

ITEM #7: DRAFT FY 2016 HRTPO BUDGET

The Joint HRPDC/HRTPO Personnel & Budget Committee (P&B) will meet on Thursday, April 16, 2015, prior to the HRPDC and HRTPO meetings to discuss the FY 2016 HRPDC/HRTPO Draft Budget. This meeting is in preparation for the budget to be presented to both Boards for consideration. The following documents are attached for your review.

- Historical Budget Trend
- FY 2016 Draft Budget/Summary
- HRPDC/HRTPO Reserve Balances
- Local Jurisdiction Contributions Spreadsheet

STAFF COMMENTARY:

The FY 2016 Draft Budget reflects the current economic conditions in that it is conservative in nature, and represents a total revenue (and corresponding expenditure) decrease of 7.8% from that of FY 2015. This decrease is due to grant reductions in UASI, MMRS, Planning & Environmental, and Transportation funding. All of the decrease is in pass-through.

Member contributions will remain at the reduced \$0.80 per capita rate approved in FY 2013. A slight increase in population resulted in the \$8,427 increase in this line item.

The budget supports a proposed 2% performance-based salary adjustment for staff. There was a slight increase of 4.4% in healthcare premiums for the upcoming fiscal year, with no increase in VRS or VRS Life Insurance. Standard and Special Contracts remained basically unchanged, and a 23% decrease in General Operations offset the reduced revenue. Staff recommends continuing to fund our reserves in order to continue to offset future increases in costs as funding continues to decrease.

Ms. Nancy Collins, Chief Financial Officer, will brief the HRTPO Board on this item.

Attachment 7

This item is for approval; see Meeting Agenda Item #16-D.

**HRPDC/HRTPO
Historical Budget Trend**

	FY2011	FY2012	FY2013	FY2014	FY2015	DRAFT FY2016
REVENUES						
Operations						
Federal	\$2,964,340	\$2,949,344	\$3,152,052	\$2,871,581	\$2,491,510	\$2,518,597
State	\$478,659	\$525,413	\$479,809	\$445,731	\$506,897	\$533,811
State Support to PDCs	\$132,124	\$151,943	\$151,943	\$151,943	\$151,943	\$151,943
State Grants	\$346,535	\$373,470	\$327,866	\$293,788	\$354,954	\$381,868
Local	\$2,081,337	\$1,999,788	\$2,071,115	\$2,174,392	\$2,840,401	\$2,436,799
Local Member Contributions (note 1)	\$1,342,835	\$1,362,766	\$1,329,440	\$1,339,935	\$1,358,370	\$1,366,797
Local Program Contributions	\$292,022	\$479,888	\$674,909	\$297,224	\$1,403,533	\$637,732
Local Special Program Contributions	\$0	\$0	\$0	\$0	\$29,000	\$4,000
Local Program Deferred	\$29,990	\$33,634	\$1,300	\$526,764	\$49,498	\$408,270
Local Other	\$416,490	\$123,500	\$65,466	\$10,469	\$0	\$20,000
Other	\$129,530	\$113,150	\$108,150	\$201,850	\$150,000	\$111,162
Subtotal	\$5,653,866	\$5,587,695	\$5,811,126	\$5,693,554	\$5,988,808	\$5,600,369
Pass-Through						
Federal	\$5,645,715	\$4,417,233	\$3,983,005	\$2,836,704	\$1,499,699	\$1,293,679
State	\$736,305	\$585,957	\$571,140	\$346,265	\$73,783	\$64,000
Local	\$2,654,732	\$2,462,163	\$3,348,542	\$2,435,093	\$2,320,424	\$2,152,340
Subtotal	\$9,036,752	\$7,465,353	\$7,902,687	\$5,618,062	\$3,893,906	\$3,510,019
TOTAL REVENUES	\$14,690,618	\$13,053,048	\$13,713,813	\$11,311,616	\$9,882,714	\$9,110,388

Footnote:

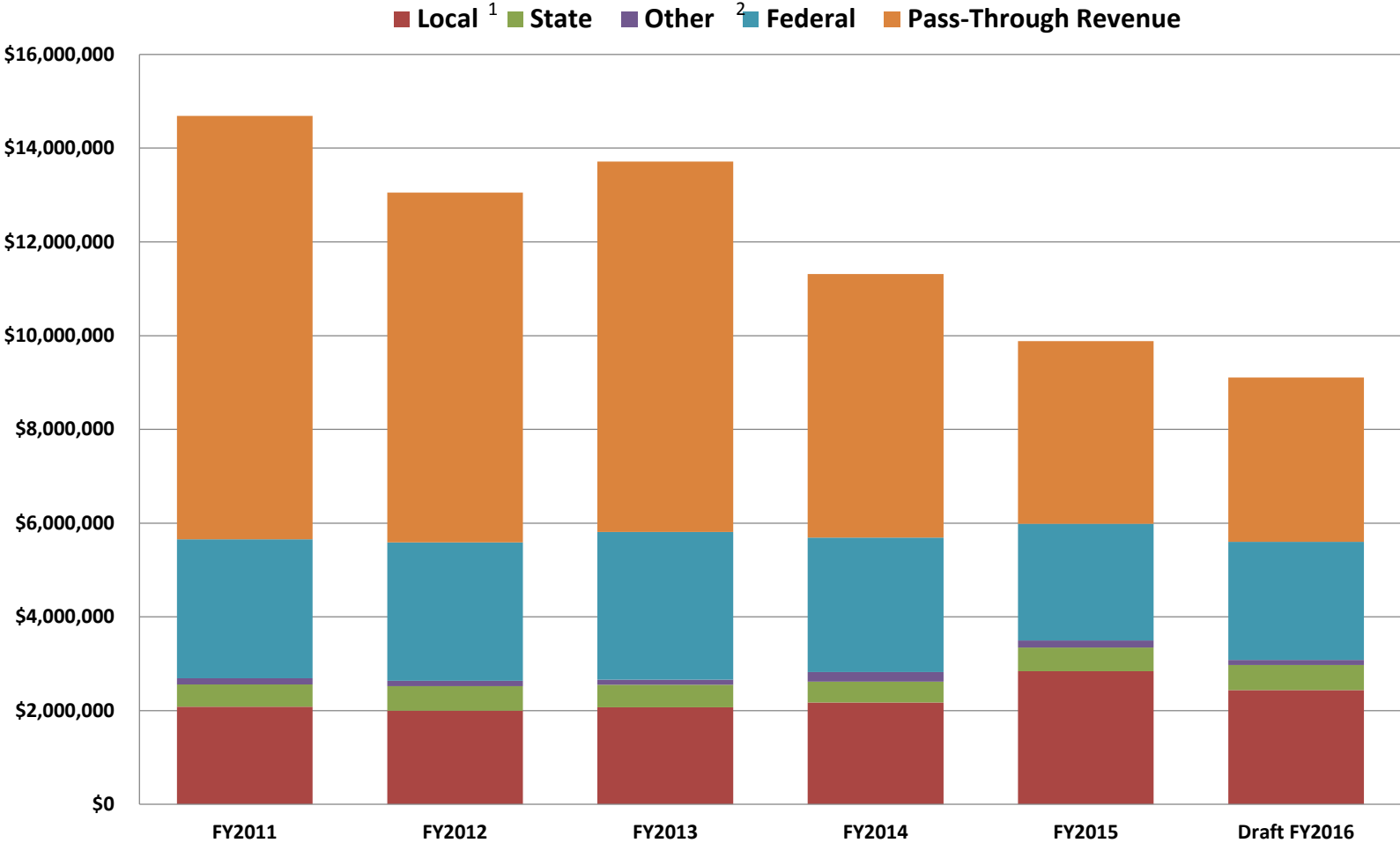
1. **Local Member Contributions** includes \$0.82 per capita for fiscal years 2011 & 2012 and \$0.80 per capita for fiscal years 2013 - 2016

