



# NC Capital Area Metropolitan Planning Organization

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## Legislation Text

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**File #:** ACT 21 -268, **Version:** 2

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### **Wake Transit Financial Policies & Guidelines Amendments**

Bret Martin, MPO Staff

In June of 2017, a set of Wake Transit Financial Policies & Guidelines were adopted by the CAMPO Executive Board and GoTriangle Board of Trustees in concert with their adoption of the first annual Wake Transit Work Plan (FY 2018 Work Plan). The policies and guidelines govern how the use of Wake Transit tax revenues should be applied to eligible expenditures through annual budgeting processes and also include provisions for fund balance and liquidity targets; billing, payment, and reimbursement requirements; and debt guidelines.

At its April 21<sup>st</sup> regular meeting, the TPAC recommended two (2) amendments to the Wake Transit Financial Policies & Guidelines adopted in 2017. The language resulting from these amendments is highlighted in yellow in **Attachment 1**, which is the proposed updated/amended Wake Transit Financial Policies & Guidelines document. The first amendment (page 4 in **Attachment 1**) incorporates updated language in the 'Wake Operating and Capital Funding Sources' section that is based on a recommendation from the Government Finance Officers Association and the Triangle Tax District auditors. This language change requires the respective ordinances for both the Wake Operating Fund and Wake Capital Fund to show the tax revenues being used to balance against each respective category of expenditures. Previously, all tax revenues for both the Wake Operating Fund and Wake Capital Fund were shown as revenues to balance expenses in both funds in just the ordinance for the Wake Operating Fund.

The second amendment (page 8 in **Attachment 1**) restricts the types of Wake Transit operating projects for which funds may be encumbered in a fiscal year and carried over for use in the subsequent fiscal year. Under the currently adopted policies and guidelines, there is no restriction for the types of operating projects for which project sponsors can encumber and carry forward funds. The proposed amendment allows operating projects that are categorized in annual Wake Transit Work Plans as contracted or administrative expenses to have unused funds encumbered and carried forward to a subsequent fiscal year. The amendment would restrict this for such expenses as staffing, bus operations, site leasing, bus infrastructure maintenance, etc.

**Requested Action:** Approve the proposed amendments to the Wake Transit Financial Policies & Guidelines.