

Kern Council of Governments
ANNUAL FINANCIAL PLAN
FISCAL YEAR 2003-2004

CHAIR

Philip A. Smith, City of Tehachapi

VICE-CHAIR

David Couch, City of Bakersfield

BOARD OF DIRECTORS

John Olivares
David Couch
Nicholas Lessenevitch
Art Armendariz
Aileen Throop
Ben Garza
Ron Carter
Garry Nelson
Ray Hatch
Philip A. Smith
Cheryl Wegman
Raymond A. Watson
Jon McQuiston

City of Arvin
City of Bakersfield
City of California City
City of Delano
City of Maricopa
City of McFarland
City of Ridgecrest
City of Shafter
City of Taft
City of Tehachapi
City of Wasco
County of Kern
County of Kern

SUBMITTED BY:
Ronald E. Brummett
Executive Director
May 15, 2003

NOTICE OF PUBLIC HEARING

May 15, 2003

Before the Kern Council of Governments in the matter of ADOPTION OF THE FISCAL YEAR 2003/04 BUDGET.

NOTICE IS HEREBY GIVEN THAT:

1. The Kern Council of Governments (Kern COG), acting in its capacity as a Regional Transportation Planning Agency, Metropolitan Planning Organization, Areawide Planning Agency, Congestion Management Agency, and Kern Transportation Authority responsible for administering the regional planning process, has prepared a proposed annual operations budget for the fiscal year beginning July 1, 2003 and ending June 30, 2004. This document was prepared by Kern COG as part of an ongoing budget planning process and includes estimated revenues and expenses for the year.

2. A PUBLIC HEARING will be held in the Kern COG Conference Room, 1401 19th Street, Third Floor, Bakersfield, California at 7:00 P.M. on Thursday, May 15, 2003 for the purpose of receiving comments regarding the 2003/04 proposed budget. Following the public hearing, Kern COG may review, revise and adopt the proposed budget as its final budget for the 2003/04 fiscal year.

3. Any person wishing to obtain a copy of the 2003/04 Kern COG Budget may do so by contacting Kern COG at the address listed below. Any person wishing to present testimony relating to the adoption of the budget may appear and be heard or may submit written comments to Kern COG 1401 19th Street, Third Floor, Bakersfield, CA 93301 for inclusion in the official record of the hearing.

Ronald E. Brummett
Executive Director
Kern Council of Governments
(661) 861-2191

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Letter of Transmittal	1
Organization and Staffing	5
Statistics	11
Overall Work Program Summary	14
Financial Plan Summary	16
Revenue Detail	19
Expenditure Detail	23

LETTER OF TRANSMITTAL

May 15, 2003

The Honorable Board of Directors
Kern Council of Governments

Dear Chairman and Board:

Kern Council of Governments (Kern COG) staff is pleased to submit for your review and approval the final Kern COG Annual Financial Plan for fiscal year 2003/2004. This plan is an estimate of the financial activity anticipated for the 2003/04 fiscal year stated in object, account and line item format. The plan provides sufficient appropriations to fund all programs and projects documented in the FY 2003/04 Overall Work Program. In summary, the final plan includes revenues of \$2,858,423 and expenditures of \$2,812,635.

REVENUES

Kern COG staff anticipates FY 2003/04 budgeted revenues totaling \$2,858,423. Although total budgeted revenues are estimated to drop by \$452,016 (-13.6 percent) from the prior year, it is less than originally anticipated. Two primary reasons account for this:

- 1) all funding related to the Eastern Sierra Transportation Plan will carry over from 2002/03;
- 2) more FHWA CMAQ funding will be carried over for the fiscal year

As a result, revenues will continue to run higher than the \$1,700,000 to \$2,000,000 experienced in a more typical year. Revenues, however, could decline further in the current fiscal year, depending on what happens with the State Planning, Programming and Monitoring (PPM) funds. Due to the State budget crisis, the FY 2003-2004 PPM allocation is in jeopardy.

EXPENDITURES

Kern COG staff proposes FY 2003/04 expenditure appropriations totaling \$2,812,635. This represents a drop of \$407,894 (-12.7 percent) from the prior year. In terms of the four basic object classes, these appropriations are distributed as follows:

<u>Object Class</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/(Decrease)</u>
Personnel	\$1,437,329	51.1%	2.3%
Professional Services	\$ 917,368	32.6%	(33.9%)
Services and Supplies	\$ 406,938	14.5%	8.0%
Capital	\$ 51,000	1.8%	1.0%

With respect to personnel related appropriations, Kern COG's staffing level is recommended to hold steady at 18 full-time and 0.75 part-time positions. The Planning Division Chief position will remain in the financial plan for fiscal year 2003-2004, but will go unfilled until the State PPM issue is resolved.

With respect to professional service related appropriations, staff recommends a decrease of almost 34 percent. This is expected due to the completion of the Bakersfield Systems Study. For further details regarding subcontractors, please refer to the discussion under "Programs", which follows. With respect to appropriations for services and supplies, staff recommends a budgeted increase of \$30,283 for the 2003/04 fiscal year. The increase is tied primarily to the following: 1) rising liability insurance costs; and 2) Public information, printing services, and postage itemized under account 7450-Office Supplies.

Finally, staff recommends several capital acquisitions in the 2003/04 fiscal year. These include a GIS server, 8 replacement computers, replacement traffic counters and a large format scanner at a total cost of \$51,000.

