

APPENDIX G

FINANCIAL PLAN REVENUE SOURCES

AND

RTP JURISDICTION/AGENCY 20-YEAR FINANCIAL ANALYSIS

AND

**REGIONAL DISBURSEMENT OF FEDERAL TRANSPORTATION
FUNDS**

FINANCIAL PLAN REVENUE SOURCES

Revenues generated for transportation-related projects originate from a number of federal, state, and local sources. Some of the major revenue sources that are projected to be used within the RTPO and MPO over the next 20 years are described below.

FEDERAL REVENUE SOURCES

Interstate Maintenance (IM) - This program provides funding for resurfacing, restoring, rehabilitating and reconstructing most routes on the interstate system.

National Highway System (NHS) - This program provides funding for improvements to rural and urban roads that are part of the NHS, including the Interstate System and designated connections to major intermodal terminals. Under certain circumstances, NHS funds may also be used to fund transit improvements in NHS corridors.

Surface Transportation Program (STP) - The STP provides flexible funding that may be used by States and localities for projects on Federal-aid streets and highways, including the NHS, bridge projects on any public road, transit capital projects, and intra-city and intercity bus terminals and facilities. In the past, a portion of funds reserved for rural areas could be spent on rural minor collectors; however, SAFETEA-LU of 2005 deleted that clause.

Hazard Elimination and Safety (HES) Program - A federal program administered by WSDOT for improvements at specific locations that constitute a danger to vehicles or pedestrians as shown by frequency of accidents. Projects may include, but are not limited to, intersection improvements, alignment changes, installation of railroad devices and other protective devices. WSDOT prioritizes proposals from local agencies and selects projects depending upon availability of funds.

Railroad-Highway Crossing Program (R-HCP) - A federal program administered by WSDOT to reduce fatalities, injuries, and damages through improved railway-highway crossings on any public road. The statewide competitive process evaluates projects on specific criteria.

Highway Bridge Replacement and Rehabilitation Program (HBRRP) - This program provides funds to assist the States in their programs to replace or rehabilitate deficient highway bridges and to seismic retrofit bridges located on any public road.

Federal Transit Administration (FTA) Sec. 5307 Formula Capital & Operating Grants - This program may be used to finance the planning, acquisition, construction, improvement, preventative maintenance, and operating costs of transit services in metropolitan areas of 50,000 to 200,000 population (i.e. the Tri-Cities).

Federal Transit Administration (FTA) Sec. 5309 Capital Grants & Loans - This program consists of three separate parts: 1.) formula apportionments for fixed guideway modernization; 2.) discretionary allocations for the construction of new fixed guideway systems and extensions to existing systems (new starts); and 3.) discretionary allocations for buses and bus facilities. Ben Franklin Transit has benefited from this program.

Federal Transit Administration (FTA) Sec 5310 Grants for Transportation to Meet Special Needs of Elderly and Persons with Disabilities are distributed by the WSDOT Public

Transportation and Rail Division on a competitive application basis. Grants are to public bodies for special needs transportation and also to private nonprofit corporations and associations to assist in providing special needs transportation for whom services carried out by public entities are not available, not sufficient or inappropriate.

Federal Transit Administration (FTA) Sec. 5311 Non-Urbanized Area Formula Assistance - This program provides funding for public transportation projects in rural areas and small urban areas under 50,000 population. to states for the purpose of supporting public transportation in areas of less than 50,000 population. Funds may be used to support administrative, capital or operating costs of local transportation providers. Valley Transit, serving the Walla Walla/College Place area, benefits from this program.

Rural Economic Vitality Program (REV) - This program provides federal funds for roadway improvements that foster economic development for rural areas (population less than 100 persons per square mile) and state urban community empowerment zones (poverty pockets). Eligible projects include traditional transportation improvements on state and federal highways, county roads and city streets.

Economic Development Administration (EDA) - Established to generate jobs, help retain existing jobs, and stimulate industrial and commercial growth in economically-distressed areas of the United States. Activities may include, but are not limited to, the creation/expansion of strategically targeted business development and financing programs such as construction of infrastructure improvements, organizational development and market or industry research and analysis. Projects need to be prioritized in the Comprehensive Economic Development Strategy (CEDS) assembled and administered by the Benton-Franklin Council of Governments.

