

MEMORANDUM

To: TJPD Commissioners
From: Chip Boyles, Executive Director
Date: May 7, 2020
Re: FY21 Budget and Work Program

Purpose: The Annual Operating Budget and Work Program sets forth the anticipated work, revenue and expenditures for the upcoming fiscal year, July 1, 2020 to June 30, 2021.

Background: The TJPDC Bylaws state that the “budget and work program for the ensuing fiscal year shall be approved by the Commission at or before the regular meeting in May.” These documents are also required for submission to the Department of Housing and Community Development, along with the FY20 annual report. The budget may be amended by the Commission at any Commission meeting.

Due to the Corona Virus and Quarantine from public gatherings, the Commission could not meet in April for the draft FY21 budget review. The Executive Committee recommends the approval of this budget at the May 7, 2021 meeting.

Issues: The Work Program incorporates the Scopes of Work approved by the MPO and the TJPDC for the urban and rural transportation programs, as well as the housing activities identified in the HOME Action Plan and USDA Housing Preservation Grant. The Scope of Work also includes activities reflected in the Ride Share Work Plan.

The impact of the Coronavirus has not resulted in any major financial expenditures for the TJPDC. Staff has been able to work from home maintaining all committed workflow and program billing. We had begun a couple of years ago to move to laptop equipment for staff office use. This allowed easy efficient transition to work from home. We had already had our scheduled IT server replacement and online upgrades in place prior to the work from home orders. We did incur additional IT maintenance/contractual expenses to maintain the old server until the new server was received and installed. Other expenses have been kept to a minimum with no travel, meetings or outside professional development costs incurred.

The Coronavirus will have a negative impact on the TJPDC in FY21 with decreased local projects from the local governments. We have built up our local projects over the past several years. Unfortunately, tight FY21 budgets due to decreased revenues for local governments have cancelled or placed on hold several planned local projects for the TJPDC. This is the same for state provided projects. It appears that state funded projects will likewise be delayed until state revenues improve. State funded programs in transportation have been reduced for the remaining of FY20 and beginning FY21.

The TJPDC staff is working with state and federal agencies to identify and apply for federally funded projects. In an effort to stimulate the economy, it is our belief that the federal agencies through the CARES Act and existing program funding will push projects and funding to states, regional and local

governments. We are pursuing 2 federally funded grants for regional economic development (CEDS and SETS grants), additional Housing Preservation Grant and HOME funds, assistance to the state for administration of CDBG projects, and federal BUILD and CRISI grants for rail development at the Amtrak Station. We are also pursuing affordable housing grants from VHDA to extend our regional housing plan to include Coronavirus impacts on housing in the region as well as a grant to fund a regional housing assistance and information HUB. One grant or a combination of additional grants equaling \$100,000 to the TJPDC would place us back in the financial black and not require us to use reserve savings.

Projected revenues for FY21 are \$1,918,246, and projected expenditures are \$1,999,673. This budget and work program cover the period from July 1, 2020 to June 30, 2021. This shortfall of \$81,427 is partially filled with a transfer of \$21,777 from the FY20 Regional Transit Revenues to FY21 Regional Transit expenses. The balance shortfall would require a reserve transfer of \$59,650.

This is the recommended preliminary operating budget for FY 2021. An updated budget for planning purposes will be provided to the Executive Committee in November to assess new revenue projects. The final budget will be provided in early 2021 for Commission consideration at the March meeting, at which time we will have more definitive revenues identified for FY21. Should expected revenues not materialize in the first half of FY21, staff would present the Commission with a plan to decrease expenditures for the second half of FY21. Staff recommends reinstating monthly Executive Committee meetings through FY21 or until a better financial position is obtained.

The Executive Committee will meet prior to the May 2020 Commission meeting to select a budget to recommend to the Commission for adoption at the June Commission meeting or May special meeting. The draft provided in May allows all commission members to offer input to the Executive Committee and/or TJPDC staff.