PROGRAMS

In addition to ongoing planning activities such as air quality conformity and public transit funding, staff recommends a variety of new or expanded program initiatives for the 2003/04 fiscal year. These initiatives include the following:

- 1) Air Quality Public Outreach Campaign: implement reasonably available control measures using extensive billboard, television and radio advertisements.
- 2) Community and Environmental Inventory Mapping Systems: coordinate numerous plans, programs and studies using Geographic Information Systems (GIS).
- 3) RTP/RTIP/FTIP: a significant commitment of resources to the development, adoption and monitoring of the 2025 Regional Transportation Plan (long range) and the Federal and Regional Transportation Improvement Programs (short range).
- 4) Regional Transportation System Monitoring Improvement Program: to provide monitoring data for the evaluation of the effectiveness of transportation planning and strategies.
- 5) Regional Travel Demand Model/Growth Forecasting: to provide the growth forecast information necessary to develop and maintain the regional travel demand model.
- 6) Impact Fee Analysis: a carryover project to evaluate the implementation of transportation impact fees throughout the non-metro areas of Kern County. This project relies heavily on State PPM funding, and may be delayed due to State budget uncertainty.
- 7) Eastern Sierra Transportation Study: a new project to define and evaluate transit issues on the eastern side of Kern County.
- 8) Freight Movement: continued participation in a San Joaquin Valley wide freight movement study.
- 9) Member Technical Assistance: a significant commitment of pass through resources to the cities of Arvin, California City, Maricopa and Wasco, as well as the County of Kern for the update of local plans.

CONCLUSION

The proposed Kern COG Annual Financial Plan for the 2003/04 fiscal year provides for the achievement of two major underlying objectives. First, the plan fulfills the Council and staff obligation to maintain the region's federal and state certifications. And, thereby, ensures the continued flow of resources to Kern COG member agencies. And second, the plan provides for extensive direct services to and pass through funding for Kern COG member agencies in support of local efforts to serve the citizens of the Kern region. Staff recommends your Council's favorable consideration.

Yours Very Truly,

Ronald E. Brummett
Executive Director

ORGANIZATION AND STAFFING

Kern Council of Governments

SCHEDULE OF GENERAL FUNCTIONS

The Kern Council of Governments performs the following local governmental functions:

- * Metropolitan Planning Organization (U.S.D.O.T.)
- * Transportation Management Agency (U.S.D.O.T.)
- * Areawide Planning Organization (U.S.H.U.D)
- * Local Clearinghouse (U.S.E.O.)
- * Home Mortgage Disclosure Depository (U.S.F.R.B.)
- * Regional Transportation Planning Agency (State)
- * Affiliate Data Center (State)
- * Kern GeoNet (Local)
- * Kern Motorist Aid Authority (Local)
- * Kern County Transportation Authority (Local)
- * Kern Congestion Management Agency (Local)
- * Transportation Demand Management (Rideshare) Program

Kern Council of Governments

STAFF ALLOCATION
Fiscal Year 2003-2004

<u>Position</u>	<u>Number</u>	<u>Person-Hours</u>
Executive Director	1	2,080
Administrative Division Chief	1	2,080
Planning Division Chief	1	2,080
Senior Planner	4	8,320
Regional Planner I/II/III	7	14,560
Administrative Assistant	2	4,160
Executive Secretary	1	2,080
Secretary	1	2,080
Part-time	0.75	1,560
	TOTAL	
	18.75	39,000

