

DATE: May 25, 2017
AGENDA ITEM: 4a
SUBJECT: **PUBLIC HEARING and ACTION:** Approve the FY18 Budget and Work Program (UPWP)
PREPARED BY: Loveit Baumgardner and Wayne Bennion

BACKGROUND:

At its meeting on March 23, 2017, the Council discussed and then voted unanimously to release for comment a draft FY18 WFRC Budget and Unified Planning Work Program (UPWP) summary. That Budget and UPWP summary were made available to the public and provided to the Councils of Governments for their review and comment. No comments were received by Council staff.

The budget presented here for approval is substantially the same as the draft previously provided, with (1) additions to revenue and expenditures to include local match for the Transportation and Land Use Connection Program (TLC) awarded projects and (2) the addition of a new model development employee.

During the month of April 2017, TLC planning projects were awarded. Funding for the projects comes from Federal Surface Transportation Planning (STP) funds, the Utah Department of Transportation, the Utah Transit Authority, Salt Lake County (for projects within Salt Lake County), and local matching funds. The draft budget provided in March 2017 included an estimate for local matching funds. Subsequently, the projects were awarded and the actual amount of the matching funds became known. This updated budget reflects the actual match commitments for the awarded projects and an adjustment to the corresponding contractual expense for the projects.

In partnership with Mountainland Association of Governments (MAG) and the Utah Department of Transportation (UDOT), for the purpose to increase our modeling and forecasting capabilities, we are creating an additional full-time transportation modeling position. Currently, WFRC budgets \$90,000 and MAG provides \$55,000, for a combined \$145,000, all of which goes toward hiring consultants to assist in the ongoing development and improvement of our Travel Demand Model and Real Estate Market Model. It is proposed that we increase this amount by \$112,000 to \$257,000, which would enable us to hire an additional senior-level modeler while maintaining a reduced budget for consultant assistance. The \$112,000 increase would be funded as follows: \$72,000 from UDOT, \$20,000 from MAG, and an additional \$20,000 Consolidated Planning Grant (federal) funds from WFRC. This will enable us to enhance our modeling capabilities, efficiency, and coordination.

The WFRC Budget Committee reviewed the updated draft budget and UPWP on May 11, 2017. Below is a discussion of the UPWP and some specific aspects of the budget.

Unified Planning Work Program

The UPWP outlines the work tasks that the WFRC will pursue during fiscal year 2018 in collaboration with cities, counties, UDOT, UTA, and other partners. Among the primary tasks are assisting local communities with growth, transportation and planning issues; developing a preferred 2050 scenario for the Regional Transportation Plan and Utah Unified Transportation Plan; continuing efforts to update the Transportation Improvement Program; assisting in the development of air quality plans and promoting transportation strategies to improve air quality; and providing outreach to the public and local, state, and federal officials.

Budget Overview

Expenditures:

The draft budget shows an overall decrease of 17% from FY17 to FY18. This is due to the completion of several projects that include the Mountain Accord Program Management and Transportation Analysis, the Oquirrh Connection study, and the Gardner Policy Institute Demographic Data work.

The major expenditure in the budget is for staff salary/benefits. The budget includes funding: to maintain the current full-time staff of 27; for one new full-time position to work on the Transportation and Land Use Connection (TLC) program; and for one new full-time position to work on model development. The new TLC position will be paid for with additional dedicated funding from UDOT and UTA. The new model development position will be paid for with additional dedicated funding from UDOT, MAG and WFRC Consolidated Planning Grant funds. The budget includes an overall increase of five percent for salaries and benefits, including any health insurance cost increases.

Anticipated consultant contracts represent the second largest expenditure in the budget. The majority of consulting expenditures are for planning and technical assistance on TLC projects. The footnotes to the budget provide detail of anticipated consulting contracts.

All other expenditures were estimated based on past experience and anticipated changes. The footnotes to the budget provides additional detail on these costs.

Funding Sources:

Federal transportation funds continue to be WFRC's main source of revenue and are expected to remain at approximately the same level as FY17.

