

Memo to the FY23 Budget: DRAFT for Budget Committee Review

DATE: May 12, 2022
AGENDA ITEM: 4
SUBJECT: **ACTION:** Approve FY23 WFRC Goals, Budget, and Unified Planning Work Program (UPWP)
PREPARED BY: Wayne Bennion, Ned Hacker, Marian Florence

BACKGROUND:

Wasatch Front Regional Council (WFRC) staff and Budget Committee identified proposed agency goals and prepared a draft budget and Unified Planning Work Program (UPWP) that outline the objectives and activities that WFRC plans to undertake in fiscal year 2023. The WFRC Budget Committee reviewed the suggested goals, draft budget and UPWP on March 17, 2022 and the Regional Council reviewed these three items at its meeting on March 24, 2022. The Regional Council then made these available for review by the public and by the County Councils of Governments (COGs).

WFRC has updated the March draft of the FY23 budget to reflect comments received, updated projections for Federal, State, and Local revenues, final numbers for the Transportation and Land Use Connection Program (TLC), and the addition of funds to reflect HB462 and WFRC's anticipated involvement in developing the required Station Area Plans.

Below is a description and list of the goals, a summary of the UPWP, and discussion about key aspects of the budget for Council approval.

WFRC Goals

Each year WFRC adopts a high-level set of goals and priorities to help shape its activities for the next year. These goals are developed through review of the WFRC's adopted Mission & Roles, reflection on the agency activities and accomplishments for the previous year, and a collaborative and full discussion among the WFRC staff, in consultation with the WFRC Council leadership. The goals are not meant to be a comprehensive list of all of WFRC's activities, but rather to articulate priority activities for the agency in FY23. The WFRC Unified Planning Work Program (UPWP) comprehensively lists all of WFRC's activities. These goals are for WFRC as an organization; they are not intended to be goals for the condition of the region. The [Wasatch Choice Regional Vision](#) goals, as adopted by the Council, serve that purpose.

The proposed WFRC FY23 goals are as follows:

1. Collaboratively advance the Wasatch Choice Regional Vision as a framework for integrating transportation, land use, and economic development, to best address growth-related opportunities and challenges
2. Effectively administer ongoing plans and programs
3. Provide subject-matter expertise to federal, state, and local officials and policymakers
4. Strive for organizational excellence

Not surprisingly, the FY23 goals are similar to the FY22 goals. This reflects the continuity in our organizational mission and roles, and the fact that most of our activities are ongoing and span

multiple years. The proposed goals, with more detailed descriptions, are included as an exhibit to this memo.

Unified Planning Work Program

The UPWP outlines the work tasks that WFRC will pursue during FY23 in collaboration with cities, counties, UDOT, UTA, and other partners. Among the primary tasks are assisting local communities with growth, transportation, and planning issues; completing development of the 2023-2050 Regional Transportation Plan, Utah's Unified Transportation Plan, and Wasatch Choice Regional Vision; continuing efforts to update and implement the Transportation Improvement Program; assisting in the development of air quality plans; continuing to utilize and enhance analytical capabilities; and engaging with the public and local, state, and federal officials.

Budget Overview

Expenditures:

The budget for FY23 shows an increase of 39% over estimated FY22 expenditures, and an increase of 3.6% over the FY22 budget. Several categories of expenditures from FY22 were less than anticipated due to the COVID-19 pandemic. Expenses such as travel and training were delayed in the first six months of the fiscal year, and then travel returned closer to historic norms in the second half of the fiscal year. The FY23 budget also includes expenses for the Household Travel Survey and the Transportation and Land Use Connection (TLC) Program that were budgeted in FY22 but were delayed due to the pandemic or were initiated in FY22 but are anticipated to carry into FY23 as multi-year efforts. Since March, the FY23 budget has been revised to reflect updated Federal and State revenues, TLC awards and, most significantly, the inclusion of new state funds to assist with Station Area Plans in our region.

The FY23 budget generally assumes that expenditures will return to a pre-pandemic norm. The budget functions as a legal limit on expenditures, and of course we do not have to spend everything that is budgeted; in fact, we routinely come in under budget. As we move towards and into FY23, we will continue to assess the economy and market and have the ability to make budget adjustments as may be warranted.

