



**Item #16-5-3
Action**

Government Relations & Public Affairs Committee

April 29, 2016

Final SACOG Budget for Fiscal Year 2016/17

Issue: The Final Fiscal Year 2016/17 Budgets are ready for Board action.

Recommendation: That the Government Relations & Public Affairs Committee recommend that the Board of Directors adopt the final Fiscal Year 2016/17 budgets.

Discussion: SACOG manages two primary budgets. The first and largest budget is SACOG's basic Operations Budget to cover Overall Work Program (OWP) activities. The Operations Budget is funded through several continuing federal and state revenue sources, supplemented by short-term specific discretionary and non-discretionary grants and contracts. The second budget, the Board and Advocacy Budget, is much smaller and covers Board costs such as per diem and mileage expenses, as well as the agency's state and federal advocacy efforts. The Board and Advocacy Budget is primarily funded by annual dues payments from SACOG member cities and counties and a portion of SACOG's interest earnings, consistent with federal and state requirements. Action Item #4 covers the project details of the draft FY 2016/17 OWP.

The Board took action to release the Draft budgets and OWP for public comment and review by state and federal agencies at its April 21, 2016 meeting. Staff is still accepting comments on both the budget and OWP and will provide a full report to the Board describing any comments received and staff's proposed responses.

(1) SACOG Operations Budget

SACOG staff is pleased to present a draft Operations Budget that balances current year revenues with current year expenditures. This achievement is due to a variety of actions that were initiated over the past ten years, with particular emphasis in the last seven budget cycles, and is largely attributable to four main factors: cost containment measures relating to staffing and overhead costs; a cooperative Employee Association; discretionary grant awards through staff's entrepreneurial efforts with state and federal agencies; and some modest increases in federal and local funds.

As the end of the fiscal year comes into focus, staff is actively working to update the budget forecast for next year and will provide this information as part of the May Board cycle. During this time, staff will also continue to pursue grant funding and other entrepreneurial opportunities for new revenues to support important Board policy priorities.

(2) Board and Advocacy Budget

The Board of Directors and Advocacy Budget is much smaller than, and separate from, the Operations Budget, because it funds activities that cannot be funded with state and federal funds, including Board per diem and other expenses, as well as state and federal advocacy work. The revenue supporting this budget is a member dues formula, which is based on population estimates and increases in the Consumer Price Index.

Based on the Board action taken last May for the Board and Advocacy budget, the FY 2016/17 budget will reflect a full restoration of dues. This restoration comes after six years of reduced member dues during a period of challenging economic times at many local member agencies.

Approved by:

Mike McKeever
Chief Executive Officer

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Attachments:

Attachment A: Summary of FY 2016/17 Revenues and Expenditures, which is a summary of the SACOG's OWP activity, Board and Advocacy budgeted costs, and expected equipment costs

Attachment B: Summary of FY 2016/17 OWP Revenues, broken out by federal, state, local, and other sources

Attachment C: FY 2016/17 Total Overall Work Program Direct Services and Pass Through Project Revenue Estimates

Attachment D: FY 2016/17 Total Overall Work Program Direct Services and Pass Through Project Expenditure Estimates

Attachment E: Indirect cost information used and applied against the projects in the OWP. It also reflects the proposed indirect rate used for FY 2016/17

Attachment F: Board and Advocacy Budget for FY 2016/17

Attachment G: Equipment Expenditures Budget for FY 2016/17

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SACRAMENTO AREA COUNCIL OF GOVERNMENTS
Fiscal Year 2016 - 2017
SUMMARY OF REVENUES AND EXPENDITURES

REVENUES:**Overall Work Program:**

Federal	\$	29,664,267
State	\$	4,733,720
Local	\$	12,212,318
Services to Others	\$	6,875,869
In-Kind & Matching Funds from Others	\$	2,298,585
Use of SACOG Managed Fund Committed to Projects	\$	1,797,000
Use of SACOG Undesignated Fund Balance		\$0
Subtotal - OWP Revenues	\$	57,581,759