The budget includes continuing funding from the Small Cities CDBG program at \$50,000 a year and from the Economic Development Administration at \$70,000 a year.

For WFRC FY18 the local county contributions remain the same as they were in FY17. For WFRC fiscal year 2019 and beyond, the local county contribution is projected to increase by a factor representative of the change in the Consumer Price Index (CPI) averaged over the prior three completed WFRC fiscal years. This projected increase supports the ongoing financial stability of the Council. For illustration, the "Local Contributions" page of the budget tables included in this packet shows the effect of a 1% increase in local county contributions for FY19. This amount reflects the three-year average change in CPI for the period of July 1, 2013 through June 30, 2016. Updated information for the three-year period ending June 30, 2017 will be provided to the members at a later date so that it can be considered in their FY18 budgets.

The state contribution remains level at \$140,000.

EXHIBITS:

Draft budget for fiscal year 2018 and footnotes
Draft UPWP Summary

RECOMMENDATIONS:

The WFRC Budget Committee and WFRC staff recommend that the Council take action "to approve the draft UPWP and budget for fiscal year 2018."

CONTACT INFORMATION:

Loveit Baumgardner, (801) 363-4230 x 1102
Wayne Bennion, (801) 363-4230 x 1112

Draft
Wasatch Front Regional Council FY 2018 Budget

Source of Funds

	FY 2016	FY 2017	FY 2018	
	Actual	Estimated	Budget	
Federal Sources:				
Federal Highway Administration - PL	1,391,785	2,105,586	2,138,261	2% 1
Federal Highway Administration - STP	1,311,763	1,656,505	1,600,000	-3% 2
Federal Transit Administration	641,118	646,023	646,026	0%
Dept. of Housing and Urban Development	48,854	50,000	50,000	0%
Economic Development Administration	60,000	66,000	70,000	6% 3
Total Federal Sources	3,453,520	4,524,114	4,504,287	0%
State Sources:				
Utah GOMB (CPG match)	140,000	140,000	140,000	0%
Mountain Accord	718,925	1,281,076	0	-100% 4
Community Impact Board	252,000	2,000	2,000	0% 5
UDOT - Tooele Valley RTP	5,002	3,197	0	-100% 4
UDOT - TLC	0	0	300,000	6
UDOT - Model Development	0	0	72,000	
UDOT - Joint Planning Studies	12,458	31,302	0	-100% 4
UDOT - Corridor Preservation SL County	12,849	25,628	25,000	-2%
Total State Sources	1,141,234	1,483,203	539,000	-64%
Local Sources:				
Dedicated Project Funds	618,548	900,674	709,515	-21% 7
UTA - TLC	0	0	100,000	6
UTA - Transit Sales Tax	172,634	121,147	139,615	15%
Local Contribution	181,004	537,622	308,014	-43% 8
Total Local Sources	972,186	1,559,443	1,257,144	-19%
TOTAL SOURCES	5,566,940	7,566,759	6,300,432	-17%

Draft
Wasatch Front Regional Council FY 2018 Budget

Expenditure by Function

Expenditure	FY 2016	FY 2017	FY 2018	
	Actual	Estimated	Budget	
Salaries/Employee Benefits	2,972,784	3,407,606	3,789,224	11% 9
Contractual	2,102,268	3,062,784	1,800,877	-41% 10
Equipment Maintenance	25,337	15,800	16,100	2%
Equipment Depreciation	31,986	31,021	30,100	-3%
Rent	61,403	64,000	250,000	291% 11
Building Operation/R & M	49,070	70,000	90,000	29% 11
Travel	59,107	68,222	70,050	3%
Training	30,104	40,500	42,000	4%
Printing and Publication	3,359	3,475	3,650	5%
Supplies/Software & Licenses	153,252	86,500	90,900	5% 12
Telephone/Data	31,917	33,600	35,300	5%
Audit and Accounting	15,755	16,000	16,000	0%
Dues & Subscriptions	12,207	16,500	23,505	42% 13
Insurance	12,051	14,000	14,000	0%
Legal	6,340	5,000	5,000	0%
Total Expenditures	5,566,940	6,935,008	6,276,705	-9%
Amounts expected to carry into next FY		631,751	23,726	-96%
TOTAL BUDGET	5,566,940	7,566,759	6,300,432	-17%

