



DATE May 5, 2021 Item #9
TO GCTD Board of Directors
FROM **Michelle Pierret, Finance Manager**
SUBJECT **Consider Adoption of Resolution 2021-04 Authorizing Staff to File a Revised Claim for Transportation Development Act (TDA) Funds, and Approval of Corresponding Budget Change**

SUMMARY

On July 1, 2020, the GCTD Board approved Resolution No. 2020-05, authorizing the filing of a claim with the Ventura County Transportation Commission for allocation of Transportation Development Act (TDA) funds for Fiscal Year 2020-2021. The claim included \$11,407,386 in Article 4 Local Transportation Funds (LTF) and 100% of available State Transit Assistance (STA) Funds for public transit operating funds. STA includes funds generated by SB1, including State of Good Repair (SGR) funds.

On February 5, 2021, the Ventura County Transportation Commission approved a revised Local Transportation Fund apportionment that would increase GCTD's apportionment amount by \$3,549,576 to a total of \$14,956,962. This is the result of the Ventura County Auditor-Controller revising the County's Fiscal Year 2020/2021 estimate for the Local Transportation Fund sales tax receipts from \$29.8 million to \$35.6 million – a \$5.8 million increase.

On March 25, 2020, GCTD used \$2 million from GCTD's capital reserves to help GCTD's cash flow in funding operations and any extenuating circumstances caused by the COVID-19 pandemic. The CARES Act also helped fund budget shortfalls and COVID impact on GCTD revenues such as suspension of fare collection.

Staff's recommendation for the additional Local Transportation Fund apportionment is to budget \$2.0 million of these funds to GCTD's capital reserve and replenish the \$2.0 million capital reserve money used to help with GCTD cash flow and operations in Fiscal Year 2019-2020. This will provide a valuable increase in available matching funds for GCTD's future capital projects.

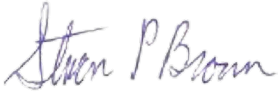
GOLD COAST TRANSIT DISTRICT

CITY OF OJAI | CITY OF OXNARD | CITY OF PORT HUENEME | CITY OF VENTURA | COUNTY OF VENTURA
1901 AUTO CENTER DRIVE, OXNARD, CA 93036-7966 | P 805.483.3959 | F 805.487.0925 | GCTD.ORG

RECOMMENDATION

It is recommended that the Board of Directors adopt Resolution No. 2021-04, authorizing the filing of a revised TDA claim in the amount of \$14,956,962 and approve a change to the FY 2020-21 budget to replenish the \$2.0 million capital reserve funds used to support GCTD cash flow and operations in Fiscal Year 2019-2020.

Concurrence:

A handwritten signature in blue ink that reads "Steven P. Brown". The signature is written in a cursive style with a horizontal line extending from the end of the name.

Steven P. Brown
General Manager

RESOLUTION NO. 2021-04

**A RESOLUTION OF THE BOARD OF DIRECTORS OF GOLD COAST TRANSIT
AUTHORIZING THE FILING OF A REVISED CLAIM WITH THE
VENTURA COUNTY TRANSPORTATION COMMISSION FOR
ALLOCATION OF TRANSPORTATION DEVELOPMENT ACT FUNDS
FOR FISCAL YEAR 200-2021**

WHEREAS, the Transportation Development Act (TDA) as amended (Public Utilities Code Section 99200 et seq.), provides for the allocation of funds from the Local Transportation Fund and the State Transit Assistance Fund, for use by eligible claimants for various transportation purposes; and

WHEREAS, pursuant to the provision of the TDA, as amended, and pursuant to the applicable rules and regulations there under (California Code of Regulations Sections 6600 et seq.), a prospective claimant wishing to receive an allocation from the Local Transportation Fund of the State Transit Assistance Fund shall file its claim with the Ventura County Transportation Commission; and

WHEREAS, pursuant to Division 10 Part 18 of the Public Utilities Code, Gold Coast Transit District is created effective July 1, 2014, and the District succeeds to, and is vested with, all of the rights, powers, duties, and obligations of the agency. The district is the successor to the agency's assets, interests in any property, its rights and obligations under any contract, any outstanding indebtedness of the agency, and its rights under any grants, without the necessity of any further action,

NOW, THEREFORE, BE IT RESOLVED, that the Gold Coast Transit Board of Directors, in anticipation of and on behalf of the Gold Coast Transit District, authorizes the execution and filing of an appropriate claim pursuant to applicable rules and regulations promulgated there under, together with all necessary supporting documents, with the Ventura County Transportation Commission for an allocation of TDA funds in Fiscal Year 2020--2021.

BE IT FURTHER RESOLVED THAT the authorized claim includes \$14,956,962 in Article 4 Local Transportation Funds (LTF).

BE IT FURTHER RESOLVED THAT a copy of this resolution be transmitted to the Ventura County Transportation Commission with the filing of the claim.

PASSED AND ADOPTED THIS 5th DAY OF MAY, 2021.

Randy Haney, Board Chair

ATTEST:

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the Board of Directors of Gold Coast Transit at a regular meeting thereof held on the 5th day of May, 2021.

