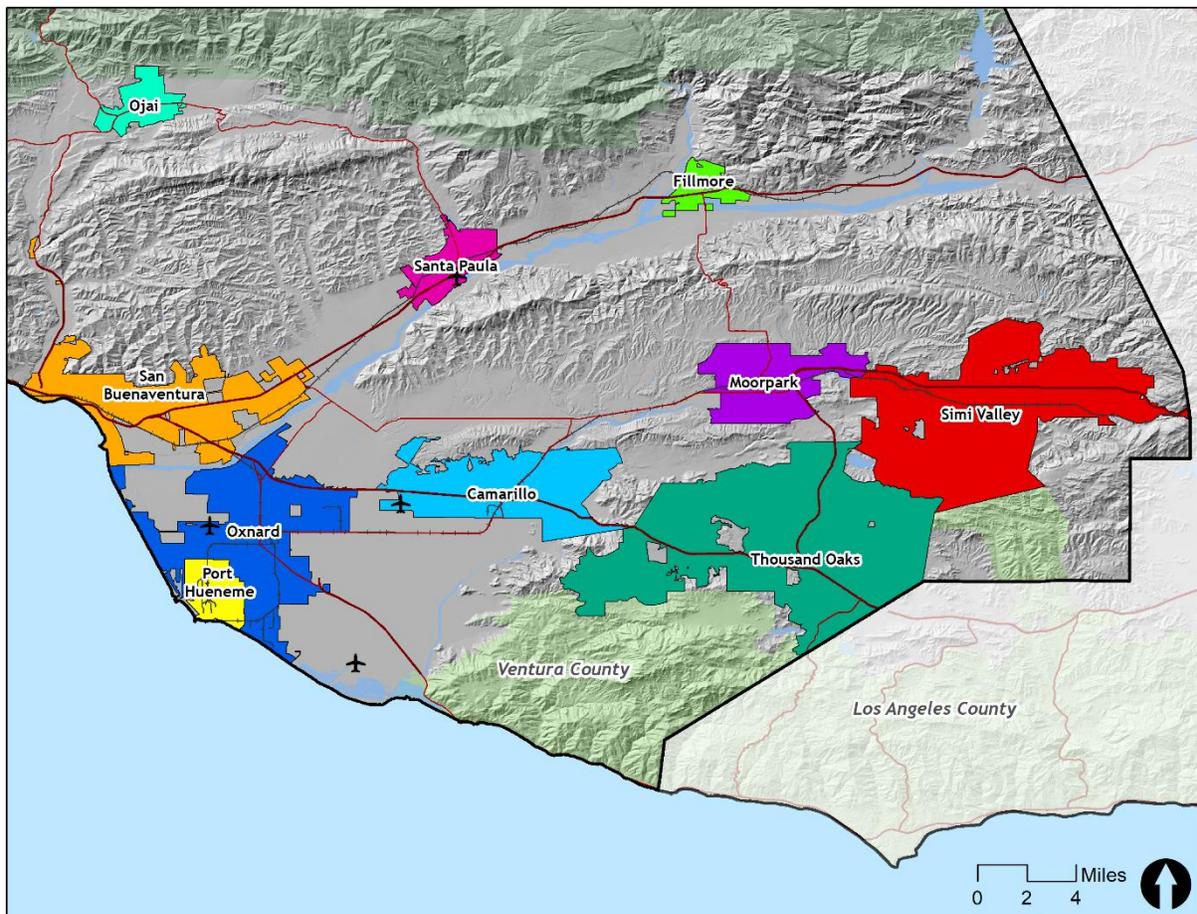




# Ventura County Transportation Commission

## Transportation Development Act Claims Manual



# VCTC Transportation Development Act Claims Manual

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## OVERVIEW OF THE TRANSPORTATION DEVELOPMENT ACT

### INTRODUCTION

The Transportation Development Act (TDA) Claims Manual (Manual) is intended to provide information and guidance to cities, the County, transit operators, and other claimants for submitting claims to request TDA funding from the Ventura County Transportation Commission (VCTC). The Manual also provides information regarding the responsibilities of VCTC to administer the TDA in Ventura County. These guidelines are not intended to replace the state statutes or regulations pertaining to the TDA. They are intended to clarify how the TDA is implemented in Ventura County and to assist eligible agencies in completing and submitting their claims.

