



Metropolitan Washington Council of Governments

**Fiscal Year 2009
Work Program and Budget**

October 10, 2007

PART A

FY 2009 WORK PROGRAM AND BUDGET

FY 2009 RECOMMENDED MEMBERSHIP DUES \$0.63977 plus @ 50.0% of CPI-U = \$ 0.65721

- FY 2009 Recommended Dues \$ 3,223,507
- FY 2008 Approved Dues \$ 3,103,121
- Change – Increase \$ 120,386

- Change in population – increase 1.1%
- Change in CPI-U – 50% of 5.5% 2.8%
- Total Increase 3.9%

Schedule of General Local Contributions

Population Increase @ 100.0% plus CPI-U @ 50.0% Schedule 2

JURISDICTION	FY 2008		FY 2009		FY 2009		FY 2009(a)		FY 2009(a)		
	POPULATION ESTIMATE	ADJUSTED POPULATION	POPULATION ESTIMATE	ADJUSTED POPULATION	ADJUSTED POPULATION	CONTRIBUTION @ \$0.63977	CONTRIBUTION @ \$0.65721	APPROVED CONTRIBUTION	PROPOSED CONTRIBUTION	CHANGE Amount %	
Fairfax County	1,096,323	1,096,323	1,096,323	1,096,323	1,096,323	701,395	720,514	720,514	720,514	19,120	2.7%
Montgomery County	969,000	829,450 (c)	988,000	841,938 (c)	841,938 (c)	530,657	553,330	553,330	553,330	22,673	4.3%
Prince George's County	859,117	756,199 (b)	860,301	757,256 (b)	757,256 (b)	483,793	497,676	497,676	497,676	13,883	2.9%
District of Columbia	596,200	596,200	602,461	602,461	602,461	381,431	395,943	395,943	395,943	14,513	3.8%
Prince William County	387,714	387,714	402,163	402,163	402,163	248,048	264,306	264,306	264,306	16,258	6.6%
Loudoun County	286,566	286,566	290,929	290,929	290,929	183,336	191,201	191,201	191,201	7,865	4.3%
Frederick County	226,476	166,858 (c)	229,892	169,434 (c)	169,434 (c)	106,751	111,354	111,354	111,354	4,603	4.3%
Arlington County	206,400	206,400	206,100	206,100	206,100	132,049	135,451	135,451	135,451	3,402	2.6%
Alexandria, City of	137,000	137,000	138,000	138,000	138,000	87,648	90,695	90,695	90,695	3,046	3.5%
Gaithersburg, City of	62,159	62,159 (c)	63,903	63,903 (c)	63,903 (c)	39,767	41,998	41,998	41,998	2,230	5.6%
Rockville, City of	60,162	60,162 (c)	64,860	64,860 (c)	64,860 (c)	38,490	42,627	42,627	42,627	4,137	10.7%
Frederick, City of	59,618	59,618	60,458	60,458	60,458	38,142	39,734	39,734	39,734	1,592	4.2%
Bowie, City of	55,626	55,626 (b)	55,470	55,470 (b)	55,470 (b)	35,588	36,455	36,455	36,455	868	2.4%
Manassas, City of	37,500	37,500	38,100	38,100	38,100	23,991	25,040	25,040	25,040	1,048	4.4%
College Park, City of	26,392	26,392 (b)	26,392	26,392 (b)	26,392 (b)	16,885	17,345	17,345	17,345	460	2.7%
Fairfax, City of	22,474	22,474	22,563	22,563	22,563	14,378	14,829	14,829	14,829	450	3.1%
Greenbelt, City of	20,900	20,900 (b)	21,183	21,183 (b)	21,183 (b)	13,371	13,922	13,922	13,922	550	4.1%
Takoma Park, City of	17,229	17,229 (c)	17,299	17,299 (c)	17,299 (c)	11,023	11,369	11,369	11,369	346	3.1%
Manassas Park	14,500	14,500	15,000	15,000	15,000	9,277	9,858	9,858	9,858	581	6.3%
Falls Church, City of	11,100	11,100	11,200	11,200	11,200	7,101	7,361	7,361	7,361	259	3.7%
Subtotal	4,850,370	4,901,032	7,661	4,901,032	4,901,032	3,103,121	3,221,007	3,221,007	3,221,007	117,886	3.80%
Bladensburg, Town of						0	2,500	2,500	2,500	2,500	3.88%
Total						3,103,121	3,223,507	3,223,507	3,223,507	120,386	3.88%

