

STAFF REPORT



MEETING DATE:	February 28, 2017
SUBJECT:	Approve Updated SRTA Transportation Development Act (TDA) Handbook and Policies and Procedures
AGENDA ITEM:	6-6
STAFF CONTACT:	Dave Wallace, Chief Fiscal Officer

STAFF RECOMMENDATION:

It is recommended that the board of directors approve changes to Sections 1306.4, 1329 and 1331.1 and make various terminology changes to SRTA's Transportation Development Act (TDA) Handbook and Policies and Procedures (Handbook).

DISCUSSION:

Senate Bill 503 made changes to the Transportation Development Act. Section 1306.4 of SRTA's Handbook adds the requirements of Senate Bill 503 to the annual efficiency test. Section 1329, containing the Social Services Technical Advisory Council bylaws, has been eliminated and incorporated by reference. Section 1331.1 specifies revenues used in calculating the fair box recovery ratio. Lastly, minor updates on terminology have been made to various sections.

ALTERNATIVES:

The board of directors may decline to update the policies, suggest additional modifications, or require more information and defer the update to a later date.

FINANCING:

There is no direct fiscal impact related to this action.

Daniel S. Little, AICP, Executive Director

Attachments: Updated sections of SRTA's TDA Handbook and Policies and Procedures



Transportation Development Act Handbook and Policies and Procedures

Adopted May 8, 2013
Revised February 25, 2014
Revised June 24, 2014
Revised February 24, 2015
Revised February 28, 2017

Table of Contents

	Page
1301 Purpose.....	3
1302 Background	3
1303 Definitions and Terms Used in This Handbook	4
1304 TDA Timetable	10
1305 Local Transportation Fund.....	11
1306 State Transit Assistance	20
1307 Bicycle and Pedestrian Claims.....	
1308 Transit Operator Claims.....	27
1309 Community Transit Service Claims.....	32
1310 Streets and Roads Claims.....	35
1311 Multimodal Terminal Claims.....	36
1312 County Auditor’s Responsibilities.....	37
1313 TDA Claim Processing	38
1314 Transit Performance Improvement Recommendations	41
1315 Fiscal Audit Requirements.....	43
1316 Performance Audits	46
1317 State Controller Division of Local Government Fiscal Affairs- Transit Operators.....	47
1318 Fund Balances	48
1319 Claim Revisions	50
1320 Revised Apportionment	50
1321 Switching Allocations	51
1322 Claiming an Unallocated Apportionment	51-54
1323 Changing the Purpose of Reserved Funds	51
1324 Open.....	51
1325 Open.....	51
1326 Open.....	52
1327 Open.....	52
1328 Unmet Needs.....	53
1329 Social Services Technical Advisory Council Open	56
1330 Intergovernmental Loans	59
1331 Calculation of Fare Box Recovery Ratio	60
Appendix A- Claim Forms.....	64
Appendix B- Questions and Answers	77

Transportation Development Act Handbook and Policies and Procedures

These policies consolidate and supersede all previous Transportation Development Act (TDA) policies of the Shasta Regional Transportation Agency (SRTA).

1301 Purpose

The TDA statutes and the California Code of Regulations (21 CCR Section) require SRTA, as the transportation planning agency (TPA), to adopt rules and regulations supplemental to and consistent with, those of the California Department of Transportation to establish procedures for the administration of TDA funds.

1302 Background

The California State Legislature enacted the TDA (Mills-Alquist-Deddeh Act) in 1971. The Act was signed and became effective July 1, 1972. The TDA was enacted to assist local jurisdictions at the county-level to improve existing public transportation and encourage regional public transportation coordination. It also provides some funding for bicycle and pedestrian projects. It can also provide funding for local street and road projects when certain conditions are met.

The main purpose and priority of TDA is to provide funding for public transportation. To this end, the TDA created a Local Transportation Fund (LTF) in each county into which is deposited ¼ cent of the state sales tax collected in that county. This was made possible by extending the statewide sales tax to motor vehicle fuel, which broadened the overall tax base and allowed a ¼ cent reduction in state taxes without a corresponding loss in state revenue.

The TDA was amended in 1979 (Senate Bill (SB) 620) to create the State Transit Assistance (STA) Program. The STA fund is presently generated from a statewide sales tax on motor vehicle fuel (diesel).

SRTA is responsible for the annual allocation of TDA monies. The County Auditor serves as fund trustee.

1302.1 Where Does the Information in this Handbook Come From?

The TDA statutes are codified in the State Public Utilities Code. The California Code of Regulations helps clarify the legislative intent of the statutes. Throughout this handbook references to the State Public Utilities Code are made as PUC Section XXXXX. References to Chapter 21 of the Code of Regulations are described as CCR Section XXXX. In addition, there are a few references to the California Government Code. These are identified as Government Code Section XXXXX.

TDA regulations give the SRTA Board of Directors discretion in implementing certain TDA regulations. This discretion has been noted in this handbook as “(Board Policy)”.

1303 Definitions and Terms Used in This Handbook

Act (Act) - Refers to the Transportation Development Act (TDA).

Allocation- How a claimant elects to split its TDA apportionments between transit, bicycle, pedestrian, and streets and roads projects.

Apportionment- The share of Shasta County's TDA funds earmarked for each jurisdiction according to the population of each jurisdiction.

Area-

1. With reference to a transit district, the entire area stated in its enabling legislation or franchise, excluding cities therein which have retained the right to join the district at a later time.
2. With reference to a transit development board, the entire area stated in its enabling legislation, including the municipalities therein which operated bus systems prior to the creation of the board and subsequently conveyed those systems to the board.
3. With reference to a county government, the unincorporated area of the county.
4. With reference to a city government, the corporate area of the city.
5. Where a transit district, a transit development board, or a county or city, provides public transportation services beyond its boundaries, its area, for purposes of this section, shall also include:
 - A. All of that area within one-half mile of any route which extends beyond its boundaries.

Area of Regional Entity - The "area" of a regional entity means the geographic responsibility area for the designated agency pursuant to Government Code Section 29532.

Article- TDA statute is divided into "articles". Claims are often referenced by the Article of the statute under which they are filed.

Assignment- Monies which a city, county, or transit district authorizes to be claimed by an agency other than itself. Assignments are normally made to support the operation of a joint powers transit authority and to undertake cooperative projects. This action may also be referred to as a "transfer."

Capital Requirements - The term "capital requirements" means, for a fiscal year, the amount of all funds expended during the fiscal year by an operator for its public transportation system for those purposes specified in PUC Section 99262, exclusive of all costs in the operating expense accounts of the uniform system of accounts and records adopted by the State Controller pursuant to PUC Section 99243.

Claimant- A jurisdiction filing a TDA claim. A claimant might be a city or county that is an operator or a transit service claimant (see definitions for each of these below), or a city or county that is filing a bicycle/pedestrian project claim or a streets and roads claim.

Common Carrier- An operator of passenger buses whose operations are conducted pursuant to the jurisdiction and control of the PUC Section. Common carrier does not apply to operators with 98% or more of their total route mileage exclusively within the limits of a single city.

Community Transit Service- Community transit refers to transportation services which link intra-community origins and destinations, including services for those, such as the disabled, who cannot use conventional transit services.

Consolidated Transportation Service Agency (CTSA) - An agency defined by SRTA that consolidates the provision of social service transportation within Shasta County. Social service transportation is transportation required by social service recipients.

Debt Service Requirements - The term “debt service requirements” means, for a fiscal year, the amount of all funds expended during the fiscal year for payment of the principal and interest on bonds of an operator for its public transportation system in accordance with PUC Section 99263, exclusive of any such amount included in the operator’s operating cost.

Demand Response- Transit service provided without a fixed-route and without a fixed schedule that operates in response to calls from passengers or their agents to the transit operator or dispatcher. Service is usually provided using cars, vans, or buses with fewer than 25 seats.

Extension of Public Transportation Service - The term “extension of public transportation services” as that term is used in PUC Section 99268.8 applying collectively to any services that are eligible for funding under the TDA, including services provided by a new operator or transit service claimant, and means:

1. Service established on a fixed-route, including route deviation service, if over 50% of the route mileage, excluding mileage along freeway or express bus routes where passengers are neither received nor discharged, is on streets or other rights-of-way that did not have such service provided and funded under TDA at any time during the three-year period before the service was established.
2. Service established on a new portion of an older fixed-route if the new portion is on streets or other rights-of-way that did not have such service provided and funded under the TDA at any time during the three-year period before the service was established.
3. Demand-response service established to, from, or within an area that did not have such service provided and funded under TDA at any time during the three-year period before the service was established.

4. Improvement in service frequency or hours of service on a fixed-route or a demand-responsive service, if the number of scheduled vehicle service miles or vehicle service hours exceeds, by more than 25%, the scheduled number of vehicle service miles or vehicle service hours on the route or service at any time during the three-year period before the service improvement was established.
5. Service established on a fixed-route or a demand-response service on a new day of the week (e.g., Saturday, Sunday), if the service was not provided on that day of the week and funded under TDA at any time during the three-year period before the service was established.
6. For a transit service claimant, service established that is of a type, such as van, taxicab, or bus that was not provided and funded under TDA at any time during the three-year period before the service was established.

Fare Box Recovery Ratio- Transit systems funded by TDA claimants are required to maintain certain expense to revenue ratios. The formula for calculating the ratio is total fare revenue divided by the total cost of transit operations.

Fare Revenues - The term “fare revenues” means all revenues in the following revenue account classes of the uniform system of accounts and records adopted by the State Controller pursuant to PUC Section 99243:

- Passenger Fares for Transit Service
- Special Transit Fares
- School Bus Service Revenues

In the case of a claimant that is allocated funds for payment to an entity which is under contract with it to provide transportation services, “fare revenues” includes the amount of fare revenues that is received by the entity providing the services and not transferred to the claimant.

“Fare revenues” includes revenues earned under contractual arrangements with public or private entities, (1) for transit fares for a specified group of employees, members, or clients, (2) to guarantee minimum revenue on a line operated especially for the benefit of the paying entity (e.g., an employer, shopping center, university, etc.).

“Fare revenues” also may include revenues from cash donations made by individual passengers in lieu of a prescribed fare. However, “fare revenues” does not include other donations or general operating assistance, whether from public or private sources.

General Public Transportation- Transportation services which are provided using vehicles for use by the general population in the service area.

Disabled Person- Any individual who by reason of illness, injury, age, congenital malfunction, or other permanent or temporary incapacity or disability, including, but not limited to, any individual confined to a wheelchair, is unable, without special facilities or special planning or design, to utilize public transportation facilities and services as effectively as a person who is not so affected. As used here, a temporary incapacity or disability is an incapacity or disability which lasts more than 90 days (PUC Section 99206.5).

Included Municipal Operator- Refers to a city or county which is included, in whole or in part, within a transit district or which has been extended the authority to join a transit district by that district's enabling legislation, and in which city or county public transportation services have continuously been provided, since at least January 1971 (PUC Section 99207).

Independent Auditor - The term "independent auditor" means the State Controller or a certified public accountant or public accountant who is not an officer or employee of the claimant. The County Auditor is not an "independent auditor" with reference to the county or to an operator for which the County Auditor serves as a financial officer.

Joint Powers Agreement (JPA) - A legally binding agreement between two or more units of government which establishes a multi-jurisdictional special district with specified powers and responsibilities, such as to provide public transportation.

| Local ~~Support Funds~~ - The term "local ~~support funds~~" means all revenues in the following revenue account classes of the uniform system of accounts and records adopted by the State Controller pursuant to PUC Section 99243:

- Auxiliary Transportation Revenues
- Taxes Levied Directly by Transit System
- Local Cash Grants and Reimbursements -- General Operating Assistance
- Local Special Fare Assistance
- Subsidy from Other Sectors of Operation
- Any non-federal or non-state grant
- Advertising

| "Local ~~support fundst~~" includes tax revenues imposed by a local transportation authority.

Local Transportation Fund (LTF) - LTF comes from ¼ cent of the state sales tax collected in Shasta County.

Municipal Operator- means a city or county, including any nonprofit corporation or other legal entity wholly owned or controlled by the city or county, which operates a public transportation

system,...and which is not included, in whole or in part, within an existing transit district (PUC Section 99209).

New Service- new service has the same meaning as extension of public transportation services” as defined in Section 99268.8.

Non-urbanized Area- An area having a population of less than 50,000 as defined by population figures from the latest Federal census. An operator serves a “non-urbanized area” if 50% or more of the population of its service area is located within the boundaries of a non-urbanized area.

Operates - For purposes of PUC Section 99209, mean(s) that the operator owns or leases the equipment, establishes routes and frequency of service, regulates and collects fares, and otherwise controls the efficiency and quality of the operation of the system, but does not require that operators of rolling stock be employees of a public agency (PUC Section 99209.5).

Operating Cost- All costs in the operating expense object classes exclusive of the costs in the depreciation and amortization expense object class of the uniform system of accounts and records adopted by the State Controller pursuant to PUC Section 99243 and exclusive of all subsidies for commuter rail services operated under the jurisdiction of the Interstate Commerce Commission and of all direct costs for providing charter services, ~~and exclusive of~~ all vehicle lease costs, and principal and interest payments on capital assets on capital projects funded with certificates of participation (PUC Section 99247).

Operator - means any transit district, included transit district, municipal operator, included municipal operator, or transit development board (PUC Section 99210).

Private Corporation or Entity- A corporation, company, association, or joint stock association engaged in transacting business for compensation within the state.

Productivity Improvement Program- A program that allows SRTA to monitor a transit operator’s or transit claimant’s progress toward meeting recommended improvements that can lower transit operating costs.

Regional Entity - “Regional entity” means a transportation planning agency designated by the secretary pursuant to Section 29532 of the Government Code, a county transportation commission created by Division 12 (commencing with Section 130000). In the Shasta region, the regional entity is SRTA.

Ridesharing Services - For the purposes of PUC Section 99268.16, the term “ridesharing services” means a comprehensive organizational effort which is designed to reduce the number of vehicles on the highways during peak travel periods within a defined area by encouraging the planning and marketing of high-occupancy vehicle facilities, increases in the number of passengers per vehicle in vehicles used for ridesharing, alternative work schedules, and other transportation demand management strategies among employers and commuters.

State Transit Assistance Fund (STA) - The term “state transit assistance fund” means the fund created by a transportation planning agency, a county transportation commission, or a transit System pursuant to PUC Section 99313.6.

State Transit Assistance Program (STA) - “State Transit Assistance Program” means the provisions of the TDA related directly to the STA, including PUC Sections 99312 to 99314.6, inclusive.

Social Services Technical Advisory Council (SSTAC) - A committee appointed by SRTA made up of representatives from social service providers, the elderly and the disabled. The SSTAC participates in the annual unmet transit needs process.

Specialized Transportation Services- Transit that primarily serves older adults, people with disabilities, and others whose mobility needs are not addressed by traditional fixed-route service. Typical services include demand-response, feeder, community bus, and route and point deviation services.

Transit District- A public district organized pursuant to state law and designated in the enabling legislation as a transit district or rapid transit district to provide public transportation service (PUC Section 99213). The Redding Area Bus Authority (RABA) is not considered a transit district.

Transit Operator- Includes any transit district, included transit district, municipal operator, included municipal operator, or transit development board. RABA is a transit operator.

For the purposes of filing an Article 4 public transportation claim, a transit district, included municipal operator, or municipal operator must own or lease the equipment, establish routes and service frequencies, regulate and collect fares, and otherwise control the efficiency and quality of the operation of the system.

Transit Service Claimant - The term “transit service claimant” means:

1. A claimant that files a claim for community transit services pursuant to Article 4.5 of the TDA.
2. A claimant that files a claim for direct contract payments pursuant to PUC Section 99400(c).
3. A city or county that is a member of SRTA that files a claim to provide or contract for separate service to disabled persons pursuant to PUC Section 99260.7.
4. A county, city, or county transportation commission that files a claim for rail passenger service operation and capital improvement expenditures (currently none in Shasta County).

Urbanized Area- An urbanized area has a population of 50,000 persons or more, according to the most recent federal census. An operator serves in an urbanized area if 50% or more of the population of its service area is located within the boundaries of an urbanized area, with exceptions as specified in CCR Section 6645.

Uniform System of Accounts - The term “uniform system of accounts” refers to the required format for a transit system claimant’s proposed budget, which shall be in conformance with the accounting requirements adopted by the State Controller in accordance with PUC Section 99243.

1304 TDA Timetable

The following is a timetable which lists the key dates of the cycle of preparing claims, allocating monies, and preparing final reports. References to the appropriate regulations sections are included.

February 1 County Auditor provides estimate of LTF monies available for the ensuing fiscal year to SRTA (CCR Section 6620).

February SRTA approves the annual apportionments available for allocation (CCR Section 6644) and advises prospective claimants.

April 30 Claims are due to SRTA (CCR Section 6630).

June SRTA Board of Directors reviews and approves the claims.

June 30 SRTA conveys initial allocation instructions for the next fiscal year to County Auditor (CCR Section 6659).

June 30 SRTA transmits fiscal audit for fiscal year ending the previous June 30 to the State Controller (CCR Section 6662).

September 1 SRTA transmits a schedule of performance audits to be submitted during the fiscal year and a list of all operators or claimants who operated or commenced operations during the prior fiscal year to the California Department of Transportation (CCR Section 6664.5).

September 30 Non-transit claimants submit expenditure reports to State Controller (CCR Section 6665). (Streets and Roads Only)

September 30 Claimants submit reports on extension of service to SRTA (CCR Section 6633.8).

September 30 SRTA submits the annual State Controller's Report (CCR Section 6660).

December 31 The certified fiscal audit for fiscal year ending June 30 (unless granted a 90-day extension) is due to SRTA and the State Controller (PUC Section 99245).

Monthly County Auditor reports status of fund to SRTA.

Triennially SRTA submits the performance audits to the California Department of Transportation (CCR Section 6662.5) for all operators of transit service and for SRTA for planning functions.

1305 Local Transportation Fund

1305.1 Background

Revenue for Shasta County's LTF comes from ¼ cent of the state sales tax collected in Shasta County. LTF revenues deposited in Shasta County's fund vary from year to year depending on the economy.

Agencies can use LTF money for several different purposes. To do so, agencies must meet the eligibility requirements set forth in the TDA.

1305.2 Local Transportation Fund Purposes in General

- TDA administration costs-Article 3
- General public transit operations and capital- Article 4
- Transit-related research and development projects- Article 4
- Consolidated Transportation Services (CTSA)- Article 4.5
- Administration of transit contracts- Article 4
- Elderly and disabled transit- Article 4 or 8
- Bicycle and pedestrian projects- Article 3 (SRTA only) or 8
- Contract payments for transit services- Article 8
- Local streets and roads- Article 8
- Multimodal transportation terminals- Article 8

TDA law defines priorities for using LTF for the above listed purposes.

1305.3 The following reflects the priorities for the Shasta County Region:

1. Administrative costs (PUC Section 99233.1): Funds may be allocated to the County Auditor and SRTA for administrative expenses as necessary. This is an "off-the-top" distribution.
2. Planning by statutorily created agencies (PUC Section 99233.2): Up to 3% of annual revenues can be allocated to statutorily created TPAs for the conduct of the transportation planning process. SRTA is not a statutorily created agency eligible for this allocation.
3. Bicycle and pedestrian facilities (PUC Section 99233.3): Two percent (2%) of the money remaining in the fund will be made available to the county and cities for the exclusive use of bicycle and pedestrian facilities unless SRTA finds that the money could be used to better advantage for the purposes stated in Article 4 (commencing with Section 99260) and Article 4.5 (commencing with Section 99275), or for local street and road purposes in those areas where the money may be expended for those purposes, in the development of a balanced transportation system. Of the amount made available to a city or county pursuant to this section, 5% (five percent) thereof may be expended to supplement moneys from other sources to fund bicycle and pedestrian safety education programs, but shall not be used to fully fund the salary of any one person. This is an "off-the-top" distribution (Board Policy)

4. Rail passenger service (PUC Section 99233.4): (Currently none in the Shasta County region).

5. Community transit services (PUC Section 99233.7): Five (5%) of the remaining money in the fund shall be available to cities, counties and operators and CTSAs to provide coordination of services and community transit services. Community transit service means transportation services which link intra-community origins and destinations including services for those, such as the disabled, who cannot use conventional transit services. This is an “off-the-top” distribution. An off the top distribution is defined as a distribution made prior to any allocations to claimants.

6. Transit operator claims (PUC Section 99233.8): The remaining money in the fund may be allocated to support public transit systems. These claims are subject to the provisions of Article 4 of the TDA.

