

Review of TAM Proposed FY2019- 20 Annual Budget

Administration Projects
and Planning
Executive Committee

May 13, 2019



**PROPOSED FY2019-20
ANNUAL BUDGET**

Transportation Authority of Marin



Introduction of the New Budget Report



Redesigned new look of the budget report



Comprehensive report defining the revenues and expenditures for the year and the work plans for various functional areas



Improved transparency and readability



Input and comments welcome to further improve the document

Components of the Proposed FY2019-20 Annual Budget



**PROPOSED FY2019-20
ANNUAL BUDGET**

Transportation Authority of Marin



- Executive Director's Message
- TAM Budget General Overview
- FY2019-20 Annual Budget Process and Overview
- FY2019-20 Work Plans by Function
- Appendix

Proposed FY2019-20 Annual Budget

Executive Director's Message

Summary of Major Transportation Funding Successes

- Passage of Measure AA, 30-year renewal of the Measure A ½-Cent Transportation Sales Tax
- Defended SB 1 Appeal Effort
- Very positive outlook of RM3, with promised funding for several major projects
- TAM's solid financial position

Upcoming Exciting Work for FY2019-20

- Implementation of the Measure AA projects and programs, such as interchange studies, sea level rise, innovative technology, etc.
- Continuing investment in Local Streets and Roads, Transit, Safe Routes to Schools, Crossing Guards, etc.
- Extensive outreach effort of Marin Commutes

Proposed FY2019-20 Annual Budget

TAM Budget General Overview

	FY2013-14 Actual	FY2014-15 Actual	FY2015-16 Actual	FY2016-17 Actual	FY2017-18 Actual	FY2018-19 Final Budget
Revenues						
<i>Measure A Sales Tax Revenue</i>	24,086,678	25,265,790	25,702,937	25,755,762	27,507,852	26,940,000
<i>Measure B VRF Revenue</i>	2,347,339	2,333,642	2,376,492	2,399,640	2,386,486	2,400,000
<i>Cities/Town & County Contribution</i>	430,043	429,914	559,001	559,000	559,000	559,000
<i>Interest Earnings</i>	203,298	164,964	682,270	122,475	139,632	400,000
<i>BAAQMD/TFCA</i>	356,306	355,848	361,034	361,471	362,284	360,000
<i>Federal</i>	763,713	1,591,156	5,301,158	840,442	3,124,051	1,554,421
<i>State</i>	1,674,388	1,418,942	716,923	665,974	1,193,020	1,962,185
<i>Regional</i>	977,992	1,862,025	1,259,013	5,597,422	753,288	5,642,680
<i>Other Revenue</i>	22,927	-	338,130		337,770	
Total Revenues	30,862,684	33,422,281	37,296,958	36,302,186	36,363,383	39,818,286
Expenditures						
<i>Administration</i>	2,221,074	2,342,920	2,857,963	3,013,630	3,058,896	3,860,140
<i>Professional Services</i>	2,511,401	2,979,268	1,717,395	2,965,064	2,803,406	3,758,250
<i>Measure A Sales Tax Projects/Programs</i>	25,529,043	18,689,459	19,325,453	25,351,395	28,668,609	28,012,362
<i>Measure B VRF Projects/Programs</i>	3,285,753	1,547,808	1,290,574	3,632,620	1,556,536	2,372,999
<i>Interagency Agreements</i>	596,806	1,541,444	4,902,359	4,526,973	5,855,948	9,685,000
<i>TFCA Programs/Projects</i>	171,012	43,196	765,658	276,856	176,392	397,000
Total Expenditures	34,315,089	27,144,095	30,859,402	39,766,538	42,119,787	48,085,751
Net Change in Fund Balance	(3,452,405)	6,278,186	6,437,556	(3,464,352)	(5,756,404)	(8,267,465)
Ending Fund Balance	36,438,644	42,716,830	49,154,387	45,690,035	39,933,631	31,666,166

Proposed FY2019-20 Annual Budget

TAM Budget General Overview

Budget Adoption Policy
and General Development
Timeline



*No later than June Meeting
30-day public comment period and public
hearing
From February to June each year*

Budget Amendment
Policies



*Overall expenditure increase: Board
approval
Among category transfer: less than 5% of
the transfer-out category: Executive
Director approval; more than 5% of the
transfer-out category: Board approval*

Proposed FY2019-20 Annual Budget

Budget Development Process and Timeline



February 5, 2019
Staff Budget Kick-off Meeting



February-March 2019
Staff Budget Work at Project/Program Level



March 2019
Review and Acceptance of Measure AA/B Revenue Levels



April-May 2019
Staff Develop Draft Budget and Work Plans



May 2019
Review and Release of Draft Budget Report for Comments



June 2019
Public Hearing and Adoption of Final Budget

Unique Challenges of TAM's Budget Development



As the transportation planning, funding and project and program management agency for the whole County, TAM's budget is a complex suite of many important transportation projects and programs for the County



TAM's budget, revenues collected and expenditures spent, is dependent on TAM staff's work and work of many of the partner agencies



Extra challenging to have reliable information for the budget which may cause variances between what's budgeted and what actually happens

