

DATE: October 17, 2024
AGENDA ITEM: 6a
SUBJECT: **PUBLIC HEARING AND ACTION:** Amend FY25 Budget
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 (FY24) into the current fiscal year (FY25). 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 (FY25) budget.

As WFRC completed FY24 and we reviewed the final expenditures, actual spending came in lower than budgeted by \$6,743,815. This resulted principally from spending on some contractual items that were budgeted in FY24 carrying over into FY25, the majority in two programs:

- Transportation and Land Use Connection (TLC) Program projects that are multi-year in nature.
- Station Area Planning funds that are shared between MAG and WFRC pursuant to HB462 (2022). This work is ongoing; all available funds for our area are reflected in the amended FY25 budget.

The FY25 budget amendments are mainly in the contractual line item, reflecting the ongoing expenses associated with multi-year projects. Other adjustments are in the supplies, travel/training, and new carry forward lines to reflect updated cost estimates and ongoing programs that we anticipate in coming years.

Some of the funds reflected in the difference between FY24 budget and actual expenses have carried forward to the amended FY25 budget, so the new budget amount is the initial budget plus this difference. A few programs, like the Power District and the Station Area Planning, were initially anticipated in May at higher levels and so do not show the same increases.

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 FY26, again reflecting on-going programs or multi-year projects that are expected to bridge the FY25 and FY26 years.

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

The Budget Committee has reviewed and discussed the proposed amended FY25 budget.

RECOMMENDATION:

The WFRC Budget Committee and staff recommend that the Council conduct a public hearing and approve a motion “to amend the WFRC FY25 Budget as proposed.”

CONTACT PERSON:

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EXHIBITS: Draft Amended FY25 Budget with Footnotes

Approved
Wasatch Front Regional Council FY 2025 Revised Budget

Expenditure by Function/Line Item

Expenditure	June, 2023	October, 2023	June, 2024	May, 2024	October, 2024		
	FY 2023 Actual	FY 2024 Revised Budget	FY 2024 Actual	FY 2025 Initial Budget	FY 2025 Revised Budget		
Salaries/Employee Benefits	4,716,801	5,454,053	4,864,399	5,850,833	5,850,833	0	0%
Contractual	4,319,322	11,399,691	5,816,530	4,998,812	8,887,009	3,888,197	78%
Audit and Accounting	14,000	20,000	19,000	20,000	20,000	0	0%
Dues	28,213	30,000	24,234	30,000	30,000	0	0%
Equipment Maintenance	60,166	65,000	35,576	37,800	37,800	0	0%
Insurance	15,199	20,000	14,300	20,000	20,000	0	0%
Legal	41,243	20,000	2,183	20,000	20,000	0	0%
Printing and Publication	0	5,300	1,514	5,300	5,300	0	0%
Rent	447,930	468,667	458,667	480,530	480,530	0	0%
Supplies/Software/Subscriptions	180,358	216,938	170,996	165,150	207,203	42,053	25%
Telephone/Data	37,025	40,000	38,477	50,000	50,000	0	0%
Travel and Training	161,743	185,877	142,726	171,500	183,500	12,000	7%
Total Expenditures	10,022,000	17,925,526	11,588,602	11,849,925	15,792,175	3,942,250	33%
Amounts expected to carry into next FY		406,892	0	41,113	315,952	274,839	688%
TOTAL	10,022,000	18,332,418	11,588,603	11,891,038	16,108,127	4,217,089	35%

