

ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY



PROGRAM & OPERATING BUDGET FISCAL YEAR 2008/2009



Adopted

May 8, 2008



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ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

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May 8, 2008

Governing Board
Alameda Corridor Transportation Authority

I am pleased to transmit the Fiscal Year 2008/2009 (FY09) Budget for the Alameda Corridor Transportation Authority. FY09 will be ACTA's seventh full fiscal year following revenue service as both an operating and implementation agency.

At the end of FY08, the Corridor will have carried an estimated 21.7 million TEUs. An additional 7.3 million fee-generating, off-corridor TEUs will have been moved to and from rail loading facilities beyond the Corridor. Total fees assessed from inception are estimated to be \$450.2 million through June 2008. Another \$95.2 million is anticipated from July 2008 through June 2009.

The number of trains moving through the Corridor since opening day has exceeded 100,000. Both ACTA and the Railroads have expended in excess of \$25.0 million on maintenance to date and will expend another \$5.1 million on maintenance in FY09.

ACTA is committed to achieving the region's quality of life goals, such as reduced congestion and improved traffic safety and air quality, while at the same time ensuring the efficient movement of goods that is critical to a vibrant economy. The San Pedro Bay Ports are the gateway for over forty percent of the waterborne imports into this country. The economic impact of these two Ports on the entire nation is measurable and indisputable. A study by ACTA and the Ports determined that in 2005 the two ports generated \$256 billion in trade value and 3.3 million jobs for the nation. Local political, business and community leaders share a common challenge to preserve this economic mainstay and to responsibly grow while improving the quality of life, particularly public health.

In the original program, ACTA brought together four competitive entities – the two ports and the two railroads – to develop a mutually beneficial goods movement rail solution. It then demonstrated the ability to deliver projects to implement that solution on time and on budget. The Governing Board through its Expanded Mission has again charged ACTA staff, together with the staff of the Ports, to craft a new series of local and regional goods movement initiatives and projects. In FY09 the development of a zero emissions electronic container mover system is added to that mission. ACTA staff will be working with the Ports and other regional entities such as SCAG and LA Metro to plan such a system.

This budget document is both a policy and financial document. It combines ongoing operations with closeout of the original Alameda Corridor projects as well as development and construction of new projects, such as the SR-47 Port Access Expressway / Heim Bridge Replacement Project in conjunction with Caltrans. ACTA has recently secured \$158 million in state bond funds from the CTC to be used for construction of the SR-47 Project. The project is now contained in ACTA's Capital Budget. Staff is grateful for the leadership of its Board and its commitment to implement solutions that improve the regional quality of life and preserve and grow the economy.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'John T. Doherty', with a long horizontal stroke extending to the right.

John T. Doherty, P.E.
Chief Executive Officer

Policy Overview





Policy Overview

The Alameda Corridor was established in 1989 as a Joint Powers Authority of the Cities of Long Beach and Los Angeles. Throughout the 1990's, planning, financing, and engineering efforts dominated ACTA's agenda. Construction began in 1997 with the Los Angeles River Bridge Project, and moved into an accelerated mode shortly thereafter when full project funding was secured. The original project was completed and the Corridor opened for Revenue Service on April 15, 2002. The Pacific Coast Highway Grade Separation Project and the Anaheim Pump Station Project, follow-on ACTA efforts, were completed in March 2004 and June 2005, respectively. Various other additional Corridor projects have also been completed or are underway.

Since 2002, ACTA's effort has focused on:

- Completion and closeout of property issues related to the original project;
- Completion of Additional Corridor Projects as approved by ACTA, the Ports and the Railroads in 2002;
- Transition of ACTA into an operating entity for the purpose of managing Corridor operations, maintenance, and revenue collection;
- Development, implementation and support of goods movement efficiency and environmental mitigation projects such as the State Route 47 Port Access Expressway Project (SR-47 Project), PierPASS, and the green port initiatives vital to improving the Southern California environment and to promoting clean growth.

In January 2004, the Governing Board expanded the mission of ACTA, authorizing initiatives to reduce truck traffic congestion, improve air quality and public health, and enhance traffic safety. Most recently the Board has added the development of a local and regional zero emissions electric container mover system to the Expanded Mission.

Congestion Relief Through Efficient Freight Movement

Central to ACTA's overall mission is the efficient movement of goods entering or leaving the United States via the San Pedro Bay Ports. The Alameda Corridor was one of the most ambitious public works efforts ever undertaken to promote economic growth, and address highway traffic congestion. The reduction of truck traffic on the highways serving the Ports was one of ACTA's primary goals. Before ACTA completed the Corridor, it was already looking at ways to improve the movement of trucks carrying freight to and from the Ports and to increase use of rail for transporting containers. Studies have shown that moving cargo by rail is more energy efficient and produces far less emissions than by truck. One train is the equivalent of nearly 300 trucks, and a train can move a ton of freight 420 miles on a single gallon of fuel.

The Board authorized ACTA to work with Caltrans to evaluate the feasibility of developing an expressway linking Terminal Island with the recently improved Alameda Street, a project known as the SR-47 Project. This project also replaces the seismically deficient Commodore Heim Lift Bridge. The primary purpose of this project is to reduce congestion on the freeways serving the Ports by providing alternate reliable access to local distribution centers and rail yards. In April 2008, the CTC approved \$158 million in funding from state Prop 1B bond funds for this \$687 million project.

Policy Overview

ACTA Supports Air Quality Standards

Maintaining acceptable air quality standards is necessary for a vibrant economy and a healthy California. The Alameda Corridor was a model major public infrastructure project that achieved both environmental and economic goals. Primarily an environmental mitigation project, it enhanced freight rail capacity as well. From its inception, the project was identified as an important element of the region's air quality management and mitigation plan.

By eliminating rail and vehicle conflicts at 200 grade crossings and speeding the movement of trains through industrial, commercial, and residential areas, the Corridor has produced tangible benefits in noise, traffic, emissions and accident reductions, as well as improved response times for emergency service vehicles. Furthermore, ACTA disposed of millions of tons of contaminated soil. In addition, one of the most blighted areas of the County located near the Ports was purchased and substantially improved by ACTA. Throughout construction, ACTA maintained an ongoing working relationship with government agencies charged with regulating environmental cleanup. Since operations began, over 8,000 tons of pollutants have been eliminated due to more efficient rail service and reduced traffic delays at rail crossings.

ACTA's future focus will be the preparation of preliminary engineering and environmental evaluations to implement additional rail and highway projects in and around the Ports intended to improve the quality of life of surrounding communities by easing congestion and reducing pollution. ACTA's proactive community outreach program, a component of the successful development of the Corridor, will be re-initiated for these projects, thus allowing valuable public input on community and environmental concerns.

ACTA is proud to be exploring and initiating programs and projects that are intended to improve air quality in the region.

Next Steps

When the Governing Board authorized ACTA's Expanded Mission in January 2004, it approved several initiatives intended to accomplish that mission. Thereafter, other initiatives were added. These initiatives are listed below.

Short-Term Initiatives

- Coordinate with the Ports, shippers and wholesalers/retailers the extending of operating hours of the intermodal distribution system to more efficiently utilize existing infrastructure by shifting daytime trips to nighttime trips.

That effort was accomplished when industry successfully initiated the PierPASS Program in August of 2005. Over thirty-percent of truck trips were immediately shifted to off-peak hours, and over 8 million truck trips have been shifted to date.

- In conjunction with the Ports and Railroads, evaluate ways to increase the use of existing on-dock rail facilities.

As a result of that concerted effort, on-dock volumes have grown from 14% to 24% of total port volume, resulting in doubling Alameda Corridor container volumes since operations began.

- Evaluate the viability of a shuttle train operation between the Ports and the Inland Empire and initiate a shuttle pilot program.

Although the pilot program is presently on hold due to certain long-term financial and facility capacity issues, the shuttle train concept holds great promise.

- Work with other regional entities to evaluate goods movement needs.

Approval by voters in November 2006 of the Prop 1B Transportation Bond led to the formation of the Regional Consensus Group that this past year identified the region's most critical and ready-to-develop goods movement projects for funding from Prop 1B. This group will continue to work toward securing regional goods movement funding from the 2009 Federal Highway Reauthorization.

- Promote the development of inland container yards to encourage use of night gates.

This initiative was adopted when it was anticipated that the percentage shift to night gates might be low due to the inability for inland warehouses to accept night deliveries. However, the greater than expected shift of truck trips to off-peak hours seems to have eliminated the need for these holding yards.

- ACTA will work with the ports and LA Metro to develop a zero emissions electric container mover system for connecting the ports to near-dock facilities and/or the I-710 corridor segment of a regional system. See long term initiatives for the regional system effort.

Mid-Term Initiatives

- Support the development of a new near-dock Intermodal Container Transfer Facility (ICTF).

POLA is advancing the environmental evaluation for the facility proposed by BNSF, and BNSF has expressed a willingness to address community air quality concerns. Public hearings will be held when the draft environmental documents are complete. This project could remove one million truck trips per year from the I-710, but local community concerns must be addressed.

- Continue planning and environmental document efforts with Caltrans regarding the proposed SR-47 Project.

A Public Hearing was held in the fall of 2007 on the draft environmental documents and public comments are being incorporated. A Health Risk Assessment was prepared at the ACTA Board's request and mitigations are being identified. The CTC approved \$158 million for construction of the project from Prop 1B State Bond Funds.

- Evaluate empty container storage.

At the request of ACTA Board member Janice Hahn, new Los Angeles City ordinances controlling the location and requirements for empty container storage facilities were adopted. In addition, ACTA arranged for the lease of four acres for container storage in the permitted zone.