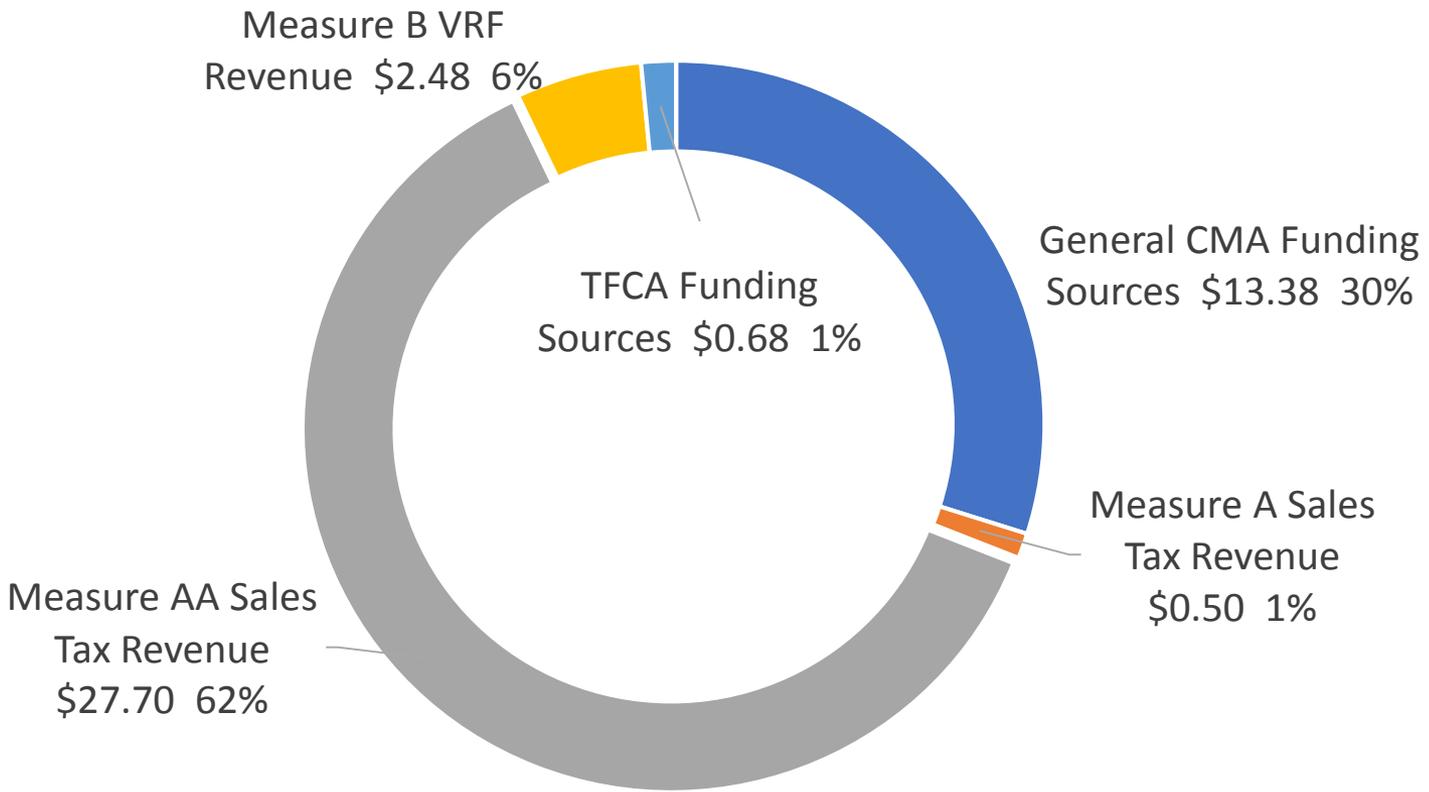


Ongoing effective communication with all partner agencies is key for obtaining accurate and updated information

