

# 3-Year Budget & Work Program FY 09/10 – FY 11/12



Board of Directors Meeting  
February 25, 2009



# Work Program

Don Bachman  
Deputy Executive Director



# Goals Update

## April 2007 Board Goals:

- Transportation Investment Plan Sales Tax did not pass
- Board will revisit the goals at March 2009 Board Work Session
- Draft Work Program reflects current reality



# Transportation Programming

- Adopt Regional Fee Expenditure Plan
- Adopt 2010 Regional Transportation Plan
- Adopt 2010 STIP
- Participate in Blueprint Planning
- Federal Transportation Reauthorization
- Allocate State/local funds



# Funding

- Federal
  - Stimulus
  - Earmarks
- State
  - State Transportation Improvement Program
  - Regional Surface Transportation Program
- Local
  - Regional Impact fee
  - Transportation Development Act



# Project Delivery

Assist Caltrans with:

- US 101 Prunedale Safety Improvements
- Airport Blvd. Interchange
- Salinas Road Interchange
- San Juan Rd-US 101 at Red Barn
- SR 156 widening – environmental
- Hwy 101 / Sanborn PSR



# Project Delivery

Assist Member Agencies with:

- Stimulus Projects
- SR 1 Carmel area – extend climbing lane
- SR 68 intersections
- SR 68/CHOMP – Phase 2
- Hwy 101 So. County Interchanges
- SR 1 / Imjin Rd
- Moss Landing Plan
- Highway 156 Access



# Project Delivery

Provide project management:

- Caltrain:
  - Final Design & Right of Way
  - Federal new starts applications
- Monterey Peninsula Branch Line:
  - Preliminary Design and Environmental Review
  - Railroad Leases & Ft. Ord properties
- Carmel Hill Trail



# Bicycle / Pedestrian

## Assist County:

- Monterey Bay Sanctuary Scenic Trail
- Castroville UPRR Bike/Ped Undercrossing
- Highway 68 / Salinas River Bike/Ped Bridge



# ONGOING WORK ACTIVITIES

- State and federal legislation
- Tow trucks (Freeway Service Patrol)
- Call boxes (SAFE)
- Environmental document review
- Bicycle and Pedestrian Program
- Transportation For Elderly & Disabled
- Unmet Transit Needs
- Transit Planning & Livable Communities



# Budget

Rita Goel

Director of Finance & Administration

# What makes the Agency budget?

- **Operating Budget** -Slight changes year to year  
Staff Salaries & Benefits  
Material & Services & Capital Outlay
- **Direct Program Budget** -Major fluctuations  
Contracts, outside consultants and  
Expenses for specific work programs



# BUDGET HIGHLIGHTS FY 09-10

- No major increase in Planning revenues
- Staff support revenues projected conservatively
- Control expenditures
- Sufficient funds for cash flow
- Prudent cash reserves for operating shortfalls
- 3-Year projections



# Risks FY 09-10

- Funding cuts due to state budget crisis
- Carmel Hill Trail project litigation
- Cash flow problems due to delayed reimbursements from state for planning & direct programs



# REVENUE ASSUMPTIONS FY 09-10

- No Regional Impact Fee revenue
- No increase in Local Transportation Fund & Rural Planning Assistance
- Small increase in Planning, Programming & Monitoring & Federal Highway Planning funds



# REVENUE ASSUMPTIONS FY 09-10

- Staff Support for Freeway Service Patrol, Service Authority for Freeways & Expressways and rail property leases
- Use of planning funds previously used for direct programs
- Continuation of Congestion Management subsidy

# EXPENDITURE ASSUMPTIONS

## FY 09-10

- No cost of living allowance
- Continuation of step increases
- No increase to CalPERS contribution
- Decrease of a half-time position
- Reduction of multiple items from materials and supplies
- Expense for an actuarial valuation for Other Post Employment Benefits-GASB 45

# EXPENDITURE ASSUMPTIONS

## FY 09-10

- Revision to the alternative transportation incentive effective 1/1/09
- Change of Columbus Day holiday to floating holiday
- Acceleration of vacation accrual benefit
- Deferral of agency vehicle purchase from FY 08-09 to FY 09-10

# Total Revenue by Type FY 09-10

	<b>FY 08-09</b>	<b>FY 09-10</b>	<b>Change</b>
Operating	2,424,193	2,419,455	- 0.2%
Direct	37,201,017	11,122,947	-70.1%
<b>TOTAL</b>	<b>39,625,210</b>	<b>13,542,402</b>	<b>-65.8%</b>

