# REPORT TO SHASTA COUNTY RTPA

| SUBJECT | MEETING DATE | ITEM NUMBER |
|---|---|---|
| Approve 2006/07 Transportation Development Act (TDA) True-Up Instructions and Amended Claims | 4/22/08 | 4-3 |

RECOMMENDATION
It is recommended that the Board:

1. Approve Resolution 08-04: Revised Transportation Development Act (TDA) Allocation and Claims for FY 2006/07;
2. Approve revised 2006/07 TDA claims as exhibited on Attachment A;
3. Approve use of $1,048,393 of Local Transportation Fund (LTF) fund balance; and
4. Approve use of $345,319 of State Transit Assistance (STA) fund balance.

SUMMARY
RTPA Policy 6-3 and TDA regulations provide for an annual reconciliation of budgeted revenue and transit expenditures. Revised allocation instructions and claims have been prepared for Board approval. Due to increases in projected revenue and a decrease in projected capital expenses in 2006/07, $2,340,071 will be distributed to the Cities and the County which can be used for streets and roads.

DISCUSSION
In April 2006, the Board approved TDA claims for fiscal year 2006/07. This approval was based on the Redding Area Bus Authority's (RABA) estimated operating and capital costs for the year. The actual cost of providing transit is now available in RABA's 2006/07 audited financial statements and annual report to the California State Controller. Attachment A provides a reconciliation of RABA's budgeted to actual revenue, operating expenses, and capital expenses.

Attachments B and C chart revenues and expenditures by type. The changes in transit cost obligations are summarized in the table below:

| Funding Source or Expense | City of Anderson | City of Redding | City of Shasta Lake | County of Shasta | TOTAL |
|---|---|---|---|---|---|
| **Increase in Revenues** | | | | | |
| TDA Funds (STA & LTF) | $ 82,260 | $ 710,182 | $ 77,623 | $ 560,982 | $ 1,431,047 |
| 5307 FTA Urbanized Formula | $ (104,104) | $ (879,103) | $ (102,344) | $ - | $ (1,085,551) |
| Change in Revenue per Agency | $ (21,844) | $ (168,921) | $ (24,721) | $ 560,982 | $ 345,496 |
| **Reduction in Expenses** | | | | | |
| RABA | $ 193,475 | $ 1,563,121 | $ 143,313 | $ 100,732 | $ 2,000,641 |
| Change in Expenses per Agency | $ 193,475 | $ 1,563,121 | $ 143,313 | $ 100,732 | $ 2,000,641 |
| INCREASE IN FUNDS AVAILABLE FOR OTHER USES | $ 171,631 | $ 1,394,200 | $ 118,592 | $ 661,714 | $ 2,346,137 |

Federal Transit Administration (FTA) 5307 revenues are annually allocated to RABA for capital and operating. These funds may be "banked" for up to three years. In 2006/07 RABA budgeted a total of $2.2 million for 5307 operating assistance, maintenance facility expansion, vehicle replacements, communication equipment, and bus air quality upgrades. Due to farebox issues, the RABA Board delayed capital expenditures for 2006/07, which resulted in a decrease in RABA's 5307 revenue and expenditures.

Due to the passage of Proposition 1A, additional STA funds were received. STA can only be used for public transit purposes. The increase in STA reduces the amount of transit funding needed from the LTF, thereby increasing the monies available for other uses.

At the close of each fiscal year net revenue and expenditures are transferred to fund balance. The 2006/07 true-up will use fund balances toward the $2,340,071 owed to the Cities and County. The remaining required funds of $994,331 are due from RABA due to overpayment in fund year.

ALTERNATIVES

There are no alternatives. This reconciliation has been prepared in accordance with RTPA Policy 6-3 and TDA regulations.

OTHER AGENCY INVOLVEMENT

This reconciliation was developed in cooperation with RABA staff who concur with the staff recommendation. This item was discussed at the April 8, 2008, Technical Advisory Committee (TAC) meeting and TAC recommends approval.

FINANCING

Approval of revised 2006/07 claims will make claims consistent with the actual costs and revenues associated with providing transit service while maintaining a $593,528 reserve.