	HRPDC/HRTPO Historical Budget Trend					DRAFT FY2016
	FY2011	FY2012	FY2013	FY2014	FY2015	
EXPENDITURES						
Operations						
Personnel	\$4,036,965	\$4,334,115	\$4,532,387	\$4,601,510	\$4,743,817	\$4,570,037
Standard Contracts (note 1)	\$223,525	\$216,160	\$209,869	\$202,945	\$235,755	\$234,555
Special Contracts (note 2)	\$324,590	\$136,876	\$81,701	\$76,300	\$69,400	\$73,460
General (note 3)	\$1,068,786	\$882,873	\$987,169	\$812,799	\$939,836	\$722,317
Subtotal	\$5,653,866	\$5,570,024	\$5,811,126	\$5,693,554	\$5,988,808	\$5,600,369
Pass-Through	\$9,036,752	\$7,483,024	\$7,902,687	\$5,618,062	\$3,893,906	\$3,510,019
TOTAL EXPENDITURES	\$14,690,618	\$13,053,048	\$13,713,813	\$11,311,616	\$9,882,714	\$9,110,388

Footnotes:

1. Standard Contracts include space costs, insurance, O&M, legal, audit, etc.
2. Special Contracts include Internet, public involvement, websites, etc.
3. General includes consumables, travel, equipment, copy costs, telephone, memberships, hospitality, etc.