# Past Performance

## Budget vs. Actual FY 07-08

	Budget	Actual	Savings
Operating Budget	\$2,230,559	\$1,853,328	+\$377,231
Salaries	\$1,136,981	\$1,069,282	+\$67,699
Fringe Benefits	\$577,566	\$450,703	+\$126,863
Materials & Services	\$516,012	\$333,343	+\$182,669

# OPERATING REVENUE FY 09-10

SOURCES	FY 08-09	FY 09-10	Change
Federal	265,119	269,127	+4,008
State	1,889,588	1,965,485	+75,897
Local	193,076	243,076	+50,000
Staff Support	57,024	60,000	+2976
Reserves usage	19,387	-118,233	-137,620
<b>TOTAL</b>	<b>2,424,194</b>	<b>2,419,455</b>	<b>-4,739</b>





# Operating Expenses FY 09-10

## Salaries Changes - Detail

• Cost of Living adjustment	+\$	0
• Step increases	+\$	48,801
• Comp time payout	+\$	571
• <u>Rotational Intern (Federal grant)</u>	-\$	12,500
= Net Salaries increase:	+\$	36,872

# Operating Expenses FY 09-10

## Benefits Changes- Detail

• Commute alternative incentive	+\$ 10,080
• Tied to salary increases	+\$ 6,240
• Wellness benefit (Cafeteria Plan)	+\$ 2,100
• Vacation buyback	+\$ 3,462
• <u>Health benefit</u>	<u>-\$ 229</u>

= Net Benefits increase:                   +\$21,653

# Operating Expenses FY 09-10

## Capital Outlay

### Equipment replacement fund:

- Equipment Replacement \$ 15,000
- Vehicle Replacement \$ 30,000

= Net Increase: **+\$45,000**

Capital Outlay from the equipment replacement fund

# 3-Year Operating Budget Horizon FY 09-12

<u>Fiscal Year</u>	<u>Budget</u>	<u>Change</u>
08-09 (Approved)	\$2,424,194	
09-10 (Forecast)	\$2,419,455	-0.2%
10-11 (Forecast)	\$2,513,758	+3.9%
11-12 (Forecast)	\$2,579,950	+2.6%
Undesignated Reserve Used	\$ 16,302 (Operating)	
Undesignated Reserve Used	\$322,000 (Direct)	
Total Used	\$338,302 or less	

# Direct Program Revenue FY 09-12

Sources	FY 08-09	FY 09-10	Change
Federal Grants	9,500,554	2,435,671	-7,064,883
State Grants	27,024,317	7,812,649	-19,211,668
Local Funds	440,454	270,276	-170,178
Staff Support	-57,024	-60,000	-2976
Interest-Carry forward	0	255,388	255,388
Interest-New	316,000	306,983	-9,017
FSP Reserve usage	-19,720	-3,913	15807
Call Box Reserve usage	-3,565	-1,107	2458
Undesignated Reserve usage	0	107,000	107,000
TOTAL	37,201,017	11,122,947	-26,078,069 <sub>28</sub>

# Direct Program Expenses FY 09-12

Major Projects	FY 08-09	FY 09-10	Changes
Bike & Pedestrian Projects	3,163,765	3,158,297	-5,468
Highway Projects	0	0	0
Rail Projects	31,759,500	6,744,371	-25,015,129
Railroad Crossings	1,008,094	0	-1,008,094
Freeway Services Patrol	254,333	278,329	23,996
Call Boxes, 511 Deployment	396,325	282,750	-113,575
Traffic Ct & RTP	70,000	80,200	10,200
Legislative Advocate	116,000	116,000	0
Fort Ord. Property	210,000	200,000	-10,000
Public Outreach	150,000	170,000	20,000
DBE, Video Conf & Proj Mgmt	73,000	93,000	20,000
<b>TOTAL</b>	<b>37,201,017</b>	<b>11,122,947</b>	<b>-26,078,070</b>



# Next Steps

- May 2009:
  - Executive Committee reviews & recommends adoption
  - Board of Directors adopts final budget

# Recommended Action

- **AUTHORIZE** the Executive Director to submit the draft FY 09/10 budget and work program to federal and state funding agencies for initial review
- **PROVIDE** direction and guidance to staff on the three year budget for FY09/10 through 11/12 and the work program for FY 09/10
- **DIRECT** the Executive Director to bring the final 3 year budget and one year work program back to the Board on May 27, 2009 for approval
- **APPROVE** the alternative transportation benefit effective January 1, 2009 as recommended by the Executive Committee.