Daniel S. Little, AICP, Executive Director

DSL/SLC/jac

Attachments: Resolution No. 08-04
Attachment A - Reconciliation summary
Attachment B - Available for other uses chart
Attachment C - Amount required by RABA - chart

**RESOLUTION NO. 08-04**
**REVISED**
**TRANSPORTATION DEVELOPMENT ACT ALLOCATIONS AND CLAIMS FOR**
**FY 2006/2007**

WHEREAS, Section 99230 of the California Public Utilities Code (PUC) requires that "the designated transportation planning agency shall, from an analysis and evaluation of the total amount anticipated to be available in the Local Transportation Fund (LTF) and the relative needs of each claimant for the purposes for which the fund is intended, and consistent with the provisions of this chapter, annually determine the amount to be allocated to each claimant"; and

WHEREAS, PUC Section 99231 and California Code of Regulations Section 6655 require that "the transportation planning agency shall allocate to all claimants for a given area collectively only such moneys as represent that area's apportionment"; and

WHEREAS, PUC Section 99401.5 requires that the Regional Transportation Planning Agency (RTPA) annually review and make findings concerning "unmet transit needs" in each claimant jurisdiction and, prior to making any LTF allocations to claimants for other uses, fund such unmet transit needs in each claimant jurisdiction as have been found "reasonable to meet"; and

WHEREAS, the RTPA made the required transit obligation findings for each claimant agency in Shasta County for 2006/07 at its April 28, 2006, meeting, as reflected in Resolution No. 06-07; and

WHEREAS, the resulting LTF transit obligations required for each claimant jurisdiction will fund all identified transit needs that meet the "reasonable to meet" definition, and only thereafter will LTF funds be made available for other uses; and

WHEREAS, these revisions to the 2006/07 TDA allocations to claimants maintain the existing level of transit service previously determined by the RTPA to be "reasonable to meet". Reconciliations (true-ups) are prepared to reflect actual transit expenses incurred from the time when the original claims were adopted. Actual expenses were compared to the Redding Area Bus Authority's (RABA) audited financial statements and State Controller Report, and to the original claims. The result was that:

A. RABA's actual costs were less than budgeted by $2,000,641.
B. Rural transit and transit administration costs decreased $41,905.
C. RABA's funding for Federal Transit Administration (FTA) Section 5307 was less than estimated by $1,085,551 due to delays in capital expenditures.
D. There was no change in FTA Section 5311 revenue.
E. There were decreases in "off-the-top" administration and core planning functions, and increases in LTF and State Transit Assistance (STA) revenue, resulting collectively in an increase of funding available for other uses of $2,340,071.

The overall result is a net decrease of funds for RABA of $994,331. The net impact increases the funds available for other uses to the City of Redding by $1,394,200, City of Shasta Lake by $118,592, City of Anderson by $171,631, and the County of Shasta by $703,619.

NOW, THEREFORE, BE IT RESOLVED that the Shasta County Regional Transportation Planning Agency:

(1) Determines that the 80% service hours/20% population-based cost sharing formula represents the cost sharing alternative which reflects the most equitable distribution of RABA service area costs to the claimant agencies in light of the transit system benefits each will realize from the RABA provided services;

(2) Approves the true-up of the 2006/07 claims as summarized in Attachment A to better reflect actual transit costs incurred to date;

(3) Approves allocations for each claimant jurisdiction that are consistent with, and reflected in, the 2006/07 TDA Budget reconciliation (Attachment A); and

(4) Approves the claims for TDA funds as submitted by claimants in the amounts not exceeding those shown on Attachment A for fiscal year 2006/07; and

(5) Approves use of fund balance for disbursement to claimants per the revised 2006/07 allocation instructions (Attachment A).

PASSED AND ADOPTED this 22nd day of April, 2008, by the Shasta County Regional Transportation Planning Agency.