(a) Under COG's Bylaws, contributions are calculated on a prorata share of the region's population. The FY 2008 contributions are calculated at the per capita rate of \$ 0.63977. The proposed FY 2009 contributions are calculated based on the proposed per capita rate of \$ 0.63977 plus 5.5% of the 5.5% change in the annual Consumer Price Index for All Urban Consumers (CPI-U) for the Washington DC-MD-VA-WV OMSA for calendar year 2006. This schedule shows General Local Contributions to COG. COG also provides a variety of products and services to local governments on a fee basis.

(b) For purposes of calculating local contributions to COG, the population of COG member municipalities in Prince George's County is excluded from the county population base for both Fiscal Years 2008 and 2009.

(c) For purposes of calculating Fiscal Years 2008 and 2009 local contributions to COG, the population of COG member municipalities in Montgomery County and Frederick Counties are excluded in the county population base.

(d) The Town of Bladensburg is an adjunct member. Adjunct assessments are one-half of the regular assessment rate, but not less than \$2,500.

Revenue Sources By Program

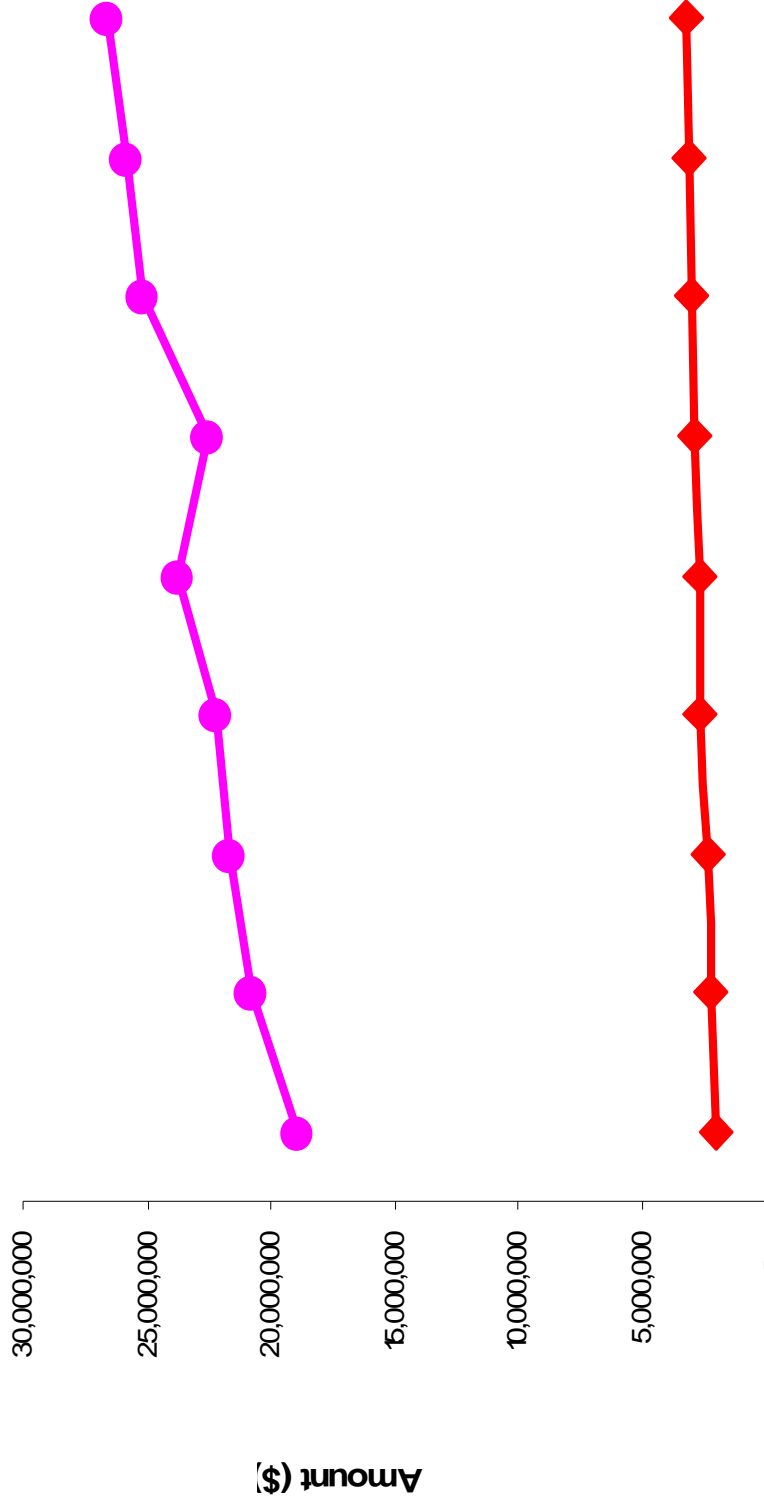
Schedule 3

	APPROVED FY 2008 TOTAL	PROPOSED FY 2009 TOTAL	FEDERAL/STATE GRANTS	OTHER GRANTS/FEE FOR SERVICES	OTHER REVENUE	MEMBERSHIP DUES
PROPOSED FY 2009 WORK PROGRAM						
<u>TRANSPORTATION PROGRAMS</u>						
1.0 Transportation Planning	11,888,000	12,147,000	10,963,400	9,600		1,174,000
2.0 Commuter Connections	4,551,000	4,913,720	4,863,720	50,000		