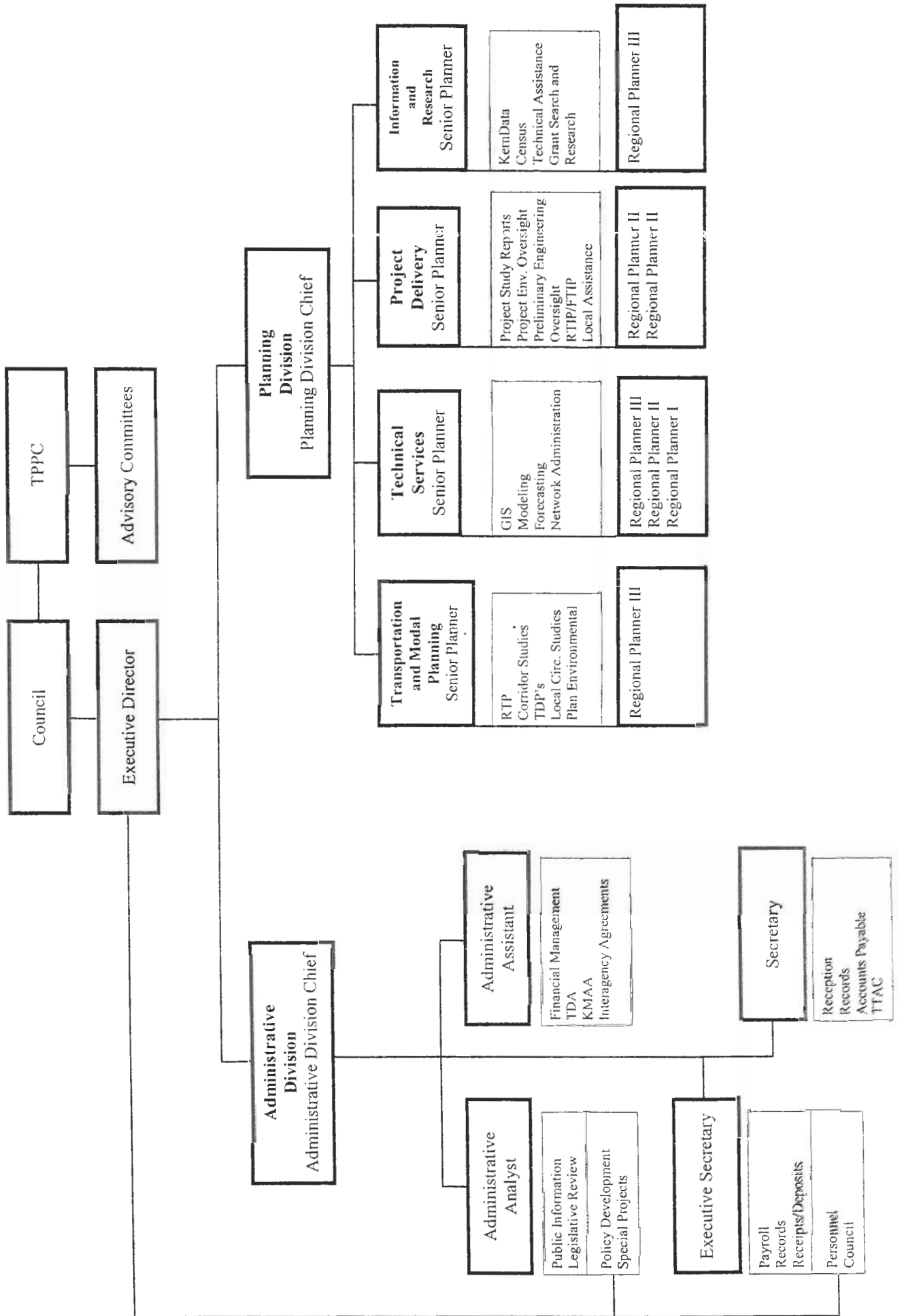
Full-Time Positions: 18.0
Part-Time Positions: 0.75

Kern Council of Governments

S T A F F

<u>Name</u>	<u>Position</u>
Ronald E. Brummett	Executive Director
Darrel Hildebrand	Administrative Division Chief
Vacant	Planning Division Chief
Marilyn Beardslee	Senior Planner
Peter W. Smith	Senior Planner
Joe Stramaglia	Senior Planner
Robert Ball	Senior Planner
Ed Flickinger	Regional Planner III
William Larsen	Regional Planner III
Robert Snoddy	Regional Planner III
Michael Heimer	Regional Planner II
Raquel Carabajal	Regional Planner II
Jason Hade	Regional Planner II
Vincent Liu	Regional Planner I
Laurie Collins	Executive Secretary
Fasika Montalvo	Secretary
Gregory Palomo	Administrative Assistant
Robert Phipps	Administrative Analyst

Kern Council of Governments
 Organizational Chart
 Fiscal Year 2003-2004



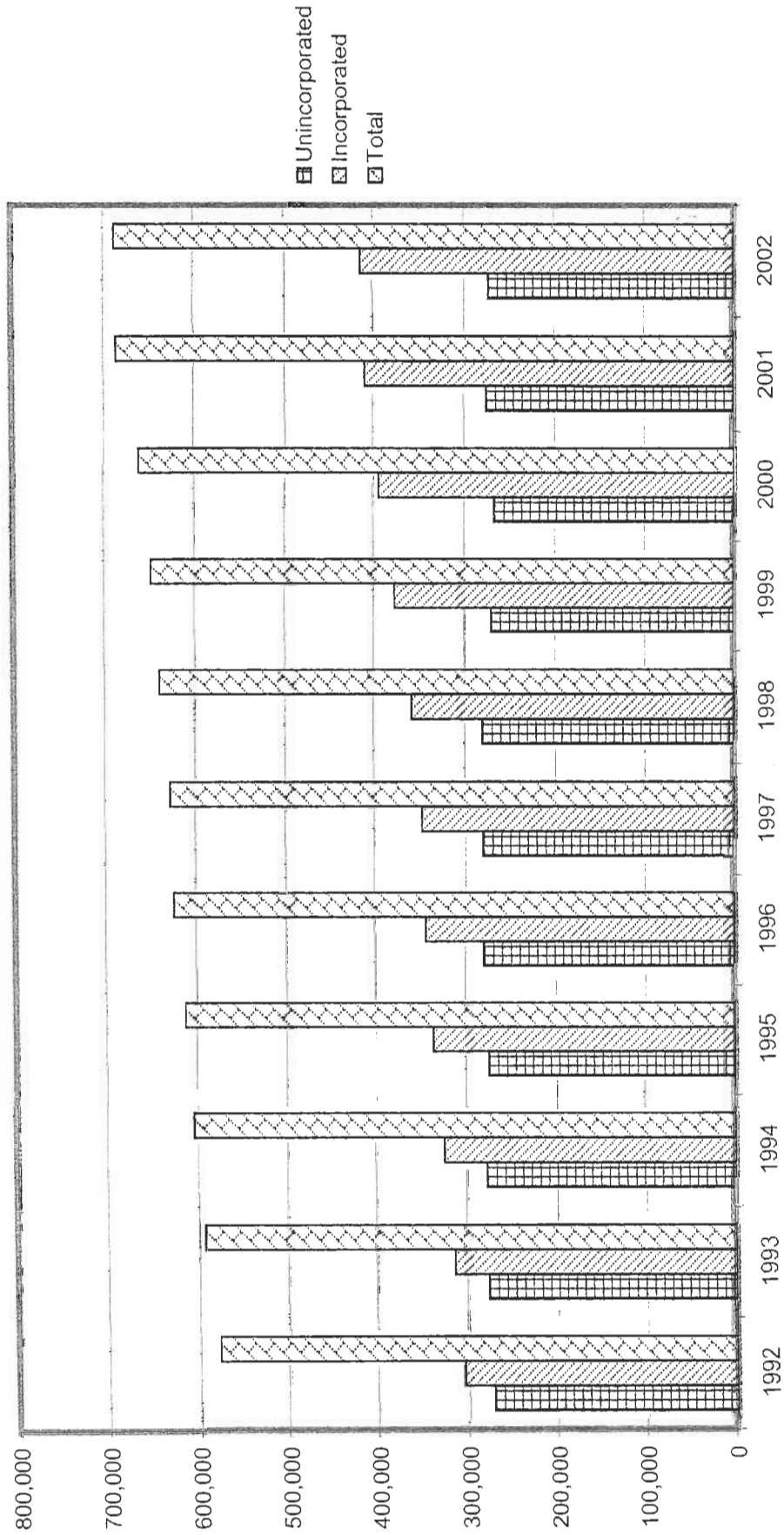
Kern Council of Governments
 POSITION CLASSIFICATION & SALARY SCHEDULE
 (PROPOSED July 1, 2002, Payroll 02-13)

