

## Metropolitan Transportation Commission Administration Committee

June 12, 2019

Agenda Item 3a

### MTC Resolution No. 4371 – FY 2019-20 MTC Operating and Capital Budgets

**Background:** Staff requests that the Committee refer MTC Resolution No. 4371 (Attachment A), the MTC FY 2019-20 Agency Budget, to the Commission for approval. The proposed budget is balanced with a \$25,000 projected surplus.

Authorized staffing for the combined Agency, MTC, SAFE, BATA, BAIFA, BAHA, and ABAG will increase from 287 to 289 full time positions due to the addition of a full time Administrative Director in the Executive Office and an Administrative Assistant position in Local Government Services.

The draft budget presented in May showed a deficit of \$1.3 million. Subsequent staffing corrections added \$0.3 million, making the total deficit target \$1.6 million. We balanced the budget through a combination of revenue adjustments and cost reductions as shown below:

Draft budget deficit (May)	\$(1,264,312)
Staffing Adjustments	( 282,000)
Revenue Adjustment	800,000
Contract cuts	710,000
General Operations adjustments	<u>61,190</u>
Proposed Budget balance	<u>\$ 24,878</u>

There are several components to the MTC operating budget. The components are:

General Operations – Administration for all MTC, SAFE, BATA, BAIFA, BAHA and ABAG Funds (Attachment A).

Planning – MTC planning operations mainly funded through an annual allocation of federal planning grants.

Grants – MTC projects funded through various Federal and State grants which are budgeted for the life of the project (Attachment B).

Clipper® – A separately funded enterprise to operate the Clipper program (Attachment C).

All MTC operating costs are adopted on an annual basis, with appropriations lapsing on June 30 of each year. Grant-funded projects are funded and budgeted for the life of the project or until the grant expires.

MTC FY 2019-20 Operating Budget

Revenue

The proposed operating revenue is \$68 million, an 8% decrease from the FY 2018-19 budget (Table 1). The primary source of revenue for MTC planning efforts consists of TDA (sales tax) and federal planning grants. The two revenue sources combined for \$37.9 million and \$29.1 million for FY 2018-19 and FY 2019-20 respectively. The nearly 8% drop is mostly the result of the loss of one-time federal/state grants. The balance of the MTC ongoing revenue will actually increase slightly in FY 2019-20.

**Table 1**

	<b>FY 2016-17 Actual</b>	<b>FY 2017-18 Actual</b>	<b>FY 2018-19 Budget</b>	<b>FY 2019-20 Budget</b>
TDA (Sales tax)	\$13,088,720	\$13,649,557	\$13,528,282	\$14,616,697
Interest/Other	609,604	945,794	540,000	635,000
Federal & State Planning Funds	12,781,000	13,343,249	24,384,407	14,527,047
Transfers	24,507,411	16,890,728	29,665,602	32,535,027
Local Funding	4,643,459	3,520,008	5,405,197	5,484,864
<b>Total Operating Revenue</b>	<b>\$55,630,194</b>	<b>\$48,349,336</b>	<b>\$73,523,488</b>	<b>\$67,798,635</b>

Highlights of the proposed MTC revenue:

- TDA (Sales Tax) – Increase of \$1.1 million (8%). The actual sales tax receipts show an overall increase primarily due to solid sales of contractor materials and equipment, expanded production by an auto manufacturer and rising fuel prices. Also, online fulfillment centers, new technology investment and cannabis start-ups produced significant gains.
- Federal & State Planning Funds – Decrease of \$9.9 million (40%) mostly from one-time grants, and \$2.4 million in carryover funds.

- Transfers – Increase of approximately \$2.8 million including the transfer of \$2.0 million in STA funds for the Means Based Fare project as well as transfer in from Express Lanes capital to cover overhead.

Operating Expenses

The proposed operating budget shows an 8% decrease in total operating expenses. (Table 2)

Table 2

	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Budget	FY 2019-20 Budget
Salaries/ Benefits	\$22,450,249	\$27,452,542	\$30,115,441	\$32,221,360
Temporaries	-	1,547,046	420,602	817,079
Other Expenses	<u>3,187,100</u>	<u>2,615,248</u>	<u>8,418,278</u>	<u>7,710,657</u>
Ops Subtotal	25,637,349	31,614,836	38,954,321	40,749,096
Contractual	17,230,517	11,959,115	34,568,214	27,024,663
Transfer Out	11,467,332	27,196	-	-
Total Operating Expense	<u>\$54,335,198</u>	<u>\$43,601,147</u>	<u>\$73,522,535</u>	<u>\$67,773,759</u>

Staff Salaries and Benefits

Total regular staff salaries and benefits will increase 7% or \$2.1 million. The increase is related to the following:

- \$1.1 million (3.7%) Memorandum of Understanding (MOU) based adjustments.
- \$0.8 million (2.7%) organizational staff reassignments.
- \$0.2 million (0.5%) addition of one full-time position, Administrative Director in the Office of the Executive Director, funded by MTC and BATA.

Other Expenses

Other expenses decreased by \$0.7 million mainly due to a reduction in utility costs already reflected in the BAHA budget.

### Contractual Services

Contractual services decreased by \$7.5 million. This is mainly due to one-time funding of \$6 million for the Southern Alameda County Integrated Rail Analysis, and \$1.5 million from Senate Bill 1 and FTA 5304 for the Diridon Concept Plan.

### Multi-Year Federal Grants

Approximately \$67.3 million in new grants will be added in the FY 2019-20 budget. These include \$22.7 million in new STP grants, \$34.8 million in new CMAQ grants and \$9.8 million in other grants for multiple programs which will bring the total grant program under management to \$165 million. Grants are budgeted on a life-to-date basis and as such only the new funding is subject to the annual budget approval process. The life-to-date budget for the multi-year federal grants is included in Attachment B.

### Capital Projects

The proposed FY 2019-20 budget includes capital expenditures of \$540,000 for Web accessibility. The total project cost is \$1.2 million, of which MTC's share is \$0.54 million, BATA's share is \$0.54 million and SAFE's share is \$0.12 million. The Hub Signage capital budget of \$13.1 million will increase by \$0.1 million for administrative cost. Capital projects are budgeted on a life-to-date basis.

### Clipper®

Clipper is an enterprise fund operated by MTC. The Clipper operating and capital budgets for FY 2019-20 are shown in Attachment C. However, as an enterprise Clipper's revenues and expenses do not flow through MTC.

The Clipper operating expenses are projected to be \$37.6 million:

- \$33.4 million for Clipper operations;
- \$1.2 million staff costs; and
- \$3 million for customer outreach/education.

Total Life-to-date Clipper capital program budget of \$444 million will increase by \$5 million in FY 2019-20.

### Reserve Balances

Reserves offer support for times of fiscal distress, as well as the ability to fund one-time costs that would otherwise distort budget management. The "unrestricted" reserve, excluding \$38.5 million pension liabilities, is projected to be \$30 million but a negative \$8.5 million after retirement obligations.

The reserve is important to MTC particularly because the \$165 million in active grants and the \$37.6 million in Clipper costs are all managed on a reimbursement basis. Without the cash flow capacity provided by the reserve, MTC could not deliver projects on the basis of budgetary priority.

Our current and projected reserve position is shown in Table 4 below.

Table 4

	<b>Actual FY 2017-18</b>	<b>Budget FY 2018-19</b>	<b>Budget FY 2019-20</b>
<b>Beginning Balance</b>	<b>\$ 46,412,978</b>	<b>\$ 46,940,943</b>	<b>\$ 47,495,821</b>
Reserve Designations			
Employee Benefit	\$ 1,362,773	\$ 6,000,000	\$ 6,000,000
Liability	123,850	-	1,000,000
Capital Assets	-	130,000	540,000
Compensated Leave	3,921,386	5,500,000	5,500,000
Encumbrances	3,291,429	4,000,000	4,000,000
STA	27,196	500,000	500,000
Subtotal	8,726,634	16,130,000	17,540,000
Balance Before Retirement	37,686,344	30,810,943	29,955,821
Retirement Liability			
PERS	36,671,000	36,671,000	31,000,000
OPEB	7,100,000	7,100,000	7,500,000
Retirement Total	43,771,000	43,771,000	38,500,000
<b>Ending Balance / (Deficit)</b>	<b>\$ (6,084,656)</b>	<b>\$ (12,960,057)</b>	<b>\$ (8,544,179)</b>

Pension Obligations

The Commission has received prior presentations on the status and cost of unfunded pension obligations. The combined MTC pension obligation is nearly \$40 million: \$31 million and \$8 million for PERS and OPEB obligations, respectively.

OPEB (Other Post Employment Benefits) are administered through an MTC managed trust (IRC Section 115). MTC currently pays an actuarially determined contribution into the independently administered trust for use on future benefits.

The projected OPEB obligation is 81% funded as of July 1, 2018. Because the OPEB retiree medical trust is self-administered, we set the parameters of the trust including an established expected return of 4.5%. As such, there will be no future actuarial surprises such as earning rates. Once the final unfunded liability payment is made during FY 2018-19, MTC should benefit from a reduction in costs of approximately \$1 million annually going forward.

The PERS pension obligation represents another problem altogether. The PERS board sets the earning and amortization policies. In fact, the PERS Board has changed its parameters and estimates several times in recent years. Against such uncertainty, there is no guarantee that any attempt to retire or reduce our unfunded pension liability based on current parameters will be a permanent fix.

MTC has a current combined unfunded PERS obligation of \$31 million. The amortization and automatic increases built into the payment schedule by PERS pose a significant threat to the future financial health of MTC. The current amortization schedule includes:

2018	\$2,140,000
2020	\$2,946,000
2025	\$3,600,000

The scheduled payments will increase by 68% between FY 2018 and FY 2025. There was significant difficulty balancing the FY 2019-20 budget and the combination of the structured increases with increases built into PERS normal costs will make balancing the future MTC budget even more difficult, even with the expected additional RM3 revenue.