<u>HUMAN SERVICES, PLANNING AND PUBLIC SAFETY PROGRAMS</u>						
3.0 Metropolitan Planning	228,850	405,893	50,000	150,000	50,000	155,893
4.0 Housing Opportunities	546,363	515,181	50,000	175,000		290,181
5.0 Public Safety and Homeland Security	1,259,000	1,253,578	900,000	85,000		268,578
6.0 Health and Human Services	1,579,000	1,498,640	550,000	385,000		563,640
<u>ENVIRONMENTAL PROGRAMS</u>						
7.0 Water Resources	2,945,138	2,976,472	682,252	2,077,411	0	216,809
8.0 Environmental Resources	775,983	1,008,418	25,000	796,318		187,100
9.0 Air Quality Planning	1,002,652	1,025,116	593,412	75,000		356,704
<u>MEMBER SERVICES TO LOCAL & STATE GOVERNMENTS</u>						
10.0 Member Services to Local and State Governments	1,051,000	815,502		197,900	607,000	10,602
T O T A L	<u>\$25,826,986</u>	<u>\$26,559,520</u>	<u>\$18,677,784</u>	<u>\$4,001,229</u>	<u>\$657,000</u>	<u>\$3,223,507</u>

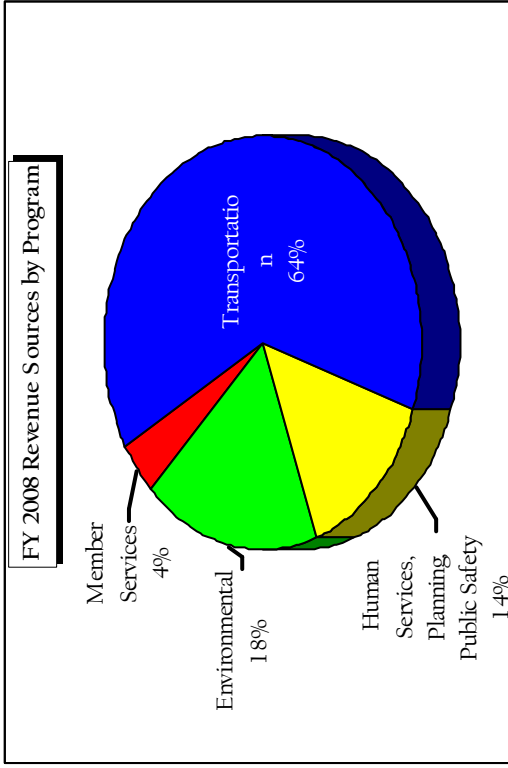
BUDGET CHANGES BY PROGRAM AREA

	<u>Amount (\$)</u>
1.0 Transportation Programs (Job Access Reverse Commute & New Freedom Transit Projects)	259,000
2.0 Commuter Connections (Employer Outreach)	362,720
3.0 Metropolitan Planning (Greater Washington 2050)	177,043
4.0 Housing Opportunities (Washington Area Housing Partnership)	-31,182
5.0 Public Safety - Emergency Preparedness (UASI Program)	-5,422
6.0 Health & Human Services (Foster Care)	-80,360
7.0 Water Resources (Anacostia Partnership)	31,334
8.0 Environmental Resources (Climate Change Initiative)	232,435
9.0 Air Quality Planning	22,464
10.0 Member Services (COG 50th anniversary and funding new programs)	-235,498
Net Change	<u>732,534</u>