Staff's goal is to have positive net earnings each fiscal year and to have each fiscal year's budget stand alone with no use of prior year's retained earnings until our optimal retained earnings are reached. If the previous five fiscal years are an indication, we should be able during this fiscal year to balance our budget and not use prior years' reserves. A long-term goal is to build retained earnings, first to a safe level maintaining six months of average operating expenses available for immediate use if needed, and secondly to save for use toward the purchase of a future office building, and third to have resources available to take advantage of regional project grants that require a local match. Now that we safely have six months of operating funds in savings, using cash reserves is less risky. We are now at a point where we are concentrating on funding regional projects instead of growing reserves beyond current amounts.

FY20 has remained financially stable for the TJPDC despite the COVID-19 changes and despite the maintenance and replacement of the IT server. The amended budget estimated a net gain of \$40,908. Since passage of the Final budget in March, we have transferred funding from several projects to roll over into FY21. With these changes, the running FY20 shows a loss of \$1,436. At the end of June 30th, I believe that we will still experience a positive net gain due to additional cost savings measures.

The immediate goal of TJPDC management is to maintain all current employees throughout FY21 and beyond. Should new projects not materialize or have a high level of confidence of materializing by December, a staff reduction of 1 ½ to 2 full time equivalent staff would have to be considered. To minimize the expenses for FY21, no salary increases are proposed, no replacement of any employees that leave, travel and professional development is by individual approval only and major equipment and IT

purchases are limited to mandatory replacement only. We have heard good news that there is no required vacating of the office space as our lease expires in August. We are in discussions with the building landlord for an extended lease beyond August, 2021. To meet needs of the landlord and their other major tenant, we are discussing an agreement to contract for meeting room space on our floor for use by upstairs tenants. This would be a new revenue source for us that is not currently included in the FY21.

Revenue: The proposed budget reflects funding for the proposed work program, drawn from the documents identified above, with some figures included for potential projects not yet awarded or under contract. At this point in the year, TJPDC does not have a full commitment of local funding, awards or contracts for FY21. Funds included reflect recently awarded projects and estimates of potential projects that have a very high likelihood of being awarded. Staff includes only potential funding sources that we are very sure will be awarded.

- Locality revenue is shown based on member assessments adopted at the October, 2019 Commission meeting and reflected in budget requests. Not all of the localities have taken action on budgets at this time.
- State Revenue - We are optimistic that once a state budget is approved, that funding through DHCD will remain at the FY19 level of \$75,971. While the General Assembly approved a FY21 increase of approximately \$10,000, that increase is now on hold due to lost state revenues.
- At this time, all locally requested funds are included in submitted local budgets including RRBC, Rideshare and Legislative Liaison funding.
- Charlottesville-Albemarle MPO funding reflects allocations through FTA, VDOT and DRPT for FY21 of \$290,250. Local match is required of \$32,251.
- RideShare funding of \$139,258 plus a FY20 transfer of \$ 15,251 which is consistent with prior year funding levels.
- Local funding is included with approved revenue source for the Regional Transit Partnership of \$50,000 from the City of Charlottesville, Albemarle County and JAUNT.
- New Hazard Mitigation grant of \$36,000 in FY21 and runs into FY22.
- The amount of HOME funds that will be available for the coming year has not been provided to TJPDC at this time. Staff is projecting level funding from FY20. Based on that figure staff is anticipating \$45,690 for administration and \$411,216 in pass-through revenue and expenditures for the HOME program.
- Savings has increased for the TJPDC from our move to the Virginia Investment Pool resulting in an increased earned interest income expected to be \$ 10,000 from \$6,000 previously.
- Office and Water Street rental income is expected to remain constant from \$10,200 to \$16,800. We have one available office space for rent.
- The VDOT TAP Grant for 5th Street Station bike/ped improvement has been removed until notice of smart scale funding to continue the project.
- Though not awarded yet, we have included an increased Housing Preservation Grant for \$100,000. We have been awarded this program for three years and expect to receive for this fourth year.
- Funding of \$50,977 for FY21 is budgeted from a DEQ agreement to provide Chesapeake Bay Watershed planning assistance. This is a federally funded program through the state.
- We will continue providing contractual services to provide Executive Director services to the Virginia Association of Planning District Commissions for \$ 50,000 and ED services for the Thomas Jefferson Community Land Trust for \$ 53,970.
- Based upon the approved per capita funding formula, Legislative Liaison services produces \$102,171 in local funding.