Norma Comnick, Chair
Shasta County Regional
Transportation Planning Agency

Attachment A

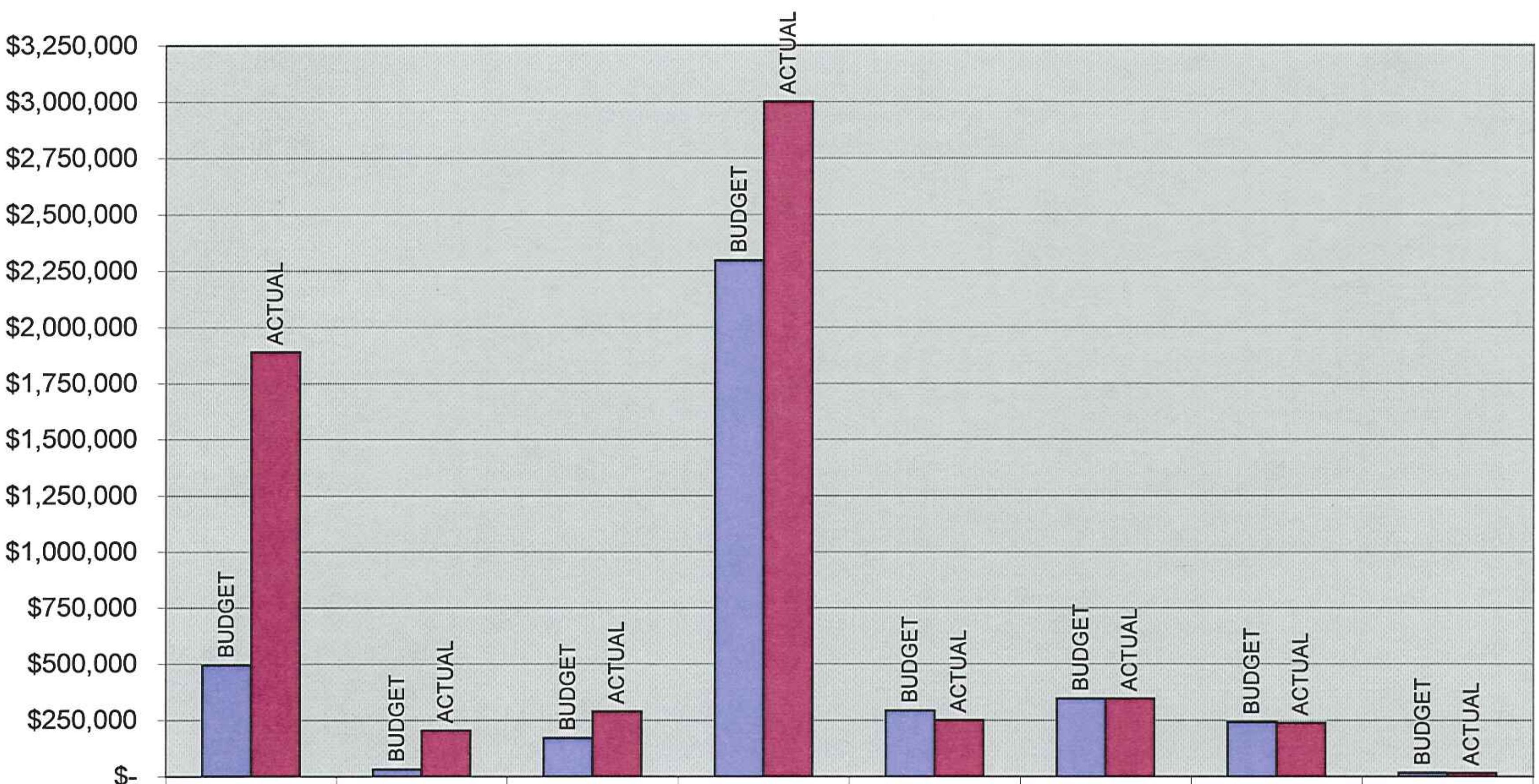
## 2006-2007 TDA RECONCILIATION OF REVENUE AND EXPENSES (TRUE-UP)

| TABLE 1 - REVENUE | BUDGETED Operations | BUDGETED Capital | BUDGETED Total | ACTUAL Operations | ACTUAL Capital | ACTUAL Total | CHANGE IN BUDGET TO ACTUAL - REVENUE |
|---|---|---|---|---|---|---|---|
| Local Transportation Fund | $ 6,906,037 | $ - | $ 6,923,977 | $ 7,089,316 | $ 288,089 | $ 7,377,405 | $ 453,428 |
| LTF reserve moved to STA | $ - | | $ - | $ 593,528 | | $ 593,528 | $ 593,528 |
| State Transit Assistance | $ 423,335 | $ 145,258 | $ 568,593 | $ 783,420 | $ 145,258 | $ 928,678 | $ 360,085 |
| Federal Transit Admin. 5307/5311 | $ 977,638 | $ 1,441,682 | $ 2,419,320 | $ 977,638 | $ 356,131 | $ 1,333,769 | $ (1,085,551) |
| Revenue Reconciliation | $ 8,307,010 | $ 1,586,940 | $ 9,893,949 | $ 9,443,902 | $ 789,478 | $ 10,233,380 | $ 339,431 |