We surveyed a number of local agencies for their respective practices to manage pension obligations. The following is a summary of the strategies adopted:

- Lump sum prepayment
- Capital markets
  - o \$26 billion outstanding
  - o \$1.8 billion since 2009
- Internal reserves

- Supplemental contributions
  - o One time, partial
  - o Annual payments
  - o Smoothing account
- Employment Benefit Changes
- Reamortize debt
  - o 15 years most common
- PERS “fresh start”

Our recommendation is a combination of the options:

1. Utilize the resources of MTC and BATA (Section 30959) to make lump payments starting in FY 2018-19 in an amount up to \$7 million per year until the liability is retired.
2. Establish a “smoothing account” under an independent trust and utilize up to 50% of net MTC ending balance to fund the account.

Our recommendation is to begin payments in FY 2018-19 in order to take advantage of the current 7% interest rate being applied by PERS to asset balances. The recommended approach will retire the current obligation over five years saving approximately \$23 million in interest costs. Once amortized through the actuarial process, MTC should see \$1.0 to \$1.5 million in annual cost reductions.

**Recommendation:** Staff recommends that this Committee refer MTC Resolution No. 4371, the MTC Operating and Capital Budgets for FY 2019-20, to the Commission for approval.

**Attachments:** MTC Resolution No. 4371, the MTC Operating and Capital Budgets for FY 2019-20.



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Therese W. McMillan

Date: June 26, 2019  
W.I.: 1152  
Referred By: Administration

ABSTRACT

Resolution No. 4371

This resolution approves the Agency Budget for FY 2019-20.

Further discussion of the agency budget is contained in the Administration Committee Summary Sheet dated June 12, 2019. A budget is attached as Attachments A, B and C.



Date: June 26, 2019  
W.I.: 1152  
Referred By: Administration

Re: Metropolitan Transportation Commission's Agency Budget for FY 2019-20

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4371

WHEREAS, the Metropolitan Transportation Commission (MTC or the Commission) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, on May 22, 2019 the Commission approved MTC's Overall Work Program (OWP) for Fiscal Year 2019-20 with the adoption of MTC Resolution No. 4370; and

WHEREAS, the OWP identifies MTC's unified work program for FY 2019-20; and

WHEREAS, the final draft MTC Agency Budget for FY 2019-20 as reviewed and recommended by the Administration Committee is consistent with the OWP as adopted pursuant to MTC Resolution No. 4370; now, therefore, be it

RESOLVED, that MTC's Agency Budget for FY 2019-20, prepared in accordance with generally accepted accounting principles and modified accrual, attached hereto as Attachment A, and incorporated herein as though set forth at length, is approved; and, be it further

RESOLVED, that the Executive Director or designee may approve adjustments among line items in the MTC operating budget for FY 2019-20, provided that there shall be no increase in the overall MTC operating budget without prior approval of the Commission; and, be it further

RESOLVED, that MTC delegates to its Administration or Operations Committees the authority to approve all contracts and expenditures in MTC's Agency Budget for FY 2019-20, providing that there shall be no increase in the overall budget without prior approval of the Commission; and, be it further

RESOLVED, that MTC's Executive Director, or the responsible MTC staff person designated by the Executive Director, shall submit written requests to the Administration or

Operations Committees for approval of consultants, professional services, and expenditures authorized in the MTC Agency Budget for FY 2019-20; and, be it further

RESOLVED, that MTC's Executive Director and the Chief Financial Officer are authorized to carry over and re-budget all grants, contracts and funds properly budgeted in the prior year for which expenditures were budgeted and encumbered and which will take place in FY 2019-20; and, be it further

RESOLVED, that the Commission authorizes the use of MTC funds for cash flow purposes, as an advance on authorized expenditures until the expenditures have been reimbursed; and, be it further

RESOLVED, that the Commission authorizes the designation of certain reserves for FY 2019-20 as follows: Benefits, Liability, Compensated Leave, Encumbrances, Building, Unfunded Pension Obligation, OPEB and Fixed Asset Replacement. The Chief Financial Officer is authorized to set aside \$540,000 for computer capital. The Chief Financial Officer is authorized to utilize the funds in the Benefits Reserve to meet any obligations resulting from the requirements of or changes in the employee labor agreements or for the purpose of prepaying or retiring unfunded pension or OPEB Liability. No additional expenditures shall be authorized from any designated reserves authorized by MTC's Agency Budget for FY 2019-20 without prior authorization of the Administration Committee; and, be it further

RESOLVED, that the total of full time regular and project employees is established at 289 and will not be increased without approved increase to the appropriate FY 2019-20 budget and that the Executive Director or Designee is authorized to manage all contract, hourly or agency employees within the authorized FY 2019-20 budgets; and, be it further

RESOLVED, that MTC's Executive Director, or the responsible MTC staff person designated by the Executive Director, shall furnish the Administration Committee with a monthly financial report to reflect budgeted and actual income, expenditures, obligations for professional and consultant services and such other information and data as may be requested by the Administration Committee.

METROPOLITAN TRANSPORTATION COMMISSION

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Scott Haggerty, Chair

The above resolution was entered into by  
the Metropolitan Transportation Commission  
at a regular meeting of the Commission  
held in San Francisco, California on June 26, 2019.

Date: June 26, 2019  
W.I.: 1152  
Referred By: Administration

Attachments A, B, C  
Resolution No. 4371

## **METROPOLITAN TRANSPORTATION COMMISSION**

### **AGENCY BUDGET**

**FY 2019-20**

#### **TABLE OF CONTENTS**

	<u>Page</u>
Budget Summary	1
Revenue Detail	2
Expense Summary	3
Contractual Services	5

**METROPOLITAN TRANSPORTATION COMMISSION**

**BUDGET FY 2019-20**

**Attachment A**

**SUMMARY**

**OPERATING REVENUE-EXPENSE SUMMARY**

	Amended Budget FY 2018-19	Draft Budget FY 2019-20	Change % Inc./ (Dec)	Change \$ Inc./ (Dec)
General Planning Revenue	\$37,203,141	\$28,442,365	-24%	(\$8,760,776)
Other MTC Revenue	1,249,548	1,336,377	7%	86,829
Transfers from other Funds	29,665,602	32,535,029	10%	2,869,428
Local Revenue Grants	5,405,197	5,484,864	1%	79,667
<b>Total Operating Revenue</b>	<b>\$73,523,488</b>	<b>\$67,798,635</b>	-8%	(\$5,724,852)
<b>Total Operating Expense</b>	<b>\$73,522,535</b>	<b>\$67,773,759</b>	-8%	(\$5,748,776)
<b>Operating Surplus (Shortfall)</b>	<b>\$955</b>	<b>\$24,878</b>	2506%	\$23,923
Total Operating Revenue - Prior Year	\$6,016,316	\$0	-100%	(\$6,016,316)
Total Operating Expense - Prior Year	\$6,016,316	\$0	-100%	(\$6,016,316)
<b>Operating Surplus (Shortfall)- Prior year</b>	<b>\$0</b>	<b>\$0</b>	0%	\$0
<b>Total Operating Surplus (Shortfall)</b>	<b>\$955</b>	<b>\$24,878</b>	2506%	\$23,923

**PART2: CAPITAL PROJECTS REVENUE-EXPENSE SUMMARY**

<b>Total Annual Capital Revenue</b>	<b>\$130,000</b>	<b>\$540,000</b>	0%	\$410,000
<b>Total Annual Capital Expense</b>	<b>\$130,000</b>	<b>\$540,000</b>	315%	\$410,000
<b>Capital Surplus(Shortfall)</b>	<b>\$0</b>	<b>\$0</b>	0%	\$0
<b>TOTAL FISCAL YEAR SURPLUS (SHORTFALL)</b>	<b>\$955</b>	<b>\$24,878</b>	2506%	\$23,923

**PART3: CHANGES IN RESERVES**

<b>Transfer To Designated Reserve</b>	<b>\$0</b>	<b>\$0</b>		
<b>Net MTC Reserves - in(out)</b>	<b>\$955</b>	<b>\$24,878</b>	2506%	\$23,923
<b>Current Year Ending Balance</b>	<b>\$0</b>	<b>\$0</b>		

