To: Thomas Jefferson Planning District Commission
From: Christine Jacobs, Interim Executive Director
Date: March 4, 2021

Re: Final Amended Budget FY21

Purpose: To present the final amended FY21 budget, to be used as the basis for financial reports and auditing for the year.

Background: The budget process for each fiscal year consists of three steps: 1) approval of the projected budget in September/October, setting the per capita rate, population basis, and amounts requested for specific programs, to serve as the basis for budget submissions to localities, 2) the operating budget adopted in May as prescribed in the TJPDC Bylaws, and 3) a revised operating budget for approval in March, to serve as the budget for financial reports through the year. At the March 4, 2021 meeting, the Commission will consider the amended budget for FY21.

In your agenda packet is the Recommended Amended FY21 Budget. For your reference, the FY20 Actual, FY21 Original and FY21 Recommended Amended operating budgets are included.

Staff operates from a detailed line item program working budget and is available to you upon request.

Proposed Final Amended FY21 Budget:

The Recommended Amended FY21 Budget incorporates changes to revenue and expense assumptions from the FY21 Budget adopted at the May 2020 meeting and adjusted to include changes that have occurred during the first half of FY21. Further, there are a number of minor adjustments to the recommended draft Amended FY21 Budget presented in February, 2021.

1. **Changes to revenues in the Amended FY21 Budget (compared to the draft presented in February 2021) include:**
   - Removal of local revenue in program 189-Clean Commute in the amount of $825 to account for program changes in FY21.
   - Reduction in program 193-Rideshare TDM revenue (state and local) by $11,984 due to budget amendments from the Department of Rail and Public Transportation (DRPT) for FY21.
   - Addition of $7,000 reserve transfer (from deferred revenue) to program 303-Solid Waste to complete the FY21 work on the 5-year Solid Waste Plan.

   <u>Change in Total Revenue: $(6,400)</u>

2. **Changes to expenses in the Amended FY21 Budget (compared to the draft presented in February 2021) include***:*

- Removal of expenses in program 189-Clean Commute in the amount of $825 to account for program changes in FY21.
- Minor adjustment of multiple programs' direct expenses, resulting in a net $176 difference.

Change in Total Operating Expenses: $176

3. **Changes to 'pass-thru' expenses in the Amended FY21 Budget (compared to the draft presented in February 2021) include:**
   - Moved $5,165 from 'pass-thru' expense to personnel time for program 303-Solid Waste to account for the development of the 5-year Solid Waste Plan to be completed by October 2021.
   - Removal of $11,984 in 'pass-thru' expenses from program 193-Rideshare TDM due to budget amendments from DRPT.

   Total change in 'pass-thru'/other expenses: $(17,824)

***Overall, we expect revenues to exceed expenditures by $103,094 for the year*.** This is a positive change of $11,248 in net income compared to the draft Amended FY21 Budget presented in February 2021.

Several projects will extend from FY21 into FY22. Staff is working on additional potential grant applications and projects for FY22.

Staff is working on the FY22 Budget to be delivered to you in April. The excess revenues accumulated in FY21 may be required to be used to balance the FY22 budget. I expect in FY22 and/or FY23, as federal deficits are addressed and as COVID related programs go away, federal, state and local programs will experience a decrease in funds available for programs that the TJPDC normally deliver. The regional cigarette tax program could be a sustainable program for the TJPDC to offset these other potential losses.

Recommended Motion by Commission: To approve the Final Amended FY21 Budget for use in approved expenditures, financial reporting, and auditing.