Steven P. Brown, Secretary of the Board

Transportation Development Act Form A - Claim Form

Line

1	Fiscal Year	2020/2021
2	Claimant	Gold Coast Transit District
3	Address	1901 Auto Center Drive
		Oxnard, CA 93036
4	Name of Contact Person	Michelle Pierret
5	Title of Contact Person	Finance Manager
6	Telephone Number of Contact Person	805-483-3959 ext. 150
7	Email Address of Contact Person	mpierret@gctd.org

The above named claimant hereby applies for allocations of Transportation Development Act funds for the above fiscal year for the purposes and amounts specified below:

Purpose		Claimed
Local Transportation Fund		
8	Article 3, Pedestrian and Bicycles (PUC § 99234)	
9	Article 4, Transit	\$ 14,956,962.00
10	Article 4.5, Community Transit (PUC §99233.7 & § 99275)	\$ -
11	Article 8(a), Streets & Roads/Pedestrians & Bicycles (PUC § 99400(a))	\$ -
12	Article 8(b), Passenger Rail (PUC § 99400(b))	\$ -
13	Article 8(c), Transit (PUC § 99400(c))	\$ -
14	Article 8(d), Transit Admin. and Planning (PUC § 99400(d))	\$ -
15	Article 8(e), Transit Capital (PUC § 99400(e))	\$ -
16	Article 8(f), Commuter Vanpool (PUC § 99400(f))	\$ -
17	Article 8, Other	\$ -
18	Total LTF Claimed	\$ 14,956,962.00
19	Less funds released to	Gold Coast Transit District
20	for Article	4
21	for purpose of	Transit
22	in the amount of	\$ 11,407,386.00
23	Amount of LTF to be sent to Claimant (Line 17 minus Line 21)	\$ 3,549,576.00

Purpose		Claimed
State Transit Assistance		
24	STA Transportation and Rail	
25	SGR State of Good Repair	
26	Total STA & SGR Claimed	\$ -

Claimant acknowledges that payment by the County Auditor-Controller of an allocation made by the Ventura County Transportation Commission (VCTC) is subject to such monies being on hand and available for distribution and to the provision that such monies are used only in accordance with the terms of the allocation instruction issued by the VCTC. Claimant also certifies that the information on the claim forms are true and accurate to the best of their knowledge and that the claimant is eligible for the funds claimed and will use them for eligible expenditures per the TDA regulations. If the STA and SGR funds claimed are based on the estimates provided by the State of California, the funds paid to the local agency will be the actual amount received and may vary from the amounts claimed.

The following individual is hereby authorized to execute for and on behalf of the named entity, and to take any action necessary for the purpose of obtaining Local Transportation Funds and/or State Transit Assistant funds.

27	Authorizing Signature	
28	Name of Authorizing Agent	Michelle Pierret
29	Title of Authorizing Agent	Finance Manager
30	Date	4/14/2021

**Transportation Development Act
Form B2.1 - Financial Reporting Form LTF Article 4**

Line		2020/2021			
1	Fiscal Year				
2	Claimant	Gold Coast Transit District			
		Operating Budget Comparison		Capital Budget Comparison	
		Prior FY	Claim FY	Prior FY	Claim FY
3	Fiscal Year	2019/2020	2020/2021	2019/2020	2020/2021
4	Beginning LTF Fund Balance (use audited amount if available)	\$ 1,429,559.00	\$ 2,520,363.00	\$ 4,287,902.00	\$ 3,317,506.56
	Estimated Revenues:				
5	Federal grants (provide detail in notes)	\$ 6,277,702.00	\$ 14,580,636.00	\$ 6,280,840.00	\$ 3,467,505.40
	Local Transportation Funds by Article				
6	LTF Article 4, Transit (PUC § 99260(a))	\$ 17,163,902.00	\$ 14,956,962.00	\$ 44,081.00	
7	LTF Article 4, Planning (PUC § 99292)				
8	LTF Article 4, Elderly and Disabled (PUC § 99260.7)				
9	LTF Article 4, Railroad Corporation (PUC § 99260.5(a))				
10	LTF Article 4, Other (specify article/PUC §)				
11	LTF Unearned/Deferred Revenues (Article 5)	\$ 360,000.00	\$ 1,143,183.00		
12	Fare Revenue Funds	\$ 2,992,100.00	\$ 2,338,100.00		
13	Local (specify in notes)	\$ 989,200.00	\$ 140,000.00		
14	Other (specify in notes)	\$ 336,800.00	\$ 78,800.00		\$ 224,000.00
15	Interest	\$ 25,000.00	\$ 25,000.00	\$ 40,400.00	\$ 25,000.00
16	Total Estimated Revenues and Fund Balances	\$ 29,574,263.00	\$ 35,783,044.00	\$ 10,653,223.00	\$ 7,034,011.96
	Estimated Expenses:				
17	Eligible Operating Costs	\$ 24,672,371.00	\$ 28,201,603.00		
18	Transit Operating assigned to other (specify agency in notes)	\$ 2,381,529.00	\$ 1,497,426.00		
19	Transit Capital TDA (specify projects in notes)			\$ 652,386.00	\$ 2,725,031.25
20	Transit Capital assigned to other (specify agency in notes)			\$ 7,370,842.00	\$ 6,000.00
21	Other (provide detail & cite code section in notes)			\$ 1,394,437.50	\$ 1,393,242.00
22	Total Estimated Expenses	\$ 27,053,900.00	\$ 29,699,029.00	\$ 9,417,665.50	\$ 4,124,273.25
23	Surplus/Deficit End of Year	\$ 2,520,363.00	\$ 6,084,015.00	\$ 1,235,557.50	\$ 2,909,738.71

If the operating budget has increased in excess of 15% above the preceeding year, or there is a substantial increase or decrease in the scope of operations or capital budget provision, please provide a statement identifying and substantiating the reason or need for the change (CCR 6632).

If not needed, please initial MP Otherwise, please provide statement below.

