

Kern Motorist Aid Authority
ANNUAL FINANCIAL PLAN
for
Fiscal Year 2009/2010

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VICE-CHAIR

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SUBMITTED BY:
Ronald E. Brummett
Executive Director

NOTICE OF PUBLIC HEARING

June 18, 2009

Before the Kern Motorist Aid Authority in the matter of ADOPTION OF THE FISCAL YEAR 2009-10 BUDGET.

NOTICE IS HEREBY GIVEN THAT:

1. The Kern Motorist Aid Authority (KMAA), acting in its capacity as a service authority for freeway emergencies responsible for installing and operating a system of roadside call boxes in Kern County under the provisions of California Streets and Highways Code Section 2550, et. seq., has prepared an annual operations budget for the fiscal year beginning July 1, 2009 and ending June 30, 2010. This document was prepared by KMAA as part of an ongoing budget planning process and includes detailed estimates of revenues and expenses for the year.

2. A PUBLIC HEARING will be held in the Kern Council of Governments (Kern COG)/KMAA Conference Room, 1401 19th Street, Third Floor, Bakersfield, California at 7:00 P.M. on Thursday, June 18, 2009 for the purpose of receiving comments regarding the 2009-10 proposed budget. Following the public hearing, KMAA may review, revise and adopt the proposed budget as its final budget for the 2009-10 fiscal year.

3. Any person wishing to obtain a copy of the 2009-10 KMAA Budget may do so by contacting Kern COG/KMAA at the address listed below. In addition, any person wishing to present testimony relating to the adoption of the budget may appear and be heard or may submit written comments to KMAA, 1401 19th Street, Third Floor, Bakersfield, CA 93301 for inclusion in the official record of the hearing.

Ronald E. Brummett
Executive Director
Kern Motorist Aid Authority
(661) 861-2191

RUN DATE: A.S.A.P.

LETTER OF TRANSMITTAL

June 18, 2009
Letter of Transmittal

June 18, 2009

The Honorable Council
Kern Motorist Aid Authority

Dear Chairman and Members of the Council:

Kern Motorist Aid Authority (KMAA) staff is pleased to submit the Fiscal Year 2009-2010 Annual Financial Plan for your review and approval. The plan is a statement, by object or account classification and line item within each account, of the anticipated KMAA financial activity for the upcoming year. The plan includes estimated revenues totaling \$711,542 and estimated expenses totaling \$920,000. This represents a net operations deficit of \$208,458 to be financed by fund reserves for capital improvements.

MISSION STATEMENT

The KMAA Board has adopted the following mission statement to guide the operation of the Kern County roadside call box network:

- 1) To provide a dependable motorist aid communication system to areas of the county not heavily patrolled and where traditional communication services do not exist.
- 2) To provide a reliable motorist aid communication system that is well maintained with failures repaired within 24 hours of identification.
- 3) To provide a high level of assurance that a motorist's call for assistance will receive a response.
- 4) To provide a public information program to ensure that the motorist understands what the call boxes are and how the call boxes are to be used.

REVENUES

The KMAA roadside call box program is financed by the assessment of a \$1.00 fee upon each registered nonexempt motor vehicle within the County of Kern. The California Department of Motor Vehicles applies the fee as part of the vehicle registration program and returns the amount collected, less a processing fee, within the county. Over the past few years, fees collected have shown a slight yet steady increase. This rise is primarily related to growth in the county population. Staff anticipates vehicle fees totaling \$665,781 for the 2009-10 fiscal year; a 1.00 percent increase over the 2008-09 fiscal year.

In addition to fees, KMAA realizes non-operating revenues (interest) by investing cash balances through the Kern County Treasurers' cash investment program. Since the 2003/04 fiscal year, interest revenue increased because of increases in cash reserves being held for future upgrades. Reserves increase because of the Board's stated policy to

finance the call box network on a "pay-as-you-go" basis. Once reserves grew to adequate levels, myriad system improvements were completed during the 2007-08 and 2008-09 fiscal years. Thus with cash balances lower, related interest earnings will decline. Staff anticipates interest revenue totaling \$45,761 for the 2009-10 fiscal year. This is a decrease of 20.3 percent from the prior year.

EXPENSES

KMAA budgetary appropriations are primarily focused on four areas: hardware maintenance, cellular service, dispatch services, depreciation and capital. Expenses are expected to decrease this year due to the decrease in capital expenditures associated with the hardware upgrade project. New programs are also being undertaken, such as 511 traveler information services and the CHP enforcement patrol program. Staff estimates total appropriations of \$920,000 will be required to finance FY 2009-10 operations.