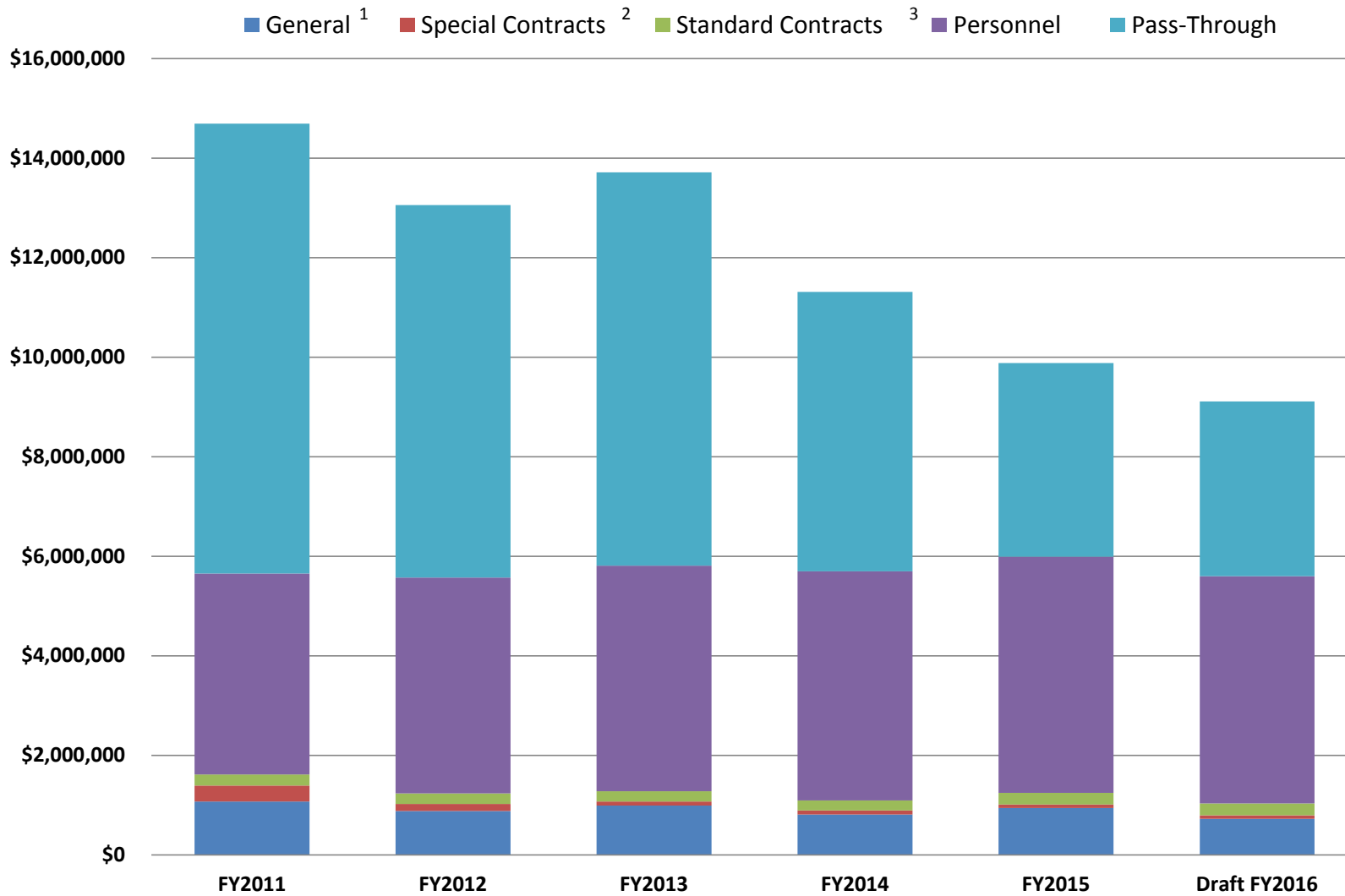
HRPDC/HRTPO Revenue Sources



Footnotes:

- Local** revenue sources include:
 - Local Program Contributions from all 16 Hampton Roads localities for ongoing programs of benefit to all (Construction Standards, Metropolitan Medical Response System, Special Assessment for HRTAC, Water Programs: Regional Water, Storm Water, Waste Water, and HR Green Programs: HR WET, HR FOG, HR STORM, HR Clean Community).
 - Local Program Contributions Deferred (funding received in prior years, not yet spent, for the above programs).
 - Local Other funding for projects that come up during the year that specific localities want assistance from the HRPDC (examples include: Comp Plans for specific localities, SPSA Solid Waste Study, Regional Sewer Consolidation Study, etc.).
- Other** revenue sources includes funding from reimbursements from localities for board room use and printing services, interest earnings, HRMFFA contributions, etc.

HRPDC/HRTPO Operations Expenditures



Footnotes:

1. **General** includes consumables, travel, equipment, copy costs, telephone, memberships, hospitality, etc.
2. **Special Contracts** include internet, public involvement, websites, etc.
3. **Standard Contracts** include space costs, insurance, O&M, legal, audit, etc.

**HAMPTON ROADS PLANNING DISTRICT COMMISSION
HAMPTON ROADS TRANSPORTATION PLANNING ORGANIZATION**

DRAFT FY2016 BUDGET						
	FY2015 TOTAL BUDGET	FY2016 TOTAL BUDGET	TPO PASS-THRU	PDC PASS-THRU	TPO OPER BUDGET	PDC OPER BUDGET
TITLES						
REVENUES						
OPERATIONS:						
FEDERAL GRANTS	2,491,510	2,518,597			2,362,937	155,660
STATE GRANTS	354,954	381,868			334,368	47,500
STATE GRANT TO PDCs	151,943	151,943				151,943
LOCAL						
Member Contributions	1,358,370	1,366,797			301,368	1,065,429
Program Contributions	1,403,533	637,732				637,732
Special Program Contributions	29,000	4,000				4,000
Program Contributions Deferred from Prior Years	49,498	408,270				408,270
Other Local Programs	0	20,000				20,000
MISCELLANEOUS OTHER	150,000	111,162				111,162
TOTAL OPERATIONS	5,988,808	5,600,369	0	0	2,998,673	2,601,696
PASS-THROUGHS:						
FEDERAL GRANTS	1,499,699	1,293,679	792,000	501,679		
STATE GRANTS	73,783	64,000	64,000			
LOCAL	1,477,226	1,367,340		1,367,340		
OTHER	6,000	6,000		6,000		
DEFERRED FROM PRIOR YEARS	837,198	779,000		779,000		
TOTAL PASS-THROUGHS	3,893,906	3,510,019	856,000	2,654,019	0	0
TOTAL REVENUE FOR FISCAL YEAR	9,882,714	9,110,388	856,000	2,654,019	2,998,673	2,601,696

ALL NOTES ARE FOR FY2016 BUDGET.