REVENUE DETAIL				
	Amended Budget FY 2018-19	Draft Budget FY 2019-20	Change % Inc./ (Dec)	Change \$ Inc./ (Dec)
General Planning Revenue				
FTA Section 5303	\$3,437,418	\$3,510,474	2%	\$73,056
FTA 5303 FY 18 Final Allocation	40,329	0	-100%	(\$40,329)
FTA 5303 carryover FY'18	1,020,220	0	-100%	(\$1,020,220)
FTA 5304 - Sustainable Transportation	86,448	0	-100%	(\$86,448)
FTA 5304 - Diridon Plan	500,000	0	-100%	(\$500,000)
FTA 5304 C/O	24,649	0	-100%	(\$24,649)
FHWA 1/2 % PL	8,142,204	8,209,054	1%	\$66,850
FHWA FY 18 Final Allocation	30,150	0	-100%	(\$30,150)
FHWA carryover FY'18	148,341	0	-100%	(\$148,341)
SP&R	220,000	0	-100%	(\$220,000)
State Funds	6,000,000	0	-100%	(\$6,000,000)
Sustainable Communities SB1 - Awards	913,950	0	-100%	(\$913,950)
Sustainable Communities SB1 - Allocated FY'19	2,170,153	2,106,140	-3%	(\$64,013)
Sustainable Communities SB1 - Allocated carryover FY'18	940,997	0	-100%	(\$940,997)
TDA (Planning/Administrative)	13,528,282	14,616,697	8.0%	\$1,088,415
Subtotal: General Planning Revenue	\$37,203,141	\$28,442,365	-23.5%	(\$8,760,776)
Other MTC Revenue				
STIP-PPM	\$709,548	\$701,377	-1.2%	(\$8,171)
HOV lane fines	500,000	520,000	4.0%	20,000
Interest	40,000	115,000	187.5%	75,000
Subtotal: MTC Other Revenue	\$1,249,548	\$1,336,377	6.9%	\$86,829
Operating Transfers				
BATA 1%	\$7,806,994	\$8,096,994	4%	\$290,000
Transfer BATA RM2	3,475,000	3,880,000	12%	405,000
BATA Reimbursements (Audit/misc. contracts)	963,854	880,500	-9%	(83,354)
Service Authority Freeways Expressways (SAFE)	2,372,012	1,751,788	-26%	(620,224)
STA Transfer	5,283,000	7,500,000	42%	2,217,000
2% Transit Transfers	324,000	239,000	-26%	(85,000)
Bay Trail funds from MTC 5% and 2% Bridge Tolls	723,421	723,421	0%	0
Transfer in - Net of Membership Dues	527,010	530,000	1%	2,990
Transfer in - Reserve	19,000	0	-100%	(19,000)
BATA Operating for SFEP -Overhead	1,021,972	1,175,865	15%	153,893
ABAG Admin	101,213	100,000	-1%	(1,213)
ABAG Other Programs - Overhead	867,471	840,968	-3%	(26,503)
Express Lanes - Overhead	449,486	1,274,228	183%	824,742
MTC Grant Funded - Overhead	3,387,129	3,170,492	-6%	(216,637)
Capital Programs - Overhead	2,344,040	2,371,773	1%	27,733
Subtotal: Transfers from other funds	\$29,665,602	\$32,535,029	10%	\$2,869,427
MTC Total Planning Revenue	\$68,118,291	\$62,313,771	-9%	(\$5,804,520)
Local Revenue Grants				
Misc. Revenue (PMP Sales)	\$1,975,000	\$1,975,000	0%	\$0
TFCA (Regional Rideshare), Spare the Air.	1,050,858	1,000,000	-5%	(50,858)
Motivate/Lyft	300,000	300,000	0%	0
BAAQMD	759,542	351,067	-54%	(408,475)
Cities	1,319,797	1,858,797	145%	539,000
Subtotal: Local Revenue Grants	\$5,405,197	\$5,484,864	1%	\$79,667
Total Current Year Revenue	\$73,523,488	\$67,798,635	-8%	(\$5,724,853)
MTC Prior Year Project Revenue				
Prior Year FY 17-18 Project Revenue - Federal/State				
FTA 5303	436,611			
FTA 5304	398,129			
SB1	222,365			
SP&R	220,569			
State Transit Assistance (STA)	160,823			
Subtotal:	\$1,438,497			
Prior Year Project Revenue - Local				
General Fund	2,901,880			
HOV	20,000			
TFCA	63,534			
BAAQMD	0			
Service Authority for Freeways/Expressways (SAFE)	379,206			
PTAP LM	172,670			
PPM	0			
RM2/BATA Reimb.	633,779			
PMP	0			
local Cities/Agencies	406,750			
Subtotal:	\$4,577,819			
Total Prior Year Project Revenue	\$6,016,316			

# EXPENSE SUMMMARY

	Amended Budget FY 2018-19	Draft Budget FY 2019-20	Change % Inc./ (Dec)	Change \$ Inc./ (Dec)
<b>Operating Expense</b>				
I. Salaries and Benefits	\$30,536,043	\$33,038,439	8%	\$2,502,396
MTC Staff - Regular	\$30,115,441	\$32,221,360	7%	\$2,105,919
Temporary Staff	380,602	765,881	101%	385,279
Hourly /Interns	40,000	51,198	28%	11,198
II. Travel and Training	\$590,419	\$590,419	0%	\$0
III. Printing, Repro. & Graphics	\$156,900	\$137,700	-12%	(\$19,200)
IV. Computer Services	\$3,291,900	\$3,506,550	7%	\$214,650
V. Commissioner Expense	\$150,000	\$150,000	0%	\$0
VI. Advisory Committees	\$15,000	\$15,000	0%	\$0
VII. General Operations	\$4,214,059	\$3,310,988	-21%	(\$903,071)
Subtotal Staff Cost	\$38,954,321	\$40,749,096	5%	\$1,794,775
IX. Contractual Services	\$34,568,214	\$27,024,663	-22%	(\$7,543,551)
<b>Total Operating Expense</b>	<b>\$73,522,535</b>	<b>\$67,773,759</b>	-8%	(\$5,748,776)
IX. Contractual Services - Prior Year	<b>\$6,016,316</b>	<b>\$0</b>	0%	(\$6,016,316)

CAPITAL PROJECTS

	Amended Budget FY 2018-19	Draft Budget FY 2019-20	Change % Inc./.(Dec)	Change \$ Inc./.(Dec)
Annual Transfer from Reserve to Capital	\$130,000	\$540,000	315%	\$410,000
Legal reserve	\$0	\$0	0%	\$0
Annual Capital Expense	\$130,000	\$540,000	315%	\$410,000

	LTD Budget Thru FY 2018-19	Draft BUDGET FY 2019-20	LTD Budget Thru FY 2019-20
Hub Signage Program			
Revenue			
Prop. 1B	\$9,729,204	\$0	\$9,729,204
RM2	362,000	0	362,000
Real Flap Sign - STA	3,002,624	104,166	3,106,789
	\$13,093,828	\$104,166	\$13,197,993
Expense			
Staff	\$1,541,532	\$104,166	\$1,645,697
Consultants	11,552,296	0	11,552,296
	\$13,093,828	\$104,166	\$13,197,993

BAY AREA FORWARD PROJECT

	Amended Budget FY 2018-19	Draft Budget FY 2019-20	Change \$ Inc./.(Dec)
Revenue			
STP	\$36,050,485	9,038,923	(\$27,011,562)
CMAQ	1,820,000	7,499,000	5,679,000
STA	2,760,000	0	(2,760,000)
BATA REHAB	0	600,000	600,000
RM2 Capital	16,236,064	12,800,000	(3,436,064)
SAFE Capital	5,538,987	975,000	(4,563,987)
Local- Cities	3,901,346	2,802,151	(1,099,195)
Total Revenue	\$66,306,882	\$33,715,074	(\$32,591,808)
Expense			
Staff	\$2,300,485	\$1,411,811	(\$888,674)
Consultants			
Design Alternative Assessments/Corridor Studies	\$5,431,144	\$2,000,000	(\$3,431,144)
Vehicle Occupancy Enforcement Program	\$0	\$1,000,000	\$1,000,000
Richmond Access to Richmond bridge	500,000	0	(\$500,000)
Bay/Dumbarton/Richmond-San Rafael Bridges	2,260,000	0	(\$2,260,000)
Napa Forward	0	1,100,000	\$1,100,000
Bay Bridge Forward Implementation	35,065,253	11,526,112	(\$23,539,141)
Bay Bridge Forward ICM/Sterling Street / Other	0	6,100,000	\$6,100,000
SR 37 Interim project/Richmond-San Rafael Access Improveme	0	652,151	\$652,151
SR Interim Project & Early Ecological Enhancement	0	225,000	\$225,000
Freeway Performance Impl. US 101	0	3,000,000	\$3,000,000
Freeway Performance Impl. I-580	0	2,500,000	\$2,500,000
Freeway Performance Impl. SR-37 / Other	0	1,000,000	\$1,000,000
Performance Monitoring & Tools	750,000	450,000	(\$300,000)
Freeway Performance Impl. I-680	14,000,000	0	(\$14,000,000)
Freeway Performance Impl I-880	5,000,000	2,750,000	(\$2,250,000)
Freeway Performance Impl. SR 84	1,000,000	0	(\$1,000,000)
Total Expense	\$66,306,882	\$33,715,074	(\$32,591,808)