Policy Overview

Long-Term Initiatives

- Participate with the Los Angeles County Metropolitan Transportation Authority (LA Metro), and other transportation agencies, in goods movement studies to pursue long-term county and region-wide solutions.

ACTA has been engaged with all of the stakeholders, including industry, agencies, community and environmental groups to identify capacity and air quality improvement projects.

- Development of a zero emissions electric container mover system is a regional effort requiring the coordination and cooperation of many agencies in the region. ACTA will play a key role in the thoughtful and expeditious planning of such a system.

Funding Initiative

- Evaluate funding options for projects.

ACTA continues to work with the ports and other regional agencies to craft new ways to fund infrastructure projects including potential new user fees and future dedicated federal sources for freight transportation. As part of the Regional Consensus Group effort, \$1.6 billion in funds were secured for the regional goods movement projects through Prop 1B Funds. Since adoption of this initiative, \$15 million in federal funds and \$158 million in state funds have been secured for ACTA projects.

These initiatives represent the evolution of ACTA's regional involvement.

The staff levels both at ACTA and ACET are sized for project closeout activities and the Expanded Mission tasks. However, as the Expanded Mission projects progress, additional staffing may become necessary.

Budget Year Goals

- Adjust staffing and position titles where necessary to more accurately reflect new responsibility as both an operating and planning/implementation agency.
- Effectively manage and control administrative expenses.
- Evaluate alternative public and private funding sources and pursue already-approved grant funding, in particular the Trade Corridor Improvement Fund (TCIF) of the Proposition 1B State Transportation Bond and Federal SAFETEA-LU Funds.
- Provide support to Ports and private sector including the railroads and terminal operators to implement cargo movement efficiency.
- Enhance financial reporting by improving control, systems, and level of detail.

Budget Assumptions

- All debt payments are covered by collected revenues.
- Actual revenue through March 2008 serves as the basis for revenue projections for FY09.
- Inflation is assumed to be 3.5%.
- ACET activity levels have been adjusted for the oversight of the advancement of environmental documents for the Cerritos Channel Rail Bridge, the final design oversight of the SR-47 Project, design and implementation of a computerized Corridor property management system, and development of a the Zero Emissions Electric Container Mover System.
- Costs for Maintenance-of-Way are based on the 2008 calendar year budget approved by the Operating Committee.
- The Maintenance-of-Way contractor meets budgeted amounts as per the contract.
- The Railroads continue to provide dispatching and security services at no cost to ACTA.
- The Railroads pay for all rail maintenance costs based on their calculated proportionate share, based on data provided by both Railroads.
- Reserve Account (i.e., capital fund) has sufficient funds to pay all anticipated non-rail maintenance costs.
- ACTA's revenue collection and monitoring costs as well as all non-capital administrative costs are paid from Use Fees and Container Charges and other amounts made available through the Annual Accounting.
- Grant funding commitments will be honored by Caltrans for PCH expense reconciliation and the SR-47 Project cost sharing.
- Interest earnings are calculated assuming rates at 2008 levels (i.e., 3.5%).

Budget Development & Overview





Budget Development & Overview

Budget Development

The Budget is prepared at the Department level, which includes general, administrative, professional, engineering, right-of-way and construction expenses. Individual project schedules are prepared and incorporated into the Budget document to assist in determining cash flow needs and to track progress. Throughout the year, the Budget is amended through ACTA Board-approved changes as new information becomes available through updated cost forecasts based on actual experience.

General, administrative, professional service, and other departmental expenses are controlled on an annual basis.

The Proposed Budget is presented on an Expense Type, Departmental, and Fund basis. In each view, data is provided to reflect the sources and uses of funds by major classes of revenues and expenses in all areas.

As part of this year's budget, a cash flow has been included, which details the beginning balances by fund type, anticipated inflows and outflows to each fund, and ending balances.

Budget Overview

The Budget for FY09 consists of capital expenses in the amount of \$40.9 million and operating expenses totaling \$156.2 million, for total expenses of \$197.1 million. The Capital Budget includes remaining work on a few Additional Corridor Projects, closeout activity for the original Alameda Corridor projects, and new Expanded Mission initiatives authorized by the Board in January 2004 as amended thereafter. The SR-47 Project is part of the Expanded Mission initiatives and is the main focus of our capital program. Final design, right-of-way, and utility work are scheduled to begin during FY09. Development of a Project Information Management and Mapping System (PIMMS), as approved by ACTA's Governing Board in June 2004, will get underway as well. Debt service payments of \$85.2 million are scheduled for FY09. The FY09 Budget assumes no cash amounts are needed from the Ports for Shortfall Advances or Reserve Account deposits.

ACTA's administrative and revenue collection and monitoring costs have been budgeted at \$8.5 million. The budget includes an ACTA staff decrease of one position since last year, which is currently being filled by ACET administrative support staff. The budget for salaries and benefits increased modestly for FY09 to account for increasing responsibilities as the SR-47 Project moves into the final design phase.

Corridor Maintenance-of-Way costs are budgeted at \$5.1 million compared to the FY08 actual estimate of \$4.4 million. The Railroads are directly responsible for most of these maintenance costs, making cash payments of \$4.1 million for rail maintenance. To the extent funds are available, non-rail maintenance costs are paid from the Reserve Account (funded by Use Fees and Container Charges). Otherwise, the Railroads are required to also pay for non-rail maintenance costs. The FY09 Budget assumes that the Reserve Account continues to have sufficient balances for these non-rail maintenance costs.

Budget Development & Overview

Budgeted expenses are funded from a combination of Use Fees and Container Charges, grant revenues, and remaining funds on hand. Remaining funds on hand consist principally of funds from revenue bonds. Use Fees and Container Charges, projected to be \$95.2 million, are used for required debt service payments, revenue collection and monitoring costs, deposits to a Corridor capital improvement fund (i.e., Reserve Account), and non-capital administrative costs. Use Fees and Container Charges are estimated to increase 3.0%, from an estimated actual of \$92.3 million for FY08 to \$95.2 million for FY09.

Budget Controls

The following reflects ACTA's budget control practices:

1. The Governing Board reviews and approves the Budget before the beginning of the fiscal year.
2. Budgeted expenses cannot exceed identified available financial resources. Every expenditure must be made from Board appropriated Budget funds.
3. The Annual Budget is developed based on information from Department managers responsible for various components within ACTA and ACET.
4. Expenses are controlled at the major Expense Type (salaries, benefits, office expenses, etc.).
5. In accordance with the Los Angeles City Administrative Code, the CEO has the authority to approve budget transfers between Departments, but not between Expense Types.
6. Administrative and service-type expenses are estimated based on service needs, staff levels and historic data.
7. In preparing the Budget, all unperformed but required work included in agreements, contracts and purchase orders from previous fiscal years are considered in determining the budget for the current and future fiscal years.

Budget Process

Policy Development and Issue Identification

- Review Board agendas for approved policy direction and initiatives.
- Identify other critical issues.
- Develop cohesive policy direction and related policy statements.
- Discuss with CEO any desired changes in policy or critical issues to be addressed.

Resource Identification and Allocation

- Analyze and revise revenue projections based on recent trends in cargo activity.
- Ascertain availability of grant funding from existing grants and finance programs, or regional calls for projects.
- Solicit input from funding partners.
- Develop Funding Model and Draft Budget. ACTA staff develops a funding model that is used to determine how various project expenses are funded by available funding sources. ACTA Finance staff updates interest earnings projections. Upon completion of the funding model, ACTA Finance staff assigns funding to each expense line item.

Data Collection and Accumulation

- Obtain and analyze year-to-date costs for all activities, functions, programs, and projects.
- Receive detailed capital costs projections from ACET.
- Interview management and project managers regarding activity on existing projects and new initiatives for the new budget year.
- Obtain cost assumptions and new project descriptions.

Analysis and Evaluation

- Summarize data on various spreadsheets by program, project, function, and funding source.
- Determine impact on funding sources and strategic direction of ACTA.
- Reallocate funding sources and readjust budget requests as needed.
- Prepare narrative explanations of trends and variances.

Budget Development & Overview

Review and Appraisal

- Prepare a draft of the Budget document.
- Submit to CEO for discussion, review, and revision, if necessary.
- Finalize layout and design of Budget document.
- Complete Proposed Budget for final management review.