FY2019-20 Budget Process and Overview

Proposed FY2019-20 Revenues - \$44.73 M

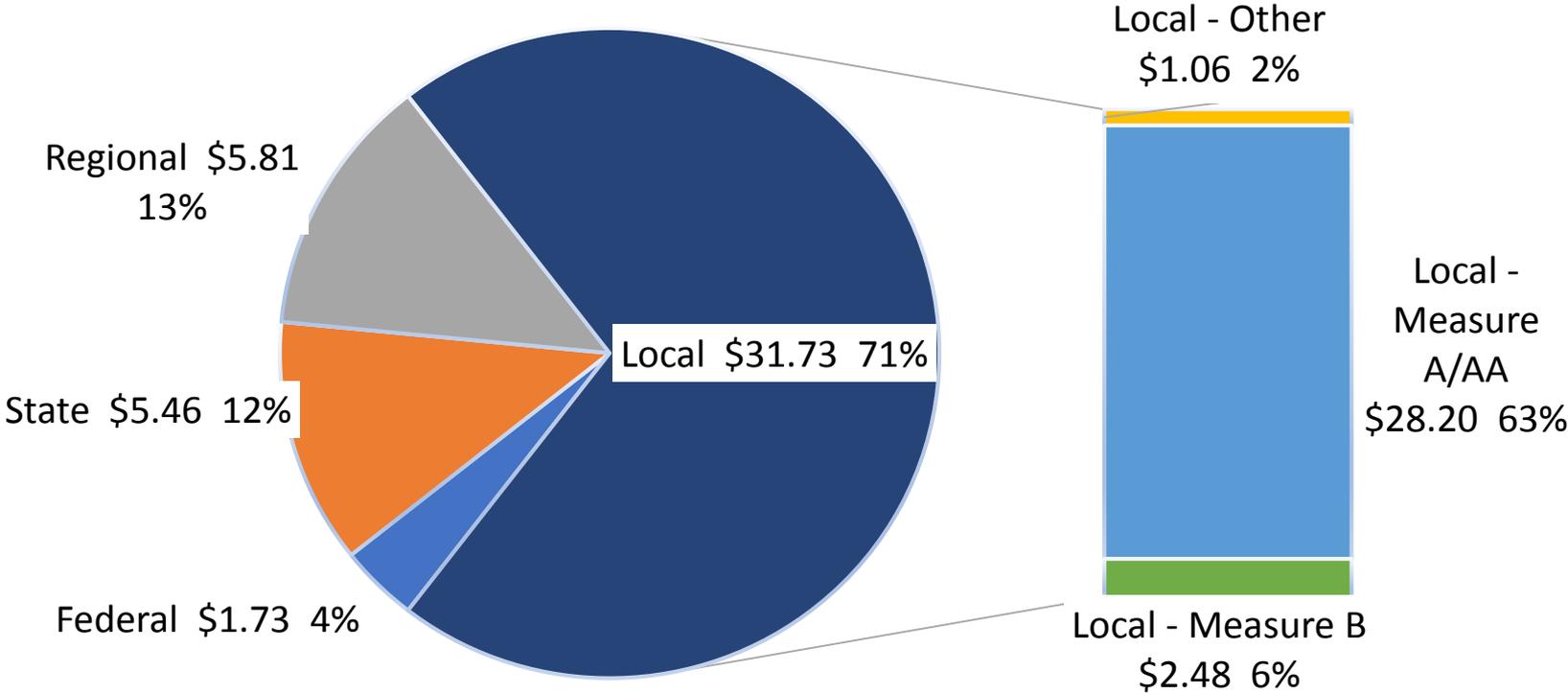
Chart 1: Proposed FY2019-20 Revenues by Fund
(Numbers in Million)



FY2019-20 Budget Process and Overview

Proposed FY2019-20 Revenues - \$44.73 M

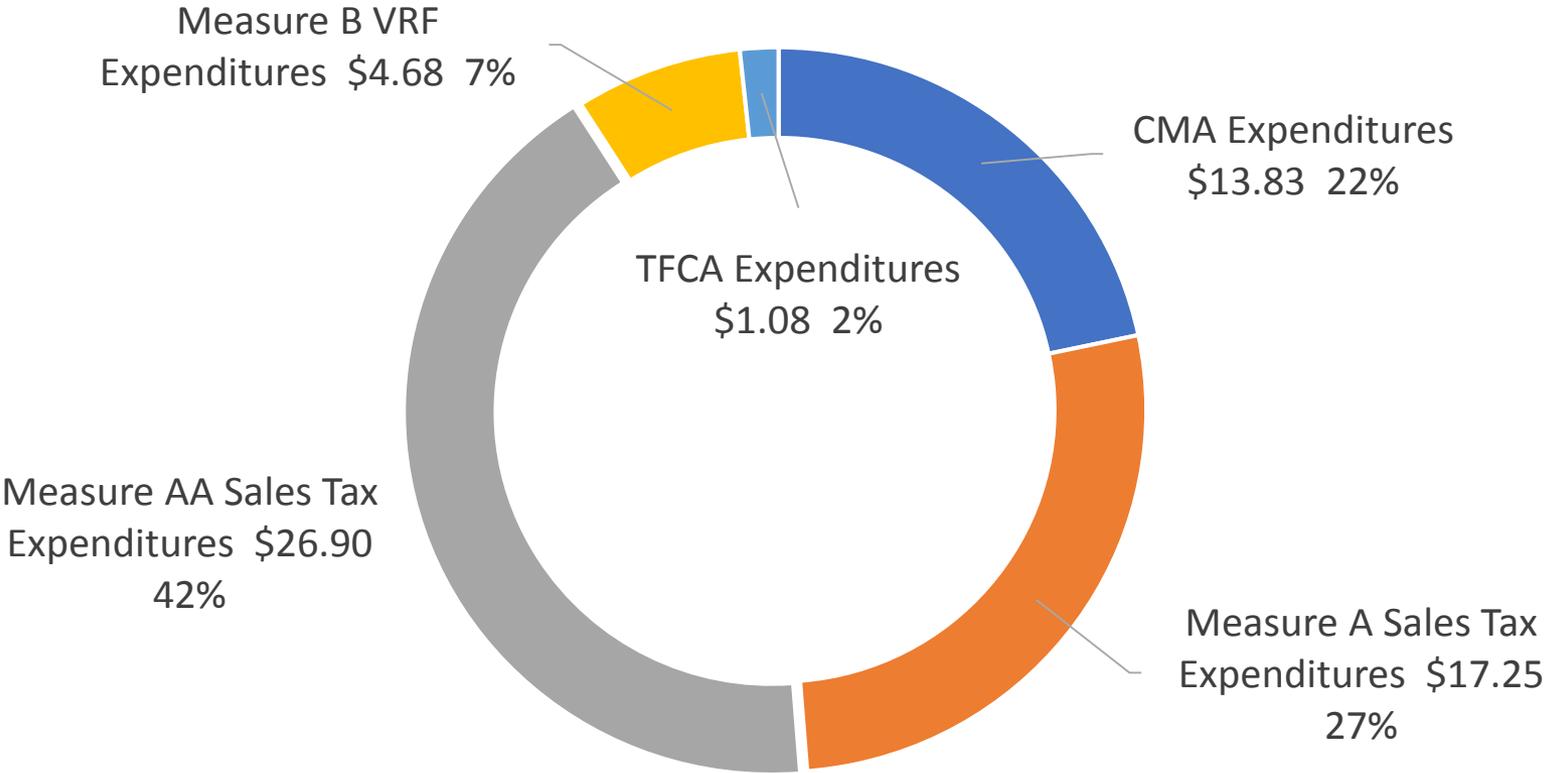
Chart 2: Proposed FY2019-20 Revenues By Funding Source
(Numbers in Million)