0



**CONTRACTUAL SERVICES DETAIL**  
**New Contractual and Professional Services**

Work Element	Description/Purpose	Amended Budget FY 2018-19	Draft Budget FY 2019-20	Change \$ Inc./(Dec)
1111	<b>Support Commission Standing Committees</b>			
	Governance Study	\$50,000	\$0	(\$50,000)
	Planning Programs - Other	300,000	200,000	(100,000)
	TOTAL	\$350,000	\$200,000	(\$150,000)
1112	<b>Implement Public Information Program</b>			
	LWV Monitor	\$25,000	\$0	(\$25,000)
	Photography services for MTC/BATA	75,000	75,000	0
	Design & Production Services	150,000	150,000	0
	On-call Facilitation and Outreach	50,000	40,000	(10,000)
	Digital Promotion & Analysis	50,000	60,000	10,000
	On call Video Services	50,000	50,000	0
	Social Media Consultants	75,000	75,000	0
	Climate Initiatives	25,000	0	(25,000)
	Awards Program	55,000	45,000	(10,000)
	MTC web integration/portal	200,000	0	(200,000)
	Bike to Work	0	50,000	50,000
	Hub Outreach and Promotion	25,000	0	(25,000)
	Public Records Management System	30,000	30,000	0
	Transit Connectivity	15,000	15,000	0
	Regional Transit Mapping Project	1,000,000	1,280,000	280,000
	Website Maintenance for Bay Bridge Info	0	37,000	37,000
	YES Conference and BTWD Promo	0	25,000	25,000
	TOTAL	\$1,825,000	\$1,932,000	\$107,000
1121	<b>Plan Bay Area</b>			
	Horizon Public Engagement Program	\$225,000	\$200,000	(\$25,000)
	Public Opinion/Revenue Poll - CASA	150,000	0	(150,000)
	Horizon digital Engagement Program	125,000	0	(125,000)
	Y-PLAN/CBO Engagment	29,500	150,000	120,500
	Horizon Poll	150,000	100,000	(50,000)
	PBA Website: Development & Maintenance	100,000	50,000	(50,000)
	Blue Sky Planning	519,434	0	(519,434)
	Needs Assessment Assistance	100,000	0	(100,000)
	CALCOG MPO Coordination	0	40,000	40,000
	Horizon/PBA 2050 Digital Tool Launch/Maintenance	0	50,000	50,000
	PBA 2050 Social Media Promotion	0	30,000	30,000
	Preferred Scenario- Resilience/ED Assistance	0	75,000	75,000
	Environmental Impact Report	0	150,000	150,000
	Support for RHNA	0	200,000	200,000
	Plan Document Design	0	25,000	25,000
	TOTAL	\$1,398,934	\$1,070,000	(\$328,934)
1122	<b>Analyze Regional Data using GIS and Travel Models</b>			
	Travel Model Research	\$200,000	\$200,000	\$0
	Land use Model Research	150,000	175,000	25,000
	Travel Model Assistance	70,000	35,000	(35,000)
	Technical Support for Web Based Projects	100,000	150,000	50,000
	Consolidated household travel	202,000	202,000	0
	Regional Transit on Board	691,805	600,000	(91,805)
	Future Mobility Research Program	75,000	0	(75,000)
	Bay Area Spatial Info. System	0	175,000	175,000
	TOTAL	\$1,488,805	\$1,537,000	\$48,195
1126	<b>Resiliency (Sea Level Rise/Adaption) Planning</b>			
	Sustainable Transportation Planning - Sea level Rise	\$101,969	\$0	(\$101,969)
	TOTAL	\$101,969	\$0	(\$101,969)
1124	<b>Regional Goods Movement Plan</b>			
	Northern California Megaregional Study	\$330,000	\$0	(\$330,000)
	TOTAL	\$330,000	\$0	(\$330,000)
1125	<b>Active Transportation</b>			
	Bike share Low Income Community Outreach	\$100,000	\$0	(\$100,000)
	Bay Area Bike Share Expansion	\$50,858	0	(50,858)
	Bike share Liquidated Damages	300,000	300,000	0
	Complete Streets Workshop	40,000	0	(40,000)
	Bike/Ped Counts	30,000	0	(30,000)
	Active Transportation Plan	0	150,000	150,000
	Bike-Ped Counter Purchase/Installation Pilot	0	150,000	150,000
	Total	\$520,858	\$600,000	\$79,142
1127	<b>Regional Trails</b>			
	Bay Trail Cartographic Services	\$10,000	\$15,000	\$5,000
	Bay Trail Outreach & Promotion	0	0	0
	Economic Benefits of the Bay Trail Report	0	0	0
	Bay Trail Signage Installer	0	0	0
	Assessment of Existing Bay Trail Conditions/O&M/Funding Strategy	0	75,000	75,000
	TOTAL	\$10,000	\$90,000	\$80,000
1128	<b>Resilience and Hazards Planning</b>			
	Integrate BAM resilience-staffing	\$100,000	\$0	(\$100,000)
	TOTAL	\$100,000	\$0	(\$100,000)
1129	<b>Economic Development and Forecasting</b>			
	Data Management and Engagement	\$250,000	\$0	(\$250,000)
	Research Support for Economic Program	100,000	0	(100,000)
	Data and Research for forecasting	50,000	50,000	0
	Data and reports for economic analysis	0	50,000	50,000
	TOTAL	\$400,000	\$100,000	(\$300,000)
1132	<b>Advocacy Coalitions</b>			
	Legislative advocates - Sacramento	\$120,000	\$150,000	\$30,000
	Legislative advocates - Washington D.C.	292,000	325,000	33,000
	TOTAL	\$412,000	\$475,000	\$63,000
1152	<b>Agency Financial Management</b>			
	Financial Audit	\$430,000	\$448,166	\$18,166
	OPEB Actuary	30,000	30,000	\$0
	Financial System Evaluation/RFP	0	100,000	\$100,000
	Financial System Maintenance	10,000	10,000	\$0
	TOTAL	\$470,000	\$588,166	\$118,166

Work Element	Description/Purpose	Amended Budget FY 2018-19	Draft Budget FY 2019-20	Change \$ Inc./Dec)
1153	<b>Administrative Services</b>			
	Organizational and Compensation	\$230,000	\$200,000	(\$30,000)
	Mineta Transportation Institute	100,000	100,000	0
	Ergonomics	40,000	50,000	10,000
	SBE Pilot Program	200,000	150,000	(50,000)
	Internship Program	256,000	200,000	(56,000)
	TOTAL	\$826,000	\$700,000	(\$126,000)
1161	<b>Information Technology Services</b>			
	Data Security Improvements	\$125,000	\$75,000	(\$50,000)
	Web/DB Application Development/Integration	50,000	70,000	20,000
	Network Assistance	50,000	50,000	0
	Buisness Process ID - Planning	65,000	325,000	260,000
	Process improvements - automated forms/app	100,000	100,000	0
	Change training	25,000	25,000	0
	Website Operations Maintenance and Enhancement (AlyshaN)	0	250,000	250,000
	Information Management & Governance	0	50,000	50,000
	Regional Map	0	325,000	325,000
	Salesforce Development	0	650,000	650,000
	TOTAL	\$415,000	\$1,920,000	\$1,505,000
1212	<b>Performance Measuring and Monitoring</b>			
	Vital Signs Website Development	\$250,000	\$250,000	\$0
	Federal Performance Monitoring	75,000	0	(75,000)
	TOTAL	\$325,000	\$250,000	(\$75,000)
1222	<b>Regional Rideshare Program</b>			
	511 Ridesharing Program Operations	\$250,000	\$0	(\$250,000)
	Regional Vanpool Supprt Program	750,000	750,000	0
	Regional Carpool Program	0	250,000	250,000
	TOTAL	\$1,000,000	\$1,000,000	\$0
1223	<b>Operational Support for Regional Programs</b>			
	TMC Asset Upgrade and Replacement	\$450,000	\$421,000	(\$29,000)
	Regional ITS Architecture Update	150,000	0	(150,000)
	TMS Program Strategic Plan	0	125,000	125,000
	TOTAL	\$600,000	\$546,000	(\$54,000)
1224	<b>Regional Traveler Information</b>			
	511 Transit system	\$165,000	\$0	(\$165,000)
	511 Communications	100,000	10,000	(90,000)
	511 Alerting	50,000	100,000	50,000
	511 Web Hosting	50,000	50,000	0
	511 Innovation Lab	0	300,000	300,000
	TOTAL	\$365,000	\$460,000	\$95,000
1233	<b>Transportation Asset Management</b>			
	Software Development and Maintenance	\$1,800,000	\$1,750,000	(\$50,000)
	Transit Capital Inventory	254,549	0	(254,549)
	Software Training Support	238,868	300,000	61,132
	PTAP Projects	407,297	407,297	0
	Quality Assurance Program	75,000	75,000	0
	Regional Transit Asset Management Initiatives	0	250,000	250,000
	TOTAL	\$2,775,714	\$2,782,297	\$6,583

Work Element	Description/Purpose	Amended Budget FY 2018-19	Draft Budget FY 2019-20	Change \$ Inc./(Dec)
1234	<b>Arterial and Transit Performance</b> Program for Arterial System Arterial Operations Pass Arterial Operations IDEA CAT 1&2 TOTAL	\$600,000 0 0 \$600,000	\$0 600,000 700,000 \$1,300,000	(\$600,000) 600,000 700,000 \$700,000
1235	<b>Incident Management</b> Incident Management Concept of Operations Regional Communication Infrastructure Incident Management Task Force Incident Analytics Module TOTAL	\$100,000 200,000 155,000 187,000 \$642,000	\$175,000 0 0 175,000 \$350,000	\$75,000 (200,000) (155,000) (12,000) (\$292,000)
1238	<b>Technology-Based Operations &amp; Mobility</b> Connected Vehicles/Tech.-Based Op. & Mob. Commute Challenge TOTAL	\$0 \$2,000,000 \$2,000,000	\$0 \$2,000,000 \$2,000,000	\$0 \$0 \$0
1310	<b>Planning for Lifeline Transportation Program</b> Coordinated Plan Implementation Activities TOTAL	\$0 \$0	\$20,000 \$20,000	\$20,000 \$20,000
1311	<b>Means Based Fare Program</b> Means Based Fare Program Coordinated Technology Platform for Paratransit Trips TOTAL	\$4,713,000 10,000 \$4,723,000	\$6,000,000 0 \$6,000,000	\$1,287,000 (10,000) \$1,277,000
1313	<b>Climate Resilience for people with disabilities</b> Culture of Health Leaders Cohort Three Climate Resilience for people with disabilities TOTAL	\$95,000 406,000 \$501,000	\$0 0 \$0	(\$95,000) (406,000) (\$501,000)
1413	<b>Climate Initiative</b> Global Climate Summit EV Strategic Council Off-Model Climate Program analysis/Plan Bay Area Parking program development/implemetation TOTAL	\$50,000 35,000 0 0 \$85,000	\$0 35,000 150,000 100,000 \$285,000	(\$50,000) 0 150,000 100,000 \$200,000
1415	<b>Road Maintenance &amp; Rehabilitation Adaption Pl.</b> East Palo Alto and Dumbarton Bridge Resiliency Study TOTAL	\$300,000 \$300,000	\$0 \$0	(\$300,000) (\$300,000)
1514	<b>Regional Assistance Programs</b> TDA Clims/Fund Estimate online Migration and Reporting Performance audits - TDA audit & RM2 Oversight TOTAL	\$25,000 192,000 \$217,000	\$0 274,000 \$274,000	(\$25,000) 82,000 \$57,000
1515	<b>State Programming, Monitoring and STIP Dev.</b> FMS Developer TOTAL	\$187,200 \$187,200	\$187,200 \$187,200	\$0 \$0
1517	<b>Transit Sustainability</b> Transit Sustainability Planning Fare Integration Souhern Alameda County Integrated Rail Transit Core Capacity Phase 2 Planning/Implementation SRTP TOTAL	\$324,000 600,000 6,000,000 200,000 1,227,952 \$8,351,952	\$224,000 600,000 0 0 360,000 \$1,184,000	(\$100,000) 0 (6,000,000) (200,000) (867,952) (\$7,167,952)
1615	<b>Connecting Housing and Transportation</b> CASA CASA Facilitation Objective Standards to Support Regional Housing Goals Housing Policy Evaluation TOTAL	\$504,820 \$0 0 0 \$504,820	\$0 0 0 0 \$0	(\$504,820) 0 0 0 (\$504,820)
1616	<b>RAMP</b> Regional Advance Mitigation projects TOTAL	\$50,000 \$50,000	\$0 \$0	(\$50,000) (\$50,000)
1617	<b>Technical Asstance Strategic Planning</b> Technical Asstance Strategic Planning TOTAL	\$100,000 \$100,000	\$0 \$0	(\$100,000) (\$100,000)
1619	<b>Diridon Concept Plan</b> Diridon Concept Plan TOTAL	\$500,000 \$500,000	\$0 \$0	(\$500,000) (\$500,000)
1611	<b>Transportation and Land Use Coordination</b> Rail Volution Transportation and Land Use Project PDA Implementation TOD Policy Update PDA Assessment Bay Area Framework Guidelines Planning Regional Catalyst Projects analysis TOTAL	\$25,000 225,912 50,000 0 0 0 0 \$300,912	\$25,000 0 0 250,000 150,000 50,000 0 \$475,000	\$0 (225,912) (50,000) 250,000 150,000 50,000 0 \$174,088
1613	<b>Road Maintenance &amp; Rehab Acct</b> Local & Regional climate change TOTAL	\$487,435 \$487,435	\$0 \$0	(\$487,435) (\$487,435)
1618	<b>Affordable Mobility Pilot Program</b> Affordable Mobility Pilot Program TOTAL	\$601,600 \$601,600	\$0 \$0	(\$601,600) (\$601,600)
1612	Climate Adaption Consulting (BARC)	\$102,016	\$161,000	\$58,984
106	<b>Legal Services</b>	\$600,000	\$538,000	(\$62,000)
Total consultant contracts:		\$34,568,215	\$27,024,663	(\$7,543,552)