STATE REVENUE SOURCES

Freight Mobility Strategic Investment Board (FMSIB) - In 1998 the legislature created the Freight Mobility Strategic Investment Board for the purpose of reviewing, and recommending funding, on a prioritization basis, for freight mobility projects that are of strategic importance to the state. All transportation municipalities are eligible to apply. Projects must be on strategic freight corridors; must have a total public benefit/total public cost ratio of equal to or greater than one; and must meet one of the following conditions:

1. Project primarily aimed at reducing identified barriers to freight movement with only incidental benefits to general or personal mobility.
2. Project is aimed at increasing capacity of the movement of freight with only incidental benefits to general or personal mobility.
3. Project is primarily aimed at mitigating the impacts on communities of increasing freight movement, including roadway/railway conflicts.

Funding for FMSIB projects is dependent upon inclusion in the annual transportation budget from the legislature.

Transportation Improvement Board (TIB) - Funded by the state legislature, the TIB is a state agency directed by a twenty-one-member board, consisting of six city members, six county members, two WSDOT officials, a governor appointee from a state agency, a private sector representative, a member representing special needs transportation, a non-motorized representative, a member representing ports, and two representatives from transit. A primary purpose of the TIB is to administer state funding programs for local government

transportation projects. Projects are funded by utilizing TIB revenue in combination with local matching funds and private sector contributions. Some of the major TIB programs are identified below.

Urban Arterial Program (UAP) - Suitable for projects that improve safety and mobility. The Urban Arterial Program (UAP) was originally administered by TIB's predecessor agency, the Urban Arterial Board, as the Urban Arterial Trust Account.

Urban Corridor Program (UCP) - Best suited for roadway projects with multiple funding partners that expand capacity. The account was created in 1988. The Legislature recognized the need for multi-jurisdictional cooperation and partnerships with the business community. UCP projects are typically larger and often cross jurisdictional boundaries and require a great amount of cooperation.

Side Walk Program (SWP) - The Sidewalk Program was established by the Legislature in 1995 to provide funding for pedestrian projects. The program is available to both small city and urban agencies. Urban and small city projects compete separately.

Road Transfer Program (RTP)- The Road Transfer Program was created by the Legislature in 1991 to provide state funding to offset extraordinary costs associated with the transfer of state highways to cities.

Small City Arterial Program (SCAP) - The Small City Arterial Program was formally established by the Legislature in 1995. Before its creation, small city projects were funded with a portion of the revenue distributed to the Urban Arterial Program and Urban Corridor Program. Projects preserve and improve the arterial roadway system consistent with local needs in cities with a population less than 5,000

Small City Preservation Program (SCPP) - During the 2005 Legislative Session, Substitute Senate Bill 5775 established the Small City Preservation Program. The program provides funding for chip seal and overlay of existing pavement and associated sidewalk maintenance in incorporated cities with populations less than 5,000.

New Streets (NS) - Newstreets is TIB's approach to assisting small cities in "getting ahead of the curve" with street maintenance and community revitalization. The Newstreets Program envisions creating partnerships, taking advantage of paving opportunities and making economy of scale work in favor of small cities.

Federal Match - Since 1996, the TIB has set aside over \$9.0 million in Small City Arterial Program (SCAP) funds to provide the local match for federal Surface Transportation Program (STP) projects. The matching funds are typically 13.5% of the total project cost.

Public Works Trust Fund (PWTF) - A revolving loan fund administered by the Public Works Board. Provides low interest loans to local governments to help finance critical public works projects.

County Road Administration Board (CRAB) - This board was created by the legislature in 1965 to provide statutory oversight of Washington's thirty-nine county road departments. The agency is funded from the portion of the counties' fuel tax that is withheld for state supervision, and from a small portion of the two grant programs that it administers. The agency is governed by a nine-member board that meets quarterly and is comprised of six county commissioners/council-members and three county engineers. The CRAB Board establishes and maintains "Standards of Good Practice" to guide and ensure consistency and professional management of county road departments. CRAB is also the custodian of the county road log, a database of over 40,000 miles of roads.

County Arterial Preservation Program (CAPP) - A portion of the state gas tax goes to grants administered by CRAB for preserving and improving the safety and functionality of paved arterials and collectors in the unincorporated area of each county. CRAB allocates these funds to counties based on their proportional share of paved arterial lane miles in the state.

