Release of the Draft FY2018-19 Annual Budget for Public Comment

TAM Citizens’ Oversight Committee
May 21, 2018
Overview of Annual Budget Process & Timeline

- Board Reviewed and Approved the Measure A Sales Tax and Measure B VRF Revenue Estimates for FY2018-19 Annual Budget Development – March 2018

- Draft Budget prepared and presented to Board, COC and other interest groups – May 2018

- Conduct Public Hearing and Present Proposed Budget to TAM Board – June 28, 2018
  - Conduct Public Hearing
  - Adopt the FY2018-19 TAM Annual Budget
Overview of Budget Document Components

- Attachment 1: Draft Annual Budget: illustrates all revenue and expenditure items included in the budget, summarized and by fund

- Attachment 2: Assumption Table: illustrates assumptions used for the specific line items/categories included in the budget

- Attachment 3: CMA Fee Schedule: illustrates the percentage share of each city/town/county’s contribution to the CMA fee

- Attachment 4: Calculation of Appropriations Limit: illustrates TAM’s annual appropriation limit (Gann Limit) calculation for FY2018-19

- Attachment 5: Draft FY2018-19 Work Plans by Functional Area provides a detailed overview of major work tasks that will be taken on by TAM in the upcoming fiscal year
Proposed FY2018-19 Revenue by Function

Of the $39.82 million revenue expected for FY2018-19, $29.69 million, or 74%, is Marin locally generated transportation revenue, Measure A Sales tax and Measure B VRF

- Measure B VRF Revenue, $2.45M, 6%
- Various CMA Funding Sources, $10.13M, 25%
- Measure A Sales Tax Revenue, $27.24M, 69%
FY2018-19 Revenue – Measure A Sales Tax

Measure A Sales Tax Annual Actual/Estimate Vs Budget Comparison

* Estimated/Budgeted revenue for the year
FY2018-19 Revenue – Measure B VRF

*Estimated/Budgeted revenue for the year
<table>
<thead>
<tr>
<th>Year</th>
<th>Registered Vehicle</th>
<th>Annual # Change</th>
<th>Annual % Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>232,450</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>2001</td>
<td>235,679</td>
<td>3,229</td>
<td>1.39%</td>
</tr>
<tr>
<td>2002</td>
<td>239,689</td>
<td>4,010</td>
<td>1.70%</td>
</tr>
<tr>
<td>2003</td>
<td>232,712</td>
<td>-6,977</td>
<td>-2.91%</td>
</tr>
<tr>
<td>2004</td>
<td>243,499</td>
<td>10,787</td>
<td>4.64%</td>
</tr>
<tr>
<td>2005</td>
<td>238,045</td>
<td>-5,454</td>
<td>-2.24%</td>
</tr>
<tr>
<td>2006</td>
<td>242,478</td>
<td>4,433</td>
<td>1.86%</td>
</tr>
<tr>
<td>2007</td>
<td>242,953</td>
<td>475</td>
<td>0.20%</td>
</tr>
<tr>
<td>2008</td>
<td>241,308</td>
<td>-1,645</td>
<td>-0.68%</td>
</tr>
<tr>
<td>2009</td>
<td>240,466</td>
<td>-842</td>
<td>-0.35%</td>
</tr>
<tr>
<td>2010</td>
<td>240,345</td>
<td>-121</td>
<td>-0.05%</td>
</tr>
<tr>
<td>2011</td>
<td>235,891</td>
<td>-4,454</td>
<td>-1.85%</td>
</tr>
<tr>
<td>2012</td>
<td>235,535</td>
<td>-356</td>
<td>-0.15%</td>
</tr>
<tr>
<td>2013</td>
<td>240,921</td>
<td>5,386</td>
<td>2.29%</td>
</tr>
<tr>
<td>2014</td>
<td>243,069</td>
<td>2,148</td>
<td>0.89%</td>
</tr>
<tr>
<td>2015</td>
<td>245,849</td>
<td>2,780</td>
<td>1.14%</td>
</tr>
<tr>
<td>2016</td>
<td>249,314</td>
<td>3,465</td>
<td>1.41%</td>
</tr>
<tr>
<td>2017</td>
<td>247,424</td>
<td>-1,890</td>
<td>-0.76%</td>
</tr>
</tbody>
</table>