LTD Federal Grants Budget					Attachment B			
STP Grants	STP Grants	1	2	3 = (1-2)	4	5	6	7 = (3+4-5-6)
		LTD Grant thru FY 2018	LTD Actual & Enc thru FY 2019	Balance thru FY 2019	New Grant FY 2019-20	staff budget FY 2019-20	Consultant budget FY 2019-20	Balance FY 2019-20
Grant # / Fund Source #	Project Description							
6084-175 1801	MTC Regional Planning	\$51,629,000	\$51,535,245	\$93,755				\$93,755
6084-176 1803	511 Grant	32,500,000	32,487,662	12,338				12,338
6084-179 1806	Pavement Management	6,000,000	5,965,814	34,186				34,186
6084-180 1809	FPI	4,000,000	3,925,000	75,000				75,000
6084-186 1812	OBAG Regional PDA	8,740,305	8,740,305	-				-
6084-193 1816	Arterial Operations	2,500,000	2,497,517	2,483				2,483
6084-198 1818	Pavement Management	6,000,000	4,043,644	1,956,356			1,900,000	56,356
6084-199 1819	511 Traveler Information	8,750,000	8,634,911	115,089				115,089
6084-201 1820	Freeway Performance Initiative	3,480,000	3,480,000	-				-
6084-205 1822	Pavement Management	1,847,000	721,007	1,125,993				1,125,993
6160-027 1823	Incident Management	517,000	480,300	36,700				36,700
6084-206 1826	CMA Planning	56,932,000	55,732,000	1,200,000			0	1,200,000
6084-207 1827	MTC Planning	9,555,000	2,930,865	6,624,135	35,000	2,310,533	199,467	4,149,135
6084-213 1833	511 Next Generation	11,226,000	6,239,204	4,986,796			4,406,000	580,796
6084-212 1834	TMS Program	2,910,000	447,818	2,462,182		531,068		1,931,114
6084-222 1835	Incident Management	4,160,000	531,028	3,628,972		655,439		2,973,533
6084-225 1836	TMC Asset	1,150,000	11,475	1,138,525			430,000	708,525
6084-228 1838	Freeway Performance -SR 84	1,000,000	275,000	725,000				725,000
6084-232 1839	PDA Planning & Implementation	8,550,000	2,389,923	6,160,077		500,000	5,600,000	60,077
6084-226-1841	Active Operational Management	12,250,000	3,717,297	8,532,703	2,000,000	2,576,056	2,450,000	5,506,647
6084-227-1842	Enhance Arterial: CATI	7,000,000	6,211,608	788,392	3,915,000		3,915,000	788,392
6084-230 1843	Commuter Parking O&M	2,500,000	72,888	2,427,112	-		2,427,112	-
6084-231 1844	Freeway Performance - I880 Corridor	3,000,000	250,000	2,750,000			2,750,000	-
6084-233 1845	Freeway Performance - I 680 Corridor	14,000,000	14,000,000	-			0	-
6084-235 1846	I-880 Communications Infrastructure	2,500,000	8,108	2,491,892			2,200,000	291,892
New	511 Implementation				5,700,000	1,504,410		4,195,590
New	Connected Automated Vehicles Projects				2,500,000		2,500,000	-
New	Commute Challenge				6,000,000		6,000,000	-
6084-241 1847	Shared Use Mobility				2,500,000		2,500,000	-
		\$262,696,305	\$215,328,620	\$47,367,684	\$22,650,000	\$8,077,506	\$37,277,579	\$24,662,599
CMAQ Grants								
6084-160 1589	Arterial Operations	\$10,750,000	\$10,541,843	\$208,157	\$0	\$0	\$0	\$208,157
6160-018 1596	Freeway Performance	8,608,000	8,510,904	97,097				97,097
6084-176 1804	511 Grant	16,270,000	16,270,000	-				-
6084-188 1814	Regional Bicycle Program	394,636	313,982	80,654		67,000		13,654
6084-202 1824	Climate Initiatives	1,300,000	704,610	595,390			200,000	395,390
6084-209 1825	Operate Car Pool Program	8,000,000	2,295,219	5,704,781		218,910	1,550,000	3,935,871
6084-211 1828	Commuter Benefits Implementation	1,379,000	470,803	908,197		128,105	240,000	540,092
6084-210-1829	Incident Management	19,478,000	2,198,799	17,279,201			17,200,000	79,201
6084-215 1830	Spare the Air Youth Program	2,463,000	2,451,768	11,232				11,232
6084-216 1831	Arterial/Transit Performance/Rideshare	5,000,000	1,812,750	3,187,250			3,000,000	187,250
6084-208 1832	Vanpool Program	2,000,000	251,000	1,749,000			500,000	
6084-220 1837	I-880 ICM Central Segment	1,142,000	14,235	1,127,765			1,127,765	0
6084-219 1840	BBF West Grand TSP	1,000,000	1,000	999,000			999,000	-
6084-243 1849	Targeted Transportation Alternatives			325,000			325,000	-
New	Freeway Performance Impl. I-580				5,000,000		2,500,000	2,500,000
New	Freeway Performance Impl. SR-37 / Other				18,000,000		1,000,000	17,000,000
New	I880 Central Segment Project Study				8,840,000		1,000,000	7,840,000
6084-242 1848	Regional Car Sharing			1,200,411			1,200,411	-
New	Freeway Performance Impl. US 101				3,000,000		3,000,000	-
New	Climate Initiatives			10,875,000			10,875,000	-
		\$77,784,636	\$45,836,913	\$44,348,134	\$34,840,000	\$414,015	\$44,717,176	\$32,807,944
FTA GRANTS								
CA57-X023 1623	New Freedom	\$1,545,232	\$1,462,654	\$82,578	\$0	\$0	\$0	\$82,578
CA37-X104 1625	JARC	2,654,120	2,654,120	(0)	-	-	-	(0)
CA37-X133 1627	JARC	1,004,559	874,366	130,193	-	-	-	130,193
CA37-X164 1629	JARC	805,190	805,190	0	-	-	-	0
CA37-X177 1630	JARC	2,430,952	1,868,961	561,991	-	-	300,000	261,991
CA34-X001 1631	FTA 5339 - Bus Purchases	10,506,277	10,506,277	-	-	-	-	-
CA57-X109 1632	New Freedom	1,383,631	1,283,375	100,256	-	-	-	100,256
CA34-0024 1633	FTA 5339 - Bus Purchases	12,240,015	11,962,726	277,289	-	-	-	277,289
CA34-0032 1634	FTA 5339 - Bus Purchases	11,515,172	11,242,155	273,017	-	-	-	273,017
		\$44,085,148	\$42,659,824	\$1,425,324	\$0	\$0	\$300,000	\$1,125,324
Other Grants								
SHA 6084-184 1112	FHWA - SHRP2	\$700,000	\$692,354	\$7,646	\$0		\$0	\$7,646
16-X065-00 1635	FTA 5310	347,000	247,000	100,000			100,000	-
G16AP00172 1312	USGS National Grant - G16AC00172	42,031	33,884	8,147				8,147
G15AP00118 1313	USGS National Grant - G15AC00118	12,500	11,812	688				688
G17AC00239 1315	USGS National Grant - G17AC00136	50,000	48,868	1,132				1,132
G140CG0318P 1316	USGS National Grant - G140G0318P0151	24,400	24,400	-				-
BF-99T455 1340	Environmental Protection Agency (EPA)	1,074,579	516,989	557,590		-		557,590
CA000007-01 1342	Environmental Protection Agency (EPA)	1,200,000	457,600	742,400		250,000		492,400
EMF2016 1372	Federal Emergency Management Agency	299,221	183,077	116,144				116,144
CARB 2404	California Air Respoirces Board	2,250,000	973,820	1,276,180				1,276,180
14 -003 2800	Coastal Conservancy	726,931	485,536	241,395				241,395
10-092 2801	Coastal Conservancy	1,314,909	749,142	565,767		175,000		390,767
North Bay 5007	Rockefeller Philanthropy Advisors			3,961				3,961
New	LCTOP - Cap. & Trade				4,800,000		4,800,000	-
New	SSARP Planning Grant			500,000			500,000	-
New	State Coastal Conservancy Prop. 68				3,000,000		3,000,000	-
New	State Coastal Conservancy Prop. 68				2,000,000		2,000,000	-
New	FEMA			300,000		175,000	100,000	25,000
New	USGS National Grant			75,000				75,000
		\$8,041,571	\$4,424,482	\$4,496,050	\$9,800,000	\$600,000	\$10,500,000	\$3,196,050
Total Federal Grants Budget		\$392,607,660	\$308,249,839	\$97,637,193	\$67,290,000	\$9,091,521	\$92,794,755	\$61,791,917
						\$9,091,521	\$92,794,755	

