



Helping Communities Thrive and Prosper in the Greater Portland and Lakes Region

FY 2022 Budget 7/1/2021 – 6/30/2022

First Draft Provided to the Executive Committee on 4/14/21



April 7, 2021

To: GPCOG Executive Committee
From: Kristina Egan, Executive Director, GPCOG
RE: Proposed GPCOG Budget: July 1, 2021 – June 30, 2022

I am pleased to submit the first draft of the proposed GPCOG budget for Fiscal Year 2022 for your review.

The FY22 budget projects the following revenues and expenses:

Total Revenue:	\$4,846,972
Total Expenses:	\$4,846,972

This budget is composed of the following elements:

- FY22 Priorities & Budget Summary
- Detailed Revenue and Expense Comparative Budgets, Graphs and Explanations
- Member Dues Allocation

FY22 Priorities & Budget Summary

The FY22 budget supports GPCOG's three main strategic priorities: strengthen cities and towns with responsive member services, lead the region toward prosperity, and operate with excellence. In addition to the work defined by ongoing grants and contracts, GPCOG will focus on the following priorities in FY22:

1. Maximize the regional impact of federal relief, stimulus and infrastructure resources for transportation, housing, broadband, and sustainability.
2. Continue to deliver quality member services, with a particular FY22 focus on rural and small communities.
3. Encourage and support transit agency coordination to improve customer service, with a focus on the Transit Together initiative.
4. Expand housing choices in priority places by working with members.
5. Be a resource and partner on issues of importance to members and the state on climate-friendly transportation, broadband, and racial equity.

The FY22 budget of approximately \$4,850,000 is approximately \$778,000 more than the FY21 budget. This is attributable primarily to an increase in transportation funding from the Federal Transit Administration, Economic Development Administration, and AmeriCorps for multiple pandemic-related projects continuing from FY21 into FY22.

REVENUES	
	Total
Transportation	\$ 2,516,233
Economic Development	\$ 1,031,198
Land Use	\$ 63,795
Sustainable Energy	\$ 90,000
Member Services	\$ 508,146
Other Contracts	\$ 9,000
Bank Interest - General	\$ 1,800
Bank Interest - Revolving Loan Funds	\$ 1,800
Projected New Revenues	\$ 625,000
TOTAL REVENUES	\$ 4,846,972
EXPENSES	
Personnel	\$ 2,505,593
Office	\$ 230,287
Consulting Services	\$ 1,410,768
Meetings and Travel	\$ 22,933
Other Direct Expenses	\$ 352,391
Pass-through Expenses	\$ 325,000
TOTAL EXPENSES	\$ 4,846,972
NET INCOME	\$ 0

Overall Changes

- The overall budget increased by approximately \$778K from FY21.
- Budgeted revenues increased primarily due to increases in transportation, economic development and AmeriCorps projects related to the pandemic as well as projected new revenues.
- Budgeted expenses increased primarily due to increases in personnel, consulting services, and various other direct expenses, with an offset decrease in pass-through expenses.

