

DATE: October 12, 2022
AGENDA ITEM: 6a
SUBJECT: **PUBLIC HEARING AND ACTION:** Amend FY23 Budget and Unified Planning Work Program
PREPARED BY: Marian Florence, Chief Financial Officer

BACKGROUND:

Each October, WFRC closes the financial books on the previous fiscal year; this includes verifying the final expenditures and determining what expenditures and revenues will carry forward from the previous fiscal year (FY22) into the current fiscal year (FY23). WFRC routinely carries forward funding for projects that are multi-year in nature; i.e., a project may be fully budgeted in the first year but the work is conducted over two or more years, and the associated expenditures and revenues are therefore carried forward into the next fiscal year. This requires an amendment to the current fiscal year (FY23) budget.

As WFRC completed FY22 and we reviewed the final expenditures, actual spending came in lower than budgeted by \$5,443,616. This resulted principally from spending on some contractual items that were budgeted in FY22 carrying over into FY23, the majority in three programs:

- Transportation and Land Use Connection (TLC) Program projects that are multi-year in nature;
- Ongoing community development efforts funded by a grant from Intermountain Healthcare; and
- The pandemic-related postponement of the decennial Household Travel Survey (now underway).

In addition, since the adoption of the WFRC budget in May, two new grants have been secured or anticipated:

- state funding for the statewide Comprehensive Economic Development Strategy (CEDS); and
- federal funding for development of a region-wide Safety Action Plan through the Safe Streets for All (SS4A) discretionary grant program. This also necessitates an *amendment to the FY23 Unified Planning Work Program*. WFRC staff, a planning committee with representation from across the region, and a consultant team will develop a Safety Action Plan for the entire WFRC region to identify effective strategies and project types for reducing transportation fatalities and serious injuries. This Plan will allow local governments to be eligible to apply for SS4A funding to implement safety improvements identified in the Plan.

The FY23 budget amendments are almost entirely in the contractual line item, reflecting this carryforward.

As a result of the reduced expenditures in FY22, the amount of funds that carried forward from FY22 into FY23 was higher than was budgeted, resulting in an increase in the FY23 budget as some spending shifts from FY22 to FY23.

The adjustments described above are reflected in the line items on the Expenditure by Function page. The adjustments also impact the projected carry-forward into FY24, again reflecting on-going programs or multi-year projects that bridge the FY22 and FY23 years.

The footnotes that accompany this proposed amended budget provide more detail on the changes to funding sources, expenditures by function, expenditures by program, and changes to the fund balances.

RECOMMENDATION:

The WFRB Budget Committee and staff recommend that the Council conduct a public hearing and approve a motion “to amend the WFRB FY23 Budget and Unified Planning Work Program as proposed.”

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EXHIBITS:

Draft Amended Budget FY23 with Footnotes
Draft Amendment to FY23 Unified Planning Work Program

Proposed 10-12-22
Wasatch Front Regional Council FY 2023 Budget

Source of Funds										
	FY 2021	FY 2022	FY 2022	FY 2023	FY 2023	Difference				
	Actual	Budget	Actual	Original	Proposed					
Federal Sources:										
Federal Highway Administration - PL	2,952,229	3,521,461	2,345,273	3,144,917	3,144,998	81			1	
Federal Highway Administration - STP	681,965	4,356,815	2,016,640	3,164,761	4,324,152	1,159,391	37%		2	
Federal Highway Administration - SS4A				0	775,200	775,200			3	
Federal Transit Administration	671,104	686,216	679,056	889,096	889,096	0				
Dept. of Housing and Urban Development	56,986	52,300	50,000	50,000	50,000	0				
Economic Development Administration	63,480	445,540	444,326	70,000	184,694	114,694	164%		4	
Total Federal Sources	4,425,765	9,062,332	5,535,295	7,318,774	9,368,140	2,049,366		28%		
State Sources:										
Utah GOPB	140,000	140,000	140,000	290,000	290,000	0				
Community Impact Board	2,000	2,000	2,000	2,000	2,000	0				
UDOT - TLC	193,573	623,108	324,406	311,500	641,816	330,316	106%		5	
UDOT - Joint Projects	29,125	40,973	9,017	0	88,166	88,166			6	
UDOT - Model Development	88,229	92,903	81,900	100,512	100,512	0				
UDOT - SS4A					30,000	30,000			7	
UDOT - Household Travel Survey					400,091	400,091			7	
UT/GOEO - Station Area Planning				2,500,000	2,500,000	0				
Total State Sources	452,928	898,984	557,323	3,204,012	4,052,585	848,573		26%		
Local Sources:										
Dedicated Project Funds	1,148,398	1,847,177	520,789	2,022,864	2,866,873	844,009	42%		8	
MAG - Joint Projects	19,004	42,361	0	0	50,982	50,982			6	
UTA - TLC	199,795	295,319	181,395	187,500	344,924	157,424	84%		5	
UTA - Joint Projects	21,884	33,347	0	0	100,547	100,547	0%		6	
UTA - Transit Sales Tax	129,711	219,198	162,174	219,774	276,798	57,024	26%		9	
Local Contribution	320,771	326,225	324,750	334,706	334,706	0				
Total Local Sources	1,839,563	2,763,627	1,189,108	2,764,844	3,974,830	1,209,986		44%		
TOTAL SOURCES	6,718,256	12,724,943	7,281,727	13,287,628	17,395,555	4,107,927		31%	10	