*Data Source: DMV Forecasting Unit*
General Overview of CMA Funding Sources

Federal Funding Sources

- Three Major Fund Categories: FHWA – Federal Highway Administration, STP/CMAQ - Surface Transportation Program and Congestion Mitigation Air Quality funds, FTA – Federal Transit Administration
- Federal Earmarks, such as NTPP - the Non-motorized Transportation Pilot Program
- Most of the funds comes to the State and are shared by Caltrans and MTC
  - All FHWA funds come through MTC’s OBAG (One Bay Area Grant) Cycle. TAM programmed our last cycle of OBAG funds, OBAG 2, in Summer of 2016.
  - A Portion of the STP and CMAQ funds comes through MTC as formula fund to the CMAs, and MTC keeps a share for regional programs, some of which TAM is eligible.
  - FTA funds are distributed by MTC to transit operators. Marin has three eligible transit operators: Marin Transit, Golden Gate Transit, and SMART.
General Overview of CMA Funding Sources

- State Funding Sources

  ✓ State funds come to TAM three ways - STIP funds - State Transportation Improvement Program, various Senate Bill 1, SB1 programs, and TDA – Transportation Development Act fund.

  ✓ STIP is a formula share to the CMA. TAM pre-programmed STIP funds to the Marin Sonoma Narrows to capture discretionary 2006 Proposition 1 B funds. TAM does not have any STIP funds available until FY 2025-26 at the earliest.

  ✓ Small share of SB1 comes to TAM as formula share - Local Partnership Program, LPP. TAM gets about $500,000 annually. We programmed two years FY 2017-18 and FY 2018-19.

  ✓ Most of remaining SB1 that is available to TAM are competitive grants.

  ✓ TAM receives a small amount of fund under TDA Article 3, which is for bike and pedestrian projects/programs.
General Overview of CMA Funding Sources

- **Regional Funding Sources**

  - Regional Measure 2 Toll funds, passed by voters in March 2004 and funded 4 projects in Marin: CalPark Tunnel Multi-use Path, Central Marin Ferry Connector, Lane-Widening on Sir Francis Drake, and the Greenbrae Corridor Improvement Project
  
  - Regional share (60%) of the Transportation for Clean Air Fund, competitive program

- **Local Funding Sources**

  - City/County CMA Fee Contribution
  
  - County share (40%) of the Transportation for Clean Air Fund, formula share
## Proposed FY2018-19 Revenue – CMA

<table>
<thead>
<tr>
<th>Budgeted FY2018-19 CMA Funding</th>
<th>Amount</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>MTC STP/CMAQ Planning Fund and OBAG Grants</td>
<td>1,452,023</td>
<td>Federal</td>
</tr>
<tr>
<td>Nonmotorized Transportation Pilot Program Fund</td>
<td>37,287</td>
<td>Federal</td>
</tr>
<tr>
<td>MTC Climate Initiatives Program Grant/CMAQ</td>
<td>65,111</td>
<td>Federal</td>
</tr>
<tr>
<td><strong>Subtotal - Federal</strong></td>
<td><strong>1,554,422</strong></td>
<td><strong>15%</strong></td>
</tr>
<tr>
<td>State STIP PPM Fund</td>
<td>194,063</td>
<td>State</td>
</tr>
<tr>
<td>STIP/RTIP/ITIP Funds/SB1 Local Partnership</td>
<td>1,153,122</td>
<td>State</td>
</tr>
<tr>
<td>Realized Highway 101 ROW Excess Fund</td>
<td>615,000</td>
<td>State</td>
</tr>
<tr>
<td><strong>Subtotal - State</strong></td>
<td><strong>1,962,185</strong></td>
<td><strong>19%</strong></td>
</tr>
<tr>
<td>MTC Regional Measure 2 Fund</td>
<td>5,642,680</td>
<td>Regional</td>
</tr>
<tr>
<td><strong>Subtotal - Regional</strong></td>
<td><strong>5,642,680</strong></td>
<td><strong>56%</strong></td>
</tr>
<tr>
<td>Cities/Towns and County Contribution</td>
<td>559,000</td>
<td>Local</td>
</tr>
<tr>
<td>Interest Revenue</td>
<td>25,000</td>
<td>Local</td>
</tr>
<tr>
<td>Transportation For Clean Air Funding</td>
<td>360,000</td>
<td>Local</td>
</tr>
<tr>
<td><strong>Subtotal - Local</strong></td>
<td><strong>944,000</strong></td>
<td><strong>9%</strong></td>
</tr>
<tr>
<td><strong>Total CMA Revenue</strong></td>
<td><strong>10,103,287</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Proposed FY2018-19 Expenditure by Function

Total Proposed FY2018-19 Expenditures: $46.32 Million

- **Measure A Sales Tax Expenditures, $33.19M, 72%**
- **CMA Expenditures, $10.53M, 22%**
- **Measure B VRF Expenditures, $2.60M, 6%**
Proposed FY2018-19 Budget Overview - Expenditures

Numbers in Million

- Administration
- Professional Services
- Sales Tax Programs/Projects
- VRF Programs
- Interagency Agreements
- TFCA Programs/Projects

- FY2014-15
- FY2015-16
- FY2016-17
- FY2017-18
- FY2018-19
Total budgeted expenditures for Administration Category: $3.26 million, about $0.01 million (3%) lower than the FY2017-18 final budgeted amount.