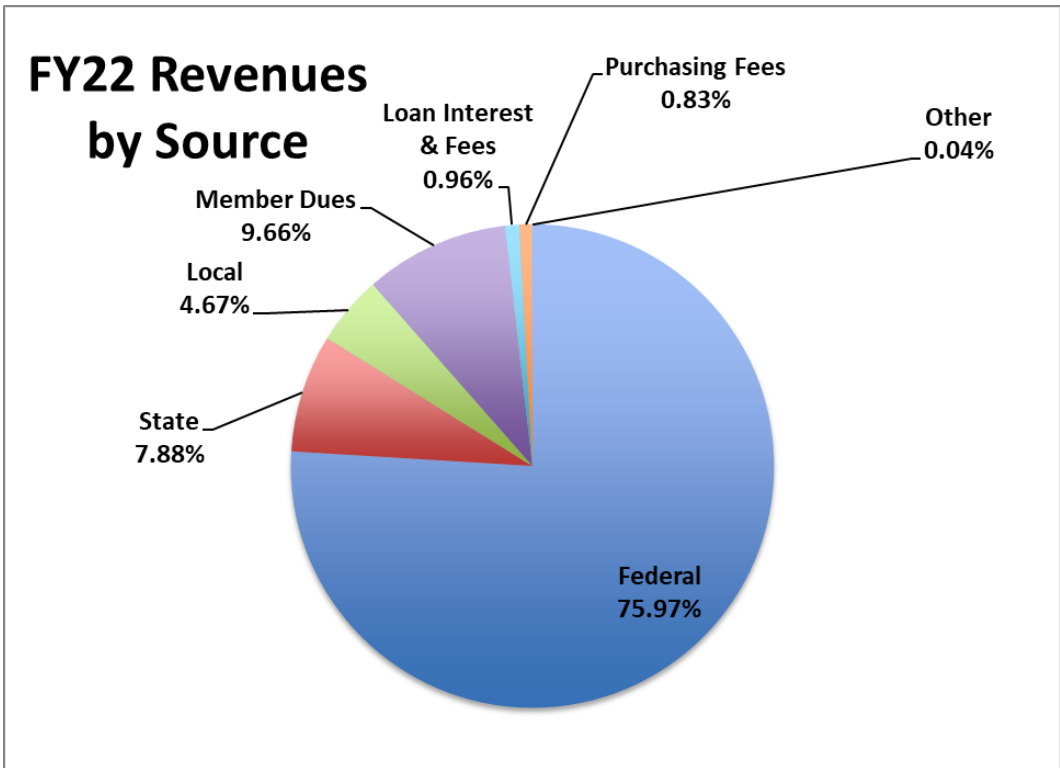
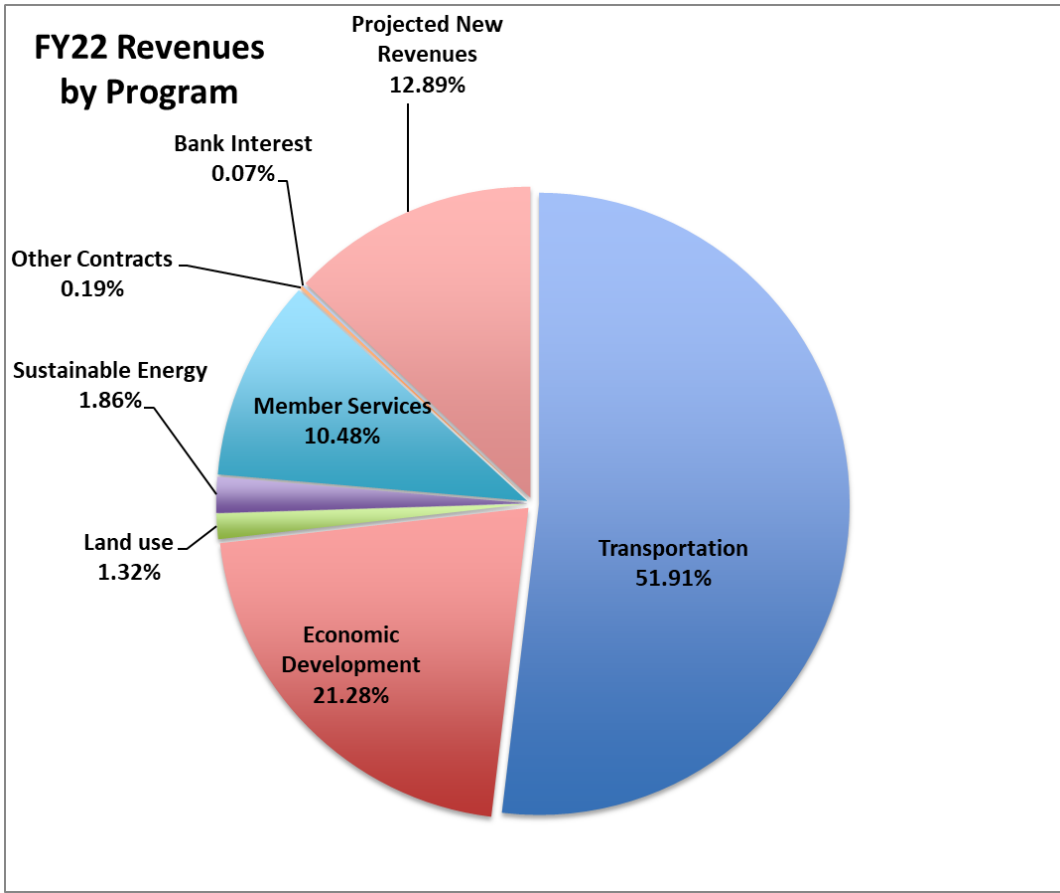
Detailed Revenue Budget