| TABLE 2 - EXPENSES | BUDGETED Operations | BUDGETED Capital | BUDGETED Total | ACTUAL Operations | ACTUAL Capital | ACTUAL Total | CHANGE IN BUDGET TO ACTUAL - EXPENSES |
|---|---|---|---|---|---|---|---|
| Amount Required by RABA | $ 4,201,550 | $ 1,802,102 | $ 6,003,652 | $ 3,358,791 | $ 644,220 | $ 4,003,011 | $ (2,000,641) |

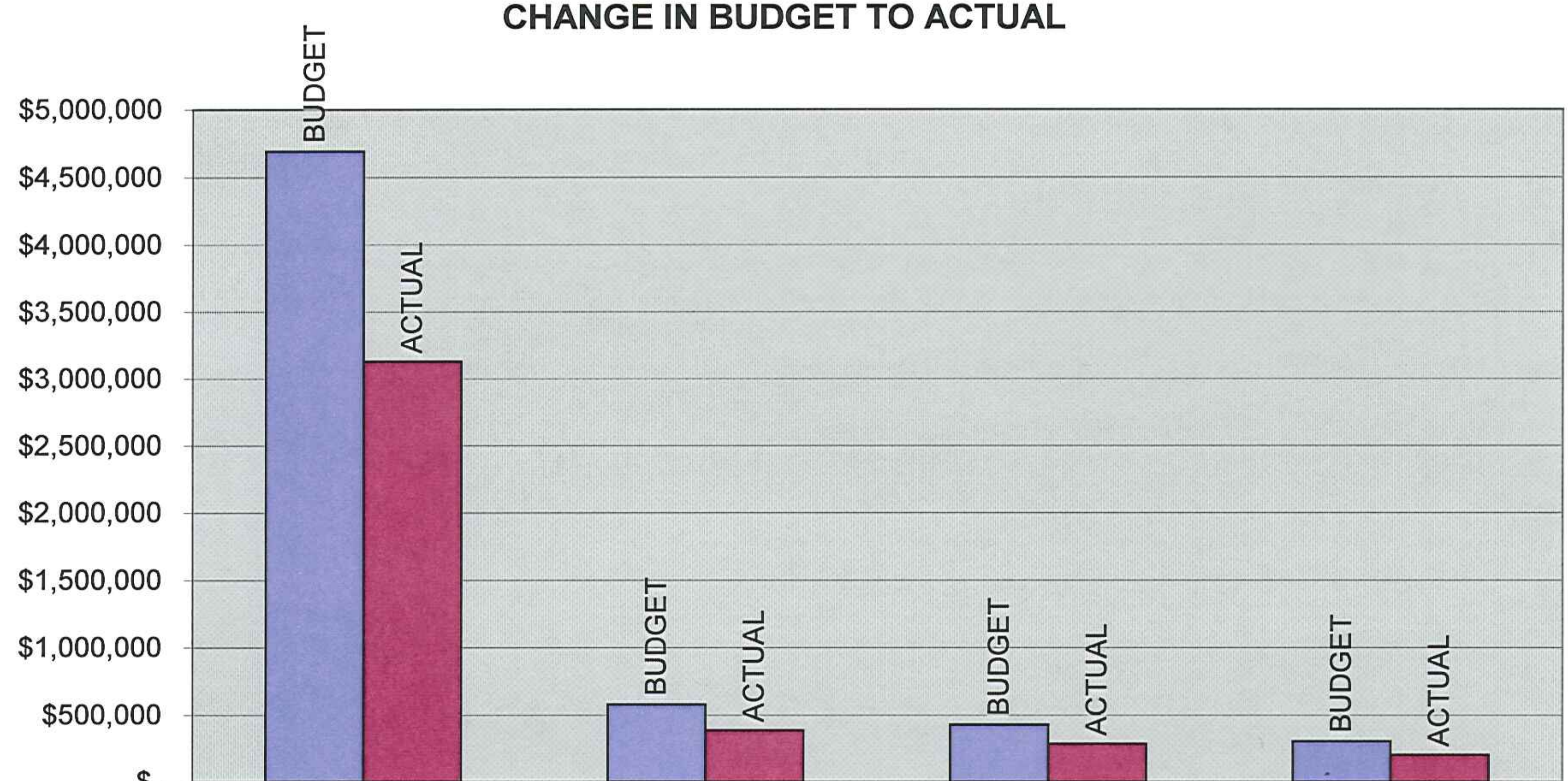
| TABLE 3 - CLAIMAINT RECONCILIATION | BUDGETED RABA | BUDGETED OTHER | BUDGETED Total | ACTUAL RABA | ACTUAL OTHER | ACTUAL Total | CHANGE IN BUDGET TO ACTUAL - AVAILABLE FOR OTHER USES |
|---|---|---|---|---|---|---|---|
| City of Redding | $ 4,692,406 | $ 494,421 | $ 5,186,827 | $ 3,129,285 | $ 1,888,620 | $ 5,017,905 | $ 1,394,200 |
| City of Anderson | $ 580,085 | $ 32,127 | $ 612,212 | $ 386,610 | $ 203,758 | $ 590,368 | $ 171,631 |
| City of Shasta Lake | $ 428,319 | $ 169,996 | $ 598,315 | $ 285,006 | $ 288,588 | $ 573,594 | $ 118,592 |
| County of Shasta | $ 302,843 | $ 2,295,697 | $ 2,598,540 | $ 202,110 | $ 2,999,318 | $ 3,201,428 | $ 703,619 |
| County - Rural Transit & Admin | $ - | $ 292,451 | $ 292,451 | $ - | $ 250,546 | $ 250,546 | $ (41,905) |
| RTPA Admin & Overall Work Program | | $ 259,405 | $ 259,405 | | $ 253,339 | $ 253,339 | $ (6,065) |
| | | | | | | | $ - |
