



## MCOG Budget Workshop

May 4, 2020



## FY 2020-21 DRAFT BUDGET

Caveat that much of this is based on estimates that are likely to change due to the pandemic and resulting economic crisis, so revisions are anticipated for the coming fiscal year.

# Funding Sources in Annual Budget 3

## Transportation Development Act (TDA)

- Local Transportation Funds (LTF) – countywide sales tax
- State Transit Assistance (STA) – transportation taxes

## Local & State Planning Funds: LTF and

- STIP Planning, Programming & Monitoring (PPM)
- Rural Planning Assistance (RPA)
- Active Transportation Program (ATP)
- Caltrans planning grants

## Federal Funds

- Surface Transportation Block Grant Program (aka RSTP)
- CARES Act thru FTA Section 5311 Program

# Budget Summary 4

In the agenda packet:

Summary Page Mendocino Council of Governments 4/27/2020  
 Regional Transportation Planning Agency - Fiscal Year 2020/21 Budget  
 Administration, Bicycle & Pedestrian, Planning and Transit Allocation - Staff and Committee Recommendations for Board Workshop 3/4/2020

REVENUES	LTF	LOCAL	CNP	PPM	STATE	FEDERAL	LOCAL	TOTALS
		S/F			WCA	RSTP	5311	(MOTION)
2020/21 LTF Office County Auditor's Estimate	4,174,378							4,174,378
2019/20 Auditor's Anticipated Unrestricted Balance	300,426							300,426
Total Local Transportation Funds (LTF) Estimate	4,374,804							4,374,804
2019/20 Auditor's Anticipated Unrestricted Balance - Reversal	(200,426)							(200,426)
Revised LTF prior year unallocated revenues	28,138							28,138
Carsonville Planning Overlay Work Program and RSTP Local Assistance	62,318					322,728		375,046
2020/21 State Transit Assistance - SO's Preliminary Estimate	834,637				133,625			968,262
2020/21 State of Solid Repair - SO's Preliminary Estimate	368,444				0			368,444
MTA and ODR - Fund Balance Available for Allocation	685,021							685,021
MCOD's Capital Reserve Funds - Balance Available for Transit								
Federal Transit Administration (FTA) Section 5311 Program - CARES Act							1,208,413	1,208,413
2020/21 LTF Planning, Programming & Monitoring (PPM)				106,000				106,000
2020/21 Rural Planning Assistance					294,000			294,000
2020/21 State Active Transportation Program (ATP) - grants & stipend					2,862,000			2,862,000
2019/20 Transportation Planning Program (ATP) - grants & stipend					65,854	pending	pending	65,854
Regional Surface Transportation Program - State Savings Estimate (P)							796,454	796,454
2020/21 LTF Reserve								
