

**POTOMAC AND RAPPAHANNOCK
TRANSPORTATION COMMISSION**

RESOLUTION

MOTION: _____

RESOLUTION NO. 10-03-_____

SECOND: _____

OFFICIAL COMMISSION MEETING

MARCH 4, 2010

RE: APPROVAL OF PRTC FY 2010 BUDGET REVISION #1

WHEREAS, the Potomac and Rappahannock Transportation Commission adopted the FY 2010 budget in the amount of \$30,313,800 at its June 4, 2009 Commission meeting; and

WHEREAS, with the completion of the FY 2009 audit, grant funds from the FY 2009 budget which were not spent by the end of the fiscal year can be carried forward to FY 2010; and

WHEREAS, FY 2010 budget adjustments are also necessary to account for FY 2010 grant awards that differ from assumed amounts in the adopted FY 2010 budget and to properly reflect revenue and expense activity; and

WHEREAS, the budget adjustments collectively increase the FY 2010 budget by \$14,859,900 and do not require any increases to jurisdictional subsidies.

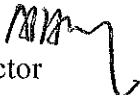
NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby approve the revision of its FY 2010 budget from \$30,313,800 to \$45,173,700.



Potomac and Rappahannock
Transportation Commission

14700 Potomac Mills Road
Woodbridge, VA 22192

March 4, 2010

TO: Chairman May and Commissioners
FROM: Alfred H. Harf 
Executive Director
RE: Approval of PRTC FY 2010 Budget Revision #1

Recommendation:

Approve PRTC FY 2010 budget revision #1.

Background:

The PRTC FY 2010 budget in the amount of \$30,313,800 was approved at the June 4, 2009 Commission meeting. A mid-year adjustment is in order now that the FY 2009 audit has been completed and accepted to account for: (1) remaining grant funds from various federal and state grants (including intern; bus purchases and rehabs; bus shelters; and other state capital grants from FY 2006, 2007, 2008 and 2009) that can be carried forward to FY 2010; (2) differences between FY 2010 grant amounts actually received versus the amounts assumed as part of the originally adopted budget (i.e., state formula, capital, ridesharing, employer outreach, federal 5307, New Freedom, and Homeland Security funding); and (3) budget adjustments to properly reflect revenue and expense activity.

All told, these adjustments increase the FY 2010 budget by \$14,859,900.

Significant proposed revisions are highlighted below:

1. State funding – The FY 2010 budget assumed \$3,705,100 in state formula funding. DRPT's six year improvement program approved in June 2009 included \$4,116,385, or \$411,285 more than budgeted. However, in December 2009, DRPT issued a revised six year improvement program reducing FY 2010 state formula funding as a result of revenue shortfalls in the Commonwealth. PRTC's formula amount was reduced to \$3,841,776, a reduction of \$274,609 in anticipated funding. Accordingly, the proposed budget revision adjusts the original assumption of \$3,705,100 to \$3,841,776. The revised DRPT six year improvement program issued in December 2009 also reduced the FY 2010 state capital participation rate

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from 77% to 70%. PRTC received \$14,000 more in state rideshare assistance (budgeted \$106,000 and \$120,000 approved by DRPT), which have also been accounted for in the proposed budget revision.

2. Federal funding – The FY 2010 budget assumed \$2.4 million for federal 5307 capital cost of contracting and PRTC is slated to receive \$2.8 million, a difference of \$0.4 million. The budget revision reflects this increase to the original assumption. In addition, the revised budget accounts for the fact that PRTC did not receive \$250,000 in Homeland Security funding to procure a proximity card reader system as was assumed in the originally adopted FY 2010 budget. PRTC was awarded \$141,286 in Homeland Security funding for security awareness and behavior recognition training, which has been included in the budget revision. PRTC -- in collaboration with the Prince William County Area Agency on Aging – is working on the preparation of a mobility management plan, funded by federal New Freedom grant funds, cash match from Prince William County, and in-kind matches from both Aging and PRTC staff time, all additions since this discretionary funding was not anticipated by the originally adopted budget.
3. Bus yard expansion and commuter park-ride lot near the Transit Center – The budgets for the yard expansion construction and property acquisition, relocation assistance, design, and construction management costs associated with a new commuter parking lot were included in the FY 2009 budget and need to be carried forward to FY 2010. As you will recall, PRTC has interim financing with SunTrust for a not-to-exceed amount of \$4.2 million, with long-term financing envisioned from the Virginia Resources Authority (VRA). The commuter park-ride lot construction funds (not part of the above mentioned financing) of approximately \$1.1 million were also included in the FY 2009 budget and need to be carried forward to FY 2010.
4. Buses – PRTC entered into the lease-purchase of four buses in December 2008. PRTC opted for a short lease term, with the intent of “purchasing” the buses in FY 2010. The budget revision reflects the principal and interest payments that are expected to be paid during FY 2010, including prepayment of the leases. The revised budget also includes four MCI