BI-WEEKLY RATES
 STEP

Position/Class	A	B	C	D	E
Executive Director/Management	\$ 3,211	\$ 3,375	\$ 3,548	\$ 3,729	\$ 3,920
Administrative Division Chief/Management	\$ 2,520	\$ 2,649	\$ 2,784	\$ 2,926	\$ 3,075
Planning Division Chief/Management	\$ 2,520	\$ 2,649	\$ 2,784	\$ 2,926	\$ 3,075
Senior Planner/Administrative	\$ 2,064	\$ 2,167	\$ 2,276	\$ 2,389	\$ 2,509
Regional Planner III/Administrative	\$ 1,783	\$ 1,872	\$ 1,966	\$ 2,064	\$ 2,167
Regional Planner II/Administrative	\$ 1,541	\$ 1,618	\$ 1,699	\$ 1,784	\$ 1,873
Regional Planner I/Administrative	\$ 1,331	\$ 1,398	\$ 1,467	\$ 1,541	\$ 1,618
Admin. Assistant & Analyst/Administrative	\$ 1,872	\$ 1,968	\$ 2,069	\$ 2,175	\$ 2,286
Executive Secretary/Confidential	\$ 1,181	\$ 1,241	\$ 1,305	\$ 1,371	\$ 1,442
Planning Technician I/Technical	\$ 1,122	\$ 1,179	\$ 1,239	\$ 1,303	\$ 1,369
Secretary/Clerical	\$ 943	\$ 992	\$ 1,042	\$ 1,096	\$ 1,152
Student Intern/Clerical	\$ 671	\$ 705	\$ 740	\$ 777	\$ 816