REVENUES				
	TOTAL		TOTAL	
	FY 2022		FY 2021	DIFFERENCE
Transportation	\$ 2,516,233	\$	1,892,913	\$ 623,320
U.S. Department of Transportation - Planning Funds	\$ 2,006,805	\$	1,336,873	\$ 669,932
U.S. Department of Transportation - Capital Projects	\$ 223,610	\$	248,750	\$ (25,140)
Maine Department of Transportation	\$ 168,249	\$	190,749	\$ (22,500)
Municipal Match	\$ 117,569	\$	116,541	\$ 1,028
Economic Development	\$ 1,031,198	\$	1,237,070	\$ (205,872)
U.S. Economic Development Administration	\$ 330,000	\$	70,000	\$ 260,000
U.S. Environmental Protection Agency	\$ 115,000	\$	185,000	\$ (70,000)
U.S. Environmental Protection Agency - Loan Funding	\$ 175,000	\$	500,000	\$ (325,000)
U.S. Department of Agriculture	\$ -	\$	185,720	\$ (185,720)
Corporation for National and Community Service	\$ 216,698	\$	-	\$ 216,698
Municipal Match	\$ -	\$	92,350	\$ (92,350)
Finance Authority of Maine - Loan Funding	\$ 150,000	\$	150,000	\$ -
Revolving Loan Funds - Interest and Fees	\$ 44,500	\$	54,000	\$ (9,500)
Land Use	\$ 63,795	\$	57,163	\$ 6,632
Maine Dept. of Agriculture, Conservation and Forestry	\$ 48,287	\$	42,663	\$ 5,624
Maine Dept. of Transportation	\$ 15,508	\$	14,500	\$ 1,008
Sustainable Energy	\$ 90,000	\$	90,000	\$ -
U.S. Department of Energy	\$ 90,000	\$	90,000	\$ -
Member Services	\$ 508,146	\$	540,184	\$ (32,038)
Member Dues	\$ 468,146	\$	520,184	\$ (52,038)
Joint Purchasing Fees	\$ 40,000	\$	20,000	\$ 20,000
Other Contracts	\$ 9,000	\$	18,000	\$ (9,000)
Corporate Contributions and Sponsorships	\$ -	\$	18,000	\$ (18,000)
Bank Interest - General	\$ 1,800	\$	7,000	\$ (5,200)
Bank Interest - Revolving Loan Funds	\$ 1,800	\$	9,000	\$ (7,200)
Projected New Revenues	\$ 625,000	\$	200,000	\$ 425,000
TOTAL REVENUES	\$ 4,846,972	\$	4,069,330	\$ 777,642

Changes in Revenue

- Budgeted transportation revenues show an increase of approximately \$623K, which is attributed entirely to an increase in U.S. Department of Transportation planning funds.