Personnel

The major expenditure in the budget is for staff salary and benefits. The budget includes funding to maintain the current full-time staff of 30, and the addition of the two new Community and Economic Development (CED) planners. One of these positions is funded through a new ongoing appropriation from the state. The other is primarily funded through the Transportation and Land Use Connection (TLC) Program, and utilizes increased federal funding from the recently adopted multi-year Infrastructure Investment and Jobs Act (IIJA). Both of these new positions will allow WFRC to provide further technical planning assistance to our communities as Utah continues to confront the challenges associated with rapid growth.

Consistent with past practice, the budget also includes an overall personnel line-item increase that functions as a cap for salary adjustments such as COLA and merit increases and employee benefit cost adjustments, including group health insurance. WFRC annually surveys peer organizations to remain consistent with cities, counties and the State of Utah with regards to COLA and merit increases. The Budget Committee approved an overall increase in the

personnel line item of 12% for several reasons: (1) significant inflationary pressures putting pressure on wages, (2) a highly competitive and tight labor market, also putting pressure on wages, (3) the ongoing compensation and market analysis which was initiated prior to the current labor market conditions (see below), and (4) increased federal funding to WFRC. This increase in the general salaries/employee benefits line will support WFRC in its efforts to treat its employees fairly and remain competitive in the market, and there are funds available to make these targeted adjustments.

WFRC has recently concluded an assessment of its compensation and performance evaluation practices and its placement within the relevant market. The objective of this assessment was tied to WFRC's goal 4, to "strive for organizational excellence" which starts with recruiting and retaining an excellent staff. The study included a comprehensive review and update of WFRC's job descriptions, a 'worth of work' survey of our staff, and a job valuation analysis. A wide-ranging salary survey was completed with input from numerous comparable organizations of similar size from across the country, local cities and counties within our region, and other agencies and organizations with comparable jobs.

The results of the survey indicated that (i) the majority of the staff's current pay falls within the surveyed market minimum and maximum salary ranges, (ii) WFRC salaries are generally around the industry midpoint, (iii) there are several outliers that are notably below the midpoint salary or below the minimum, and (iv) WFRC's benefits are highly competitive. WFRC will update salary ranges for FY23 using this data, within the budget set by the Council.

Part of the increase in the personnel line item will address the results of the compensation analysis in FY23, providing flexibility to make targeted market-based adjustments as the assessment is completed. This increase is funded through additional federal funding provided to WFRC through the recently adopted multi-year Infrastructure Investment and Jobs Act (IIJA).

Contractual

Consultant contracts represent the other major expenditure in the FY23 budget. The footnotes to the budget provide details of anticipated consulting contracts. The following are descriptions of three significant areas of consultant expense:

- Normally, the largest element of contractual expenditures (approximately \$1.7M in FY23) is for planning and technical assistance on Transportation and Land Use Connection (TLC) Program projects funded with WFRC's federal STP funds and contributions from UDOT, UTA, and Salt Lake County, as well as local matching funds. Some of the current TLC projects will not be completed before the end of FY22 and will be carried forward to FY23, with a budget amendment to be made in October 2022 when final accounting for FY22 is completed, reflecting the multi-year nature of the program. Much of the variation in the contractual line item reflects those TLC program consultant expenses, which are fully budgeted in one year and then often roll into the next, as well as the growth in the program. The expansion of TLC over time was planned, budgeted, and paid for with specific new funding.
- Another large item (approx. \$1.7M in FY23) is the Household Travel Survey, a significant data collection effort that is conducted roughly every ten years and is managed by WFRC and jointly funded by WFRC and its transportation agency partners. The WFRC costs of the travel survey will be covered through federal Surface Transportation Program (STP) funding. The Household Travel Survey was anticipated to start in FY22, but was largely deferred to FY23 given the disruptive effects of the pandemic on travel.