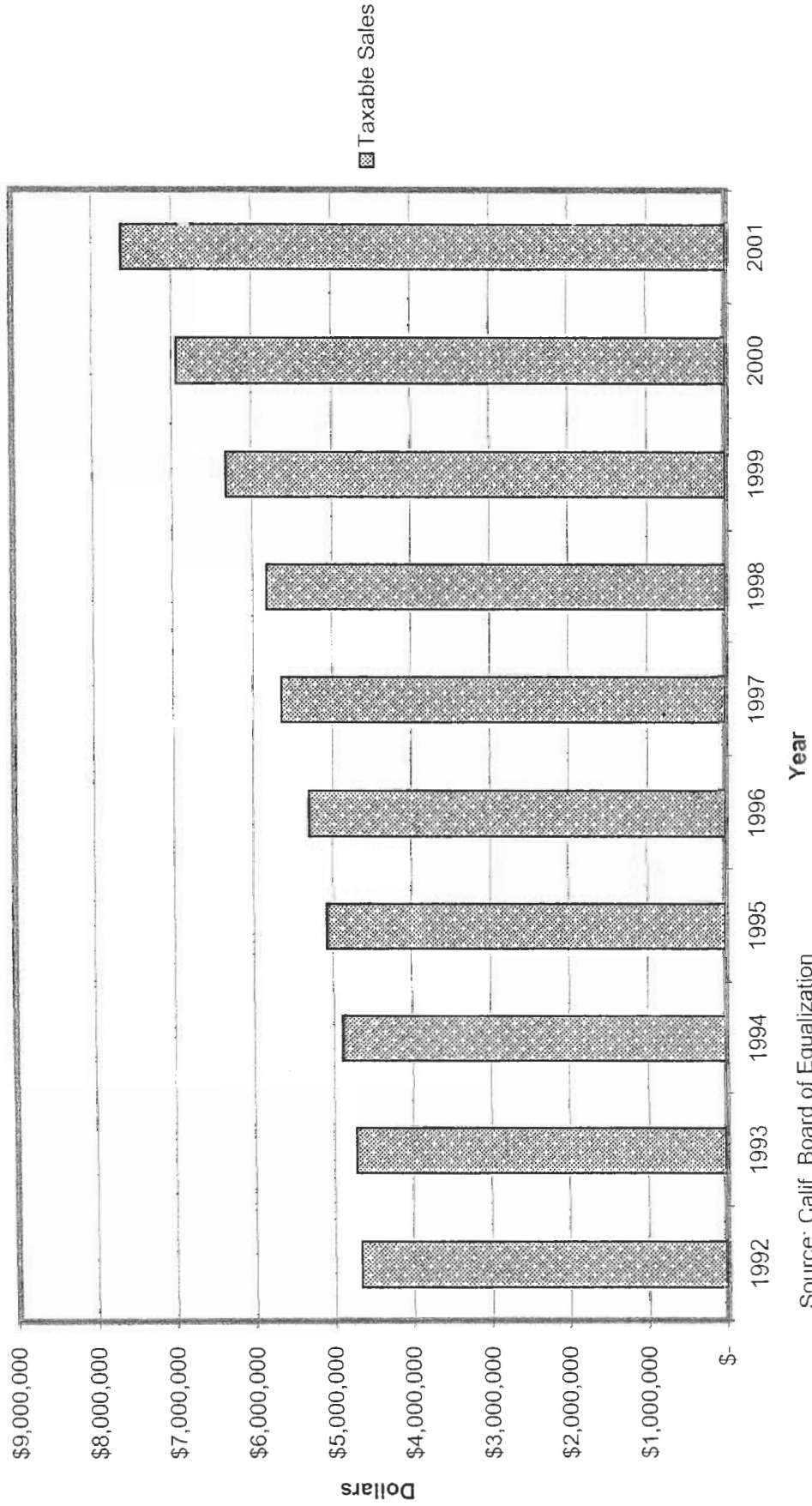
STATISTICS

Kern Council of Governments Population



Source: U.S. Census Bureau & Calif. Dept. of Finance

Kern Council of Governments Annual Taxable Sales

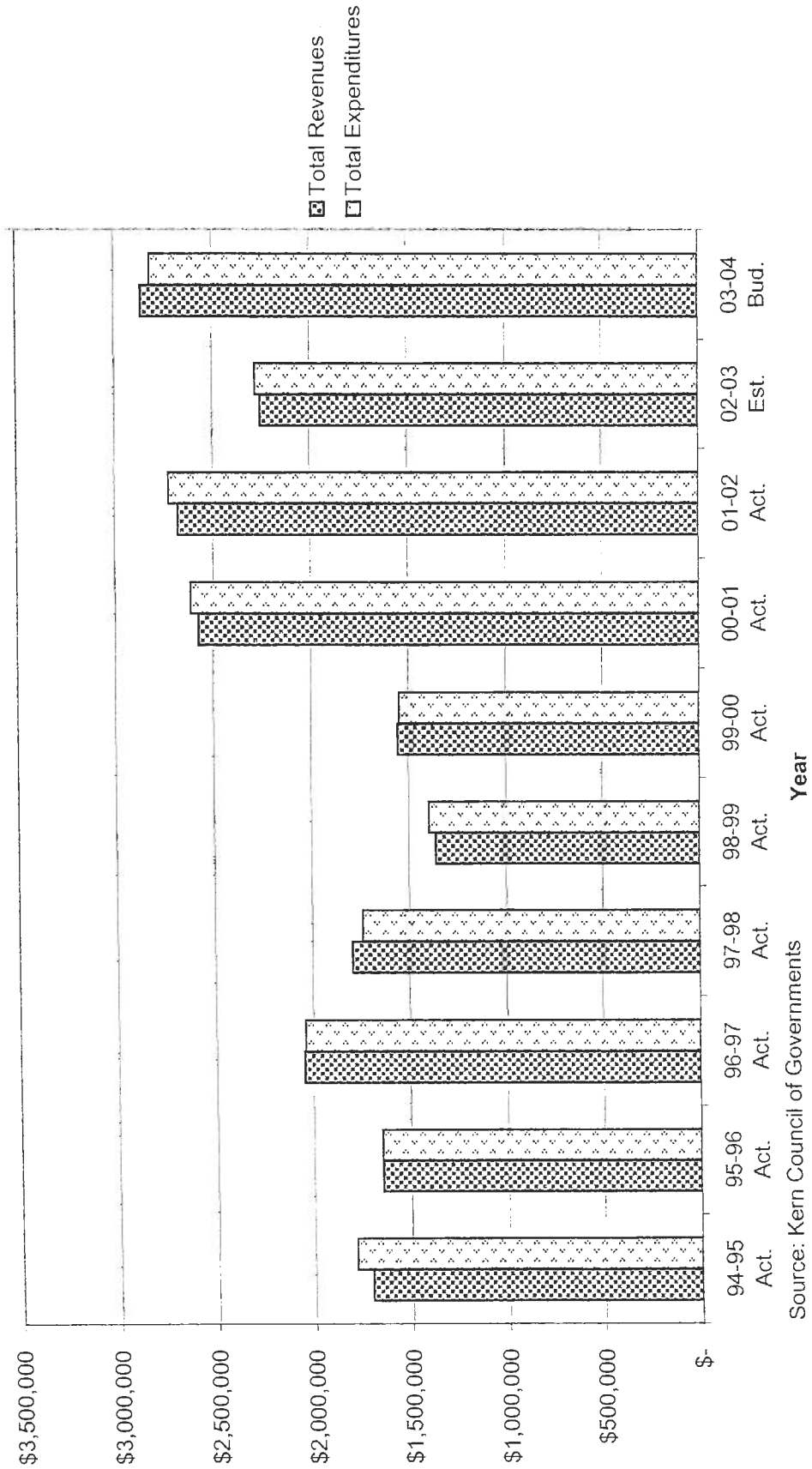


Source: Calif. Board of Equalization

OVERALL WORK PROGRAM SUMMARY

FINANCIAL PLAN SUMMARY

Kern Council of Governments Total Revenues & Expenditures



Source: Kern Council of Governments

Kern Council of Governments

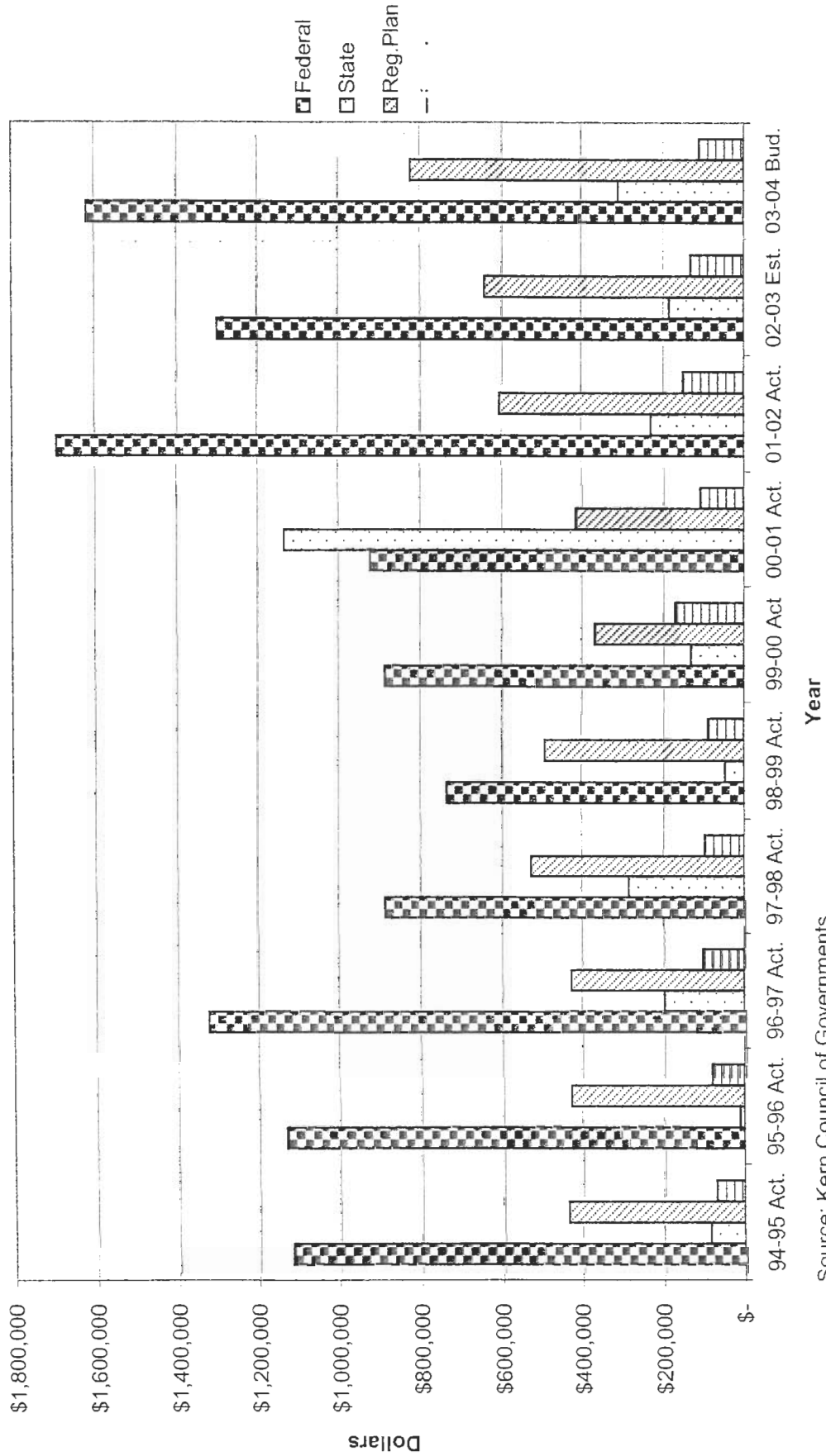
FINANCIAL PLAN SUMMARY
FY 2003/2004

Revised: April 30, 2003

Account No./Title	2000-01 Actual	2001-02 Actual	2002-03 Budget	2002-03 Estimated	2003-04 Proposed
REVENUE					
4140-Federal Grants	\$ 1,725,323	\$ 1,691,080	\$ 1,846,520	\$ 1,298,881	\$ 1,617,868
3955-State Grants	\$ 273,066	\$ 229,670	\$ 442,989	\$ 184,363	\$ 307,693
4220-Regional Planning/Admin.	\$ 413,613	\$ 604,052	\$ 831,273	\$ 639,427	\$ 821,644
4220-Local Contracts	\$ 96,177	\$ 128,308	\$ 166,157	\$ 110,506	\$ 91,218
5370-Miscellaneous	\$ 65,868	\$ 22,290	\$ 23,500	\$ 20,997	\$ 20,000