NOTE 1: Local Member Contributions were reduced by \$0.02 in FY2013. It includes TPO matching funds of \$301,368 in FY2016.

NOTE 2: State Allocation grant has been reduced from a high of \$325,472 in FY2004 to the current \$151,943.

**HAMPTON ROADS PLANNING DISTRICT COMMISSION
HAMPTON ROADS TRANSPORTATION PLANNING ORGANIZATION**

TITLES	DRAFT FY2016 BUDGET					
	FY2015 TOTAL BUDGET	FY2016 TOTAL BUDGET	TPO PASS-THRU	PDC PASS-THRU	TPO OPER BUDGET	PDC OPER BUDGET
EXPENDITURES						
PERSONNEL (NOTE 3)	4,743,817	4,570,037			2,327,040	2,242,997
STANDARD CONTRACTS (NOTE 4)	235,755	234,555			114,547	120,008
SPECIAL CONTRACTS (NOTE 5)	69,400	73,460			43,531	29,929
PASS-THROUGH ACTIVITY	3,893,906	3,510,019	856,000	2,654,019		0
EXPENDITURE SCHEDULES FOR OPERATIONS (NOTE 6)	939,836	722,317			513,555	208,762
TOTAL EXPENDITURES	9,882,714	9,110,388	856,000	2,654,019	2,998,673	2,601,696

NOTE 3: Funding for: 45 Full Time Positions (47 in FY2015) ; 2 PT Positions

NOTE 4: Standard Contracts include: Space; Miscellaneous; Insurance; Equipment Rental, Maintenance & Repair; Legal; & Audit costs.

NOTE 5: Special Contracts include: Internet/Web: hosting, design, maintenance; Recycling; Public Involvement.

NOTE 6: Schedules include: O&M, telephone, consumables, travel, training, education, data purchases, equipment, copies, other misc.

SUMMARY

REVENUES	9,882,714	9,110,388	856,000	2,654,019	2,998,673	2,601,696
EXPENDITURES	9,882,714	9,110,388	856,000	2,654,019	2,998,673	2,601,696
CHANGE IN FUND BAL [SURPLUS / (DEFICIT)]	0	0	0	0	0	0

**HAMPTON ROADS PLANNING DISTRICT COMMISSION
HAMPTON ROADS TRANSPORTATION PLANNING ORGANIZATION
RESERVES' BUDGET
FISCAL YEAR 2016**

RESERVE CONTRIBUTIONS	2016 BUDGET	2014 AUDITED BALANCE	NOTES
Leave Liability Reserve	25,000	290,651	1
GASB 45 Retiree Liabilities Reserve	140,000	1,107,025	2
Vehicle Replacement Reserve	5,000	5000	3
Equipment Reserve (formerly Telephone System Replacement)	7,000	28,000	4
Network Servers/Software Replacement Reserve	10,000	61,565	5
Capital Building Replacement Reserve	50,000	74,685	6
Building Operations & Maintenance Reserve	5,000	23,649	7
Interior Upgrades to paint and carpet - offices & public areas - ongoing	3,000	10,555	8
Regional Debris Management Consolidation Reserve	0	8,965	9
VRS/VRS LI Reserve	<u>0</u>	<u>400,000</u>	10
TOTAL RESERVE CONTRIBUTIONS	245,000	2,010,095	

NOTE

(All Reserves funded during year-end audit process.)

- 1 Part of Year-End Audit calculations.
- 2 GASB 45 Actuarial amount for retiree liabilities, contribution rate established every two years.
- 3 Establish reserve to replace three vehicles every 5-6 years.
- 4 Establish reserve for unexpected equipment replacement not in current operating budget.
- 5 Establish reserve to replace network servers/software every 5 years.
- 6 Establish reserve for building replacement/HVAC system/roofing/carpet and paint for individual offices.
- 7 Establish reserve for minor building repairs/maintenance.
- 8 Establish reserve for office and public space replacement of furniture/minor paint/carpet.
- 9 Established reserve for regional debris management consolidation program.
- 10 Established retirement reserve for increases in VRS employer rate, recovering from stock mkt. adjs.