FY2019-20 Budget Process and Overview

Proposed FY2019-20 Expenditures - \$63.73 M

Chart 3: Proposed FY2019-20 Expenditures by Fund
(Numbers in Million)



FY2019-20 Budget Process and Overview

Proposed Revenues vs. Expenditures



- ❖ As a funding agency that collects the Measure A/AA ½-Cent Transportation Sales Tax, the Measure B \$10 Vehicle Registration Fee, as well as a few other small fund sources with advance payments, having budgeted expenditure over budgeted revenues is not an alarming financial situation for TAM
- ❖ When budgeted expenditures exceed budgeted revenues in certain years, it means that TAM and its partner agencies are using prior year accumulated fund balances to deliver more projects and programs in that particular year
- ❖ Proposed FY2019-20 expenditures exceed revenues by \$18.99 million
- ❖ Estimated FY2018-19 Year End Fund Balance based on current estimates of revenues and expenditures: \$44.99 million
- ❖ Estimated FY2019-20 Year End Fund Balance based on current estimates of revenues and expenditures: \$26.0 million

FY2019-20 Budget Process and Overview

Proposed Expenditures - Administration

	FY2017-18 Actual	FY2018-19 Final Budget	FY2018-19 Estimated Actual	FY2019-20 Proposed Budget
Salaries & Benefits	2,339,827	2,481,774	2,451,336	2,600,596
Pension and OPEB Section 115 Trust Pre-Funding	-	157,470	-	157,470
Office Lease	248,025	260,000	252,000	260,000
Agencywide IT and Computer Equipment Upgrade	39,129	10,000	8,500	10,000
Equipment Purchase/Lease	7,840	10,000	9,000	10,000
Telephone/Internet/ Web Hosting Services	20,803	25,000	25,000	25,000
Office Supplies	30,721	40,000	20,215	31,000
Updates and Technical Support for TAM Website	44,716	20,000	15,000	20,000
Classification Study	-	30,000	-	30,000
Insurance	5,878	12,000	9,512	11,000
Financial Audit	18,000	20,000	19,000	20,000
Legal Services	60,651	70,000	60,622	80,000
Document/Video/Marketing Material Production	20,528	61,000	21,125	45,000
Memberships	18,044	25,000	20,330	25,000
Travel/Meetings/Conferences	33,314	42,500	23,285	40,000
Professional Development	1,187	6,000	5,228	8,000
Human Resources/Board Support	80,550	110,000	80,000	60,000
Information Technology Support	50,023	45,000	26,000	45,000
Annual Support & Upgrade of Financial System	14,216	15,000	8,623	10,000
Misc. Expenses	25,445	20,500	10,345	15,000
Expired Expenditure Line Items	-	398,896	398,050	-
Subtotal, Administration	3,058,898	3,860,140	3,463,171	3,503,066