Questions regarding the information in this manual should be addressed to VCTC. Copies of the TDA statutes and California Code of Regulations (CCR) are available on the California Department of Transportation (Caltrans), Division of Mass Transportation website at [http://www.dot.ca.gov/dmmt/docs/tda/TDA\\_07-2018.pdf](http://www.dot.ca.gov/dmmt/docs/tda/TDA_07-2018.pdf).

Please contact VCTC finance staff if assistance is needed in locating the TDA statutes and CCR's or if there are questions concerning this manual at 805-642-1591.

### SUMMARY OF THE TRANSPORTATION DEVELOPMENT ACT

The California Transportation Development Act (TDA), also known as the Mills-Alquist-Deddeh Act (Senate Bill 325), is a funding source for the development and support of public transportation needs that exist in California. The California Department of Transportation (Caltrans) is responsible for oversight of the TDA program on a statewide basis. Transportation Planning Agencies (TPA) authorized under Public Utilities Code (PUC) § 99401 are responsible for implementing, administering the distribution of funds to local TDA recipients (claimants) and on-going monitoring of the use of those funds to ensure conformity with all state and local requirements. The TDA funds are comprised of two separate revenues: Local Transportation Fund (LTF) and State Transit Assistance (STA). LTF funds a wide variety of transportation programs, including planning and program activities, pedestrian and bicycle facilities, community transit services, public transportation, and bus and rail projects; however, STA funds can only be used for transportation planning and mass transportation purposes.

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The Transportation Development Act was signed into law on November 4, 1971 and became effective July 1, 1972. The TDA has been amended over time by multiple legislative acts. The full text of the Transportation Development Act as amended and other information related to TDA is available on the State Department of Transportation website at [http://www.dot.ca.gov/drmt/docs/tda/TDA\\_07-2018.pdf](http://www.dot.ca.gov/drmt/docs/tda/TDA_07-2018.pdf).

## **Local Transportation Fund (LTF) Overview**

Local Transportation Fund (LTF) revenues are derived from one-quarter cent of the general statewide sales tax and are returned to the County of Origin. LTF revenues received from year-to-year and deposited in the LTF fund vary from year to year depending on the sales taxes collected each year. The State Board of Equalization disburses the LTF revenues on a monthly basis (in-arrears) and the funds are held for the TPA in trust by the County. LTF revenues are deposited with the County Auditor-Controller per state law, which holds the funds until receiving written instructions from VCTC to disburse payment to an eligible entity. Local jurisdictions then follow a claims process and funds are distributed after the funds are received by the TPA.

Current eligible uses of LTF 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% of revenues 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 (Per Senate Bill (SB) 848 June 2018, Thousand Oaks is exempt from the 100,000 population rule and is eligible to spend funds on Article 8 or 4). 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 the State's Department of Finance population figures and allocated throughout the fiscal year as sales tax revenues are received.

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## **State Transit Assistance (STA) Fund Overview**

Created under Chapter 161 of the statutes of 1979, (SB 620) amended by Chapter 322 of the statutes of 1982 (AB 2551), and Chapter 105 of the Statutes of 1989 (SB 300) the TDA to create the State Transit Assistance (STA) fund. The STA provides a second source of TDA funding for transportation planning and mass transportation purposes.

State Transit Assistance revenues (sometimes referred as Article 6.5 funds) come from the California State Public Transportation Account and are derived from the State portion of the sales tax on diesel fuel. The legislature appropriates the STA funds to the State Controller who allocates 50% of these funds based on the County's population (PUC § 99313 allocation) and 50% of these funds based on passenger fare and local support revenue miles (PUC § 99314 allocation). PUC § 99314 funds are distributed to each public transit operator through regional agencies such as VCTC. In Ventura County, the majority of STA funds received fall into the PUC § 99313 (area apportionment) category and are disbursed to VCTC. This is because there are proportionately more people and less transit revenues collected than more urban counties with larger transit systems. STA revenues are deposited with the County Auditor-Controller per state law, which holds the funds until receiving written instructions from VCTC to disburse payment to an eligible entity.