7. Article 8 projects such as streets and roads (PUC Section 99402) and bike and pedestrian facilities (PUC Section 99400a).

LTF Priorities in Shasta County are as Follows:

<i>Priority</i>	<i>Purpose</i>	<i>Amount That Can be Used</i>	<i>Article</i>	<i>PUC Section</i>
1	TDA Administration	As determined by SRTA	3	99233.1
2	Regional bicycle and pedestrian	Up to 2%	3	99233.3
2	Planning by statutorily created agencies	Up to 3% (None in Shasta)	3	99233.2
3	Consolidated Transportation Services	Up to 5% of remaining funds	4.5	99233.7
3	Support of public transit	Up to area apportionment	4	99260 (a) and 99262
3	Public transit research and demonstration projects	Up to area apportionment	4	99260 (b)
3	Separate service to elderly and disabled	Up to area apportionment	4	99260.7 and 99262
4	Public transportation service contract	Up to area apportionment	8	99400 (c)
4	Local streets and roads	Up to area apportionment	8	99400 (a)
4	Special group transportation service contract	Up to area apportionment	8	99400 (c)
4	Bicycle and pedestrian	Up to area apportionment	8	99400 (a)
4	Capital expenditures for contracted services	Up to area apportionment	8	99400 (e)

|

1305.4 Articles

Article 3- Funding Categories and Regulatory Provisions

Under this Article, the first priority for LTF funding is given to TDA program administration. Planning is eligible for statutorily created agencies (SRTA is not an agency of this type). Funding is also designated for pedestrian and bicycle programs, and rail passenger service (if such services were to be offered in Shasta County).

Administration

Agencies may use LTF to carry out its administrative responsibilities related to TDA programs.

Planning

Planning using LTF is eligible for statutorily created agencies (SRTA is not an agency of this type).

Pedestrian and Bicycle Allocation

Two-percent (2%) of LTF funds remaining after administration expenses, will be used for pedestrian and bicycle projects. (Board Policy)

Article 4- Funding Categories and Regulatory Provisions

Public Transportation System Claims

Funds may be used for the support of public transportation systems that are operated in-house by cities or the county, public transportation research and demonstration programs, and the construction of grade separation projects. Support is also provided for transit services to elderly and handicapped persons.

Claims made by transit operators for support of public transportation systems under Article 4 may include reimbursement for all purposes necessary and convenient to the development and operation of the transit service.

Eligible programs and activities for Article 4 funding include planning, purchase of real estate, construction of buildings and facilities, purchase and replacement of vehicles, and the payment of bonds and other indebtedness.

Funding is also available to transit operators for system operation, maintenance and administration; planning and contributions to the planning process; and payments for contracts with common carriers for peak hour services.

For the purposes of Article 4, a transit operator is defined as a city or county that is responsible for the following activities of a transit agency: sets route structure, sets schedules, sets fares, and controls the basic quality and operation of the organization. A city or county can be considered an operator whether it leases or owns the transit vehicles, and regardless of whether it employs or contracts for transit drivers.

Regulatory Provisions for Article 4 Public Transportation System Claims

Claimants for funds to support public transportation systems, and services for the elderly and handicapped, are required in Article 4 to meet certain business standards in their operations. They are also required to undergo a TDA Performance Audit every third year.

The two financial standards that are required by Article 4 claimants are called the “50% expenditure limitation” and the “fare box recovery ratio”.

1. 50% Expenditure Limitation- In general, this provision limits TDA funding for a transit system to 50% of the transit system’s budget.

There is an exception to the 50% expenditure limitation when, commencing with claims for the 1980-81 fiscal year, an operator that was in compliance with PUC Section 99268 during the 1978-79 fiscal year in order to be eligible for funds under this article shall be eligible for such funds in any fiscal year, if it remains in compliance with that section during the fiscal year. The determination of compliance for any fiscal year shall be made in the same manner as the determination was made for the 1978 -79 fiscal year, except for the exemption provided under PUC Section 99267.5. An allowance for depreciation shall be made in the same manner as provided in the 1978-79 fiscal year.

There are no claimants subject to the 50% Expenditure Limitation in Shasta County.

2. Fare Box Ratio Requirements- In the simplest terms, taking a transit operation’s total fare and local support revenues and dividing it by total expenses (minus certain exclusions) will yield a “fare box recovery ratio.” This ratio is used as an indicator of the financial health of the transit service. Transit operators who claim TDA funds must meet certain fare box ratios in order to retain eligibility for funding. (See Section 1331)

The fare box ratio for rural transit systems, in general, must be at a minimum of 10%. In urbanized areas, in general, transit operators must have a fare box ratio of 20%. There are “blended” rates between these two benchmarks that apply to specific circumstances.

The SRTA Board of Directors has approved a 15% required fare box ratio for the RABA fixed route service. Per the SRTA Board of Directors, RABA is to strive to obtain a 19% fare box ratio on fixed route service. (Board Policy).

Article 4 provides for exceptions to the general rules for fare box ratios for the following specific types of transit services:

- Older Transit Operators (prior to 1978)
- Newer, Non-Urbanized Area Operators
- Exclusive Service for Elderly and Handicapped Persons
- Exemption for New and Extension of Services
- Portion of Urbanized Services
- New Urbanized Areas

There are regulatory requirements in Article 4 including calculation of fare box recovery ratio (see Section 1331), and management of TDA programs. The administrative requirements include the following:

- Instructions Regarding Allocation Procedures
- Required Uniform System of Accounts and Records
- Reporting for State Controller's Annual Report
- Recommendations for Productivity Improvements for Operators
- Annual Fiscal Audit of All Claimants
- Performance Audits of Planning Entities and Operators
- Performance Measure Definitions
- New Transit Services Cost Comparison Analysis
- California Highway Patrol Certifications
- Establishment of Social Services Transportation Advisory Council

Article 4.5- Funding for Community Transit Services

This Article addresses community-based transportation (trip origin and destination are both located within community boundaries), including services targeted to disabled riders who cannot use conventional transit services. An eligible organization must be designated by the regional planning agency in order to claim funds under this Article. Up to five percent (5%) of LTF funds remaining after administration expenses, and the 2% pedestrian and bicycle projects set-aside (Board Policy), are prioritized for funding community transit services.

Criteria for Article 4.5 Claims

SRTA has adopted the following criteria for evaluating Article 4.5 claims (Board Policy):

1. High level of impact from the service in meeting a transportation need.
2. Priority for groups requiring special transportation assistance.
3. Minimizing adverse impacts on existing taxi and transit services.
4. Innovative and efficient services.

Article 8 Claims of LTF

Article 8 of TDA is written for the smaller, more rural California counties. These counties are referred to as “unrestricted counties” because in the 1970 Census their population was less than 500,000. This is the Article under which Shasta County claimants receive most of their LTF revenue.

Transit services funding under Article 4 is similar to that offered by Article 8 (c). The difference is in the definition of eligible “transit operator.” For purposes of Article 4, the city or county acting as transit operator is responsible for the direct operation of the service. In contrast, Article 8 (c) only applies to claimants that contract for their transit services with outside vendors.

Funding Categories

Article 8 provides funding for (a) local streets and roads, and projects for use by pedestrians and bicycles, (b) passenger rail service operations and capital improvements, and (c) any entity providing public transportation services under contract with a county, city or transit district. Section 8 (c) also provides funding for transit service to any group that SRTA has determined requires special transportation assistance.

Additional funding support for contracting of transit services is provided in Section (d) of Article 8. Claimants may seek funding for capital investments in transit vehicles, bus shelters and benches, and communication equipment.

There is also a provision in Article 8 that enables a county or city not served by a county-wide transit district to build and maintain multi-modal transportation terminals.

Each of the funding categories provided for in Article 8 are:

1. Local streets and roads
2. Projects for use by pedestrians and bicycles
3. Passenger rail service and capital projects (currently none in Shasta County)
4. Payment to entity under contract to provide public transportation; to support any group requiring special transportation assistance.
5. Capital for vehicles and equipment; bus shelters and benches, communication equipment associated with Section (c).

The TDA legislative language provides a broad range of eligible activities involved with claims for streets and roads: Claims may include those purposes necessary and convenient to the development, construction, and maintenance of the city or county’s streets and highways network, including planning and contributions to the transportation planning process, acquisition of real property, and construction of facilities and buildings.

Because TDA is focused almost entirely on transit programs, reference to local streets and roads projects is not found elsewhere in the legislation. Moreover, before LTF funds may be used for this purpose, there are two major conditions that must be met by any prospective county or city claimants.

The first condition for funding the construction and maintenance of streets and roads requires that the population of the claimant county be less than 500,000 in 1970. The county of Shasta's population was under 500,000 as reported in the 1970 Census, and the jurisdiction is therefore eligible to use this section of TDA. In fact, the law makes this spending option available no matter how much a county's population grows in the future.

There is a second condition that must be met before funding may be used for local streets and roads. This requires that each year, after due diligence, SRTA adopts a resolution with findings regarding any unmet transit needs that might exist within its jurisdiction. The SSTAC must be involved in this "unmet transit needs" process which is further discussed in Section 1328.

Article 8 Entities that Provide Transit Services Under Contract (including to groups requiring special transportation services).

This provision of TDA provides for payment to cities, counties and transit districts contracting with profit making or non-profit companies for public transportation services. In this case, the public agency claimant does not employ the transit personnel. In the contract providing for transit services, the county, city or transit district must specify the following:

1. The level of transit service that will be provided.
2. The operating plan that will implement service.
3. How the service will be coordinated with the public transportation service provided by the operator.

To qualify for Article 8 (c), the transit claimant may be required to meet performance criteria developed by SRTA.

1305.5 Apportionment, Allocation and Payment

There are three steps to distribute the money from the LTF to the local jurisdictions:

1. Apportionment,
2. Allocation, and
3. Payment.

Step 1) Apportionment

Per the TDA, SRTA divides the remaining amount anticipated to be deposited in the fund over the coming fiscal year among each of the county's local jurisdictions based on population (PUC Section Sec. 99231). Prior to March 1st, SRTA informs each jurisdiction of this amount, called the apportionment (21CCR Section Sec. 6644). The amount apportioned to each jurisdiction for the coming fiscal year is called the "Findings of Apportionment."

Once money is apportioned to a jurisdiction, the money can be allocated by that jurisdiction. In Shasta County, the apportionment is based on population.

Step 2) Allocation

Allocation is the step where the jurisdictions decide what they want to do with their apportionments in the coming year. The jurisdictions file "claims" requesting dollar amounts for different purposes. For example, one city might claim all of its LTF apportionment for transit, while another might claim the majority for transit, some for bicycle projects and some for streets and roads. The total amount claimed cannot be more than the amount apportioned to a jurisdiction. The State, through the TDA statute, makes each jurisdiction meet certain requirements to be able to claim the money for different purposes.

Step 3) Payment

Based on the amount claimed, SRTA provides instructions to the County Auditor for payments to each jurisdiction throughout the year. SRTA must provide written instructions at least annually prior to the start of the fiscal year, although the instructions could be delayed if agreed to by the claimant (CCR Section 6659). SRTA's instructions can authorize that payments be made annually, as money becomes available, on a quarterly basis; or even on a monthly basis. SRTA may authorize uneven payments to jurisdictions to accommodate a jurisdiction's cash flow needs. Since SRTA is allowed to set the "terms and conditions" for payment, SRTA could also authorize payments alternative payments in arrears based on actual expenses.

SRTA must write separate instructions for each jurisdiction and for each purpose for which a jurisdiction has claimed LTF (CCR Section 6659). By "purpose" the TDA means the PUC Section under which the money is claimed.

1305.6 Claim Content for SRTA LTF Claims

Each LTF claim should include the following:

1. The annual claim forms as found in Appendix A.
2. Sufficient information to support the claim.

1305.7 Timetable

The following timetable lists the key dates in the cycle of preparing LTF claims, allocating funds, and submitting required reports.

January 10 State Controller provides each regional entity with a preliminary estimate of the amount of LTF monies to be allocated to it during the fiscal year (CCR Section 6720).

February The SRTA Board of Directors approves the annual apportionments available for allocation (CCR Section 6644) and advises prospective claimants.

April 30 Claimants file claims with SRTA (CCR Section 6732).

June SRTA Board of Directors approves operator claims.

June 30 SRTA conveys allocation resolution to the County Auditor (CCR Section 6752).

August 1 State Controller provides each regional entity with a revised estimate of LTF monies to be allocated to it during the fiscal year (CCR Section 6720).

September 30 Each claimant submits the annual report of its operations to SRTA and the State Controller (PUC Section 99243).

December 31 Each regional entity submits a fiscal audit report of its LTF for the fiscal year ending June 30 (CCR Section 6751).

Quarterly State Controller allocates LTF monies to the regional entities (CCR Section 6720).

1306 State Transit Assistance (STA)

1306.1 Background

The STA fund provides a second source of TDA funding. STA funds are generated from a portion of the statewide sales tax on motor vehicle fuel (diesel). Each year, during the state budget process, the State Legislature designates the amount of money available for STA (PUC Section Sec. 99312). The legislature appropriates the STA funds to the State Controller who allocates them by formula to each Regional Transportation Planning Agency (SRTA in Shasta County). The formula allocates 50% of the funds on the basis of a county's population compared to the total state population. The formula allocates the other 50% on the basis of the amount of passenger fares and local support revenues collected by transit operators who file under Article 4 in Shasta County compared to the amount collected by transit operators statewide.

STA Population Formula Apportionment

The STA funds under the population formula apportionment (PUC Section 99313) are apportioned to each regional entity based on the ratio of the population of the area under its jurisdiction to the total population of the state.

STA funds apportioned to SRTA are available for apportionment by SRTA to eligible operators within the SRTA area of jurisdiction. SRTA is required (PUC Section 99313.6) to deposit the funds allocated to their respective areas with the County Treasurer. PUC Section 99312.7 requires the State Controller to issue estimates of funds to be allocated to each regional entity by January 10 of each year.

STA Operator Revenue Formula Allocation

Under the operator revenue formula apportionment (PUC Section 99314), the STA funds are apportioned to each regional entity according to the ratio of the total revenue of all operators in the area under its jurisdiction during the prior fiscal year to the total revenue of all operators in the state during the prior fiscal year.

These apportionments are to be apportioned by each regional entity to the operators in its area of jurisdiction based on the ratio of each operator's revenue during the prior fiscal year to the total revenue of all operators within the regional entity's area of jurisdiction during the prior fiscal year.

For the purpose of these apportionments, the term "revenues" has been defined as fare revenues and any other funds used by the operator for transit operations, with the exception of federal and state funds which may only be used for transportation purposes (CCR Section 6722).

The revenue amounts are to be determined from the most recent annual report developed by the State Controller. The State Controller's estimates of STA apportionments are subject to change based on more current data and on legislative actions affecting the state budget and the STA. The most current estimates provided by the State Controller are used by SRTA in apportioning STA operator revenue formula funds.

1306.2 STA Fund Uses Available in Shasta County

1. Transit operations
2. Contract payments for public transit services
3. Administrative and planning cost of contracted public transportation
4. Capital requirements of public transportation system
5. Rail service operations and capital improvements
6. Construction and maintenance of intermodal transportation facilities

There are no formal STA funding priorities, although the intent is that SRTA give priority consideration (Board Policy) to STA fund claims that:

- offset reductions in federal operating assistance and/or the unanticipated increase in fuel costs,
- enhance existing public transportation services, and
- meet high-priority regional, countywide, or area wide public transportation needs (PUC Section 99314.5(d)).

The entire amount received from the state is available for distribution to the cities and county, as no money is taken “off- the- top” of STA.

STA Allocation is as Follows:

Priority	Purpose	Article	PUC Section
None	Transit operations and capital for systems operated by the jurisdiction	6.5	99313.6 and 21 CCR Section 6730 (a) and (b)
None	Contract payments for public transit services	6.5	99313.6 and 21 CCR Section 6731 (b)
None	Administrative and planning costs of contracted public transportation	6.5	99313.6 and 21 CCR Section 6731 (b)
None	Capital requirements of contracted public transportation system	6.5	99313.6 referencing 99400 (e)
None	Construction and maintenance of intermodal transportation facilities	6.5	99313.7 and 21 CCR Section 6731 (a)

1306.3 Funding Eligibility and Qualifying Criteria

SRTA is required to make all of the findings listed below before it can apportion funds to a claimant (CCR Section 6754). It is the responsibility of the claimant to provide the regional entity with sufficient and timely information upon which to make these findings. In order to apportion STA monies, SRTA must find that:

1. Conformance with the Regional Transportation Plan. Claimant certifies that all of the purposes for claim expenditures are in conformance with the Regional Transportation Plan. (Refer to CCR Section 6754(a)).
2. The level of fare revenues proposed is sufficient to enable the operator or transit service claimant to meet the fare revenue requirements of PUC Sections 99268.2, 99268.3, 99268.4, 99268.5, and 99268.9, as they may be applicable to the claimant.
3. The sum of the claimant's apportionments from the STA and from the LTF does not exceed the amount the claimant is eligible to receive during the fiscal year (see CCR Section 6634). Such findings, however, shall not relieve the claimant of its responsibility pursuant to CCR Section 6735.

1306.3 Funding Eligibility and Qualifying Criteria (continued)

4. Priority consideration has been given to claims to offset reductions in federal operating assistance and unanticipated increases in the cost of fuel, to enhance existing public transportation services, and to meet high-priority regional, countywide, or area wide public transportation needs.
5. The operator has made a reasonable effort to implement the productivity improvements recommended pursuant to PUC Section 99244. This finding shall make specific reference to the improvements recommended and to the efforts made by the operator to implement them.
6. The operator has been certified within the last 13 months by the California Highway Patrol to be in compliance with Section 1808.1 of the California Vehicle Code.
7. The operator is in compliance with the eligibility requirements of PUC Section 99314.6.
8. Part-Time Employees (required for STA claims only). Claimant certifies that it is not precluded by any contract entered into on or after June 28, 1979 from employing part-time drivers or contracting with common carriers of persons operating under a franchise or license. Claimant further certifies that no person who was a full-time employee on June 28, 1979 shall have his/her employment terminated or his/her regular hours of employment, excluding overtime, reduced as a result of its employing part-time drivers or contracting with such common carriers. (Refer to PUC Section 99314.5(c)).
9. Full Use of Federal Funds (required for STA claims only). Claimant certifies that it is making full use of federal funds available under the Federal Transit Act. (Refer to CCR Section 6754(a))

10. Efficiency Standards (required for transit operator claimants claiming STA for operating purposes)

Operators certify that it meets one of the following two efficiency standards (PUC Section 99314.6) (See Section 1306.4):

- A. Efficiency Standard 1: An operator's total operating cost per vehicle revenue hour for the most recent fiscal year must not exceed the prior year's operating cost per revenue vehicle hours, by a percentage greater than the percentage change in the Consumer Price Index (CPI) for the same period.
- B. Efficiency Standard 2: An operator's total operating cost per vehicle revenue hour for the most recent fiscal year must not exceed the average total operating cost per vehicle revenue hour for the three prior years, increased by the average percentage change in the CPI for the same period. (Refer to PUC Section 99314.6)

1306.4 Efficiency Standards

STA operating funds are available under PUC Sections 99313 and 99314 to the agency for allocation to transit operators within the area of its jurisdiction. An "operator" is defined in PUC Section 99210 as "any transit district, included transit district, municipal operator, included municipal operator, or transit development board." The provisions of PUC Section 99314.6 require funding to be contingent upon transit operators meeting either one of two efficiency standards as defined in the aforementioned section.

The agency is charged with ensuring operator's compliance with PUC Section 99314.6 by requiring supporting calculations, where applicable, of all operators and claimants before releasing said funds. This policy seeks to ensure that the agency requires eligible operators to submit calculations indicating compliance with PUC Section 99314.6 before funding is released. It should be noted that the restrictions in PUC Section 99314.6 do not apply to allocations made for capital purposes.

~~PUC Section 99314.6 of the TDA statute requires that either of two specified efficiency standards be met before funds are allocated for operating purposes to an operator.~~

(1) Funds shall be allocated for operating or capital purposes pursuant to Sections 99313 and 99314 to an operator if the operator meets either of the following efficiency standards:

(a) The operator shall receive its entire allocation, and any or all of this allocation may be used for operating purposes, if the operator's total operating cost per revenue vehicle hour in the latest year for which audited data are available does not exceed the sum of the preceding year's total operating cost per revenue vehicle hour and an amount equal to the product of the percentage change in the Consumer Price Index for the same period multiplied by the preceding year's total operating cost per revenue vehicle hour.