24 Notes and Explanations: (as applicable) - *Notes and Explanations are for FY 2020/2021*****

* Line 4 Operating: LTF Carryover from most recent audited year (FY19-20 audit year from FY18-19 funds received).
Capital: O180 Capital Reserve balance as of June 30, 2020.
FTA Grant Funds: Operating: FY2020-21 POP 5307; FTA Grant Funds: Capital: FY2020-21 POP 5307 and 5339;
FY2015-16 Web Redesign; FY2019-20 Wheelchair Ramp Replacement;

* Line 5 Federal - Operating: CMAQ Route 23/CARES Act; Federal - Capital: FEMA/CARES/CMAQ FY2017-18 funds

LTF - Operating: FY2020-21 LTF for GCTD Operations:
a) FY2020-21 amount previously claimed was \$11,407,386
b) Additional amount per revised apportionment date 02/05/2021 is \$3,549,576
c) Total LTF FY2020-21 apportionment amount is \$11,407,386 + \$3,549,576 = \$14,956,962

* Line 6 N/A
* Line 7 N/A
* Line 8 N/A
* Line 9 N/A
* Line 10 N/A
* Line 11 Per CAFR FY2018-19, Note 7
* Line 12 Per FY2020-21 Operating Budget
* Line 13 Advertising Income, Energy Credit Revenue
Operating: LCTOP Route 23 Support; Misc. Other Income: typically sales of surplus items
Capital: State Grant funds (Proposition 1B/PTMISEA) Received during FY;
* Line 14 Interest - Operating: Bank Interest; Capital: Interest from Prop 1B, Cap Reserve and Bond Proceed Accounts
* Line 15 Per FY2020-21 Operating Budget
* Line 17 Ojai: \$124,666
Oxnard: \$401,380
Port Hueneme: \$0
Ventura: \$271,978
* Line 18 County of Ventura: \$699,402
Federal and State Grant Funds and Bond proceeds expended on Capital Projects
Capital Reserve Local Match for : Website Redesign (FY 2015-16 5307): \$16,000
Capital Reserve Local Match for: Wheelchair Ramp Replacement (FY 2019-20 5307): \$13,387.25
Capital Reserve Local Match for: Replacement CNG Buses (FY 2017-18 5307 CMAQ): \$189,380.60
Capital Reserve Local Match for: Bus Operators Protection Barriers (FEMA): \$30,000
* Line 19 City of Ventura - Ten Bus Benches
* Line 20 Payments to COP Bondholders
* Line 21

\$2,000,000 of the \$6,084,015 will be transferred to the O180 funds, GCTD Capital Reserve account with Ventura County which provides a valuable increase in available matching funds for GCTD's future capital projects.

*Line 23

Transportation Development Act
Form D - Capital Projects and Reserves

Fiscal Year
Claimant

2020/2021
Gold Coast Transit District

U:\MP\Herrn\TDA Claim\Revised TDA Claim packet 20-21_20210413.xlsx Form D - Capital







Project Name	Source of Funding Type	Total Estimated Cost	Estimated Expended Funds to Date	Estimated Expended Funds this Fiscal Year	Estimated Remaining Funds Reserved	Expected Completion Date	Description of Project and Use of Funds
Vehicles - Fixed Route	CMAQ	\$ 1,461,714.40	\$ -	\$ 1,461,714.40	\$ -	2020-21	Replacement Fixed Route Bus (CNG - GILLIG)
New Website	5307 FY2015-16	\$ 64,000.00	\$ -	\$ 64,000.00	\$ -	2020-21	New business technology - website redesign
Wheelchair Ramp Replacement	5307 FY2019-20	\$ 53,549.00	\$ -	\$ 53,549.00	\$ -	2020-21	Wheelchair/Ramp kneeling system replacement
Vehicle - Paratransit	PTMISEA	\$ 29,000.00	\$ -	\$ 29,000.00	\$ -	2020-21	Purchase of Nissan Leaf
Bus Operators Protection Barriers	FEMA	\$ 90,000.00	\$ -	\$ 90,000.00	\$ -	2020-21	Protection Barriers on bus to help prevent spread of COVID
Business System Upgrade	CARES	\$ 565,000.00	\$ -	\$ 565,000.00	\$ -	2020-21	Upgrade of Payroll, ERP and Planning technology
Vehicle - Microtransit (2)	PTMISEA	\$ 40,000.00	\$ -	\$ 40,000.00	\$ -	2020-21	Accessible Van
Expansion Demand Response - Microtransit	PTMISEA	\$ 130,000.00	\$ -	\$ 130,000.00	\$ -	2020-21	Microtransit software and set up
On Demand Software - Microtransit	PTMISEA	\$ 25,000.00	\$ -	\$ 25,000.00	\$ -	2020-21	Microtransit software and set up
Business System Upgrade	CARES	\$ 18,000.00	\$ -	\$ 18,000.00	\$ -	2020-21	Computer and Servers upgrade
New Website	LTF	\$ 16,000.00	\$ -	\$ 16,000.00	\$ -	2020-21	New business technology - website redesign
Wheelchair Ramp Replacement	LTF	\$ 13,387.25	\$ -	\$ 13,387.25	\$ -	2020-21	Wheelchair/Ramp kneeling system replacement
Bus Operators Protection Barriers	LTF	\$ 30,000.00	\$ -	\$ 30,000.00	\$ -	2020-21	Protection Barriers on bus to help prevent spread of COVID
Vehicles - Fixed Route	LTF	\$ 189,380.60	\$ -	\$ 189,380.60	\$ -	2020-21	Replacement Fixed Route Bus (CNG - GILLIG)
Replacement Camera System	STA	\$ 150,000.00	\$ -	\$ 150,000.00	\$ -	2020-21	New security camera technology
Total		\$ 2,875,031.25	\$ -	\$ 2,875,031.25	\$ -		

Transportation Development Act Form C - Assurances

Line

1	Fiscal Year	2020/2021
2	Claimant	Gold Coast Transit District
3	Article	4

Claimant Assurances: (Initial Each Section Below OR N/A if not applicable to the claim)