CONTRACTUAL SERVICES DETAIL Federal Grants

Work Element	Description/Purpose	Amended Budget FY 2018-19	Draft Budget FY 2019-20	Change \$ Inc./(Dec)
1112	<b>Implement Public Information Program</b>			
	Bike to Work Day	\$200,000	\$200,000	\$0
	TOTAL	\$200,000	\$200,000	\$0
1125	<b>Non-Motorized Transportation</b>			
	Active Transportation Plan	\$75,000	\$0	(\$75,000)
	TOTAL	\$75,000	\$0	(\$75,000)
1127	<b>Regional Trails</b>			
	Water Trail Environmental Services	\$10,000	\$0	(\$10,000)
	San Francisco Bay Trail Block Grant #6	0	3,000,000	3,000,000
	Water Trail Block Grant #2	0	2,000,000	2,000,000
	TOTAL	\$10,000	\$5,000,000	\$4,990,000
1128	<b>Resilience and Hazards Planning</b>			
	Enviromental Protection Task	\$100,000	\$0	(\$100,000)
	Hazard Resilience Policy & planning	0	100,000	100,000
	TOTAL	\$100,000	\$100,000	\$0
1222	<b>Regional Rideshare Program</b>			
	511 Program Operations	\$1,520,000	\$0	(\$1,520,000)
	Turn key vanpool services in Bay Area	2,000,000	500,000	(1,500,000)
	Rideshare: Employer Services (CMAs)	250,000	0	(250,000)
	SB 1128	220,000	240,000	20,000
	Regional Carpool Program	0	1,550,000	1,550,000
	TOTAL	\$3,990,000	\$2,290,000	(\$1,700,000)
1223	<b>Operational Support for Regional Programs</b>			
	1-880 Communications Upgrade	\$8,405,000	\$2,200,000	(\$6,205,000)
	TMC programs and related infrastructure	0	430,000	430,000
	TOTAL	\$8,405,000	\$2,630,000	(\$5,775,000)
1224	<b>Regional Traveler Information</b>			
	511 Web Services	\$2,035,000	\$1,322,000	(\$713,000)
	511 System Integrator	2,436,000	1,942,000	(494,000)
	Technical Advisor Services	175,000	25,000	(150,000)
	511 Communications	300,000	122,000	(178,000)
	511 TIC Operations	723,000	995,000	272,000
	511 ETC Removal	200,000	0	(200,000)
	TOTAL	\$5,869,000	\$4,406,000	(\$1,463,000)
1233	<b>Pavement Management System</b>			
	Software Training Support	\$300,000	\$300,000	\$0
	P-TAP Projects	1,600,000	1,600,000	0
	Safety / Asset Management Planning	0	500,000	500,000
	TOTAL	\$1,900,000	\$2,400,000	\$500,000
1234	<b>Arterial and Transit Performance</b>			
	Program for Arterial System	\$14,239,477	\$0	(\$14,239,477)
	Arterial Operations Pass	0	3,000,000	3,000,000
	Arterial Operations IDEA CAT 1&2	0	3,915,000	3,915,000
	TOTAL	\$14,239,477	\$6,915,000	(\$7,324,477)
1235	<b>Incident Management</b>			
	I-880 Central Segment Project Study Report	\$1,142,000	\$1,127,765	(\$14,235)
	I-880 ICM	19,500,000	18,200,000	(1,300,000)
	TOTAL	\$20,642,000	\$19,327,765	(\$1,314,235)
1238	<b>Technology-Based Operations &amp; Mobility</b>			
	Technology-Based Operations & Mobility	\$11,000,000	\$0	(\$11,000,000)
	Commute Challenge	0	6,000,000	6,000,000
	Connected Automated Vehicles Projects	0	2,500,000	2,500,000
	Shared Use Mobility	0	2,500,000	2,500,000
	TOTAL	\$11,000,000	\$11,000,000	\$0
1310	<b>Implement Lifeline Transportation Program</b>			
	Coordinated Plan Implementation Activities	\$0	\$100,000	\$100,000
	Lifeline transportation project	0	300,000	300,000
	TOTAL	\$0	\$400,000	\$400,000
1311	<b>Planning for Lifeline Transportation Program</b>			
	Coordinated Plan Implementation Activities	\$60,000	\$0	(\$60,000)
	Means Based Fare Program	0	4,800,000	4,800,000
	TOTAL	\$60,000	\$4,800,000	\$4,740,000
1413	<b>Climate Initiative</b>			
	Climate Initiatives OBAG 2	\$12,000,000	\$10,875,000	(\$1,125,000)
	Targeted Transportation Alternatives Project	0	325,000	325,000
	Regional Car Sharing	0	1,200,411	1,200,411
	TOTAL	\$12,000,000	\$12,400,411	\$400,411
1512	<b>Federal TIP Development</b>			
	Busses replacements	\$2,700,000	\$0	(\$2,700,000)
	TOTAL	\$2,700,000	\$0	(\$2,700,000)
1618	<b>Affordable Mobility Pilot Program</b>			
	Affordable Mobility Pilot Program	\$2,250,000	\$0	(\$2,250,000)
	TOTAL	\$2,250,000	\$0	(\$2,250,000)
1611	<b>Transportation and Land Use Coordination</b>			
	BCDC STP	\$264,453	199,467	(\$64,986)
	CMAs - STP	9,111,000	0	(9,111,000)
	PDA Implementation Studies	300,000	500,000	200,000
	PDA Planning Grant	8,050,000	5,100,000	(2,950,000)
	TOTAL	\$17,825,453	\$5,799,467	(\$12,025,986)
1612	Climate Adaption Consulting (BARC)	\$28,984	\$0	(\$28,984)
	<b>Total Federal funded Consultants before BBF</b>	<b>\$101,294,914</b>	<b>\$77,668,643</b>	<b>(\$23,626,271)</b>
1237	<b>BAY AREA FORWARD PROJECT</b>			
	Performance Monitoring & Tools	\$750,000	\$450,000	(\$300,000)
	Richmond Access to Richmond bridge	500,000	0	(500,000)
	Bay/Dumbarton/Richmond-San Rafael Bridges	2,260,000	0	(2,260,000)
	Bay Bridge Forward Commuter Parking Initiative	0	2,427,112	2,427,112
	Design Alternative Assessments/Corridor Studies	10,500,000	2,000,000	(8,500,000)
	Bay Bridge Forward Implementation	4,320,000	999,000	(3,321,000)
	Freeway Performance Implementation	20,000,000	9,250,000	(10,750,000)
	<b>Total Bay Bridge Forward</b>	<b>\$38,330,000</b>	<b>\$15,126,112</b>	<b>(\$23,203,888)</b>
	<b>Total Federal funded Consultants after BBF</b>	<b>\$139,624,914</b>	<b>\$92,794,755</b>	<b>(\$46,830,159)</b>



## Attachment C

**Clipper Operating:**

	<b>Amended Budget FY 2018-19</b>	<b>Draft Budget FY 2019-20</b>	<b>Change \$ Inc./(Dec)</b>
<b>Revenue:</b>			
RM2	\$4,600,000	\$3,000,000	(\$1,600,000)
STA	9,763,232	9,645,579	(117,653)
Inactive Accounts	3,996,255	2,960,359	(1,035,896)
Transit Operators	19,648,000	22,057,500	2,409,500
Total clipper operating Revenue	\$38,007,487	\$37,663,438	(\$344,049)
<b>Expenses:</b>			
Staff cost	\$1,313,949	\$1,152,346	(\$161,603)
Travel & Other General Ops.	49,283	93,233	43,950
Promotion/Outreach/Fare Inc.	4,600,000	3,000,000	(1,600,000)
Clipper Operations	32,044,255	33,417,859	1,373,604
Total clipper operating Expense	\$38,007,487	\$37,663,438	(\$344,049)