FY2019-20 Budget Process and Overview

Proposed Expenditures - Administration

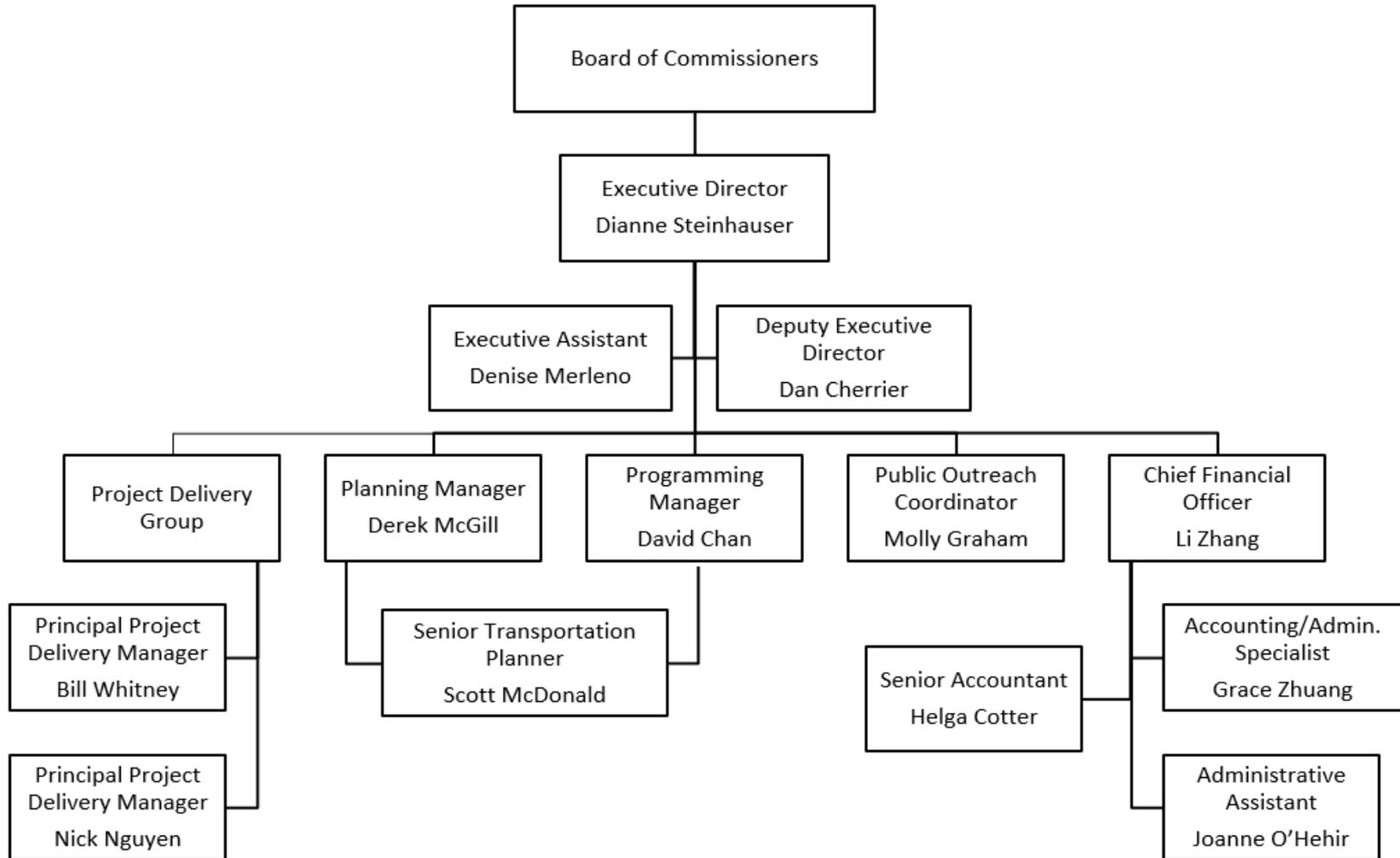
- ❖ Currently a total of 12.8 full-time equivalent (FTE) positions - recommend keeping the same staff level in FY2019-20 as part of the budget process
- ❖ New projects/programs work needs with the implementation of Measure AA Expenditure Plan and other emerging work needs
- ❖ New Executive Director to conduct a thorough overview of the agency's work priorities and incorporate this into the agency's classification and compensation study, and bring any necessary staff level adjustments to the TAM Board as the result of the study
- ❖ 3% Cost of Living Adjustment assumed but subject to TAM's Board approval as part of the budget adoption process
- ❖ Proposed FY2019-20 Salaries and Benefits costs will be \$4.8% higher than what's budgeted for the current year



FY2019-20 Budget Process and Overview

Item 6 - Supplemental

TAM Organization Chart – May 2019



FY2019-20 Budget Process and Overview

Proposed Expenditures – Professional Services

	FY2017-18 Actual	FY2018-19 Final Budget	FY2018-19 Estimated Actual	FY2019-20 Proposed Budget
Bellam Blvd 101 Off-ramp Improvements - Design & R/W	275,123	350,000	320,000	250,000
SFD Flyover Bike Path Barrier				100,000
CMP Update/Traffic Monitoring	56,389	60,000	50,000	60,000
Travel Model Maintenance & Update	92,020	250,000	180,000	80,000
Traffic Monitoring and Reporting	15,000	25,000	25,000	25,000
Project Management Oversight	379,889	488,000	240,000	400,000
MSN Phase 2 HOV Lane ROW/Utility Relocation & Design	180,927	1,100,000	2,020,000	1,100,000
MSN San Antonio Curve Correction Construction Support	85,175	150,000	135,000	40,000
HOV Gap Closure Mitigation - Brookdale /Maintenance	6,750	10,000	6,000	6,000
State Legislative Assistance	36,750	40,250	40,250	42,000
Financial Advisor/Sales Tax Audit Services	7,138	20,000	2,625	20,000
North-South Greenway Gap Closure / PS&E & CM Services	442,759	700,000	600,000	400,000
Public Outreach Service Support	39,174	45,000	30,000	45,000
Street Smart Program Implementation	13,500	35,000	16,000	19,000
CMFC Onsite Re-Vegetation Mitigation Monitoring and Reporting	3,603	10,000	2,000	2,500
Consulting Pool	103,729	70,000	45,000	70,000
Expired Expenditure Line Items	1,078,636	405,000	319,809	-
Subtotal, Professional Services	2,816,560	3,758,250	4,031,684	2,659,500

FY2019-20 Budget Process and Overview

Proposed Expenditures - Professional Services

- ❖ Proposed expenditure level for the Professional Services category is \$1.10 million (29%) lower in FY2019-20, compared to current year budget level
- ❖ Continuation of work for major projects such as Bellam Blvd 101 Off-Ramp Improvement, North/South Greenway, etc.
- ❖ Measure AA funded additional Marin Sonoma Narrows design work and the Project Initiation Document (PID) & Project Approval and Environmental Document (PA&ED) work of the 580/101 Direct Connector are included under the Measure AA Sales Tax Projects and Program Category
- ❖ More detailed information at June TAM Board meeting as part of the final FY2019-20 work plan presentation and adoption