(b) The operator shall receive its entire allocation, and any or all of this allocation may be used for operating purposes, if the operator's average total operating cost per revenue vehicle hour in the latest three years for which audited data are available does not exceed the sum of the average

of the total operating cost per revenue vehicle hour in the three years preceding the latest year for which audited data are available and an amount equal to the product of the average percentage change in the Consumer Price Index for the same period multiplied by the average total operating cost per revenue vehicle hour in the same three years.

If an operator does not meet either efficiency standard above, the operator shall receive its entire allocation and the funds shall be allocated pursuant to this paragraph. The portion of the allocation that the operator may use for operations shall be the total allocation to the operator reduced by the lowest percentage by which the operator's total operating cost per revenue vehicle hour for the applicable year or three-year period calculated pursuant to subparagraph (a) or (b) above exceeded the target amount necessary to meet the applicable efficiency standard. The remaining portion of the operator's allocation shall be used only for capital purposes.

Except as provided in paragraph (1), funds shall be allocated for operating or capital purposes pursuant to Sections 99313 and 99314 to an operator if the operator meets either of the following efficiency standards:

(a) The operator shall receive its entire allocation, and any or all of this allocation may be used for operating purposes, if the operator's total operating cost per revenue vehicle hour in the latest year for which audited data are available does not exceed the sum of the preceding year's total operating cost per revenue vehicle hour and an amount equal to the product of the percentage change in the Consumer Price Index for the same period multiplied by the preceding year's total operating cost per revenue vehicle hour.

(b) The operator shall receive its entire allocation, and any or all of this allocation may be used for operating purposes, if the operator's average total operating cost per revenue vehicle hour in the latest three years for which audited data are available does not exceed the sum of the average of the total operating cost per revenue vehicle hour in the three years preceding the latest year for which audited data are available and an amount equal to the product of the average percentage change in the Consumer Price Index for the same period multiplied by the average total operating cost per revenue vehicle hour in the same three years

. If an operator does not meet either efficiency standard under paragraph (1), the operator shall receive its entire allocation and the funds shall be allocated pursuant to this paragraph. The portion of the allocation that the operator may use for operations shall be the total allocation to the operator reduced by the lowest percentage by which the operator's total operating cost per revenue vehicle hour for the applicable year or three-year period calculated pursuant to subparagraph (A) or (B) of paragraph (1) exceeded the target amount necessary to meet the applicable efficiency standard. The remaining portion of the operator's allocation shall be used only for capital purposes.

SRTA, as the case may be, shall adjust the calculation of operating costs and revenue vehicle hours pursuant to paragraph (1) to account for either or both of the following factors:

(a) Exclusion of cost increases beyond the change in the Consumer Price Index for fuel; alternative fuel programs; power, including electricity; insurance premiums and payments in settlement of claims arising out of the operator's liability; or state or federal mandates, including the additional operating costs required to provide comparable complementary paratransit service

as required by Section 37.121 of Title 49 of the Code of Federal Regulations, pursuant to the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), as identified in the operator's paratransit plan pursuant to Section 37.139 of Title 49 of the Code of Federal Regulations.

(b) Exclusion of startup costs for new services for a period of not more than two years.

Funds withheld from allocation to an operator pursuant to paragraph above shall be retained by SRTA, as the case may be, for reallocation to that operator for two years following the year of ineligibility. In a year in which an operator's funds are allocated pursuant to paragraph (1), funds withheld from allocation during a preceding year shall also be allocated. Funds not allocated before the commencement of the third year following the year of ineligibility shall be reallocated to cost effective high priority regional transit activities, as determined by SRTA, as the case may be. If SRTA determines that no cost effective high priority regional transit activity exists, the unallocated funds shall revert to the Controller for reallocation. As used in this section, the following terms have the following meanings:

(1) "Operating cost" means the total operating cost as reported by the operator under the uniform system of accounts and records, pursuant to Section 99243 and subdivision (a) of Section 99247.

(2) "Revenue vehicle hours" has the same meaning as "vehicle service hours," as defined in subdivision (h) of Section 99247.

(3) "Consumer Price Index," as applied to an operator, is the regional Consumer Price Index for that operator's region, as published by the United States Bureau of Labor Statistics. If a regional index is not published, the index for the State of California applies.

(4) "New service" has the same meaning as "extension of public transportation services" as defined in Section 99268.8.

(5) The restrictions in this section do not apply to allocations made for capital purposes.

(6) The exclusion of cost increases described in paragraph (3) of subdivision (a) applies solely for the purpose of calculating an operator's eligibility to claim funds pursuant to this section and does not authorize an operator to report an operating cost per revenue vehicle hour, other than as described in this section and in Section 99247, to any of the following entities:

(a) The Controller pursuant to Section 99243.

(b) The entity conducting the fiscal audit pursuant to Section 99245.

(c+) The entity conducting the performance audit pursuant to Section 99246.

~~The first efficiency standard (PUC Section 99314.6 (a) (1)) verifies that the total operating cost per revenue vehicle hour for the current year is not greater than the sum of the total operating cost per revenue vehicle hour for the preceding year plus an amount equal to the percentage change in the regional CPI (for the same year) multiplied by the preceding year's total operating~~

~~cost per revenue vehicle hour. The CPI from the California Department of Finance shall be used.~~

~~If this standard is not met then PUC Section 99314.6(a) (2) applies, which is calculated in exactly the same way as the first standard, except that a single year's data is replaced with data from the latest three years (second efficiency standard) for which audited data is available. It should be noted that "operating costs" in all cases, do not include costs of depreciation, amortization, leases, chartered services, and capitalized items.~~

I

|

The calculations of the operating costs and revenue vehicle hours may also be adjusted by the agency to “encourage progress in achieving the objectives of efficiency, effectiveness, and productivity pursuant to PUC Section 99244.” The adjustments may involve excluding costs increases beyond the CPI for items that the state wants to encourage operators to purchase such as alternative fuels, insurance, or state or federal mandates. Startup costs for new services for up to two years may also be excluded from the total operating costs used in the ratios. Excluding these costs from the operating costs would allow the operator to more easily meet the standards.

SRTA may adjust the calculation of these standards to exclude startup costs for new services (as in PUC Section 99268.8) for a period of not more than two years and/or cost increases beyond the change in the CPI for fuel, alternative fuel programs, insurance, or state and federal mandates.

~~Assembly Bill 813 allows operators to exclude additional items in calculating operating cost (PUC Section 99314.6). Any claimant interested in excluding one or more of the cost categories discussed above should provide SRTA with sufficient documentation to allow the adjustment in the calculations to be made.~~

~~PUC Section 99314.6 (c) stipulates that the agency shall retain funds withheld from allocation to an operator (due to not meeting either of these two efficiency standards) for reallocation to that same operator for the two years following the year of ineligibility.~~

Original documentation to prove if the standards are met will be provided by transit operators. Transit operators shall gather the cost data from its latest audited financial statements, make the necessary calculations, and prepare a signed and dated work paper (TDA-7) that holds all pertinent data in one easy-to-read format. Such a work paper is provided by the agency to enable transit operators to easily prepare their calculations in the manner outlined in the statute.

Once the transit operators complete the calculations on the provided work paper, the resulting calculations and supporting documentation shall be submitted to the agency, where the ratios will be reviewed for timeliness and accuracy. All work papers, calculations, and supporting documentation shall be clearly labeled with identifying descriptions.

The supporting documentation will report all components of the required calculations that document the ratio or ratios provided by each transit operator. If the qualifying criteria are met, then it will be deemed that PUC Section 99314.6 has been met. Once the documentation is complete PUC Sections 99313 and 99314 funds may be released to the transit operator.

The following procedure is designed to streamline this process and to ensure that proper documentation of the calculations is fully and accurately presented on one work paper. It should be noted that use of the provided work paper will facilitate accurate reporting of the ratio(s) used to determine operator’s qualifying criteria:

1. A worksheet (TDA-7) has been developed by the agency and is distributed to transit operators.
2. Transit operators complete TDA-7.
3. TDA-7 is returned to the agency as soon as they are complete.
4. SRTA reviews and verifies data and calculations on worksheet to verify if criteria are met.
5. TDA-7 is kept on file to provide evidence that qualifying criteria were met.

1306.5 Claim Content for SRTA STA Claims

Each STA claim should include the following:

1. The annual claim forms as found in Appendix A. (Board Policy)
2. Sufficient information to support the claim. (Board Policy)

1306.6 Timetable

The following timetable lists the key dates in the cycle of preparing STA claims, allocating funds, and submitting required reports.

January 10 State Controller provides each regional entity with a preliminary estimate of the amount of STA monies to be allocated to it during the fiscal year (CCR Section 6720).

April 30 Claimants file STA claims with SRTA (CCR Section 6732).

June SRTA Board of Directors approves operator claims.

June 30 SRTA conveys allocation resolution to the County Auditor (CCR Section 6752).

August 1 State Controller provides each regional entity with a revised estimate of STA monies to be allocated to it during the fiscal year (CCR Section 6720).

September 30 Each claimant submits the annual report of its operations to SRTA and the State Controller (PUC Section 99243).

December 31 Each regional entity submits a fiscal audit report of its STAs for the fiscal year ending June 30 (CCR Section 6751).

Quarterly State Controller allocates STA monies to the regional entities (CCR Section 6720).

1307 Bike & Pedestrian Claims

Program Overview

This section describes the administration of SRTA’s Article 3 non-motorized program to fund bicycle and pedestrian facilities. The program has two components distinguished by eligibility requirements. One program originates from a 2% “off the top” allocation of the Local Transportation Fund (LTF), called the 2% Non-Motorized Program, and is open to all areas in Shasta County. The other program is for non-motorized facilities that link to public transit in rural areas and also utilizes Transportation Development Act (TDA) funds. This is referred to as the Rural BLAST (Bike Lanes and Sidewalks to Transit) Program.

Permissible Projects

Eligible agencies include any public agency authorized to develop and construct projects in public right-of-way in Shasta County including local and tribal governments. Eligible non-motorized projects include, but are not limited to, curbs, ADA access ramp projects, sidewalks, pedestrian ways, bikeways (Class I bicycle paths and Class II bicycle lanes), cycle tracks (protected bikeways), bike racks, bicycle storage, wayfinding signage, and bicycle information and safety education programs (PUC 99233.3 and 99234).

Upon completion, the ‘GoShasta’ Active Transportation Plan (ATP) shall include a coordinated program of non-motorized projects with projects within each jurisdiction Projects nominations shall be pulled from this plan.

Funding Discretion

In exercising discretion over the non-motorized funding programs, SRTA may:

- Obligate all available funds, partial funds, or no funds in a given program cycle. Unallocated funds may accumulate over more than one planning cycle for specific purposes.
- Use funds for any TDA eligible use if no non-motorized needs are identified by the SRTA Board of Directors.
- Choose to fund only project phases that can be completed in the fiscal year of the TDA budget to ensure timely use of funds and as a condition of funding allocations for future project phases.
- Add funds to previously awarded projects for extenuating circumstances related to capital outlay. Cost overruns will generally be the responsibility of the recipient agency.

Call for Projects

If sufficient funds are anticipated or have accumulated, SRTA will issue a request for non-motorized applications in the spring for the 2% Non-Motorized Program, the Rural BLAST Program, or both. Applications will be due to SRTA by a date specified on the request. Applicants are to use the form(s) provided in the request. An applicant may request funding from either the 2% Non-Motorized Program, the Rural BLAST Program, or both.

Project Selection

Applications will be evaluated based on the criteria below by a review team determined by SRTA. SRTA may request additional information prior to board of directors' approval. The SRTA Board of Directors will approve applications for funding. Project approval will coincide with approval of the TDA Budget.

SRTA has established criteria to analyze and evaluate applications for non-motorized transportation facilities (PUC Section 99401). The evaluation method for non-motorized projects is consistent with the way SRTA evaluates and prioritizes other components of the transportation system, such as arterial, highway, and transit projects. Transportation project priorities are established in planning documents like the Regional Transportation Plan (RTP) and programming documents such as the Regional Transportation Improvement Program (RTIP). Evaluation criteria of applications are as follows:

General Intent

Due to the limited amount of funds available, these funds should not be used to augment agency staff time. The SRTA Board of Directors allocates other funds for these purposes. Likewise, SRTA will not charge cost to administer this program to the non-motorized fund.

Two-Percent Non-Motorized Program

The purpose of the 2% Non-motorized Program is to fund new regional bike and pedestrian facilities not already required or programmed for funding.

Minimum Eligibility Requirements

- Eligible agencies will abide with all applicable federal and state regulations.
- The project must conform to the RTP and be included in a jurisdiction's or regional agency's adopted non-motorized plan (21CCR 6651).
- The project must conform to the general design criteria of the Streets and Highway Code (PUC Sec. 99401).
- The project must meet Americans with Disabilities Act (ADA) standards.
- The requested funds cannot be used to supplant existing programmed funds.
- For cooperative projects, other sources of funding must be identified. Supporting documentation shall show that matching funds are committed.

- Projects which are a required element of a larger capital improvement project or program are not eligible for funding.
- No single agency may submit an application that requests more funds than the total available for that fiscal year.
- Local agencies are generally responsible for all staff time which can be considered in-kind match.
- Funding shall not be used to fully fund the salary of any one person (PUC Sections 99233.3).

Project Scoring Criteria

- Local match – percentage share of local cash and future in-kind funds committed to the project
- Project support – documented agency resources and public support (e.g. sufficient resources including staff time committed to complete within the fiscal year; letters of support)
- Leveraging – includes third-party support, (e.g. funds from other programs; funds a project component needed to effectively compete for a state or federal grant; unsuccessful grant applications)
- Consistency with RTP – level of consistency with goals in current, adopted RTP and RTP implementation (e.g. is in, or connects to, a Strategic Growth Area; economic development; safety; connectivity; environmental justice)
- Limitations -- cost/size is such that project would not effectively compete in state and federal grant programs

Rural BLAST Program

The purpose of the Rural Blast Program is to promote connectivity to transit, consistent with the FTA 5311 program.

Minimum Eligibility Requirements

- Eligible agencies will abide with all applicable federal and state regulations.
- The project must conform to the RTP and be included in a jurisdiction's or regional agency's adopted non-motorized plan (21CCR 6651).
- The project must conform to the general design criteria of the Streets and Highway Code (PUC Sec. 99401).

- The project must meet Americans with Disabilities Act (ADA) standards.
- The requested funds cannot be used to supplant existing programmed funds.
- For cooperative projects, other sources of funding must be identified. Supporting documentation shall show that matching funds are committed.
- Projects which are a required element of a larger capital improvement project or program are not eligible for funding.
- No single agency may submit an application that requests more funds than the total available for that fiscal year.
- The project must serve the needs of rural (non-urban) communities as defined by the U.S. Census.
- The project promotes connectivity to general public transit services.
- The project includes a 10% match.

Project Scoring Criteria

- Local match – percentage share of local cash and future in-kind funds committed to the project
- Project support – documented agency resources and public support (e.g. sufficient resources including staff time committed to complete within the fiscal year; letters of support)
- Leveraging – includes third-party support, (e.g. funds from other programs; funds a project component needed to effectively compete for a state or federal grant; unsuccessful grant applications)
- Consistency with RTP – level of consistency with goals in current, adopted RTP and RTP implementation (e.g. is in, or connects to, a Strategic Growth Area; economic development; safety; connectivity; environmental justice)
- Limitations -- cost/size is such that project would not effectively compete in state and federal grant programs

Contracting

Once projects have been approved by the SRTA Board of Directors, projects will be referenced in and attached to a local agency's sub-recipient cooperative agreement with SRTA.

Project Management and Delivery

Invoices will be paid on a reimbursement basis only for work completed. Local agencies will provide sufficient documentation to support any invoice, and, at a minimum, provide quarterly updates to SRTA in writing.

Local agencies will inform SRTA of project completion in writing. Unused funds will be made available for other non-motorized projects in the region

1308 Transit Operator Claims

1308.1 Introduction

Claims may be filed annually (by April 30 of each year) with the TDA eligible transit operators under Article 4 for the following purposes (PUC Section 99260):

1. The support of public transportation systems
2. Aid to public transportation research and demonstration projects
3. Contributions for the construction of grade separation projects

1308.2 Eligible Expenses

TDA monies claimed by public transit operators can be used for all purposes necessary and convenient to the development and operation of a public transportation system, including the following (PUC Section 99262):

1. Planning and contributions to the transportation planning process
2. Acquisition of real property
3. Construction of facilities and buildings
4. Purchase and replacement of vehicles
5. Systems operation
6. Maintenance and repair
7. Debt payment

1308.3 Claim Restrictions

1. In order to qualify for TDA funds, an operator must maintain certain fare revenue to operating cost or fare revenue plus local support to operating cost ratios (see Section 1303 of this handbook for definitions of fare revenue, local support, and operating cost) as established by PUC Sections 99268 through 99269 and 99270.1, depending on the characteristics of the operator and its service area.
2. Required Applicable Operator Ratio Requirement- If an operator fails to maintain the required ratio as described in #1, then the operator's eligibility to receive both LTF and STA funds shall be reduced during the subsequent penalty year by the amount of the difference between the level of fare revenues required to meet the specified ratio and the actual fare revenues for the year the ratio was not achieved. The penalty year shall begin one-year after the end of the fiscal year during which the required ratio was not met (PUC Section 99268.9).

3. The fare revenue and local support ratios shall not apply to an extension of public transportation services until two years after the end of the fiscal year during which the extension of service was put into operation (PUC Section 99268.8). The fare revenues and operating costs attributable to new service extensions shall be excluded from the ratio determinations if the extensions meet the definitions of CCR Section 6619.1 and the conditions of CCR Section 6633.8.
4. No operator shall be eligible for funds if it routinely staffs a vehicle designed to be operated by one person with two or more persons (PUC Section 99264).
5. An operator shall be eligible for Article 4 funds only if the current cost of its retirement system is fully funded with respect to the officers and employees of its public transportation system, or if the operator is implementing a plan approved by the TPA (SRTA) which will fully fund the retirement system within 40 years (PUC Section 99271).
6. An operator that has a private pension plan shall be eligible for Article 4 funds only if it meets all of the requirements of PUC Sections 99272 and 99273.
7. The total amount of monies from the LTF and the STA that an operator or transit service claimant is eligible to receive during the fiscal year is determined by the provisions of CCR Section 6634 (fund eligibility). TDA-5 contains a worksheet to assist in determining maximum fund eligibility:

This worksheet is intended to assist operators and transit service claimants in determining the maximum eligibility of operating funds from the LTF and STA, as defined in CCR Section 6634.

- A. Total Fiscal Year Projected Operating Costs
- B. Subtract the amount of fare revenues required to meet the applicable fare box recovery ratio or the actual amount of fare revenue to be received during the fiscal year, whichever is greater.
- C. Subtract the amount of local support required to meet applicable fare revenue plus local support to operating cost ratio requirements.
- D. Subtract the amount of federal operating assistance to be received during the fiscal year.
- E. Subtract the amount to be received pursuant to a contract with a jurisdiction to which the operator provides service beyond its boundaries.
- F. The resulting difference equals the maximum amount of operating support from the LTF and STA the claimant is eligible to receive during the fiscal year.

8. An operator or transit service claimant shall spend monies received from the LTF or STA only in accordance with the terms and conditions of the allocations, as set forth in the LTF allocation instructions or STA allocation resolution. If unforeseen situations develop during the year such that the operator or transit service claimant cannot comply with the terms and conditions of the allocations, the operator or transit service claimant shall request that SRTA consider a revised allocation instruction or resolution (CCR Section 6636).

In addition, if an operator or transit service claimant desires, in mid-year, to implement a new service which results in an increase (or decrease) of 15% or greater over the operating budget of the previously approved claim, then the claimant shall request a revised allocation before any expenses associated with the proposed service changes are incurred.

9. Any operator providing charter service must meet the requirements of PUC Section 99250. Under these requirements, all charter bus service must contribute financially to the reduction of deficits incurred in the operation of scheduled bus service.

Charter bus service rates charged must equal the average of the three lowest current rates charged by private charter bus carrier actually operating charters originating in the same service area during the prior year, or they must be at least equal to the fully allocated cost of each charter operated.

These rates must be reviewed and adjusted not less than semiannually. However, if the operator determines that there is a public need that cannot be met otherwise, charter service may be provided to charitable or public service organizations at direct cost, not to exceed \$10,000 or a total of 40 charter buses per year, whichever occurs first.

10. Each claim must include a certification completed within the last 13 months from the Department of the California Highway Patrol indicating that the operator is in compliance with Section 1808.1 of the California Vehicle Code. This section requires operators to participate in a pull notice system for obtaining current driver records from the Department of Motor Vehicles.

11. Transit operators are subject to the reduced transit fare and related eligibility requirements of PUC Sections 99155 and 99155.5. TDA-4 provides a sample statement certifying compliance with these requirements.