Rural Arterial Program (RAP) - A CRAB program to improve rural arterials and collectors for safety, drivability and maintainability. Project selection is based upon traffic history, roadway structure and geometrics, with projects being evaluated and prioritized in each of five regions by CRAB. Counties eligible to receive Rural Arterial Transportation Account (RATA) funds are:

1. Those in which there has been no diversion of the county road levy;
2. Those in which the actual expenditures for traffic law enforcement have been equal to or greater than the amount of the diverted road levy budget for the traffic law enforcement;
3. Those with a population of less than 8,000; and
4. Those expending revenues collected for road purposes only on other governmental services after authorization from the voters of that county.

County State Gas Tax Distribution (Motor Fuel Tax) - A portion of the state gas tax is distributed directly to counties based on allocation formulas after deductions for non-highway distributions and collection/distribution costs. These funds may be used for any transportation purpose with 25-30% historically going to capital improvements (both capacity and non-capacity).

City State Gas Tax Distribution (Motor Fuel Tax) - A portion of the state gas tax is distributed directly to cities based on allocation formulas after deductions for non-highway distributions and collection/distribution costs. These funds may be used for any transportation purpose with most directed to maintenance, operations, and administration, and small portions matching grants for capacity and non-capacity road improvements.

Paths and Trails Reserve (P&TR) Fund - Financed from 0.5 percent of the state gas tax formula distribution. These funds are meant primarily for the construction of pedestrian, equestrian, or bicycle facilities or any combination of facilities, other than a sidewalk constructed as a part of a city street or county road for the exclusive use of pedestrians. May also be used to widen a highway shoulder, street or road when the extra shoulder width is constructed to accommodate bicyclists consistent with a comprehensive plan or master plan for bicycle trails or paths adopted by a local government authority prior to such construction.

City Hardship Assistance Program (CHAP) - This program provides funding to offset extraordinary costs associated with the transfer of state highways to cities with a population under 20,000.

LOCAL REVENUE SOURCES

Property Tax - The chief source of local revenue. Usually such taxes go to the general fund and are then appropriated for transportation purposes. Property taxes are dependent upon local economic conditions; however, they remain a steady and reliable source of revenue.

General Funds - General funds include all local funds subject to appropriation by the governing body - property taxes, local option sales tax, utility taxes, general state shared revenues, business license fees, etc.

County Road Tax - Dedicated to all county unincorporated transportation costs: administration, maintenance, operations, and construction.

Real Estate Excise Tax - A tax imposed by city or county governing bodies not to exceed $\frac{1}{4}$ of one percent of the real estate selling price. The tax is for any capital improvements meaning that transportation needs will compete with other capital funding needs (e.g. water, sewer, fire, etc.).

Payment in Lieu of Taxes (PILT) - When a county has incurred a loss or reduction of real property tax revenue due to the existence of lands and waters administered by the federal government, this PILT process offsets the loss from the Capital Projects Fund. Benton County receives such funds from the U.S. Department of Energy and designates them toward accomplishing public works projects that support economic development and other public purposes.

Local Improvement Districts - A district formed for bond issue where the district residents vote to place additional tax levies on their property to pay the bond dept.

Bonds - Public authorized loans for any capital improvement (transportation, water, sewer, etc.). Two bonds are available under statute: Councilmanic Bonds which are authorized by jurisdiction governing bodies for specific capital improvements, and Voter Approval Bonds which are authorized by jurisdiction voters for specific capital improvements.

Optional Sales Tax - Locally levied and distributed by the state to each city on the basis of collections within the jurisdiction. State law authorizes up to $\frac{1}{2}$ of one percent. At this time, the City of Kennewick is the only jurisdiction in the RTPO/MPO levying the local sales tax. By resolution the Kennewick City Council designated the use of the proceeds to fund a street improvement program.

Transit Sales Tax - The major source of all transit revenue. Ben Franklin Transit and Valley Transit both collect a $\frac{3}{10}$ of one percent sales tax on all taxable goods and services purchased within their respective Public Transportation Benefit Area (PTBA).

RTP JURISDICTION/AGENCY 20-YEAR FINANCIAL ANALYSIS

This section provides a financially constrained analysis of the forecasted revenue, maintenance and operation costs, project revenue, and project costs over the next 20-years for each jurisdiction/agency in the RTPO and MPO. For those jurisdictions/agencies that are located and/or provide service in both the RTPO and MPO (Benton County, Franklin County, Ben Franklin Transit, and WSDOT), the RTPO analysis includes the MPO area.