buses for Tyson's service for \$1.9 million delivered in August 2009, funded 100% by the State, and two Gillig buses (one 40 foot OmniRide bus and one 30 foot OmniLink bus) costing approximately \$757,000, funded 100% by the federal American Recovery and Reinvestment Act (ARRA).

5. Bus Rehabs – A portion of the funding for the remaining five Orion bus rehabs completed during FY 2010 was included in the FY 2009 budget and needs to be carried over to FY 2010. In addition, the funding for the first phase of the MCI rehabs (\$4.75 million) was included in the FY 2009 budget and needs to be carried forward to FY 2010. Some residual state capital grant funds have been reprogrammed to cover assistance with the MCI rehab specification development, management of the procurement process, and inspection services.

Fiscal Impact:

The total of all proposed FY 2010 budget adjustments is an increase of \$14,859,900 with no change to jurisdictional subsidies.

<u>Budget</u>	<u>Budget Adjustments</u>	<u>Budget Revision #1</u>
\$30,313,800	\$14,859,900	\$45,173,700

Potomac and Rappahannock Transportation Commission

FY10 Budget Revision #1

Departments & Grants Combined

	FY10 Budget	Budget Adjustments	Revised FY10 Budget
VRE Offset	\$124,600	(\$59,500)	\$65,100
Farebox	\$7,996,200	\$0	\$7,996,200
Subsidies	\$10,907,800	\$0	\$10,907,800
Federal Grants	\$6,317,600	\$6,036,800	\$12,354,400
Fed/State/Local Carryforward	\$0	\$0	\$0
State Grant Assistance	\$4,167,600	\$5,815,800	\$9,983,400
Other*	\$800,000	\$3,066,800	\$3,866,800
Total Revenue	\$30,313,800	\$14,859,900	\$45,173,700
Personal Services	3,052,000	31,400	\$3,083,400
Employee Benefits	1,038,900	(42,900)	\$996,000
Contractual Services	17,579,600	6,012,600	\$23,592,200
Fuel	3,122,700	0	\$3,122,700
Other Services	1,336,200	588,300	\$1,924,500
Capital Outlay	4,095,900	6,760,400	\$10,856,300
Debt Service	\$88,500	\$1,510,100	\$1,598,600
Total Expenses	\$30,313,800	\$14,859,900	\$45,173,700
Net Income (Loss)	\$0	\$0	\$0

* Other includes interest, advertising revenue, miscellaneous income, and loan proceeds

Administration

	FY09 Budget	Budget Adjustments	Revised FY09 Budget
VRE Offset	\$124,600	(\$59,900)	\$64,700
Farebox	0	0	\$0
Subsidies	254,400	0	\$254,400
Federal Grants	16,300	326,700	\$343,000
Fed/State/Local Carryforward	0	0	\$0
State Grant Assistance	1,191,300	58,800	\$1,250,100
Other*	55,800	5,900	\$61,700
Total Revenue	\$1,642,400	\$331,500	\$1,973,900
Personal Services	\$1,045,800	(\$6,100)	\$1,039,700
Employee Benefits	346,100	(45,800)	\$300,300
Contractual Services	125,000	245,600	\$370,600
Fuel	2,000	0	\$2,000
Other Services	89,800	134,300	\$224,100
Capital Outlay	33,700	3,500	\$37,200
Debt Service	0	0	\$0
Total Expenses	\$1,642,400	\$331,500	\$1,973,900
Net Income (Loss)	\$0	\$0	\$0