- In FY23, the largest consultant expenditure item – \$2.5M – is anticipated state funding and WFRC expenditures to assist communities to develop Station Area Plans (SAP), consistent with [HB462](#), Housing Affordability Amendments, which was passed in the 2022 General Legislative Session. That bill authorizes the Governor's Office of Economic Opportunity (GOEO) to provide funding from the Industrial Assistance Account to metropolitan planning organizations (MPO) to assist municipalities in planning for housing, transportation, and growth, and provides that municipalities can request such assistance from MPOs in developing their SAPs. GOEO intends to provide approximately \$5M over two years for station area planning efforts at Wasatch Front Regional Council and the Mountainland Association of Governments. WFRC will coordinate with our partners at MAG, UTA, and GOEO to allocate and administer this funding. This award of funds highlights the value the legislature and GOEO place on meaningful community planning and will allow WFRC and MAG to provide the necessary assistance to communities to accommodate this legislative directive. The award of these funds from GOEO is anticipated to be finalized in the next few months. The precise allocation of the funds over the two years, and between the WFRC and MAG areas, has not yet been determined, and is intended to be handled flexibly to allow for responsiveness to meeting community needs. For budgetary planning purposes, the FY23 budget assumes \$2.5M in revenues to be used for WFRC to hire and provide consultant assistance to communities working on these efforts. The budget for this item can be refined later through amendment as necessary; by including the assumed funding in the FY23 budget now, WFRC can proceed promptly in assisting our communities as soon as the funds are made available. Also, a reasonable percentage of these funds may be utilized to cover WFRC costs of administering the SAP program; that is another element to be evaluated with GOEO.

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

Funding Sources:

Federal transportation funds continue to be WFRC's main source of revenue. Most of WFRC's federal funding comes through the U.S. Department of Transportation. The recent federal transportation funding reauthorization legislation, the Infrastructure Investment and Jobs Act (IIJA), includes significant overall increases in funding for transportation infrastructure. The IIJA also includes increases in funding for planning work, through both the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA). The annual allocation of FHWA Planning (PL) funds is increased from current levels by about 20% and the FTA 5303 planning funds by 30%. These increases are sufficient to allow the Regional Council to keep pace with inflation, provide targeted programmatic expansions, and maintain financial stability over the next five years. These funding increases for planning are reflected in the FY 2023 budget.

The IIJA includes an approximately 10% increase (approximately \$3.2M annually) in Surface Transportation Program (STP) funding, which is principally for transportation infrastructure improvements, with projects selected through an annual competitive regional process (those funds are not part of the WFRC budget, they are administered through the Transportation Improvement Program or TIP). WFRC's current practice is to use a modest portion of the STP funding to support our overall planning work (3.4% of the total STP amount), and to support the TLC Program (3.3%). Consistent with the current practice, those percentages were applied to

the STP program funding increase. This translates to approximately \$100,000 to \$110,000 additional funding each year in the WFRC budget for each of these efforts.

The budget includes continuing federal funding from the Small Cities Community Development Block Grant (CDBG) program at \$50,000 a year. The budget also includes \$70,000 for the Wasatch Front Economic Development District (WFEDD). Additional one-time funding WFRC received from the CARES Act for economic development was used for projects that conclude in FY22.

For WFRC FY23 the local county contributions increased by 2.6%. Consistent with WFRC policy, in WFRC FY23 the local county contributions increased by a factor representative of the change in the Consumer Price Index (CPI) averaged over the prior three completed WFRC fiscal years, July 31, 2018 through June 30, 2021. This projected increase supports the ongoing financial stability of WFRC.

The state, through the Governor's Office of Planning and Budget, has provided \$140,000 each year as a match to the CPG program. An additional \$150,000 of ongoing funding was approved during the 2022 Utah State Legislative Session. This additional funding will provide local matching funds required by the federal Consolidated Planning Grant (CPG). These funds are being provided equally to each of Utah's seven Associations of Governments (AOG), and will allow each AOG to hire an additional staff person to support local planning. Additional revenues of \$2.5M state funds are budgeted in FY23 as described above for Station Area Planning in accordance with HB462.

EXHIBITS:

FY23 WFRC Goals
Budget for FY23 and footnotes
FY23 UPWP Summary

RECOMMENDATION AND MOTION:

The WFRC Budget Committee recommends and moves that the Council approve the FY23 goals and adopt the FY23 budget and UPWP.