REGIONAL TRANSPORTATION PLANNING ORGANIZATION (RTPO)

Benton County 20-Year Financial Analysis

Benton County will generate \$233 million in revenue over the next 20 years in the RTPO/MPO (Table G - 1). Of this total, \$157 million (74%) will be needed to maintain and operate the system, and \$76 million (26%) will be available for improvements. At the end of the 20-year planning horizon, the county will have an ending balance of \$4 million.

TABLE G-1 BENTON COUNTY 20 YEAR FINANCIAL ANALYSIS (\$) - MPO/RTPO					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	116,418,000	78,591,000	37,827,000	37,225,000	602,000
2016-2025	116,418,000	78,591,000	37,827,000	34,471,000	3,356,000
TOTAL	232,836,000	157,182,000	75,654,000	71,696,000	3,958,000

City of Benton City 20-Year Financial Analysis

The City of Benton City will generate \$6.7 million in revenue over the next 20 years in the RTPO (Table G - 2). Of this total, \$4.4 million (66%) will be needed to maintain and operate the system, and \$2.3 million (33%) will be available for improvements. At the end of the 20-year planning horizon, the city will have an ending balance of \$173,000.

TABLE G-2 BENTON CITY 20 YEAR FINANCIAL ANALYSIS (\$) - RTPO					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	3,323,000	2,191,000	1,132,000	1,117,000	15,000
2016-2025	3,323,000	2,191,000	1,132,000	974,000	158,000
TOTAL	6,646,000	4,382,000	2,264,000	2,091,000	173,000

City of Prosser 20-Year Financial Analysis

The City of Prosser will generate \$20.4 million in revenue over the next 20 years in the RTPO (Table G - 3). Of this total, \$16.2 million (80%) will be needed to maintain and operate the

system, and \$4.3 million (20%) will be available for improvements. At the end of the 20-year planning horizon, the city will have an ending balance of -\$400,000.

TABLE G-3 PROSSER 20 YEAR FINANCIAL ANALYSIS (\$) - RTP0					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	10,203,000	8,216,000	1,987,000	1,718,000	269,000
2016-2025	10,203,000	8,216,000	1,987,000	2,550,000	-563,000
TOTAL	20,406,000	16,432,000	3,974,000	4,268,000	-294,000

Franklin County 20-Year Financial Analysis

Franklin County will generate \$121 million in revenue over the next 20 years in the RTP0/MPO (Table G - 4). Of this total, \$76 million (63%) will be needed to maintain and operate the system, and \$45 million (37%) will be available for improvements. At the end of the 20-year planning horizon, the county will have an ending balance of \$561,000.

TABLE G-4 FRANKLIN COUNTY TOTAL 20 YEAR FINANCIAL ANALYSIS (\$) MPO/RTP0					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	60,608,000	37,915,000	22,693,000	19,750,000	2,943,000
2016-2025	60,608,000	37,915,000	22,693,000	25,075,000	-2,382,000
TOTAL	121,216,000	75,830,000	45,386,000	44,825,000	561,000

City of Connell 20-Year Financial Analysis

The City of Connell will generate \$2.9 million in revenue over the next 20 years in the RTP0 (Table G - 5). Of this total, \$2.5 million (86%) will be needed to maintain and operate the system, and \$.4 million (14%) will be available for improvements. At the end of the 20-year planning horizon, the city will have an ending balance of -\$932,000.

TABLE G-5 CONNELL 20 YEAR FINANCIAL ANALYSIS (\$) - RTP0					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	1,444,000	1,257,000	187,000	708,000	-521,000
2016-2025	1,444,000	1,257,000	187,000	598,000	-411,000
TOTAL	2,888,000	2,514,000	374,000	1,306,000	-932,000

City of Kahlotus 20-Year Financial Analysis

The City of Kahlotus will generate \$136,000 in revenue over the next 20 years in the RTP0 (Table G - 6). Of this total, \$71,000 (52%) will be needed to maintain and operate the

system, and \$140,000 (48%) will be available for improvements. At the end of the 20-year planning horizon, the city will have an ending balance of -\$435,000.