TOTAL REVENUE	\$ 2,574,047	\$ 2,675,400	\$ 3,310,439	\$ 2,254,174	\$ 2,858,423
EXPENDITURES					
Personnel:					
6110-Regular Salaries & Wages	\$ 802,547	\$ 949,381	\$ 1,013,232	\$ 934,691	\$ 1,033,342
6200-Extra-Help Wages	\$ 2,371	\$ 8,633	\$ 26,033	\$ 16,655	\$ 18,996
6410/6600-Fringe Benefits	\$ 230,456	\$ 276,628	\$ 365,519	\$ 302,636	\$ 384,991
SUBTOTAL-PERSONNEL	\$ 1,035,374	\$ 1,234,642	\$ 1,404,784	\$ 1,253,982	\$ 1,437,329
SUBTOTAL-7500-SUBCONTRACTOR	\$ 1,245,616	\$ 1,125,388	\$ 1,388,590	\$ 642,286	\$ 917,368
SERVICES & SUPPLIES					
6841-Communications	\$ 7,879	\$ 9,500	\$ 14,050	\$ 9,860	\$ 12,625
6900-Insurance	\$ 10,081	\$ 21,699	\$ 21,000	\$ 21,000	\$ 24,700
6970-Maintenance-Equipment	\$ 4,708	\$ 9,911	\$ 10,000	\$ 10,000	\$ 10,000
7001-Maintenance-Structures	\$ -	\$ -	\$ 1,000	\$ -	\$ 1,000
7400-Memberships	\$ 9,677	\$ 5,581	\$ 11,350	\$ 11,350	\$ 11,750
7450-Office Supplies	\$ 37,035	\$ 28,309	\$ 62,600	\$ 41,631	\$ 71,017
7525-Data Processing	\$ 20,841	\$ 29,351	\$ 53,850	\$ 53,769	\$ 53,350
7600-Public/Legal Notices	\$ 4,800	\$ 9,613	\$ 6,300	\$ 6,300	\$ 10,750