PROGRAM DESCRIPTION

The KMAA roadside call box program was initiated with the installation of the first call boxes in August of 1991. During the 18 intervening years the network has grown to include 574 call boxes. During the 2007-08 fiscal year KMAA completed a major upgrade to call box hardware, including conversion to digital cellular service and installation of TTY devices.

KMAA program services are delivered through an extensive public-private partnership. Partnership members and related responsibilities include the following:

<u>Agency</u>	<u>Responsibility</u>
Kern Council of Governments	Program management and contract administration
California Dept. of Transportation	Installation guidelines and encroachment permitting
California Dept. of Highway Patrol	Operations guidelines and service dispatching
Comarco Wireless Technologies	Hardware manufacture, installation and maintenance
Verizon Wireless	Cellular service

THE FUTURE

CONCLUSION

The KMAA roadside call box program completed fifteen (18) years of service to the motoring public during the early months of the 2008-09 fiscal year. Through June of 2007, 253,888 calls for assistance had been received and services rendered. The Board can take pride in the improvements to motorist safety and transportation system efficiency provided by the KMAA call box program.

Sincerely,



Ronald E. Brummett
Executive Director

Kern Motorist Aid Authority

SCHEDULE OF CALL BOX INSTALLATIONS

<u>Route</u>	<u>Call Boxes</u>	<u>Route Mileage</u>	<u>Date Completed</u>
I-5	107	87	11/02/91 & 04/21/92
SR-14	47	65	11/21/91 & 04/21/92
SR-33	33	74	12/16/92
SR-43	18	74	01/03/92
SR-46	26	58	01/03/92
SR-58	116	144	11/21/91 & 04/21/92
SR-65	11	25	12/16/92
SR-99	70	58	01/03/92
SR-119	11	31	01/03/92
SR-155	27	71	05/19/94 & 06/30/97
SR-166	12	25	12/16/92
SR-178	48 (1-County)	57	01/03/92 & 06/30/97
SR-223	15	30	01/03/92
SR-395	21	36	06/09/92
Tehachapi/Willow Springs	12	24	06/30/00
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Installed	574	859	
Scheduled	0		
Unprogrammed	0		

Total Serviceable	574		
Proposed	0		

TOTAL	574		
	=====		

Note: Call box spacing: Urban/one mile (Metro: 51 boxes or 8.9%); rural/two miles (Non-Metro-523 boxes or 91.1%), excepting major grades.