- The major revenue source in this category comes from the bi-annual Unified Planning Work Program. The most recent award starting calendar year 2020 was flat-funded from the prior award, and there is no current expectation the new program starting calendar year 2022 will see an increase in funding. The increase in this category is primarily due to CARES Act funding from the Federal Transit Administration for work to be performed over two years to help the regional transit network recover from pandemic-induced ridership drops.
- The decrease in U.S. DOT Capital Funds and MaineDOT match is directly related to two projects ending in FY21: High Crash Locations and Collector Paving. However, a third phase related to the Transit Stop Access project offset most of the reduction from those two projects.
- Budgeted economic development revenues show a decrease of approximately \$206K, which is attributed to decreases in U.S. EPA, USDA and municipal match revenues. These decreases were partially offset by increases in U.S. EDA revenues as well as a new AmeriCorps program with funding coming from the Corporation for National and Community Service.
 - The decrease in U.S. EPA revenues and loan funding are the result of the current brownfields grants ending in early FY22, however, we anticipate receiving additional funding for grants, loans and assessment work. The application process does not start until FY22, so the amounts budgeted are conservative.
 - The decrease in USDA and municipal match is entirely due to the Local Foods Promotion Program project ending at the end of FY21.
 - The increase in U.S. EDA funding is entirely due to a \$400K, 2-year CARES Act grant received at the beginning of FY21.
- Projected new revenues of \$625K consist of \$525K of new grants and \$100k of new contracts. This is a budgeted increase of \$425K from the prior year. The reason for the large increase is two-fold. First, GPCOG significantly exceeded projected new revenues in FY21. Second, GPCOG is in the process of hiring a development director that will increase the agency's efforts and focus on securing additional funding for priorities.