7630-Leases-Equipment	\$ 1,017	\$ 851	\$ 2,500	\$ 1,075	\$ 2,500
7650-Leases-Structures	\$ 97,472	\$ 99,544	\$ 102,050	\$ 101,050	\$ 104,846
7700-Special Dept. Expense	\$ 5,507	\$ 36,302	\$ -	\$ -	\$ -
7730-Training & Development	\$ 2,507	\$ 1,295	\$ 11,000	\$ 11,000	\$ 12,000
7740-Travel Expenses	\$ 28,453	\$ 47,296	\$ 39,025	\$ 39,025	\$ 39,750
7750-Personal Vehicle Mileage	\$ 15,020	\$ 13,844	\$ 23,430	\$ 23,430	\$ 19,150
7970-Kern County Indirect Costs	\$ 1,836	\$ 2,840	\$ 3,500	\$ 2,840	\$ 3,500
7990-Depreciation Expense	\$ 28,800	\$ 30,232	\$ 15,000	\$ 25,719	\$ 30,000
7995-Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -
SUBTOTAL-SERVICES & SUPPLIES	\$ 275,633	\$ 346,168	\$ 376,655	\$ 358,049	\$ 406,938
SUBTOTAL-8601-CAPITAL OUTLAYS	\$ 56,121	\$ 17,868	\$ 50,500	\$ 25,500	\$ 51,000
TOTAL EXPENDITURES	\$ 2,612,744	\$ 2,724,066	\$ 3,220,529	\$ 2,279,817	\$ 2,812,635
Depreciation Adjustment	\$ 28,800	\$ 30,232	\$ 15,000	\$ 25,719	\$ 30,000
OPERATING SURPLUS/(DEFICIT)	\$ (9,897)	\$ (18,434)	\$ 104,910	\$ 76	\$ 75,788