LTF Reserve	216,765							216,765
LTF Reserve Balance as of 6/30/2019 - audited	871,843							871,843
Local LTF Reserve Allocated for FY 2019/20	(375,834)							(375,834)
Subtotal	212,979							212,979
Local LTF Reserve Minimum Balance per Policy 6.02001	200,000							200,000
Amount Available for Allocation in FY2020/21	202,979							202,979
<b>TOTAL REVENUES</b>	<b>4,468,806</b>	<b>1,208,581</b>	<b>685,021</b>	<b>171,884</b>	<b>294,000</b>	<b>2,868,824</b>	<b>1,019,322</b>	<b>1,208,413</b>
<b>TOTALS</b>	<b>4,468,806</b>	<b>1,208,581</b>	<b>685,021</b>	<b>171,884</b>	<b>294,000</b>	<b>2,868,824</b>	<b>1,019,322</b>	<b>1,208,413</b>
<b>ALLOCATIONS</b>								
Revised LTF prior year unallocated revenues	28,138							28,138
2020/21 Administration	495,808					90,000		575,808
2% Bicycle & Pedestrian - 2020/21 LTF Estimate less Admin. v. 02	199,801					0		199,801
2020/21 Planning Overlay Work Program (OWP) - New Funds	62,318				106,000	294,000		462,318
2020/21 Planning Overlay Work Program (OWP) - New Funds	62,318				65,854	pending		128,172
Total Administrative, B&P & Ped. and Planning	798,785				171,884	294,000		1,264,669
Total Administrative, B&P & Ped. and Planning	798,785				171,884	294,000		1,264,669
SAVINGS AVAILABLE FOR TRANSIT	796,764				133,625	0	1,208,413	1,130,799
Net: Proposed same level of Auditor's 621,768 proposed 2020/21 income	163,821							163,821
2020/21 Mendocino Transit Authority Comm.								
MTA Corporation	2,993,124	834,637					pending	3,827,761
Unmet Transit Needs	0							0
Senior Centers Operations	655,499							655,499
Capital Reserve Fund Contribution	0							0
Capital Program, MTA & Senior Current Year	0							0
Capital Program, Senior Centers Current Year	0							0
Capital Program, Long Term (Five Year Plan)	0							0
Total Transit Allocations	3,648,603	834,637	685,021					4,968,261
Other Allocations - (STIP for MCO's Proposed RPA)						180,000		180,000
Other Allocations - (STIP for County's Older Projects) by Formula						606,480		606,480
Other Allocations - LTF Inclusive Dred - (STIP Contra Multi-Purpose Trail)						788,480		788,480
<b>TOTAL ALLOCATIONS</b>	<b>4,468,806</b>	<b>834,637</b>	<b>685,021</b>	<b>171,884</b>	<b>294,000</b>	<b>2,868,824</b>	<b>798,480</b>	<b>1,191,111</b>
<b>TOTAL ALLOCATIONS</b>	<b>4,468,806</b>	<b>834,637</b>	<b>685,021</b>	<b>171,884</b>	<b>294,000</b>	<b>2,868,824</b>	<b>798,480</b>	<b>1,191,111</b>
Balance Remaining for Later Allocation	0	368,444	0	0	0	133,625	220,728	1,208,413