Highlights:

- Total staff level: 12.8 EFT
- Full-time Senior Accountant Position filled May 2, cost fully covered from saving of staff cost by bringing everything in house.
- Rotation of Deputy Executive Director Position over the next three-year period with 5% temporary pay increase offered
  - Bill Whitney
  - Nick Nguyen
  - Dan Cherrier
  - Li Zhang
FY2018-19 Expenditures – Administration Category

Executive Director
Dianne Steinhauser

Executive Assistant
Denise Merlino

Deputy Executive Director
Nick Nguyen

Project Delivery Group

- Principal Project Delivery Manager
  - Bill Whitney

- Principal Project Delivery Manager
  - Dan Cherrier

Planning Manager
Derek McGill

- Senior Transportation Planner
  - Scott McDonald

Programming Manager
David Chan

Public Outreach Coordinator
Molly Graham

Chief Financial Officer
Li Zhang

- Accounting/Admin. Specialist
  - Grace Zhuang

- Administrative Assistant
  - Joanne O’Hehir

- Senior Accountant
  - Helga Cotter
FY2018-19 Expenditures – Administration Category

Proposed Cost of Living Adjustment for FY2018-19:

- A 3% COLA adjustment is included in the FY2018-19 Budget for the Board’s Approval as recommended by the HR Ad Hoc Committee and the Finance and Policy Executive Committee
- Effective as of July 1, 2018
- On July 1, 2016, TAM staff received their first 3% COLA adjustment in the last 10 years
- TAM surveyed 15 agencies, including most other CMAs and eight local agencies in Marin and Sonoma; 11 of the 15 agencies are offering a COLA adjustment
- Annual COLA adjustment request will be reviewed and approved by the Board in the future
FY2018-19 Expenditures – Professional Service Category

- Total budgeted expenditures for Professional Service Category: $3.04 million, about $0.53 million (15%) lower than the FY2017-18 final budgeted amount.

- Highlights:
  - Continuation of various MSN projects
  - Major efforts continue on elements of the Approaches to the Richmond-San Rafael Bridge project.
  - Continue engineering work for the North-South Greenway project
  - 580/101 Direct Connector Project Support
  - CMP Update, Trip Monitoring and Implementation of New Traffic Model
FY2017-18 Expenditures – Measure A Sales Tax Category

- Total budgeted expenditures for Measure A Sales Tax Category: $26.57 million, about $9.72 (27%) lower than the FY2017-18 final budgeted amount.

- Highlights:
  
  ✓ Marin Transit requested a total of $17.11 million for its FY2018-19 operational needs out of the Measure A Sales Tax revenue:

| Substrategy 1.1 - Local Bus Transit Service | 10,400,000 |
| Substrategy 1.2 - Rural Bus Transit System | 986,682    |
| Substrategy 1.3 - Special Needs Transit Services | 2,721,751 |
| Substrategy 1.4 - Bus Transit Facilities | 3,000,000  |

- Increased funding level for Crossing Guard program
- Much reduced reimbursements under Major Roads
- Continue funding support for Bike/Ped Pathway Maintenance and Local Streets and Roads projects
FY2018-19 Expenditures – Measure B VRF Category

- Total budgeted expenditures for Measure B VRF Category: $2.45 million, about $0.63 million (35%) higher than the FY2017-18 final budgeted amount.

- Highlights:
  - No Local Streets and Roads fund allocation; funding is allocated every three years and disbursed in advance
  - Marin Transit requested a total of $1.26 million for its program needs under the Measure B VRF revenue

| Element 2.1 - Mobility Management Programs | 140,000 |
| Element 2.2 - Paratransit & Low Income Scholarships | 375,000 |
| Element 2.3 - Paratransit Plus | 600,000 |
| Element 2.4 - Volunteer Drive & Gap Grant | 145,000 |

- Higher Crossing Guard program needs
- Much higher EV program spending level per
FY2018-19 Expenditures – Interagency Agreements

- Total budgeted expenditure for Interagency Agreement Category: $10.62 million, about $5.64 million (114%) higher than the FY2017-18 final budgeted amount.