Expenditure by Program

Program	FY 2023	FY 2024	FY 2024	FY 2025	FY 2025		
	Actual	Revised Budget	Actual	Initial Budget	Revised Budget		
Consolidated Transportation Planning Grant	5,020,393	5,767,437	4,779,871	6,220,827	6,223,643	2,816	0%
Transportation & Land Use Connection	2,130,996	6,136,081	3,504,571	2,484,778	5,031,714	2,546,936	103%
Household Travel Survey	1,243,460	496,631	490,824	0	0	0	
Economic Development	204,389	163,750	159,407	125,000	125,000	0	0%
Statewide CEDS	45,258	54,742	54,742	0	0	0	
Local Government - Other	104,618	409,653	136,166	95,073	291,102	196,029	206%
Model Development	135,198	137,500	137,500	150,000	144,375	-5,625	-4%
Joint Projects	280,770	469,067	515,548	0	363,746	363,746	
Legislative Consulting	146,000	146,000	146,000	156,000	156,000	0	0%
CDBG - Tooele	50,000	50,000	50,000	50,000	50,000	0	0%
Mobility Management	1,156	10,000	2,589	5,000	5,000	0	0%
Tooele Valley RPO	11,045	18,869	13,426	10,000	15,443	5,443	54%
Morgan County RPO	5,078	8,327	8,327	9,000	9,000	0	0%
Community Impact Board	2,000	2,000	2,000	2,000	2,000	0	0%
Davis County Local Option Assistance	20,000	10,000	10,000	10,000	10,000	0	0%
Station Area Planning	621,642	3,333,359	512,915	1,823,359	2,840,445	1,017,086	56%
Safe Streets for All	0	969,000	964,872	0	0	0	
Local Administrative Advisor		150,000	83,343	150,000	216,657	66,657	44%
Power District Transportation Study				500,000	500,000	0	0%
Mixed Use Centers: Visuals & Impact Metrics			16,503	100,000	124,002	24,002	24%
TOTAL EXPENDITURES	10,022,003	18,332,416	11,588,604	11,891,037	16,108,127	4,217,090	35%

Source of Funds

	FY 2023	FY 2024	FY 2024	FY 2025	FY 2025		
	Actual	Revised Budget	Actual	Initial Budget	Revised Budget		
Federal Sources:							
Federal Highway Administration - PL	2,393,574	3,141,111	2,208,351	3,500,907	3,406,904	-94,003	-3%
Federal Highway Administration - STP	2,584,975	4,904,464	3,334,405	2,509,346	4,076,937	1,567,591	62%
Federal Highway Administration - SS4A	0	775,200	771,897	0	0	0	
Federal Transit Administration	880,252	891,435	884,024	886,435	980,438	94,003	11%
Dept. of Housing and Urban Development	50,000	50,000	50,000	50,000	50,000	0	0%
Economic Development Administration	147,452	136,617	134,446	62,500	62,500	0	0%
Total Federal Sources	6,056,253	9,898,827	7,383,123	7,009,188	8,576,779	1,567,591	22%
State Sources:							
Utah GOPB	290,000	290,000	290,000	290,000	290,000	0	0%
GOPB Local Administrative Advisor		150,000	83,343	150,000	216,657	66,657	44%

FY25 Revised Budget Footnotes

1. The increase in contractual expenditures results from projects budgeted in FY24 that are ongoing and expected to be completed in FY25 and FY26, and are therefore carried forward into FY25. It also includes contractual amounts that will pass through WFRC to consultants for the Transportation and Land Use Connection Program, Station Area Planning, Mixed Use Centers Visualization, and several joint projects. Broadly stated, the increase reflected in the budget amendment comes from \$2.5M in TLC carry forward and ongoing projects, \$1M in Station Area Planning and about \$500K for joint projects and the Mixed Use Centers project - see below for detail. The following anticipated items are components of the total amended FY25 amount.

- \$4,145,544 – Transportation and Land Use Connection (TLC) Program
- \$2,840,445 – Station Area Planning from state funds pursuant to HB462
- \$500,000 – Power District Transportation Study
- \$363,746 – Joint projects (see footnote 8)
- \$156,000 – State and federal legislative consulting
- \$150,000 – Long Range Planning studies
- \$100,000 – Resilience planning for the RTP
- \$85,000 – Beehive Bikeways
- \$75,000 – Communications and public outreach
- \$75,000 – Regional Freight Study Phase II
- \$63,500 – Utah’s Unified Transportation Plan Financial Model
- \$57,500 – Active transportation calibration and modeling work
- \$25,000 – Community outreach for the 2027-2050 RTP
- \$25,000 – WFRC website redesign
- \$20,000 – GIS technical work
- \$15,000 – Internal audit and HR consulting
- \$14,000 – Mode Choice Model update

2. Training and Travel is increased to reflect rising travel costs and employees participating in conferences as speakers and presenters.

