

STAFF REPORT

SUBJECT: Mid-Year Budget Update

FROM: Tamara Edwards, Finance & Grants Manager

DATE: February 28, 2017

Action Requested

Review and forward to the Board of Directors, the FY17 Mid-Year Budget Update.

Discussion

The Board of Directors requested mid-year updates of the budget, based on any significant changes for both revenues and expenses. This report will encompass any changes between the time the budget was approved and December 2016 with an analysis of the net effects to the projected reserve balance.

Budget

	Amount from analysis in FY 17 budget	Updated numbers (sources for updates are from the FY 16 CAFR and MTC revenue forecast updates, and additional grant revenues approved)	Difference
a Projected Reserves at June 30, 2016	\$9,589,812	\$13,668,747	\$4,078,935
b FY 17 apportionment	\$9,304,213	\$9,778,570	\$474,357
c TDA funds available for allocation (a+b)	\$18,894,025	\$23,447,317	\$4,553,292
d FY 17 operating request	\$9,325,974	\$9,325,974	\$0
e FY 17 capital request	\$180,000	\$180,000	\$0
f TDA Request for allocation (d+e)	\$9,505,974	\$9,505,974	\$0
Projection for Reserve at June 30, 2017			
TDA Reserves			

g	Reserves at June 30, 2016 (c-f)	\$9,388,051	\$13,941,343	\$4,553,292
h	Expiring Capital Allocations	\$0	\$0	\$0
i	FY 16 Due to LTF*	\$746,336	-\$2,367,734	\$3,114,070
j	FY 15 Due to LTF*	\$2,916,887	\$8,234,284	\$5,317,397
l	Total TDA Reserves (g+h+i+j)	\$13,051,274	\$19,807,893	\$6,756,619
STA Reserves				
m	Population based STA reserves at June 30,2016	\$700,785	\$688,319	-\$12,466
n	FY 17 apportionment	\$710,627	\$604,691	-\$105,936
o	Request for allocation	\$700,785	\$700,785	\$0
p	Reserves at June 30, 2016 (m+n-o)	\$710,627	\$592,225	-\$118,402
q	Revenue based STA reserves at June 30, 2016	\$198,453	\$194,782	-\$3,671
r	FY 17 apportionment	\$218,656	\$177,130	-\$41,526
s	Request for allocation	\$198,453	\$198,154	-\$299
t	Reserves at June 30, 2016 (q+r-s)	\$218,656	\$173,758	-\$44,898
u				
v	Total STA reserves (p+t)	\$929,283	\$765,983	-\$163,300
w	Total Reserves at June 30,2016 (k+t)	\$13,980,557	\$20,573,876	\$6,593,319

i*	* FY 17 Due to LTF			
	Additional funding (revenue) approved after the FY 17 budget cycle			
		0		\$0
		0		\$0
		0		\$0
	Total Revenue Increase (i)			\$0

The change in the anticipated reserve balance from the original number reported with the budget can be primarily attributed to the increase in the amount due to the Local Transportation Fund (LTF) (over the original projections), The increase in the amount due to LTF is made up of the difference between budgeted expenses and actual expenses (actuals were lower than budget for FY16), and the difference between expected revenues and actual revenues (which were higher in FY16 due to additional grants received during the year). The decrease in the anticipated STA funds is due to the decrease in diesel fuel prices. STA revenues are based on sales tax and as the price of diesel fuel drops so does the STA revenues, however, with the price of diesel fuel decreasing staff expects the fuel expenses for FY 17 to come in under budget.

Recommendation

None – Information only.