



Suburban Mobility Authority for Regional Transportation

Buhl Building • 535 Griswold Street, Suite 600 • Detroit, MI 48226 • (313) 223-2100

DATE: May 3, 2022 DISPOSITION: Approval and Recommend to Full Board
To: SMART Budget Committee SUBMITTED BY: Director of Finance
From: Director of Finance APPROVED BY: Deputy General Manager
SUBJECT: Proposed FY 2022 Operating Budget, Restricted Operating Budget and the Proposed FY
2022/FY 2026 Capital Budget

SUMMARY:

In accordance with Public Act 2 of 1968 as amended and SMART Policy Sixteen (16), please find the proposed Fiscal Year (FY) 2022 Operating Budget, FY2022 Restricted Operating Budget and the proposed FY2022 through FY2026 Capital Budget for the Suburban Mobility Authority for Regional Transportation. (SMART)

The FY2022, SMART proposed operating budget is \$144.9 million, which includes \$1,000,000 in contingency. These operating funds will be utilized to provide for regular fixed route bus service, FAST fixed route bus service and all types of connector bus service in all participating Public Act 196 (of 1986) communities within Oakland and Wayne Counties and all of Macomb County.

SMART also appropriates each fiscal year a restricted operating budget. This restricted operating budget passes through federal and state grant dollars to non-profit organizations and municipalities across Macomb, Monroe, Oakland and Wayne Counties to contractually provide bus transportation services within their communities. The FY2022 restricted operating budget is recommended to be \$13.7 million.

SMART annually applies for federal and state grants to assist in paying for capital and some operating costs of the Authority. SMART has an estimated \$58.8 million in federal and state grants which were awarded to SMART in prior fiscal years. Further, SMART estimates an additional \$42.95 million in federal and state grant revenues for FY2022. Within the estimated federal grant funding covering FY2022, \$8.0 million of grant funding is appropriated within the FY2022 operating budget for operation.

Staff will be available at the 5/3/2021, Budget Committee meeting to go through the fiscal budgets prepared for FY2022. Staff will answer any and all questions the Budget Committee may have regarding these budget Plans. From these discussions, a final Budget Committee recommendation will be determined for the proposed FY2022 budgets. From the final Budget Committee recommendations, staff will assemble a final FY2022 budget document for final Board of Director review and consideration.

ATTACHMENT:

- Proposed SMART FY2022 Operating Budget with Organizational Chart
- Proposed SMART FY2022 Restricted Operating Budget
- Proposed SMART FY2022 / FY2026 Capital Budget
- Summary of Revenue and Expense Assumptions
- Resolution



SUBURBAN MOBILITY AUTHORITY FOR REGIONAL TRANSPORTATION
FY 2022 BUDGET COMMITTEE

RESOLUTION

Proposed FY2022 Operating Budget, FY2022 Restricted Operating Budget and FY2022 / FY2026 Capital Budget, Budget Committee Recommendation to Full Board

- Whereas, it is the determination of the Suburban Mobility Authority for Regional Transportation (Authority) that an annual budget for Authority operation be enacted annually pursuant to Authority Board Policy Sixteen (16) and in accordance with the Uniform Budget and Accounting Act of the State of Michigan (PA 2 of 1968 as amended) to budget and appropriate money for Authority operation for FY 2021; and
- Whereas, the Authority also develops and appropriates money to fund a restricted operating budget which appropriates federal and state grant dollars to those eligible PA 196 communities and all communities in Macomb County along with eligible non-profit organizations to assist in operating bus service on a local level; and
- Whereas, the Authority establishes every fiscal year a five year Capital Budget which is utilized to plan Capital expenditures over a five year period as well as plan for various operational grants over a five year period; and
- Whereas, the Authority, annually appoints three Board members to a special committee designated as a Budget Committee to review in detail the proposed Authority operating budget, restricted operating budget and the five year Authority Capital Plan; and
- Whereas, The Budget Committee of the Authority did meet on 5/3/2021, in an open meeting to review in detail all budget documents.

Now therefore be it resolved:

That the Budget Committee of the Suburban Mobility Authority for Regional Transportation hereby recommends as presented the proposed FY 2022 Authority Operating Budget, FY 2022 Restricted Operating Budget, and the FY 2022 through FY 2026 Five Year Capital Budget to the full Board at their May 27, 2021, Board of Directors Meeting.

CERTIFICATE

The undersigned duly qualified Board Secretary of the Suburban Mobility for Regional Transportation certifies the foregoing is a true and correct copy of a resolution adopted at a legally convened meeting of the Board of the Suburban Mobility Authority for Regional Transportation held on May 3, 2021.

Date

Board Secretary

No.