FY2019-20 Budget Process and Overview

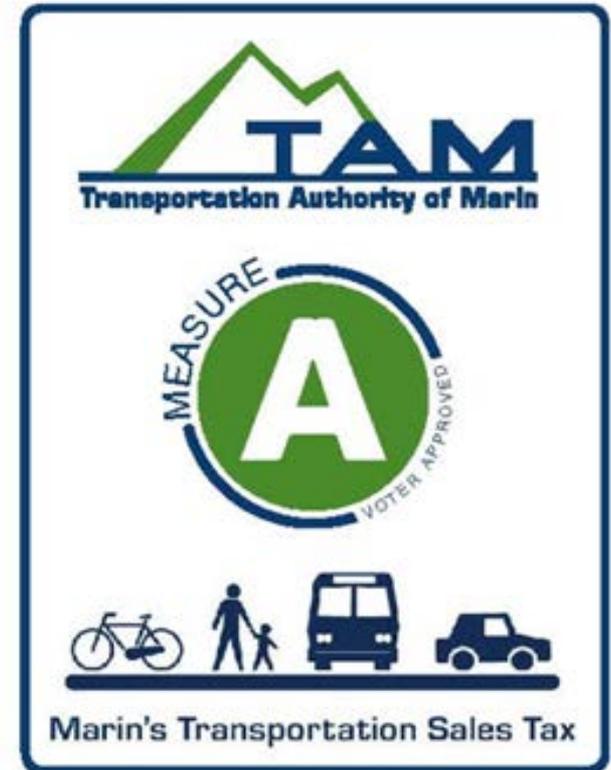
Proposed Expenditures – Measure A

	FY2017-18 Actual	FY2018-19 Final Budget	FY2018-19 Estimated Actual	FY2019-20 Proposed Budget
Measure A Compliance Audit	10,500	20,000	11,500	20,000
Bike/Ped Path Maintenance	48,796	166,000	60,000	100,000
Central Marin Ferry Connector - SMART Insurance Policy	14,349	25,000	15,000	10,000
Strategy 1 - Transit	16,708,511	18,061,751	14,035,400	5,284,100
<i>Strategy 1.1 - Local Bus Transit Service</i>	<i>9,960,852</i>	<i>10,400,000</i>	<i>9,860,000</i>	<i>2,015,600</i>
<i>Strategy 1.2 - Rural Bus Transit System</i>	<i>1,139,691</i>	<i>990,000</i>	<i>990,000</i>	-
<i>Strategy 1.3 - Special Needs Transit Services</i>	<i>2,154,534</i>	<i>2,721,751</i>	<i>2,535,400</i>	-
<i>Strategy 1.4 - Bus Transit Facilities</i>	<i>3,453,434</i>	<i>3,950,000</i>	<i>650,000</i>	<i>3,268,500</i>
Strategy 2 - Hwy 101 Gap Closure	1,211,798	400,000	100,000	300,000
<i>STP/HIP Swap Project</i>	<i>1,211,798</i>	<i>400,000</i>	<i>100,000</i>	<i>300,000</i>
Strategy 3 - Local Transportation Infrastructure	7,561,452	5,551,611	4,301,611	6,243,544
<i>Strategy 3.1 - Major Roads</i>	<i>4,260,337</i>	<i>2,250,000</i>	<i>1,000,000</i>	<i>3,800,000</i>
<i>Strategy 3.2 - Local Roads</i>	<i>3,301,115</i>	<i>3,301,611</i>	<i>3,301,611</i>	<i>2,443,544</i>
Strategy 4 - Safer Access to Schools.	3,028,050	3,703,000	3,163,000	2,151,000
<i>Strategy 4.1 - Safe Routes to Schools</i>	<i>711,337</i>	<i>823,000</i>	<i>823,000</i>	<i>550,000</i>
<i>Strategy 4.2 - Crossing Guards</i>	<i>1,366,924</i>	<i>1,530,000</i>	<i>1,240,000</i>	<i>350,000</i>
<i>Strategy 4.3 - Safe Pathways To School</i>				
<i>Safe Pathways Plan Development</i>	<i>203,144</i>	<i>100,000</i>	<i>100,000</i>	-
<i>Safe Pathway Capital Projects</i>	<i>746,645</i>	<i>1,250,000</i>	<i>1,000,000</i>	<i>1,251,000</i>
Expired Expenditure Line Items	85,000	85,000	85,000	-
Subtotal, Measure A Programs/Projects	28,668,456	28,012,362	21,771,511	14,108,644

FY2019-20 Budget Process and Overview

Proposed Expenditures – Measure A

- 🕒 Revenue collection of Measure A stopped as of March 31, 2019
- 🕒 Continuation of work under Measure A for projects/programs that still have funding balances
- 🕒 Measure A fund will not be fully closed until all funds are spent, maybe 3-5 years out for Strategy 3.1 Major Roads
- 🕒 Main budget lines are dependent on the delivery of work and reimbursement request schedule of other agencies and tend to have large variances between budgeted and actuals