Detailed Expense Budget

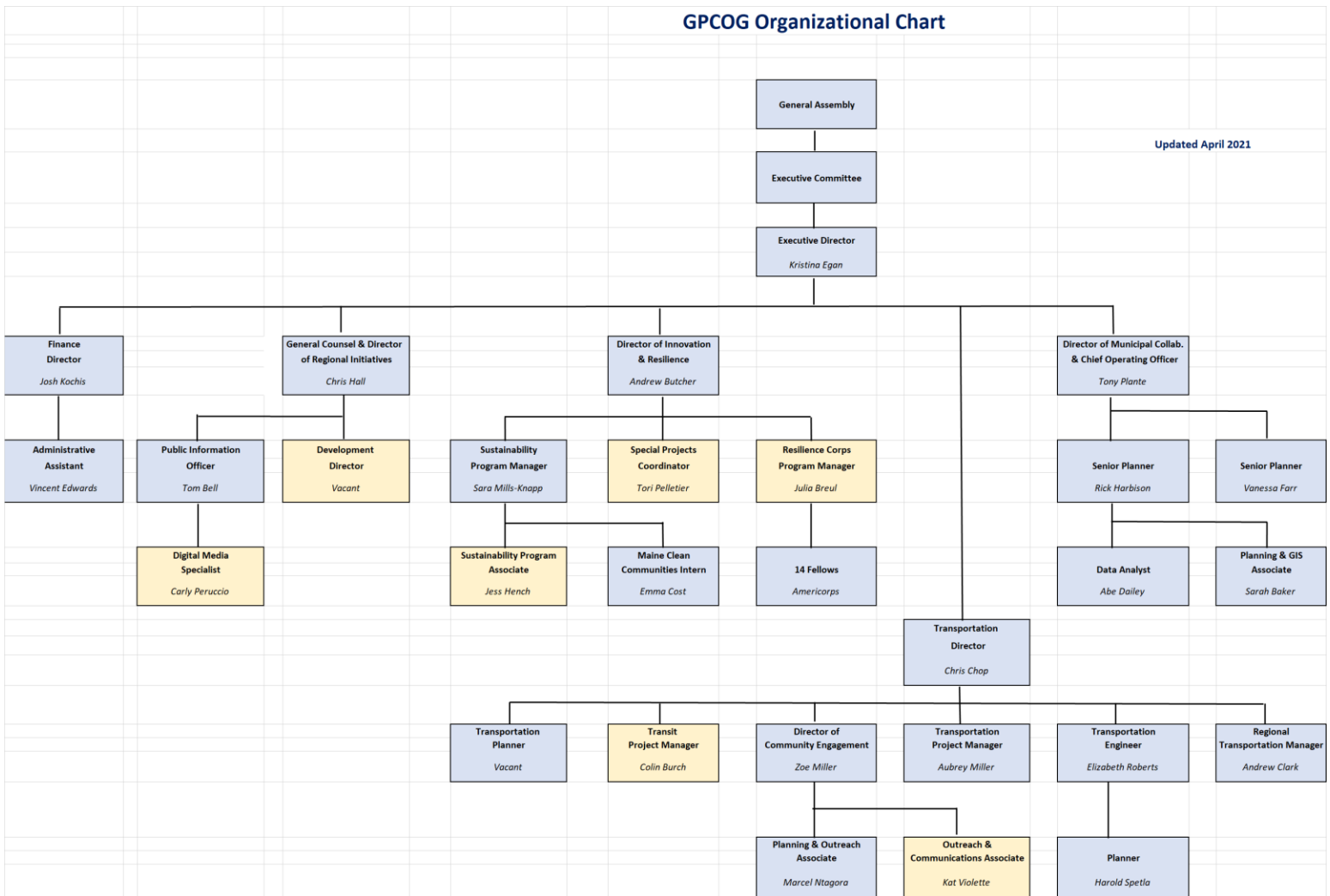
EXPENSES					
	TOTAL		TOTAL		
	FY 2022	FY 2021			DIFFERENCE
Personnel	\$ 2,505,593	\$ 1,720,973	\$		784,620
Salaries	\$ 2,068,574	\$ 1,397,319			671,255
Fringe	\$ 437,019	\$ 323,654			113,365
Office	\$ 230,287	\$ 204,136	\$		26,151
Postage	\$ 1,500	\$ 1,000			500
Utilities	\$ 9,500	\$ 9,000			500
Office Supplies	\$ 12,000	\$ 4,000			8,000
Printing & Copying	\$ 5,000	\$ 6,800			(1,800)
Rent	\$ 143,074	\$ 140,837			2,237
Cleaning	\$ 5,000	\$ 2,892			2,108
Telecommunications	\$ 12,480	\$ 8,500			3,980
Depreciation	\$ 8,680	\$ 8,680			-
Payroll Processing Fee	\$ 3,000	\$ 2,374			626
Copier Lease	\$ 5,053	\$ 5,053			-
Equipment & Furniture	\$ 25,000	\$ 15,000			10,000
Consulting Services	\$ 1,410,768	\$ 1,269,112	\$		141,656
Legal	\$ 2,000	\$ 25,000			(23,000)
Audit/CPA	\$ 22,500	\$ 22,500			-
Loan Underwriting	\$ 6,700	\$ 6,700			-
Information Technology	\$ 35,000	\$ 17,489			17,511
Equipment Maintenance	\$ 10,000	\$ 10,000			-
Software Fees	\$ 50,038	\$ 43,806			6,232
Website	\$ 14,000	\$ 2,500			11,500
Consulting - Engineering	\$ 754,710	\$ 788,117			(33,407)
Consulting - Other	\$ 515,820	\$ 353,000			162,820
Meetings and Travel	\$ 22,933	\$ 60,301	\$		(37,368)
Travel - Mileage	\$ 4,100	\$ 12,300			(8,200)
Travel - Hotel and Airfare	\$ 5,000	\$ 20,000			(15,000)
Event Costs	\$ 4,333	\$ 13,001			(8,668)
Meeting Registration Fees	\$ 4,500	\$ 5,000			(500)
Meeting Supplies	\$ 5,000	\$ 10,000			(5,000)
Other Direct Expenses	\$ 352,391	\$ 164,808	\$		187,583
Memberships & Dues	\$ 10,000	\$ 5,326			4,674
Insurance	\$ 14,000	\$ 12,200			1,800
Advertising	\$ 166,422	\$ 5,854			160,568
Shredding - Confidential Destruction	\$ 800	\$ 930			(130)
Interest	\$ 121	\$ 238			(117)
Professional Development	\$ 10,000	\$ 10,000			-
Bank Service Fees	\$ 75	\$ 75			-
Miscellaneous Expense	\$ 300	\$ 500			(200)
Subscriptions/Publications	\$ 1,500	\$ 1,120			380
Auto Lease	\$ 648	\$ 6,907			(6,259)
Doubtful Accounts - General	\$ 3,000	\$ 5,000			(2,000)
Doubtful Accounts - RLF Loan Programs	\$ 59,525	\$ 80,658			(21,133)
Loan Forgiveness	\$ 50,000	\$ -			50,000
FAME Fee on Loan Funds	\$ 16,000	\$ 16,000			-
In-Kind Labor from Partners	\$ 20,000	\$ 20,000			-
Pass-through Expenses	\$ 325,000	\$ 650,000	\$		(325,000)
Brownfields Loans	\$ 175,000	\$ 500,000			(325,000)
FAME Loans	\$ 150,000	\$ 150,000			-
TOTAL EXPENSES	\$ 4,846,972	\$ 4,069,330	\$		777,642