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Draft
Wasatch Front Regional Council FY 2023 Budget

	Source of Funds					
	FY 2021	FY2022	FY 2022	FY 2023		
	Actual	Budget	Estimated	Proposed		
Federal Sources:						
Federal Highway Administration - PL	2,952,229	3,521,461	1,947,636	3,144,917	61%	1
Federal Highway Administration - STP	681,965	4,356,815	2,858,633	3,164,761	11%	2
Federal Transit Administration	671,104	686,216	725,896	889,096	22%	3
Dept. of Housing and Urban Development	56,986	52,300	52,300	50,000	-4%	4
Economic Development Administration	63,480	445,540	445,540	70,000	-84%	5
Total Federal Sources	4,425,765	9,062,332	6,030,005	7,318,774	21%	
State Sources:						
Utah GOPB - CPG match	140,000	140,000	140,000	290,000	107%	6
Community Impact Board	2,000	2,000	2,000	2,000	0%	
UDOT - TLC	193,573	623,108	488,162	311,500	-36%	7
UDOT - Joint Projects	29,125	40,973	14,500	0	-100%	8
UDOT - Model Development	88,229	92,903	92,597	100,512	9%	9
UT/GOEO - Station Area Plans	0	0	0	2,500,000	100%	10.0
Total State Sources	452,928	898,984	737,259	3,204,012	335%	
Local Sources:						
Dedicated Project Funds	1,148,398	1,847,177	1,805,208	2,022,864	12%	11
MAG - Joint Projects	19,004	42,361	57,960	0	-100%	8
UTA - TLC	199,795	295,319	319,239	187,500	-41%	7
UTA Joint Projects	21,884	33,347	46,965	0	-100%	8
UTA - Transit Sales Tax	129,711	219,198	178,974	219,774	23%	12
Local Contribution	320,771	326,225	326,225	334,706	3%	13
Total Local Sources	1,839,563	2,763,627	2,734,571	2,764,844	1%	
TOTAL SOURCES	6,718,256	12,724,944	9,501,833	13,287,630	40%	14

Expenditure by Function						
Expenditure	FY 2021	FY2022	FY 2022	FY 2023		
	Actual	Budget	Estimated	Proposed		
Salaries/Employee Benefits	3,786,409	4,623,250	4,073,801	5,020,111	23%	15
Contractual	2,138,550	6,979,444	4,553,872	7,114,033	56%	16
Audit and Accounting	20,046	26,250	13,300	19,318	45%	17
Dues & Subscriptions	26,925	26,475	26,199	29,009	11%	18
Equipment Depreciation	99,609	119,000	107,030	107,046	0%	
Equipment Maintenance	36,793	55,000	64,000	64,851	1%	
Insurance	12,575	13,000	11,342	13,043	15%	
Legal	90	10,000	500	10,000	1900%	19
Printing and Publication	0	10,950	1,000	11,600	1060%	20
Rent	427,307	435,000	434,272	438,721	1%	
Supplies/Software & Licenses	116,973	132,250	111,442	136,150	22%	21
Telephone/Data	32,475	35,000	34,794	38,359	10%	22
Training	12,537	66,000	29,551	75,100	154%	23
Travel	7,968	79,760	40,730	87,520	115%	23
Total Expenditures	6,718,256	12,611,379	9,501,833	13,164,861	39%	
Amounts expected to carry into next FY		113,565		122,769		
TOTAL	6,718,256	12,724,944	9,501,833	13,287,630	40%	14

Expenditure by Program

Program	FY 2021	FY2022	FY 2022	FY 2023		
	Actual	Budget	Estimated	Proposed		
Consolidated Planning Grant (CPG)	4,109,111	5,646,420	4,776,457	5,732,362	20%	24
Transportation & Land Use Connection (TLC)	1,992,344	4,352,220	3,370,846	2,422,874	-28%	25
Household Travel Survey	0	1,362,896	100,000	1,740,000	1640%	26
Economic Development	128,236	140,000	140,000	140,000	0%	
Local Government - Other	77,859	110,225	74,385	118,706	60%	27
Model Development	126,315	135,264	108,652	145,687	34%	28
Joint Projects	73,302	112,079	65,653	0	-100%	8
Legislative Consulting	118,000	146,000	146,000	146,000	0%	
CDBG - Tooele	50,000	50,000	50,000	50,000	0%	
Mobility Management	3,603	10,000	10,000	10,000	0%	
Tooele Valley RPO	7,981	10,000	10,000	10,000	0%	
Morgan RPO	7,274	10,000	10,000	10,000	0%	
Community Impact Board	2,000	2,000	2,000	2,000	0%	
Davis County Prop 1 Assistance	10,000	10,000	10,000	10,000	0%	
EDA CARES Act	5,244	375,540	375,540	0	-100%	5
CDBG CARE Act	6,986	2,300	2,300	0	-100%	4
IHC Community Development	0	250,000	250,000	250,000		29
Station Area Plans	0	0	0	2,500,000		10.0
TOTAL EXPENDITURES	6,718,256	12,724,944	9,501,833	13,287,630	40%	14