Adoption and Dissemination

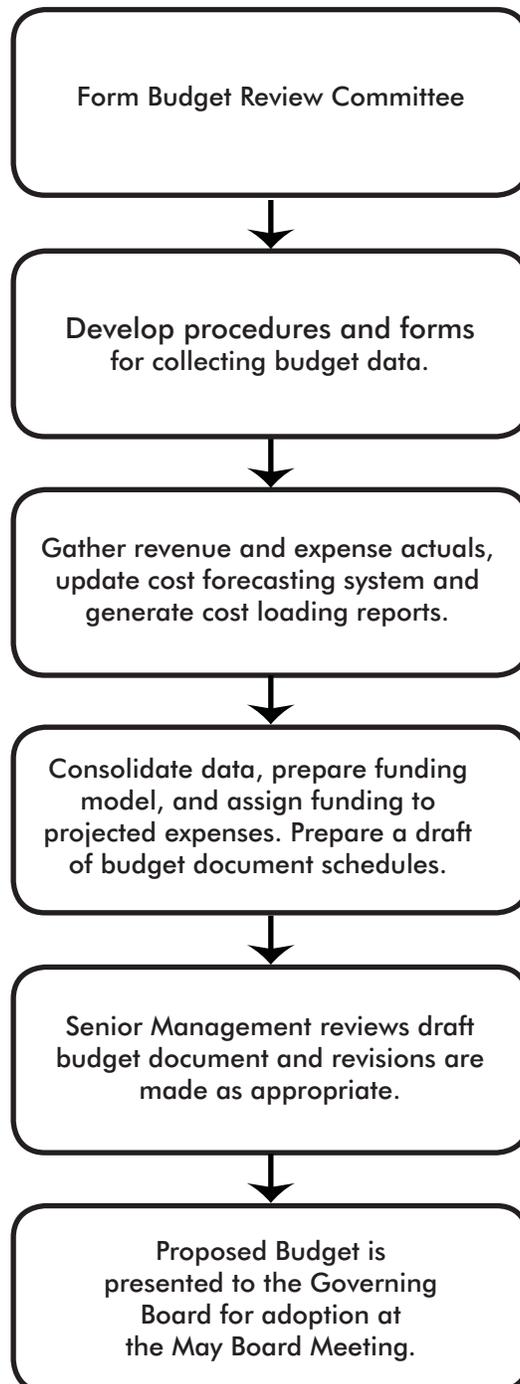
- Submit Proposed Budget to Governing Board for adoption.
- Complete graphic design of Final Budget and make available to public and other interested parties within 60 days of adoption.
- Upload Budget data to ACTA financial system. After Board approval, the Budget is immediately uploaded to allow for monitoring and reporting.

Budget Roles and Responsibilities

All personnel participate in gathering data for Budget preparation. ACTA/ACET managers develop realistic assumptions and cost estimates. Finance supplies actual costs-to-date necessary to arrive at accurate costs-to-complete amounts. CFO and CEO review those estimates for reasonableness.

Finance is also responsible for summarizing all pertinent data into a Budget document that correlates project initiatives and planned expenditures with ACTA management and Board policy directives. The CEO provides overall policy guidance consistent with Board direction.

The flowchart below further describes the process and time-line.



Budget Analysis





Budget Analysis

Budget Analysis – Cash Fiscal Year 2009

	BUDGET 2009	ACTUAL ESTIMATE 2008	BUDGET 2008	\$ CHANGE	% CHANGE
Expenses					
General & Administrative	\$ 10,963,550	\$ 9,971,324	\$ 10,663,706	\$ 992,226	10.0%
Revenue Collections & Monitoring	1,309,927	1,106,633	1,899,528	203,294	18.4%
Professional Services	3,552,610	1,880,315	3,294,262	1,672,295	88.9%
Maintenance-of-Way	5,145,154	4,418,892	4,996,881	726,262	16.4%
Capital (before transfers)	34,095,660	5,360,431	18,586,000	28,735,229	536.1%
Total Expenses	\$ 55,066,901	\$ 22,737,595	\$ 39,440,377	\$ 32,329,306	142.2%
Debt Service - Principal	28,039,173	23,155,840	23,155,840	4,883,333	21.1%
Debt Service - Interest	57,157,205	57,250,822	57,250,822	(93,617)	-0.2%
Total Debt Service	\$ 85,196,378	\$ 80,406,662	\$ 80,406,662	\$ 4,789,716	6.0%

General and Administrative: The budget for general and administrative expenses includes salaries and benefits, materials and supplies, software maintenance, travel, other office expenses, pass-through expenses, and ACET support. ACET's Operating and Capital Support is anticipated to increase by approximately \$400,000 as the SR-47 Project moves forward, although a portion of these costs are offset by a pass-through transfer of ACET Capital Support costs to the appropriate capital projects.

Revenue Collections and Monitoring: Revenue collections and monitoring costs consist of staffing charges and indirect costs related to ACTA's collection of Use Fees and Container Charges from the Railroads, as well as management information technology. Also included are costs of servicing and maintaining the AEI reader network, as well as support and maintenance, telecommunication charges, railroad liability insurance, and legal costs associated with revenue collections and monitoring.

The costs for revenue collections and monitoring (i.e. Financing Fees) are expected to increase by \$203,294 compared to the FY08 estimated actual. The increase is due to higher support, maintenance, legal fees, and professional service costs.

Professional Services: These costs include other legal, audit, government affairs, risk management, engineering consulting, and other consultant services. To the extent that certain of these costs (e.g., audit, legal) cannot be assigned directly, they are allocated in the same manner as general and administrative costs.

The professional services budget is projected to increase by \$1.7 million. The increase is due to the encumbrance of newly issued legal contracts for FY09 totaling \$1.8 million and an increase of \$50,000 per year in legal support costs to the Ports of Long Beach and Los Angeles. Governmental Affairs includes the movement of legislative advocacy costs from legal to governmental affairs, totaling \$152,000. A \$374,000 in costs for potential ATMIS and Virtual Container Yard work is also included. Other cost increases include nominal increases for audit services and office support staff based upon anticipated needs.

Budget Analysis

Maintenance-of-Way: There are four components of Maintenance-of-Way (MOW) costs for the Corridor. Each is explained below. The Operating Committee, comprised of representatives from the two ports and two railroads, approve an annual Maintenance-of-Way Budget in November of each year for the following calendar year. ACTA administers the Maintenance-of-Way Budget and monitors the Corridor maintenance contractor.

Rail Component: maintenance of real property, track, ballast, signals, crossing and protection devices, pole lines, communication facilities and equipment, and track storm drains outside the Trench. The Railroads are solely responsible for paying the maintenance costs of the Rail Component. ACTA bills each railroad a pro rata share of the costs on a monthly basis and pays the Corridor maintenance contractor.

Non-Rail Component: maintenance of the walls, retaining walls, embankments, barrier walls, fences, support structures, drainage facilities, and emergency drop ladders and related telephone and alarms for the trench, and the structural portions of the Washington Boulevard and Henry Ford Avenue grade separations. The costs for the Non-Rail Component are paid from the Reserve Account established through the Use and Operating Agreement (the written agreement between ACTA, the Ports, and the Railroads governing Corridor operations). ACTA's Maintenance Contractor performs the work, and funds are withdrawn monthly to cover the costs.

Non-Rail Component Administrative Cost: maintenance of ACTA's Automatic Equipment Identification (AEI) Reader network along the tracks to collect data to support the revenue collection system. ACTA's Maintenance Contractor performs the work and ACTA pays the monthly invoices from administrative funds.

Capital Improvement Budget: additions, betterments, and upgrades or replacements made to the Corridor rail and non-rail components in accordance with Operating Committee guidelines. While the facilities are new, minimal capital costs will be required to ensure total reliability of the facilities. The Capital Budget work is performed by ACTA's Maintenance Contractor and is paid from the Reserve Account.

The other operating costs of the Corridor such as insurance, property taxes, and utility costs are paid by the Railroads. Dispatching and security are services provided directly by the Railroads and are, therefore, not reflected in the Budget.

Maintenance-of-Way costs show an increase primarily due to contractual arrangements with the Corridor maintenance contractor. The contract anticipated greater levels of maintenance for track, including rail grinding and surfacing.

Debt Service Payments: Debt service payments for the 1999 and 2004 Series bonds occur on April 1st (interest only) and October 1st (interest and principal). There are \$75.7 million and \$9.5 million in 1999 and 2004 Series bond debt service payments respectively scheduled during FY09. Of the total of \$85.2 million, principal repayments due October 1, 2008 are \$28,039,173.



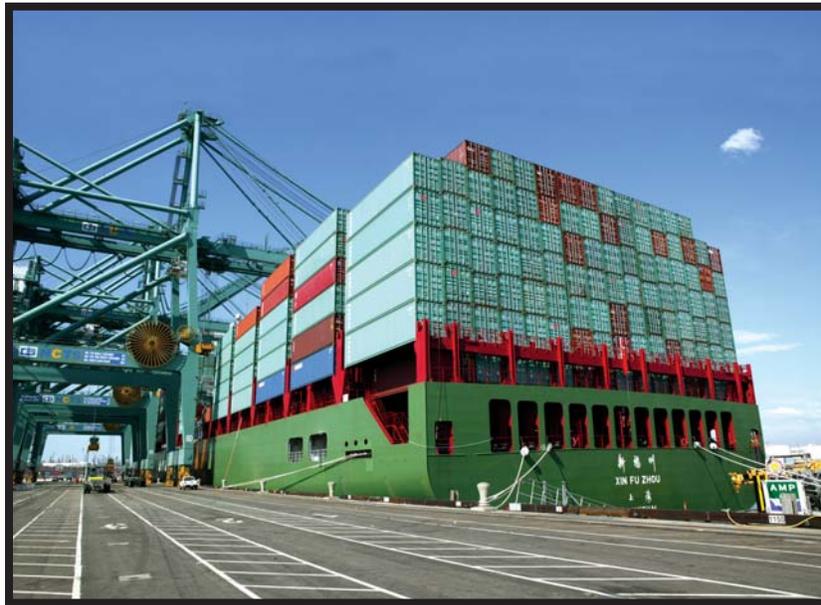
Capital Budget: Page 38 contains the Capital Budget for the entire Program as defined to date, as well as the remaining estimated costs to complete the Program in FY09 and beyond. Of approximately \$657.6 million in remaining capital costs, \$40.9 million (including \$6.8 million of capital cost transferred from the Operating Budget) are budgeted for FY09. Major capital expenses for FY09 include the SR-47 Project final design work and the CP Thenard - New Track Connection. The capital budget grew significantly this year due to the securing of funds for the design and construction of the SR-47 Project.

Cash Flow: The table below details the flow of funds by the character of the fund types. Most of the decrease in the end FY09 cash balances occurs as a result of the use of Taxable - Construction Fund Bond Proceeds for capital projects.