- Highlights:

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Novato Pedestrian Access to Transit and Crosswalk Improvement Project Agreement</td>
<td>151,000</td>
</tr>
<tr>
<td>Funding Agreement with Larkspur For East SF Drake Improvement Project - Construction</td>
<td>200,000</td>
</tr>
<tr>
<td>North-South Greenway (Southern Segment)- County Project Management</td>
<td>250,000</td>
</tr>
<tr>
<td>San Anselmo-Hub Reconfiguration Phase I Study</td>
<td>309,000</td>
</tr>
<tr>
<td>HOV Gap Closure Offsite Landscaping Mitigation Funding Agreement - Caltrans</td>
<td>400,000</td>
</tr>
<tr>
<td>Corte Madera - Tamal Vista Blvd Bike/Ped Improvements</td>
<td>526,000</td>
</tr>
<tr>
<td>Funding Agreement with County of Marin for Bellam Boulevard Construction and Construction Management</td>
<td>1,800,000</td>
</tr>
<tr>
<td>North-South Greenway (Northern Segment) Cooperative Agreement with Caltrans for Construction</td>
<td>2,000,000</td>
</tr>
<tr>
<td>San Rafael - Multi Pathway - 2nd Street to Anderson Drive</td>
<td>2,950,000</td>
</tr>
</tbody>
</table>
FY2018-19 Expenditures – TFCA Programs/Projects

- Total budgeted expenditures for TFCA Programs/Projects Category: $0.40 million, about $0.39 million (50%) lower than the FY2017-19 final budgeted amount.

- Highlights:
  - Expenditures for TFCA projects have been slow over the years
  - TFCA projects are expected to be completed in FY2018-19
    - City of Novato Lamont Ave Class 2 Bike Lane Project
    - Town of Corte Madera Tamal Vista Boulevard Bike/Ped Improvements Project
Overview of Proposed FY2018-19 Work Plans

- Administration and Finance
- Public Outreach
- Project Delivery
- Programming
- Planning
Overview of Proposed FY2018-19 Work Plans

Administration and Finance

- Managing the CalPERS Benefit Program
- Implementing the CalPERS Health Program
- Managing the CalPERS and Other Post Employment Benefit Liabilities
- Conducting Compensation Study
- Producing the agency’s first CAFR, Comprehensive Annual Financial Report, as part of the FY2017-18 Audit Process
- Implementing new sales tax funding management should the reauthorization be approved
Overview of Proposed FY2018-19 Work Plans

Public Outreach

Goal: To provide consistent education and information to residents, businesses and community organizations to increase awareness of TAM and of transportation choices, project and programs in Marin.

Key Tools to Build Partnerships, Reach and Awareness

- Speakers Bureaus
- Community Events
- Media and Social Media Outreach
- Project and Program Factsheets
- Website and Newsletter Updates
- Development of Videos
- Celebration of Major Milestones
- Promotions and Incentives
Overview of Proposed FY2018-19 Work Plans

- Project Delivery
  - ✔ MSN HOV Lane Extension Phase 2 (MSN A4 and B1 Phase 2) & B3 Projects
  - ✔ Direct Connector Northbound Hwy 101 to Eastbound 580
  - ✔ North/South Greenway - Northern Segment (TAM) & Southern Segment (County)
  - ✔ SR 37 - Preliminary planning in Marin Segment A, Novato Creek, and Corridor-wide study with 4-county policy group
  - ✔ Ramp Metering
  - ✔ Implement improvements to the approaches to the Richmond San Rafael Bridge
  - ✔ EV promotion and adoption program
Overview of Proposed FY2018-19 Work Plans

Programming

- If the Sales Tax Reauthorization is successful, transition Measure A to the Reauthorization Expenditure Plan
- Develop new Strategic Plan for the Reauthorization
- Continue to manage and program Measure B funds
- Manage the Lifeline Transportation Program
- Provide Oversight on Projects Programmed with OBAG funds
- Compete for all relevant Calls for Projects, particularly SB1 and ATP grants
- Issue Call for Projects for TFCA and TDA funds
- Issue Call for Projects for Measure A Safe Pathway funds
Overview of Proposed FY2018-19 Work Plans

Planning

☑ Launch of new Commute Alternatives/Trip Reduction outreach program under the public brand “Marin Commutes”
☑ Update of TAM’s Emergency Ride Home Program, removing employer pre-registration requirements to cover all employees in Marin County
☑ Traffic monitoring to provide an updated baseline of traffic conditions on local roads
☑ Launch of new Travel Demand Model, updating forecasts of future traffic volumes
☑ TAM BPAC engagement for programming and planning advisory, updating inventory of priorities and conditions of bike facilities
Overview of Proposed FY2018-19 Work Plans

Planning (Cont’d)

✓ Local coordination with partners, including planning, project works and sustainability departments, transit operators, Marin Clean Energy, and Marin Climate & Energy Partnership

✓ Regional coordination and participating in new Regional Planning Efforts like MTC’s “Horizons Process,” a research effort to consider alternative futures in advance of the next Plan Bay Area

✓ Developing a bike share program for Marin and Sonoma County around SMART access