



Board Report

File #: 2020-0693, File Type: Budget

Agenda Number: 2.

Crenshaw Project Corporation



One Gateway Plaza
Los Angeles, CA 90012

CRENSHAW PROJECT CORPORATION BOARD MEETING
DECEMBER 3, 2020

SUBJECT: FISCAL YEAR BUDGET

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

APPROVE the Fiscal Year 2020-2021 (FY21) budget in the amount of \$28,260.00 for the operation and administration of the Crenshaw Project Corporation (CPC).

ISSUE

CPC Bylaws, Article 5.2(b), require preparation of an annual budget for administrative support. A summary of the proposed budget is provided as Attachment A.

BACKGROUND

The CPC was formed in 2012 to act as the Transportation Infrastructure Finance and Innovation Act (TIFIA) Loan conduit borrower for the Crenshaw/LAX Transit Corridor Project (Crenshaw/LAX Project).

DISCUSSION

As of August 25, 2016, the CPC had drawn the entire \$545.9 million TIFIA loan available to the Crenshaw/LAX project. All loan disbursements were advanced to Metro for the purpose of reimbursing the agency for eligible Crenshaw/LAX Project expenses.

In FY20, the CPC paid \$22,240.00 in expenses for trustee services and loan administration fees as well as other charges. The CPC was reimbursed for these expenditures by Metro.

The Crenshaw/LAX Project TIFIA loan was refinanced with Measure R Junior Subordinate Series 2020-A Refunding Bonds and paid off, in full, on August 27, 2020. The FY21 budget is for expenses incurred up to the termination of the TIFIA loan and continuing financial reporting requirements and legal expenses for CPC.

FINANCIAL IMPACT

The CPC Annual Budget was funded in Metro's adopted FY21 budget in various cost centers for services related to debt management.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports the following Metro Strategic Plan Goal(s):

Goal #5: Provide responsive, accountable, and trustworthy governance within the Metro organization.

NEXT STEPS

Staff will monitor actual payments to ensure CPC expenses are fiscally responsible

ATTACHMENTS

Attachment A - Proposed Fiscal Year 2020-2021 Budget Summary

Prepared by:

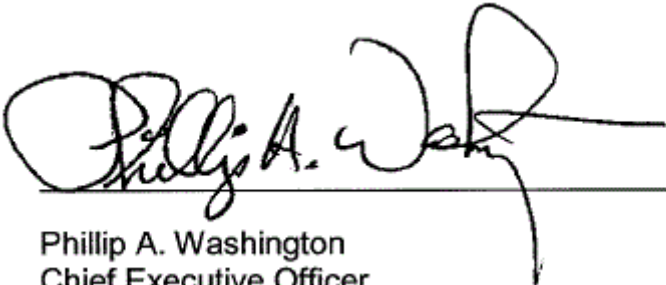
Susan Cariasa-Ginsberg, Manager, Admin. & Financial Services, 213-922-6162

Rodney Johnson, Senior Director, 213-922-3417

Donna Mills, Treasurer, Treasury, 213-922-4047

Reviewed by:

Nalini Ahuja, Chief Financial Officer, (213) 922-3088



Phillip A. Washington
Chief Executive Officer



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Fiscal Year 2020-2021
Budget Summary
(in dollars)

<u>Expenses</u>		FY20 <u>Actual</u>		FY21 <u>Budget</u>
US DOT Annual Fee	\$	13,500	\$	15,000
Trustee Fees	\$	3,000	\$	1,000
Annual State Admin. Filing Fee	\$	-	\$	500
Financial audit fees *	\$	5,740	\$	5,912
Legal services fees **	\$	-	\$	6,268
Grand Total	\$	22,240	\$	28,680

* Budgeted by MASD

**Budgeted by County Counsel