**Cash Flow
Fiscal Year 2009**

	Estimated Beginning Balance	Inflow	Interest Income	Outflow	Transfers	Debt Service	Estimated Ending Balance
SR-47	\$ 2,395,473	\$ 12,543,000	\$ 99,352	\$ (14,236,000)	\$ -	\$ -	\$ 801,825
EMI	5,918,973	-	210,520	-	-	-	6,129,493
PCH	8,653,159	-	270,250	(2,316,000)	-	-	6,607,410
LAIF	3,603,379	1,747,635	168,141	(571,635)	-	-	4,947,519
Construction - Tax Exempt	39,500,405	-	1,276,134	(7,949,749)	-	-	32,826,790
Construction - Taxable	20,071,150	-	451,160	(16,218,014)	-	-	4,304,296
Revenue and ACTA M&O	63,407,674	95,537,221	2,521,613	(9,677,408)	(85,397,109)	-	66,391,991
Debt Service and Reserves	111,321,580	-	4,729,446	-	85,397,109	(85,196,378)	116,251,758
MOW (Railroads)	597,182	4,097,788	33,385	(4,097,788)	-	-	630,567
Total	\$ 255,468,977	\$ 113,925,644	\$ 9,760,000	\$ (55,066,595)	\$ -	\$ (85,196,378)	\$ 238,891,649

Debt Summary





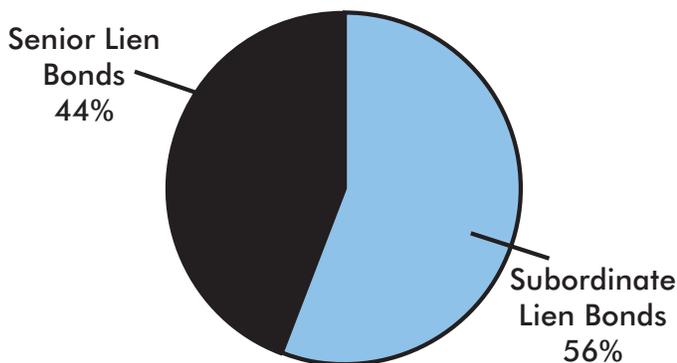
Debt Summary

ACTA's total outstanding debt is \$1,763,531,280 in revenue bonds. ACTA's debt portfolio includes a combination of senior, subordinate, taxable, and tax-exempt serial and capital appreciation bonds. The bonds are secured by a pledge of ACTA's Use Fees and Container Charges paid by the two major railroads, Union Pacific Railroad and BNSF Railway Company, serving Southern California.

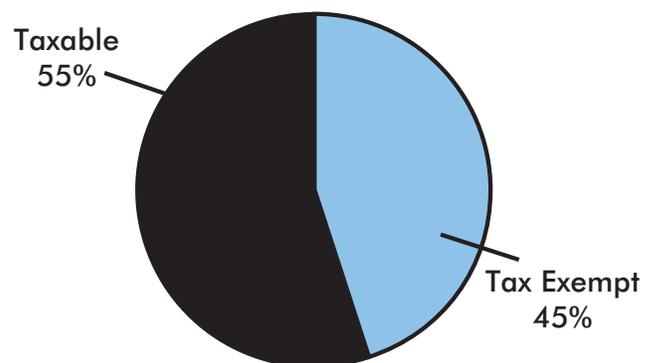
Total Debt Service

Fiscal Year	Principal	Interest	Total
2009	\$ 28,039,173	\$ 57,157,205	\$ 85,196,378
2010	32,261,088	57,162,924	89,424,012
2011	36,940,692	57,721,159	94,661,851
2012	42,632,075	59,164,124	101,796,199
2013	52,934,411	74,786,675	127,721,086
Thereafter	1,570,723,841	2,463,261,492	4,033,985,333
Total	\$ 1,763,531,280	\$ 2,769,253,579	\$ 4,532,784,859

Outstanding Bonds by Lien Level



Outstanding Bonds by Type



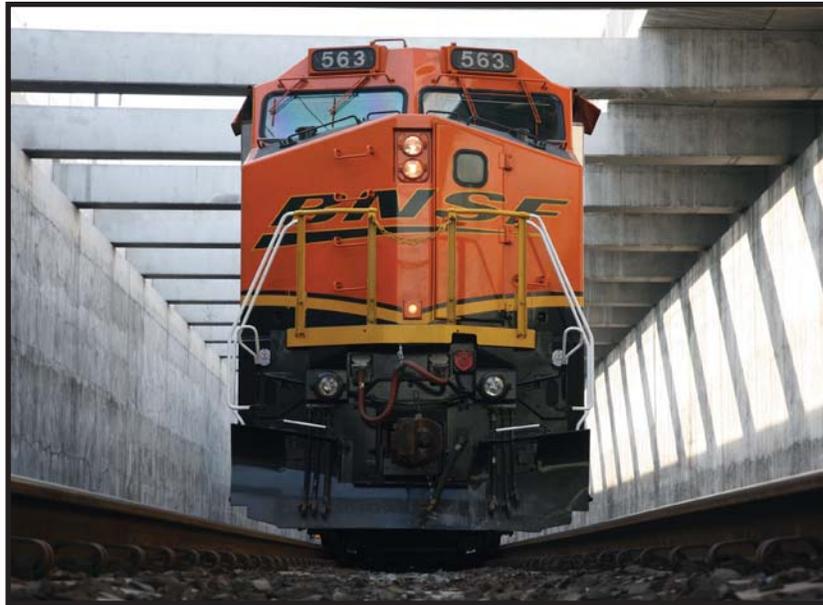
ACTA paid off tax-exempt sub lien revenue bonds Series 1999B on October 1, 2006. ACTA has no immediate plans for new or refunding debt issues during 2009.

Use Fees and Container Charges for FY08 are sufficient to cover the annual debt service obligation of \$85.2 million in a timely manner. In addition to Use Fees and Container Charges, the Ports are obligated for up to forty percent (40%) of the annual debt service obligation on the outstanding bonds. This Budget assumes no required payments from the Ports for FY09.

Alameda Corridor Transportation Authority
Aggregate Annual Debt Service
 2009-2037
 Bond Year