Changes in Expenses

Personnel

Personnel costs are budgeted to increase by about \$785K compared to the FY21 budget. The primary reason for the increase is the change in composition of the staff, including hiring new positions. Raises and compensation adjustments to existing staff also contribute to this increase. The FY22 budget includes 27 staff and 14 AmeriCorps Fellows. The FY21 budget included 20 staff and support for interns. Below is a list of new staff positions. These are also depicted in yellow on the organizational chart. Note that six of the new positions were already hired and filled in FY21 due to the need to increase capacity to meet grant and contract obligations.

Resilience Corps Program Manager	New	Grant Funded
Digital Media Specialist	New	Grant Funded
Transit Project Manager	New	Grant Funded
Development Director	New	2-year initial term
Outreach & Communications Associate	New	
Special Projects Coordinator	New	
Sustainability Program Associate	New	



Consulting

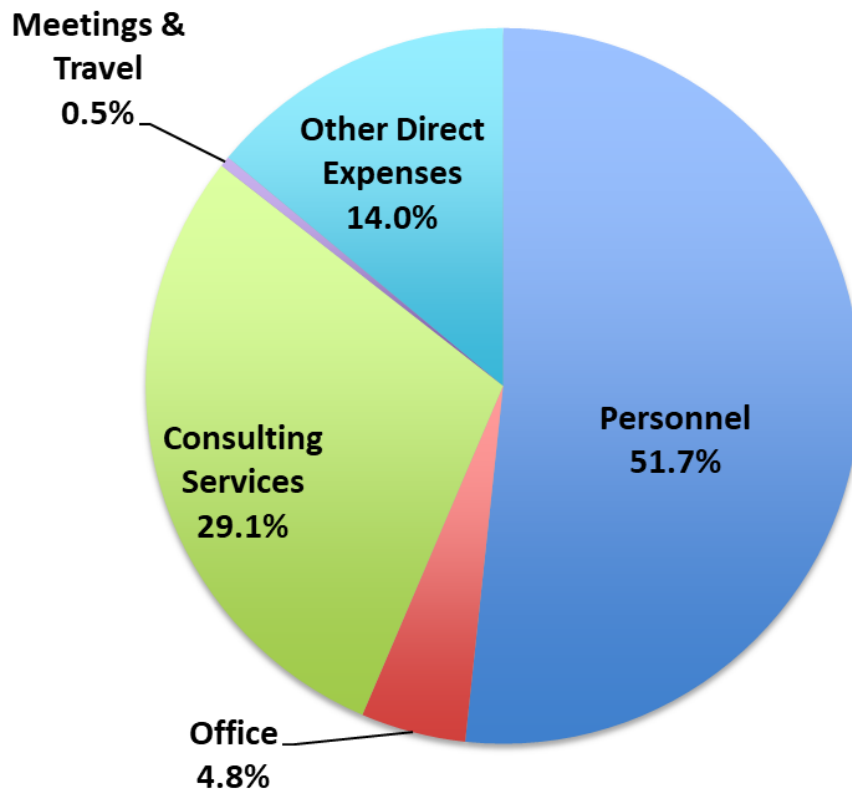
The increase in budgeted consulting expenses is due primarily to the increases in other consulting, information technology and website fees, with a partial offset from the decreases in engineering consulting and legal fees.