**Clipper 1 Capital:**

	<b>LTD Budget Thru FY2018-19</b>	<b>Draft Budget FY 2019-20</b>	<b>LTD Budget Thru FY2019-20</b>
<b>Revenue:</b>			
CMAQ	\$66,669,515	\$0	\$66,669,515
Card Sales	12,951,267	5,000,000	17,951,267
Low Carbon Transit Operations (LCTOP)	7,777,971	0	7,777,971
ARRA	11,167,891	0	11,167,891
FTA	14,072,565	0	14,072,565
STP	31,790,753	0	31,790,753
STA	21,946,540	0	21,946,540
Prop 1B	1,115,383	0	1,115,383
SFMTA	8,005,421	0	8,005,421
GGGHTD	2,975,000	0	2,975,000
BART	725,000	0	725,000
MTC Exchange Fund	7,573,878	0	7,573,878
BATA	26,864,813	0	26,864,813
Transit Operators	10,279,437	0	10,279,437
WETA	603,707	0	603,707
Sales Tax	890,216	0	890,216
Total Clipper 1 capital Revenue	\$225,409,357	\$5,000,000	\$230,409,357
<b>Expense:</b>			
Staff Costs	\$12,758,850	\$1,072,456	\$13,831,306
Travel	3,208	0	3,208
Pilot Equipment Maintenance	3,093,834	0	3,093,834
Transit Agency Funded Projects	10,333,144	0	10,333,144
Design	54,690,574	0	54,690,574
Site Preparation	3,899,437	0	3,899,437
Construction	21,867,682	0	21,867,682
Consultants	28,572,623	0	28,572,623
Engineering	7,953,061	0	7,953,061
Communications	1,583,000	0	1,583,000
Marketing	2,212,029	0	2,212,029
Financial Services	391,600	0	391,600
Equipment	49,226,873	0	49,226,873
Clipper Cards	21,240,095	5,000,000	26,240,095
Other	7,583,347	(1,072,456)	6,510,891
<b>Total Clipper 1 Expense</b>	\$225,409,357	\$5,000,000	\$230,409,357

**Clipper 2 Capital:**

	<b>LTD Budget Thru FY2018-19</b>	<b>Draft Budget FY 2019-20</b>	<b>LTD Budget Thru FY2019-20</b>
<b>Revenue:</b>			
STP	\$4,569,554	\$0	\$4,569,554
FTA	10,078,133	0	10,078,133
Toll Bridge	23,000,000	0	23,000,000
OBAG 2	34,000,000	0	34,000,000
Prop 1B/LCTOP	4,000,000	0	4,000,000
FTA Funds	22,684,772	0	22,684,772
FTA Funds shifted from C1 to C2	13,140,784	0	13,140,784
CMAQ Funds shifted from C1 to C2	2,034,320	0	2,034,320
STP Funds shifted from C1 to C2	5,747,333	0	5,747,333
Transit Operators Funds shifted C1 to C2	4,077,563	0	4,077,563
Projected FTA/FHWA Funds	88,000,000	0	88,000,000
Golden Gate Pass through	5,000,000	0	5,000,000
Low Carbon Transit Operations (LCTOP)	0	0	0
BATA	260,000	0	260,000
STA	2,410,841	0	2,410,841
<b>Total Clipper 2 Revenue</b>	\$219,003,300	\$0	\$219,003,300
<b>Expense:</b>			
Staff Costs	\$6,634,901	\$2,279,377	\$8,914,278
Equipment	7,591,903	0	7,591,903
Consultants	175,776,496	0	175,776,496
Sales Taxes	4,250,000	0	4,250,000
Contingency	24,750,000	(2,279,377)	22,470,623
<b>Total Clipper 2 Expense</b>	\$219,003,300	\$0	\$219,003,300



# **MTC Proposed Agency Budget FY 2019-20**

**Resolution 4371**

June 12, 2019

# MTC FY 2019-20 Agency Budget

- MTC draft budget is balanced as recommended
  - Revenue - \$68.34 million
  - Expense - \$68.31 million
- 2 positions added – 288 total
  - 1 MTC funded -Administrative Director – Executive Office
  - 1 Grant funded - Administrative Assistant – Local Government Services
- Deficit covered with revenue and expense changes
  - May deficit - \$(1,546,000)
  - Expense cuts 861,000
  - Sales Tax (TDA) 800,000

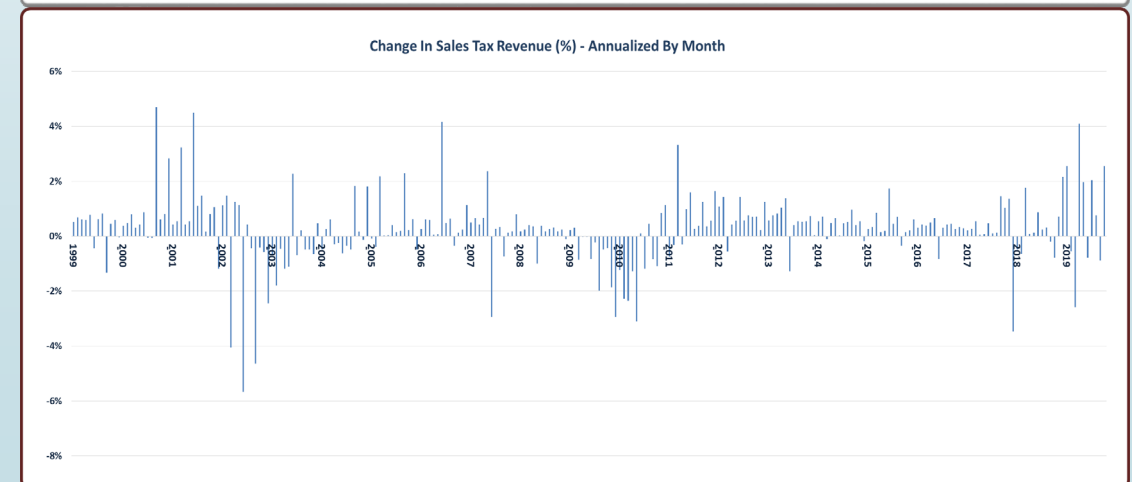
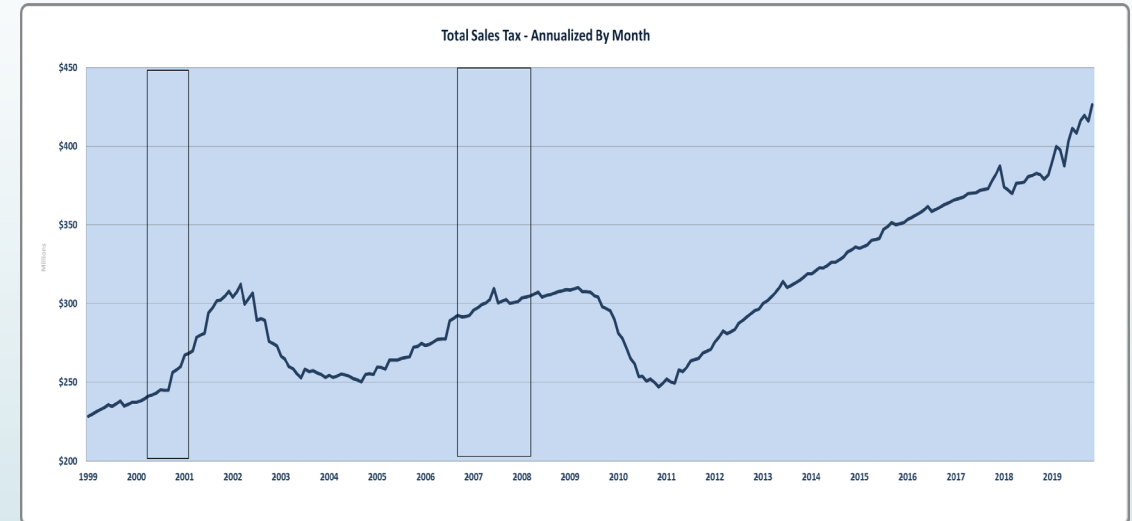
## MTC Budget

MTC Revenue	Actual	Budget		Var	% Var
	As of 12/31/18	FY 18-19	FY 19-20		
FHWA PL	\$3,607,388	\$8,320,695	\$8,209,054	(\$111,641)	-1.3%
FTA PL 5303	2,725,654	4,497,967	3,510,474	(987,493)	-22.0%
FTA 5304	79,278	611,097	0	(611,097)	-100.0%
FHWA SP&R - SACOG	0	220,000	0	(220,000)	-100.0%
State Funds	0	6,000,000	0	(6,000,000)	-100.0%
SB1 Sustainable Comm.	1,436,845	4,025,100	2,106,140	(1,918,960)	-47.7%
TDA	7,527,541	13,528,282	14,616,697	1,088,415	8.0%
HOV revenue	323,303	500,000	520,000	20,000	4.0%
Interest	334,601	40,000	115,000	75,000	187.5%
Total planning	16,034,610	37,743,141	29,077,365	(8,665,776)	-23.0%
Total State Funding	347,574	709,548	701,377	(8,171)	-1.2%
Total Local Funding	918,974	5,405,197	5,484,864	79,667	1.5%
Transfers:					
1% BATA	7,846,994	7,806,994	8,096,994	290,000	3.7%
Other Transfers	3,972,684	21,988,607	24,978,035	2,989,428	13.6%
<b>Total Revenue Sources</b>	<b>29,120,836</b>	<b>73,653,488</b>	<b>68,338,635</b>	<b>(5,314,853)</b>	<b>-7.2%</b>
Salaries & Benefits	13,858,988	30,115,441	32,221,360	2,105,919	7.0%
Temp. Agency	665,184	420,602	817,079	396,477	94.3%
Contracts Operating	3,054,514	34,568,214	27,024,663	(7,543,551)	-21.8%
Other	326,783	912,319	893,119	(19,200)	-2.1%
Capital Outlay	10,194	130,000	540,000	410,000	315.4%
General Admin Expense	2,893,142	7,505,959	6,817,538	(688,421)	-9.2%
Total before transfer out	20,808,805	73,652,535	68,313,759	(5,338,776)	-7.2%
<b>Total Expenses</b>	<b>20,808,805</b>	<b>73,652,535</b>	<b>68,313,759</b>	<b>(5,338,776)</b>	<b>-7.2%</b>
Surplus (Deficit)	<b>8,312,031</b>	<b>955</b>	<b>24,878</b>	<b>23,923</b>	
C/O Encumbrance	(2,901,880)				
<b>Net Surplus (Deficit)</b>	<b>\$5,410,151</b>	<b>\$955</b>	<b>\$24,878</b>	<b>\$23,923</b>	