	Initial	Assurance
4		<p>C1 180-Day Certified Fiscal Audit: <i>If VCTC does NOT have a TDA audit performed on behalf of the claimant, the claimant certifies that it has submitted a satisfactory, independent fiscal audit, with required certification statement, to VCTC and to the State Controller pursuant to PUC § 99245 & CCR § 6664, for the prior year (project year minus two). Claimant assures that this audit requirement will be completed for the current fiscal year (project year minus one).</i> <i>Applies to All Claims: Article 3, 4, 4.5, 8(a), 8(c), STA and SGR</i></p>
5		<p>C2 Timely and Reviewed Fiscal Audits: Claimant staff will make every effort to provide information to the auditors in a timely manner so that the audits can be completed before the 180 day requirement. Audits will be reviewed by claimant/agency staff and are the responsibility of the agency. <i>Applies to All Claims: Article 3, 4, 4.5, 8(a), 8(c), STA and SGR</i></p>
6		<p>C3 State Controller Annual Report Claimant certifies that it has submitted a State Controller's report in conformance with the uniform system of accounts and reports, to VCTC and to the State Controller, pursuant to PUC § 99243, § 99245, CCR § 6637 and/or § 6665 as applicable, for the prior year (project year minus two). Claimant assures that this report will be completed for the current fiscal year (project year minus one) in a timely manner. <i>Applies to All Claims: Article 3, 4, 4.5, 8(a), 8(c), STA and SGR</i></p>
7		<p>C4 Passed-through TDA Funds Retain TDA Requirements: Claimant certifies that any TDA funds received from another agency will remain classified as TDA even when passed-through from another agency. These funds will be classified as TDA in the financial records and reported accordingly. These funds will retain TDA requirements. <i>Applies to All Claims: Article 3, 4, 4.5, 8(a), 8(c), STA and SGR</i></p>
8		<p>C5 Interest Accrual: Claimant will accurately account for TDA revenues and expenses and accrue interest accordingly. Interest will be spent on allowable expenses. <i>Applies to All Claims: Article 3, 4, 4.5, 8(a), 8(c), STA and SGR</i></p>
9		<p>C6 Unmet Transit Needs: Claimant certifies that all reasonable transit needs are satisfied and is eligible to receive Article 8(a) local streets and roads. <i>Applies to 8(a) (Streets and Roads)</i></p>
10		<p>C7 Revenue Ratios:</p>

Transportation Development Act Form C - Assurances

Line

1	Fiscal Year	2020/2021
2	Claimant	Gold Coast Transit District
3	Article	4

Claimant Assurances: (Initial Each Section Below OR N/A if not applicable to the claim)

	Initial		Assurance
			<p>Claimant is responsible for preparing the revenue ratio calculation(s) and certifies that it intends to maintain for the project year a ratio of fare revenues to operating costs of at least (a) 20 percent if the claimant is serving an urbanized area, (b) 10 percent if the claimant is serving a non-urbanized area, or (c) as determined by VCTC pursuant to CCR § 6633.2(c) and PUC § 99268. If the required ratio is not met, the "non-compliance with required revenue ratios" outlined in the TDA regulations will be implemented.</p> <p><i>Applies to 4, 4.5, 8 (transit), STA</i></p>
11	SPB	C8	<p>Revenue Ratios for Exclusive Services to Seniors and Disabled:</p> <p><i>Claimant filing a claim pursuant to PUC 99268.5 certifies that, for the purpose of that claim, it provides services using vehicles for the exclusive use of elderly and handicapped persons.</i></p> <p><i>Applies to 4, 4.5, 8 (transit), STA</i></p>
12	SPB	C9	<p>50-Percent Allocation and Alternative Method Limitation:</p> <p>The expenditure of the funds received by an operator, city or county may in no year exceed 50 percent of the amount required to meet operating, maintenance, and capital and debt service requirements of the system after deduction therefrom of approved federal grants estimated to be received. Alternatively, the operator may by allocated additional funds that could not be allocated to it because of those requirements, if it maintains, for the fiscal year, a ratio of fare revenues to operating costs as defined by § 99247 (see PUC § 99268.1, § 99268.2 and § 99405 and CCR § 6633.1).</p> <p><i>Applies to 4, 4.5, 8 (transit), STA</i></p>
13	SPB	C10	<p>Retirement System or Private Pension Plan:</p> <p><i>Claimant filing a claim pursuant to PUC § 99260 certifies that (a) the current cost of its retirement system is fully funded with respect to the officers and employees of its public transportation system (PUC § 99271(a)); or (b) the operator is implementing a plan approved by VCTC which will fully fund the retirement system for such officers and employees within 40 years (PUC § 99271(a)); or (c) the operator has a private pension plan which sets aside and invests, on a current basis, funds sufficient to provide for the payment of future pension benefits and which is fully compliant with the requirements stated in PUC § 99272 and § 99273.</i></p> <p><i>Applies to 4, 4.5, 8 (transit)</i></p>
14	SPB	C11	<p>Use of Federal Funds:</p> <p>Claimant certifies that it is making full use of federal funds available under the FTA Act in accordance with PUC § 99286.7, CCR § 6754(a)(3) and/or § 6634 as applicable.</p>

Transportation Development Act Form C - Assurances

Line

1	Fiscal Year	2020/2021
2	Claimant	Gold Coast Transit District
3	Article	4

Claimant Assurances: (Initial Each Section Below OR N/A if not applicable to the claim)

Initial	Assurance
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Applies to 4, 4.5, 8 (transit), STA

15 SPB C12 **Staffing:**
 Claimant certifies that it is in compliance with PUC § 99264 that it does not routinely staff, with two or more persons, a vehicle for public transportation purposes designed to be operated by one person.
Applies to 4, 4.5, 8 (transit)

16 SPB C13 **Reduced Fares:**
Claimant certifies that if it offers reduced fares to seniors, the same reduced rate is offered to disabled persons and disabled veterans (PUC § 99155). Claimant further assures that it will honor the federal Medicare identification card or a card issued pursuant to § 22511.55 of the Vehicle Code as sufficient identification to receive reduced fares.
Applies to 4, 4.5, 8 (transit)