# Budget Summary – Detail Format 5

Also in agenda packet:

MENDOCINO COUNCIL OF GOVERNMENTS FY 2020/21 BUDGET SUMMARY For Board of Directors Workshop May 4, 2020 Supplemental Format					
REVENUES	FY 2019/20 Budget or Amended	FY 2020/21 Budget Proposed	\$ Change	% Change	NOTES
<b>LOCAL REVENUES:</b>					
Local Transportation Funds (LTF)					
LTP Official County Auditor's Estimate	\$ 3,852,843	\$ 4,174,318	\$ 321,735	8.4%	Transportation Development Act (TDA) Funds
Auditor's Anticipated Unrestricted Balance - Current Year	\$ 163,319	\$ 209,426	\$ 46,907	28.8%	(Year as of 3.6%. Recommendation no allocation of income due to COVID-19 impact)
Total Local Transportation Fund LTP Estimate	\$ 4,016,162	\$ 4,383,744	\$ 367,582	9.2%	(Reimbursing this due to changes in forecast - refer to staff report)
Auditor's Anticipated Unrestricted Balance - Revenue	\$ (143,319)	\$ (209,426)	\$ (66,107)	46.2%	Per policy, any excess flows through LTP Reserve
LTP Unrestricted - Accounting Variation to County's annual method	\$ 29,747	\$ 29,747	\$ -	0.0%	One-time funds, represents 2 months of sales tax revenue
Prop Year Balance Remaining for Later Allocation	\$ -	\$ -	\$ -	-	
MTA Fiscal Audit - Amount returned to MCOG, Fany	\$ 83,281	\$ 83,281	\$ 963	1.1%	FY 2018/19 verification of full eligibility for funds received pending fiscal audit
Planning Council Work Program (OWP) - Carryover from Previous FY	\$ 3,338,788	\$ 4,283,317	\$ 944,529	28.3%	FY 2019/20 OWP as amended Oct. 7, 2019; 2020/21 carryover as of Feb. 24
Total Local Transportation Funds:	\$ 4,485,933	\$ 5,143,627	\$ 657,694	14.7%	OWP carryover is offset by equivalent allocation
LTP Reserve Funds:					
LTP Unrestricted Balance of Unrestricted Revenue	\$ 378,814	\$ 218,768	\$ (160,046)	-42.0%	Last audited year, actual LTP revenue excess/shortfall per Auditor's Estimate
LTP Reserve Fund Balance	\$ 205,019	\$ 571,363	\$ 366,344	178.8%	Revenue used to cover transit allocation shortfalls and claims per policy
Less/Plus Current Year Revenue Allocation	\$ (89,888)	\$ 275,624	\$ 365,512	406.3%	(Two year unencumbered "revenue reserve" above fund balance)
Subtotal	\$ 488,945	\$ 1,065,755	\$ 576,810	118.0%	
Less: LTP Reserve Minimum Balance per Policy adopted 4/22/2017	\$ (193,000)	\$ (200,000)	\$ (7,000)	-3.6%	Per policy, Reserve is 3% of County Auditor's est. of new revenue, nearest 1,000
LTP Reserve Available for Allocation:	\$ 295,945	\$ 865,755	\$ 569,810	192.3%	(Based on year in account and revised estimate of 2019/20 activity)
TOTAL LTP REVENUES	\$ 4,781,878	\$ 5,449,382	\$ 667,504	14.0%	
Capital Sources Funds - Total Capital Revenue Fund	\$ 674,846	\$ 680,001	\$ 5,155	0.8%	Fund balance available for transit claim based on 5-Year Capital Program
Local Agency Contributions	\$ -	\$ -	\$ -	-	In-kind match for any planning grants
Total Local Agency Revenues:	\$ 4,955,520	\$ 5,143,627	\$ 188,107	3.8%	
STATE:					
Planning Programming & Monitoring (PPM) Funds:					
Planning Council Work Program (OWP) - New Revenue	\$ 80,000	\$ 150,000	\$ 70,000	87.5%	FY 2019/20 OWP as amended Oct. 7, 2019; 2020/21 carryover as of Feb. 24
Planning Council Work Program (OWP) - Carryover from Previous FY	\$ 182,448	\$ 66,884	\$ (115,564)	-63.4%	
Total PPM Funds:	\$ 262,448	\$ 216,884	\$ (45,564)	-17.3%	
State Transit Assistance (STA) Funds:					
State Controller's Estimate	\$ 946,179	\$ 834,837	\$ (111,342)	-11.8%	Revised 2019/20 SCC est. \$839,740, preliminary 2020/21 likely to change
Estimated Fund Balance Available for Allocation	\$ 453,982	\$ 284,442	\$ (169,540)	-37.4%	
Total State Transit Assistance Funds:	\$ 1,400,161	\$ 1,119,279	\$ (280,882)	-20.1%	
State of Good Repair (SGR) Funds:					
State Controller's Estimate	\$ 131,002	\$ 133,825	\$ 2,823	1.9%	Transit funding program in Senate Bill 1
Estimated Fund Balance Available for Allocation	\$ 258,181	\$ 183,537	\$ (74,644)	-29.0%	First 3 years were allocated by MCOG, saving for MTA project
Total State of Good Repair Funds:	\$ 389,183	\$ 317,362	\$ (71,821)	-18.5%	Includes actual revenues 2017/18 and 2018/19
State Planning Assistance Funds (SPA)					
Planning Council Work Program (OWP) - New Revenue	\$ 284,000	\$ 284,000	\$ -	0.0%	
Planning Council Work Program - Carryover	\$ 28,314	\$ -	\$ (28,314)	-100%	
Total SPA Funds:	\$ 312,314	\$ 284,000	\$ (28,314)	-9.1%	