## **State of Good Repair (SGR)**

In 2017, the Governor signed SB 1 effective April 28, 2017, to provide on-going transportation revenues. The provisions of SB 1 included the establishment of a new State of Good Repair program which apportions funds per year by formula directly to California's transit operators and transportation agencies. Funds can be used for eligible transit maintenance, rehabilitation and capital projects. Prior Caltrans approval of eligibility is required.

The State of Good Repair funding is allocated similar to PUC § 99314 funding. The State disburses the SGR revenues on a quarterly basis (in-arrears) and the funds are held for the TPA in trust by the County. Local jurisdictions then follow a claims process and funds are distributed after the funds are received by the TPA. SGR revenues are deposited with the County Auditor-Controller per State law, which holds the funds until receiving written instructions from VCTC to disburse payment to an eligible entity.

Additional information and Caltrans forms can be found on the Caltrans website at <http://www.dot.ca.gov/drrmt/spstasgr.html>.

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## RESPONSIBILITIES

The Ventura County Transportation Commission acting as the TPA is responsible for the overall administration of the TDA Program. VCTC administers these funds in accordance with the State's Transportation Development Act Statutes and Administrative Code, supplemented by VCTC's own rules and policies.

VCTC's responsibilities are to:

- Calculate and publish annual LTF apportionments;
- Prepare and publish guidelines as the TPA;
- Conduct hearings and adopt findings on unmet public transit needs;
- Establish rules and regulations for filing claims;
- Adopt criteria for analyzing and evaluating claims per TDA regulations;
- Review and evaluate claims;
- Approve allocations and issue allocation instructions;
- Ensure fiscal and compliance audits are conducted, reviewed and analyzed.

Claimants, as defined by TDA regulations, responsibilities are to:

- Prepare and submit accurate and timely claims;
- Maintain accurate accounting and reporting systems;
- Comply with TDA regulations;
- Ensure fiscal and compliance audits are completed and filed timely and accurately.

The County Auditor Controller's responsibilities are to:

- Receive TDA funds from the State and invest funds held in trust;
- Maintain accurate accounting and reporting systems for funds held in trust;
- Issue payments from trust funds based on approved apportionments and allocations;
- Prepare annual LTF estimates;
- Issue quarterly LTF reports and submit annual LTF audit to the State.

The State Controller's responsibilities are to:

- Provide STA and SGR estimates to TPA's;
- Disburse TDA funds to the County.

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## IMPORTANT DATES

The TDA administration is an ongoing process that begins with the preparation and adoption of LTF and STA apportionments (official revenue estimates) in January or February before the start of each fiscal year. Unmet transit needs findings are then approved and TDA claims are received and reviewed. Revenues receipts and payments to claimants continue throughout the year. Below in *Table 1 – Important Dates*, is a list of dates as set by TDA statute (with referenced statutes and regulations) and VCTC as the Transportation Planning Agency.

**Table 1 – Important Dates**

Date by	Activity	Reference
January 31	Preliminary STA estimates published by State Controller	PUC § 99312.7
<b>January 31</b>	<b>Transit State Controller Reports due to State from Local Agencies</b>	PUC § 99243 & CCR § 6637
January - June	Unmet needs public hearing(s) held to receive input on the existence of unmet needs.	
February 1	LTF estimates furnished to TPA by County Auditor-Controller	CCR § 6620
March 1	LTF claimants advised of anticipated “draft” apportionments by RTPA	PUC § 99230 & CCR § 6644
May	Unmet needs review and findings/actions adopted by the Commission	
June	LTF apportionments approved by Commission	CCR § 6659
June 30	LTF Article 3 Bicycle and Pedestrian Class 1 Bicycle Maintenance allocations. Project funding allocated with CMAQ funds as applicable.	
August 1	Final STA estimate published by State Controller	
<b>July 1 – September 30</b>	<b>LTF and STA local jurisdictions claim packets due to VCTC per policy.</b>	
<b>September 30</b>	<b>Streets and Roads State Controller Reports due to State from Local Agencies</b>	CCR § 6660, 6665 & PUC § 99243
September - October	Unmet Needs Schedule reviewed and approved by CTAC/SSTAC	
<b>December 30</b>	<b>Annual TDA fiscal and compliance audits due to the State Controller</b>	CCR § 6664
Triennially	Performance audits performed and submitted to the State	PUC § 99246 - 99249

## LOCAL TRANSPORTATION FUND (LTF)

### FUNDING PROCESS

VCTC receives LTF tax receipt revenues from the State monthly in arrears. The exact amount to be received is unknown until the State disburses the funds. After receipt of LTF revenues, VCTC, as the County Transportation Commission (CTC) and Transportation Planning Agency (TPA), is responsible for distributing LTF funds to the eligible jurisdictions and local agencies within the County. Disbursement of LTF revenues requires a three-step process: apportionment by VCTC, allocation by VCTC staff to eligible claimants and disbursement by the County.