1308.4 Claim Process

By April 30 (or last weekday of the month), any claimant wishing to receive funding for the ensuing fiscal year must submit a claim to SRTA, which must include the supplemental information as described in the following section.

1308.5 Claim Forms and Required Information

Each claimant shall complete the annual TDA claim form and the specified reporting forms and submit the claim along with the supplemental information as found in Appendix A. These forms are designed to assist the operators in meeting the various requirements of the TDA and to assist SRTA in meeting its administrative responsibilities.

In addition, all operators shall participate in the region wide performance improvement program through the Regional Short-Range Transit Plan process.

The claim checklist outlines supplemental information required as part of each claim. The items in the checklist are intended to meet the various requirements of the TDA.

1308.6 Claim Revision or Amendment Process

An operator may request a revision to an approved allocation when changes in circumstances warrant. An allocation revision is required when an operator wishes to increase the total TDA allocation, or to use the funds for a purpose other than the one for which they were allocated. For example, use of operating funds to support a capital project or any transfer of funds from operating or capital support into a capital reserve pursuant to CCR Section 6648 require approval by SRTA.

A request for an allocation revision or amendment should include information detailing the reason for the revision/amendment request (including a change in the operating and/or capital budgets) and a table comparing the old claim total and the new claim total. Changes in the capital program must be clearly identified.

1308.7 Reporting Requirements

1. Each operator and transit service claimant is required to prepare an annual report of its operations in accordance with the uniform system of accounts and records adopted by the State Controller pursuant to PUC Section 99243.

Accurate and complete records shall be maintained and all such fiscal, and accounting records, and supporting papers shall be retained for a minimum of four years following the close of the fiscal year of expenditure. The annual report must be submitted to SRTA and the State Controller within 90 days after the end of the fiscal year. The annual report shall include (CCR Section 6637):

- A. The amount of revenue generated from each source and its application for the preceding fiscal year.
- B. The data necessary to determine whether the operator is in compliance with PUC Sections 99268.1, 99268.2, 99268.3, 99268.4, 99268.5, and 99268.9 (fare box recovery requirements).
- C. The financial data reporting forms specified by the State Controller for the annual report.
- D. The nonfinancial operating data described in the federal "Uniform System of Accounts and Records and Reporting Systems," January 1977. The claimant shall report the nonfinancial operating data on the forms specified by the State Controller.
- E. A supplement including an estimate of revenues to be generated from each source and its proposed application for the next fiscal year.

The State Controller shall instruct the County Auditor to withhold payments from the fund to any operator that has not submitted its annual report to the State Controller within 90 days after the close of the fiscal year (PUC Section 99243).

2. Each claimant is required to submit operating statistics to SRTA on a quarterly basis, no later than 90 days after the end of each quarter.
3. Each claimant receiving TDA funds is required to submit an annual certified fiscal audit conducted by an independent auditor. SRTA procures an independent auditor on behalf of the TDA recipients and will transmit the audits to the State Controller within 180 days after the end of the fiscal year (PUC Section 99245). It is the responsibility of the claimants to ensure that audits progress in a timely manner. Any delays in the audit require a request to SRTA for an extension of no more than 60 days.
4. A performance audit of each operator is required triennially. Similar to the annual fiscal audit, SRTA procures an independent third party to conduct the performance audit.
5. For an operator excluding the fare revenues and operator costs attributable to an extension of new services from the determination of its fare revenue and local support ratios, described under Claim Restrictions #3, a report must be submitted to SRTA within 90 days after the end of the fiscal year.

The report shall include, but not be limited to, the following (CCR Section 6633.8(c)):

- A. A description of the area served and the routes or portions of routes included
- B. The amount of fare revenues generated by the extension and the method used to derive that amount
- C. The amount of the operating cost for the extension and the method used to allocate costs between the extension of service and the claimant's other services

1308.8 Timetable

The following is a timetable which lists the key dates of the cycle of preparing claims, allocating monies, and preparing final reports. References to the appropriate PUC Section and CCR Section sections are included.

February 1 County Auditor provides estimate of LTF monies available for the ensuing fiscal year to SRTA (CCR Section 6620).

February SRTA Board of Directors approves the annual apportionments available for allocation (CCR Section 6644) and advises prospective claimants.

April 30 Claims are due to SRTA (CCR Section 6630). Claimants are to use the claim forms, use the check-off list provided, and include it as part the claim package as found in Appendix A.

June SRTA Board of Directors reviews and approves the claims.

June 30 SRTA conveys initial allocation instructions for the next fiscal year to County Auditor pending receipts of signed board resolutions from the transit agencies (CCR Section 6659).

June 30 SRTA transmits fiscal audit for fiscal year ending the previous June 30 to the State Controller (CCR Section 6662).

September 1 SRTA transmits a schedule of performance audits to be submitted during the fiscal year and a list of all operators or claimants who operated or commenced operations during the prior fiscal year to the California Department of Transportation (CCR Section 6664.5).

September 30 Non-transit claimants submit expenditure reports to State Controller (CCR Section 6665).

September 30 Claimants submit reports on extension of service to SRTA (CCR Section 6633.8).

September 30 SRTA submits the annual State Controller's Report (CCR Section 6660).

December 31 SRTA submits, on behalf all claimants, the certified fiscal audit for fiscal year ending June 30 (unless granted a 90-day extension) to SRTA and the State Controller (PUC Section 99245).

Monthly County auditor reports status of fund to SRTA.

Triennially SRTA submits the performance audits to the California Department of Transportation (CCR Section 6662.5) for all operators of transit service and for SRTA for planning functions.

1309 Community Transit Service Claims

1309.1 Introduction

The legislature has provided for the use of up to 5% of the annual LTF funds for community transit services, which include services for those such as the disabled, who cannot use conventional transit services. Eligible claimants are cities, counties, public transit operators, and consolidated transportation service agencies.

CCR Section 6644 provides that the maximum available for claims filed under Article 4.5 shall be 5% of the sum of the apportionments of the areas of all operators remaining after subtracting any amounts allocated pursuant to PUC Sections 99233.4, 99233.5, and 99233.6. The amount available for Article 4 claims is that amount remaining after the adjustment for the proportion made available for Article 4.5 allocations.

Article 4.5 claims may be filed SRTA by a city, a county, an operator, or a CTSA, to provide "community transit services" which are defined as transportation services which link intra-community origins and destinations. However, community transit services can be provided by private operators (e.g., taxicab companies) under contract with a public agency on a competitive bidding basis.

1309.2 Requirements

The SRTA Board of Directors must find that a claim meets the following minimum requirements prior to approval of a claim (PUC Section 99275.5):

1. That the proposed community transit service is responding to a transportation need currently not being met in the community of the claimant.
2. The service links intra-community origins and destinations (PUC Section 99275b).

1309.2 Requirements (continued)

3. That the service shall be integrated with existing transit services, if appropriate.
4. That the claimant has prepared an estimate of revenues, operating costs, and patronage.
5. That the claimant is in conformance with the requirements of PUC Sections 99155 and 99155.5 relating to the honoring of specified identification cards by operators offering reduced fares for seniors and the disabled and other eligibility requirements.
6. In addition to the requirements of PUC Section 99275.5, claimants are encouraged to enter into a formal competitive bidding process in choosing to provide service through a contract operator as authorized by PUC Section 99277.
7. The proposed community transit service meets the performance criteria adopted by SRTA as found in Section 1309.3.

1309.3 Performance Criteria

SRTA shall establish performance criteria or goals (Board Policy)

1309.3 Article 4.5 Distribution Formula

In order to include the CTSA in the fund distribution process, a maximum of up to 5% of the total available will be set aside to support claims by the CTSA. The CTSA claim is to include a work program to be reviewed by SRTA and the other Article 4.5 claimants. Any remaining amount will be apportioned pursuant to PUC Section 99233.7 and shall be allocated to the transit service area.

1309.4 Board-Adopted Priorities

In view of the limited funds available under the Article 4.5 program, the SRTA Board of Directors has adopted the following priorities (Board Policy) for the allocation of Article 4.5 funds:

1. The Article 4.5 program is intended to serve those population groups that cannot use conventional, fixed-route transit services, primarily persons with disabilities as defined by the

Americans with Disabilities Act (ADA). Service to persons such as the nondisabled elderly should be provided only when capacity is available. TDA Article 4 funds are the more appropriate source of support for general public transit services.

2. Priority shall be given to providing accessible curb-to-curb services to all communities within the urbanized area, based on fund availability, prior to the expansion of the level of service within the existing service areas.

3. Additional services proposed within areas currently served by another operator will be considered only on the basis of fund availability and a clear demonstration of unmet needs.

1309.5 Claim Content

Community transit service claims are to be filed in the same manner as Article 4 transit operator claims following the claim timetable outlined in Section 1304. Community transit service claims should include all of the information listed in the checklist. (Board Policy)

1309.6 Reporting Requirements

1. Each transit service claimant is required to submit an annual certified fiscal audit to SRTA and the State Controller within 180 days after the end of the fiscal year, pursuant to PUC Section 99245.

2. Each transit service claimant is required to submit an annual report of its operations, consistent with the Uniform System of Accounts, to SRTA and the State Controller within 90 days after the end of the fiscal year.

3. Each transit claimant is required to submit operating statistics to SRTA on a quarterly basis. Reports are to be submitted on a quarterly basis that may ~~include vehicle~~include vehicle mileage, operating costs, number of complaints, number of trip denials, number of missed trips, number of CTSA passengers, number of frail and elderly passengers, and the total service hours.

1309.7 Timetable

The following is a timetable which lists the key dates of the cycle of preparing claims, allocating monies, and preparing final reports. References to the appropriate regulations sections are included.

February 1 County Auditor provides estimate of LTF monies available for the ensuing fiscal year to SRTA (CCR Section 6620).

February SRTA Board of Directors approves the annual apportionments available for allocation (CCR Section 6644) and advises prospective claimants.

April 30 Claims are due to SRTA (CCR Section 6630). Claimants are encouraged to review the updates to the claim forms, use the check-off list provided, and include it as part the claim package.

June SRTA Board of Directors reviews and approves the claims.

June 30 SRTA conveys initial allocation instructions for the next fiscal year to County Auditor pending receipts of signed board resolutions from the transit agencies (CCR Section 6659).

June 30 Claimant transmits fiscal audit for fiscal year ending the previous June 30 to the State Controller (CCR Section 6662).

September 30 SRTA submits the annual State Controller's Report (CCR Section 6660).

December 31 Claimant submits the certified fiscal audit for fiscal year ending June 30 (unless granted a 90-day extension) to SRTA and the State Controller (PUC Section 99245).

Monthly County Auditor reports status of fund to SRTA.

1310 Streets and Roads Claims

1310.1 Introduction

TDA regulations require that transit needs be funded before any claims for streets and roads. This section summarizes claims for projects under special provisions of the TDA. Special provision claims generally refer to Article 8 claims for local street and road improvements. Article 8 claims are subject to the unmet needs process as found in Section 1328.

1310.2 Eligible Projects

Street and road projects eligible for LTF include those that are “necessary or convenient to the development, construction, and maintenance of the cities or county’s streets or highway network, including planning, acquisition of real property and construction of facilities and buildings” (PUC Section 99402).

1310.3 Eligibility Requirements

50% Funding Limitation

Notwithstanding exceptions in PUC Section 99400, LTF allocated under Article 8 cannot represent more than 50% of the amount required to meet the city or county's total proposed expenditures for the project in the year. Capital expenses, however, are exempt from this 50% limitation requirement. SRTA may allocate the total amount budgeted for the project's capital expenses if the project is consistent with the RTP (PUC Section 99405 (a) and (b)).

Regional Transportation Plan

TDA funds can only be allocated to projects that are in conformity with the RTP (CCR Section 6651) prepared by SRTA.

1310.4 Documentation when Submitting Claim

When submitting claims for other projects, the claimant must submit the following to SRTA:

- Claim forms (Board Policy)
- Required supporting documentation (Board Policy)

1310.5 Reporting Requirements

All street and road claimants are required to submit:

- An annual certified fiscal audit to SRTA and to the State Controller within 180 days after the close of the fiscal year (PUC Section 99245). Upon written request with justification, SRTA may extend the deadline up to 90 days.
- A report to the State Controller regarding the expenditure of funds received for projects within 90 days after the end of the fiscal year (CCR Section 6665).

1311 Multimodal Terminal Claims

Multimodal transportation facilities include park and ride lots, transit centers, or other locations where passengers can transfer between modes. A city or county where there is no countywide transit district may file an LTF claim for the construction and maintenance of multimodal transportation terminals (PUC Section 99400.5).

| Each multimodal terminal claim shall include the annual TDA claim form, a project description (including any feasibility, site analysis, or related studies which have been prepared and not previously submitted), and the estimated project cost and source(s) of funds. The funding request should cover work that is scheduled to begin in the fiscal year of the claim. Project construction costs should be documented. If the project is to be implemented in phases, include in the project description the estimated implementation dates and related costs for each phase (i.e., preliminary engineering, right-of-way acquisition, construction, etc.)

Claims may be submitted for planning or feasibility studies undertaken to develop new transit centers. In addition to an annual claim form, such claims must contain a work program describing the objectives and tasks of the study, and projected time frame of the study. The claim also must contain a budget breakdown showing both the sources and uses of funds required for the study. The budget should be submitted in table format listing the TDA and any other revenues anticipated for the project. Cost data should identify direct staff costs, support costs, and consultant costs, if any.

1311.1 Reporting Requirements

All multimodal facility claimants are required to submit:

- An annual certified fiscal audit to SRTA and to the State Controller within 180 days after the close of the fiscal year (PUC Section 99245). Upon written request with justification, SRTA may extend the deadline up to 90 days.
- A report to the State Controller regarding the expenditure of funds received for projects within 90 days after the end of the fiscal year (CCR Section 6665).

1312 County Auditor's Responsibilities

The County Auditor in each county in the state is the designated trustee for that county's TDA funds. Prior to February 1 of each year, the County Auditor is required (CCR Section 6620) to furnish (SRTA) with an estimate of monies anticipated to be deposited in the LTF during the ensuing fiscal year.

The County Auditor also must provide an estimate of the TDA fund balance after all allocation instructions and payment schedules have been honored for the current fiscal year. Estimates include interest income for the ensuing fiscal year, as well as sales tax revenues.

Based on the estimates furnished by the County Auditor, SRTA apportions the funds available in conformance with priorities stated in the law (PUC Section 99233).

In addition to estimating TDA fund availability, the County Auditor also is responsible for maintaining accounting records for the fund and for disbursing TDA monies in accordance with allocation instructions received from SRTA. However, the County Auditor is to make no payment for any allocation instruction that is in conflict with the law, but shall refer such matters to SRTA for resolution.

1313 TDA Claim Processing

1313.1 Cost Allocations

SRTA allocates TDA funds to the jurisdictions based on population (PUC Section 99231). The jurisdictions may agree on any method of dividing the costs of transit service between them (cost allocation method).

In 1993 the 20-Year Transit Development Plan for Shasta County was approved (Nelson/Nygaard). The primary purpose of this plan was to determine the appropriate levels of funding allocations to transit services and the optimal design of those services. A plan update was required in 1994 when the City of Shasta Lake was formed. (Board Policy)

1313.2 Methods

Based on the 20-year plan, an 80% service hour and 20% population-based cost sharing method was adopted as the most equitable distribution of transit costs among claimants. The methodology was implemented on October 1, 1994 (Nelson/Nygaard 1994:7.10-7.20). The “unmet transit needs” and “reasonable to meet” definition was revised to incorporate this method (SCTPA 4-96).

The following are written instructions on how to prepare the TDA claims. TDA claims are prepared annually and are used to distribute revenue to the jurisdictions claiming funds (RABA, CTSA, the cities of Anderson, Redding and Shasta Lake, and the county of Shasta). (Board Policy)

1. Estimated Transit Funding Requirements- Determine the claimants’ percentage of transit obligation. The amount of TDA and TDA capital required by RABA is calculated. The amount required to fund RABA is apportioned to the claimants based on the 80% service hour/20% population split. (Board Policy)

RABA Total Operating and Capital Costs Subject to “80/20” allocation

RABA costs are calculated using RABA’s prior year State Controller Report. The total service hours are divided by the prior year costs to get the known cost per service hour. Adjustments are then made using known increases or decreases in RABA’s costs. (Board Policy)

Service Hour and Population Split

- Population Factors are calculated using the current year ~~California Department of Finance E-1 population report~~ ShastaSIM program.
- Hours by jurisdiction are provided by RABA.
- The allocation is based on the weighted share of population (20% population of the RABA service area) and service hour (80% service hour) for each claimant’s service area.

Sample:

	PUC Section	Ref	Ref	Amount	Ref	Countywide Pop Service Area	Anderson	Redding	Shasta Lake	County
Transit Funding Requirements Under Article 4 and 8 and Non Motorized						Budget	Budget	Budget	Budget	Budget
80/20 Weighted Average Formula (To Determine RABA Funding)										
Population in RABA Service Area					9	118,284	10,361	91,207	10,128	6,588
Percent of RABA Service Area Population by Jurisdiction						100.00%	8.76%	77.11%	8.56%	5.57%
RABA Service Hours by Jurisdiction					10	139.00	4.05	121.05	5.28	8.62
Percent of Service Hours in each Jurisdiction						100.00%	2.91%	87.09%	3.80%	6.20%
Equals Weighted Average Share (80% Service/20% Population)					13	100.00%	4.09%	85.09%	4.75%	6.07%
Redding Area Bus Authority	99260a	11		4,521,904	13	4,521,904	184,946	3,847,688	214,790	274,480
2012-13 True up of Overpayment to RABA				(525,775)		(525,774)	(21,504)	(448,328)	(25,132)	(30,810)
Other Transit Obligations:										
TDA Administration	99260a				14	32,000	3,000	3,000	3,000	23,000
Burney Express for Operating	99260a				14	120,000				120,000
Total Transit Obligations Filled Under Article 4 and 8						4,148,130	166,442	3,402,360	192,658	386,670

Use of Federal Funds for Transit Obligation

The transit obligation is calculated from the estimated revenues and distributed to the claimants based on their apportionment. Federal 5307 revenue (urban only- Cities of Redding, Anderson and Shasta Lake) is factored in and apportioned based on the urban population. Federal 5311 revenue (rural only) is available to the county and is factored into the county's apportionment. The amount required from each claimant is deducted from the total available resources for each claimant (based on 80/20).

Federal Revenue

Federal Transit Administration (FTA) Section 5307 formula funds are applied for by RABA for general operating assistance and capital. Funds are paid directly to RABA and apportioned to the cities based on the urban area population in each jurisdiction.

The county applies for Section 5311 funds for rural areas along with other eligible applicants. 5311 funds are based on a set allocation from the California State Controller.

Sample:

Citywide Population as of 1/1/14					9	111,696	10,361	91,207	10,128
Percent of Population by Jurisdiction						100.00%	9.28%	81.66%	9.07%
Federal Transit Administration Formula Funds (to be subtracted from transit requirements)									
Less :									
FTA 5307 Operating Apportionment (Cities only) (Maximum of \$750,000)		7		750,000	12	750,000	69,571	612,423	68,006
FTA 5311 Operating Apportionment (County only) (Maximum of \$405,000) estimate for 2014-15		8		386,670		386,670			386,670
Net SRTA Transit/Non-motorized Distribution Required (Line 13 less Lines 19 and 20)						3,011,460	96,871	2,789,937	124,652

Estimating STA Revenue

The annual STA estimate is provided by the State Controller's Office. STA funds may only be used to fund public transportation.

SRTA will apportion population-based STA funds as follows (Board Policy):

Step 1) The county of Shasta shall be apportioned STA funds in an amount sufficient to cover all SRTA approved STA-eligible transit activities, provided all federal grant funds available in the same year are also expended.

Step 2) In no case shall the county of Shasta percentage of STA funds apportioned exceed the percentage of the unincorporated area population in relation to the total county population.

Step 3) For surplus county funds, referred to as “STA spillover,” the Board of Directors may:

- A. Reapportion all or some of the funds to the cities for STA eligible activities in proportion to their population among the cities; or
- B. Hold the funds in an STA spillover reserve for budgeting in subsequent years.

For STA spillover funds reapportioned under Option A, the claimant willingly relinquishes LTF ~~Board of Directors may condition the claimant to and~~ reimburses the agency for up to the same amount of LTF funds in order to fund SRTA’s Rural BLAST (Bike Lanes ~~And~~ Sidewalks to Transit) program subject to Section 5.18.5.2 Rural BLAST Program. (Board Policy).