* Other includes interest and miscellaneous income

Potomac and Rappahannock Transportation Commission

FY10 Budget Revision #1

OmniRide

	FY10 Budget	Budget Adjustments	Revised FY10 Budget
VRE Offset	\$0	\$100	\$100
Farebox	7,185,800	0	\$7,185,800
Subsidies	3,172,800	0	\$3,172,800
Federal Grants	2,433,700	(189,500)	\$2,244,200
Fed/State/Local Carryforward	0	0	\$0
State Grant Assistance	1,643,600	805,300	\$2,448,900
Other*	17,100	105,300	\$122,400
Total Revenue	\$14,453,000	\$721,200	\$15,174,200
Personal Services	\$871,300	\$18,800	\$890,100
Employee Benefits	302,200	4,100	\$306,300
Contractual Services	10,120,800	96,500	\$10,217,300
Fuel	2,474,100	0	\$2,474,100
Other Services	379,900	419,000	\$798,900
Capital Outlay	304,700	182,800	\$487,500
Debt Service	0	0	\$0
Total Expenses	\$14,453,000	\$721,200	\$15,174,200
Net Income (Loss)	\$0	\$0	\$0

* Other includes interest and miscellaneous income

OmniLink

	FY10 Budget	Budget Adjustments	Revised FY10 Budget
VRE Offset	\$0	\$100	\$100
Farebox	810,400	0	\$810,400
Subsidies	6,128,300	0	\$6,128,300
Federal Grants	685,300	(6,700)	\$678,600
Fed/State/Local Carryforward	0	0	\$0
State Grant Assistance	1,005,300	329,500	\$1,334,800
Other*	17,100	121,100	\$138,200
Total Revenue	\$8,646,400	\$444,000	\$9,090,400
Personal Services	\$964,500	\$12,700	\$977,200
Employee Benefits	330,700	2,800	\$333,500
Contractual Services	6,389,200	71,300	\$6,460,500
Fuel	646,600	0	\$646,600
Other Services	163,800	33,900	\$197,700
Capital Outlay	151,600	323,300	\$474,900
Debt Service	0	0	\$0
Total Expenses	\$8,646,400	\$444,000	\$9,090,400
Net Income (Loss)	\$0	\$0	\$0

* Other includes interest and miscellaneous income

Potomac and Rappahannock Transportation Commission

FY10 Budget Revision #1

Marketing

	FY10 Budget	Budget Adjustments	Revised FY10 Budget
VRE Offset	\$0	\$200	\$200
Farebox	0	0	\$0
Subsidies	90,600	0	\$90,600
Federal Grants	304,500	(64,100)	\$240,400
Fed/State/Local Carryforward	0	0	\$0
State Grant Assistance	87,100	65,800	\$152,900
Other*	710,000	4,300	\$714,300
Total Revenue	\$1,192,200	\$6,200	\$1,198,400
Personal Services	\$170,400	\$6,000	\$176,400
Employee Benefits	59,900	(4,000)	\$55,900
Contractual Services	250,600	2,000	\$252,600
Fuel	0		\$0
Other Services	702,700	1,100	\$703,800
Capital Outlay	8,600	1,100	\$9,700
Debt Service	0	0	\$0
Total Expenses	\$1,192,200	\$6,200	\$1,198,400
Net Income (Loss)	\$0	\$0	\$0

* Other includes advertising revenue

Capital Improvements

	FY10 Budget	Budget Adjustments	Revised FY10 Budget
VRE Offset	\$0		\$0
Farebox	0	0	\$0
Subsidies	1,261,700	0	\$1,261,700
Federal Grants	2,877,800	5,970,400	\$8,848,200
Fed/State/Local Carryforward	0	0	\$0
State Grant Assistance	240,300	4,556,400	\$4,796,700
Other*	0	2,830,200	\$2,830,200
Total Revenue	\$4,379,800	\$13,357,000	\$17,736,800
Personal Services	\$0	\$0	\$0
Employee Benefits	0	0	\$0
Contractual Services	694,000	5,597,200	\$6,291,200
Fuel	0	0	\$0
Other Services	0	0	\$0
Capital Outlay	3,597,300	6,249,700	\$9,847,000
Debt Service	88,500	1,510,100	\$1,598,600
Total Expenses	\$4,379,800	\$13,357,000	\$17,736,800
Net Income (Loss)	\$0	\$0	\$0

* Other includes loan proceeds