Board of Directors and Advocacy

Member Dues and travel costs	\$	424,530
Use of Board of Directors Committed Fund Balance	\$	-
Interest	\$	-
Subtotal - Board and Advocacy Revenues	\$	424,530

Capital Assets

Use of SACOG Undesignated Fund Balance for Equipment	\$	228,400
Tenant Improvements (AKT)	\$	-
Carryover from prior years	\$	-
Subtotal - Capital Asset Revenues	\$	228,400

TOTAL REVENUES	\$	58,234,689
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EXPENDITURES:***Overall Work Program:**

Direct Labor	\$	3,566,073
Fringe Costs	\$	4,167,551
Direct Consulting Costs	\$	16,800,995
Direct Pass - through to Other Agencies	\$	14,719,488
Direct Pass - through SACOG Managed Fund Project Expenditures	\$	1,797,000
Direct Other Costs (Printing, meetings, etc)	\$	926,273
Other Capital Expenses	\$	7,084,371
Indirect Costs* (allocated amount)	\$	2,482,700
Indirect Costs carry forward amount from FY 14-15	\$	(138,297)
Total OWP Expenditures	\$	51,406,154

Board of Directors and Advocacy Costs	\$	418,966
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Capital Asset Costs	\$	228,400
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Deferred Costs	\$	6,181,169
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TOTAL EXPENDITURES	\$	58,234,689
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Subtotal - Total Revenues Less Total Expenditures	\$	-
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* Some costs will carryforward into future years. Future costs are offset by revenues.

* SACOG does not budget for depreciation. However, it is included in the indirect costs for calculation of the Indirect Cost rate. Estimated depreciation = \$36,000 annually.

Fiscal Year 2016-17
SUMMARY OF OVERALL WORK PROGRAM (OWP) REVENUE SOURCES

		Percentage of Total
Federal Funding:	\$ 29,664,267	52%
Federal Highway Administration - Metropolitan Planning (PL)	2,698,130	
Federal Transit Administration (Section 5303)	964,582	
FHWA PL Carryover	0	
FTA 5303 Carryover	0	
Federal Transit Administration (Section 5304)	204,069	
Federal Transit Administration (Section 5307)	5,782,973	
Federal Transit Administration (Section 5316 and 5317 pass-through)	1,309,048	
FHWA SPR/Caltrans Planning Grants	329,177	
Congestion Mitigation and Air Quality	16,160,455	
Regional Surface Transportation Program	1,097,113	
FTA TOD Pilot Program Grant	1,118,720	
State of California Funding:	\$ 4,733,720	8%
Planning, Programming, Monitoring	857,630	
High Occupancy Vehicle Fines	20,000	
Strategic Growth Council - Prop 84 Funding	586,050	
Caltrans Safe Routes to School	65,506	
CalEMA	0	
Delta Protection Commission	0	
State of California Food and Agriculture	260,000	
Public Transportation Modernization, Improvement & Service Enhancement Account (PTMSEA)	2,944,534	
Local Funds:	\$ 12,212,318	21%
Transportation Development Act - Planning & Administration	3,255,709	
Placer County Transportation Planning Agency (PCTPA) RPA	401,644	
El Dorado County Transportation Commission (EDCTC) LTF	75,993	
Other Local Revenues (grants, etc.)	8,478,972	
Services to Others:	\$ 6,875,869	12%
Capitol Valley Regional SAFE (SAFE)	6,870,778	
Glenn County SAFE	2,230	
Sacramento County (ALUC)	2,861	
In-Kind Funds from Others:	\$ 2,298,585	4%
SECAT Program	1,129,800	
Transportation Management Associations (TMAs)	163,871	
Remaining in-kind	1,004,914	
Total Current Year Funds	\$ 55,784,759	97%
Use of SACOG Managed Fund Committed to Projects	\$1,797,000	3%
Use of SACOG Undesignated Fund Balance	\$0	0%
Total Use of Fund Balance	\$ 1,797,000	3%
Total OWP Revenues	\$ 57,581,759	100%