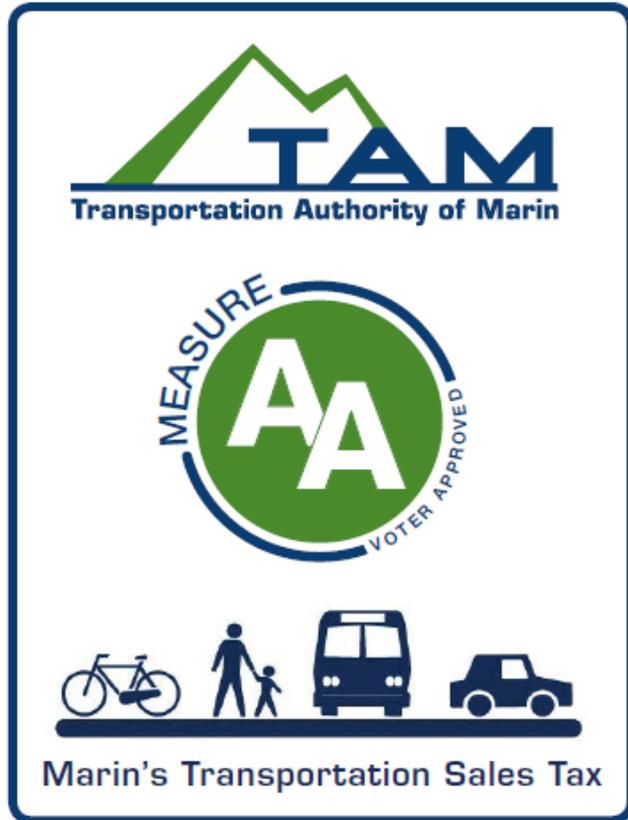
FY2019-20 Budget Process and Overview

Proposed Expenditures – Measure AA

	FY2017-18 Actual	FY2018-19 Final Budget	FY2018-19 Estimated Actual	FY2019-20 Proposed Budget
Category 1: Reduce Congestion	-	-	-	4,600,000
<i>Category 1.1 - Completion of Marin-Sonoma Narrows MSN Phase 2 HOV Lane ROW/Utility Relocation & Design</i>				-
<i>Category 1.2 - Match for Completion of 101/580 Direct Connector</i>				2,800,000
580/101 Direct Connector Project PID & PAED				-
<i>Category 1.3 - Enhance Interchanges</i>				1,400,000
<i>Category 1.4 - Traffic Demand Management</i>				350,000
				50,000
Category 2: Local Transportation Infrastructure	-	-	-	2,190,425
<i>Category 2.1 - Local Roads</i>				1,349,425
<i>Category 2.2 - Safe Pathways</i>				650,000
<i>Category 2.3 - Sea Level Rise</i>				50,000
<i>Category 2.4 - Innovative Technology</i>				141,000
Category 3: Safer Access to Schools	-	-	-	1,740,000
<i>Category 3.1 - Safe Routes to Schools</i>				400,000
<i>Category 3.2 - Crossing Guards</i>				1,340,000
<i>Category 3.3 - Safe Pathway Capital Projects</i>				-
Category 4: Transit	-	-	-	13,598,186
<i>Category 4.1 - Local Bus Transit Service</i>				7,584,400
<i>Category 4.2 - Rural Bus Transit Service</i>				948,639
<i>Category 4.3 - Special Needs Transit Service</i>				2,809,000
<i>Category 4.4 - School Transit Service</i>				1,120,000
<i>Category 4.5 - Bus Transit Facilities</i>				1,024,147
<i>Category 4.6 - Expand Access to Transit</i>				112,000
Subtotal, Measure AA Programs/Projects				22,128,611

FY2019-20 Budget Process and Overview

Proposed Expenditures – Measure AA



- 🕒 Revenue collection of Measure AA started on April 1, 2019
- 🕒 Delivery of voter approved projects/programs starting on July 1, 2019
- 🕒 Detailed information about new programs, such as Sea Level Rise, Innovative Technology, will be available at the June Board Meeting as part of the final FY2019-20 work plan presentation and adoption or throughout the year as projects/programs are developed

FY2019-20 Budget Process and Overview

Proposed Expenditures – Measure B

	FY2017-18 Actual	FY2018-19 Final Budget	FY2018-19 Estimated Actual	FY2019-20 Proposed Budget
<u>Element 1 - Maintain Local Streets & Pathways</u>	72,050	114,000	75,000	2,528,821
<i>Element 1.1 - Local Streets</i>	-	-	-	2,414,821
<i>Element 1.2 - Bike/Ped Pathways</i>	72,050	114,000	75,000	114,000
<u>Element 2 - Seniors & Disabled Mobility</u>	957,016	1,120,000	1,245,000	1,170,000
<i>Element 2.1 - Mobility Management Programs</i>	159,019	140,000	140,000	150,000
<i>Element 2.2 - Paratransit & Low-Income Scholarships</i>	206,259	235,000	235,000	240,000
<i>Element 2.3 - Paratransit Plus</i>	476,065	600,000	700,000	620,000
<i>Element 2.4 - Volunteer Drive & Gap Grant</i>	115,673	145,000	170,000	160,000
<u>Element 3 - Reduce Congestion & Pollution</u>	527,472	1,138,999	1,138,999	870,000
<i>Element 3.1 - Safe Routes to School/Street Smart Program</i>	286,326	345,000	345,000	175,000
<i>Element 3.2 - Commute Alternative Programs</i>	180,724	358,999	358,999	350,000
<i>Element 3.3 - Alternative Fuel Vehicle Program</i>	60,423	435,000	435,000	345,000
Subtotal, Measure B Programs	1,556,538	2,372,999	2,458,999	4,568,821