Expenditure by Function

Expenditure	FY 2021 Actual	FY 2022 Budget	FY 2022 Actual	FY 2023 Original	FY 2023 Proposed	Difference		
Salaries/Employee Benefits	3,786,409	4,623,250	4,153,854	5,020,111	5,020,111	0		
Contractual	2,138,550	6,979,444	2,301,285	7,114,033	11,055,430	3,941,397	55%	11
Audit and Accounting	20,046	26,250	11,034	19,318	19,318	0		
Dues & Subscriptions	26,925	26,475	38,673	29,009	30,508	1,499	5%	12
Equipment	99,609	119,000	69,235	107,046	10,000	-97,046	-91%	14
Equipment Maintenance	36,793	55,000	45,475	64,851	64,851	0		
Insurance	12,575	13,000	11,358	13,043	15,500	2,457	19%	12
Legal	90	10,000	0	10,000	10,000	0		
Printing and Publication	0	10,950	0	11,600	11,600	0	0%	15
Rent	427,307	435,000	437,477	438,721	438,721	0	0%	
Supplies/Software & Licenses	116,973	132,250	95,689	136,150	330,667	194,517	143%	13
Telephone/Data	32,475	35,000	32,794	38,359	38,359	0		
Training	12,537	66,000	34,400	75,100	87,650	12,550	17%	12
Travel	7,968	79,760	50,722	87,520	101,020	13,500	15%	12
Total Expenditures	6,718,256	12,611,379	7,281,996	13,164,861	17,233,737	4,068,876	31%	10
Amounts expected to carry into next FY		113,565	-268	122,769	161,818	39,049	32%	12
TOTAL	6,718,256	12,724,944	7,281,728	13,287,630	17,395,555	4,107,927	31%	10

Expenditure by Program										
Program	FY 2021	FY 2022	FY 2022	FY 2023	FY 2023	Difference				
	Actual	Budget	Actual	Original	Proposed					
Consolidated Planning Grant (CPG)	4,109,111	5,646,420	4,413,207	5,732,362	5,789,467	57,105	1%	16		
Transportation & Land Use Connection (TLC)	1,992,344	4,352,220	1,976,815	2,422,874	4,533,898	2,111,024	87%	5		
Household Travel Survey	0	1,362,896	0	1,740,000	1,740,000	0				
Economic Development	128,236	140,000	99,140	140,000	169,389	29,389	21%			
Local Government - Other	77,859	110,225	45,485	118,706	391,480	272,774	230%	17		
Model Development	126,315	135,264	135,996	145,687	145,687	0				
Joint Projects	73,302	112,079	0	0	270,770	270,770		6		
Legislative Consulting	118,000	146,000	146,000	146,000	146,000	0				
CDBG - Tooele	50,000	50,000	50,000	50,000	50,000	0				
Mobility Management	3,603	10,000	2,840	10,000	10,000	0				
Tooele Valley RPO	7,981	10,000	9,630	10,000	19,913	9,913	99%	18		
Morgan RPO	7,274	10,000	4,203	10,000	9,605	-395	-4%	18		
Community Impact Board	2,000	2,000	2,000	2,000	2,000	0				
Davis County Local Option Sales Tax Assistance	10,000	10,000	0	10,000	20,000	10,000	100%	19		
EDA CARES Act	5,244	375,540	394,756	0	0	0				
CDBG CARES Act	6,986	2,300	0	0	0	0				
Safe Streets for All					969,000	969,000		3		
Statewide CEDS					100,000	100,000		4		
IHC Community Development	0	250,000	1,655	250,000	498,345	248,345		20		
Station Area Plans	0	0	0	2,500,000	2,530,000	30,000		21		
TOTAL EXPENDITURES	6,718,256	12,724,944	7,281,727	13,287,629	17,395,555	4,107,927	31%	10		