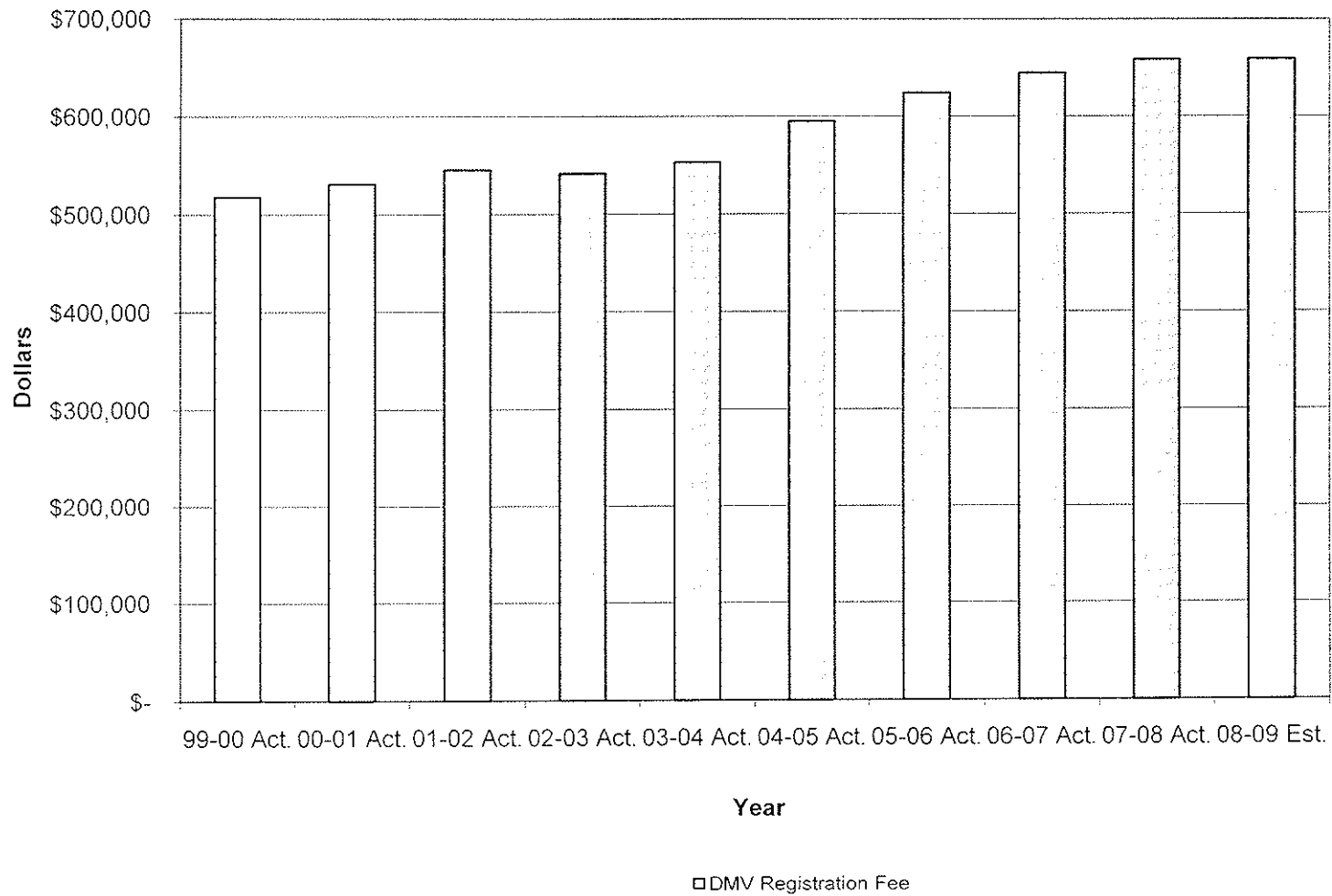
REVENUES

Kern Motorist Aid Authority

FY 2008-09 Budget Worksheet
 SECHEDULE OF MONTHLY REVENUE

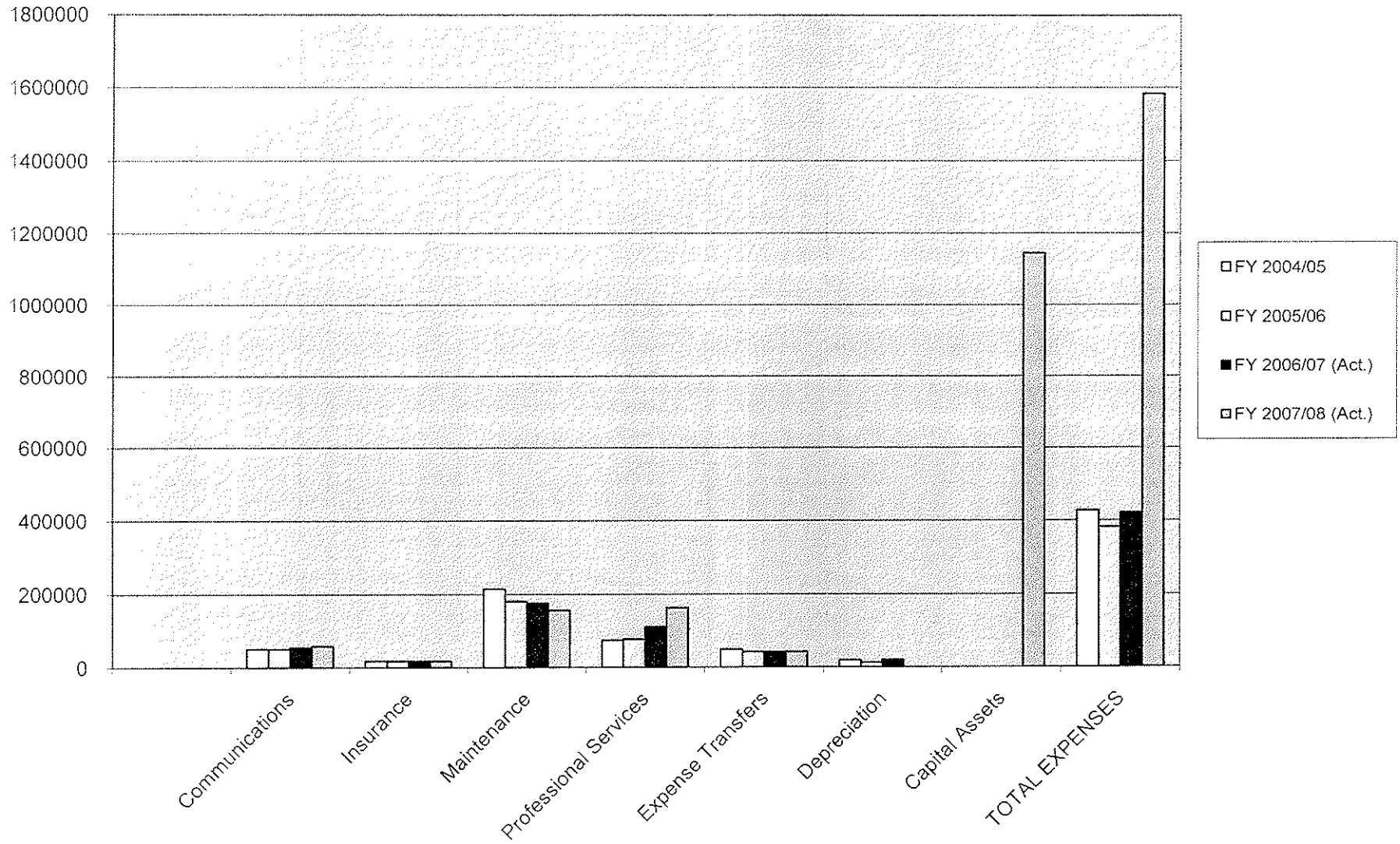
Description/Month	FY 2005-06 Actual	FY 2006-07 Actual	FY 2007-08 Actual	FY 2008-09 Estimated	FY 2009-10 Proposed
DMV FEES:					
July	\$47,159	\$52,280	\$58,731	\$59,008	\$59,598
August	\$58,683	\$57,427	\$56,713	\$52,571	\$53,097
September	\$49,668	\$50,399	\$48,123	\$53,184	\$53,716
October	\$46,645	\$52,387	\$52,804	\$52,755	\$53,283
November	\$44,086	\$45,229	\$49,055	\$41,713	\$42,130
December	\$49,304	\$49,113	\$48,625	\$55,076	\$55,627
January	\$51,286	\$56,412	\$56,062	\$56,108	\$56,669
February	\$50,167	\$52,142	\$55,836	\$55,882	\$56,440
March	\$60,545	\$59,706	\$54,821	\$54,866	\$55,414
April	\$53,274	\$55,478	\$61,283	\$61,333	\$61,946
May	\$57,204	\$57,486	\$58,864	\$58,912	\$59,501
June	\$58,309	\$56,885	\$57,735	\$57,782	\$58,360
TOTAL DMV FEES	\$626,330	\$644,943	\$658,652	\$659,189	\$665,781
INTEREST:					
July	\$0	\$0	\$0	\$0	\$0
August	\$0	\$0	\$0	\$0	\$0
September	\$0	\$0	\$23,637	\$0	\$0
