

DATE: October 24, 2019
AGENDA ITEM: 6a
SUBJECT: **PUBLIC HEARING AND ACTION:** Amend FY20 Budget
PREPARED BY: Loveit Baumgardner

BACKGROUND:

As WFRC completed FY19 and we reviewed the final expenditures, actual spending came in lower than budgeted by \$1,770,970. This resulted mainly from spending on some contractual items that occurred more slowly than was anticipated or from items that were added to the FY19 budget in the later months but did not begin work until FY20. As a result, the amount of funds that carried forward from FY19 into FY20 was higher than was anticipated, resulting in an increase in the FY20 budget as some spending shifts from FY19 to FY20. The majority of the funds and projects carried forward from FY19 to FY20 are for Transportation and Land Use Connection (TLC) Program projects.

There are also several new joint planning projects that include: Micro-mobility tool set, Mode Choice Model update, Unified Transportation Plan document development, Unified Transportation Plan economic impact study, and the Utah Parking Modernization initiative. WFRC uses funds from its Consolidated Planning Grant for part of this work and has partnered with Utah Department of Transportation, Utah Transit Authority and Mountainland Association of Governments who are providing additional funds for the projects. The additional funds received from partners is shown under state and local revenue sources. WFRC anticipates hiring consultants to perform the work and those expenses are included in the Contractual line item in this amended budget.

There is also an adjustment to the Supplies/Software/Sponsorship line item. The FY20 budget originally included \$50,000 in revenue and contractual expense for the Wasatch Choice 2050 Consortium event. Subsequent to the adoption of the budget, WFRC had the opportunity to partner with the Utah League of Cities and Towns to combine the Consortium event with their annual conference leading to a significant reduction in overall costs to sponsor the event. Revenue and contractual expense were therefore reduced by \$50,000 each. The remaining costs associated with sponsoring events to promote Wasatch Choice 2050 have now been included in the Supplies/Software/Sponsorship line item.

The adjustments described above, along with a few minor changes in estimated expenditures, are reflected in the line items on the Expenditure by Function page. The adjustments also impact the projected carry-forward into FY21, again reflecting on-going programs or multi-year projects that bridge the FY20 and FY21 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 WFRC Budget Committee and staff recommend that the Council take action “to amend the WFRC FY20 Budget as proposed.”

CONTACT PERSON:

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EXHIBITS:

Draft Amended Budget FY20 with Footnotes

**October 24, 2019 Draft Amended
Wasatch Front Regional Council FY 2020 Budget**

Source of Funds

	FY 2020 Approved 5/24/19	FY 2020 Proposed	FY 2020 Difference	
Federal Sources:				
Federal Highway Administration - PL	3,862,041	3,862,041	0	0%
Federal Highway Administration - STP	1,085,607	1,984,063	898,456	83% 1
Federal Transit Administration	652,734	677,872	25,138	4% 2
Dept. of Housing and Urban Development	50,000	50,000	0	0%
Economic Development Administration	70,000	70,000	0	0%
Total Federal Sources	5,720,382	6,643,976	923,594	16%
State Sources:				
Utah GOMB (CPG match)	140,000	140,000	0	0%
Community Impact Board	2,000	2,000	0	0%
UDOT - TLC	303,300	479,528	176,228	58% 1
UDOT - Joint Planning Projects	36,947	115,333	78,386	212% 3
UDOT - Model Development	85,053	85,053	0	0%
UDOT - Morgan RPO	15,000	15,000	0	0%
Total State Sources	582,300	836,914	254,614	44%
Local Sources:				
Dedicated Project Funds	659,900	1,208,107	548,207	83% 4
MAG - Joint Projects	0	86,978	86,978	100% 3
UTA - TLC	150,000	228,936	78,936	53% 1
UTA - Joint Projects	35,000	100,333	65,333	187% 3
UTA - Transit Sales Tax	160,684	160,684	0	0%
Local Contribution	312,943	312,943	0	0%
Total Local Sources	1,318,527	2,097,981	779,454	59%
TOTAL SOURCES	7,621,209	9,578,871	1,957,661	26%

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Expenditure by Function

Expenditure	FY 2020 <small>Approved 5/24/19</small>	FY 2020 <small>Proposed</small>	FY 2020 <small>Difference</small>		
Salaries/Employee Benefits	4,381,640	4,381,640	0	0%	
Contractual	2,340,837	4,068,689	1,727,852	74%	5
Audit and Accounting	20,000	20,000	0	0%	
Dues & Subscriptions	20,100	20,100	0	0%	
Equipment Depreciation	111,884	111,884	0	0%	
Equipment Maintenance	20,000	20,000	0	0%	
Insurance	12,000	12,000	0	0%	
Legal	10,000	10,000	0	0%	
Printing and Publication	10,950	10,950	0	0%	
Rent	411,839	411,839	0	0%	
Supplies/Software/Sponsorships	94,000	109,000	15,000	16%	6
Telephone/Data	38,000	38,000	0	0%	
Training	56,700	56,700	0	0%	
Travel	57,500	57,500	0	0%	
Total Expenditures	7,585,450	9,328,302	1,742,852	23%	
Amounts expected to carry into next FY	35,758	250,569	214,810	601%	7
TOTAL BUDGET	7,621,209	9,578,870	1,957,661	26%	