Estimating LTF Revenue

LTF Revenue is based on an annual estimate from the County Auditor.

“Off-the-Top” Allocations

Bicycle and Pedestrian (2%) (Board Policy), CTSA (5%), TDA administration (no limit), and eligible planning functions (3%) (SRTA is not eligible for the 3%) can be deducted from the estimated LTF revenue “off-the-top” before funds are allocated to the cities and county. The net amount after these deductions is apportioned to the jurisdictions by population.

LTF Apportionment

Step 1: LTF revenue is apportioned to the cities of Anderson, Redding, Shasta Lake and the county of Shasta by population based on the California Department of Finance’s E-1 Population estimate for the prior year. (Board Policy)

Step 2: The claimant’s population is divided by the total countywide population to determine the percent of estimated LTF revenue available for each claimant.

Sample:

Countywide Population as of 1/1/14	9	179,412	10,361	91,207	10,128	67,716							
Percent of Population by Jurisdiction		100.00%	5.77%	50.84%	5.65%	37.74%							
STA Estimate by County-wide Population (Maximum Available)	19	1,026,114	59,258	521,642	57,925	387,289							
State Transit Assistance-			Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
State Transit Assistance- Current Year Estimate and County may not exceed required amount (line 25)	1	1,026,114	1,026,114	59,258	521,642	57,925	387,289						
State Transit Assistance- 6/30/13 True-up (Prior County Reserve)		380,337	380,337				380,337						
Total STA Available			1,406,451	59,258	521,642	57,925	767,626						
Excess STA Held by SRTA			(36,469)	(33,592)	0	(2,877)							
Allocation of County STA Spillover to Cities (Line 29)			0	71,206	626,816	69,604	(767,626)						
STA Applied to Transit Obligation			1,406,451	96,871	1,148,458	124,652	0	0	0	0	0	0	0
Local Transportation Fund			Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
Local Transportation Fund- Current Year Estimate	5	6,887,294	685,855										
Local Transportation Fund (LTF) for Other Purposes	99233.1,3,7	2,634	6,201,439	358,132	3,152,602	350,078	2,340,628	226,242	326,392			133,221	
Local Transportation Fund (LTF) Available for Distributions (Line 25 Population)			(1,641,479)	0	(1,641,479)	0	0						
(Transit Obligation Remaining to be Paid from LTF) Available for Streets & Roads (line 21 less line 31)			0	(37,104)	(326,626)	(36,270)						400,000	
Holdback LTF at 2 for 1 (Line 30) for rural non-motorized program			456,216	39,989	278,914	27,654	44,800	64,859					
Local Transportation Fund- 6/30/13 True-up	17 15	456,216	456,216	39,989	278,914	27,654	44,800	64,859					
Total LTF available for Article 4 transit; and Article 8 streets and roads, bike and ped and transit. (Line 40 less Line 41)			5,702,031	361,016	1,463,412	341,462	2,385,428	291,101	326,392	400,000		133,221	
Total Distributions Lines 21 and 42			8,713,491	457,888	4,253,348	466,115	2,385,427	291,101	326,392	400,000		133,221	

1314 Transit Performance Improvement Recommendations

1314.1 Introduction

Pursuant to the provisions of PUC Section 99244, SRTA is responsible for identifying and recommending potential performance improvements that can lower the operating costs of Article 4 transit operators. The recommendations for improvements shall include, but not be limited to, those recommendations related to productivity made in the triennial performance audit pursuant to PUC Section 99246.

PUC Section 99244 further requires that prior to determining the allocations of TDA funds to an operator for the next fiscal year; SRTA must review and evaluate the efforts made by the operator to implement any recommended improvements made prior to the current fiscal year.

If a determination is made that an operator has not made a reasonable effort to implement the recommended improvements, then SRTA shall not approve the allocation of TDA funds to an operator for the support of its public transportation system for the next fiscal year in any amount which exceeds the allocation to the operator for such purposes for the current fiscal year.

1314.2 Efforts to Improve Productivity

The following are the performance improvement recommendations to be implemented by each Article 4 claimant. As a part of the annual unmet needs process, SRTA will describe the efforts made by each transit agency to implement the respective recommendations:

1) Transportation Performance Improvement Recommendations

Performance improvement is best measured over a multiyear timeframe that focuses on longer term trends. In order to measure multiyear improvements, performance recommendations for fixed-route and demand-response operators are divided into two categories: (1) performance improvement recommendations, and (2) performance audit recommendations. Each claimant will be required to provide timely base statistical information to SRTA so that SRTA can determine if reasonable effort was made to implement the recommendations.

2) Each performance measurement and corresponding recommendation is discussed below.

Performance Measures (PUC Sections 99246 and 99247):

Each claimant will have six performance categories, progress toward which will be measured based on actual data ending with the last month of the most recent calendar year, or more recent data should it become available. SRTA will annually evaluate performance in terms of progress made toward achieving improvement. SRTA may also require that progress be tracked as part of a short-range transit plan. These categories and performance measures are as follows:

1. Operating Cost per Passenger: Improve service efficiency for the last 12 quarters as a whole based on available data.

2. Operating Cost per Service Hour: Improve service efficiency for the last 12 quarters as a whole based on available data. Evaluation will include administrative costs, maintenance costs and maintenance program effectiveness. Both fixed and variable are to be considered.
3. Passengers per Service Hour: Improve passenger productivity for the last 12 as quarters as a whole based on available data.
4. Passengers per Service Mile: Improve passenger productivity for the last 12 quarters as a whole based on available data.
5. Service Hours per Employee: Improve labor productivity for the last 12 quarters as a whole based on available data. Both fixed and variable costs are to be considered.
6. Fare Box Recovery: Meet or exceed the minimum SRTA targets for fare box recovery ratio listed in their final TDA claim for the last four quarters of available data.

And by SRTA Board of Directors Policy:

7. Communications: Operator information to the public.
8. Customer Satisfaction: Reliability, vehicle cleanliness, route directness, travel speed, missed trips, vandalism and safety.

9. Conformance with the Regional Transportation Plan

Performance Audit Recommendations

Each claimant will work toward the implementation of the latest performance audit recommendations. As part of each operator's TDA claim, a summary shall be provided on the following items (Board Policy):

1. A discussion of the work undertaken to implement each recommendation during the current fiscal year.
2. A short discussion of any problems encountered in implementing individual recommendations and the success or failure of implemented recommendations in improving transit productivity.
3. Consideration is given to recognize uncontrollable circumstances when making recommendations.

The form TDA-4 is used to report productivity improvements.

Efforts to Improve Productivity

In addition to implementing the performance audit recommendations through discussions with SRTA, each claimant shall indicate specific areas where special efforts will be made to help cover costs and/or increase ridership. These efforts will be summarized by SRTA for fixed-

route and demand-response, and be included as part of the TDA claims for the next fiscal year.
(Board Policy)

1314.3 Timetable

First Monday of November of each year- Transit operators shall submit the above mentioned documentation to the agency and documentation on current and planned measures to meet performance requirements. Transit operators may submit self-determined findings and recommendations. (Board Policy)

November and December- Agency staff shall identify, analyze, and recommend potential productivity improvements. Agency staff may request additional information from transit operators during this time. When the proposed recommendations have been formalized, then agency staff will submit the proposed recommendations to the transit operators for their review.

January and February- Agency staff will formulate recommendations concerning productivity improvements to be considered by agency during their February meeting.

April 30- During claim submittal, each operator or transit claimant shall submit a report of progress on SRTA recommendations (if any) on the TDA-4 form. Information provided on the form shall include (Board Policy):

1. A discussion of the work undertaken to implement each recommendation during the current fiscal year.
2. A short discussion of any problems encountered in implementing individual recommendations, and the success or failure of implemented recommendations in improving transit productivity.
3. Next steps the operator or transit claimant will take in continuing to implement the recommendation.

If the SRTA Board of Directors determines that the operator has not made a reasonable effort to implement the recommended improvements, SRTA shall not approve the allocation to the operator for the support of its public transportation system for the next fiscal year, which exceeds the allocation to the operator for such purposes for the current fiscal year. (Board Policy)

1315 Fiscal Audit Requirements

PUC Section 99245 requires that each claimant receiving TDA funds must forward an annual fiscal and compliance audit conducted by an independent auditor to ~~the TPA~~SRTA within 180 days of fiscal year end, unless granted a 90-day extension by ~~the TPA~~Caltrans. This audit requirement has been made more specific in relation to the minimum tasks to be undertaken to determine compliance. The more specific audit requirements are detailed in CCR Sections 6664, 6666, and 6667. Excerpts from these sections are included below for information.

“The audit shall be conducted in accordance with generally accepted auditing standards of the claimant’s financial statements for the fiscal year which shall be prepared in accordance with

generally accepted accounting principles. The audit also shall be directed toward obtaining knowledge of the claimant's compliance or noncompliance with the TDA, and the auditor shall perform the tasks specified in CCR Sections 6666 or 6667, whichever is appropriate.

The audit shall include, with the financial statements for the fiscal year that is the subject of the audit, the corresponding amounts from the claimant's audited financial statements for the fiscal year prior to the year that is the subject of the audit.

The audit report shall include a certification of compliance with the TDA. The certification shall take the form of a statement that the funds allocated to and received by the claimant pursuant to the TDA were, with any exceptions specifically noted, expended in conformance with the applicable statutes, rules, and regulations of the TDA and the allocation instructions and resolution of the transportation planning agency.

An unqualified negative statement (e.g., 'no violation of the law was brought to our attention') shall not be accepted. The certification may take the form of negative assurance, however, if it makes reference to the performance by the independent auditor of each of the tasks specified in CCR Sections 6666 or 6667.

The minimum required tasks in conducting the compliance portion of a non-transit claimant audit are as follows:

1. Determine whether the funds received by the claimant pursuant to the TDA were expended in conformance with those sections of the TDA specifying the qualifying purposes, including PUC Section 99402 for streets and roads claimants and PUC Section 99233.3 for claimants under the section for pedestrian and bicycle facilities.
2. Determine whether the funds received by the claimant pursuant to the TDA were expended in conformance with the applicable rules, regulations, and procedures of the transportation planning agency and in compliance with the allocation instructions.
3. Determine whether interest earned on funds received by the claimant pursuant to the TDA were expended only for those purposes for which the funds were allocated, in accordance with PUC Section 99301.

The minimum required tasks in conducting the compliance portion of a transit claimant audit are as follows:

1. Determine whether the claimant was an entity eligible to receive the funds allocated to it. This determination should be made with reference to the section of the TDA under which the funds were allocated and to the definitions in Article 1 of the TDA.
2. Determine whether the claimant is maintaining its accounts and records on an enterprise fund basis and is otherwise in compliance with the uniform system of accounts and records adopted by the State Controller pursuant to PUC Section 99243.
3. Determine whether the funds received by the claimant pursuant to the TDA were expended in conformance with those sections of the TDA specifying the qualifying purposes, including PUC

Sections 99262 and 99263 for operators receiving funds under Article 4, PUC Sections 99275, 99275.5, and 99277 for Article 4.5 claimants, and PUC Sections 99400(c), 99400(d), and 99400(e) for Article 8 claimants for service provided under contract.

4. Determine whether the funds received by the claimant pursuant to the TDA were expended in conformance with the applicable rules, regulations, and procedures of the transportation planning agency and in compliance with the allocation instructions and resolutions.
5. Determine whether interest earned on funds received by the claimant pursuant to the TDA were expended only for those purposes for which the funds were allocated, in accordance with PUC Sections 99234.1, 99301, 99301.5, and 99301.6.
6. Verify the amount of the claimant's operation cost (as defined by CCR Section 6611.1) for the fiscal year, the amount of fare revenues required to meet the ratios specified in CCR Sections 6633.2 and 6633.5, and the amount of the sum of fare revenues and local support required to meet the ratios specified in CCR Section 6633.2.
7. Verify the amount of the claimant's actual fare revenues (as defined by CCR Section 6611.2 and by PUC Section 99205.7) for the fiscal year.
8. Verify the amount of the claimant's actual local support (as defined by CCR Section 6611.3) for the fiscal year.
9. Verify the maximum amount the claimant was eligible to receive under the TDA during the fiscal year in accordance with CCR Sections 6634 and 6649.
10. Verify, if applicable, the amount of the operator's expenditures limitation in accordance with CCR Section 6633.1.
11. In the case of an operator, determine whether the operator's employee retirement system or private pension plan is in conformance with the provisions of PUC Sections 99271, 99272, and 99273.
12. In the case of an operator, determine whether the operator has had a certification by the Department of California Highway Patrol that the operator is in compliance with Section 1808.1 of the California Vehicle Code, as required in PUC Section 99251.
13. In the case of an operator, verify, if applicable, its STA eligibility pursuant to PUC Section 99314.6.
14. In the case of a claimant for community transit services, determine whether it is in compliance with PUC Sections 99155 and 99155.5.

In addition to the required audits of all claimants, CCR Sections 6661 and 6751 require the County Auditor to submit an annual fiscal audit of the LTF and STA funds held in that county within 180 days after the end of the fiscal year to the local TPA. If all agencies so agree, these audit reports may be conducted by the same auditor and be submitted together in the same audit

report. The requirements related to the content of these audits are detailed in CCR Sections 6661 and 6751.

1316 Performance Audits

1316.1 Criteria for Performance Audits

PUC Section 99246 requires that a performance audit of each operator that has operated its public transportation for one-year or longer be submitted triennially, pursuant to a schedule established by the transportation planning agency, transit development board, or county transportation commission having jurisdiction over the operator.

In addition, CCR Section 6664.5 requires that no operator shall be eligible for an allocation under Article 4 until the required performance audit report has been transmitted to SRTA (applicable). PUC Section 99246 provides the following guidance regarding performance auditing.

1. The performance audit shall evaluate the efficiency, effectiveness, and economy of the operation of the entity being audited.
2. The performance audit shall be conducted in accordance with the efficiency, economy, and program results portions of the Comptroller General's "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions."

3. The performance audit shall include, but not be limited to, a verification of the operator's:

- operating cost per passenger- meaning the operating cost divided by the total passengers
- operating cost per vehicle service hour- meaning the operating cost divided by the vehicle service hours
- passengers per vehicle service hour- meaning the total passengers divided by the vehicle service hours
- passengers per vehicle service mile- meaning the total passengers divided by the vehicle service miles
- vehicle service hours per employee- meaning the total vehicle service hours divided by the full-time equivalent of employees or contractor's employees

The following definitions apply:

"Total passengers" means the number of boarding passengers, whether revenue producing or not, carried by the public transportation system.

"Transit vehicle" means a vehicle, including, but not limited to, one operated on rails or tracks, which is used for public transportation services funded, in whole or in part, under this chapter.

“Vehicle service hours” means the total number of hours that each transit vehicle is in revenue service, including layover time.

“Vehicle service miles” means the total number of miles that each transit vehicle is in revenue service.

“Vehicle service hours per employee” means the vehicle service hours divided by the number of employees employed in connection with the public transportation system, based on the assumption that 2,000 person-hours of work in one year constitute one employee. The count of employees shall also include those individuals employed by the operator which provide services to the agency of the operator responsible for the operation of the public transportation system even though not employed in that agency.

4. The performance audit shall include, but not be limited to:

- the consideration of the needs and types of the passengers being served
- the employment of part-time drivers
- the contracting with common carriers or persons operating under a franchise or license to provide services during peak hours (PUC Section 99260.2(a)).

5. The performance audit may include performance evaluations both for the entire system and for the system excluding special, new, or expanded services instituted to test public transportation service growth potential.

1316.1 Criteria for Performance Audits (continued)

6. The transportation planning agency, county transportation commission, or transit development board, as the case may be, shall certify in writing to the director of transportation that the performance audit of operators located in the area under its jurisdiction has been completed.

1316.2 Reporting Results

After completion of the audit field work, the auditors will submit a report to the SRTA Board of Directors. The findings and recommendations of the report should propose specific actions for implementation for improved efficiency and effectiveness. In subsequent annual TDA claims, the operator is required to comment on efforts made each year to implement performance audit recommendations.

~~1316.3 SRTA~~1316.3 SRTA Review and Action

The SRTA staff will analyze the various audit reports to determine:

1. If there is a pattern among the findings and recommendations for different operators.
2. If there are incidents of inefficiencies or ineffectiveness.
3. If there are areas of noncompliance with state laws or the adopted RTP.

1317 State Controller Division of Local Government Fiscal Affairs- Transit Operators

The system of accounting herein described shall be used by all public agencies engaged in the operation of a public transit system in the state of California, hereinafter referred to as operator. This includes a California city, a California county, a California special district, and a public entity, agency, board, etc., as defined in Government Code Section 12463.1. The system is prescribed to comply with Government Code Section 53891 and PUC Section 99243. Following is the text of PUC Section 99243:

1. The State Controller, in cooperation with the department and the operators, shall design and adopt a uniform system of accounts and records, from which the operators shall prepare and submit annual reports of their operation to the transportation planning agencies having jurisdiction over them and to the State Controller within 120 days of the end of the fiscal year. Annual reports submitted for the 1979-1980 and subsequent fiscal years shall be audited reports.

The report shall specify:

- A. The amount of revenue generated from each source and its application for the prior fiscal year, and

B. The data necessary to determine which section, with respect to PUC Sections 99268.1, 99268.2, 99268.3, 99268.4, 99268.5, and 99268.9, the operator is required to be in compliance with in order to be eligible for funds under this article.

2. As a non-audited supplement to the annual audited report prepared pursuant to subdivision, each operator shall include an estimate of the amount of revenues to be generated from each source and its proposed application for the next fiscal year.

3. The State Controller shall instruct the County Auditor to withhold payments from the fund to any operator which has not submitted its annual report to the State Controller within the time specified by subdivision (a).

4. In establishing the uniform system of accounts and records, the State Controller shall include the data required by the United States Department of Transportation and Caltrans.

5. The uniform system of accounts and records shall be implemented no later than July 1, 1978.

1318 Fund Balance

1318.1 Fund Balance

Generally a fund balance is unspent TDA money with the fiscal year. There are several different types of fund balances.

1318.2 Reserved Funds

Jurisdictions may claim LTF for a capital project that will either take a while to get started or will be on-going for a few years. In response to such a claim, SRTA can reserve money in the LTF for future payment to the claimant for that project (CCR Section 6648). Reserve funds shall be held by the County Auditor.

SRTA must provide a separate allocation instruction so that the County Auditor knows to reserve part of a jurisdiction's apportionment in the fund for this purpose. SRTA must issue separate allocation instructions to authorize payment of these reserved funds.

Money reserved in prior fiscal years can only be paid to the jurisdiction to which they were allocated and only for the specific capital project for which they were reserved. Money reserved in the current fiscal year may be reallocated and paid to the jurisdiction that reserved it for any eligible expenditure in the same fiscal year by amending the allocation instruction.

LTF capital project reserves that are not authorized for payment within three years cease to be allocated or reserved. This money may be reallocated to the same claimant for the same purpose, to the same claimant for a different purpose or to a different claimant within the same jurisdiction. At least 30 days before the end of any three-year reserve period, SRTA provides written notice to the claimant specifying the date on which the monies cease to be allocated or reserved. In addition, at any time within the three year period, SRTA, with the consent of the claimant, may change the allocation of the reserved money. This money is then available to the same claimant for a different purpose.

1318.3 Unallocated Apportionments

SRTA may allocate less than the total amount apportioned to a jurisdiction. The amount that is not allocated is called an “unallocated apportionment.” A jurisdiction might end up with an unallocated apportionment if SRTA does not allocate funds as claimed because:

- The claimant has not met its fare box recovery ratio for two consecutive years.
- The claimant did not spend its total LTF or STA Fund payments from the previous year and has accumulated a “local fund balance.”
- The jurisdiction did not file a claim, or the claim did not meet all requirements.
- The jurisdiction did not claim its entire allocation. SRTA must hold the unallocated apportionment in the LTF for future allocation to that jurisdiction. It cannot be reapportioned to another jurisdiction (CCR Section 6655.1).

1318.4 Unrestricted Fund Balances

LTF and STA allocations are based on the amount that the SRTA expects to receive from the state in the coming fiscal year. An unrestricted fund balance is a balance of funds in the TDA account managed by SRTA that accrues due to money received from the state that is in excess of what the County Auditor estimated would be received nor allocated or retained as an unallocated apportionment (CCR Section 6620). As a result, this money has not been allocated (i.e. claimed by any jurisdiction), because it was not made available in the findings of apportionment.