Year	Senior Lien Bonds Tax Exempt Series 1998 A	Taxable Series 1998 C	Aggregate Senior Lien Debt Service	Subordinate Lien Bonds Tax Exempt Series 1999 B	Taxable Series 1999 D	Aggregate Subordinate Series 1999	Subordinate Lien Bonds Tax Exempt Series 2004 A	Taxable Series 2004 B	Aggregate Subordinate Series 2004	Financing Fee for Sub Lien	Total Bonds Debt Repayment	Annual Debt Service Bond Year	Annual Debt Service w/o Financing fee Bond Year
10/1/2008	19,476,508	14,130,278	33,546,786	14,559,358	14,559,358	14,559,358	14,325,550	14,325,550	14,325,550	1,239,264	58,890,407	86,971,550	85,732,286
4/1/2009	10,610,777	14,130,278	24,741,054	2,804,181	2,804,181	2,804,181	11,450,550	13,055,000	13,055,000	1,276,442	27,545,235	91,286,912	90,010,470
10/1/2009	19,920,777	14,130,278	34,051,054	15,359,181	15,359,181	15,359,181	26,545,550	17,730,000	17,730,000	1,314,735	63,741,677	96,627,289	96,312,554
4/1/2010	10,395,947	14,130,278	24,526,947	2,432,553	2,432,553	2,432,553	11,450,550	17,730,000	17,730,000	1,354,177	26,958,777	103,865,326	102,511,149
10/1/2010	20,440,947	14,130,278	34,571,224	16,052,553	16,052,553	16,052,553	26,545,550	24,155,000	24,155,000	1,384,177	69,668,512	108,865,326	107,511,149
4/1/2011	10,147,034	14,130,278	24,277,312	2,030,763	2,030,763	2,030,763	11,450,550	24,155,000	24,155,000	1,394,802	26,908,074	108,865,326	107,511,149
10/1/2011	20,987,034	14,130,278	35,127,312	16,920,763	16,920,763	16,920,763	26,545,550	24,155,000	24,155,000	1,436,646	77,597,252	118,461,051	117,066,249
4/1/2012	9,878,784	14,130,278	24,009,062	1,584,063	1,584,063	1,584,063	11,450,550	24,155,000	24,155,000	1,479,747	92,867,927	118,461,051	117,066,249
10/1/2012	21,578,784	14,130,278	35,709,062	18,044,063	18,044,063	18,044,063	26,545,550	24,155,000	24,155,000	1,524,138	96,247,962	119,582,570	118,145,924
4/1/2013	9,587,159	14,130,278	23,717,437	1,079,975	1,079,975	1,079,975	11,450,550	24,155,000	24,155,000	1,569,862	83,334,608	119,582,570	118,145,924
10/1/2013	22,182,159	14,130,278	36,312,437	19,039,975	19,039,975	19,039,975	26,545,550	24,155,000	24,155,000	1,616,959	99,635,654	134,991,054	133,511,308
4/1/2014	9,267,326	14,130,278	23,397,604	507,500	507,500	507,500	11,450,550	24,155,000	24,155,000	1,665,467	35,355,654	148,360,921	146,743,963
10/1/2014	22,822,326	14,130,278	40,082,604	16,747,500	16,747,500	16,747,500	26,545,550	24,155,000	24,155,000	1,685,467	99,635,400	157,059,298	155,393,831
4/1/2015	8,920,744	14,130,278	22,949,297	11,450,550	11,450,550	11,450,550	11,450,550	24,155,000	24,155,000	1,715,432	34,934,416	166,464,449	164,749,018
10/1/2015	23,490,744	14,130,278	37,621,022	18,136,459	18,136,459	18,136,459	26,545,550	24,155,000	24,155,000	1,766,894	98,728,985	176,441,949	174,675,055
4/1/2016	8,547,669	13,336,628	21,884,297	11,450,550	11,450,550	11,450,550	11,450,550	24,155,000	24,155,000	1,819,901	33,334,847	182,235,543	180,415,643
10/1/2016	24,187,669	14,130,278	38,317,947	16,920,763	16,920,763	16,920,763	26,545,550	24,155,000	24,155,000	1,874,498	107,324,709	190,266,790	188,392,293
4/1/2017	8,147,829	12,583,603	20,731,431	11,450,550	11,450,550	11,450,550	11,450,550	24,155,000	24,155,000	1,930,733	32,181,981	191,178,408	189,247,675
10/1/2017	24,912,829	14,130,278	39,043,107	16,920,763	16,920,763	16,920,763	26,545,550	24,155,000	24,155,000	1,988,655	116,178,940	192,116,880	190,128,225
4/1/2018	7,718,451	11,765,415	19,483,866	62,671,431	62,671,431	62,671,431	11,450,550	24,155,000	24,155,000	2,048,315	116,178,940	199,075,600	197,027,285
10/1/2018	25,673,451	14,130,278	39,803,729	19,483,866	19,483,866	19,483,866	26,545,550	24,155,000	24,155,000	2,109,764	126,124,862	200,033,474	198,053,474
4/1/2019	7,258,781	10,877,678	18,136,459	59,703,550	59,703,550	59,703,550	11,450,550	24,155,000	24,155,000	2,173,057	29,587,009	200,099,169	198,053,474
10/1/2019	26,468,781	14,130,278	40,599,059	18,136,459	18,136,459	18,136,459	26,545,550	24,155,000	24,155,000	2,245,795	126,124,862	209,099,169	207,099,169
4/1/2020	6,798,638	9,915,840	16,714,478	68,220,550	68,220,550	68,220,550	11,450,550	24,155,000	24,155,000	2,259,419	98,728,985	210,149,744	208,053,474
10/1/2020	27,263,638	14,130,278	41,393,916	18,136,459	18,136,459	18,136,459	26,545,550	24,155,000	24,155,000	2,267,286	107,324,709	211,497,744	209,053,474
4/1/2021	6,261,431	9,915,840	16,177,271	77,230,550	77,230,550	77,230,550	11,450,550	24,155,000	24,155,000	2,275,763	116,178,940	212,597,763	210,053,474
10/1/2021	28,141,431	14,130,278	42,271,709	16,177,271	16,177,271	16,177,271	26,545,550	24,155,000	24,155,000	2,283,249	124,862,922	213,697,763	211,053,474
4/1/2022	5,687,081	9,915,840	15,602,921	86,110,550	86,110,550	86,110,550	11,450,550	24,155,000	24,155,000	2,291,733	158,607,722	214,797,763	212,053,474
10/1/2022	29,062,081	14,130,278	43,192,359	16,177,271	16,177,271	16,177,271	26,545,550	24,155,000	24,155,000	2,300,217	167,145,037	215,897,763	213,053,474
4/1/2023	5,131,925	9,915,840	15,047,765	91,175,725	91,175,725	91,175,725	11,450,550	24,155,000	24,155,000	2,308,701	175,682,037	216,997,763	214,053,474
10/1/2023	29,961,925	14,130,278	44,092,203	16,177,271	16,177,271	16,177,271	26,545,550	24,155,000	24,155,000	2,317,185	184,219,037	218,097,763	215,053,474
4/1/2024	4,542,213	8,805,225	13,347,438	95,616,675	95,616,675	95,616,675	11,450,550	24,155,000	24,155,000	2,325,669	192,754,037	219,197,763	216,053,474
10/1/2024	30,902,213	14,130,278	45,032,491	16,177,271	16,177,271	16,177,271	26,545,550	24,155,000	24,155,000	2,334,153	201,299,037	220,297,763	217,053,474
4/1/2025	3,916,163	7,603,695	11,519,858	100,665,000	100,665,000	100,665,000	11,450,550	24,155,000	24,155,000	2,342,637	210,344,037	221,397,763	218,053,474
10/1/2025	31,886,163	14,130,278	46,016,441	16,177,271	16,177,271	16,177,271	26,545,550	24,155,000	24,155,000	2,351,121	219,389,037	222,497,763	219,053,474
4/1/2026	3,251,875	6,304,980	9,556,855	105,710,000	105,710,000	105,710,000	11,450,550	24,155,000	24,155,000	2,359,605	228,434,037	223,597,763	220,053,474
10/1/2026	32,906,875	14,130,278	47,037,153	16,177,271	16,177,271	16,177,271	26,545,550	24,155,000	24,155,000	2,368,089	237,479,037	224,697,763	221,053,474
4/1/2027	2,510,500	4,902,480	7,412,980	110,760,000	110,760,000	110,760,000	11,450,550	24,155,000	24,155,000	2,376,573	246,524,037	225,797,763	222,053,474
10/1/2027	34,010,500	14,130,278	48,140,778	16,177,271	16,177,271	16,177,271	26,545,550	24,155,000	24,155,000	2,385,057	255,569,037	226,897,763	223,053,474
4/1/2028	1,723,000	3,389,285	5,112,285	115,810,000	115,810,000	115,810,000	11,450,550	24,155,000	24,155,000	2,393,541	264,614,037	227,997,763	224,053,474
10/1/2028	35,163,000	14,130,278	49,293,278	16,177,271	16,177,271	16,177,271	26,545,550	24,155,000	24,155,000	2,402,025	273,659,037	229,097,763	225,053,474
4/1/2029	887,000	1,757,745	2,644,745	120,860,000	120,860,000	120,860,000	11,450,550	24,155,000	24,155,000	2,410,509	282,704,037	230,197,763	226,053,474
10/1/2029	36,367,000	14,130,278	50,497,278	16,177,271	16,177,271	16,177,271	26,545,550	24,155,000	24,155,000	2,418,993	291,749,037	231,297,763	227,053,474
4/1/2030	37,625,000	14,130,278	51,755,278	125,910,000	125,910,000	125,910,000	11,450,550	24,155,000	24,155,000	2,427,477	300,794,037	232,397,763	228,053,474
10/1/2030	38,000,000	14,130,278	52,130,278	130,960,000	130,960,000	130,960,000	11,450,550	24,155,000	24,155,000	2,435,961	309,839,037	233,497,763	229,053,474
4/1/2031	38,000,000	14,130,278	52,130,278	136,010,000	136,010,000	136,010,000	11,450,550	24,155,000	24,155,000	2,444,445	318,884,037	234,597,763	230,053,474
10/1/2031	38,000,000	14,130,278	52,130,278	141,060,000	141,060,000	141,060,000	11,450,550	24,155,000	24,155,000	2,452,929	327,929,037	235,697,763	231,053,474
4/1/2032	38,380,000	14,130,278	52,510,278	146,110,000	146,110,000	146,110,000	11,450,550	24,155,000	24,155,000	2,461,413	336,974,037	236,797,763	232,053,474
10/1/2032	38,760,000	14,130,278	52,890,278	151,160,000	151,160,000	151,160,000	11,450,550	24,155,000	24,155,000	2,469,897	346,019,037	237,897,763	233,053,474
4/1/2033	38,765,000	14,130,278	52,895,278	156,210,000	156,210,000	156,210,000	11,450,550	24,155,000	24,155,000	2,478,381	355,064,037	238,997,763	234,053,474
10/1/2033	39,150,000	14,130,278	53,280,278	161,260,000	161,260,000	161,260,000	11,450,550	24,155,000	24,155,000	2,486,865	364,109,037	240,097,763	235,053,474
4/1/2034	39,155,000	14,130,278	53,285,278	166,310,000	166,310,000	166,310,000	11,450,550	24,155,000	24,155,000	2,495,349	373,154,037	241,197,763	236,053,474

Revenue Summary





Revenue Summary

Use Fees and Container Charges

Use Fees and Container Charges are derived from ACTA's right to impose a charge upon the Railroads. Pursuant to the Alameda Corridor Use and Operating Agreement (UOA), among the cities of Long Beach and Los Angeles; ACTA; UPRR and BNSF, the Railroads, agreed to pay Use Fees in connection with the use of the Rail Corridor and Container Charges for the movement of loaded waterborne containers originating or terminating at the Ports' facilities that do not use the Corridor, but are transported by rail into or out of Southern California. Proceeds of the Use Fees and Container Charges are used to repay ACTA's outstanding debt and for certain other eligible reimbursements.

The revenues for FY09 from Use Fees and Container Charges are expected to be \$95.2 million, an increase of 3% over the FY08 estimated actual amount of \$92.3 million. The increase is primarily due to rate adjustments as a result of the CPI escalator. Volume is generally flat.

ACTA currently assesses the Railroads \$18.67 in Use Fees or Container Charges (effective January 1, 2008) per twenty-foot equivalent unit (TEU) for loaded waterborne containers. Approximately 95% of Use Fees and Container Charges revenue comes from loaded waterborne containers.

Empty waterborne containers that pass through the Ports and use the Corridor are assessed \$4.73 per TEU. Approximately 3% of the revenue comes from empty waterborne containers.

Containers that utilize the Corridor, but are not associated with the Ports, are given the designation of non-waterborne. Non-waterborne containers that use the rail corridor, whether full or empty, are assessed \$4.73 per TEU. Full flatcars, auto-racks, box cars and other railcars that originate or terminate at the Ports and utilize the Corridor are charged \$9.45 per railcar. Only about 2% of the revenue comes from non-waterborne and other railcar charges.