- Other possible funding sources not budgeted at this time include: Amtrak Planning grant, VHDA Coronavirus Housing amendment and the Lovingson Downtown Revitalization implementation grant.

Expenses: Staff estimates of expenses reflect retention of 12 ½ full time equivalent staff/positions we expect will be in place on July 1, 2020 through June 30, 2021.

- Agency expenses, excluding personnel and contracts with outside entities, are generally based on FY20 expenditures.
- FY21 Per Capita regional funding use of \$49,147 toward Regional Housing Partnership. This is the last year of recommended per capita funding toward this program.
- \$15,163 per capita regional match toward a federal funding of \$50,997 for Chesapeake Bay Watershed Improvement Program
- This FY21 forecast budget includes no staff salaries increases. One of the 13 ½ full time positions (transportation planner) from FY20 will remain vacant.
- The TJPDC Retirement through Virginia Retirement System remains constant after experiencing a \$9,518 savings in FY19.
- Health insurance premiums increased by 4.8% in FY21 after no increase in FY20. TJPDC continues to provide 100% of individual employee premiums only and except for 4 grandfathered employees who receive employer contributions toward spouse/family of 63% of premium.
- We anticipate to begin to experience a decreased indirect cost rate in future years. (This is a good thing) We have begun to charge staff time including indirect costs to per capita funding when the activity can be directly tied to a member government project or directly tied to a regional project. In the past, many of the activities were billed under general administrative duties, driving up our indirect cost rate. This policy change also allows TJPDC staff to decrease services to local governments when equitable per capita funding is not met by a local government. Current Indirect Cost Rates have decreased from 89% in FY14 to 62% in FY21.
- Increases of 3% are budgeted for rent.

FY 2021 Work Program Key Projects:

- TJPDC Regional Housing Initiative & Regional Plan
- TJPDC Development of Regional Performance Measures
- TJPDC Regional Education Events
- TJPDC Assistance with Regional Broadband Service improvements.
- TJPDC Fifth Street Station Bike /Ped Project
- TJPDC Charlottesville Area Alliance participation
- TJPDC Legislative Information and Direction
- TJPDC Development of OMB Super Circular Policies & Procedures
- TJPDC Rivanna Renaissance Planning Phase II
- TJPDC Environmental Assistance for Chesapeake Bay Watershed Improvements
- TJPDC Lovingson Revitalization Study

- TJPDC Regional Comprehensive Economic Development Strategy
- TJPDC Stanardsville CDBG/TAP Management
- TJPDC / Rural Transportation Zion Crossroads Small Area Plan and Corridor Study
- TJPDC Services in post COVID-19 Environment
- TJPDC/MPO Alternative and on-line community engagement practices
- TJPDC / MPO Route 29 North Urban/Rural Corridor Study
- MPO Amtrak Station Development
- RTP Management and Data Analysis
- RIDESHARE CAT-JAUNT-UTS Guaranteed Ride Home Marketing Program
- RIDESHARE Alternative Commute Business Program

Action Needed: Motion to approve the Fiscal Year 2021 Budget and Work Program Resolution as presented.