- **Other Consulting:** The increase budgeted for other consultants of approximately \$163K is due primarily to CARES Act funding coming from the FTA and EDA that will be utilized in FY22 and FY23. Additionally, consultant budgets for sustainability projects and \$20K for a 2-year strategic plan update have been included.
- **Information Technology:** The increase in budgeted information technology expenses of approximately \$17.5K is due to the expiration of the prior three-year contract with Thrive Networks ending in March 2021. GPCOG will need to either renew the contract or bid out the services, and as such we anticipate an increase in fees associated with our information technology services based on ongoing discussions.
- **Legal Fees:** The decrease in budgeted legal fees of \$23K is entirely due to the Cable Franchise review performed in FY21 by an independent firm ending at the end of FY21.

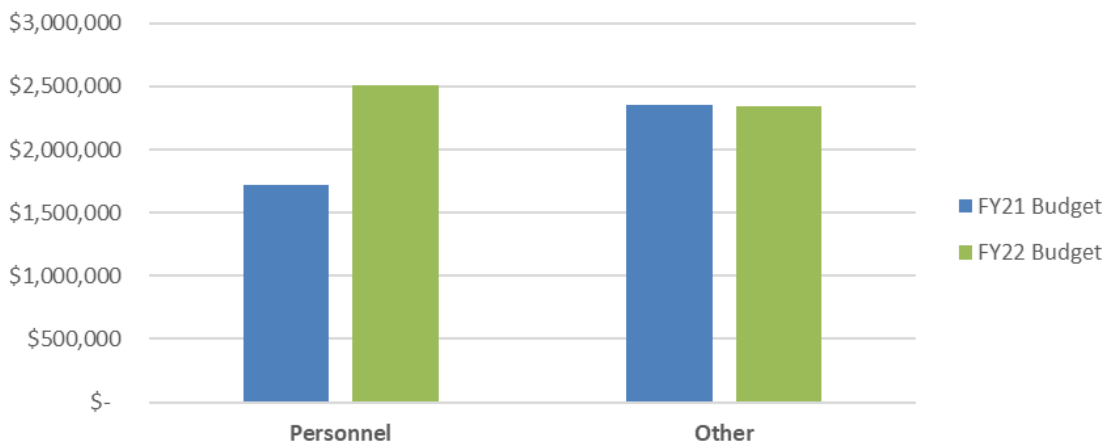
Other Direct Expenses

The decrease in other direct expenses, which includes pass-through expenses, is almost entirely attributed to a decrease in Brownfields loans to be provided. GPCOG provided almost \$500K in loan funding in FY21, however, we will need to reapply for new funding in FY22 and with the grant amount to be received unknown the budgeted amount is more conservative. This overall decrease was partially offset by an increase in advertising which is almost entirely attributed to an advertising campaign that will occur in FY21 and FY22 related to the FTA CARES Act funding surrounding transit. Additionally, loan forgiveness is a new expense category and relates to partial forgiveness of GPCOG's microloans based on the terms of the loans.