17 SPB C14 **CHP Certification:**
 Claimant certifies that, it has on file a California Highway Patrol Certification having been conducted in the last 13 months indicating their compliance with § 1808.1 of the Vehicle Code.
Applies to 4, 4.5, 8 (transit), STA

18 SPB C15 **Accessible Vehicles:**
 Claimant certifies that it is in compliance with PUC § 99155.5 regarding dial-a-ride and paratransit services being accessible to handicapped persons, and that the service be provided to persons without regard to vehicle ownership and place of residence.
Applies to 4, 4.5, 8 (transit)

20 SPB C16 **Budget Increase of 15% or more**
 Claimant certifies that the transit operator's operating budget has not increased more than 15% over the preceding year, and does not include a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities. **If the budget does include such changes, documentation is attached** that identifies and substantiates the reason or need for the changes (PUC § 99266, § 99268 and CCR § 6633.1 and § 6632).
Applies to 4, 4.5, 8 (transit)

19 C17 **Part-Time Employees**

Transportation Development Act Form C - Assurances

Line


1	Fiscal Year	2020/2021
2	Claimant	Gold Coast Transit District
3	Article	4

Claimant Assurances: (Initial Each Section Below OR N/A if not applicable to the claim)

Initial	Assurance
	Claimant certifies that in accordance with PUC § 99243 and it is not precluded 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 or her employment terminated or his or her regular hours of employment, excluding overtime, reduced as a result of it employing part-time drivers or contracting with such common carriers. <i>Applies to STA (transit)</i>

21		C18	Operator's Qualifying Criteria Claimant certifies that it meets and will maintain the efficiency standards pursuant to PUC § 99314.6 when claiming State Transit Assistance funds for transit operations. <i>Applies to STA (transit)</i>
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The undersigned hereby certifies that the above statements are true and correct.

22	Authorizing Signature:	
23	Print Name and Title:	Steven Brown, General Manager
24	Date:	April 14, 2021

(updated June 2019)



Item #11

February 5, 2021

MEMO TO: VENTURA COUNTY TRANSPORTATION COMMISSION
FROM: SALLY DEGEORGE, FINANCE DIRECTOR
SUBJECT: TRANSPORTATION DEVELOPMENT ACT (TDA)
LOCAL TRANSPORTATION FUND (LTF)
REVISED APPORTIONMENT FOR FISCAL YEAR 2020/2021 and
DRAFT APPORTIONMENT FOR FISCAL YEAR 2021/2022

RECOMMENDATION:

- Approve the Revised Local Transportation Fund Apportionment for Fiscal Year 2020/2021, apportioning a total of \$35.73 million as shown in Attachment A.
- Approve the Local Transportation Fund Draft Apportionment for Fiscal Year 2021/2022, apportioning \$35.25 million as shown in Attachment B.

BACKGROUND:

Each year the Ventura County Transportation Commission (Commission or VCTC) is responsible for apportioning the quarter cent statewide sales tax funds that accrue to Ventura County under the State Transportation Development Act (TDA) Local Transportation Fund (LTF). Current eligible uses of LTF revenues include funds for Commission administration (amount determined by the Commission), County administration fees, Commission planning activities (capped at 2% of revenues), bicycle and pedestrian projects (capped at 2% after administrative and planning costs are deducted), rail passenger service operations/capital improvements with the remainder going to fund transit and if all transit needs are met, to street and road projects in cities with populations under 100,000 if eligible. The City of Thousand Oaks is exempt from the 100,000-population rule and is eligible to spend funds on Article 8 or 4 per Senate Bill (SB) 848 June 2018. Staff works with the County Auditor-Controller to determine the estimated fund balance for the upcoming fiscal year and the projected sales tax revenue. These funds are then apportioned by population and allocated throughout the fiscal year as receipts are received.

In recognition of the volatility of sales tax revenue, in 2011, the Commission adopted a policy to maintain a reserve of roughly 10% of funds to be apportioned for Articles 4 (public transportation) and 8 (other allocations, currently transit and local streets and roads). Should LTF revenues received be lower than estimated, VCTC would be able to draw from the reserves to keep local jurisdictions whole for the fiscal year to smooth out sales tax fluctuations.

In 2013, the Commission established a funding policy to support Rail Passenger Service/Commuter Rail (Metrolink). The Commission established a policy that each time there is an increase in estimated LTF sales tax receipts, the increase would be split one-third to Passenger Commuter Rail and two-thirds to bus transit.

DISCUSSION:

Each year the Ventura County Auditor-Controller provides a Local Transportation Fund estimate to VCTC for the upcoming fiscal year and notifies VCTC if the previous projection for the current Fiscal Year needs revision (either up or down). This year, while providing the revised estimate for Fiscal Year 2020/2021 and the new estimate for Fiscal Year 2021/2022, the County Auditor Controller stated:

“Projections even in normal times are uncertain given the unpredictable nature of sales tax. However, projections in the last year have been even more difficult because of the COVID-19 pandemic. When revised Fiscal Year 2020-21 projections were provided in April 2020, one month into the pandemic, it was expected that sales tax revenue would decline dramatically.

However, as time passed, the reality is that sales tax revenue has slightly increased. Analysts believe the primary reasons are that 1) there is an unequal spread of the wage losses between the lower-wage and higher-wage segments of the population and the higher-wage earners continue to have disposable income to make taxable purchases, 2) federal and state economic stimulus, including additional unemployment payments, helped buoy continued spending in 2020 despite high unemployment, and 3) the impact of the *Wayfair* decision which has allowed California to capture taxes on online sales which also dramatically increased during the pandemic.”

Fiscal Year 2020/2021 Revision:

In June 2020, the LTF projections for Fiscal Year 2020/2021 estimates were dramatically reduced from an estimated apportionment of \$39.45 million with the Draft LTF apportionment presented in February 2020 to \$27.61 million with the Final LTF apportionment presented in June 2020. The projected reduction of \$11.84 million consisted of \$8.7 million reduction in estimated sales tax receipt revenues and \$3.14 million reduction of estimated beginning cash balance.

