

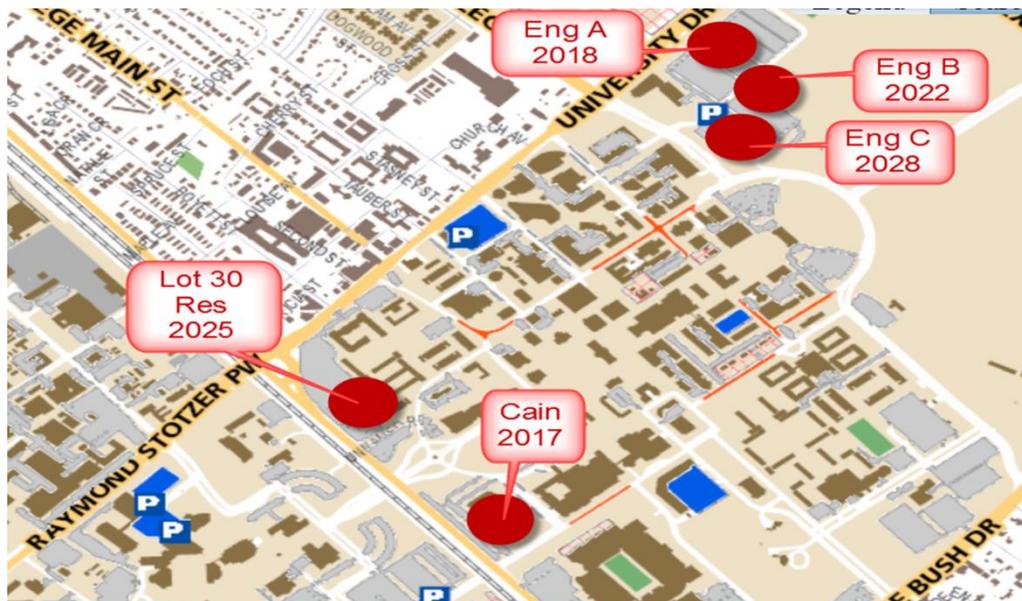
Parking Financial Projections Fall 2014

Initial Assumptions:

- Permit increase of 3% each year for five years, 2% thereafter.
- Parking Assumes the task of street maintenance and sidewalks.
- Five garages would be planned over approximately 15 years. Timing is as follows:

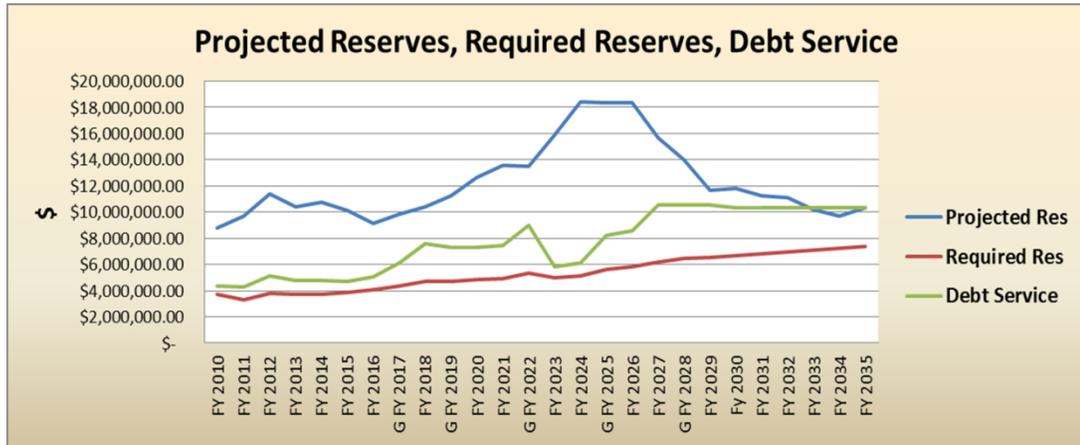
Garage	Spaces	Completion Date
Cain Hall Location	1400	FY 2017
Engineering A	1300	FY 2018
Engineering B	1300	FY 2022
Lot 30 Resident	1400	FY 2025
Engineering C	1300	FY 2028

- Approximate siting of the garages as follows:



- Throughout the twenty year projection it is necessary to maintain reserves at or above the required amounts. The spike in reserves occurs when the West Campus Garage is

paid for but as the latter garages are added reserves begin to draw down with the increasing debt.