In 2006, ACTA and the Railroads reached resolution on a dispute involving transloaded cargo. The dispute involved cargo that arrives at the ports in marine containers, is then trucked to regional distribution centers for re-loading into other containers, and is then transported by rail out of Southern California, and whether those marine containers should be assessed a charge. The settlement provides a one time increase of \$0.90 per TEU to the loaded waterborne Use Fee and Container Charge rate for all containers beginning in November 2006. In addition, the settlement provides for the cap on the annual CPI adjustment to be raised from 3% to 4.5%, and a future temporary increase of an additional \$0.90, if there are shortfalls in annual revenue.

Revenue Summary

Funding Summary Fiscal Year 2009 Cash Basis

(\$ in thousands)	Cash Received through June 30, 2008 Estimated / Actual	Cash Projected to be Received July 1, 2008 - June 30, 2009	Estimated / Actual Project Grants through June 30, 2009	Cash Projected to be Received Beyond June 30, 2009	Total Projected Grant Revenues
Funding Revenues					
Economic Development Administration	\$ 2,000	\$ -	\$ 2,000	\$ -	\$ 2,000
California Transportation Improvement Program	150,000	-	150,000	-	150,000
Caltrans - SR-47 Cooperative Agreements	4,795	543	5,338	-	5,338
Caltrans - SR-47 Construction Funding *	-	-	-	273,400	273,400
Caltrans/MTA - PCH	83,197	-	83,197	-	83,197
Flexible Congestion Relief	48,100	-	48,100	-	48,100
Intercity Rail	7,000	-	7,000	-	7,000
NHSHPC	600	-	600	-	600
Port Infrastructure Cargo Fee (ICF) - SR-47	-	3,500	3,500	164,500	168,000
Proposition C / MTA Local Match	85,050	-	85,050	-	85,050
Regional Surface Transportation Program	70,230	598	70,828	-	70,828
SAFETEA-LU - SR-47	-	5,000	5,000	10,000	15,000
State Traffic Management System	1,375	-	1,375	-	1,375
TCIF - Prop 1B - SR-47	-	3,500	3,500	154,500	158,000
Transportation Equity Act	6,239	578	6,817	-	6,817
Transportation Security Administration	2,041	-	2,041	-	2,041
Total Funding Revenues	\$ 460,627	\$ 13,719	\$ 474,346	\$ 602,400	\$ 1,076,746

* \$58.6 million in PE (Primarily Engineering) and ROW (Right-of-Way) costs paid directly by Caltrans, \$273.4 million CON (Construction) to be paid to ACTA, for \$332 million Caltrans funding commitment total.

Funding Revenues

State of California Department of Transportation

On February 5, 2004, ACTA entered into a second Cooperative Agreement with the State of California Department of Transportation (Caltrans) for the SR-47 Project. The Agreement calls for ACTA to advance preliminary engineering and environmental document preparation. The State agreed to equally share the costs of this phase of project development, with their share not-to-exceed \$3,000,000. During FY07 and FY08 amendments to the agreement have raised that cap to \$4,850,000. (ACTA received \$488,000 from Caltrans as part of an earlier grant agreement.) ACTA expects to receive the final \$543,000 balance of Caltrans' share of all funding commitments, made via Cooperative Agreements, to the SR-47 Project.

Caltrans and ACTA have made funding commitments to the SR-47 Project. Each agency is responsible for funding its share of the overall \$687 million project cost. A portion of the costs, totaling \$332 million, represent Caltrans' share. The \$332 million is made up of costs and associated revenues/reimbursements for preliminary engineering (final design) and right-of-way (acquisition and utility relocation) costs, totaling \$58.6 million, which will not flow through ACTA's financial system and \$273.4 million in construction funding that will. Caltrans' share is an offset to the \$687 million project total that is being carried on the Capital Projects Budget by Project on page 38 in this book. The securing of funds to cover their portion of the project cost is the sole responsibility of Caltrans. Project cost totals and funding commitment levels are estimated in 2008 dollars through mid-point of construction.

Port Infrastructure Cargo Fee (ICF)

On January 14, 2008, the Port of Los Angeles and the Port of Long Beach approved an Infrastructure Cargo Fee (ICF). The fee will be levied on each loaded import or export container moved through the ports' terminals by truck or rail, beginning in January 2009. It is anticipated that the fee will begin at \$15 per loaded twenty-foot-equivalent container unit (TEU), and will range over a period of seven years between \$10 to \$18 per TEU. The fees will help pay for needed repair, replacement or improvement of key bridges, railway and roadways in the harbor area and will be used to match funds from Proposition 1B. The SR-47 Project is listed as one of the projects to receive ICF funds.

SAFETEA-LU

ACTA will begin accessing the funds authorized under the SAFETEA-LU bill, for the SR-47 Project, during FY09. The \$15 million in funding is designated for the final design phase of the project. Final design will commence after federal approval of the environmental document and selection of a qualified design consultant through the RFP process.

Trade Corridor Improvement Fund (TCIF) – Proposition 1B

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by the voters as Proposition 1B on November 7, 2006, includes funding for infrastructure improvements along federally designated "Trade Corridors of National Significance" or along other corridors within the state that have a high volume of freight movement. The SR-47 Project was part of the project list approved by the California Transportation Commission (CTC) on April 10, 2008.

Railroad Payments

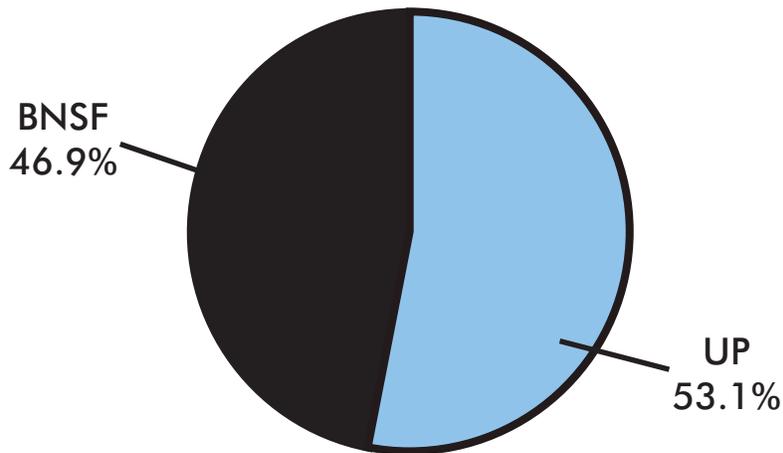
Union Pacific and Burlington Northern Santa Fe Railroads

The Maintenance and Operations (M&O) charges established under the Use and Operating Agreement are pro rata charges to the Railroads for the annual cost of maintenance, operations, and repair of the Corridor. The M&O activities are described on page 20.

M&O charges incurred by the Railroads for the purpose of maintaining or repairing the Corridor track and track support structures are prorated based on gross ton miles. Maintenance and repair of signals and communications systems, dispatching, and all other charges not specifically relating to the track and track support structures are prorated based on train miles.

ACTA expects to receive \$4.1 million during the Fiscal Year 2009.