In January of 2021, the County provided its updated projection for Fiscal Year 2020/2021 (see Attachment 1). The County is now estimating that the current Fiscal Year (2020/2021) LTF sales tax receipts will increase by \$5.8 million to \$35.6 million. Furthermore, the LTF sales tax receipt revenues for Fiscal Year 2019/2020 did not decrease as projected and the beginning cash balance went from \$0 to \$3 million.

Since the estimated financial impacts to the sales tax receipts did not transpire in Fiscal Year 2019/2020 and through the first part of Fiscal Year 2020/2021, staff is recommending revising the Fiscal 2020/2021 apportionment to reflect the County Auditor-Controller's revisions to pass-through LTF funds in the amount of \$8.12 million to transit operators and local agencies now.

Normally, the change in LTF sales tax receipts would be reflected in a one-third adjustment to Passenger Rail Services and two-thirds adjustment to transit operators and local agencies. However, since Metrolink received \$32 million of the \$71 million in Coronavirus Aid, Relief and Economic Securities (CARES) Act funding distributed to Ventura County for transit purposes, VCTC's obligation to Metrolink has been met this year. Therefore, instead of increasing the Rail Passenger Service by \$1.9 million (one-third of LTF sales tax receipts increase) in the current fiscal year, staff is proposing a one-time adjustment. It is proposed that \$1 million be apportioned to VCTC Administration to pay down VCTC's pension unfunded liability. This “pay down” will lower VCTC liabilities and reduce long-term costs. The remainder of the one-third adjustment, just over \$0.9 million, will flow to transit operators and local agencies.

After accounting for the \$3 million beginning cash balance, \$35.6 million estimated sales tax receipts less the \$2.87 contingency, there will be \$35.73 million to apportion for Fiscal Year 2020/2021 (see Attachment 1) as follows:

- \$6,344,003 Article 3 funds for Commission activities:
 - \$2,647,463 for Metrolink commuter rail purposes same as in the Final Fiscal Year 2020/2021 apportionment. Normally, the one-third of the change in estimated LTF sales tax receipts is allocated to passenger rail in keeping with the Commission's policy. With the revision of the Fiscal Year 2020/2021 apportionment due to higher sales tax receipts, an increase of approximately \$1.9 million would have gone to Metrolink. However, this year as previously mentioned, the adjustment for the year will not be realized by Metrolink because of prior CARES funding but instead, for this fiscal year only, will be split between VCTC Administration pension unfunded liability and local agencies.
 - \$714,600 (2% formula) for planning activities which include Regional Transportation Planning, Regional Transit Planning, and Transportation Programming. This number is \$162,400 higher than the June apportionment.
 - \$1,981,940 for administration of Commission activities including ADA and Senior projects, Regional Transit Technology, Grant Administration, Regional Transit Information Center, TDA Administration, Transportation Programming as well as supporting the Commission's administrative and management functions. This number is \$808,960 higher than last year for funding changes, staffing increases and new studies. First, the ADA certification process is no longer eligible for FTA funds and will now be funded with LTF funds while the previously used FTA funds will now be available to local agencies. Second, one new position, Manager of Government and Community Relations, is partially funded with LTF Funds. Finally, there are two new studies planned this fiscal year – the Congestion Management plan and the Comprehensive Transportation Plan. This number is the same as the June apportionment.
 - \$1,000,000 for a one-time use of administration funds to pay down the VCTC pension unfunded liability which will lower VCTC liabilities and reduce long-term costs.
- \$14,500 Article 3 funds for the County Auditor-Controller's administrative costs.
- \$640,379 Article 3 funds for Bicycle and Pedestrian projects. This number is \$139,152 higher than apportioned in June.
- \$28,731,118 for apportionment to local jurisdictions as allowed by TDA. This is an increase of approximately \$6.8 million from June. The Commission apportions these funds based on the California Department of Finance population estimates that were issued in May 2020. Local agency staff will need to submit an additional claim to VCTC before May 2021.

Fiscal Year 2021/2022 Draft:

The County Auditor-Controller estimates that the LTF sales tax receipts for Fiscal Year 2021/2022 will be \$35.2 million – a decline of approximately one percent based on the reductions in the Governor's Budget (-2.3%) and Legislative Analyst Office's budget (-0.79%) for Fiscal Year 2021/2022.

After accounting for the new estimated beginning cash balance of \$2.87 million (contingency for Fiscal Year 2020/2021), plus the \$35.2 million estimated sales tax receipts less the \$2.82

million contingency reserve, it is estimated that there will be \$35.25 million to apportion in Fiscal Year 2021/2022. This apportionment amount is approximately \$480,000 less than the previous fiscal year.

The Fiscal Year 2021/2022 apportionment as shown in Attachment B includes the following:

- \$6,402,476 Article 3 funds for Commission activities including:
 - \$4,447,476 for Metrolink commuter passenger rail purposes. In Fiscal Year 2020/2021 the Passenger Rail line did not include the one-third increase from sales tax receipts for that fiscal year only as Metrolink received a substantial amount of CARES funding. Since the one-third increase of \$1.9 million was for one year only, it is added back into the calculation less the one-third reduction for Fiscal Year 2021/2022 sales tax receipt of \$133,000 bringing this year's passenger rail total to approximately \$4.4 million in keeping with the policy discussed above.
 - \$705,000 (or 2%) for planning activities which include Regional Transportation Planning, Regional Transit Planning, Transportation Programing and Reporting. This is \$9,600 less than the previous fiscal year.
 - \$1,250,000 placeholder for administration of Commission activities including ADA and Senior projects, Regional Transit Technologies, Grant Administration, Transit Information Center, TDA Administration, Transportation Programming and Reporting as well as supporting the Commission's office administration and management. This is \$731,940 less than the previous fiscal year.
- \$14,500 Article 3 funds for the County Auditor-Controller's administrative costs.
- \$665,610 Article 3 funds for Bicycle and Pedestrian projects which is \$25,231 less than the previous fiscal year.
- \$28,167,414 for apportionment to local jurisdictions as allowed by TDA. This is a decrease of approximately \$0.5 million for all agencies. The Commission apportions these funds based on the California Department of Finance population estimates. The Department of Finance issues the updated population estimates for the cities and counties in May of each year. The Fiscal Year 2021/2022 draft apportionment is based on the May 2020 population estimate of 842,886. The final LTF apportionment will be adjusted for the new population estimate published in May 2021.