As a result, the unallocated fund balance is added to the Findings of Apportionment in the coming year (CCR Section 6655.5). When the estimate of LTF for the coming year is due in February, the County Auditor has a sense of what the county’s unallocated fund balance will be from the current year. The exact amount is not known, because the auditor only has two quarterly payments from the state, not all four, by the time the coming year estimate is due. The auditor, however, adds the estimated unallocated fund balance from the current year to the amount to be apportioned in the coming fiscal year.

1318.5 Local Fund Balances

The last type of fund balance is the balance that a jurisdiction might have in its own transit accounts. This is money that the jurisdiction claimed in previous years that SRTA authorized for payment that has not yet been spent on the purpose for which it was allocated.

| Technically, local fund balances should not become significantly large. First of all, a jurisdiction's claim is based upon the project budget submitted with the claim. As such, the jurisdiction is stating that it has a way to spend the funds it is claiming. Secondly, a jurisdiction's annual fiscal audit reveals the balance in each jurisdiction's account. A jurisdiction must deduct its local fund balance from future year claims. For example, if a city or county has a \$100,000 local fund balance for transit operations, it must account for this when filing its next claim. The claim form asks jurisdictions to subtract local fund balances and SRTA checks this information against the information reported in the annual fiscal audit. The claimant may still claim all of its apportionment, but for other purposes, such as a capital project, bicycle/pedestrian project, or street and road project. The money may also sit with a County Auditor as an unallocated apportionment (described above).

1318.6 Local Fund Balance Accounting

A jurisdiction must track its local fund balances by the purposes for which they were claimed. Any payments made to the jurisdiction for transit operations must be kept separate from payments made for transit capital. More specifically, any payments made under Article 8c (e.g. when a city claims for a county) must be tracked separately from any payments made under Article 4 (e.g. payments made for the system the city operates.) (Board Policy)

Similarly, money received for bike and pedestrian projects must be accounted for independently from other TDA money received. Money received for street and road projects must also be tracked separately. For capital projects, money shall be accounted for by project. Once allocated for a purpose, the jurisdiction must spend that allocation for that purpose. For example, a fund balance that has accrued in the transit capital budget cannot be spent on transit operations. (Board Policy)

1319 Claim Revisions

SRTA is responsible for establishing the claim process in the county of Shasta and the process for revising claims. There are a few reasons why a jurisdiction might need to revise its claim.

- The Findings of Apportionment are revised
- A jurisdiction wants to switch around its allocations
- A jurisdiction wants to claim its unallocated apportionment
- A jurisdiction wants to change a capital reserve

1320 Revised Finding of Apportionment

Findings of Apportionment are issued by March 1 of each year. The Findings can change for several reasons. SRTA might ask jurisdictions to revise their claims as a more accurate estimate is developed. It is very common that claims need to be revised for this reason.

1321 Switching Allocations

A jurisdiction may wish to switch their allocation. For example a jurisdiction claimed \$100,000 under Article 8a for a bicycle/pedestrian project. If, at some point during the course of the year, it is decided that the \$100,000 claimed for the bike project is not needed, the jurisdiction can file an amended claim to move the money to an Article 4 operations or capital claim or to another Article 8 claim.

Similarly, if a claimant files for transit operating and capital under Article 4 and finds during the course of the year that it needs less for capital and more for operating than it had anticipated, it could file an amended claim to switch the money from its capital fund to its operating fund. The same process holds true for money left over in a jurisdiction's account after the close of the fiscal year. If toward the end of the year, a jurisdiction realizes that it will have a fund balance of \$100,000 for, say, transit capital, it can either subtract that amount from its claim for the coming fiscal year, or it can revise its claim to use it for another purpose, such as transit operations, streets and roads, etc. (Board Policy)

1322 Claiming an Unallocated Apportionment

If a jurisdiction has an unallocated apportionment, it can file a revised claim during the course of the year to obtain this money if a need arises. (Board Policy)

1323 Changing the Purpose of Reserved Funds

As explained above, funds can be reserved for a capital project for a three-year period. If during the three years, a jurisdiction realizes the capital project will not be completed as planned, it can revise its claim for this money. It can claim it for another capital project or another purpose. If the jurisdiction has not spent the money during the three years, it may submit a revised claim to reserve the money for the same capital project, a different capital project or a different purpose.

1324 Open

1325 Methodology to Calculate Inflation

The Consumer Price Index (CPI) measures the average change in the prices paid for goods and services. The CPI is used to adjust changes in price and inflation. A formula must be determined for the adjustment calculation. Usually this is directly proportional to the % change in the CPI between two specified time periods. (Board Policy)

Consumer Price Index,” as applied to an operator, is the regional Consumer Price Index for that operator’s region, as published by the United States Bureau of Labor Statistics. If a regional index is not published, the index for the State of California applies.

~~There are several methods to calculate adjustments to CPI. The agency has selected to calculate inflation based on the “Rate and Base Year” method.~~

1) Equation to determine adjusted TDA subsidy:

Subtract the current CPI from the original CPI then divide by the original CPI. This results in an index point change. Divide index point change by original CPI for resultant % change.

Formula to determine adjusted TDA subsidy:

CPI in 2005 = 2.3%

CPI in 2010 = 3.2%

Base Year TDA Subsidy per Passenger Trip = \$15.00

Base Year Cost Per Service Hour = \$35.00

~~Adjusted TDA Subsidy per Passenger Trip FY 09/10
Inflation Calculated Based on Rate and Base Year
(\$15.00)~~

~~= SUM(2.3-3.2)/2.3~~

~~= 15*139.13% = \$20.87~~

~~Actual TDA Subsidy = \$18.23~~

~~Adjusted TDA Subsidy = \$20.87~~

~~Adjusted Cost per Service Hour FY 09/10
Inflation Calculated Based on Rate and Base Year
(\$35.00)~~

~~= SUM(2.3-3.2)/2.3~~

~~= 35*139.13% = \$48.70~~

~~Actual Cost Per Service Hour = \$49.09~~

~~Adjusted Cost per Service Hour = \$48.70~~

1326 Open

1327 Open

1328 Unmet Needs

1328.1 Background

TDA statutes provide that jurisdictions in Shasta County may use their LTF apportionments for streets and roads purposes if it is found by SRTA that they have no unmet transit needs that are reasonable to meet. Unmet transit needs are identified through an annual evaluation process overseen by SRTA and the SSTAC. The annual unmet needs process shall be conducted subject to the requirements of PUC Sections 99401.5 and 99401.6. SRTA must do the following:

1. Ensure that the size and location of groups likely to be dependent on transit, adequacy of existing services, and potential alternative services and service improvements that could meet all or part of the travel demand are considered.
2. Review, consider, coordinate, and integrate to the fullest extent possible, the annual unmet needs process with the short range planning process when applicable. Short range transit plans are five year plans. The annual unmet transit needs process and short range planning process shall coordinate recommendations so that needs brought up in SSTAC meetings and during the unmet needs public participation process can be studied and evaluated by staff or others as part of overall regional transit planning.
3. Hold a public hearing to receive testimony on unmet needs.
4. Evaluate requests for unmet transit needs with the adopted definition for “unmet transit needs” and “reasonable to meet.” Refer to SRTA Resolution No. 00-21 for the agency’s definitions of “unmet transit need” and “reasonable to meet.” They are also provided below in Sections 1238.3 and 1238.4.
5. Adopt findings documenting unmet transit needs and allocate funds to address reasonable to meet transit needs.

1328.2 Procedures

The following procedure shall be used annually to determine the unmet needs of claimant agencies of the TPA. These procedures outline the general time line for conducting the specific requests delineated in PUC Section 99401 *et seq.*

1. January through March – SRTA shall collect public input on unmet transit needs via surveys, social media advertising, and other outreach methods to inform the development of the Transit Needs Assessment and unmet needs recommendations.
2. March - The SSTAC will consider comments, draft responses and make its own recommendation to the SRTA Board of Directors which may, or may not, agree with the staff recommendation. SSTAC make one of the possible findings:
 - A. There are no unmet transit needs.
 - B. There are no unmet transit needs that are reasonable to meet.
 - C. There are unmet transit needs, including needs that are reasonable to meet.

3. April – SRTA shall hold a public hearing for the purpose of determining potential unmet transit needs. This hearing will be advertised ~~for 30 days~~ with at least 72 hours advanced notice and will be held in April.

1. —

2. —

4. April or May – Based on feedback collected in step 1, SRTA staff identifies and forwards potential unmet transit needs ~~to the transit providers, which~~ that should be evaluated immediately or in the next short range transit plan as staff time and resources permit ~~to the transit provider(s)~~. SRTA staff will also prepare responses to comments received from the public hearing and distribute them to claimant agencies for review and response.

3. May – SRTA staff prepares an analysis of unmet transit needs identified in the annual review to determine if they are reasonable to meet using the criteria in SRTA Resolution 00-21. An important consideration is the ability of the service to maintain the required fare box recovery ratio that is required of the transit operator(s) under all applicable TDA statutes.

4. May - ~~The SSTAC~~SRTA staff will consider comments, ~~draft response~~transit analysis and make its own recommendation to the SRTA Board of Directors which may, or may not, agree with the ~~staff~~SSTAC recommendation. SRTA staff ~~and the SSTAC~~will make one of the possible findings:

- A. There are no unmet transit needs.
- B. There are no unmet transit needs that are reasonable to meet.
- C. There are unmet transit needs, including needs that are reasonable to meet.

5. June – All unmet needs comments, responses, any claimant recommendations and the SSTAC recommendation will be presented to the SRTA Board of Directors for consideration.

6. June - The final transit claims and findings regarding unmet transit needs for the upcoming year will be documented with a ~~TPA~~SRTA resolution.

7. June - Documentation of the unmet needs findings will be forwarded to Caltrans.

1328.3 Definition of Unmet Transit Need

Unmet Transit Needs: An "unmet transit need" under TDA shall be found to exist only under the following conditions:

1. A population group in the proposed transit service area has been defined and located which has no reliable, affordable, or accessible transportation for necessary trips. The size and location of the group must be such that a service to meet their needs is feasible within the definition of "reasonable to meet" as set forth below.

2. Necessary trips are defined as those trips which are required for the maintenance of life, education, access to social service programs, health, and physical and mental well-being, including trips which serve employment purposes.

3. Unmet transit needs specifically include:

- A. Transit or specialized transportation needs identified in the transit system's Americans with Disabilities Act, paratransit plan or short-range transit plan which are not yet implemented or funded.
- B. Transit or specialized transportation needs identified by the SSTAC and confirmed by SRTA through testimony or reports which are not yet implemented or funded.

4. Unmet transit needs specifically exclude:

- (a) Minor operational improvements or changes, involving issues such as bus stops, schedules and minor route changes.
- (b) Improvements funded or scheduled for implementation in the following fiscal year.
- (c) Trips for any purpose outside of Shasta County, in accordance with PUC Section 99220(b).
- (d) Primary and secondary school transportation.

1328.4 Definition of Reasonable to Meet

~~(Resolution 00-21, adopted December 12, 2000)~~

Reasonable to Meet: An identified unmet transit need shall be found "reasonable to meet" only under the following conditions:

1. It has been demonstrated to the satisfaction of the Agency that transit service adequate to meet the unmet need can be operated with a minimum fare box recovery of 20% in urbanized areas and 10% in non-urbanized areas. Where anticipated fare box revenue from proposed services do not meet these minimum requirements, the following exceptions may apply as determined by the SRTA Board of Directors:

- a) Transit services that are funded entirely with grants.
- b) Transit services that are funded entirely by a local agency at that agency's discretion.
- c) Urban transit services that represent a critical or essential service, as determined by the SRTA Board of Directors, providing such services do not result in fare box penalties for the transit system as a whole.
- d) Pilot projects and new services for up to two years.
- e) When a transit service primarily serves urban areas but also includes non-urban areas, a pro-rated fare box recovery standard based on the ratio of urban and non-urban in-service transit vehicle miles may be used.

It must also have been demonstrated that the unsubsidized portion of operating costs can be recovered by fare revenues as defined in the State Controller's Uniform System of Accounts

and Records. The “Cost Allocation Method” in Section 1330 is the method to be used for determining fare box ratio.

A. Transit service subsidy maximums may be determined on an individual route or service area, or an individual proposed route or service area, basis.

2. The proposed expenditure of TDA funds required to support the transit service does not exceed the authorized allocation of the claimant, consistent with PUC Sections 99230-99231.2 and CCR Sections 6649 and 6655.

The fact that an identified need cannot fully be met based on available resources, however, shall not be the sole reason for finding that a transit need is not reasonable to meet.

3. The proposed expenditure shall not be used to support or establish a service in direct competition with an existing private service, or to provide 24-hour service.

4. Where transit service is to be jointly funded by two or more of the local claimant jurisdictions, it shall be demonstrated to the satisfaction of SRTA that the resulting inter-agency cost sharing is equitable. In determining if the required funding equity has been achieved SRTA may consider, but is not limited to considering, whether or not the proposed cost sharing formula is acceptable to the affected claimants.

5. Transit services designed or intended to address an unmet transit need shall, in all cases, be coordinated with transit services currently provided, either publicly or privately.

The following factors shall not be used in the determination of reasonable to meet:

- A determination of needs that are reasonable to meet shall not be made by comparing unmet transit needs with the need for streets and roads.
- If an identified unmet transit need that is also identified in the short range transit plan is met or in the process of being met (ex. It appears in the transit operator’s budget), then it is dropped from further consideration. If the need is not met, but is considered not reasonable to meet, it will be reevaluated in future years until it is determined that it is no longer an unmet transit need.

1329 ~~Open Social Services Transportation Advisory Council (SSTAC)~~

~~(From SRTA action December 20, 2012)~~

~~The (SSTAC) was established under the requirements of the TDA. The SSTAC serves as an advisory body to SRTA regarding the transit needs of transit dependent and transit disadvantaged persons, including the elderly, disabled, and persons of limited means.~~

~~The SSTAC shall be governed by the following bylaws:~~

Responsibilities

- ~~1. — Advise SRTA on the transit needs of the general public, especially transit dependent and transit disadvantaged persons, including the elderly, disabled, and persons of limited means.~~
- ~~2. — Annually participate in the identification of transit needs in the county of Shasta Region, including unmet transit needs that may exist and that may be reasonable to meet by establishing or contracting for new public transportation or specialized transportation services by expanding existing services.~~
- ~~3. — Annually review and recommend action by SRTA which finds, by resolution, that (a) there are no unmet transit needs, (b) there are no unmet transit needs that are reasonable to meet, (c) there are unmet transit needs, including needs that are reasonable to meet, or (d) there are unmet transit needs that are not reasonable to meet.~~
- ~~4. — Advise the SRTA on any other major transportation issues, including the review of transit grant applications, and the coordination and consolidation of specialized transit services.~~

Membership

~~1. SRTA shall appoint nine SSTAC members in the following categories as established in PUC Section 99238:~~

~~(a) One representative of potential transit users who is 60 years of age or older.~~

~~(b) One representative of potential transit users who are handicapped.~~

~~(c) Two representatives of the local social service providers for seniors, including one
—— representative of a social service transportation provider.~~

~~(d) Two representatives of local social service providers for the handicapped, including one
representative of a social service transportation provider.~~

~~(e) One representative of a local social service provider for persons of limited means.~~

~~(f) Two representatives from the local consolidated transportation service agency, designated pursuant to subdivision (a) of Section 15975 of the Government Code, if one exists, including one representative from an operator, if one exists.~~

~~(g) SRTA may appoint additional members.~~

~~2. SRTA shall recruit candidates for appointment from a broad representation of social service and transit providers representing the elderly, the handicapped~~disabled~~, and persons of limited means. In appointing council members, SRTA shall strive to attain geographic and minority representation among council members. Candidates shall complete an application for appointment provided by the SRTA.~~

Term of Office

~~The term of appointment shall be for three years. Members may be reappointed for additional terms.~~

Designation of Alternate

~~A member representing a provider or agency may designate an alternate representing the same provider or agency who may attend meetings in lieu of the member and shall have the right to vote, if no SRTA BOD-approved SSTAC alternates remain who are eligible to fill that position.~~

Vacancies

~~1. — A vacancy shall be created when a member: resigns; completes their term of appointment and does not wish to be reappointed; misses three consecutive regular meetings without good cause, so entered in the minutes; or when a member can no longer carry out their responsibilities as a council member.~~

~~2. If a member representing a provider or agency resigns during his/her term, a SRTA BOD-approved alternate shall assume the term of the member. If no SRTA BOD-approved SSTAC alternates remain who are eligible to fill that position, the member provider or agency's designated alternate shall assume the term of the member.~~

~~3. Except as otherwise provided in paragraph 2, SRTA shall advertise to recruit a new member when a vacancy exists. Reappointment of an existing member shall not require advertising. All SSTAC positions shall be advertised every three years.~~

~~4. When a candidate submits an application to fill a vacancy, the SSTAC shall review the application and make a recommendation to the SRTA Board of Directors.~~

~~Election of Officers~~

~~During the first meeting of the calendar year, the council shall elect a Chair and Vice Chair to serve for one year. Upon resignation of an officer, a special election shall be held.~~

~~G. Duties of Officers~~

~~1. Chair: The Chair shall preside at all meetings of the SSTAC, and may appoint committees, sign correspondence, approve agendas, conduct elections, and delegate his/her responsibility to sign correspondence. The Chair or his/her designee shall should report to the SRTA Board of Directors on recommendations of the SSTAC.~~

~~2. Vice Chair: In the absence of the Chair, the Vice Chair shall perform the duties of the Chair.~~

~~3. Secretary: The Secretary shall be SRTA staff. The Secretary shall keep minutes of take meeting notes for all SSTAC meetings, read correspondence at the meetings, prepare SSTAC letters, prepare and distribute special notices, agenda announcements, minutes, staff reports, and other materials, as directed by the Chair, or SRTA management.~~

~~Organization and Procedures~~

~~1. Meetings. The SSTAC shall meet at least quarterly at a time and date agreed upon by a majority of the members in order to carry out the responsibilities described above. The meetings~~

~~shall be open to the public in compliance with the Ralph M. Brown Act (Government Code Section 54950 et seq.). The meetings shall be held in an accessible location in order to facilitate the attendance of physically handicapped or disabled members of the SSTAC and the community in general. In the event both the Chair and Vice Chair are absent, the majority of a quorum may appoint a presiding officer for that meeting.~~

~~2. Quorum. A majority of the appointed members shall constitute a quorum for the transaction of business.~~

~~3. Voting. Voting on all matters shall be by a voice vote, unless any member requests a roll call vote.~~

- ~~4.——Limitation of Discussion. Discussion on any matter by council members or the general public may be limited to such length of time as the Chair may deem reasonable under the circumstances.~~
- ~~5.——Conduct of Meetings. Meetings are to be conducted in accordance with the principles of Robert’s Rules of Order.~~
- ~~6.——Minutes. Official minutes recording the members and visitors present, motions entertained, and actions taken at each meeting shall be prepared by SRTA staff, posted on the SRTA website, and made available to the SRTA Board of Directors after each SSTAC meeting.~~
- ~~7.——Bylaws. These bylaws may be amended by a majority vote of the SSTAC members and subsequent approval by SRTA.~~
- ~~8.——Communications. Official communications shall be in writing and shall be approved by the majority of members in attendance. The Chair or his/her designee shall should make presentations to the SRTA Board of Directors for unmet transit needs findings.~~
- ~~9.——Staff Assistance. SRTA staff shall assist the SSTAC by providing information, preparing meeting agendas as directed, preparing the minutes, preparing correspondence and reports as requested by the SSTAC, and generally assisting the SSTAC. SRTA staff shall solicit technical assistance from RABA regarding public transit issues.~~

1330 Loans to Other Governments (SRTA Adopted February 26, 2013)

1330.01 The agency is permitted to loan funds to claimants for operating and capital from a one-million dollar (\$1,000,000) established designation of funds.

1330.02 The designated funds are to be held as local transportation funds in a bank in SRTA’s name.

1330.03 Loans shall require a board approved formal agreement between the agency and the local agency.

1330.04 Lending activity shall be reported to the board on a periodic basis.

1330.05 The maximum loan balance to any claimant shall not exceed one million dollars (\$1,000,000).

1330.06 Loans will only be authorized for transit purposes that have been approved by the board of directors.

1330.7 Loans shall generally not exceed one year in length, with specific terms outlined in the formal agreement.

1330.8 SRTA may deduct future revenues distributed by the agency to ensure loans are repaid in a timely manner.

1330.9 SRTA may advance funds for in-house capital projects subject to Board approval and without a specified repayment schedule.

1331 Calculation of Fare Box Recovery Ratio

Transit systems receiving TDA funding are required to maintain a certain expense to revenue ratio, known as the “fare box recovery ratio.” The ratio standards are different, depending upon various factors such as whether the service area has a population of over 50,000 residents, and the type of service provided, such as demand-responsive, or fixed route public transportation.