October	\$15,372	\$15,146	\$0	\$14,487	\$11,546
November	\$0	\$0	\$17,531	\$0	\$0
December	\$0	\$13,060	\$16,964	\$0	\$0
January	\$17,605	\$13,060	\$12,249	\$10,382	\$8,274
February	\$0	\$14,054	\$0	\$4,547	\$3,624
March	\$0	\$15,275	\$22,829	\$0	\$0
April	\$20,585	\$9,169	\$15,748	\$14,000	\$11,158
May	\$0	\$0	\$0	\$0	\$0
June	\$23,758	\$55,441	\$31,027	\$14,000	\$11,158
TOTAL INTEREST	\$77,320	\$135,205	\$139,985	\$57,416	\$45,761
OTHER:					
July	\$0	\$0	\$0	\$0	\$0
August	\$0	\$0	\$0	\$0	\$0
September	\$0	\$0	\$0	\$0	\$0
October	\$0	\$0	\$0	\$0	\$0
November	\$0	\$0	\$0	\$0	\$0
December	\$0	\$0	\$0	\$0	\$0
January	\$0	\$0	\$0	\$0	\$0
February	\$0	\$0	\$0	\$0	\$0
March	\$0	\$0	\$336	\$0	\$0
April	\$0	\$0	\$0	\$0	\$0
May	\$0	\$0	\$0	\$0	\$0
June	\$0	\$0	\$0	\$0	\$0
TOTAL OTHER	\$0	\$0	\$336	\$0	\$0
TOTAL REVENUES	\$703,650	\$780,148	\$798,974	\$716,605	\$711,542

Kern Motorist Aid Authority DMV Revenue History



EXPENSES

KERN MOTORIST AID AUTHORITY - ANNUAL EXPENSES



Kern Motorist Aid Authority
COMPARATIVE FINANCIAL PLAN

(Revised: May 8, 2009)