Local Contributions

County	FY 2021	FY2022	FY 2022	FY 2023		
	Actual	Budget	Estimated	Proposed		
Box Elder, 1 voting member	13,182	13,406	13,406	13,755	2.6%	13
Davis, 4 voting members	70,307	71,502	71,502	73,361	2.6%	13
Morgan, 1 voting member	13,182	13,406	13,406	13,755	2.6%	13
Salt Lake, 8 voting members	140,611	143,001	143,001	146,719	2.6%	13
Tooele, 1 voting member	13,182	13,406	13,406	13,755	2.6%	13
Weber, 4 voting members	70,307	71,502	71,502	73,361	2.6%	13
TOTAL	320,771	326,223	326,223	334,706	2.6%	13

General Fund

	FY 2021 Actual	FY2022 Budget	FY 2022 Estimated	FY 2023 Proposed	
Revenue					
Local Sources	0	0	0	0	0%
Other	1,606	1,600	726	1,600	120%
Interest	0			0	0%
Total revenue	1,606	1,600	726	1,600	
Expenditures					
Administration	1,496	1,600	726	1,600	120%
Capital outlay	0	0	0	0	0%
Total expenditures	1,496	1,600	726	1,600	
Excess of revenue over expenditures (usage of fund balance)	110	0	0	0	
Other sources					
Transfers in	0	0	0	0	
Transfers out	0			0	
Net change in fund balance	110	0	0	0	

Special Projects Fund

	FY 2021 Actual	FY2022 Budget	FY 2022 Estimated	FY 2023 Proposed		
Revenue						
Federal Sources	4,825,937	9,062,332	6,030,005	7,318,774	21%	30
State Sources	471,952	898,984	737,259	3,204,012	335%	30
Local Sources	1,420,368	2,763,627	2,734,571	2,764,844	1%	30
Other	1,606	0	0	0	0%	
Interest	6,130	12,500	6,531	6,500	0%	
Total revenue	6,725,993	12,737,443	9,508,366	13,287,630		
Expenditures						
Administration	0					
Capital outlay	52,417	66,743	72,644	45,000	-38%	30
Planning	6,620,254	12,724,944	9,394,803	13,287,630	41%	
Total expenditures	6,672,671	12,791,687	9,394,803	13,287,630		
Excess of revenue over expenditures (usage of fund balance)	53,322	-54,244	113,562	0	0%	
Other sources						
Transfers in	0	0	0	0	0%	
Transfers out	0	0	0	0	0%	
Net change in fund balance	53,322	-54,244	113,562	0		

Office Building Fund

	FY 2021 Actual	FY2022 Budget	FY 2022 Estimated	FY 2023 Proposed		
Revenue						
Interest	5,697	12,000	6,395	7,200	13%	30
Total revenue	5,697	12,000	6,395	7,200		
Expenditures						
Administration	0	0	0	0	0%	
Total expenditures	0	0	0	0		
Excess of revenue over expenditures (usage of fund balance)	5,697	12,000	6,395	7,200	13%	
Other sources						
Transfers in	0	0	0	0	0%	
Transfers out	0	0	0	0	0%	
Net change in fund balance	5,697	12,000	6,395	7,200	13%	