- With the addition of Streets and Sidewalks to the financial responsibilities of Transportation Services, the funding for this included in our projections is as follows:

FY 2016	\$ 1,000,000
FY 2017	\$ 1,030,000
FY 2018	\$ 1,060,900
FY 2019	\$ 1,092,727
FY 2020	\$ 1,125,508
FY 2021	\$ 1,159,274
FY 2022	\$ 1,194,052

*Inflationary increases assumed 3% from base

- As a point of reference, to estimate the cost to the permit holder for streets and sidewalks is not an exact computation. There are several revenue sources which fluctuate and reserves will be utilized at times during the twenty year projection. But here is a simple calculation to give us an idea.
 - During FY 2014 permit revenue made up 57.8% of total parking revenue for the year.
 - Let's assume that this is the percentage of the streets budget taken on by permit holders or \$578,000 (\$1,000,000 X 57.8%)
 - According to current records there are approximately 40,000 surface and garage annual permits issued and active.
 - This gives us an annual cost of \$14.45 or a monthly cost of \$1.20 to the permit holder to fund street maintenance at the level presented.
- The overall impact on these increases for parking rates are detailed in the schedule below:

Rate Impact 3% for Five Yrs. Then 2% Perpetual					
	FY 2015	FY 2018	FY 2022	FY 2026	FY 2030
Garages:					
Priority Bay	\$ 700	\$ 765	\$ 844	\$ 914	\$ 989
Reserved Numbered	607	663	732	792	858
Unreserved	444	485	536	580	627
West Campus Garage (Special)	275	485	536	580	627
Surface Lots:					
Standard Permit	275	300	332	359	389
Reserved Numbered	534	584	644	697	755
Motorcycle	88	96	106	115	124
Night Parking	88	96	106	115	124
Gated Lots	356	389	429	465	503
Other:					
Business Permits	\$ 35	\$ 38	\$ 42	\$ 46	\$ 49

- We conducted a survey on parking rates this fall and considering all respondents the following chart was created.

Current Rates:			
	A&M	UT	Low/High/Avg
Staff Surface	\$275	\$476	\$80/\$1,740/\$463
Student Surface (NO LTH)	\$275	N/A	\$73/\$1,740/\$301
Garage	\$444	\$743	\$150/\$1,860/\$665
Garage RNS	\$607	N/A	\$350/\$3,480/\$1,366
Surface RNS	\$534	\$814	\$108/\$3,276/\$987
Resident Garage	\$444	\$743	\$120/\$3,588/\$617
Resident Surface	\$275	N/A	\$73/\$3,204/\$349

- The following are assumptions made in creating the projections used in this presentation:
 - Permit prices increased three percent the first five years beginning FY 16 then two percent annually beginning FY 21 to begin road maintenance.
 - When first garage complete in FY 2017, WCG price raised back to normal garage rate.
 - Within three years, due to enrollment expansion of the parking inventory is at capacity with no new permit sales unless there is net new space provided.
 - When first garage complete in FY 2017, 12th Man rates go from \$15 to \$20 per space per game. They then rise \$2 annually until they reach \$30 and then increase \$2 every other year.
 - Parking infra-structure sets a base of \$3,000,000 in FY 16 with 3% inflation after this.

- Assume football schedules rotate from 7 to 8 games every other year.
- The initial garage is estimated to cost \$17,000 per space. This is escalated by a 3% annual inflation factor for other garages.
- Assume 20 year bonds at 4.75% throughout projection.
- Assume 1.5% return on cash balance throughout projection.
- Assume street maintenance assigned to Parking.
- Required reserves equal 15% of annual debt service plus a 90 day operating fund.