Description	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
	Actual	Actual	Actual	Estimated	Proposed
BEGINNING FUND EQUITY	\$2,059,325	\$2,399,924	\$2,760,380	\$2,090,198	\$1,079,702
Contributed Capital (Assets)	\$33,306	\$13,592	\$0	\$1,006,406	\$1,551,654
APPROPRIATION FOR CONTINGENCIES:					
Reserved for Asset Replacement	\$0	\$0	\$0	\$0	\$0
Reserved for ADA Compliance	\$0	\$0	\$0	\$0	\$0
Reserved for General Purposes	\$0	\$0	\$0	\$0	\$0
FUND EQUITY AVAILABLE	\$2,092,631	\$2,413,516	\$2,760,380	\$3,096,604	(\$471,952)
REVENUES:					
Vehicle Registration Fees	\$626,330	\$644,943	\$658,652	\$659,189	\$665,781
Interest	\$77,320	\$135,205	\$139,985	\$57,416	\$45,761
Other	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$703,650	\$780,148	\$798,637	\$716,605	\$711,542
APPROPRIATIONS FOR EXPENSES:					
Communications--					
A.T. & T./Sprint	\$758	\$55,566	\$59,577	\$51,233	\$55,000
Verizon	\$910	\$0	\$0	\$0	\$0
Pacific Bell/SBC	\$356	\$0	\$0	\$0	\$0
A T & T	\$49,208	\$0	\$0	\$0	\$0
Communications--Subtotal	\$51,232	\$55,566	\$59,577	\$51,233	\$55,000
Insurance--					
Comprehensive General Liability	\$18,008	\$18,017	\$18,009	\$18,009	\$20,000
Public Officials Liability	\$0	\$0	\$0	\$0	\$0
Insurance--Subtotal	\$18,008	\$18,017	\$18,009	\$18,009	\$20,000
Maintenance/Equipment--					
Comarco/Corrective & Preventative	\$121,101	\$174,421	\$156,161	\$243,225	\$275,000
GTE/Repairs	\$58,935	\$0	\$0	\$0	\$0
Inventory Project	\$0	\$0	\$0	\$0	\$0
Maintenance/Equipment--Subtotal	\$180,036	\$174,421	\$156,161	\$243,225	\$275,000
Miscellaneous	\$0	\$0	\$0	\$0	\$0
Memberships--					
IVHS Association	\$0	\$0	\$0	\$0	\$0
Professional Services--					
California Highway Patrol/Bkfld. Dispatch	\$71,922	\$110,935	\$162,376	\$161,594	\$100,000
California Highway Patrol/Barstow Dispatch	\$0	\$0	\$0	\$120,000	\$0
County of Kern/Canyon Call Boxes	\$5,000	\$0	\$0	\$0	\$0
Caltrans District 06/Administration	\$0	\$0	\$0	\$0	\$0
Caltrans District 09/Administration	\$0	\$0	\$0	\$0	\$0
California SAFE Committee	\$0	\$0	\$0	\$5,000	\$10,000
Marketing Consultants	\$0	\$0	\$0	\$0	\$0
ADA Compliance Assessment Contract	\$0	\$0	\$0	\$0	\$0
KMAA Strategic Plan Update	\$0	\$0	\$0	\$0	\$0
IVHS Project	\$0	\$0	\$0	\$0	\$0
Professional Services--Subtotal	\$76,922	\$110,935	\$162,376	\$286,594	\$110,000
Expense Transfers--					
Program Operations	\$981	\$41,571	\$42,653	\$56,090	\$60,000
Administration	\$41,495	\$0	\$0	\$0	\$0
Opinion Research Project	\$0	\$0	\$0	\$0	\$0
Traffic Count Program	\$0	\$0	\$0	\$0	\$0
Expense Transfers--Subtotal	\$42,476	\$41,571	\$42,653	\$56,090	\$60,000
Depreciation--					
Equipment	\$12,330	\$19,714	\$0	\$0	\$0
Capital Assets--					
GTE/Call Boxes	\$0	\$0	\$1,144,752	\$505,248	\$400,000
TOTAL APPROPRIATIONS	\$381,004	\$420,224	\$1,583,528	\$1,160,399	\$920,000
OPERATING SURPLUS (DEFICIT)	\$322,646	\$359,924	(\$784,993)	(\$505,248)	(\$209,458)
Adjustments to Fund Balance for Fixed Assets	\$0	\$0	\$1,144,752	\$0	\$0
ENDING UNRESERVED FUND EQUITY	\$2,415,277	\$2,773,440	\$3,120,241	\$2,591,356	\$2,422,898