FY23 WFRC Budget Footnotes

1. The increase in Federal Highway Administration PL funds from FY21 actual to FY22 budget included costs for consulting contracts that were not completed by the end of FY21 and were carried forward to the FY22 budget as well as additional accounting staff and a partial year of support from the outgoing CFO. The estimated FY22 funds and expenditures are lower than anticipated due to staffing vacancies that were filled later in the year than expected and consulting contracts that are not expected to be completed by the end of FY22 and will carry forward into the next fiscal year. The Council typically amends its budget in October of each year when the final accounting is completed to include those contracts in process. This is a reflection of the multi-year nature of many of WFRC's projects.
2. The variability in this line item from FY21/22/23 reflects in part that in FY20 the Council elected to obligate all of its available PL funds – and less of its STP funds – in support of the Consolidated Transportation Planning Program (CPG) due to a possible rescission by the USDOT of PL funds. In FY21 the Council reversed that action to rebalance its PL/STP apportionments. The FY22 budget included funds for projects that were awarded in that year plus projects that were carried forward from FY21. The FY22 estimated to be spent reflects some projects that are not expected to be completed by the end of FY22 and will carry forward into FY23. The Council typically amends its budget in October of each year when the final accounting is completed to include those contracts in process. This is a reflection of the multi-year nature of many of WFRC's projects. Also included in the FY23 budget is the Household Travel Survey. This project was delayed due to concerns about the quality of data as a result of the pandemic.
3. Federal Transit Administration funding includes \$879,096 in funds for the Consolidated Planning Grant (CPG) program and \$10,000 for Mobility Management through UTA.
4. The changes in funding from the Department of Housing and Urban Development shown here are due to a CARES Act grant WFRC received being fully expended by the end of FY22. WFRC will continue to receive \$50,000 each year to assist small cities to apply for Community Development Block Grant (CDBG) funds.
5. The Economic Development Administration (EDA) provided WFRC with CARES Act assistance to fund economic recovery related projects. This EDA CARES Act funding will be expended by the end of FY22. WFRC will continue to receive \$70,000 from EDA for a Planning Partnership grant to support the Wasatch Front Regional Economic Development District.
6. The Governor's Office of Planning and Budget has provided \$140,000 each year as a match to the CPG program. An additional \$150,000 of ongoing funding was approved during the 2022 Utah State Legislative Session. The additional state funds effectively allow WFRC to hire another planner position to provide technical planning assistance to local communities.

7. Utah Department of Transportation (UDOT) and Utah Transit Authority (UTA) provide funding for the TLC program. Although these funds increase modestly each year to adjust for changes in the Consumer Price Index (CPI) and by contract, the FY23 budget shows a decrease from the FY22 budget and the FY22 estimated expenditure. This is due to projects that were carried forward from FY21 into FY22. Many of these TLC projects will be completed by the end of FY22, however those that are still in process by the end of the current fiscal year will be carried forward to FY23. It is anticipated that an adjustment will be made in October 2022 that will reflect these ongoing projects, resulting in a decrease in the FY22 estimated expenditures and an increase in the FY23 budget.
8. Joint projects are those projects WFRC engages in that include support from UDOT, UTA, Mountainland Association of Governments (MAG), and other planning partners. At this time there are no specific joint projects budgeted; the budget will be amended for any projects that arise in FY23.
9. WFRC partners with UDOT and Mountainland Association of Governments (MAG) for costs associated with Model Development including staff and consultant expenses. The portion WFRC receives from MAG is included in Dedicated Project Funds (see footnote 11).
10. In FY23, the largest consultant expenditure item – \$2.5M – is anticipated state funding and WFRC expenditures to assist communities to develop Station Area Plans (SAP), consistent with HB462, Housing Affordability Amendments, which was passed in the 2022 General Legislative Session. That bill authorizes the Governor's Office of Economic Opportunity (GOEO) to provide funding from the Industrial Assistance Account to metropolitan planning organizations (MPO) to assist municipalities in planning for housing, transportation, and growth, and provides that municipalities can request such assistance from MPOs in developing their SAPs. GOEO intends to provide approximately \$5M over two years for station area planning efforts at Wasatch Front Regional Council and the Mountainland Association of Governments. WFRC will coordinate with our partners at MAG, UTA, and GOEO to allocate and administer this funding. This award of funds highlights the value the legislature and GOEO place on meaningful community planning and will allow WFRC and MAG to provide the necessary assistance to communities to accommodate this legislative directive. The award of these funds from GOEO is anticipated to be finalized in the next few months. The precise allocation of the funds over the two years, and between the WFRC and MAG areas, has not yet been determined, and is intended to be handled flexibly to allow for responsiveness to meeting community needs. For budgetary planning purposes, the FY23 budget assumes \$2.5M in revenues to be used for WFRC to hire and provide consultant assistance to communities working on these efforts (see footnote 16). The budget for this item can be refined later through amendment as necessary; by including the assumed funding in the FY23 budget now, WFRC can proceed promptly in assisting our communities as soon as the funds are made available. Also, a reasonable percentage of these funds may be utilized to cover WFRC costs of administering the SAP program; that is another element to be evaluated with GOEO.