TABLE G-6 KAHLOTUS 20 YEAR FINANCIAL ANALYSIS (\$) - RTPPO					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	68,000	35,500	32,000	250,000	-218,000
2016-2025	68,000	35,500	32,000	250,000	-218,000
TOTAL	136,000	71,000	65,000	500,000	-435,000

City of Mesa 20-Year Financial Analysis

The City of Mesa will generate \$760,000 thousand in revenue over the next 20 years in the RTPPO (Table G - 7). Of this total, \$340,000 thousand (45%) will be needed to maintain and operate the system, and \$418,000 thousand (55%) will be available for improvements. At the end of the 20-year planning horizon, the city will have an ending balance of -\$79,000.

TABLE G-7 MESA 20 YEAR FINANCIAL ANALYSIS (\$) - RTPPO					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	380,000	170,000	209,000	234,000	-25,000
2016-2025	380,000	170,000	209,000	263,000	-54,000
TOTAL	760,000	340,000	418,000	497,000	-79,000

Walla Walla County 20-Year Financial Analysis

Walla Walla County will generate \$207 million in revenue over the next 20 years in the RTPPO (Table G - 8). Of this total, \$123 million (60%) will be needed to maintain and operate the system, and \$84 million (40%) will be available for improvements. At the end of the 20-year planning horizon, the county will have an ending balance of \$-1.8 million.

TABLE G-8 WALLA WALLA COUNTY 20 YEAR FINANCIAL ANALYSIS (\$) - RTPPO					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	103,472,000	61,368,000	42,104,000	47,450,000	-5,346,000
2016-2025	103,472,000	61,368,000	42,104,000	38,550,000	3,554,000
TOTAL	206,944,000	122,736,000	84,208,000	86,000,000	-1,792,000

City of College Place 20-Year Financial Analysis

The City of College Place will generate \$11.9 million in revenue over the next 20 years in the RTPPO (Table G - 9). Of this total \$9.3 million (78%) will be needed to maintain and operate

the system, and \$2.6 million (22%) will be available for improvements. At the end of the 20-year planning horizon, the city will have an ending balance of \$8,000.

TABLE G-9 COLLEGE PLACE 20 YEAR FINANCIAL ANALYSIS (\$) - RTP0					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	5,939,000	4,675,000	1,264,000	1,260,000	4,000
2016-2025	5,939,000	4,675,000	1,264,000	1,260,000	4,000
TOTAL	11,878,000	9,350,000	2,528,000	2,520,000	8,000

City of Prescott 20-Year Financial Analysis

The City of Prescott will generate \$456,000 thousand in revenue over the next 20 years in the RTP0 (Table G - 10). Of this total, \$419,000 (92%) will be needed to maintain and operate the system, and \$37,000 thousand (8%) will be available for improvements. At the end of the 20-year planning horizon, the city will have an ending balance of \$-118,000.

TABLE G-10 PRESCOTT 20 YEAR FINANCIAL ANALYSIS (\$) - RTP0					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	228,000	209,000	19,000	75,000	-56,000
2016-2025	228,000	209,000	19,000	80,000	-61,000
TOTAL	456,000	419,000	37,000	155,000	-118,000

City of Waitsburg 20-Year Financial Analysis

The City of Waitsburg will generate \$3.7 million in revenue over the next 20 years in the RTP0 (Table G - 11). Of this total, \$3.2 million (86%) will be needed to maintain and operate the system, and \$458,000 thousand (14%) will be available for improvements. At the end of the 20-year planning horizon, the city will have an ending balance of -\$863,000.

TABLE G-11 WAITSBURG 20 YEAR FINANCIAL ANALYSIS (\$) - RTP0					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	1,826,000	1,597,000	229,000	632,000	-403,000
2016-2025	1,826,000	1,597,000	229,000	689,000	-460,000
TOTAL	3,652,000	3,194,000	458,000	1,321,000	-863,000

City of Walla Walla 20-Year Financial Analysis

The City of Walla Walla will generate \$73 million in revenue over the next 20-years in the RTP0 (Table G - 12). Of this total, \$47 million (64%) will be needed to maintain and operate

the system, and \$26 million (36%) will be available for improvements. At the end of the 20-year planning horizon, the city will have an ending balance of \$-5,314,000.