FY2019-20 Budget Process and Overview

Proposed Expenditures – Measure B



- ⌚ More than \$2 million spending level increase compared to the year before due to the release of Element 1.1, Local Streets funds, which is distributed every three years
- ⌚ Most recent estimated expenditure number for Element 2, provided by Marin Transit, is more than what's allocated for FY2018-19
- ⌚ Detailed information about each element will be available at the June Board Meeting as part of the final FY2019-20 work plan presentation and adoption or throughout the year as projects/programs are developed

FY2019-20 Budget Process and Overview Item 6 - Supplemental

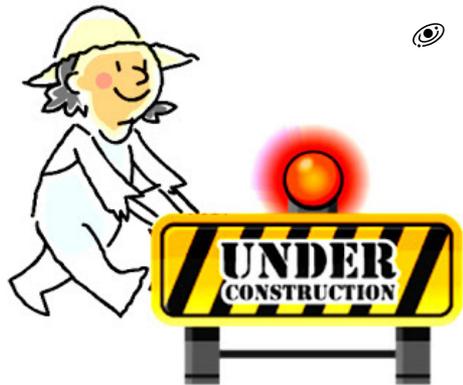
Proposed Expenditures – Interagency Agreements

	FY2017-18 Actual	FY2018-19 Final Budget	FY2018-19 Estimated Actual	FY2019-20 Proposed Budget
North-South Greenway (Southern Segment)- County Project Management	207,418	250,000	100,000	150,000
North-South Greenway (Northern Segment) Cooperative Agreement with Caltrans for Construction	-	2,000,000	-	5,000,000
HOV Gap Closure Offsite Landscaping Mitigation Funding Agreement - Caltrans	-	400,000	-	400,000
Funding Agreement with County of Marin for Bellam Boulevard Construction and Construction Management	-	1,800,000	44,000	3,955,000
County Lower Marin City Drainage Study Agreement	29,388	50,000	50,000	45,000
Novato Pedestrian Access to Transit and Crosswalk Improvement Project Agreement	-	151,000	-	318,000
Marin Transit Bus Facility Lease or Purchase Fund Contribution				1,100,000
Sausalito - Gate 6 Bridgeway Intersection Improvements	83,536	47,000	-	73,000
Corte Madera - Tamal Vista Blvd Bike/Ped Improvements		526,000	-	526,000
San Anselmo-Hub Reconfiguration Phase I Study	-	309,000	-	309,000
Marin County/Caltrans Planning Grant Match Manzanita & Southern Marin Flooding	-	21,000	-	24,000
San Rafael - Canal Neighborhood CBTP		20,000	20,000	55,000
Caltrans - MSN Phase 2 HOV Lanes ROW and Construction Support				3,750,000
Expired Expenditure Line Items	5,522,606	4,111,000	3,840,272	-
Subtotal, Interagency Agreements	5,842,948	9,685,000	4,054,272	15,705,000

FY2019-20 Budget Process and Overview

Proposed Expenditures – Interagency Agreement

- Highest spending level for the Interagency Agreement Category since the inception of TAM with construction and related support expected for several major projects, including Northern Segment of North/South Greenway/Caltrans; Bellam Blvd/County of Marin; MSN Phase 2 HOV Lane/Caltrans
- More significant variances between budgeted and actual numbers for this Category due to project schedule change, spending and reimbursement schedule
- More details for major agreements will be available at the June Board Meeting as part of the final FY2019-20 work plan presentation and adoption or throughout the year as projects/programs are developed



FY2019-20 Budget Process and Overview Item 6 - Supplemental

Proposed Expenditures – TFCA

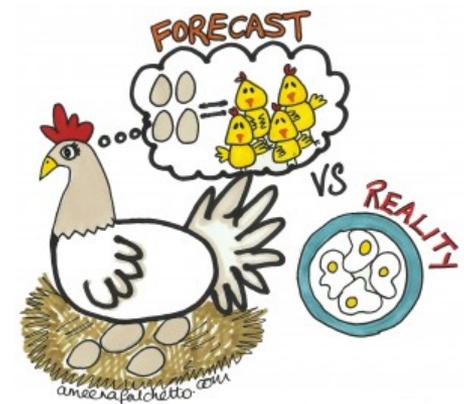
	FY2017-18 Actual	FY2018-19 Final Budget	FY2018-19 Estimated Actual	FY2019-20 Proposed Budget
North/South Greenway Construction				283,637
TFCA - Reimbursement of Various Capital Projects	176,392	397,000	-	768,000
Subtotal, TFCA Programs/Projects	176,392	397,000	-	1,051,637

- ⦿ Anticipated reimbursement requests for various TFCA capital projects funded by the Marin Local TFCA funding at \$768,000
- ⦿ A regional TFCA grant at \$283,637 for the construction work of the North/South Greenway project
- ⦿ Delivery of TFCA projects by partner agencies has been slower than budgeted in the past years
- ⦿ TAM staff's most recent communication with project sponsors indicated no actual TFCA spending for the current year



Proposed FY2019-20 Annual Budget

- Administration, Projects and Planning Executive Committee review and refer the Proposed FY2019-20 Annual Budget to the Board for release of the 30-day public comment period
- Working document that will be updated during the 30-day public comment process with input and updates from the Board and our partner agencies
- Budget will be updated quarterly during the first three quarters of the year as work shifts



Any
Questions

Proposed FY2019-20 Annual Budget