Local Contributions									
County	FY 2021	FY 2022	FY 2022	FY 2023	FY 2023	Difference			
	Actual	Budget	Actual	Original	Proposed				
Box Elder, 1 voting member	13,182	13,406	13,406	13,755	13,755	0	0.0%		
Davis, 4 voting members	70,307	71,502	71,502	73,361	73,361	0	0.0%		
Morgan, 1 voting member	13,182	13,406	13,128	13,755	13,755	0	0.0%		
Salt Lake, 8 voting members	140,611	143,001	143,001	146,719	146,719	0	0.0%		
Tooele, 1 voting member	13,182	13,406	13,406	13,755	13,755	0	0.0%		
Weber, 4 voting members	70,307	71,502	70,307	73,361	73,361	0	0.0%		
TOTAL	320,771	326,224	324,750	334,706	334,706	0	0.0%		

**FY23 WFRC October Budget Amendment
Footnotes**

1. This is an update to the PL funds to reflect the FY23 Federal Aid Agreement (FAA).
2. The increase in FHWA-STP funds is for consulting contracts under the Transportation and Land Use Connection Program (TLC) for projects budgeted in previous years but not completed prior to the end of FY22. These contracts are carried into FY23.
3. The new FHWA-SS4A funding reflects a grant application to the Safe Streets for All federal discretionary grant program, which is anticipated to begin in the last quarter of FY23 - if WFRC's grant application is successful. The total application is for \$969,000, representing federal, state and local funding.
4. Increased funds for FY23 represent a carry forward from FY22 in the WFEDD program and a new \$100,000 grant for WFRC's work on a Statewide Community Economic Development Strategy (CEDS) which is being coordinated by the Governor's Office of Planning and Budget (GOPB).
5. TLC funding amounts from UDOT and UTA are amended to reflect carry forward funding which is dedicated to TLC projects that are ongoing in addition to the updated annual support amounts of \$315,000 (UDOT) and \$262,500 (UTA).
6. Joint projects are those projects WFRC engages in that include support from UDOT, UTA, Mountainland Association of Governments (MAG), and other planning partners. Projects not initially anticipated but now reflected in the FY23 budget include:
 - i. Parking Modernization Study (\$73,941)
 - ii. Travel Demand Mode Choice model enhancement (\$38,129)
 - iii. Zero Fare Transit Study (\$90,000)
 - iv. Utah's Unified Transportation Plan website and social media kit (\$38,700)
 - v. Context Sensitivity analysis (\$15,000)
 - vi. Modeling consultants (\$12,500)
7. UDOT has committed funding for two new projects beginning in FY23: The Household Travel Survey (\$400,091) and Safe Streets for All (\$30,000).
8. The change to Dedicated Project Funds includes funds for projects budgeted in FY22 that are ongoing and expected to be completed in FY23 and FY24, and are therefore carried forward into FY23. The funding shown here includes:
 - a. \$19,913 – Local funds for Tooele Valley RPO (includes carry forward)
 - b. \$32,498 – Model Development (MAG)
 - c. \$9,605 – Local funds for Morgan RPO
 - d. \$526,165 – Salt Lake County for TLC program (includes carry forward)