Element	Project Code	Project Name	Total Expenditures	Salaries	Fringe Benefits	Indirect Services	Consultant	Equipment	Legal	Marketing/Advertising	Meeting	Pass-Through	Printing/Supplies	Publications/Data/Software	Telecommunications	Other
	220-009-09	Regional High Resolution Imagery	\$ 433,259	\$ 11,524	\$ 13,712	\$ 8,023	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Total - Element 220	\$ 2,755,418	\$ 254,599	\$ 302,940	\$ 177,252	\$ 1,327,128	\$ 277,000	\$ -	\$ -	\$ -	\$ 409,000	\$ -	\$ -	\$ -	\$ 7,500
300	300-003-30	Regional Bikeshare Pilot Project	\$ 3,571,202	\$ 77,151	\$ 91,799	\$ 53,712	\$ 3,348,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Total - Element 300	\$ 3,571,202	\$ 77,151	\$ 91,799	\$ 53,712	\$ 3,348,540	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
301	301-009-03	Streetcar Toolkit	\$ 1,127,836	\$ 3,158	\$ 3,758	\$ 2,199	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000	\$ -	\$ -	\$ -	\$ 18,720
	301-009-05	Downtown Riverfront Streetcar Project	\$ 8,667,002	\$ 95,033	\$ 113,077	\$ 66,162	\$ 8,392,730	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Total - Element 301	\$ 9,794,838	\$ 98,191	\$ 116,835	\$ 68,361	\$ 8,392,730	\$ -	\$ -	\$ -	\$ -	\$ 1,100,000	\$ -	\$ -	\$ -	\$ 18,720
302	302-004-06	Connect Card Implementation	\$ 3,495,430	\$ 67,140	\$ 79,888	\$ 46,743	\$ 2,090,950	\$ 1,066,060	\$ 19,649	\$ -	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ -
	302-004-09	Connect Card On-Board Transit Survey	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Total - Element 302	\$ 3,495,430	\$ 67,140	\$ 79,888	\$ 46,743	\$ 2,090,950	\$ 1,066,060	\$ 19,649	\$ -	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ -
400	400-007-10	SECAT Program	\$ 10,979,839	\$ -	\$ -	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ 10,977,339	\$ -	\$ -	\$ -	\$ -
Pass-Through to Other Agencies	400-008-11	SACOG Managed Fund Projects	\$ 1,797,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,797,000	\$ -	\$ -	\$ -	\$ -
	400-008-17	Woodland Area Transit Planning and SRTP Update	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -
	400-009-06	Green Line Planning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	400-012-07	Roseville New Freedom Mobility Management	\$ 38,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,000	\$ -	\$ -	\$ -	\$ -
	400-012-08	Paratransit, Inc. New Freedom Mobility Management	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -
	400-012-09	SRTD New Freedom Capital Improvements	\$ 785,047	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 785,047	\$ -	\$ -	\$ -	\$ -
	400-012-12	Yolo County Transportation District New Freedom	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ -
	400-012-13	Paratransit Wheels to Work JARC	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -
	400-012-14	e-tran JARC	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -
		Total - Element 400	\$ 14,049,886	\$ -	\$ -	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ 14,047,386	\$ -	\$ -	\$ -	\$ -
500	500-007-08	511/STARNET Operations	\$ 307,413	\$ 2,568	\$ 3,056	\$ 1,788	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ -
Services to Other Agencies	500-007-09	Regional ITS Master Plan and Architecture Update	\$ 555,000	\$ -	\$ -	\$ -	\$ 555,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	500-015-01	Capitol Valley SAFE	\$ 6,200,105	\$ 139,795	\$ 166,338	\$ 97,325	\$ 107,147	\$ 2,000,000	\$ 5,000	\$ 5,000	\$ 4,000	\$ -	\$ 500	\$ -	\$ 175,000	\$ 3,500,000
	500-015-02	Glenn County SAFE	\$ 2,192	\$ 759	\$ 904	\$ 529	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Total - Element 500	\$ 7,064,709	\$ 143,123	\$ 170,298	\$ 99,642	\$ 662,147	\$ 2,000,000	\$ 5,000	\$ 5,000	\$ 4,000	\$ -	\$ 500	\$ -	\$ 475,000	\$ 3,500,000