REVENUE DETAIL

Kern Council of Governments Revenue History



Source: Kern Council of Governments

Kern Council of Governments

REVENUE BUDGET WORKSHEET
FY 2003-2004

Account/Source	Account Number	2000-01 Actual	2001-02 Actual	2002-03 Budgeted	2002-03 Estimated	2003-04 Proposed
FEDERAL	4140					
U.S. Dept. of Transportation (Region IX):						
Federal Transit Admin.(Sec.5303 Urban--89/11)		\$108,028	\$162,063	\$138,222	\$138,222	\$138,179
Federal Transit Admin.(Sec.5303 Urban--80/20)		\$0	\$0	\$0	\$0	\$0
Federal Transit Admin.(Sec.9 Urban)		\$0	\$0	\$0	\$0	\$0
U.S. Dept. of Transportation (Caltrans Pass-Through):						
Federal Aviation Admin.(FAA)		\$0	\$0	\$0	\$0	\$0
Federal Transit Admin.(Sec.5313 Rural)		\$0	\$15,241	\$114,759	\$114,759	\$80,000
Federal Highway Admin. (PL)		\$742,827	\$815,648	\$1,329,416	\$861,343	\$1,311,159
Federal Highway Admin. (IVHS/ITS)		\$0	\$0	\$0	\$0	\$0
Federal Highway Admin. (Demo STP/89-11)		\$0	\$0	\$0	\$0	\$0
Federal Highway Admin. (Demo STP/80-20)		\$871,274	\$692,281	\$250,225	\$175,418	\$0
Federal Highway Admin. (STP/STIP/PPM)		\$0	\$0	\$0	\$0	\$0
Federal Highway Admin. (FAP/CMAQ)		\$0	\$0	\$0	\$0	\$88,530
Federal Highway Admin. (RSTP)		\$3,194	\$5,847	\$13,898	\$9,139	\$0
Write-off of Uncollectible Accounts		\$0	\$0	\$0	\$0	\$0
SUBTOTAL--FEDERAL		\$1,725,323	\$1,691,080	\$1,846,520	\$1,298,881	\$1,617,868
STATE	3955					
California Dept. of Transportation:						
Division of Aeronautics		\$0	\$0	\$0	\$0	\$0
Caltrans/Headquarters Rideshare		\$0	\$0	\$0	\$0	\$0
Caltrans District 06/New Technologies/Advanced Trans.		\$0	\$0	\$0	\$0	\$0
Caltrans TCI Program Grant		\$0	\$0	\$0	\$0	\$0
Caltrans Subventions Funds		\$19,643	\$0	\$0	\$0	\$0
Caltrans SHA/80-20		\$9,364	\$0	\$0	\$0	\$0
STIP/PPM		\$72,397	\$98,726	\$374,586	\$184,363	\$307,693
Caltrans TSM		\$0	\$0	\$0	\$0	\$0
AmtrK West		\$0	\$0	\$0	\$0	\$0
State of CA - TCRP		\$171,662	\$130,944	\$68,403	\$0	\$0
SJVUAPCD AB2766 Grant (TDM)		\$0	\$0	\$0	\$0	\$0
California General Fund:						
State Controller's Office (Mandated Cost Reimbursement)		\$0	\$0	\$0	\$0	\$0
SUBTOTAL--STATE		\$273,066	\$229,670	\$442,989	\$184,363	\$307,693

Kern Council of Governments

REVENUE BUDGET WORKSHEET
FY 2003-2004

Account/Source	Account Number	2000-01 Actual	2001-02 Actual	2002-03 Budgeted	2002-03 Estimated	2003-04 Proposed
LOCAL	4220					
Claims:						
Transportation Development Act (Planning & Admin.)		\$413,613	\$604,052	\$831,273	\$639,427	\$821,644
Kern Motorist Aid Authority		\$57,387	\$50,927	\$69,255	\$65,317	\$77,792
Contributions:						
City of Arvin		\$75	\$86	\$297	\$86	\$100
City of Bakersfield		\$1,491	\$1,612	\$5,564	\$1,612	\$2,000
City of California City		\$55	\$59	\$204	\$59	\$75
City of Delano		\$223	\$256	\$882	\$256	\$300
City of Maricopa		\$8	\$7	\$26	\$7	\$10
City of McFarland		\$59	\$63	\$217	\$63	\$75
City of Ridgecrest		\$171	\$162	\$558	\$162	\$200
City of Shafter		\$75	\$83	\$288	\$83	\$100
City of Taft		\$58	\$56	\$195	\$56	\$70
City of Tehachapi		\$80	\$73	\$250	\$73	\$100
City of Wasco		\$126	\$139	\$480	\$139	\$175
County of Kern		\$1,721	\$1,749	\$6,039	\$1,749	\$2,000
Circuit Planner		\$0	\$0	\$0	\$0	\$0
Contracts:						
City of Arvin		\$0	\$0	\$0	\$0	\$0
City of Bakersfield		\$0	\$0	\$0	\$0	\$0
City of California City		\$0	\$0	\$0	\$0	\$0
City of Delano		\$0	\$0	\$0	\$0	\$0
City of Maricopa		\$0	\$0	\$0	\$0	\$0
City of McFarland		\$0	\$0	\$0	\$0	\$0
City of Ridgecrest		\$0	\$8,712	\$12,131	\$0	\$0
City of Shafter		\$0	\$547	\$7,578	\$0	\$0
City of Taft		\$0	\$0	\$0	\$0	\$0
City of Tehachapi		\$0	\$0	\$0	\$0	\$0
City of Wasco		\$0	\$0	\$0	\$0	\$0
County of Kern		\$0	\$0	\$0	\$0	\$0
Inyo/Mono County RTPAs		\$0	\$0	\$0	\$0	\$0
Miscellaneous		\$34,648	\$63,777	\$62,193	\$40,844	\$8,221
SUBTOTAL--LOCAL		\$509,790	\$732,360	\$997,430	\$749,933	\$912,862
OTHER						
Sales--Fees and Charges	5370	\$43,782	\$492	\$0	\$1,938	\$0
Interest	3055	\$15,976	\$9,819	\$11,000	\$10,675	\$11,000
Rideshare Donations	5370	\$0	\$0	\$0	\$0	\$0
Miscellaneous	5370	\$6,110	\$10,933	\$12,500	\$8,384	\$9,000
SUBTOTAL--OTHER		\$65,868	\$21,244	\$23,500	\$20,997	\$20,000
TOTAL--REVENUES		\$2,574,047	\$2,674,354	\$3,310,439	\$2,254,174	\$2,858,423