| Claimant Reconciliation | $ 6,003,653 | $ 3,544,097 | $ 9,547,750 | $ 4,003,011 | $ 5,884,169 | $ 9,887,180 | $ 2,340,072 |
| *Minor rounding adjustments to County/Redding/RTPA* | | | | | | | |
| **TABLE 1 - CHANGE IN BUDGET TO ACTUAL (REVENUE)** | | | | | | | **$ (339,431)** |
| **TABLE 2 - CHANGE IN BUDGET TO ACTUAL (EXPENSES)** | | | | | | | **$ (2,000,641)** |
| **CHANGE IN RTPA ADMIN = DISBURSED TO CLAIMANTS AS REVENUE** | | | | | | | **$ (6,065)** |
| **TABLE 3 - EQUALS CHANGE IN BUDGET TO ACTUAL (AVAILABLE FOR OTHER USES)** | | | | | | | **$ (2,346,137)** |

## Attachment B
## 2006-2007 TDA TRUE-UP - AVAILABLE FOR OTHER USES
## CHANGE IN BUDGET TO ACTUAL




| | City of Redding | City of Anderson | City of Shasta Lake | County of Shasta | County - Rural Transit & Admin | CTSA | RTPA Admin | OWP |
|---|---|---|---|---|---|---|---|---|
| BUDGET | $494,421 | $32,127 | $169,996 | $2,295,697 | $292,451 | $346,200 | $241,465 | $17,940 |
| ACTUAL | $1,888,620 | $203,758 | $288,588 | $2,999,318 | $250,546 | $346,200 | $237,159 | $16,180 |

## Attachment C
## 2006-2007 TDA TRUE-UP - AMOUNT REQUIRED BY RABA
## CHANGE IN BUDGET TO ACTUAL




| | City of Redding | City of Anderson | City of Shasta Lake | County of Shasta |
|---|---|---|---|---|
| BUDGET | $4,692,406 | $580,085 | $428,319 | $302,843 |
| ACTUAL | $3,129,285 | $386,610 | $285,006 | $202,110 |