6/4/2020

	\$0.62 per capita	\$0.62 per capita	\$0.62 per capita	\$0.62 per capita
Revenue	<u>FY19 Actual</u>	<u>FY20 Final Budget</u>	<u>FY20 Projected</u>	<u>FY21 Operating</u>
Federal	\$744,113	\$903,551	\$1,016,987	\$1,165,569
State	\$350,225	\$293,549	\$259,515	\$354,622
Local	\$413,512	\$524,540	\$478,542	\$418,558
Local per capita	\$154,838	\$156,968	\$156,968	\$158,365
Interest Income	\$16,693	\$10,000	\$12,000	\$10,000
Rent Income	\$19,205	\$16,800	\$16,800	\$16,800
Grant & Reserves Transfer	\$0	\$0	\$0	\$59,920
Total Revenue	\$1,698,586	\$1,905,408	\$1,940,812	\$2,183,834
Operating Expenses				
Personnel Costs				
Salaries	\$914,288	\$794,677	\$794,677	\$817,376
Fringe and Release	\$0	\$187,823	\$187,823	\$215,408
Total Personnel	\$914,288	\$982,500	\$982,500	\$1,032,784
Other Costs				
Postage	\$1,289	\$3,285	\$1,619	\$1,904
Subscriptions	\$817	\$1,750	\$1,750	\$550
Supplies	\$7,790	\$12,224	\$9,121	\$11,200
Audit-Legal	\$15,500	\$16,500	\$16,500	\$16,500
Advertising	\$19,408	\$19,929	\$16,856	\$24,061
Meeting Expenses	\$23,879	\$17,809	\$10,818	\$10,286
TJPDC Contractual	\$36,761	\$51,866	\$54,010	\$46,100
Dues	\$10,890	\$9,832	\$10,200	\$9,820
Insurance	\$3,667	\$3,300	\$3,163	\$3,336
Printing/Copy	\$7,764	\$4,941	\$4,527	\$4,642
Rent	\$89,525	\$92,134	\$92,134	\$94,319
Equip/Data Use	\$21,768	\$43,502	\$33,654	\$17,800
Capital & Leases	\$0	\$0	\$0	\$0
Telephone	\$6,809	\$5,020	\$7,459	\$5,862
Travel-Vehicle	\$14,797	\$23,238	\$16,341	\$22,080
Janitorial	\$9,632	\$8,288	\$8,402	\$9,920
Professional Development	\$15,669	\$18,281	\$16,137	\$17,944
<i>Total Other Costs</i>	<i>\$285,965</i>	<i>\$331,899</i>	<i>\$302,695</i>	<i>\$296,324</i>
TOTAL OPERATING EXPENSES	\$1,200,253	\$1,314,399	\$1,285,195	\$1,329,108
Net Ordinary Income - Pass Through \$	\$498,333	\$591,009	\$655,617	\$854,726
Other				
HOME Pass Thru	\$224,984	\$411,216	\$482,993	\$580,277
HPG, HazMit, RRBC, TDM, SolidWast	\$0	\$67,225	\$89,060	\$135,592
HPG & RTP	\$221,270	\$71,660	\$85,000	\$138,857
<i>Total Other Expenses</i>	<i>\$446,254</i>	<i>\$550,101</i>	<i>\$657,053</i>	<i>\$854,726</i>
Net Other Income	-\$446,254	-\$550,101	-\$657,053	-\$854,726
Net Income	\$52,079	\$40,908	-\$1,436	\$0

FY21 Budget Revenues

Revenue	Federal	State	Local	Local per capita	Interest Income	Rent	Transfer
Locality and State Revenue							\$38,143
Charlottesville				\$30,554			
Albemarle				\$67,356			
Fluvanna				\$16,549			
Greene				\$12,375			
Louisa				\$22,333			
Nelson				\$9,198			
Legislative Liaison			\$102,171				
State Contribution - DHCD		\$75,971					
WSC & Offices						\$16,800	
Interest Income					\$10,000		
Transportation							
Charlottesville-Albemarle MPO							
FTA Funding	\$91,221	\$11,403					
PL Funding	\$166,778	\$20,848					
RTP			\$11,291				\$21,777
Albemarle Transit Plan			\$7,590				
Rideshare							
Rideshare VDPRT		\$154,509	\$42,896				
Clean Commute Day			\$825				
TJPDC Rural Transportation							
Rural Admin	\$14,600						
Rural Transportation Planning	\$43,400						
Other Programs							
Stanardsville			\$6,588				
Albemarle Planning							
CEDS Regional							
5th Street TAP							
VAPDC			\$50,000				
Housing and Non-Profit							
HOME Consortium Admin	\$64,475						
Housing Preservation	\$17,673						
TJCLT			\$53,970				
Regional Housing Plan		\$38,783					
Lovingston CDBG							
Environment							
RRBC			\$4,033				
Solid Waste			\$5,335				
Haz Mit Grant	\$31,000						
Rivanna Committee Alb Cville			\$38,000				
WIP DEQ	\$50,997						
Pass Through Revenue							
Consortium HOME Pass Through	\$580,277						
Housing Preservation Pass Thru	\$100,148						
RRBC			\$6,467				
5th Street TAP							
RTP			\$38,709				
Haz Mit Grant	\$5,000						
Transit Plan		\$53,108	\$45,517				
Solid Waste			\$5,165				
TDM		\$15,251	\$5,084				
Total Revenues by Category	\$1,165,569	\$354,622	\$418,557	\$158,365	\$10,000	\$16,800	\$59,920
Sum Total of Revenues							\$2,183,833