- e. \$561,945 – Local match for TLC awarded projects (includes carry forward)
 - f. \$10,000 – Davis County local option sales tax assistance
 - g. \$985,091 – Partners' share of Household Travel Survey
 - h. \$498,345 – IHC Community Development (final year – includes carry forward)
 - i. \$30,000 – Station Area Planning local funds
 - j. \$379,917 – Local contributions carry forward
 - k. \$163,800 – Safe Streets for All local contribution
 - l. \$146,000 – State and federal Legislative Consulting
 - m. \$84,864 – WFEDD EDA Planning Grant local contribution
9. Transit Sales Tax funds are used to match the Federal Transit Administration Section 5303 fund and to fund specific activities to support transit planning and implementation efforts. Amended number reflects carry forward from FY22.
10. The proposed FY23 budget increases 31% over the original FY23 budget. This is due mainly to several items: the addition of Safe Streets for All anticipated federal funding, new Statewide CEDS funding, carry forward in IHC funding, and to contractual projects that have carried forward from FY22, primarily in the Transportation and Land Use Connection (TLC) program. Carry forwards of this nature, and new funds being provided, are common and are routinely anticipated for WFRC.
11. The increase in contractual expenditures results from projects budgeted in FY22 that are ongoing and expected to be completed in FY23 and FY24, and are therefore carried forward into FY23. It also includes contractual amounts that will pass through WFRC to consultants for the Household Travel Survey, Station Area Planning, Safe Streets for All, and several joint projects. Broadly stated, the increase reflected in the budget amendment comes from \$2M in TLC carry forward, \$1M in Safe Streets for All funding, and about \$250K each from joint projects, local funding, and IHC project funding - see below for detail.
- \$1,740,000 - Household Travel Survey - to recalibrate the travel forecasting model
 - \$2,500,000 - Station Area Planning from state funds pursuant to HB462
 - \$75,000 - Communications and public outreach
 - \$25,000 - Website Redesign
 - \$60,673 - Planning studies undesignated
 - \$146,000 - State and federal legislative consulting
 - \$85,000 - Regional freight and local delivery study
 - \$76,258 - Travel Demand Model Mode Choice update
 - \$120,000 - Zero Fare Transit study
 - \$18,750 - Transit Signal Prioritization study
 - \$50,000 - Context Sensitivity study
 - \$21,250 - Bicycle data collection and management study
 - \$50,000 - Joint modeling assistance/projects
 - \$90,000 - Parking Modernization - resources to update parking standards that address recent significant shifts in parking utilization
 - \$51,600 - Utah's Unified Transportation Plan - website and social media kit

\$45,000	- Utah's Unified Transportation Plan - financial model update
\$50,000	- Utah's Unified Transportation Plan - economic analysis
\$4,583,898	- Transportation and Land Use Connection (TLC) Program
\$25,000	- GIS Technical Work
\$51,603	- WFEDD consulting work for CEDS
\$9,750	- Statewide CEDS
\$448,345	- IHC Community Development - public assets and public health initiative
\$10,000	- Internal auditing
\$5,000	- Human resources consulting
\$5,000	- HTRZ analysis
\$10,900	- Safe Streets for All application assistance

12. Budgeted amounts for Dues & Subscriptions, Insurance, Training, and Travel have increased due to increased funding from new projects (notably the Statewide CEDS and Safe Streets for All grants). All expenses are budgeted as a result of increased revenues, both new and carried forward from prior years. Planned carry forward into FY24 has increased to incorporate additional anticipated program carry forward funds.
13. As part of the Household Travel Survey, WFRC is purchasing StreetLight Data which will support the survey research as well as multiple other projects. The first two years of data are reflected in the increased Supplies budget for FY23, along with additional expenditures previously coded under "equipment" (see footnote 14).
14. Equipment for FY24 has decreased to reflect a proposed increased capitalization threshold: after mid-year adjustments to policy, most purchases will be "supplies" rather than "equipment" and will not be subject to depreciation. The capitalization threshold to be proposed at a future meeting will be increased in WFRC's accounting policy from \$1000 to \$5000, consistent with recommendations from WFRC's external auditor.
15. Actual costs for printing and publication have been eliminated over the past few years, but WFRC plans to print several brochures this year. The budget has been retained.
16. Consolidated Planning Grant (CPG) program budget is amended to reflect local carry forward funds in programs operating in conjunction with the CPG.
17. Amended budget includes carry forward from FY22, which is dedicated to efforts to support local governments. Additional efforts planned in FY23 include local funding for StreetLight Data, as well as local support for the Safe Streets for All program.
18. The Tooele Valley RPO and Morgan RPO programs rely on current year contributions and carry forward. Both programs have been adjusted to match current levels of revenue.
19. Davis County contributions are consistent at \$10K per year for work on Davis County Local Option Sales Tax Assistance; however, expenditures in FY22 were not recorded to that program in the previous accounting software. Therefore, revenues and expenditures for both FY22 and FY23 will be accounted for in FY23.

20. Intermountain Healthcare is providing a donation of \$500,000 in two annual installments of \$250,000 in FY22 and FY23 for community development activities including, but not limited to: public assets development, local technical assistance and social determinants of health. Expenditures may include WFRC staff or consultant time and expenses. WFRC carried forward much of the FY22 funds into FY23.
21. Station Area Planning funds are increased by local matches from two cities. As additional local matching funds are committed for further SAP projects, those funds will be incorporated into the budget in later budget reconciliation actions.