**Corridor Use By Railroad
Gross Ton Miles**



Schedule of Functional Expenses





Schedule of Functional Expenses

Operating Budget By Expense Type

	Budget FY09	Actual Estimate 2008	BUDGET 2008	\$ CHANGE	% CHANGE
Revenues					
Operating Revenues					
Use Fees and Container Charges	\$ 95,174,791	92,269,013	95,614,463	2,905,778	3.05%
Maintenance-of-Way Charges	4,097,788	3,688,980	3,893,749	408,808	9.98%
Total Operating Revenues	99,272,579	95,957,993	99,508,212	3,314,586	3.34%
Other Revenues					
PierPASS	271,635	259,822	280,000	11,813	4.35%
74th St Bridge	-	(9,580)	-	9,580	N/A
ECMS	300,000	200,000	-	100,000	33.33%
UP Leased Track	-	288,530	-	(288,530)	N/A
PCH	-	(436,817)	-	436,817	N/A
SR-47	-	729,331	-	(729,331)	N/A
Gain/Loss from sale of fixed assets	-	(7,948,493)	-	7,948,493	N/A
Office Rentals and Other Income	362,430	404,805	340,860	(42,375)	-11.69%
Investment Income	9,760,000	17,261,964	11,044,463	(7,501,964)	-76.86%
Subtotal Other Revenues	10,694,065	10,749,562	11,665,323	(55,497)	-0.52%
Total Sources of Funds	109,966,644	106,707,555	111,173,535	3,259,089	2.96%
Expenses					
Salaries	1,701,274	1,477,048	1,610,007	224,226	13.18%
Benefits	641,103	646,021	524,612	(4,918)	-0.77%
Office Expenses	986,309	879,626	920,343	106,683	10.82%
Administrative Expenses	162,880	106,160	79,230	56,720	34.82%
Information Technologies	450,400	276,457	399,834	173,943	38.62%
Bank and Investment	250,000	178,498	240,000	71,502	28.60%
ACET Capital & Operational Support	6,943,286	6,563,674	8,501,204	379,612	5.47%
Audit	281,000	230,000	275,000	51,000	18.15%
Legal	2,050,000	1,115,333	2,080,000	934,667	45.59%
Governmental Affairs	652,000	479,965	443,852	172,035	26.39%
Professional Services	1,136,200	545,668	1,226,000	590,532	51.97%
Pass Thru Expenses	571,635	459,822	280,000	111,813	19.56%
Total Administrative Expenses	15,826,087	12,958,272	16,580,082	2,867,815	18.12%
MOW Expenses Rail - Contractors	2,169,788	1,736,062	2,011,631	433,726	19.99%
MOW Expenses Rail - Capital	-	-	-	-	N/A
MOW Expenses Rail - Other	1,928,000	1,952,918	1,882,118	(24,918)	-1.29%
MOW Expenses Nonrail - Contractors	555,744	422,405	535,801	133,339	23.99%
MOW Expenses Nonrail - Capital	344,015	125,052	261,820	218,963	63.65%
MOW Expenses Nonrail - Other	55,000	51,384	190,587	3,616	6.57%
MOW Expenses - ACTA	92,607	131,071	114,924	(38,464)	-41.53%
Total Maintenance of Way Expenses	5,145,154	4,418,892	4,996,881	726,262	14.12%
Subtotal Administrative and M&O Expenses	20,971,241	17,377,164	21,576,963	3,594,077	17.14%
Financing Expenses					
Debt Service - Interest	55,626,378	57,250,822	57,250,822	(1,624,444)	-2.92%
Debt Service - Accrued CAB Interest	60,539,011	56,020,644	56,020,644	4,518,367	7.46%
Subtotal Financing Expenses	116,165,389	113,271,466	113,271,466	2,893,923	2.49%
Depreciation and Amortization Expenses					
Depreciation	22,540,643	21,674,479	23,954,923	866,164	3.84%
Cost of Issuance	3,349,182	3,419,023	3,419,023	(69,841)	-2.09%
Subtotal Depreciation and Amortization Expenses	25,889,825	25,093,502	27,373,946	796,323	3.08%
Total Operating Expenses	163,026,455	155,742,132	162,222,375	7,284,323	4.47%
Income (loss) before transfer	(53,059,811)	(49,034,577)	(51,048,840)	(4,025,234)	7.59%
Operating and Capital Expenses transfer					
Expenses transfer to Capital project (Legal)	(1,075,000)	(805,665)	(1,050,000)	(269,335)	25.05%
Expenses transfer to Capital project (ACET)	(5,449,410)	(5,177,636)	(7,375,168)	(271,774)	4.99%
Expenses transfer to Capital project (Public Affairs)	(252,000)	(124,268)	(89,610)	(127,732)	50.69%
Expenses transfer from Capital project	-	-	-	-	N/A
Total Transfer	(6,776,410)	(6,107,569)	(8,514,778)	(668,841)	80.73%
Income (loss)	\$ (46,283,401)	\$ (42,927,008)	\$ (42,534,062)	\$ (3,356,393)	7.25%

Schedule of Functional Expenses

Operating Budget By Departments

	Budget FY09	Actual Estimate 2008	BUDGET 2008	\$ CHANGE	% CHANGE
Revenues					
Operating Revenues					
Use Fees and Container Charges	\$ 95,174,791	92,269,013	95,614,463	2,905,778	3.05%
Maintenance-of-Way Charges	4,097,788	3,688,980	3,893,749	408,808	9.98%
Total Operating Revenues	99,272,579	95,957,993	99,508,212	3,314,586	3.34%
Other Revenues					
PierPASS	271,635	259,822	280,000	11,813	4.35%
74th St Bridge	-	(9,580)	-	9,580	N/A
ECMS	300,000	200,000	-	100,000	33.33%
UP Leased Track	-	288,530	-	(288,530)	N/A
PCH	-	(436,817)	-	436,817	N/A
SR-47	-	729,331	-	(729,331)	N/A
Gain/Loss from sale of fixed assets	-	(7,948,493)	-	7,948,493	N/A
Office Rental & Other Income	362,430	404,805	340,860	(42,375)	-11.69%
Investment Income	9,760,000	17,261,964	11,044,463	(7,501,964)	-76.86%
Subtotal Other Revenues	10,694,065	10,749,562	11,665,323	(55,497)	-0.52%
Total Sources of Funds	109,966,644	106,707,555	111,173,535	3,259,089	2.96%
Expenses					
Admin Management	966,435	598,651	984,861	367,783	38.06%
Revenue Collection	1,109,337	914,984	1,168,938	194,353	17.52%
Accounting and Audit	846,564	718,045	777,799	128,519	15.18%
A/P and Investments	647,310	543,034	602,624	104,277	16.11%
Human Resource and Office Staff	267,679	232,056	272,558	35,623	13.31%
Legal	2,051,180	1,139,333	2,081,180	911,847	44.45%
Public Affairs	1,026,002	695,414	643,525	330,588	32.22%
Office General	1,396,659	1,093,259	1,267,393	303,400	21.72%
ACET Capital and Operational Support	6,943,286	6,563,674	8,501,204	379,612	5.47%
Pass Thru	571,635	459,822	280,000	111,813	19.56%
Total Administrative Expenses	15,826,087	12,958,272	16,580,082	2,867,815	18.12%
MOW Expenses Rail - Contractors	2,169,788	1,736,062	2,011,631	433,726	19.99%
MOW Expenses Rail - Capital	-	-	-	-	N/A
MOW Expenses Rail - Other	1,928,000	1,952,918	1,882,118	(24,918)	-1.29%
MOW Expenses Nonrail - Contractors	555,744	422,405	535,801	133,339	23.99%
MOW Expenses Nonrail - Capital	344,015	125,052	261,820	218,963	63.65%
MOW Expenses Nonrail - Other	55,000	51,384	190,587	3,616	6.57%
MOW Expenses - ACTA	92,607	131,071	114,924	(38,464)	-41.53%
Total Maintenance of Way Expenses	5,145,154	4,418,892	4,996,881	726,262	14.12%
Subtotal Administrative and M&O Expenses	20,971,241	17,377,164	21,576,963	3,594,077	17.14%
Financing Expenses					
Debt Service - Interest	55,626,378	57,250,822	57,250,822	(1,624,444)	-2.92%
Debt Service - Accrued CAB Interest	60,539,011	56,020,644	56,020,644	4,518,367	7.46%
Subtotal Financing Expenses	116,165,389	113,271,466	113,271,466	2,893,923	2.49%
Depreciation and Amortization Expenses					
Depreciation	22,540,643	21,674,479	23,954,923	866,164	3.84%
Cost of Issuance	3,349,182	3,419,023	3,419,023	(69,841)	-2.09%
Subtotal Depreciation and Amortization Expenses	25,889,825	25,093,502	27,373,946	796,323	3.08%
Total Operating Expenses	163,026,455	155,742,132	162,222,375	7,284,323	4.47%
Income (loss) before transfer	(53,059,811)	(49,034,577)	(51,048,840)	(4,025,234)	7.59%
Operating and Capital Expenses transfer					
Expenses transfer to Capital project (Legal)	(1,075,000)	(805,665)	(1,050,000)	(269,335)	25.05%
Expenses transfer to Capital project (ACET)	(5,449,410)	(5,177,636)	(7,375,168)	(271,774)	4.99%
Expenses transfer to Capital project (Public Affairs)	(252,000)	(124,268)	(89,610)	(127,732)	50.69%
Expenses transfer from Capital project	-	-	-	-	N/A
Total Transfer	(6,776,410)	(6,107,569)	(8,514,778)	(668,841)	80.73%
Income (loss)	\$ (46,283,401)	\$ (42,927,008)	\$ (42,534,062)	\$ (3,356,393)	7.25%



Operating Budget By Funds

	Budget FY09	Actual Estimate 2008	BUDGET 2008	\$ CHANGE	% CHANGE
Revenues					
Operating Revenues					
Use Fees and Container Charges	\$ 95,174,791	92,269,013	95,614,463	2,905,778	3.05%
Maintenance-of-Way Charges	4,097,788	3,688,980	3,893,749	408,808	9.98%
Total Operating Revenues	99,272,579	95,957,993	99,508,212	3,314,586	3.34%
Other Revenues					
PierPASS	271,635	259,822	280,000	11,813	4.35%
74th St Bridge	-	(9,580)	-	9,580	N/A
ECMS	300,000	200,000	-	100,000	33.33%
UP Leased Track	-	288,530	-	(288,530)	N/A
PCH	-	(436,817)	-	436,817	N/A
SR-47	-	729,331	-	(729,331)	N/A
Gain/Loss from sale of fixed assets	-	(7,948,493)	-	7,948,493	N/A
Office Rental and Other Income	362,430	404,805	340,860	(42,375)	-11.69%
Investment Income	9,760,000	17,261,964	11,044,463	(7,501,964)	-76.86%
Subtotal Other Revenues	10,694,065	10,749,562	11,665,323	(55,497)	-0.52%
Total Sources of Funds	109,966,644	106,707,555	111,173,535	3,259,089	2.96%
Expenses					
Financing Fees	1,309,927	1,106,633	1,899,528	203,294	15.52%
Administrative Costs	7,168,115	5,284,248	5,680,776	1,883,867	26.28%
Capital	6,624,410	6,086,994	8,514,778	537,416	8.11%
Non-Capitalized Project Expenses	152,000	20,575	205,000	131,425	86.46%
Railroads - M&O	4,097,788	3,688,980	3,893,749	408,808	9.98%
Reserve - M&O	954,759	598,841	988,208	355,918	37.28%
Financing Fees - M&O	92,607	131,071	114,924	(38,464)	-41.53%
Revenue Fund-Interest	55,626,378	57,250,822	57,250,822	(1,624,444)	-2.92%
LAIF General Fund-Pass Thru	571,635	459,822	280,000	111,813	19.56%
Total Expenses	76,597,619	74,627,986	78,827,785	1,969,633	2.57%
Non Cash Expenses					
Accrued CAB Debt Service Interest	60,539,011	56,020,644	56,020,644	4,518,367	7.46%
Depreciation	22,540,643	21,674,479	23,954,923	866,164	3.84%
Cost of Issuance	3,349,182	3,419,023	3,419,023	(69,841)	-2.09%
Subtotal Interest, Depreciation & Amortization Expenses	86,428,836	81,114,146	83,394,590	5,314,690	6.15%
Total Operating Expenses	163,026,455	155,742,132	162,222,375	7,284,323	4.47%
Income (loss) before transfer	(53,059,811)	(49,034,577)	(51,048,840)	(4,025,234)	7.59%
Operating and Capital Expenses transfer					
Expenses transfer to Capital project (Legal)	(1,075,000)	(805,665)	(1,050,000)	(269,335)	25.05%
Expenses transfer to Capital project (ACET)	(5,449,410)	(5,177,636)	(7,375,168)	(271,774)	4.99%
Expenses transfer to Capital project (Public Affairs)	(252,000)	(124,268)	(89,610)	(127,732)	50.69%
Expenses transfer from Capital project	-	-	-	-	N/A
Total Transfer	(6,776,410)	(6,107,569)	(8,514,778)	(668,841)	80.73%
Income (loss)	\$ (46,283,401)	\$ (42,927,008)	\$ (42,534,062)	\$ (3,356,393)	7.25%