TABLE G-12 WALLA WALLA 20 YEAR FINANCIAL ANALYSIS (\$) - RTPPO					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	36,392,000	23,561,000	12,831,000	15,269,000	-2,438,000
2016-2025	36,392,000	23,561,000	12,831,000	15,707,000	-2,876,000
TOTAL	72,784,000	47,122,000	25,662,000	30,976,000	-5,314,000

WSDOT 20-Year Financial Analysis

WSDOT will generate \$392 million in revenue over the next 20 years in the RTPPO/MPO (Table G - 13). Of this total, \$69 million (18%) will be needed to maintain and operate the system, and \$322 million (82%) will be available for improvements. At the end of the 20-year planning horizon, WSDOT will have an ending balance of \$0.

TABLE G-13 WSDOT 20 YEAR FINANCIAL ANALYSIS (\$) - RTPPO/MPO					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	\$256,700,000	34,400,000	222,300,000	222,300,000	0
2016-2025	\$135,000,000	35,000,000	100,000,000	100,000,000	0
TOTAL	\$391,700,000	69,400,000	322,300,000	322,300,000	0

Ben Franklin Transit 20-Year Financial Analysis

Ben Franklin Transit (BFT) will generate \$299 million in revenue over the next 20 years in the RTPPO/MPO (Table G - 14). It is estimated that BFT will expend \$302 over the 20 year period. At the end of the 20-year planning horizon BFT will have an ending balance of -\$3.1 million.

TABLE G-14 BEN FRANKLIN TRANSIT 20-YEAR FINANCIAL ANALYSIS - MPO/RTPPO			
YEAR	FORECAST REVENUE	FORECAST EXPENDITURES	ENDING BALANCE
2006-2015	149,580,000	151,140,332	-1,560,332
2016-2025	149,580,000	151,140,332	-1,560,332
TOTAL	299,160,000	302,280,664	-3,120,664

Valley Transit 20-Year Financial Analysis

Valley Transit will generate \$59 million in revenue over the next 20 years in the RTPPO (Table G - 15). Of this total, \$49 million (83%) will be needed to maintain and operate the system,

and \$10 million (17%) will be available for improvements. At the end of the 20-year planning horizon, Valley Transit will have an ending balance of -\$1.5 million.

TABLE G-15 VALLEY TRANSIT 20 YEAR FINANCIAL ANALYSIS (\$) - RTPO					
YEAR	FORECAST REVENUE	FORECAST EXPENDITURES	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	29,423,107	24,401,218	5,021,889	6,599,000	-1,577,111
2016-2025	29,423,107	24,401,218	5,021,889	4,950,000	71,889
TOTAL	58,846,214	48,802,436	10,043,778	11,549,000	-1,505,222

METROPOLITAN PLANNING ORGANIZATION (MPO)

Benton County 20-Year Financial Analysis

In the MPO, Benton County will generate \$67 million in revenue over the next 20 years (Table G - 16). Of this total, \$45 million (67%) will be needed to maintain and operate the system, and \$22 million (33%) will be available for improvements. At the end of the 20-year planning horizon, the county will have an ending balance of \$1.1 million.

TABLE G-16 BENTON COUNTY 20 YEAR FINANCIAL ANALYSIS (\$) - MPO					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	33,606,000	22,686,000	10,919,000	16,990,000	-6,071,000
2016-2025	33,606,000	22,686,000	10,919,000	3,706,000	7,213,000
TOTAL	67,212,000	45,372,000	21,838,000	20,696,000	1,142,000

City of Kennewick 20-Year Financial Analysis

The City of Kennewick will generate \$216 million in revenue over the next 20 years in the MPO (Table G - 17). Of this total, \$77 million (36%) will be needed to maintain and operate the system, and \$139 million (64%) will be available for improvements. At the end of the 20-year planning horizon, the city will have an ending balance of \$3 million.

TABLE G-17 KENNEWICK 20 YEAR FINANCIAL ANALYSIS (\$)					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	108,205,000	38,519,000	69,686,000	64,938,000	4,748,000
2016-2025	108,205,000	38,519,000	69,686,000	71,347,000	-1,661,000
TOTAL	216,410,000	77,038,000	139,372,000	136,285,000	3,087,000

City of Richland 20-Year Financial Analysis

The City of Richland will generate \$216 million in revenue over the next 20 years in the MPO (Table G - 18). Of this total, \$131 million (43%) will be needed to maintain and operate the system, and \$85 million (57%) will be available for improvements. At the end of the 20-year planning horizon, the city will have an ending balance of \$-3.8 million.

