FY2027 PRELIMINARY	% CHANGE
Toll Operations and Maintenance (BAIFA)	\$6.22	\$6.27	0.8%
FasTrak Customer Service (BATA)	3.71	4.20	13.3%
Express Lane Maintenance (Caltrans)	0.85	0.85	0.0%
Express Lane Enhanced Enforcement (CHP)	0.57	0.59	2.8%
Equity Program Administration and Costs	1.54	2.03	31.4%
Administrative and Support Expenses	3.61	4.86	34.5%
SMCEL-JPA Bond Related Fees	3.12	3.12	-0.2%
Capital Rehabilitation and Replacement	-	2.00	100.0%
Operating Loan Payoff	6.00	-	-100.0%
TOTAL USES	\$25.62	\$23.90	-6.7%

Equity Program

- Go Card Program officially launched in November 2025
- Expanded outreach and community partnerships
 - 14 community-based organizations
- Increased access through online enrollment
- Estimated 7,500 participants @\$200 per debit card

Equity Program Sources and Uses (\$ Millions)

	FY2027 PRELIMINARY
Sources	
Set Aside Prior Years Balance	\$ 0.05
Toll Revenue Set Aside	0.60
Revenue Sharing Funds*	1.37
Total Funding Sources	\$ 2.03
Uses	
Next Gen Debit Card	\$ 1.52
Administrative Costs	0.17
Maintenance and Contingency Costs	0.34
Equity Program Administration and Costs	\$ 2.03
Net Position	\$ 0.00

* Subject to Board discussion as part of the FY27 Flow of Funds allocation

Net Position: Sources Over Uses (\$ Millions)

	FY2026 FORECAST	FY2027 PRELIMINARY	% CHANGE
Total Sources	\$ 37.39	\$ 40.01	7.0%
Total Uses	25.62	23.90	-6.7%
Projected Sources over Uses	\$ 11.77	\$ 16.11	36.9%

Next Steps

- Update the budget per Flow of Funds decisions
- Issue a Notice of Public Hearing on the adoption of the FY27 Proposed Budget
- Present the FY27 Proposed Budget in the June Board for adoption



Questions?