SACRAMENTO AREA COUNCIL OF GOVERNMENTS OPERATIONS BUDGET
INDIRECT COSTS
Fiscal Year 2016-17

Total Direct Salaries from OWP (includes BOA)	\$3,636,053
Total Indirect Expenditures	2,392,981
Carry Forward (+/-) from FY 2014-15	138,297
Adjusted Indirect Total Costs	\$ 2,531,278

INDIRECT RATE - FY 2015-16

(Total Adjusted Indirect Costs ÷ Total Direct Salaries from OWP)	69.62%
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EXPENDITURES:

	<u>Amount</u>
Meetings/Training	\$ 3,000
Printing	5,000
Consultant	175,000
Vehicles	14,000
Legal Services	100,000
Other Expenses	8,000
Books & Periodicals	2,000
Office Supplies	35,000
Postage	5,000
Telecommunications	30,000
Office Equipment Maintenance	10,000
Memberships	50,000
Depreciation	36,000
Insurance	78,728
Building Rent - Meridian Plaza	644,226
SACOG Vehicle Parking	8,160
Office Equipment < \$5,000	30,000
Accounting Services	12,000
Copier usage cost/supplies	20,000
Printing offset	-
Career Development Program	75,000
Computer Software & Maintenance	116,000
Temporary Services	20,000
Indirect Staffing (Base Salary only)	915,867
TOTAL FOR FY 2016-17	\$ 2,392,981

¹This dollar amount includes the \$138,297 carryover number from the cumulative FY 2014-15 Indirect cost calculation, per Caltrans ICAP audit procedures. This number has to match the OWP indirect costs shown on the OWP Expenditure page. These are costs that SACOG under recovered in past years.

**SACRAMENTO AREA COUNCIL OF GOVERNMENTS
BOARD OF DIRECTORS AND ADVOCACY BUDGET
Fiscal Year 2016-17
With Comparison to projected Fiscal Year 2015-16**

<u>REVENUE:</u>	Fiscal Year 2016-17 Budget	Fiscal Year 2015-16 Budget
Membership Dues	\$ 424,530	\$ 375,988
Board and Advocacy reserve funds		38,974
Other Local Funds - (est. interest on general account)		10,000
TOTAL REVENUES:	<u>\$ 424,530</u>	<u>\$ 424,962</u>
 <u>EXPENDITURES:</u>		
Meetings / Training / Travel Expenses	\$ 75,000	\$ 46,181
Board Reimbursement (per Diem and Director Fees)	60,000	60,000
Consultant	40,000	70,000
Other (printing, supplies, employee travel)	12,000	12,000
Memberships (NARC, Chamber, TRB, CTA, CALCOG)	30,000	26,000
Labor, Benefits, and Overhead - Staff performing Federal/State Legislative	201,966	210,781
<u>TOTAL EXPENDITURES</u>	<u>\$ 418,966</u>	<u>\$ 424,962</u>

Capital Assets Budget 2016-17
SACRAMENTO AREA COUNCIL OF GOVERNMENTS
Equipment Expenditures
Fiscal Year 2016-17

	Fiscal Year 15-16 Budget
REVENUE	
Local Funds	\$ 228,400
Tenant Improvements (AKT)	
Carryover from previous fiscal years	
Total Revenue	\$ 228,400
EXPENDITURES	
Software and Equipment (greater than \$5,000)	\$ 160,400
Office Furniture, Facility Upgrades & Supplies	\$ 64,000
Total Expenditures	\$ 228,400