TBLE G-18 RICHLAND 20 YEAR FINANCIAL ANALYSIS (\$)					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	108,093,000	65,313,000	42,780,000	35,715,000	7,065,000
2016-2025	108,093,000	65,313,000	42,780,000	53,623,000	-10,843,000
TOTAL	216,186,000	130,626,000	85,560,000	89,338,000	-3,778,000

City of West Richland 20-Year Financial Analysis

The City of West Richland will generate \$32 million in revenue over the next 20 years in the MPO (Table G - 19). Of this total, \$19 million (60%) will be needed to maintain and operate the system, and \$13 million (40%) will be available for improvements. At the end of the 20-year planning horizon, the city will have an ending balance of -\$2.2 million.

TABLE G-19 WEST RICHLAND 20 YEAR FINANCIAL ANALYSIS (\$) - MPO					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	16,009,000	9,399,000	6,610,000	5,616,000	994,000
2016-2025	16,009,000	9,399,000	6,610,000	9,792,000	-3,182,000
TOTAL	32,018,000	18,798,000	13,220,000	15,408,000	-2,188,000

Franklin County 20-Year Financial Analysis

In the MPO, Franklin County will generate \$16 million in revenue over the next 20 years (Table G - 20). Of this total, \$10 million (63%) will be needed to maintain and operate the system, and \$6 million (37%) will be available for improvements. At the end of the 20-year planning horizon, the county will have an ending balance of \$74,466.

TABLE G-20 FRANKLIN COUNTY YEAR MPO FINANCIAL ANALYSIS (\$) - MPO					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	8,045,000	5,033,000	3,012,000	2,450,000	562,000
2016-2025	8,045,000	5,033,000	3,012,000	3,500,000	-488,000
TOTAL	16,090,021	10,065,555	6,024,466	5,950,000	74,466

City of Pasco 20-Year Financial Analysis

The City of Pasco will generate \$63 million in revenue over the next 20 years in the MPO (Table G - 21). Of this total, \$27 million (43%) will be needed to maintain and operate the system, and \$36 million (53%) will be available for improvements. At the end of the 20-year planning horizon, the city will have an ending balance of -\$1 million.

TABLE G-21 PASCO 20 YEAR FINANCIAL ANALYSIS (\$) - MPO					
YEAR	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	ENDING BALANCE
2006-2015	31,258,000	13,340,000	17,918,000	21,053,000	-3,135,000
2016-2025	31,258,000	13,340,000	17,918,000	15,860,000	2,058,000
TOTAL	62,516,000	26,680,000	35,836,000	36,913,000	-1,077,000

WSDOT 20-Year Financial Analysis

In the MPO, WSDOT will generate \$131 million in revenue over the next 20 years (Table G - 22). Of this total, \$35 million (28%) will be needed to maintain and operate the system, and \$96 million (72%) will be available for improvements. At the end of the 20-year planning horizon, WSDOT will have an ending balance of \$0.

TABLE G-22 WSDOT 20-YEAR URBAN FINANCIAL ANALYSIS - MPO					
Year	FORECAST REVENUE	FORECAST M&O COSTS	PROJECT REVENUE	PROJECT COSTS	Ending Balance
2005 - 2015	63,900,000	17,100,000	59,338,000	59,338,000	0
2015 - 2025	67,100,000	18,300,000	36,262,000	36,262,000	0
TOTAL	131,000,000	35,400,000	95,600,000	95,600,000	0

Ben Franklin Transit 20-Year Financial Analysis

Ben Franklin Transit (BFT) will generate \$299 million in revenue over the next 20 years in the MPO (Table G - 23). It is estimated that BFT will expend \$302 over the 20 year period. At the end of the 20-year planning horizon BFT will have an ending balance of -\$3.1 million.

TABLE G-23 BEN FRANKLIN TRANSIT 20-YEAR FINANCIAL ANALYSIS - MPO			
YEAR	FORECAST REVENUE	FORECAST EXPENDITURES	ENDING BALANCE
2006-2015	149,580,000	151,140,332	-1,560,332
2016-2025	149,580,000	151,140,332	-1,560,332
TOTAL	299,160,000	302,280,664	-3,120,664

REGIONAL DISBURSEMENT OF FEDERAL TRANSPORTATION FUNDS

Beginning in 1993, WSDOT allocated annual Surface Transportation (STP) and National Highway System (NHS) funds to our three-county region. Walla Walla County jurisdictions and rural Franklin County jurisdictions had independent processes, receiving their STP funds directly from WSDOT. Rural Benton County jurisdictions opted for their own process, but with BFCG acting as lead agency (oversight and management). BFCG also managed the STP program for the Tri-Cities MPO (urban area).