1331.1 Calculating the Fare Box Recovery Ratio

The formula for calculating the fare box ratio is total fare revenue and local funds divided by the total cost of transit operations (less certain exclusions). ~~However, care must be taken to include only eligible fare revenue in the equation. Similarly, care must be taken to exclude certain expenses.~~ The general category of revenue for purposes of calculating fare box ratio includes fare revenue, local support funds, and specialized service.

1. Fare Revenue includes:

- Passenger Fares for Transit Services—Full adult, senior, student, child, disabled, special and reduced.
- Special Transit Fares—includes guaranteed revenues collected by an organization for rides given along special routes.
- School Bus Service—collected from schools

2. Local Support funds includes:

- Taxes levied directly by the transit system or taxes levied by a jurisdiction
- Advertising
- Any non-federal or non-state grant

3. Specialized Service includes:

- Local Special Fare Assistance—subsidies collected from local governments to help offset the difference between full adult fares and special reduced fares.
- Subsidy from Other Sector of Operation—funds collected from non-transit sectors to help cover transit system costs.

Operating costs include the following items for purposes of calculating the fare box ratio of a transit system. These categories along with their account numbers are taken from the *State Controller's Transit Reporting Guidelines*.

- Labor (Account No. 501.000) Pay and allowances due employees in exchange for the labor services they render on behalf of the transit system.
- Operators Salaries and Wages (Account No. 501.010) Pay and allowances due for the labor of employees of the operator who are classified as revenue vehicle operators or crewmen.
- Other Salaries and Wages (Account No. 501.020) Allowances for the labor of employees of the transit system who are not classified as revenue vehicle operators or crewmen.
- Fringe Benefits (Account No. 502.000) Payments or accruals to others on behalf of an employee: insurance companies, government, and payments directly to an employee for something other than the performance of work.
- Services (Account No. 503.000) Labor and other work provided by outside organizations for fees and related expenses. Includes management service fees, professional and technical services, temporary help, and contract maintenance services.
- Materials and Supplies (Account No. 504.000).
- | • —Fuel and Lubricants (Account No. 504.010) Tangible products obtained from outside suppliers, such as gasoline, diesel fuel, propane, lubricating oil
- | • —Tires and Tubes (Account No. 504.020) Includes freight in, purchase discounts, cost discounts, sales taxes, excise taxes. Also includes lease payments for tires and tubes rented on a time period or mileage basis, or the replacement costs of tires and tubes on vehicles.
- | • —Other Material and Supplies (Account No. 504.990).

Costs of tangible products obtained from outside suppliers or manufactured internally for which there is not another account provided. Include taxes and freight.

- Utilities (Account No. 505.000) Payments for electricity, gas, water, telephone.
- Casualty and Liability Costs (Account No. 506.000) Costs covering protection of the operator from loss through insurance programs, compensation to others for their losses due to acts for which the transit system is liable. Do not include cost of repairing damaged property.
- Taxes (Account No. 507.000) Taxes levied against the transit operator by the federal, state, and local governments such as sales and excise taxes on fuels and lubricants.

- Purchased Transportation Service (Account No. 508.000) Payments or accrual to other transit systems for providing transportation service. Include an amount equal to the fare revenues that are retained by the service provider that are not reported in Passenger Fare for Transit.
- Service (Account 508).
- Miscellaneous Expense (Account No. 509.000) Costs for which a specific account is not provided.
- Expense Transfers (Account 510.000) Reporting adjustments and reclassification of expenses previously recorded.
- Interest Expense (Account No. 511) Charges for the use of borrowed capital incurred by the transit operator. (Interest payments on construction debt should be capitalized and not reported on this line.)
- Leases and Rentals- Payments for the use of capital assets not owned by the operator.

Operating costs are to exclude depreciation and amortization, charter service costs and vehicle lease costs. The costs of providing ridesharing services are also excluded.

If fare revenues are insufficient to meet the applicable ratio of fare revenues to operating cost required by this article, an operator may satisfy that requirement by supplementing its fare revenues with local funds. As used in this section, "local funds" means any nonfederal or nonstate grant funds or other revenues generated by, earned by, or distributed to an operator.

~~Beginning in January 2004, state legislation (AB 813) provided for one exclusion when computing the fare box ratio:~~

- ~~• Cost increases from the prior year for providing complementary ADA paratransit services that exceed the CPI.~~

1331.2 TDA Standards for Fare Box Recovery Ratios

For fixed route public transportation systems, operating in urbanized areas with a population over 50,000, the TDA requires a fare box ratio of 20%. This ratio applies except in the following circumstances:

1. In counties with less than 500,000 residents (such as the county of Shasta), SRTA may reduce the blended fare box ratio requirement to 15%—after providing proper justification (CCR Section 6633.2 and 6645).

~~2. The transit service was in operation in the 1978-79 fiscal year, and had a higher ratio at that time. In that case, the higher ratio must be maintained.~~

| 32. The service area is both rural and urban. In this instance the ratio can be set between 10% and 20%. A methodology to derive the “blended” ratio must be developed by SRTA and submitted to the California Department of Transportation for approval.

4. An extension and new service is exempt from the fare box ratio for two years after the end of the fiscal year when the extension was made. “Extension and new service” includes additions of geographical areas or route miles, more frequent service, new hours of service, new days of service or new type of service (van, taxi, or bus).

5. Waivers for labor disputes—if there have been two separate work stoppages for 15 days or longer, and one of the stoppages was not caused by a labor dispute with the operator.

6. The additional operating costs required to provide comparable complementary paratransit service as required by Section 37.121 of Title 49 of the Code of Federal Regulations, pursuant to the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), as identified in the operator’s paratransit plan pursuant to Section 37.139 of Title 49 of the Code of Federal Regulations that exceed the operator’s costs required to provide comparable complementary paratransit service in the prior year as adjusted by the Consumer Price Index.

7. Cost increases beyond the change in the Consumer Price Index for all of the following:

(a) Fuel.

(b) Alternative fuel programs.

(c) Power, including electricity.

(d) Insurance premiums and payments in settlement of claims arising out of the operator’s liability.

(e) State and federal mandates.

8. Startup costs for new services for a period of not more than two years.

9.) The exclusion of costs from the definition of operating costs in subdivision (a) applies solely for the purpose of this article and does not authorize an operator to report an operating cost other than as defined in subdivision (a) of Section 99247 or a ratio of fare revenue to operating cost other than as that ratio is described elsewhere in this article, to any of the following entities:

(a) The Controller pursuant to Section 99243.

(b) The entity conducting the fiscal audit pursuant to Section 99245.

© The entity conducting the performance audit pursuant to Section 99246.

For fixed route transit operators established after 1978-79, serving in rural areas (population less than 50,000) the TDA requires a fare box ratio of 10%.

Transit services operated exclusively for elderly and disabled persons are required by TDA to achieve a fare box ratio of 10%. General public dial a ride service is subject to a 10% rural, or a 20% urban, fare box requirement.

1331.3 Fare Box Ratios Required by SRTA

SRTA has approved a reduced blended fare box ratio of 15% for RABA ~~fixed-route~~ operations. All other services are subject to TDA standards for fare box recovery ratios. -(Board Policy)

SRTA has ensured that the following factors have been considered in the transportation planning process in lowering the fare box recovery ratio:

1. The size and density of the urban area in which the services to the general public are provided.
2. The proportion of the operator's ridership, which is transit dependent, including elderly, disabled and low-income patrons, as appropriate.
3. The Board may retroactively approve any fare box ratios. (Board Policy)

1331.4 Failure to Meet Fare Box Ratio

If a claimant fails to meet their fare box ratio for a fiscal year, its TDA funding level will be reduced by the amount of required revenues that was not maintained. There is a grace year if this is the first time the claimant has failed to meet the fare box requirement.

Otherwise, after the non-compliance year, the next fiscal year is called the “determination year.” This is followed by the “penalty” fiscal year when funds are withheld in an amount equal to the deficit that occurred in the non-compliance year.

TDA funds may not be used to pay penalties.

Appendix A

The purpose of the SRTA reporting system is to provide a basic set of financial and operational data for use by the SRTA in the monitoring, planning, and coordination of transit operations in Shasta County. SRTA is responsible for the approval of claims for TDA funds from transit operators within Shasta County, and the subsequent allocation of these funds among the claimants.

To effectively execute these responsibilities, SRTA requires the financial and operational data to be submitted in this set of reporting forms. In addition, much of the financial and operational data to be submitted also may be useful to transit management in monitoring and planning both transit operations and capital projects.

To facilitate the reporting of certain financial data, the operating revenue and expense items on the related financial forms under the SRTA reporting system are consistent with the revenue and expense accounts included and defined under the State Controller's Uniform System of Accounts for Public Transit Operators. This system provides the basis for the reporting of operating revenues and expenses for the annual report to the State Controller. Therefore, much of the prior year information reported in the annual State Controller report can simply be transferred to the related forms under the SRTA reporting system. Also, the definitions of the revenue and expense items to be reported can be derived from the State Controller's Uniform System of Accounts for Public Transit Operators.

Forms and Procedures

The SRTA reporting system consists of both financial, performance, and operational reporting elements. These forms are submitted on an annual basis as part of the TDA Claim submittal to SRTA.

1. Financial Reporting: consists of the following:

- Revenue and expenditures for operations and capital projects for the prior, current, and ensuing fiscal years
- The status of capital projects as to funds received and spent, by source
- An analysis of significant budget increases proposed for the ensuing fiscal year

The purposes of the financial information are:

- To enable SRTA to analyze the sources and applications of funds for operations and capital projects for the prior, current, and ensuing fiscal year
- To meet statutory reporting requirements in the filing of TDA claims
- To provide information with which to monitor the efforts made by each operator to implement the productivity improvement recommendations and performance audit report
- To enable SRTA (and the operator) to monitor the progress or status of each capital project proposed or undertaken to date

SRTA may revise claim forms as necessary. Revisions to claim forms do not require Board of Directors approval.

Transportation Development Act Claims Checklist

<u>ITEM</u>	<u>Claimant</u>	<u>Attached</u>	<u>On File</u>
1) The Local Transportation Fund (LTF) & State Transit Assistance (STA) Fund Annual Project & Expenditure Plan (TDA -1)	All Claimants	_____	N/A
2) The SRTA TDA Claim (TDA-2)	All Claimants	_____	N/A
3) The Statement of Conformance (TDA-3) (with attached documentation)	All Claimants	_____	N/A
4) The Productivity Improvement Progress Report (TDA-4)	Claimants for transit service	_____	N/A
5) Fund Eligibility Worksheet (TDA-5)	All Claimants	_____	N/A
6) Statement of projected or estimated revenues and expenditures for the current fiscal year	Claimants for transit service	_____	N/A
7) Adopted or proposed budget for the fiscal year (include TDA-6 if necessary)	Claimants for transit service	_____	N/A
8) Signed copy of transit service contract	Claimants for transit service	_____	_____
9) Information establishing eligibility under efficiency criteria work sheet (TDA-7)	Claimants for transit service	_____	N/A
10) Copy of Ten Year Capital Plan	Claimants for transit service	_____	_____

LOCAL TRANSPORTATION FUND (LTF) AND STATE TRANSIT ASSISTANCE (STA) FUND ANNUAL PROJECT AND EXPENDITURE PLAN
--

Claimant: _____ Fiscal Year _____

PROJECT TITLE	SOURCE OF FUNDING						TOTAL
	TDA - LTF		TDA - STA		Local Fund Balance	Other	
	LTF \$ Amount	PUC Article & Section	STA \$ Amount	CCR Section			
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-
							-

- Instructions:
- 1) Claimant should list types of activities (transit, bike and ped, streets and roads, etc.)
 - 2) Claimant should determine under what fund source the activity is to be claimed under.
 - 3) Claimant should determine under what article the activity is to be claimed under (please remember article priority).
 - 4) RAPA JPA members need to consider the funding requirements of the JPA.
 - 5) Transfer the information to the appropriate line on TDA-2 (LTF) depending on the funding source.
 - 6) Allocations available are found on the SRTA TDA Allocations Worksheet

SRTA TDA CLAIM

Claimant: _____ Fiscal Year: _____

<u>TYPE OF CLAIM</u>	<u>STA</u>	<u>LTF</u>	<u>Federal</u>
Carryover Balance of Unused Funds	\$ _____	\$ _____	
Carryover Balance of Unused Funds (FTA 5307)	\$ _____	\$ _____	\$ _____
Carryover Balance of Unused Funds (FTA 5311)	\$ _____	\$ _____	\$ _____
Public Transportation (Article 4)	\$ _____	\$ _____	
Transit Administrative and Planning (Article 6.5)	\$ _____	\$ ___N/A___	
Community Transportation (Article 4.5)	— \$ _____	\$ _____	
Public Transportation Service Contract (Article 8)	\$ _____	\$ _____	
Multimodal Trans. Terminals (Article 8)	\$ _____	\$ _____	
Streets and Roads (Article 8)	\$ _____	\$ _____	
Bicycle/Pedestrian (Article 8)	\$ _____	\$ _____	
TOTAL	\$ _____	\$ _____	\$ _____

It is understood by this claimant that payment of the claim is subject to approval by SRTA, based on the availability of funds for distribution and the provision that claimed monies will be used only for those purposes for which the claim is approved and in accordance with the terms of the allocation instructions.

Further in signing this claim, the Chief Financial Officer of the claimant certifies that, to the best of his/her knowledge, the financial information contained herein is reasonable and accurate.

Authorized Representative:

Signature

Date

Print/type name, title

TDA-2

Instructions for TDA-2:

- 1) After completing TDA-1, enter all LTF funded projects on the appropriate line.
- 2) Do not exceed the LTF allocation from the SRTA TDA Allocations Worksheet.
- 3) Unused funds from the prior year should be entered on the carryover line.

STATEMENT OF CONFORMANCE

The Statement of Conformance must be completed and signed by the submitting claimant's Administrative Officer or his/her designee.

The_____ hereby certifies that the
Transportation Development Act claim for the fiscal year_____
in the amount of \$_____ (LTF) and
in the amount of \$_____ (STA) for
a total amount of \$_____ conforms to the requirements of the
Transportation Development Act and applicable rules and regulations as specified in Attachment
A.

CERTIFIED:

By:_____

Date:_____

TDA-3

STATEMENT OF CONFORMANCE ATTACHMENT A
CONFORMANCE REQUIREMENTS FOR CLAIMANTS
Standard Assurances

1. 180 Day Certified Fiscal Audit (required for all claims)

Claimant assures that it has submitted a satisfactory independent fiscal audit, with required certification, to SRTA and to the State Controller not more than 180 days after the end of the prior fiscal year. (Refer to PUC Section 99245, CCR Section 6664). (Attach prior audit).

2. 90 Day Annual State Controller Report (required for all transit claims)

Claimant assures that it has submitted this report to the State Controller in conformance with the uniform system of accounts and records not more than 120 days after end of the prior fiscal year. (Refer to PUC Section 99243, CCR Section 6665). (Attach State Controller's Report).

3. Elderly/Disabled (required for all transit claims)

Assurance that the transit operator in question is in compliance with PUC Section 99155 pertaining to reduced transit fares for elderly and disabled persons and Section 99155.5 pertaining to dial-a-ride and para-transit services.

4. Fare box Recovery Ratio Requirements (required for all transit claims)

Claimant filing a claim for LTF or STA funds certifies that it will maintain for the project that ratio of fare revenues and local support to operating cost required under PUC Sections 99268.3, 99268.4, 99268.5(a), 99268.5(b), 99268.12, 99270.1, and 99270.2, as appropriate. (Refer to PUC Section 99268, CCR Section 6633.2) (Attach certification)

5. CHP Terminal Inspection (required for all transit claims)

Claimant certifies that it has been certified by the Department of the California Highway Patrol within the last 13 months to be compliance with Section 1808.1 of the Vehicle Code. This section requires operators to participate in a pull notice system for obtaining current driver records from the Department of Motor Vehicles. (Refer to PUC Section 99251) (Attach inspection)

6. Implementation of Productivity Improvements (required for all transit claims)

Claimant certifies that the operator has made a reasonable effort to implement the productivity improvements recommended pursuant to PUC Section 99244. (Attach Productivity Improvement Report TDA-5)

STATEMENT OF CONFORMANCE ATTACHMENT A

7. Part-Time Employees (required for STA claims only)

Claimant certifies that it is not precluded by any contract entered into on or after June 28, 1979 from employing part-time drivers or contracting with common carriers of persons operating under a franchise or license. Claimant further certifies that no person who was a full-time employee on June 28, 1979 shall have his/her employment terminated or his/her regular hours of employment, excluding overtime, reduced as a result of its employing part-time drivers or contracting with such common carriers. (Refer to PUC Section 99314.5(c))

8. Conformance with the Regional Transportation Plan (required for STA claims transit bike/ped and street-road claims)

Claimant certifies that all of the purposes for claim expenditures are in conformance with the Regional Transportation Plan. (Refer to CCR Section 6754(a))

9. Full Use of Federal Funds (required for STA claims only)

Claimant certifies that it is making full use of federal funds available under the Federal Transit Act. (Refer to CCR Section 6754(a))

10. Efficiency Standards (required for transit operator claimants claiming STA for operating purposes but may be suspended by the Legislature in certain years)

Operators certify that it meets one of the following two efficiency standards (PUC Section Sec. 99314.6):

- a. Efficiency Standard 1: An operator's total operating cost per vehicle revenue hour for the most recent fiscal year must not exceed the prior year's operating cost per revenue vehicle hours, by a percentage greater than the percentage change in the CPI for the same period.
- b. Efficiency Standard 2: An operator's total operating cost per vehicle revenue hour for the most recent fiscal year must not exceed the average total operating cost per vehicle revenue hour for the three prior years, increased by the average percentage change in the CPI for the same period. (Refer to PUC Section 99314.6)

11. Consistency with Bicycle Plan (required for bicycle claims only)

Claimant certifies that all of the purposes for claim expenditures are in conformance with the city/ or county bicycle plan.

STATEMENT OF CONFORMANCE ATTACHMENT A

12. Operating Budget (Article 4 claims only)

Claimant certifies that its operating budget is not more than 15% greater than its previous year budget unless supported by documentation that substantiates such change. (Attach documentation)

13. Triennial Performance Audit (Article 4 claims required, for other claims it is voluntary, PUC Section 99248.)

Claimant certifies that it has submitted the Triennial Performance Audit report to SRTA on a triennial basis. (Attach audit)

14. Drug and Alcohol Free Workplace Requirements

Claimant is in compliance with the requirements of the Federal Transit Administration (FTA) and/or Federal Highway Administration (FHWA) Drug and Alcohol Testing rules, and provides a drug and alcohol free workplace.

15. Americans with Disabilities Act (ADA)

Claimant certifies that it complies with the Americans with Disabilities Act (ADA) which includes the following provisions:

1. Prohibits discrimination against the disabled in hiring and employment;
2. Prohibits discrimination in public transportation and requires public transit systems to provide the same level of public transportation service to individuals with disabilities as to those without disabilities using the same system;
3. Prohibits discrimination against the disabled in public accommodations and in commercial facilities.

Progress Report on SRTA Productivity Recommendations

1. List the recommendations provided in your last Triennial Performance Audit and your progress toward meeting them.

Recommendation	Implementation Status*

* Indicate whether the recommendation has been fully implemented, partially implemented, or not implemented.

2. For any recommendation in #1 above that has been fully implemented, describe the work your agency has undertaken to implement each performance audit recommendation.
3. For any recommendation in #1 above that has been partially implemented, describe the work your agency has undertaken to implement each performance audit recommendation and the steps it will take to fully implement the recommendation.
4. For any recommendation in #1 above that has not been implemented, explain why the recommendation has not been implemented and describe the work your agency will undertake to implement each performance audit recommendation.
5. Describe any problems encountered in implementing individual recommendations.
6. Indicate any areas where special efforts have been made in the last fiscal year to help cover costs and/or increase ridership for both fixed-route and demand responsive operations.
7. Indicate any areas where special efforts will be made in the next fiscal year to help cover costs and/or increase ridership for both fixed-route and demand responsive operations.
8. Describe the success or failure of implemented recommendations in improving transit productivity.

TDA-4

FUND ELIGIBILITY WORKSHEET

This worksheet is intended to assist operators and transit service claimants in determining the maximum eligibility of operating funds from the LTF and STA, as defined in CCR Section 6634.