Staff's recommendation is to approve the Revised Local Transportation Fund Apportionment for Fiscal Year 2020/2021, apportioning a total of \$35.73 million as shown in Attachment A and approve the Local Transportation Fund Draft Apportionment for Fiscal Year 2021/2022, apportioning \$35.25 million as shown in Attachment B.

Attachment A

**VENTURA COUNTY TRANSPORTATION COMMISSION
TDA REVISED LOCAL TRANSPORTATION FUND APPORTIONMENT FOR FISCAL YEAR 2020/2021**

				Change of Rev FY 2020/2021 versus Final FY 2020/2021	Change of Rev FY 2020/2021 versus Rev FY 2019/2020
		FEB-21 REVISION FY 2020/2021	JUN-20 FINAL FY 2020/2021	JUN-20 REVISION FY 2019/2020	
Estimated Unapportioned Cash Balance		3,000,000	0	5,000,000	-2,000,000
Contingency Reserve		-2,870,000	-2,190,000	0	-2,870,000
Estimated Annual LTF Receipts		35,600,000	29,800,000	33,200,000	2,400,000
Total Funds Available		35,730,000	27,610,000	38,200,000	-2,470,000
Auditor's Administration		14,500	14,500	14,500	0
VCTC Administration		1,981,940	1,981,940	1,172,980	-808,960
VCTC Administration One-Time		1,000,000	0	0	-1,000,000
VCTC Planning and Programming		714,600	552,200	764,000	49,400
Subtotal		32,018,960	25,061,360	36,248,520	-4,229,560
Article 3 Pedestrian and Bicycle Facilities		640,379	501,227	724,970	84,591
Subtotal		31,378,581	24,560,133	35,523,550	-4,144,969
Article 3 Rail Passenger Service Operations/Capital		2,647,463	2,647,463	3,780,796	1,133,333
Total to be Apportioned		28,731,118	21,912,670	31,742,754	-3,011,636

				Change of Rev FY 2020/2021 versus Final FY 2020/2021	Change of Rev FY 2020/2021 versus Rev FY 2019/2020
		FEB-21 REVISION FY 2020/2021	JUN-20 FINAL FY 2020/2021	JUN-20 REVISION FY 2019/2020	
Article 4 and Article 8 by Agency	Population Pop %				
Camarillo	70,261 8.34%	2,394,959	1,826,589	2,589,527	-194,568
Fillmore	15,566 1.85%	530,592	404,672	590,129	-59,537
Moorpark	36,278 4.30%	1,236,594	943,126	1,371,842	-135,248
Santa Paula	30,389 3.61%	1,035,858	790,029	1,140,570	-104,712
Simi Valley	125,115 14.84%	4,264,745	3,252,640	4,041,738	223,007
Thousand Oaks	126,484 15.01%	4,311,409	3,288,229	4,800,964	-489,555
Gold Coast Transit District:				691,004	-691,004
Ojai	7,557 0.90%	257,592	196,461	287,894	-30,302
Oxnard	206,352 24.48%	7,033,838	5,364,571	7,777,438	-743,600
Port Hueneme	23,607 2.80%	804,682	613,716	871,797	-67,115
San Buenaventura	106,276 12.61%	3,622,588	2,762,878	4,008,431	-385,843
Ventura County - Unincorporated	95,001 11.27%	3,238,261	2,469,759	3,571,420	-333,159
Total	842,886 100.00%	28,731,118	21,912,670	31,742,754	-3,011,636

ATTACHMENT B
VENTURA COUNTY TRANSPORTATION COMMISSION
TDA DRAFT LOCAL TRANSPORTATION FUND APPORTIONMENT FOR FISCAL YEAR 2021/2022

			DRAFT	FEB-21 REVISION	Change vs. FY	JUN-20 REVISION
			FY 2021/2022	of FY 2020/2021	2020/2021	of FY 2019/2020
Estimated Unapportioned Cash Balance			2,870,000	3,000,000	-130,000	5,000,000
Contingency Reserve			-2,820,000	-2,870,000	50,000	0
Estimated Annual LTF Receipts			35,200,000	35,600,000	-400,000	33,200,000
Total Funds Available			35,250,000	35,730,000	-480,000	38,200,000
Auditor's Administration			14,500	14,500	0	14,500
VCTC Administration			1,250,000	1,981,940	-731,940	1,172,980
VCTC Administration one-time			0	1,000,000	-1,000,000	0
VCTC Planning and Programming			705,000	714,600	-9,600	764,000
Subtotal			33,280,500	32,018,960	1,261,540	36,248,520
Article 3 Pedestrian and Bicycle Facilities			665,610	640,379	-25,231	724,970
Subtotal			32,614,890	31,378,581	1,236,309	35,523,550
Article 3 Rail Passenger Service Operations/Capital			4,447,476	2,647,463	1,800,013	3,780,796
Total to be Apportioned			28,167,414	28,731,118	-563,704	31,742,754