# Funding Sources – More Info 6

“Explanatory Notes on Funding Sources” in agenda packet

MENDOCINO COUNCIL OF GOVERNMENTS 2020/21 Budget Explanatory Notes on Funding Sources 4/24/2020	
<b>LTF - Local Transportation Fund</b>	<ul style="list-style-type: none"> <li>Generated from quarter-cent sales tax on all sales countywide. Fund estimate provided by County Auditor/Controller. Allocated by Regional Transportation Planning Agencies (RTPAs).</li> <li>Governed by the Transportation Development Act (TDA).</li> <li>Transportation planning and public transit systems are supported by these revenues according to TDA.</li> </ul>
<b>LTP Reserve Fund</b>	<ul style="list-style-type: none"> <li>Allowed under TDA, Section 6635, adopted by MCOG on June 7, 1999, revised April 2, 2001.</li> <li>Fund balance adjusted annually at five percent of County Auditor/Controller's LTP estimate.</li> <li>Surplus allocated through annual budget process.</li> <li>To be used "for transit services provided by Mendocino Transit Authority (MTA) that have been funded by MCOG through the annual transit claim process, when 1) actual LTP revenues fall short of LTP budget allocations, or 2) extreme or unusual circumstances warrant an additional allocation."</li> <li>The fund was depleted to cover the FY 2008/09 revenue shortfall and policy waived in 2010/11 and 2011/12. The policy was partially waived for the three following fiscal years. A claim was made to meet the FY 2015/16 shortfall of \$68,364.</li> <li>Since 2015/16, MCOG has fully restored the LTP Reserve policy, releasing two years of surplus for allocation between \$100,000 and \$200,000, then a shortfall of \$65,000, a surplus of \$71,000, and for 2019/20 (from 2017/18 revenue) a record surplus of \$373,634. Audited surplus from 2018/19 is 213,766, for allocation in 2020/21.</li> </ul>
<b>STA - State Transit Assistance</b>	<ul style="list-style-type: none"> <li>Generated from sales taxes on diesel and gasoline, until the Transportation Tax Swap of March, 2010, when it was replaced by an increased excise tax on gasoline and increased sales tax on diesel. This expired with SB 1, the Road Repair &amp; Accountability Act of 2017. The gas tax is now indexed to inflation.</li> <li>Governed by the Transportation Development Act (TDA).</li> <li>Eligibility is open only to transit operators - MTA in Mendocino County.</li> <li>May be used for either Operations, subject to an eligibility formula based on certain cost efficiency standards, or for Capital. MTA typically has used STA for Capital purposes, until the operations requirement was waived for FY 2009/10 - 2015/16 during the Recession.</li> <li>Senate Bill 508, effective July 1, 2016, provides more flexibility, so that "rather than making an operator ineligible to receive State Transit Assistance program funds for operating purposes for an entire year for failure to meet the efficiency standards, would instead reduce the operator's operating</li> </ul>

## Highlights of This Year's Budget

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### REDUCTIONS:

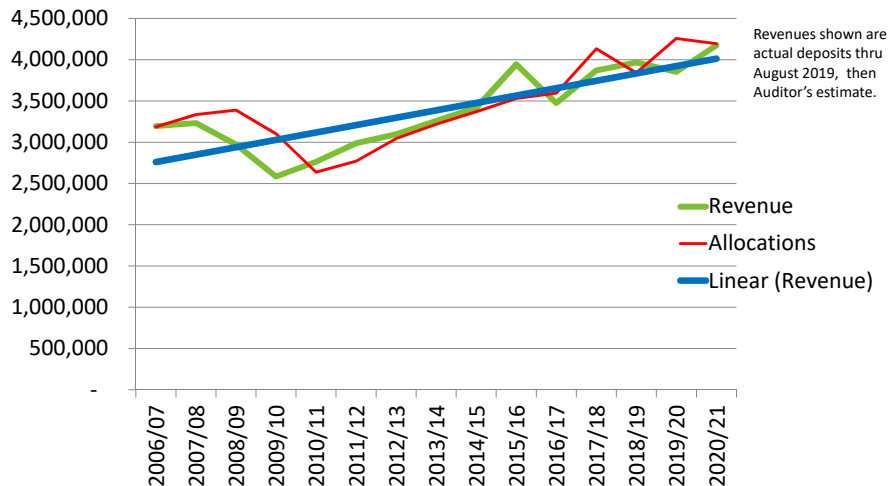
- Local Transportation Fund (LTF) sales tax revenue estimated in January at all-time high of \$4.17M now expected to drop
- Proposal to reserve projected increase, limit allocations
- State Transit Assistance (STA) from gas taxes also likely to drop
- Revised estimates expected after first months of actuals

### ADDITIONS:

- Transit funding relief from federal CARES Act – est. \$1.20M
- ATP grant for Covelo Trail project for construction at \$2.86M
- These help inflate the total draft budget to ~\$12 million

## LTF Revenues & Allocations - Trend

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## LTF Revenues FYTD 2019/20