HAMPTON ROADS PLANNING DISTRICT COMMISSION
Local Jurisdiction Contributions
FISCAL YEAR 2016
BUDGET

		100000 ED	398700 EM	670514 WK	2340-2357 WK	2370-2372 & 2377 WK	2390-2393 WK	23: 40/43/55/57 JH	2392-2393 JH	2371-2372 JH	2395-2396 JH	
JURISDICTION	Weldon-Cooper 2010 CENSUS Population updated 7/1/2013	MEMBER CONTRIB. \$0.80 Per Capita	Metropolitan Medical Response System (MMRS) \$0.20 Per Capita	Construction Standards Committee (+ fixed \$ Non-Jurisd.)	WATER PROGRAMS			HR GREEN PROGRAMS				GRAND TOTAL
					2351	2370	2390	HR WET H2O WQ Ads	HR FOG	HR STORM	HR Clean Community System	
					Regional Water Programs	Regional Storm Water Programs	Waste Water Programs					
Chesapeake	232,977	\$186,382	\$46,595	\$9,235	\$13,040	\$34,364	\$7,495	\$25,927	\$9,559	\$19,375	\$15,118	\$367,090
Franklin	8,655	6,924	1,731	343	3,038	1,276	550	1,437	700	720	581	17,300
Gloucester County	37,232	29,786	7,446	1,476	3,229	5,492	176	1,907	225	3,096	2,450	55,283
Hampton	139,032	111,226	27,806	5,511	2,450	20,507	5,471	0	6,977	11,562	8,962	200,472
Isle of Wight County	36,462	29,170	7,292	1,120	2,962	4,166	293	1,254	374	2,348	1,820	50,799
James City County	62,011	49,609	12,402	2,458	5,949	10,359	2,753	8,567	3,511	5,841	4,525	105,974
Newport News	183,412	146,730	36,682	7,271	0	27,053	5,754	0	7,339	15,254	11,825	257,908
Norfolk	246,392	197,114	49,278	9,767	13,951	36,342	8,102	28,159	10,333	20,491	15,877	389,414
Poquoson	12,076	9,661	2,415	479	2,450	1,781	593	0	756	1,004	794	19,933
Portsmouth	96,871	77,497	19,374	3,840	7,768	14,288	3,818	13,019	4,869	8,056	6,273	158,802
Smithfield	8,220	6,576	1,644	326	490	1,212	350	1,199	446	683	532	13,458
Southampton County	18,872	15,098	3,774	748	2,590	2,784	159	342	202	1,570	973	28,240
Suffolk	87,831	70,265	17,566	3,482	6,617	12,955	2,562	10,201	3,268	7,305	5,660	139,881
Surry County	6,977	5,582	1,395	277	0	1,029	0	0	0	581	459	9,323
Virginia Beach	449,628	359,702	89,926	17,824	24,695	66,319	15,811	54,466	20,164	37,392	28,975	715,274
Williamsburg	14,893	11,914	2,979	590	3,157	2,197	394	1,731	503	1,239	970	25,674
York County	66,955	53,564	13,391	2,654	2,450	9,876	2,947	0	3,759	5,569	4,316	98,526
HRSD	0	0	0	5,000	8,648	0	56,772	0	72,403	0	0	142,823
HRUHCA	0	0	0	5,000	0	0	0	0	0	0	0	5,000
NN Water Works	0	0	0	2,500	21,516	0	0	46,681	0	0	0	70,697
TOTAL	1,708,496	\$1,366,797	\$341,699	\$79,901	\$125,000	\$252,000	\$114,000	\$194,890	\$145,388	\$142,086	\$110,110	\$2,871,871

Population figures updated by Weldon Cooper 07/01/13 (eff 08/22/14) ^Per Committee ^Water (W. Katchmark) & HR Green (J. Hillegass) Program funding calculations derived through committees.