Schedule of Functional Expenses

Capital Projects Budget by Project

(\$ in thousands)		Capital Budget FY2009	Est. Actual Thru FY2008	FY2009	FY2010	FY2011
North End						
N02	Redondo Junction Grade Separation	\$ 106,922	\$ 106,862	\$ 30	\$ 30	\$ -
N04	Washington Blvd Grade Separation	47,338	44,658	2,440	240	-
N06	UPRR Connector East of LA River	21,622	21,612	5	5	-
N08	Santa Fe Grade Separation	48,848	48,368	240	240	-
N99	North End Segment Wide	26,610	25,890	555	165	-
*	Completed Projects	46,363	46,363	-	-	-
	Subtotal North End	297,703	293,753	3,270	680	-
Mid-Corridor						
M01	Trench Work	664,592	664,002	305	285	-
M99	Mid Corridor Segment Wide	51,960	50,585	1,265	110	-
*	Completed Projects	93,780	93,780	-	-	-
	Subtotal Mid-Corridor	810,332	808,367	1,570	395	-
South End						
S03	LB Lead Dominguez Channel RB	52,517	52,187	165	165	-
S04	Henry Ford Grade Separation	132,185	127,355	2,480	2,350	-
S06	Long Beach Lead Extension ACTA	32,198	31,428	410	360	-
S10	Anaheim St Drain & Pump Station	10,627	10,587	40	-	-
S14	Cerritos Channel Rail Bridge	5,461	677	110	-	4,674
S15	CP Thenard-New Track Connection	19,061	5,856	9,165	4,020	20
S17	Rebuild West Thenard Wye Track	2,387	1,254	1,063	35	35
S44	SR-47	684,815	13,634	32,203	87,780	551,198
S44	SR-47 (Caltrans only)	(58,600)	-	(20,000)	(38,600)	-
S88	PCH Grade Separation - Caltrans	85,679	83,544	2,135	-	-
S90	Carson Soundwall	3,000	-	250	2,750	-
S99	South End Segment Wide	43,333	41,248	1,235	850	-
*	Completed Projects	114,429	114,429	-	-	-
	Subtotal South End	1,127,092	482,199	29,256	59,710	555,927
System Wide Completed Projects						
W11	PIMMS	-	-	-	-	-
*	Completed Projects	155,622	155,622	-	-	-
	Subtotal System Wide	155,622	155,622	-	-	-
Transfer from Operating**		6,776	-	6,776	-	-
Total		\$ 2,397,525	\$ 1,739,941	\$ 40,872	\$ 60,785	\$ 555,927

* Detailed information, by project, available upon request.

**Transfer from Operating detailed information on facing page.



**** Transfer from Operating Detail**

(\$ in thousands)		Capital Budget FY2009
ACET		
N04	Washington Blvd Grade Separation	\$ 50
N99	North End Segment Wide	550
M99	Mid Corridor Segment Wide	459
S04	Henry Ford Grade Separation	75
S10	Anaheim Street Pump Station	10
S14	Cerritos Channel Rail Bridge	276
S15	CP Thenard - New Track Connection	270
S17	Rebuild West Thenard Wye Track	270
S44	SR-47	1,783
S88	PCH Grade Separation - Caltrans	156
S99	South End Segment Wide	550
W11	PIMMS	1,000
		<u>5,449</u>
Public Affairs Department		
S44	SR-47	\$ 252
	Subtotal Public Affairs Department	<u>252</u>
Legal Department		
N04	Washington Blvd Grade Separation	100
N99	North End Segment Wide	145
M99	Mid Corridor Segment Wide	215
S04	Henry Ford Grade Separation	75
S10	Anaheim Street Pump Station	75
S14	Cerritos Channel Rail Bridge	25
S15	CP Thenard - New Track Connection	75
S17	Rebuild West Thenard Wye Track	75
S44	SR-47	150
S88	PCH Grade Separation - Caltrans	25
S99	South End Segment Wide	115
	Subtotal Legal Department	<u>1,075</u>
	Total Current FY Transfer from Operating	<u><u>\$ 6,776</u></u>

Schedule of Functional Expenses

ACTA's Staff Compensation FY2009

	Full-time Equivalents	Salaries	Benefits	Total S&B
Admin Management	1.9	\$ 416,382	\$ 143,853	\$ 560,235
Revenue Collection	1.7	262,649	106,988	369,637
Accounting & Audit	2.9	409,669	137,795	547,464
A/P & Investments	3.5	268,118	118,192	386,310
Governmental Affairs	1.5	159,951	55,551	215,502
Human Resource & Office Staff	3.0	184,505	78,724	263,229
	14.5	<u>\$ 1,701,274</u>	<u>\$ 641,103</u>	<u>\$ 2,342,377</u>

Schedule of Functional Expenses

Maintenance & Operations By Calendar Year 2008

	Rail Cost	Non-Rail Cost	ACTA-Rail Cost	Total
Maintenance of Way Contractor's Costs				
Contract Manager	\$ 120,328	\$ 46,280	\$ 18,512	\$ 185,120
Track Supervisor	103,334	25,834	-	129,168
Signal / Comm Supervisor	-	-	-	-
Bridge Insp / Safety Supervisor	33,405	133,619	-	167,024
Signal Engineer	-	-	-	-
Office Manager	41,059	14,664	2,933	58,656
Track Foreman	86,901	21,725	-	108,626
Track Maintainers	278,158	69,540	-	347,698
Equipment Operators	60,422	15,106	-	75,528
Signal Maintainers	-	-	-	-
Test Maintainer	-	-	-	-
Communications Tech / AEI	43,056	10,764	53,820	107,640
Administrative Burden	50,715	21,735	-	72,450
Pump Station Materials and Supplies	-	51,664	-	51,664
AEI Readers	-	-	5,000	5,000
Rail Flow Detection	20,000	-	-	20,000
Graffiti Removal	6,105	54,946	-	61,051
Weed Abatement	12,000	3,000	-	15,000
Training Costs / Safety	5,525	975	-	6,500
Safety Management / Costs	10,244	1,808	-	12,052
Vehicles	61,790	26,482	-	88,272
Comm Tech Vehicle	6,874	1,718	8,592	17,184
Bridge Inspector Vehicle	3,396	13,584	-	16,980
Hi-Lift Bridge / Signal Inspection Vehicle	34,800	34,800	-	69,600
Welding / Grinding / Weld Kits	171,392	-	-	171,392
Track Materials / Supplies & Rentals	163,800	-	-	163,800
Signal AAR Unit Cost	752,734	-	-	752,734
Signal Materials & Supplies	-	-	-	-
Ladder Maintenance	-	7,500	-	7,500
Security	3,750	-	3,750	7,500
Maintenance - Misc.	100,000	-	-	100,000
Subtotal MOW Contract Costs	2,169,788	555,744	92,607	2,818,139
Annual Capital Cost				
Mark III Production Tamper	-	33,782	-	33,782
Ballast Regulator	-	17,555	-	17,555
Machine Operators	-	41,728	-	41,728
Ballast (1700 tons)	-	33,800	-	33,800
Work Train Crew	-	3,750	-	3,750
Rail Grinding Contractor (miles)	-	92,400	-	92,400
Switch & Crossing Grinding Contractor	-	21,000	-	21,000
Signal & Communication Laptops	-	-	-	-
Capital Expense - Misc.	-	100,000	-	100,000
Subtotal Annual Capital Costs	-	344,015	-	344,015
Corridor Operating & Other MOW Cost				
Insurance (annual amount)	1,517,000	-	-	1,517,000
Dispatching ⁽¹⁾	649,000	-	-	649,000
Security - Labor ⁽²⁾	924,266	-	-	924,266
Security - Equipment ⁽³⁾	95,000	55,000	-	150,000
Utilities	252,000	-	-	252,000
Storm Water Discharge Permits Water Testing & Support	99,000	-	-	99,000
Maintenance Yard Security & Support Services	60,000	-	-	60,000
Subtotal Corridor Operating & Other MOW Cost	3,596,266	55,000	-	3,651,266
Total	\$ 5,766,054	\$ 954,759	\$ 92,607	\$ 6,813,420

^(1,2,3) These costs are for memorandum purposes only and are internal Railroad costs not paid by ACTA.



ALAMEDA CORRIDOR TRANSPORTATION AUTHORITY

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