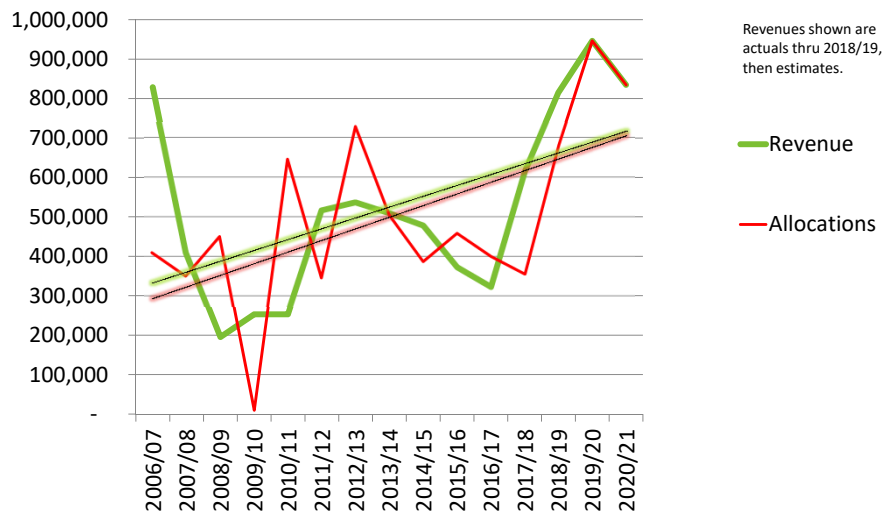
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LTF budget compared to actual receipts July through February - 8 months, accrual basis:

	<u>BUDGET</u>	<u>ACTUAL</u>
Auditor's FY Estimate	\$ 3,852,643	
Budget FYTD	2,568,429	\$ 2,811,776
Excess FYTD		243,347 (6.3%)
4 mos. remaining	1,284,214	1,040,867 need
Auditor's FYE estimate	\$ 200,246 (5.2%)	

## STA Revenues & Allocations - Trend

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## LTF Reserve Policy since 1999

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**Last Audited FY:**  
Any excess LTF  
revenue over  
Budget is added to  
Reserve

**Current FY:**  
Prepare next year's  
Budget, set Reserve  
balance

**Next FY:**  
Any excess over  
Reserve balance is  
allocated in Budget  
/shortfall is covered  
by Reserve

## LTF Allocation Priorities

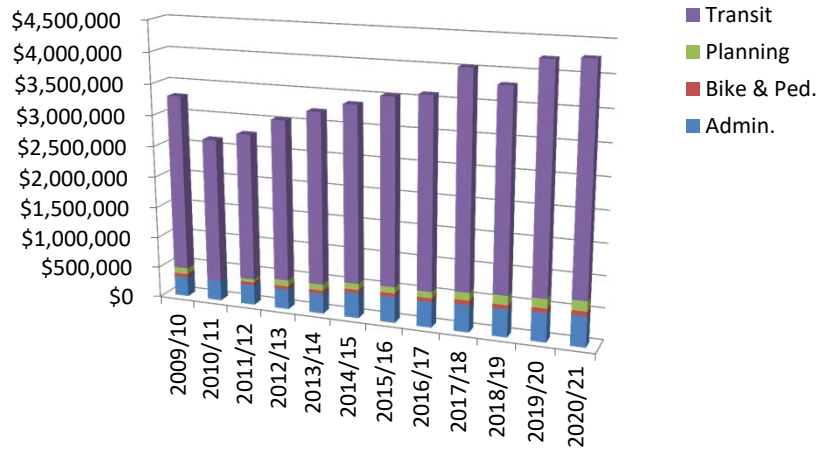
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### Consistent with TDA:

- Administration
- 2% Bicycle & Pedestrian (opt.)
- Planning Program
- Transit – MTA
  - Operations
  - Senior Center Contracts
  - Capital Reserve – 5 Year Plan
  - Unmet Transit Needs