In August 2004, WSDOT designated the BFCG as “lead agency” for the distribution/allocation and tracking of all federal STP and NHS funds attributable to Benton, Franklin, and Walla Walla counties. The annual WSDOT STP/NHS allocation letter provides a breakout of the allocation by county. All funds attributed to Walla Walla County shall be allocated to Walla Walla County, et. al., for their distribution process. (Process pending BFCG approval.)

NHS funds attributed to Benton and Franklin counties are directly allocated, based on proportional share of NHS route miles, to Richland (3.20 miles) and Pasco (0.58 miles). These funds may be used for any federally eligible activity and not just for the NHS routes, provided there are no deficiencies in need of correction on those NHS routes.

The balance of Benton/Franklin STP funds are subject to a rural/urban split based 75 percent on population and 25 percent on federal functional class road miles (both factors excluding Burbank in Walla Walla County). The rural portion thusly determined shall be equally split for the rural Benton, et.al. and rural Franklin, et. al. distribution processes. The urban portion thusly determined, shall be distributed as follows: 1.) Cities, urban counties, transit, and ports to all receive a 5 percent base allocation; and 2.) The balance of funds shall be distributed to the cities and urban counties on the basis of population share (latest population data available from the Office of Financial Management).

The rural Benton County jurisdictions have entered into a Memorandum of Understanding (MOU) with the BFCG, last dated June 10, 2005. The approved methodology for the distribution of their STP funds is 75 percent to the county and 25 percent to Prosser and Benton City, split 75%/25% respectively. The county will exchange county funds for federal funds.

The rural Franklin County jurisdictions, including the Port of Pasco, have entered into a MOU with the BFCG, last dated March 30, 2005. The distribution of their STP funds for each agency shall be \$5,000 base allocation plus the balance of funds distributed to each agency prorated by their share of rural population and major collector mileage (50% population and 50% mileage). The county will exchange county funds for federal funds upon request.

The Walla Walla County jurisdictions have yet to formalize an MOU with the BFCG. Such MOU shall specify the methodology for distribution of their STP funds. Until an approved MOU is in place, the BFCG is withholding Walla Walla County, et.al. STP funds (FFY 2004, 2005 and any forthcoming allocations).

Advance programming of future year(s) STP allocations shall be in accordance with WSDOT rules/restrictions and any further restrictions recommended by the regional Operating Review Committee and as approved by the BFCG Board.

All projects or activities to be funded with regional STP monies (urban or rural) must meet federal eligibility requirements as outlined in the 2005 federal transportation act (SAFETEA-LU). Such projects or activities must support and be in compliance with the Growth Management Act (GMA), this Regional Transportation Plan, applicable countywide comprehensive planning policies, and the sponsoring jurisdiction's comprehensive plan. Such projects or activities must also be included or amended into the jurisdictional six-year Transportation Improvement Program(TIP) and the Statewide Transportation Improvement Program (STIP).

Rural agency TIP amendments are submitted directly to WSDOT, Highways & Local Programs (Yakima), for processing into the STIP. Urban agency TIP amendments are submitted to BFCG for inclusion in the Metropolitan Planning Organization (MPO) TIP. Upon Tri-MATS and BFCG Board approval, staff shall submit the amended MPO TIP directly to WSDOT, Highways & Local Programs (Olympia), for state and federal approvals.

Each jurisdiction or agency receiving regional STP or NHS funds for a project or project phase shall make all reasonable efforts to obligate those funds within the federal fiscal year (October1 through September 30) of the allocation. In all cases they shall obligate before any federal or state mandated deadlines to avoid potential loss of the funds to the region.

The Transportation Enhancement Program is administered by WSDOT on a statewide competitive basis with regional (RTPO) competitions to prioritize and short-list projects for statewide funding consideration. Eighty percent of the annual enhancement funds are distributed throughout the regions, based on population. Our regional policy further assures distribution throughout our three counties. The remaining twenty percent of the funds are allocated throughout the state at the discretion of the state's Enhancement Advisory Committee, subject to approval of the Secretary of Transportation.

When WSDOT issues a call for Enhancement projects, the RTPO reviews the regional goals, criteria and process through a technical committee and holds a workshop to provide details and promote the program.