SAN JOAQUIN COUNCIL OF GOVERNMENTS ANNUAL FINANCIAL PLAN FOR FISCAL YEAR 2014-15

RECOMMENDATION

It is recommended that by motion action the City Council ratify the San Joaquin Council of Government Annual Financial Plan for Fiscal Year 2014-15.

DISCUSSION

Background

The San Joaquin Council of Governments (SJCOG) Joint Powers Agreement requires that a majority of the member governments ratify the budget each year. The SJCOG unanimously adopted the Annual Financial Plan for Fiscal Year 2014-15 on March 27, 2014.

Present Situation

Attached is the request for ratification from SJCOG staff, which includes a summary of the SJCOG Annual Plan implementing the Fiscal Year 2014-15 Overall Work Program (Attachment A). The Annual Financial Plan included in Attachment A provides an outline of expenditures by cost category and line item comparing the proposed 2014-15 budget with the current year (Fiscal Year 2014-14) adopted budget, as most recently amended, and the actual expenditures for Fiscal Year 2013-14. The SJCOG 2014-15 Annual Financial Plan includes a 5.3% or $444,794 decrease in revenues and expenditures. This is in addition to a 7.7% decrease in Fiscal Year 2013-14. That being said, regular sales tax-based funding continues to rebound. The decrease in revenues is primarily due to federally funded projects nearing completion and a spend down of state Freeway Service Patrol funds carried over from previous years. The decrease in overall revenues is being addressed in expenditures by decreasing professional services by 16% and capital outlay by $20,000. The reduction to professional services reflects the reduced level of anticipated consulting work in the Overall Work Plan due to project life cycles. Salaries and benefits are proposed to climb slightly, increasing by 3.3% when compared to FY 2013-14. Additional details are included in Attachment A.

The 2014-15 Overall Work Program includes continued preparation of federal and regional planning documents for our Metropolitan Planning Organization, administration of the Transportation Development Act process, intergovernmental coordination and delivery of Measure K and Measure K Renewal projects. Specific to the 2013-14 Overall Work Plan, the SJCOG will continue its work to implement SB 375, including the adoption of the Sustainable Communities Strategy. SJCOG will also work toward completion of the Regional Transportation Plan and Regional Housing Needs Assessment. Other 2014-15 Overall Work Plan activities focus on targeted improvements to high priority corridors for transit investments, congestion relief and goods movement to maintain the
economic competitiveness of the region. And finally, the SJCOG 2014-15 Overall Work Plan includes integration of the federal congestion management process into the Regional Transportation Plan and Sustainable Communities Strategy and establishment of transportation demand measures as part of the Congestion Management Program Deficiency Plan.

FINANCIAL SUMMARY

The operations and projects of the SJCOG are funded through local sales tax, state and federal grants, special assessments and fees. The City of Stockton may participate in funding specific infrastructure projects in cooperation with the San Joaquin Council of Governments. However, there are no General Fund or unrestricted funds that are appropriated directly for SJCOG operations.

Attachment A - SJCOG Correspondence and FY 2013-14 Annual Financial Plan Summary