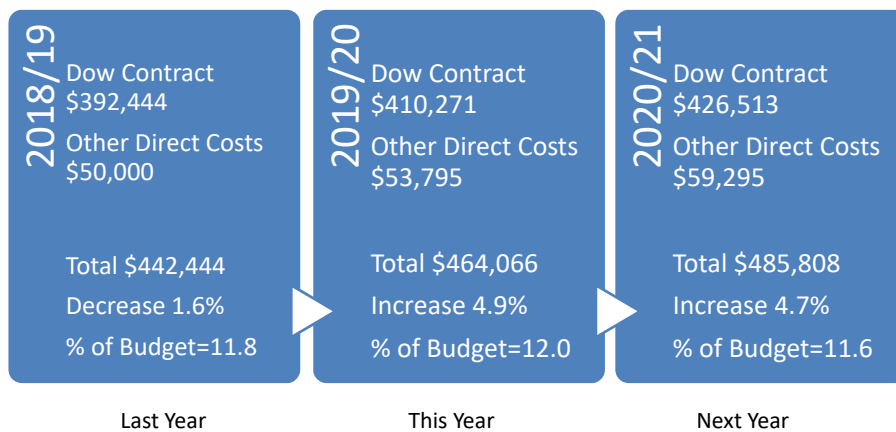
## LTF Allocations - Trend

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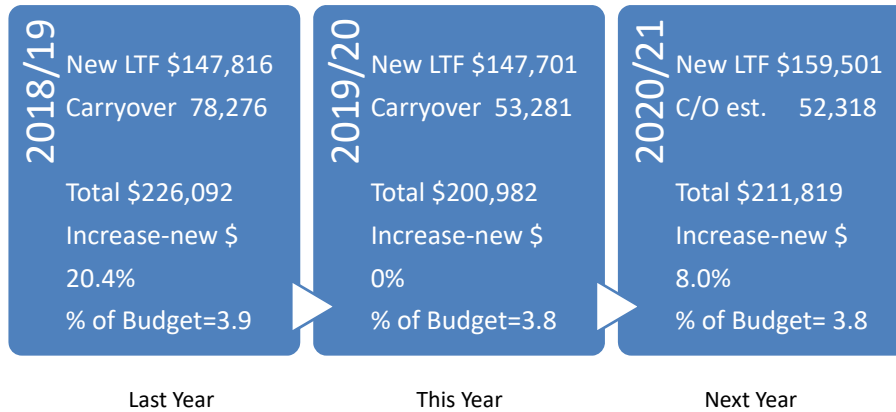
## LTF Allocations – Admin.

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## LTF Allocations – Planning

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## All Allocations – Planning

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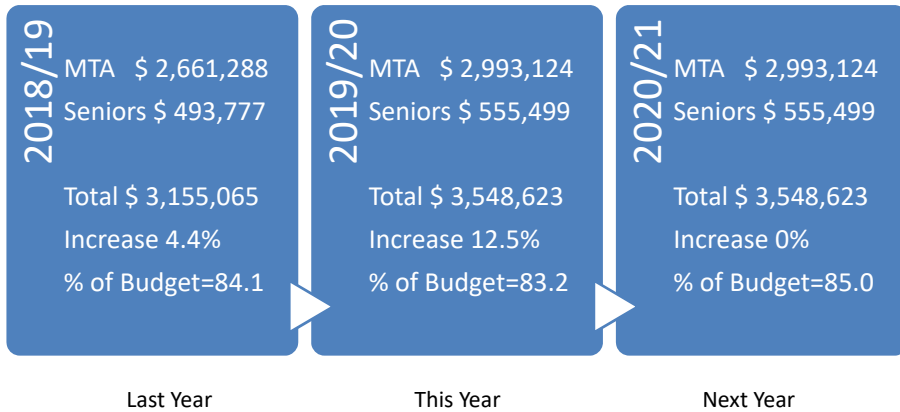
### Draft FY 2020/21 Overall Work Program:

W.E. #	Project	Agency	\$ Source	Amount
1	Regional Govt./Intergov'tl Coordination	MCOG	State RPA	114,500
2	Planning Mgmt. & General Coordination	MCOG	LTF	97,559
4	Sustainable Transportation Planning	MCOG	LTF	10,000
6	Combined Special Studies	MCDOT	State RPA	54,000
7	Planning, Programming & Monitoring	MCOG	State PPM	56,024
8	Fire Vulnerability / Emergency Plan - <i>Carryover</i>	MCOG	LTF, State Grant	TBD
9	Regional / Active Transportation Plans Update	MCOG	State RPA	65,500
10	Pavement Management Program Update	MCOG	LTF, State PPM	150,000
12	Sidewalk Maint. / ADA Curb Ramp Inventory	Ukiah	LTF	45,000
14	Training	MCOG	LTF	13,000
15	Trans. Planning for Mill Site Reuse - <i>Carryover</i>	Fort Bragg	State PPM	TBD
16	Multi-Modal Transportation Planning	MCOG	State RPA	32,000
18	Geographic Information System Activities	MCOG	State RPA	3,000
20	Grant Development & Assistance	MCOG	State RPA	25,000
	<i>PROJECT RESERVE</i>	MCOG	LTF	11,800
	<b>TOTAL</b>			<b>677,383</b>