 Possible Sources

1/30/2019 Estimates			0.62 Local		Local	Local	0.4						75%	25%	
Pop.	% Pop.	Per capita	Rideshare	Solid Waste	RRBC	Leg Liaison	Total Contri	Per capita	Rural	MPO	Haz	Balance	Regional	Local	
Charlottesville	49,281	19.29%	\$30,554	\$7,331.00	\$2,540	\$1,337	\$19,712	\$61,475	\$30,554	\$0	-\$11,759	0	\$18,796	\$14,097	\$4,699
Albemarle	108,639	42.53%	\$67,356	\$15,876.00	\$5,560	\$6,210	\$43,456	\$138,458	\$67,356	-\$2,620	-\$20,492	0	\$44,244	\$33,183	\$11,061
Fluvanna	26,692	10.45%	\$16,549	\$3,999.00	\$1,370	\$1,897	\$10,677	\$34,492	\$16,549	-\$3,261	\$0	0	\$13,288	\$9,966	\$3,322
Greene	19,959	7.81%	\$12,375	\$2,997.00	\$1,030	\$1,056	\$7,984	\$25,441	\$12,375	-\$2,472	\$0	0	\$9,902	\$7,427	\$2,476
Louisa	36,021	14.10%	\$22,333	\$5,274.00	\$0	\$0	\$14,408	\$42,015	\$22,333	-\$4,278	\$0	0	\$18,056	\$13,542	\$4,514
Nelson	14,836	5.81%	\$9,198	\$2,335.00	\$0	\$0	\$5,934	\$17,468	\$9,198	-\$1,869	\$0	0	\$7,329	\$5,497	\$1,832
255,428	100.00%	\$158,365	\$37,812	\$10,500	\$10,500	\$102,171	\$319,349	\$158,365		-\$14,500	-\$32,251	0	\$111,614	\$83,711	\$27,904
										\$14,500	\$32,251				

296-LOCALITY FUNDING FY20 Projected

Published January, 2019



*Serving local governments by providing regional vision,
collaborative leadership and professional service to develop effective solutions.*

RESOLUTION

APPROVING THE FISCAL YEAR 2021 THOMAS JEFFERSON PLANNING DISTRICT COMMISSION ANNUAL OPERATING BUDGET AND WORK PLAN

WHEREAS, the Thomas Jefferson Planning District Commission (“the Commission”) is the Planning District Commission serving the City of Charlottesville, Albemarle, Fluvanna, Greene, Louisa and Nelson Counties, known together as Planning District 10, and;

WHEREAS, the Commission and its associate organization, the Charlottesville-Albemarle Metropolitan Planning Organization, carry out a program of work on behalf of its members and in cooperation with its federal, state and local partners, and;

WHEREAS, the Commission prepares an annual operating budget containing a revenue summary and expenditure plan to fund and carry out its work program, and;

WHEREAS, the Executive Director and Finance Committee recommend to the Commission for the Fiscal Year 2021 an Operating Budget of \$2,183,833 in Revenues and \$2,183,833 in Expenses, and;

WHEREAS, it is expected that the Commission will review and amend the FY 2021 Operating Budget in March, 2021 or before, when more accurate revenues and expenses are known, and;

NOW, THEREFORE, BE IT RESOLVED by the Thomas Jefferson Planning District Commission that it hereby approves the Fiscal Year 2021 Budget, which is attached hereto and which shall be included in the minutes of the Commission meeting of May 7, 2020.

Adopted by the Thomas Jefferson Planning District Commission at its Monthly Commission Meeting of May 7, 2020 in the City of Charlottesville, Virginia, a quorum being present.

Charles P. Boyles, II
Executive Director

Dale Herring
Commission Chair

Date