11. FY23 Dedicated Project Funds include:
 - a. \$10,000 – Local funds for Tooele Valley RPO
 - b. \$45,176 – Model Development (MAG)
 - c. \$10,000 – Local funds for Morgan RPO
 - d. \$300,000 – Salt Lake County for TLC program
 - e. \$457,150 – Local match for TLC awarded projects
 - f. \$10,000 – Davis County local option sales tax assistance
 - g. \$940,538 – Partners' Share of Household Travel Survey
(this item represents the majority of the line-item increase)
 - h. \$250,000 – IHC Community Development (second of two years)
12. WFRC receives Transit Sales Tax funds from Utah Transit Authority that are used to match the federal Consolidated Planning Grant; UTA provides matching funds at a rate of 20% for the FTA 5303 planning funding that WFRC receives. The increase in FY23 is consistent with the increase in FTA 5303 funds under IIJA.
13. Consistent with the approach established by the Council during the FY18 budget process, the FY23 budget includes a 2.6% increase in local contributions. This increase represents a three-year rolling average of the change in Consumer Price Index as measured from July 2018 through June 2021.
14. The overall budget increases 40% over anticipated spending for FY22, an increase of 4.4% over the FY22 budget. This is due mainly to the increase in state funding per HB462 to develop Station Area Plans, a delay in starting the Household Travel Survey, and to projects that are not expected to be completed by the year end causing the amount for FY22 to be lower. The FY23 budget will be amended in October 2022 once final accounting is completed to include ongoing projects. This is typical for this organization.
15. The 23% increase in FY23 budget over FY22 estimated, and the 9% increase of FY23 budgeted over FY22 budgeted, reflects several factors. In FY22 actual salary and benefits expenditures are estimated to be lower than budgeted due to staff vacancies that were filled later in the fiscal year than anticipated. The FY23 budget assumes: 1) full staffing for the existing 30 positions; 2) one month for the retiring Director of Operations and Special Projects; 3) the addition of two new Community and Economic Development (CED) planners; and 4) a 12% overall increase that functions as a cap for salary adjustments such as COLA and merit increases, employee benefit cost adjustments such as group health insurance, and targeted adjustments based on the compensation and market analysis (see the FY23 budget memo) as determined by the Executive Director. These adjustments are covered with revenues from additional state and federal funding.
16. FY23 Contractual includes the following anticipated activities. This list is tentative and subject to refinement. This item varies significantly from year to year as projects are proposed, funded and scheduled. The fluctuation is a reflection of the multi-year nature of many of WFRC's projects.

\$1,740,000	- Household Travel Survey - to calibrate the travel forecasting model
\$2,500,000	- Station Area Planning from state funds pursuant to HB462 (these two items above represent the majority of the line-item increase)
\$75,000	- Communications and public outreach
\$25,000	- Website Redesign
\$147,500	- Planning studies undesignated
\$146,000	- State and federal legislative consulting
\$50,000	- Regional freight and local delivery study
\$45,000	- Utah's Unified Transportation Plan - financial model update
\$100,000	- Regional multimodal grid connectivity study - exploring new strategic transportation connections
\$25,000	- Bike data collection and management study
\$70,755	- Street Light data to analyze traffic movements
\$50,000	- Golden Spoke event
\$32,000	- Joint modeling assistance/projects
\$25,000	- Bike facility estimating tool
\$16,076	- Parking Modernization - resources to update parking standards that address recent significant shifts in parking utilization
\$35,000	- ATO (Access To Opportunity) Methodology
\$30,000	- Utah's Unified Transportation Plan
\$1,716,729	- Transportation and Land Use Connection (TLC) Program
\$19,973	- GIS Technical Work
\$250,000	- IHC Community Development - the public assets and public health initiative
\$10,000	- Internal auditing
\$5,000	- HR Consulting