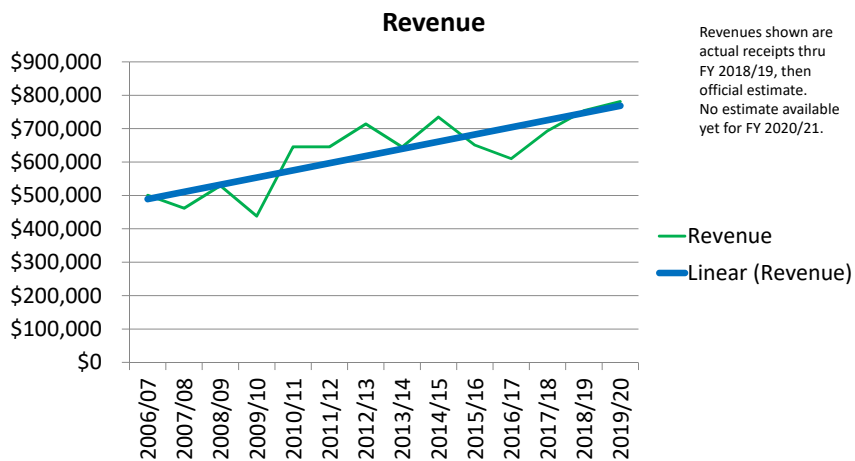
## LTF Allocations – Transit

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## STBGP Revenues – Trend

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## STBGP Allocation Priorities

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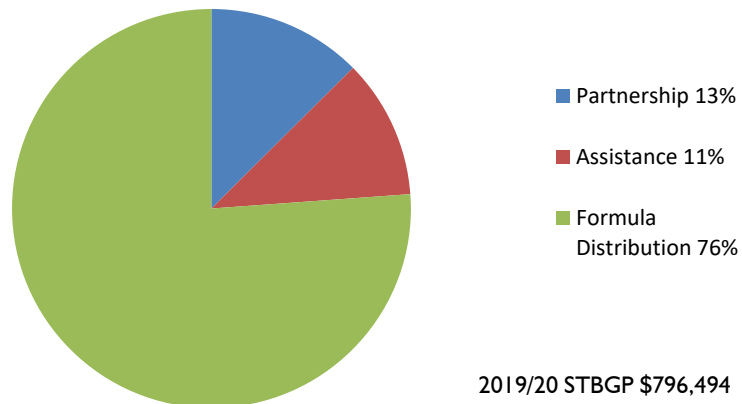
### MCOG Policy for Surface Transportation Block Grant Program, Section 182.6(d)(1):

- Partnership Funding Program
- Regional Mgr. & Local Assistance – Project Delivery
- County & Cities Projects – by formula

## STBGP Allocations

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FY 2020/21 Proposed Budget – No Fund Estimate Yet



## Funding Available to MCOG from SB I 21

- State Transportation Improvement Program (STIP) – Regional Share
- Planning Grants
  - Sustainable Communities
  - Climate Adaptation
- Active Transportation Program (ATP)
- State Transit Assistance (STA)
- State of Good Repair - transit

## What's Not in the Budget 22

- Regional/State Transportation Improvement Program (RTIP, STIP)
  - Capital programming, no cash flow
- Service Authority for Freeway Emergencies (Mendocino SAFE)
  - Motorist Aid Call Box System
  - Separate 5-Year Financial Plan approved 2017

## Budget Adoption FY 2020/21

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- **Recommendations:**
  - Staff – Admin & Planning
  - Executive Committee – Feb. 24
  - Technical Advisory Committee – Feb. 19
  - Transit Productivity Committee – April 13
  - SSTAC pending
  
- **Adopt Budget June 1, 2020**
- **Expect to amend during Fiscal Year**

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## Questions?

## Thank You!

**Presentation by:**  
Janet Orth, Deputy Director & CFO

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