Membership Dues to Total Budget: FY 2001 - FY 2009

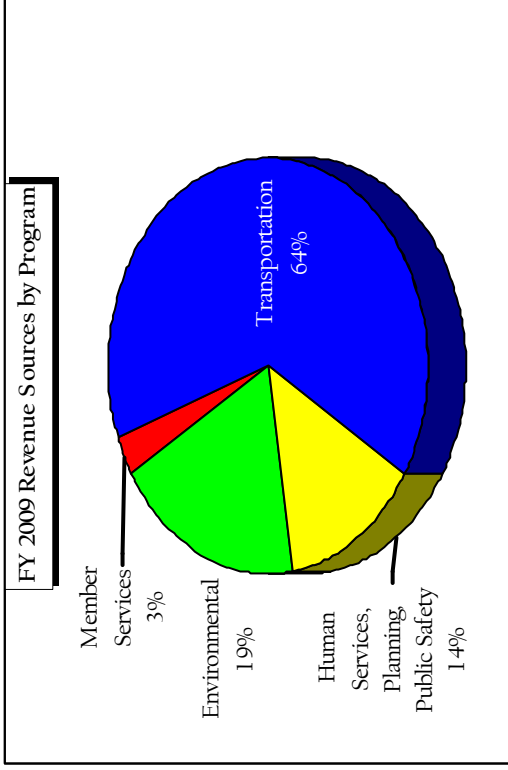


	FY 2001	FY 2002	FY 2003	FY 2004*	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Membership Dues	2,032,468	2,221,622	2,321,471	2,582,766	2,686,859	2,815,062	2,970,824	3,103,121	3,223,507
Total Budget	18,860,101	20,758,392	21,649,006	22,194,490	23,728,331	22,553,231	25,118,220	25,826,986	26,559,520



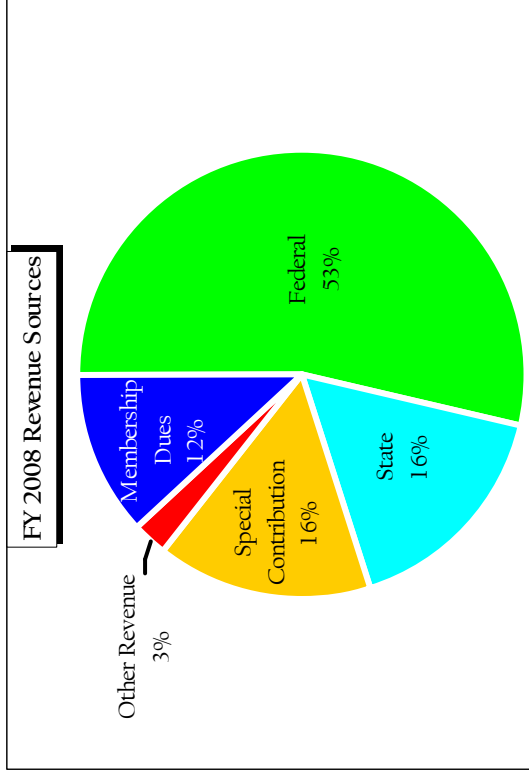
FY 2008 Revenue Sources by Program

<u>Program</u>	<u>Amount (\$)</u>
Transportation	16,439,000
HSPPS	3,613,213
Environmental	4,723,773
Member Services	1,051,000
Total	25,826,986