# MTC FY 2019-20 Agency Budget

- Revenue Changes
- Overall down \$8.7 million
  - Loss of state grant - \$6.0 million
  - Loss of SB1 grant - \$2.0 million
- Planning funds + \$1 million
- Sales Tax + 1 million (8%)
  - Actual revenue \$13.6 million through April
  - Current trend is \$14.6 million - \$1 million above current budget
  - Allowed for new FY 2019-20 budget estimate



# MTC FY 2019-20 Agency Budget

- Operating Expenses – down \$5.3 million (7.2%)
  - Salaries/Benefits +2.1 million
    - Contract (MOU) change \$1.1 million
    - Reassignments \$.80 million
    - Administrative Director
  - Temp agency +\$0.4 million
    - Additional backfill vacancies and administrative support
- Operating Contracts down \$7.5 million – loss of one-time funding
- General Administration down \$0.70 million – utilities covered under BAHA

## MTC Budget

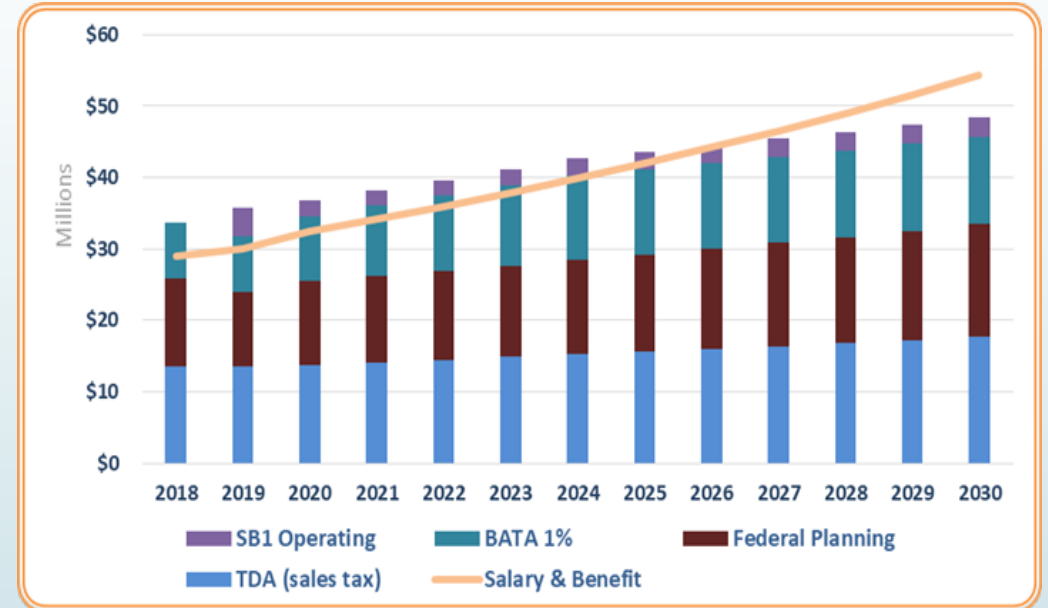
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C/O Encumbrance	(2,901,880)				
Net Surplus (Deficit)	<b>\$5,410,151</b>	<b>\$955</b>	<b>\$24,878</b>	<b>\$23,923</b>	

# MTC FY 2019-20 Agency Budget

- Grants under management will grow to over \$450 million
  - Current Active Grants - \$392 million
  - New Grants FY 2020 - \$ 67 million
  - New Funding
    - STP - \$23 million
    - CMAQ - \$34 million
    - Other - \$10 million
- Some funding sources still require Commission discussions before final project decisions can be made

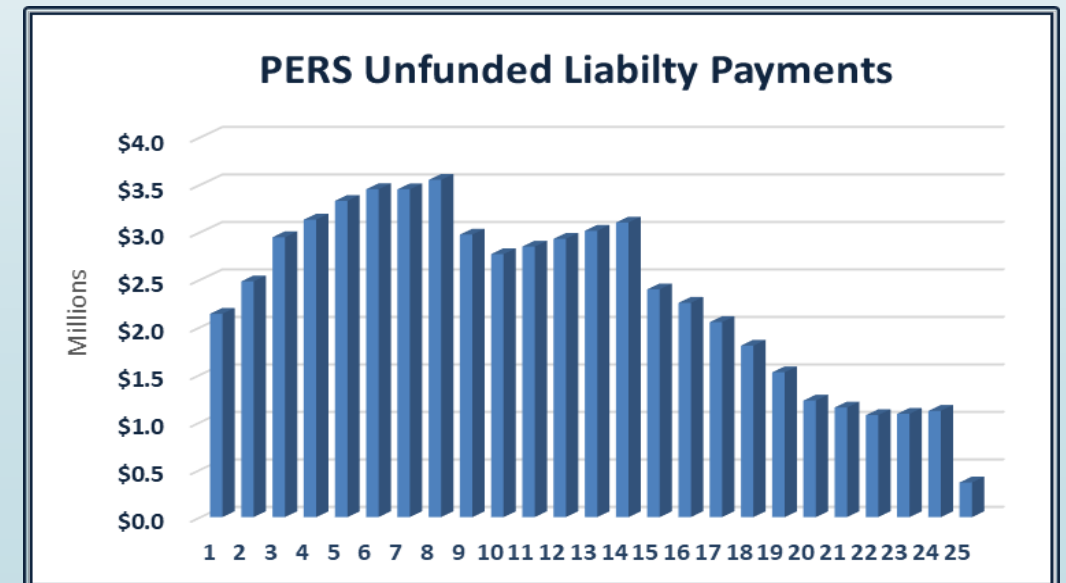
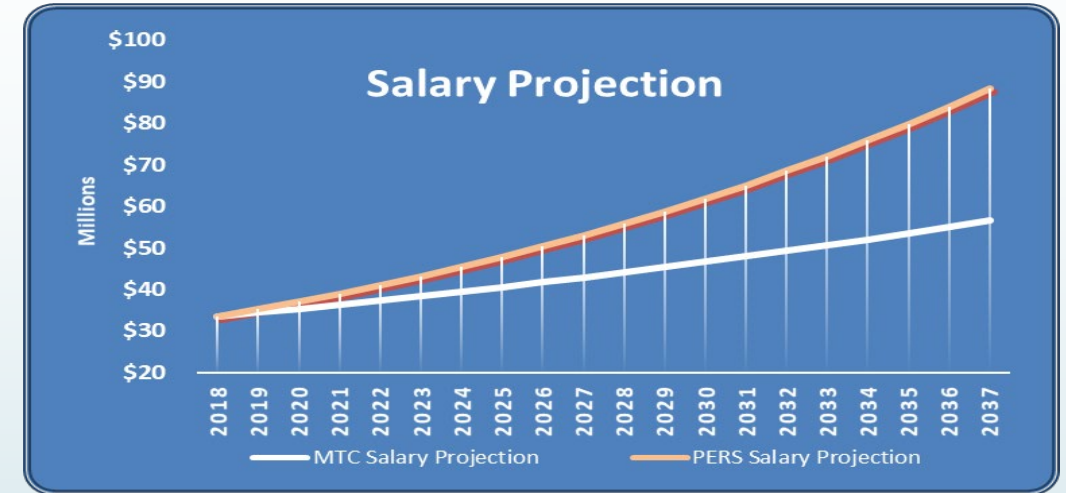
# Retirement Obligations

- MTC has nearly \$40 million in unfunded retirement liabilities
  - OPEB - \$7 million
  - CalPERS -
    - Unfunded liability - \$31 million
    - Interest - \$21 million
- Total cost at current amortization schedule is nearly \$60 million
- Retirement costs are the fastest growing part of MTC operating costs



## Pension Costs

- Combination of CalPERS growth assumptions and amortization of the unfunded liability make costs increase faster than any revenue source
- PERS inflation assumptions
  - MTC - 2.80%
  - PERS - 5.25%
- Unfunded liability amortization increases each year for the next 7 years
  - Total scheduled payments - \$53 million



# Retirement Cost Management Examples

- Agencies often use multiple options to control pension costs
- Examples of strategies used by local counties
  - Alameda (ACERA)
    - Pension Liability Reduction Account - \$500 million
  - Contra Costa (CCCRA)
    - POB - \$202 million
  - Marin (MCERA)
    - POB - \$91 million
    - 115 Trust
    - Rate stabilization reserve
    - Accelerated discretionary payments
  - San Mateo (SamCERA)
    - Supplemental payment \$50 million then \$10 million annually – 7 years
  - Solano (CalPERS)
    - POB - \$30 million
    - Supplemental CalPERS payment
    - Supplemental 115 Trust
  - Sonoma (SCERA)
    - Supplemental pension payments

## League of CA Cities – Pension Management Options

Implement pay  
down plan -

Local ballot measures

Pension Rate Stabilization  
Program (PRSP)

Efficiency improvements

Renegotiate cost sharing

Pension Obligation Bonds (POB)

CalPers Fresh Start

# MTC Recommended Options

- The most commonly used options are POB, supplemental payments and independent 115 trust
  - OPEB
    - Payoff remaining OPEB unfunded liability - \$7 million in FY 2018
  - CalPERS
    - Accelerate payments
    - Combine MTC and BATA (Section 30959) resources
    - Begin payments in FY 2018-19
    - Retire obligation over 5-7 years
  - Supplemental trust
    - Commit up to 50% of any ending MTC balance for rate stabilization account up to 10% of liability
- Plan should
  - Retire the entire retirement obligation in 5-7 years
  - \$20 million cash flow benefit

## S&P Characteristics for a “credible plan” to manage pension liabilities

Realistic assumptions

Strong funding discipline

Manage increasing costs

Pay down liability

Avoid deferring payments

Plan toward 100% funding