1. Total FY Projected Operating Costs (less exclusions and exemptions). \$_____
2. Subtract the amount of fare revenues required to meet the applicable fare box recovery ratio or the actual amount of fare revenue to be received during the fiscal year, whichever is greater. \$_____
3. Subtract the amount of local support required to meet applicable fare revenue plus local support to operating cost ratio requirements. \$_____
4. Subtract the amount of federal operating assistance to be received during the fiscal year. \$_____
5. Subtract the amount to be received pursuant to a contract with a jurisdiction to which the operator provides service beyond its boundaries. \$_____
6. The resulting difference equals the maximum amount of operating support from the LTF and STA that the claimant is eligible to receive during the fiscal year.
\$_____

CCR Section 6634 also defines the maximum eligibility for funds from the LTF and STA for capital projects, rail passenger services, and grade separation projects. Claims under Article 4.5, PUC Sections 99260.7, or 99400.6 (express bus and van pool services) are eligible for LTF monies, for purposes other than operating costs, in an amount not to exceed actual expenditures for the purchase of buses or vans. CTSA's are also eligible for funds for the purpose of communications and data processing equipment essential to providing, consolidating, and coordinating social service transportation.

TDA-5

**SERVICE CLAIM
PUBLIC TRANSPORTATION CLAIMS (ARTICLE 4)
JUSTIFICATION STATEMENT**

CLAIMANT _____

Did the operating budget increase over 15% from the prior fiscal year?

☐ Yes ☐ No

If the answer is yes, please provide a statement identifying and substantiating the reason or need for the increase in excess of 15%. Identify substantial increases or decreases in the scope of operations or capital provisions for major new service.

Is there a major capital project planned for next year that will not be funded by federal grants?

☐ Yes ☐ No

If the answer is yes, please provide a statement identifying and substantiating the reason.

TDA-6

STA Eligibility Calculation

EFFICIENCY STANDARD 1

Based on One Year CPI-Adjusted Change in Cost per Revenue Hour

	Preceding Audited Year FY 2010-11 Column B	Most Recent Audited Year FY 2011-12 Column A
1. Total operating cost		
2.		
3. Exclusions from operating cost		
4. Exclusion of new service operating cost		
5. Allowable Exclusions Subtotal	\$ -	\$ -
6.		
7. Costs eligible for CPI adjustment		
8. Change in Unadjusted Exclusions		
9. Change in CPI		%
10. Change Attributable to CPI		
11. Allowable CPI-Adjusted Exclusion		
12. Operating Cost net of Allowable Exclusions	\$ -	
13. Adjusted Service Hours		
14. Cost (net of Allowable Exclusions) per (Adjusted) Revenue Hour	\$ -	\$ -
15. Efficiency Standard 1 Pass or Fail?	CPI Inflated net Cost per Adj. Rev Hour	

EFFICIENCY STANDARD 2

Based on 3-Yr. Avg. CPI-Adjusted Change in Cost per Revenue Hour

	Preceding Audited Year FY 2007-08 Column E	Preceding Audited Year FY 2008-09 Column D	Preceding Audited Year FY 2009-10 Column C	Preceding Audited Year FY 2010-11 Column B	Most Recent Audited Year FY 2011-12 Column A
16. Total operating cost				\$ -	\$ -
17.					
18.					
19. Exclusions from operating cost				\$ -	\$ -
20. Exclusion of new service operating cost				\$ -	\$ -
21. Allowable Exclusions Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -
22.					
23. Costs eligible for CPI adjustment				\$ -	\$ -
24. Change in Unadjusted Exclusions					
25. Change in CPI	%	%	%	%	%
26. Change Attributable to CPI					
27. Allowable CPI-Adjusted Exclusion					
28. Operating Cost net of Allowable Exclusions					
29. ADJUSTMENT TO REVENUE HOURS FOR NEW SERVICE					
30. Adjusted Service Hours				0	0
31. Cost (net of Allowable Exclusions) per (Adjusted) Revenue Hour	\$ -	\$ -	\$ -	\$ -	\$ -
32. Average net Cost per Adj. Revenue Hour (Columns B, C & D)				\$ -	
33. Average Change in CPI (Columns B, C & D)					
34. CPI Inflated Average net Cost per Adjusted Revenue Hour					
35. Average net Cost per Adjusted Revenue Hour (Columns A, B & C)					0
36. Efficiency Standard 2 Pass or Fail?					

I hereby attest to the reasonableness and accuracy of this information.

Signature: _____

Date: _____

Note: This standard may be suspended by the legislature in certain years

TDA-7

Appendix B: Questions and Answers

This Appendix puts most of the topics covered in the handbook in a “question and answer” format to provide an additional way for handbook users to understand TDA.

Q. What is the Transportation Development Act?

A. The Transportation Development Act (TDA) provides state funding to local jurisdictions to improve existing public transportation and encourage regional public transportation coordination. Under certain circumstances, it also provides funding for bicycle and pedestrian projects and local street and road projects.

Q. Where can I get a copy of the TDA?

A. The full text of the Transportation Development Act is available in a Caltrans publication entitled Transportation Development Act - Statutes and California Code of Regulations as well as at its web site.

Q. What is the Local Transportation Fund (LTF)?

A. The TDA provides two major sources of funding, the Local Transportation Fund (LTF) and the State Transit Assistance (STA) Fund. The Local Transportation Fund is just what it says it is: a local fund into which the state deposits sales tax revenue to be used for transportation purposes defined by TDA. The county of Shasta is the “local” jurisdiction responsible for holding the fund. Revenue for the Local Transportation Fund (LTF) comes from ¼ cent of the state sales tax collected in Shasta County.

Q. What is the State Transit Assistance Fund (STA Fund)?

A. The STA Fund provides a second source of TDA funding. STA funds are generated from the statewide sales tax on motor vehicle fuel (diesel). Each year, during the state budget process, the State Legislature designates the amount of money available for STA. The formula allocates 50% on the county population compared to the statewide population and 50% on the amount of passenger fares and local support revenues collected by transit operators in the county compared to the amount collected by transit operators statewide. (These are called “revenue formula allocation” funds.)

Q. Why does the amount of LTF received by Shasta County vary from year to year?

A. Because sales tax revenues are generally higher in time of economic boom and lower in times of recession, LTF revenues deposited in the county fund vary from year to year.

Q. Why does the amount of LTF apportioned to a jurisdiction vary from year to year?

A. The LTF apportionment varies depending on the amount of sales tax revenues estimated to be received in the county during the coming fiscal year, the amount actually received in the current fiscal year compared to the county’s prior-year estimate, and the relative portion of a jurisdiction’s population to the rest of the jurisdictions in Shasta County.

Q. How does SRTA determine how much LTF a jurisdiction gets each year?

A. Step 1: Each January the County Auditor estimates the amount of LTF revenue the county should receive in the coming year based on economic forecast and past experience.

Step 2: To this, the County Auditor adds the estimated “unallocated fund balance” from the current year.

Step 3: SRTA takes the total estimate and subtracts any money that must come “off the top” to pay for other TDA funding priorities.

Step 4: SRTA apportions the remaining amount to the jurisdictions based on the relative portion of each jurisdiction’s population.

Q. What are the “Findings of Apportionment”?

A. The amounts of LTF and STA apportioned to each jurisdiction for the coming fiscal year are called the “Findings of Apportionment.”

Q. Why does SRTA sometimes have to revise the apportionments?

A. SRTA will update the apportionment if the county revises its estimate of the amount of LTF that will be received in the coming year. SRTA also updates the apportionment if the population figures released by the Department of Finance in May of each year vary from the population figures used in January and February to make the initial apportionment.

Q. How does SRTA determine how much STA Funds a jurisdiction gets each year?

A. The population formula apportionment funds received by the county of Shasta are apportioned by population. The revenue apportionment funds received by the county of Shasta are apportioned to those jurisdictions that file their TDA claims as “transit operators.”

Q. Does SRTA have to allocate a jurisdiction’s total apportionment?

A. No. SRTA may allocate an amount less than a jurisdiction’s apportionment. The amount that is not allocated is called an “unallocated apportionment.” SRTA must hold the unallocated apportionment in the TDA Trust Fund for future allocation to that jurisdiction. It cannot be reapportioned to another jurisdiction.

Q. Can money apportioned to one jurisdiction be allocated to another jurisdiction?

A. No. Once money is apportioned to a jurisdiction, it can only be claimed by that jurisdiction and allocated for the funding purposes defined in the jurisdiction’s claim. In Shasta County, however, there is a funding agreement such that the cities claim part of their apportionment to support RABA and the county of Shasta claims part of its apportionment to support some of the local transit systems.

Q. How could a jurisdiction get more TDA money for transit?

A. A jurisdiction has little ability to increase the amount of its TDA apportionment. Some counties have developed transit districts or “joint powers authorities” (JPAs), and have allowed several jurisdictions’ TDA money to go directly to the district or JPA for transit purposes. Some counties have also legislatively decided that all TDA money will go toward transit funding. Furthermore, some have developed cooperative funding agreements between jurisdictions, so that a jurisdiction may claim transit funding for another jurisdiction. (This latter arrangement exists in Shasta County.) The decision, however, to claim more of a jurisdiction’s apportionment for transit is at the jurisdiction’s discretion.

Q. Article 3, Article 4, Article 8...what are all these articles?

A. The TDA statute is divided into sections called “articles.” As a result, claims are often referenced by the Article of the statute under which they are filed.

- Article 3 is used by counties and TPAs to claim LTF to pay for TDA administrative costs.
- Article 3 is used if a county sets aside money “off the top” of LTF for bicycle/pedestrian and rail claims.
- Article 4 is used by local jurisdictions for general public transit, elderly and disabled transit and rail LTF claims.
- Article 4.5 is used by CTSAs for elderly and disabled transit LTF claims.
- Article 6.5 is used by local jurisdictions for general public transit and rail STA claims.
- Article 8 is used by local jurisdictions in “unrestricted counties” for general public transit, elderly and disabled transit, rail, bicycle/pedestrian and street and road LTF claims.

Q. How does a jurisdiction know under which Article to file a transit claim?

A. In the county of Shasta, transit claims can be filed under Article 4 or Article 8. Transit claims should be filed under Article 4 if the jurisdiction meets all the eligibility requirements.

Q. When can a jurisdiction submit its LTF transit claim under Article 4?

A. When the jurisdiction meets the following requirements.

- The claimant is an operator.
- The claimant meets its fare box recovery ratio requirement.
- The claimant meets the TDA triennial performance audit compliance requirements.
- The claimant meets TDA reporting requirements.

Q. Are there any exceptions to the fare box recovery requirements?

A. Yes. SRTA is allowed to adopt special requirements for jurisdictions filing their transit claims under Article 8. These requirements would supersede the fare box recovery requirements shown above. The requirement could be a revised recovery ratio, a local match requirement or other performance criteria.

Q. Are there any exemptions to the fare box recovery requirements?

A. TDA allows exemptions to the fare box recovery requirements for new routes, new route extensions, newly urbanized areas, and in the case of work stoppages.

Q. What happens when a claimant does not meet its fare box recovery ratio?

A. It depends:

- It could raise local support money to meet the ratio.
- It might be able to file for LTF under Article 8.
- Its TDA funding could be reduced.

Q. How is TDA funding reduced when a claimant does not meet its fare box recovery ratio?

A. When Article 4 claimants fail to achieve the fare ratio requirement for two consecutive fiscal years; the operator's eligibility for LTF and STA funds is reduced by the difference between the required fare revenues and the actual fare revenues for the second fiscal year that the required ratio was not maintained. For example, if a rural operator's fare box recovery ratio is 9% in Fiscal Year 1 and 8% in Fiscal Year 2, then beginning in Fiscal Year 4, the operator will have to forfeit 2% of the LTF and STA it could have claimed.

Q. What is the Triennial Performance Audit?

A. All claimants filing under Article 4 are required by TDA to submit a Triennial Performance Audit. Claimants filing under Article 8 are not required by the statute to submit the audit, but SRTA may still require it of its Article 8 claimants. The audit is conducted every three years by an outside auditor. The audit process is funded with Article 3 TDA funds. The audit checks transit system operating statistics, data gathering methods and compliance with the TDA filing and reporting requirements.

Q. What is the difference between a “Transit Service Claimant” and an “Operator?”

A. Claimants filing transit claims under Article 4 are considered “operators,” while claimants filing transit claims under Article 8 are considered “transit service claimants.” Both are generically referred to as “claimants,” as are those filing under Article 8 for streets and roads or bicycle and pedestrians projects.

Q. When is a jurisdiction eligible to receive STA Funds?

A. To receive STA population formula funds, a jurisdiction must be eligible to file an LTF transit claim under either Article 4 or Article 8. To receive STA revenue formula funds, an operator must be eligible to file an LTF transit claim under Article 4. Article 8 claimants are not eligible for revenue formula funds, because the revenue formula funds are allocated only to operators.

Q. What are the requirements for using STA Funds?

A. A jurisdiction must meet the requirements to claim operators (i.e. Article 4 claimants); have to meet the following requirements if they want to use their STA Funds for operating expenses.

- Nothing in the operator’s operating procedures or requirements can prevent it from employing part-time drivers or contracting for service.
- The operator must meet one of two efficiency standards.
 - The total operating cost per revenue hour cannot exceed the prior year’s operating cost per revenue hour by a percentage greater than the percentage change in the CPI (CPI) for the same period.
 - The total operating cost per revenue hour cannot exceed the average total operating cost per revenue hour for the 3 prior years, increased by the average percentage change in the CPI for the same period.

Q. How much LTF and STA Funds can a jurisdiction claim for transit operations?

A. The combined amount of LTF and STA received cannot be greater than actual operating costs minus the sum of all of the following:

- Fare box revenues received,
- Federal operating assistance received,
- Local support money used to meet the fare box recovery ratio requirement,
- Reduced funding eligibility due to a failure to meet the fare box recovery requirement, and,
- Funding received from other jurisdictions for service provided beyond the operator/claimant's boundaries.

Q. How much LTF and STA Funds can a jurisdiction claim for transit capital and debt service?

A. The combined amount of LTF and STA received cannot be greater than actual capital and debt service requirements minus revenues received from other sources for such purposes. Elderly and disabled transit claims under Article 4 are not eligible to receive more capital funds than actual bus/van purchase expenditures.

Q. Does a jurisdiction in the county of Shasta have to spend all its TDA on transit?

A. No. As an "unrestricted county," the county of Shasta jurisdictions can file claims under Article 8, which allows them to spend some of their TDA money on bicycle and pedestrian projects or on local streets and roads.

Q. Can a jurisdiction in the county of Shasta spend all its TDA on transit?

A. Yes. A jurisdiction is not obligated to spread its TDA funding among transit, bicycle/pedestrian facilities and local streets and roads. The amount spent on transit is dictated by transit need and the transit budget.

Q. What kinds of street and road projects are eligible for LTF under Article 8?

A. Those are "necessary or convenient to the development, construction, and maintenance of a city's or county's streets or highway network, including planning, acquisition of real property and construction of facilities and buildings."

Q. What multimodal transportation facilities are eligible for LTF under Article 8?

A. Park and ride lots, transit centers or other locations where passengers can transfer between modes. Jurisdictions in the county of Shasta may file an LTF claim for the construction and maintenance of multimodal transportation terminals.

Q. What are the eligibility requirements to be able to file an Article 8 claim for local streets and roads, multimodal facilities or rail?

A. LTF cannot equal more than 50% of the total project expenses (although capital expenses are exempt) and the project must be in conformity with the Regional Transportation Plan. In addition, before filing a claim for street and roads, the jurisdiction must first prove that there are no “unmet transit needs” that are “reasonable to meet.”

Q. What is the unmet transit needs process?

A. Before allocating money for Article 8 claims for street and road projects, SRTA must go through a process to determine that there are not “unmet transit needs” that are “reasonable to meet.” If a jurisdiction uses all of its LTF for public transportation services, specialized transportation services or facilities provided by for the exclusive use of bicycles and pedestrians, SRTA does not have to implement the unmet needs process in that jurisdiction.

Q. Who is responsible for implementing the unmet needs process?

A. SRTA is responsible for implementing the process.

Q. How often does the unmet needs process take place?

A. Annually, or in those years in which a jurisdiction files an Article 8 claim for street and road projects.

Q. What are the requirements of the unmet transit needs process?

A. SRTA must:

- Establish and consult with the Social Services Transportation Advisory Council.
- Annually assess the size and location of groups likely to be transit dependent or transit disadvantaged, such as the elderly, disabled and persons of limited means.
- Assess the adequacy of existing public transportation services, or the potential for new service, to meet the needs of these groups.
- Hold at least one annual unmet transit needs hearing to gather comments on needs that exist.
- Adopt findings about unmet transit needs.

Q. What are the unmet transit needs findings that the SRTA Board of Directors can adopt?

1. There are no unmet transit needs.
2. There are no unmet transit needs that are reasonable to meet, or
3. There are unmet needs, including needs that are reasonable to meet.

Q. How do these findings impact LTF funding for local streets and roads?

A. If SRTA determines that there are unmet needs that are reasonable to meet; the unmet transit is funded before any allocations are made for streets and roads within the jurisdiction

Q. What is an unmet transit need?

A. SRTA defines what it considers an unmet transit need within the county of Shasta. The definition is long and involved. Details can be found in the Unmet Needs section.

Q. What makes a need “reasonable to meet?”

A. SRTA has established eight criteria that the SRTA Board of Directors considers when it determines if a need is reasonable to meet.

Q. What is a fund balance?

A. Unspent TDA money. There four ways that fund balances can accrue:

- Reserved funds
- Unallocated apportionments
- Unrestricted fund balances
- Local fund balance

Q. What are reserved funds?

A. LTF claimed by a jurisdiction for a capital project that will either take a while to get started or will be on-going for a few years. SRTA can reserve the money in the Local Transportation Fund for the jurisdiction’s project for up to three years.

Q. What is an unallocated apportionment?

A. The amount of an apportionment that is not allocated to the jurisdiction. SRTA must hold the unallocated apportionment in the Local Transportation Fund for future allocation to that jurisdiction.

Q. What is an unrestricted fund balance?

A. The balance in the Local Transportation Fund that is neither allocated, reserved or retained in the fund is an unallocated apportionment. Unrestricted fund balances accrue when a county, as trustee, receives more LTF than what it estimated.

Q. What is a local fund balance?

A. This is the left over amount of TDA funds that a jurisdiction might have in its own transit accounts at the end of the fiscal year. This is money that the jurisdiction claimed in the past year for a specific purpose that was not completely used for that purpose.

Q. What happens to fund balances?

A. Reserved fund balances can only be spent on the specific capital project for which they were reserved. If the money is not spent within the three years, it becomes available to the jurisdiction to claim again for the same or different purpose.

- An unallocated apportionment becomes available to the jurisdiction to claim later on in the year or in subsequent years.
- An unrestricted fund balance is added to the amount of LTF that a county expects to receive in the coming year and is then apportioned to the jurisdictions.
- Local fund balances are subtracted from a jurisdiction's subsequent claim. If a claimant has \$10,000 in LTF transit funding left over from Year 1 and needs \$300,000 for transit in Year 2, the jurisdiction should claim \$290,000.

Q. How does SRTA know if our jurisdiction has a fund balance?

A. From the annual fiscal audit required by TDA.

Q. Why track a local fund balance?

A. First, a jurisdiction must track all the TDA money it receives by the purpose for which it was received (e.g. transit vs. streets and roads). Accounting must clearly separate any money left over for transit versus other purposes.

Q. Why would a jurisdiction need to revise its claim?

A. The apportionment is revised when:

- A jurisdiction wants to switch around its allocations
- A jurisdiction wants to claim its unallocated apportionment
- A jurisdiction wants to change a capital reserve

Q. What is a productivity improvement program?

A. Productivity improvement program allows SRTA to monitor a transit operator's or transit claimant's progress toward meeting recommended improvement that can lower transit operating costs?

Q. Why have productivity improvement programs?

A. TDA requires SRTA to identify, analyze, and recommend potential improvements on an annual basis for Article 4 transit claimants. SRTA can also do this for Article 8 transit claimants, and has not chosen to do so.

Q. What is SRTA's productivity improvement program?

A. If SRTA recommends productivity improvements, the jurisdiction will be required to complete the progress report form on an annual basis, at the time that a jurisdiction files its TDA claim. This form asks the jurisdiction to document its progress in achieving productivity improvement recommendations.

Q. How are productivity improvement program recommendations made?

A. Recommendations are made the following ways:

- Through the triennial performance audit process
- SRTA can make recommendations on its own
- The transit operator/claimant can develop its own recommendations

Q. What happens if a transit operator/claimant fails to address the recommendations?

A. If SRTA decides that the operator/claimant has not made a reasonable effort to implement the recommended improvements; SRTA will not approve TDA transit allocations for the coming fiscal year that exceed the allocation for the current fiscal year.