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Expenditure by Program

Program	FY 2020 <small>Approved 5/24/19</small>	FY 2020 <small>Proposed</small>	FY 2020 <small>Difference</small>		
Consolidated Transportation Planning Grant	4,923,718	5,190,506	266,788	5%	1
Transportation & Land Use Connection	1,955,500	3,286,139	1,330,639	68%	1
Economic Development	140,000	140,000	0	0%	
Local Government Service	38,121	243,103	204,982	538%	1
UTA Project Support	82,170	82,170	0	0%	
Model Development	118,748	118,748	0	0%	
Joint Planning Projects	115,952	302,644	186,692	161%	3
Legislative Consulting	90,000	90,000	0	0%	
CDBG - Tooele	50,000	50,000	0	0%	
Mobility Management	10,000	10,000	0	0%	
Tooele Valley RPO	10,000	10,000	0	0%	
Morgan RPO	25,000	25,000	0	0%	
Community Impact Board	2,000	2,000	0	0%	
Davis County Prop 1 Assistance	10,000	10,000	0	0%	
WC2050 Consortium	50,000	0	-50,000	100%	6
Oquirrh Connection	0	18,561	18,561	100%	1
TOTAL EXPENDITURES	7,621,209	9,578,871	1,957,662	-80%	

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Local Contributions

County	FY 2020 Approved 5/24/19	FY 2020 Proposed	FY 2020 Difference	
Box Elder, 1 voting member	12,911	12,911	0	0%
Davis, 4 voting members	68,861	68,861	0	0%
Morgan, 1 voting member	12,911	12,911	0	0%
Salt Lake, 8 voting members	136,488	136,488	0	0%
Tooele, 1 voting member	12,911	12,911	0	0%
Weber, 4 voting members	68,861	68,861	0	0%
TOTAL	312,943	312,943	0	0% 10

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Wasatch Front Regional Council FY 2020 Budget**

General Fund

	FY 2020 Approved 5/24/19	FY 2020 Proposed	FY 2020 Difference		
Revenue					
Local Sources	0	3,600	3,600	100%	8
Interest	12,500	0	-12,500	-100%	8
Total revenue	<u>12,500</u>	<u>3,600</u>	<u>-8,900</u>	-71%	
Expenditures					
Operating expenses	<u>3,600</u>	<u>3,600</u>	<u>0</u>	0%	
Total expenditures	<u>3,600</u>	<u>3,600</u>	<u>0</u>	0%	
Excess of revenue over expenditures (usage of fund balance)	8,900	0	-8,900		
Other sources					
Transfers in	0	0	0		
Transfers out	<u>0</u>	<u>0</u>	<u>0</u>		
Net change in fund balance	8,900	0	-8,900		

Special Projects Fund

	FY 2020 Approved 5/24/19	FY 2020 Proposed	FY 2020 Difference		
Revenue					
Federal Sources	5,720,382	6,643,976	923,594	16%	9
State Sources	582,300	836,914	254,614	44%	9
Local Sources	1,318,527	2,094,381	775,854	59%	9
Interest Income	0	12,500	12,500	100%	8
Total revenue	<u>7,621,209</u>	<u>9,587,771</u>	<u>1,966,561</u>		
Expenditures					
Planning	7,621,209	9,578,871	1,957,662	26%	9
Capital Outlay	<u>45,000</u>	<u>45,000</u>	<u>0</u>	0%	
Total expenditures	<u>7,666,209</u>	<u>9,623,871</u>	<u>1,957,662</u>		
Excess of revenue over expenditures (usage of fund balance)	-45,000	-36,100	8,900		
Other sources					
Transfers in	0	0	0		
Transfers out	<u>0</u>	<u>0</u>	<u>0</u>		
Net change in fund balance	-45,000	-36,100	8,900		

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Building Fund

	FY 2020 Approved 5/24/19	FY 2020 Proposed	FY 2020 Difference
Revenue			
Interest Income	32,000	32,000	0
Total revenue	<u>32,000</u>	<u>32,000</u>	<u>0</u>
Expenditures			
Capital Outlay	0	0	0
Total expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of revenue over expenditures (usage of fund balance)	32,000	32,000	0
Other sources			
Transfers in	0	0	0
Transfers out	<u>0</u>	<u>0</u>	<u>0</u>
Net change in fund balance	32,000	32,000	0