Draft
Wasatch Front Regional Council FY 2018 Budget

Expenditure by Program

Program	FY 2016	FY 2017	FY 2018	
	Actual	Estimated	Budget	
Consolidated Transportation Planning Grant	3,083,572	3,929,768	3,941,100	0%
Transportation & Land Use Connection	918,925	1,236,878	1,601,500	29% 14
Economic Development	120,000	132,000	140,000	6% 3
Local Government Service	11,884	328,522	104,260	-68% 15
UTA Project Support	92,575	93,088	96,557	4%
Salt Lake County Council of Governments	57,258	71,000	73,015	3%
Model Development	53,355	55,000	147,000	167%
Utah State Legislative Consultant	50,000	50,000	50,000	0%
CDBG - Tooele	45,135	50,000	50,000	0%
Corridor Preservation - Salt Lake County	12,849	25,628	25,000	-2%
Mobility Management	5,095	10,000	10,000	0%
Tooele Valley RPO	0	10,000	10,000	0%
Community Impact Board	252,000	2,000	2,000	0%
Mountain Accord	718,925	1,281,076	0	-100% 4
WC2050 Consortium	90,707	0	50,000	16
Joint Planning Studies - Street Design Tool	11,760	0	0	
Tooele Valley RTP Update	5,002	3,197	0	-100% 4
GPI Decision Support	200	49,300	0	-100% 7
Oquirrh Connection	0	200,000	0	-100% 7
Joint Planning Studies - Street Connectivity	32,698	39,302	0	-100% 4
Joint Planning Studies - Performance Measures	5,000	0	0	
TOTAL EXPENDITURES	5,566,940	7,566,759	6,300,432	-17%

Draft
Wasatch Front Regional Council FY 2018 Budget

Local Contributions

County	FY 2016	FY 2017	FY 2018	FY 2019	
	Actual	Estimated	Budget		Projected
Box Elder, 1 voting member	12,533	12,533	12,533	0%	12,658 1%
Davis, 4 voting members	66,842	66,842	66,842	0%	67,510 1%
Morgan, 1 voting member	12,533	12,533	12,533	0%	12,658 1%
Salt Lake, 8 voting members	133,682	133,682	133,682	0%	135,019 1%
Tooele, 1 voting member	12,533	12,533	12,533	0%	12,658 1%
Weber, 4 voting members	66,842	66,842	66,842	0%	67,510 1%
TOTAL	304,965	304,965	304,965	0%	308,015 1% 17

FY 2018 Budget Footnotes

- 1) The increase in Federal Highway Administration PL funds from FY16 to FY17 is due to consulting contracts that were in process but not completed by the end of FY16 and were carried forward to FY17. The decrease from FY17 to FY18 reflects projects carried forward from FY16 that are expected to be completed in FY17.
- 2) The increase in Federal Highway Administration STP funds from FY16 to FY17 and from FY17 to FY18 reflects a change in the mix of PL and STP funds used for WFRC's transportation planning work. Additional STP funds were used to offset less PL funds as part of our long-term financial stability strategy. The increase also reflects an expansion of the Transportation and Land Use Connection (TLC) program that provides planning assistance and funding for local member communities.
- 3) The Economic Development Administration has increased funding to support the Wasatch Front Economic Development District. Matching funds are provided from member contributions.
- 4) Staff anticipates that projects including Mountain Accord Program Management and Transportation Analysis, Tooele Valley RTP update, and several Joint Planning Studies will be completed by the end of FY17.
- 5) The decrease in Community Impact Board funds from FY16 to FY17 reflects completion of the Regional Resource Management Planning project.
- 6) UDOT (\$300,000) and UTA (\$100,000) are partnering with WFRC to provide additional funding for the Transportation and Land Use Connection Program. These funds will be used to support one additional staff member to assist with planning and program administration and for additional consultant assistance to communities.
- 7) FY18 Dedicated Project Funds include:
 - a. \$10,000 – Tooele Valley RPO
 - b. \$50,000 – Wasatch Choice 2050 Consortium sponsorships
 - c. \$75,000 – MAG Model Development
 - d. \$73,015 – Salt Lake County Council of Governments
 - e. \$200,000 – Salt Lake County for TLC program
 - f. \$301,500 – Local match for TLC awarded projects