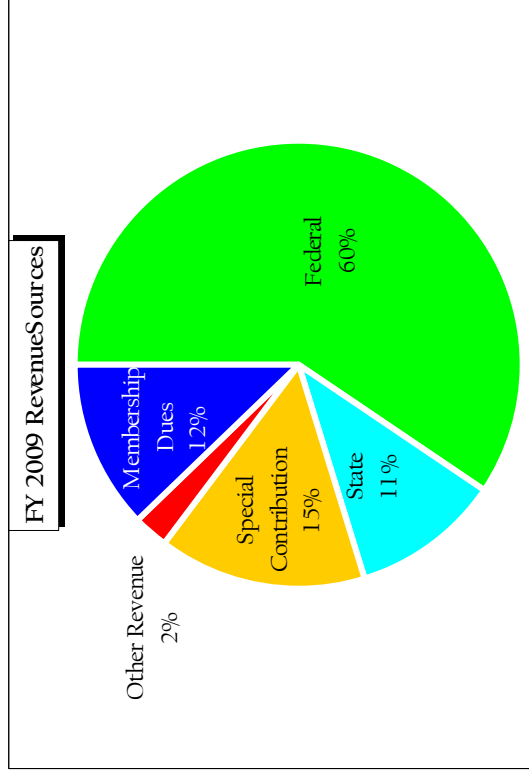
FY 2009 Revenue Sources by Program

<u>Program</u>	<u>Amount (\$)</u>
Transportation	17,060,720
HSPPS	3,673,292
Environmental	5,010,006
Member Services	815,502
Total	26,559,520



FY 2008 Revenue Funding Sources

<u>Source</u>	<u>Amount (\$)</u>
Federal	13,861,540
State	4,206,490
Special Contribution	4,005,835
Other Revenue	650,000
Membership Dues	3,103,121
Total	25,826,986



FY 2009 Revenue Funding Sources

<u>Source</u>	<u>Amount (\$)</u>
Federal	15,771,140
State	2,906,644
Special Contribution	4,001,229
Other Revenue	657,000
Membership Dues	3,223,507
Total	26,559,520

PROJECTED NO. OF FULL TIME EMPLOYEES

<u>Activity</u>	<u>Approved FY 2008</u>	<u>Proposed FY 2009</u>	<u>Non-COG Funded</u>
1.0 Transportation Services	45.0	52.0	47.0
2.0 Commuter Connections	10.0	10.0	10.0
3.0 Metropolitan Planning	5.0	5.0	2.5
4.0 Housing Opportunities	4.0	3.0	1.5
5.0 Public Safety	7.0	7.0	5.5
6.0 Health and Human Services	10.0	9.0	5.5
7.0 Water Resources	17.0	17.5	16.0
8.0 Environmental Resources	4.0	3.5	3.0
9.0 Air Quality	6.0	5.0	3.0
10.0 Direct Services	3.0	3.0	NA
Mgmt. & Adm. Support	<u>24.0</u>	<u>24.0</u>	<u>NA</u>
Projected Total	<u>135.00</u>	<u>139.00</u>	<u>-</u>

PART B

COG RESERVE **(as of June 30, 2007)**

COG'S RESERVE FUNDS

- To meet unanticipated financial needs, maintain fiscal stability and strength, the COG Board approved the establishment of a COG Reserve Fund.
- The Fund is composed of:
 - General Reserve Fund
 - Endowment Fund

General Reserve Fund

- May be used to supplement the fiscal year work program to support unanticipated operating or program expenses

Endowment Fund

- May be used to supplement short term program funding requests not included in the fiscal year work program and budget, but deemed necessary for COG to carry out the mission and goals set in the Strategic Plan.