Wasatch Front Regional Council

FY20 Amended Budget – October 24, 2019

Footnotes

1. These changes include amounts budgeted in FY19 but not spent prior to fiscal year end. These changes reflect the multi-year nature of ongoing projects, most of which are expected to be completed in FY20 or FY21.
2. The increase in Federal Transit Administration funds reflects actual amount apportioned to WFRC. This amount was unknown but estimated in the FY20 budget approved May 24, 2019.
3. WFRC, in partnership with Utah Department of Transportation, Utah Transit Authority, and Mountainland Association of Governments, enters into contracts for joint planning projects or studies. Partner funds for joint planning projects include:
 - \$45,000 for micro-mobility tool set
 - \$75,000 for mode choice model update
 - \$37,910 for Unified Transportation Plan document development
 - \$29,734 for Unified Transportation Plan economic impact study
 - \$115,000 for Utah parking modernization initiative
4. The change to Dedicated Project Funds includes funds carried forward from FY19 for projects in process. The funding shown here includes:
 - \$10,000 for Tooele Valley RPO
 - \$33,695 for model development (MAG)
 - \$10,000 for Davis County Prop 1 assistance
 - \$10,000 for Morgan RPO
 - \$223,043 for Local Government Services
 - \$18,561 for Oquirrh Connection Feasibility Study
 - \$902,808 for Transportation and Land Use Connection Program (includes Salt Lake County and Local match for TLC projects)
5. The increase in contractual expenditures results from projects budgeted in FY19 that are ongoing and expected to be completed in FY20 and FY21. Anticipated contractual expenditures include:
 - \$90,000 for state and federal legislative consulting
 - \$4,440 for human resource consulting
 - \$95,000 for micro-mobility tool set
 - \$5,000 for data resource consulting
 - \$150,000 for mode choice model update
 - \$32,000 for model development
 - \$20,239 for Unified Plan Financial Plan update
 - \$51,000 for Unified Plan Document development
 - \$100,000 for communications and public outreach
 - \$140,000 for Utah parking modernization initiative

- \$40,000 for Unified Plan economic impact study
- \$2,851,817 for Transportation and Land Use Connection projects
- \$50,000 for Access to Opportunity GUI
- \$3,000 for Consortium for scenario planning
- \$50,000 for planning and environment linkage
- \$75,000 for RTP uncertainty scenarios
- \$130,000 for planning studies undesignated
- \$18,604 for GIS technical assistance
- \$53,731 for Strava Metro data
- \$2,500 for NTIC exploring data fusion tech
- \$25,000 for Point of the Mountain transportation study
- \$10,000 for salary survey
- \$2,797 for Provo/Orem BRT Study
- \$50,000 for Wasatch Choice implementation tool improvements
- \$18,561 for Oquirrh Connection study

6. The increase in Supplies/Software/Sponsorships includes additional funding for event expenses associated with promoting Wasatch Choice 2050. The FY20 budget approved on May 24, 2019 included \$50,000 under the Contractual line item for a Wasatch Choice 2050 Consortium and a corresponding \$50,000 in revenue. WFRC had the opportunity to partner with the Utah League of Cities and Towns (ULCT) to combine this event with their annual conference thereby saving WFRC the cost of hosting the event on its own. In this amended budget the \$50,000 originally budgeted under the Contractual line item has been eliminated along with the corresponding revenue. The remaining expenses associated with the ULCT partnering opportunity are now shown under the Supplies/Software/Sponsorship line item.
7. The increase in amount expected to carry forward into the next FY are for projects that are not expected to be completed in FY20 and anticipated to carry forward to FY21.
8. Interest income was moved from the General Fund to the Special Projects fund. This is being proposed because the source of funds from which the interest income is generated are from monies held on deposit for planning projects under the Special Projects Fund and the amendment better reflects the nature of the revenue relative to its source. To maintain required minimums for revenue and expenditures in the General Fund a small amount of local funding was re-budgeted from the Special Projects Fund to the General Fund.
9. Changes in the Special Projects Fund are a reflection of adding funding and expenses for ongoing projects. The majority of the changes reflect projects that were budgeted in FY19 but not completed before the end of the fiscal year and were carried forward to FY20.
10. Consistent with the policy established in the FY18 budget process, in the WFRC FY21 budget the local contributions are expected to increase by a factor representative of the change in the Consumer Price Index (CPI) averaged over the prior three completed WFRC fiscal years, July 1, 2016 through June 30, 2019. That increase, which will become a part of the proposed FY21 budget that will be presented to the Council in March 2020, will be 2.1%. This projected increase supports the ongoing financial stability of the Council. This information is provided now so that it can be factored into the counties' FY20 budget processes.