The increase from FY16 to FY17 reflects additional local match for TLC awarded projects, the Gardner Policy Institute (GPI) Demographic Data project and the Oquirrh Connection study. The GPI Demographic Data project and the Oquirrh Connection study are anticipated to be completed by the end of FY17 resulting in a decrease in Dedicated Project Funds in FY18.
- 8) In FY18 the actual local contributions remain the same as FY17, however the increase from FY16 to FY17 reflects local contributions for projects not completed in FY16 that were carried forward to FY17.
- 9) FY18 Salaries/Benefits includes 19.5 person-months of interns, the addition of a new, funded TLC employee, the addition of a new, funded model development employee, and

an overall 5% increase in payroll and benefits (including health care) costs. The additional new, funded TLC employee is paid for with new funding dedicated to this program (see also footnote 6). The new, funded model development employee is paid for with new funding from Utah Department of Transportation (\$72,000), Mountainland Association of Governments (\$20,000), WFRC CPG funds (\$20,000) and a reduction in the amount previously budgeted for model development consultant assistance.

10) FY18 Contractual includes:

- a. \$30,000 – Unified Transportation Plan Financial Model update
- b. \$30,000 – Fiscal Impacts of Growth Model
- c. \$40,000 – Parking Best Practices Analysis
- d. \$50,000 – Envision Tomorrow+ (ET+) development
- e. \$50,000 – Access to Opportunity application development
- f. \$77,000 – Travel Demand Model development
- g. \$50,000 – Communication and public outreach
- h. \$50,000 – Wasatch Choice 2050 Consortium event
- i. \$50,000 – Legislative consulting
- j. \$24,000 – Economic development data & graphical interface
- k. \$115,750 – Planning Studies undesignated
- l. \$1,234,127 – Transportation and Land Use Connection

The decrease in contractual expense from FY17 to FY18 is due to the completion of Mountain Accord Program Management and Transportation Analysis work, Oquirrh Connection Study and the Gardner Policy Institute Demographic Data project.

11) At the Council's direction staff is taking steps to sell the current office building and secure office space in a central location accessible by all modes of transportation. The amount included for rent in the FY18 budget presumes that WFRC relocates their offices early in the fiscal year. Rent is estimated to be 10,000 square feet at \$25 per square foot. Building Repair and Maintenance includes \$25,000 for moving and start-up costs for office relocation.

12) The decrease in Supplies and software from FY16 to FY17 is due to expenses for the Wasatch Choices 2050 Consortium that was held in June 2016. Sponsorships for this event covered these expenses at 100% and were included in Dedicated Project Funds (FY16) on the Source of Funds page of the budget. For FY18 expenses anticipated for a Wasatch Choice 2050 Consortium event have been moved to the contractual line item (see also footnote 10).

13) Dues and subscriptions includes:

- a. \$7,700 – National Association of Regional Councils
- b. \$6,127 – Association of Metropolitan Planning Organizations
- c. \$5,000 - Western Regional Alliance
- d. \$3,500 - Utah Foundation
- e. \$1,178 - Other

14) The increase in Transportation and Land Use Connection program reflects additional funding from UDOT and UTA. It also includes a 3% increase in federal STP funds consistent with additional STP funds included in the FAST ACT.

- 15) The change in Local Government Service funds from FY16 to FY17 reflects projects not completed in FY16 and carried forward to FY17. It is anticipated that these funds will be expended in FY17 and not carried forward to FY18.
- 16) Funds to support the next planned Wasatch Choice 2050 Consortium event are anticipated to come from sponsorships as they did in FY16.
- 17) The 1% increase in local contributions for FY19 shown here is for illustration and is based on the average annual change in the Consumer Price Index (CPI) over a three-year period from July 1, 2013 through June 30, 2016.