17. Actual FY22 accounting costs were reduced due to WFRC now processing payroll in-house, rather than with a third-party vendor, resulting in a savings of approximately \$500 per month. In previous fiscal years, the audit costs were \$11,000. An additional \$8,318 was budgeted for a new auditor for FY23, as audit costs are anticipated to increase.
18. Dues/subscriptions are for memberships to professional organizations such as National Association of Regional Councils and Association of Metropolitan Planning Organizations.
19. WFRC budgets an amount each year for contingent legal expenses.
20. Printing and Publications covers the printing of project reports, brochures, etc. With the shift to electronic reporting, the Council may adjust this budget line item in future years.
21. Increases in Supplies/Software expenses are due mainly to annual software license costs.
22. The increase in Telephone expense is due to the addition of new phones for additional employees and increases in the cost of the service.

23. During the whole of FY21 and first half of FY22, due to the COVID pandemic, WFRC staff expended less of its Travel and Training budgets as most meetings and training were conducted virtually. The FY23 budget reflects the amount that was anticipated pre-pandemic, accounting for the addition of two new planners. Post-pandemic, it is uncertain whether meetings and training will continue to be held virtually or return to pre-pandemic levels or a level in between. The amount shown in the budget will function as a cap but will not be expended unless needed.
24. The increase from FY21 to FY22 includes projects that were not completed before the end of FY21 and were carried forward to FY22. Some of the contractual projects budgeted in FY22 are not expected to be completed before the end of FY22 and will be carried forward to FY23 with the usual amendment to be made in October 2022. The majority of WFRC personnel costs are reflected in the CPG. Therefore, the FY23 budget includes personnel and salary/benefit adjustments as explained in Footnote 14.
25. The Transportation and Land Use Connection (TLC) program reflects the multi-year nature of most of the TLC projects. FY22 included TLC program projects that were in process at the end of FY21 but not completed prior to fiscal year end and were carried forward and fully budgeted in FY22. Therefore, the FY22 budgeted figure includes both projects carried forward from FY21 and new program funds in FY22. Many of these projects now budgeted in FY22 will not be completed prior to fiscal year FY22 and will carry forward to FY23. The current FY23 budgeted figure represents the annual contributions to the program plus anticipated local match. An amendment to the FY23 budget will be made in October 2022 after the close out of FY22 to reflect these ongoing projects that are expected to be completed in FY23.
26. The FY23 budget includes \$1,740,000 for the multi-year household travel survey project. The results of the household travel survey facilitate recalibration of travel demand models that are critical to ensuring corridor analyses and environmental work are defensible for highway and transit projects. In FY23 WFRC is contributing \$799,462 in federal STP funds with other planning partners (UDOT, MAG, UTA, Dixie MPO, and Cache MPO) contributing the remaining \$940,538 for the project. The project is expected to span three years with a total cost of \$1,740,000. WFRC is managing the project. The Household Travel Survey was anticipated to start in FY21, but was largely deferred to FY23 given the disruptive effects of the pandemic on travel.
27. 'Local Government - Other' uses funds from local contributions for expenditures that do not qualify for other funding. For example, planning projects in non-urbanized areas (Morgan and Tooele Counties) do not qualify for the federal planning dollars allocated to WFRC as an MPO, and WFRC may use these local funds for that work.
28. The Model Development program includes funds received from UDOT and MAG to support model development staff and consulting services. The anticipated expenditures for FY22 are

lower than usual because WFRC did not hire the consultant that was included in the budget. Although there are some funds budgeted in this program for a consultant in FY23 we do not anticipate carrying forward any of the unspent funds from FY22.

29. 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.
30. The budget is prepared on a program or grant level. The final pages of the budget tables show changes at the Fund level. The General Fund includes administrative activities that are not associated with the planning programs. The Special Projects Fund includes all programs (grants) and other activities. The Building Fund holds the proceeds from the sale of the old office building and any interest that is earned on the investment of those funds.

In FY23 the capital outlay shown in Special Projects Fund is for routine replacement of electronic and other equipment. The revenue and expenditures shown in the Special Projects Fund are a direct reflection of the budget as prepared on the program or grant level.