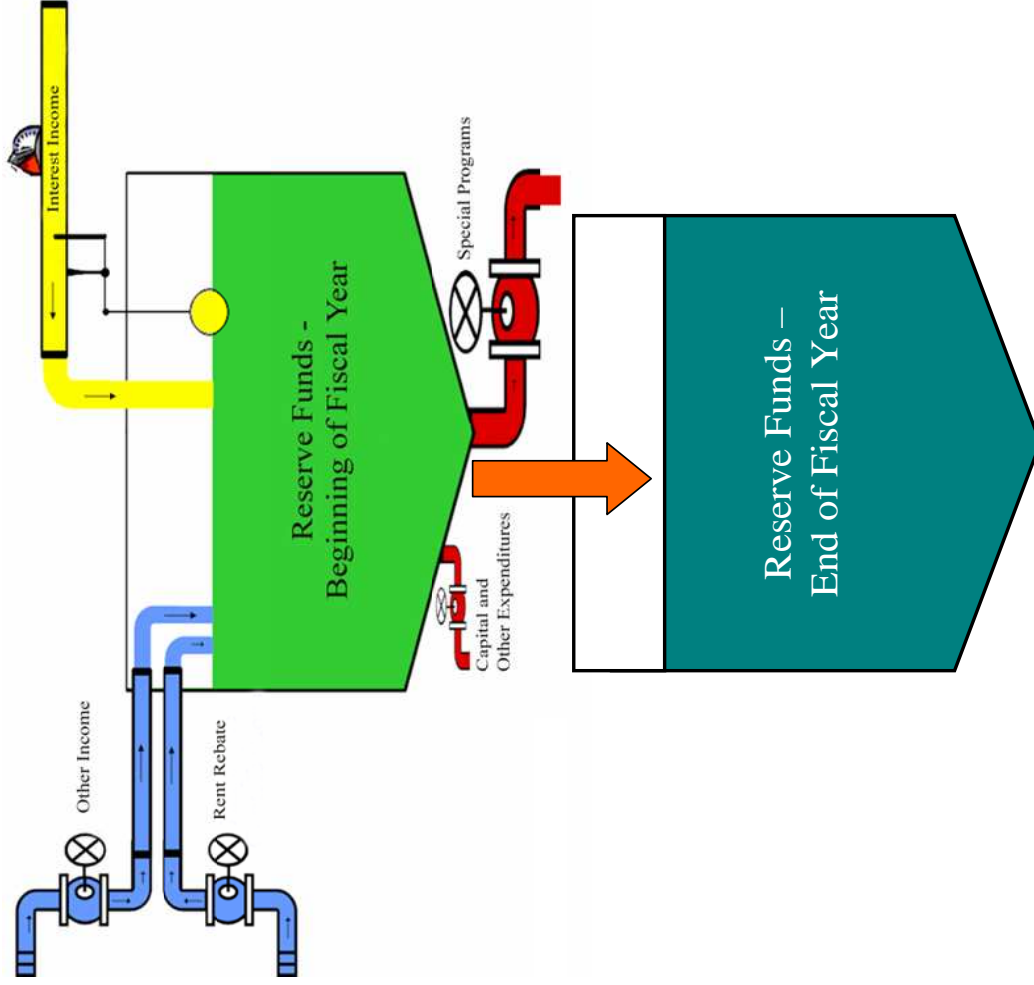
Funding Policy - General Reserve Fund

- The General Reserve Fund shall attain a goal of 15.0% of current approved fiscal year work program budget but not less than \$ 2,500,000.

Funding Policy - Endowment Fund

- The Endowment Fund shall attain a goal of 25.0% of current approved fiscal year work program budget but not less than \$ 1,500,000.

Reserve Funds – Increases and Uses



PROJECTED CHANGES TO RESERVE FUNDS
As of June 30, 2007

INCREASES TO RESERVE FUNDS	
1. Interest Income	\$ 464,000
2. Rent Rebate	282,000
3. Others	<u>294,000</u>
Subtotal	\$ 1,040,000
DECREASES TO RESERVE FUNDS	
1. Special Programs - IRE	\$ 75,000
2. Climate Change Expenditures	\$ 100,000
3. Other Expenditures	<u>41,000</u>
Subtotal	<u>216,000</u>
BALANCE	\$ 824,000
ADD: RESERVE FUNDS - JUNE 30, 2006	<u>6,926,000</u>
PROJECTED RESERVE FUNDS - JUNE 30, 2007	<u>\$ 7,750,000</u>

Reserve Funds to FY 2008 Approved Budget

	<u>AMOUNT</u>	<u>% to FY 2008 BUDGET</u>	<u>% to GOAL</u>
General Reserve	\$3,874,048	15.0%	15.0%
Endowment Fund	<u>\$3,875,952</u>	<u>15.0%</u>	<u>25.0%</u>
Total Reserves	<u>\$7,750,000</u>	<u>30.0%</u>	<u>40%</u>
FY 2008 Approved Budget	<u>\$25,826,986</u>		

WHAT IS THE APPROPRIATE LEVEL OF RESERVES?

The American Society of Association Executives

- Operating budgets of more than \$ 10 million, average reserve goal of 38%.
- ASAE, May 2006 new reserve policy target of 50% with a floor of 30%.
- COG reserve policy has a target of 40%

REQUESTED ACTION

- Approve R66-07
- Transmit FY 2009 Work Program and Budget to General Membership for favorable action on November 15
- Copies also given to city and county managers and CFOs/budget directors