FY22 Expenses



Comparative Budgeted Expenses FY21 and FY22



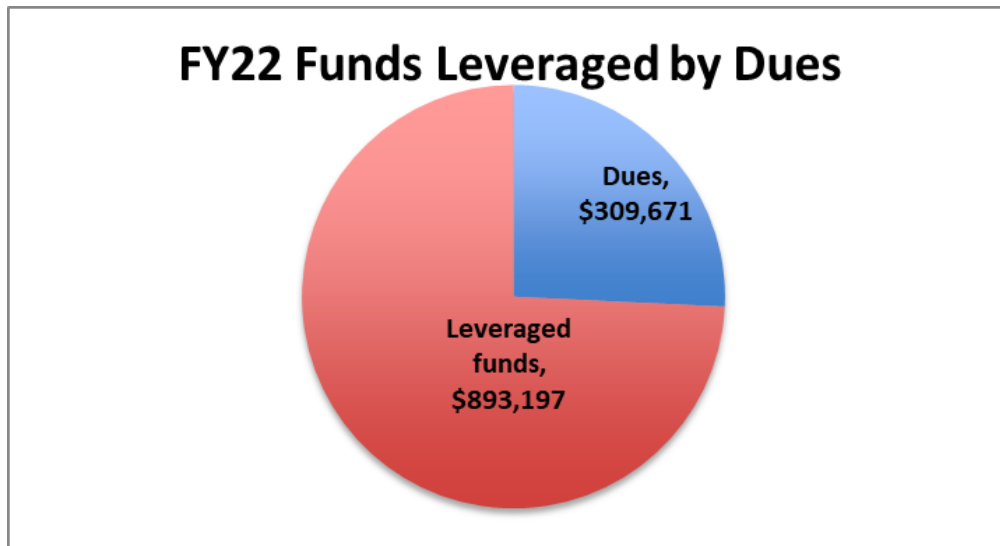
Member Dues Allocation

Member Dues Support:

- Member services
- Regional services
- Local match for the following:
 - State-assisted land use planning
 - Economic development planning
 - Regional transit planning
 - Brownfields investments
 - AmeriCorps

	Dues	Leveraged	Total
Member Services	\$ 158,475	\$ -	\$ 158,475
Direct and Regionalized Services to Municipalities	\$ 133,475	\$ -	\$ 133,475
Metro Regional Coalition	\$ 25,000	\$ -	\$ 25,000
Match for Regional Work	\$ 309,671	\$ 893,197	\$ 1,202,868
Regional Public Transit Planning	\$ 74,803	\$ 268,212	\$ 343,015
Economic Development	\$ 70,000	\$ 70,000	\$ 140,000
Land Use T.A. and Regional Planning	\$ 19,315	\$ 48,287	\$ 67,602
Brownfields	\$ 13,811	\$ 290,000	\$ 303,811
AmeriCorps	\$ 106,742	\$ 216,698	\$ 323,440
Allocated to Future Grants	\$ 25,000	N/A - Unknown	\$ 25,000
TOTAL	\$ 468,146	\$ 893,197	\$ 1,361,343

Sixty-six percent of the total dues (\$309,671 of the \$468,146) will leverage \$893,197 in additional grant resources.



Highlights

About 66% of the total dues income of \$468,146 will serve as local match for federal and state grants.

This match portion of member dues will leverage over approximately \$893K in additional funds for the region.

The remaining member dues will support GPCOG's effort to provide direct and regionalized services to our municipalities.

Dues Rate

The formula for determining member dues is \$2.00 per capita, based on the most recent decennial census. There are two exceptions: Cumberland County Government pays dues of \$10,000 and the island member towns of Chebeague, Long and Frye each pay \$750 per year. For FY22, GPCOG is providing a member credit of 10% to reduce the burden on municipal budgets to ease recovery from the pandemic.

Decennial 2020 population data is currently being updated by the Census Bureau. These new numbers will be used to determine member dues amounts in FY23.