			DRAFT	FEB-21 REVISION	Change vs. FY	JUN-20 REVISION
			FY 2021/2022	of FY 2020/2021	2020/2021	of FY 2019/2020
Article 4 and Article 8 by Agency	Population	Pop %				
Camarillo	70,261	8.34%	2,347,970	2,394,959	-46,989	2,589,527
Fillmore	15,566	1.85%	520,182	530,592	-10,410	590,129
Moorpark	36,278	4.30%	1,212,332	1,236,594	-24,262	1,371,842
Santa Paula	30,389	3.61%	1,015,534	1,035,858	-20,324	1,140,570
Simi Valley	125,115	14.84%	4,181,071	4,264,745	-83,674	4,041,738
Thousand Oaks	126,484	15.01%	4,226,820	4,311,409	-84,589	4,800,964
Gold Coast Transit District:						691,004
Ojai	7,557	0.90%	252,538	257,592	-5,054	287,894
Oxnard	206,352	24.48%	6,895,834	7,033,838	-138,004	7,777,438
Port Hueneme	23,607	2.80%	788,895	804,682	-15,787	871,797
San Buenaventura	106,276	12.61%	3,551,512	3,622,588	-71,076	4,008,431
Ventura County - Unincorporated	95,001	11.27%	3,174,726	3,238,261	-63,535	3,571,420
Total	842,886	100.00%	28,167,414	28,731,118	-563,704	31,742,754

ATTACHMENT 1

JEFFERY S. BURGH
AUDITOR-CONTROLLER

COUNTY OF VENTURA
800 SOUTH VICTORIA AVE.
VENTURA, CA 93009-1540



ASSISTANT
AUDITOR-CONTROLLER
JOANNE McDONALD

CHIEF DEPUTIES
BARBARA BEATTY
AMY HERRON
JILL WARD
MICHELLE YAMAGUCHI

January 12, 2021

Mr. Darren Kettle, Executive Director
Ventura County Transportation Commission
950 County Square Drive, Suite 207
Ventura, CA 93003

**SUBJECT: LOCAL TRANSPORTATION FUND FY 2021-22 ESTIMATES AND FY 2020-21
REVISED ESTIMATES**

Dear Mr. Kettle:

The Auditor-Controller's conservative estimate of the Local Transportation Fund (LTF) revenues for fiscal year 2021-22 is \$35.2 million, which includes a decline of 0.98 percent compared to current year projections. If the last half of fiscal year 2020-21 declines less rapidly than the projected 3.00 percent, the fiscal year 2021-22 estimate could be \$35.6 million.

For fiscal year 2020-21 our original projection of \$38.5 million, provided in January 2020, was later revised in April 2020 to \$29.8 million based on the information at the time for the projected economic impact of the COVID-19 pandemic. This estimate is currently revised to \$35.6 million. In addition, based on the allocation schedule provided by your office, we estimate that approximately \$63,531 in interest will be earned by the fund during fiscal year 2020-21 and be available for allocation in the subsequent fiscal year.

Based on revised fiscal 2020-21 revenue estimates of \$35.6 million, and interest of \$63,531, we project a LTF fund balance at June 30, 2021 of approximately \$11,079,762 (see Attachment I).

The Auditor-Controller's estimated LTF administrative costs for fiscal year 2021-22 are \$14,500.

As you are aware, projections even in normal times are uncertain given the unpredictable nature of sales tax. However, projections in the last year have been even more difficult because of the COVID-19 pandemic. When revised fiscal year 2020-21 projections were provided in April 2020, one month into the pandemic, it was expected that sales tax revenue would decline dramatically.

However, as time passed the reality is that sales tax revenue has slightly increased. Analysts believe the primary reasons are that 1) there is an unequal spread of the wage losses between the lower-wage and higher-wage segments of the population and the higher-wage earners continue to

January 12, 2021
LTF Fiscal Year 2021-22 Estimate
Page 2

have disposable income to make taxable purchases, 2) federal and state economic stimulus, including additional unemployment payments, helped buoy continued spending in 2020 despite high unemployment and 3) the impact of the *Wayfair* decision which has allowed California to capture taxes on online sales which also dramatically increased during the pandemic.

As always, it would be prudent to budget a contingency account to be allocated midyear if projections remain strong.

We will continue to monitor growth trends and will notify you in the event of a significant change in projected revenues.

If you have any questions, please contact Jill Ward at (805) 654-3153.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Burgh', with a large, sweeping loop at the end.

JEFFERY S. BURGH
Auditor-Controller

Enclosure

ATTACHMENT 1

COUNTY OF VENTURA
AUDITOR-CONTROLLER
LOCAL TRANSPORTATION FUND
PROJECTED ACTIVITY AND FUND BALANCE
AS OF JUNE 30, 2021

Audited Fund Balance as of June 30, 2020	\$	3,034,114	
Reversal of FY20 Fair Value adjustment		<u>(28,178)</u>	
Subtotal:			3,005,936
ADD:			
FY 20-21 Actual LTF Receipts as of December 31, 2020	\$	19,299,962	
Projected LTF receipts for remainder of FY 20-21		<u>16,320,333</u>	
Subtotal: (A)			35,620,295
FY 20-21 interest earnings apportioned as of December 31, 2020	\$	14,961	
Projected interest earnings for the remainder of FY 20-21		<u>48,570</u>	
Total Interest (B)			<u>63,531</u>
Funding Available	\$		<u>38,689,762</u>
LESS:			
FY 20-21 allocations as of December 31, 2020	\$	9,156,260	
Projected allocations for the remainder of FY 20-21(C)		<u>18,453,740</u>	
Subtotal:			<u>27,610,000</u>
Projected Fund Balance as of June 30, 2021	\$		<u><u>11,079,762</u></u>

(A) FY 20-21 projected LTF receipts are based on FY20-21 actual receipts through December 31, 2020.

(B) Based on actual first quarter earnings and projected second, third, and fourth quarter earnings.

(C) Based on VCTC FY 20-21 Transportation Development Act (TDA) allocations adopted on June 5, 2020.