3. The carry forward amount into FY26 represents funds that we anticipate will be used for ongoing programs and multi-year projects.

4. The proposed FY25 budget increases 35% over the original FY25 budget. This is due primarily to carry forward in ongoing projects in the Transportation and Land Use Connection (TLC) and Station Area Planning programs. Carry forwards of this nature, and new funds being provided, are common and are routinely anticipated for WFRC.

5. The majority of TLC funding is committed to specific projects that often span multiple fiscal years. The amended budget figure reflects all currently committed projects, including the newly awarded projects budgeted in May. 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 annual support amounts of \$315,000 (UDOT) and \$300,000 (UTA). The

updated budget also reflects funding from IHC to support community development projects (see footnote 15).

6. The amended budget includes carry forward from FY24, which is dedicated to efforts to support local governments.

7. This small budget adjustment reflects the FY25 agreement between MAG, UDOT and WFRC to support modeling work by the WFRC Analytics group.

8. Joint projects are those projects WFRC engages in that include support from UDOT, UTA, Mountainland Association of Governments (MAG), and other planning partners. WFRC typically does not include ongoing joint projects in the initial budget, instead adjusting the amended budget to include projects that are in process or new for FY25:

- \$9,034 – Economic Impact of Utah’s Unified Transportation Plan
- \$127,114 – Transit “Fresh Look”
- \$186,318 – Unified Transportation Plan Financial Model
- \$14,057 – Travel Demand Mode Choice Model enhancement
- \$12,500 – Modeling consulting work
- \$14,722 – Modeling software project

9. The Tooele Valley RPO and Morgan RPO programs rely on current year contributions. The Tooele RPO budget has been adjusted to include some carry forward funds.

10. Station Area Planning funds, provided pursuant to HB462 (2022) through the Governor’s Office of Economic Opportunity, are shared between MAG and WFRC to provide planning assistance to local communities as they develop the required Station Area Plans and update their general plans and zoning. A total of \$5M was allocated beginning in FY23 to support communities in developing plans for 95 existing and planned fixed-guideway transit stations in Utah. MAG and WFRC are collaborating to use this funding to bring all stations into compliance. We initially budgeted \$1.8M as a placeholder in FY25. MAG has fully awarded the funds necessary to cover their Station Area Plans, so WFRC has budgeted remaining funds to cover the many stations in our area, in addition to the \$1.1M already awarded to many station area projects that started in FY24.

11. The amended budget reflects the carry forward funds for the state-funded Local Administrative Advisor position.

12. WFRC was awarded a \$140,000 grant from the State of Utah Department of Commerce, Office of the Property Rights Ombudsman’s Land Use Fund, to provide visuals and tools to measure impacts in mixed use centers. The project will be finished in FY25 using the remaining funds.

13. The majority of 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 FY24; therefore these contracts are carried into FY25. Increased FTA funds offset the PL funding in our Consolidated Planning Grant.

14. The change to Dedicated Project Funds includes funds for projects budgeted in FY24 that are ongoing and expected to be completed in FY25, and are therefore carried forward into FY25. The funding shown here includes:

- \$606,934 – Salt Lake County for TLC program (includes carry forward)
- \$251,251 – Local match for TLC awarded projects (includes carry forward)
- \$178,145 – IHC funds for community development projects (includes carry forward)
- \$35,000 – Local match for Station Area Planning
- \$156,000 – State and federal Legislative Consulting
- \$62,500 – WFEDD EDA Planning Grant local contribution
- \$15,443 – Local funds for Tooele Valley RPO (includes carry forward)
- \$10,000 – Davis County local option assistance
- \$9,000 – Local funds for Morgan RPO

15. In FY22 and FY23, Intermountain Health donated funds to support community development projects and the donations were reflected in this line. For FY24 and FY25, any unused funds were carried forward and allocated to specific projects in the Transportation and Land Use Connection program. The IHC donation is therefore now reflected in the TLC line (see footnote 5).