#### **State Controller's Allocation of LTF Funds**

As mentioned previously, Local Transportation Fund revenues are derived from one-quarter cent of the general statewide sales tax and are returned to the County of Origin. These funds are received monthly in arrears from the State and held in trust by the County of Ventura. The amount of LTF funds received by VCTC varies each year depending on the sales tax collected on taxable sales.

#### **VCTC Apportionment and Allocation**

In January, VCTC receives from the County Auditor Controller's office an estimate of the upcoming fiscal year's LTF revenues. The County uses current economic forecasts and past experience to estimate the LTF revenues for the upcoming year. By March 1<sup>st</sup>, VCTC prepares a draft apportionment for Commission review which also serves to notify LTF claimants of the anticipated area apportionments within the County. In June, the final apportionment and allocation is approved by the Commission for distribution of funds by Article and as appropriate by jurisdiction.

The LTF is apportioned in a specific priority order as outlined in PUC § 99233. Claims for administration, planning and programming, pedestrian and bicycle projects, passenger rail projects, and consolidated transportation service agency activities are funded in priority order before Article 4 and Article 8 claims. Article 4 claims are funded before Article 8 claims. Both Article 4 and 8 claims are apportioned based on population estimates provided by the Department of Finance in May. The amount apportioned to a district, such as Gold Coast Transit District, is based upon the population of the area it serves.

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In recognition of the volatility of sales tax revenue that fluctuates due to economic conditions and local spending patterns, in 2011, the Commission adopted a policy to maintain a reserve of roughly 10% of funds to be apportioned for Articles 4 and 8. 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.

Once funds have been apportioned to a jurisdiction, the money can only be allocated to that jurisdiction. Allocation is the step where the jurisdiction decides what they want to do with their apportionment. The jurisdiction then “claims” the funds. The jurisdiction is responsible to ensure that TDA funds are used for eligible expenses as claimed. If funds are passed-through to other entities, the funds remain TDA in nature and the pass-through entity must meet the TDA requirements.

## **Claim Submittal**

Before submitting a claim form, the claimant must decide what eligible uses they want to utilize their apportionment for in the coming year. The claimant then needs to submit a claim form to VCTC requesting funding amounts by Article or type for various purposes. 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 money for different purposes. To assist the TPA with these requirements, the claimant must submit the following forms completely and accurately:

- Signed resolution and accompanying agenda item
- Claim Form
- Financial Reporting Form
- Assurances Form
- Capital Projects and Reserve Form

Each jurisdiction files a claim with VCTC for its funds (CCR § 6630). VCTC reviews the claim(s). If needed, VCTC may contact the claimant for clarification and/or additional information. Upon administrative approval of the claim, VCTC will prepare an allocation letter to submit to the County for disbursement.

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## **Disbursement**

Based on the amounts apportioned and claimed and after the claim packet has been reviewed, VCTC provides instructions to the County Auditor to remit payment. Disbursement instructions from VCTC to the County are based on the Commission's approval and receipt of funding.

LTF funds are disbursed proportionately each month based on the number of months remaining in the fiscal year. Separate instructions are submitted for each jurisdiction and purpose or type of funding (CCR § 6659). If LTF revenues are less than what was apportioned but within the coverage of the reserve, distributions will continue. If the LTF revenues are less than what apportioned but estimated to be more than covered by the reserve, VCTC will revise the apportionment. If the revenues are more than what was apportioned, VCTC has the option to revise the apportionment or apportion the additional funds in the following year. VCTC may also revise apportionments if claimant's financial needs change or if claimant is found to be spending the funds other than in accordance with the terms of the allocation instructions.

## **Allocation Performance Period**

Allocations for operating assistance are valid for the period specified in each allocation instruction. Allocations made for capital purposes may be reserved in the County LTF for a period of three years (CCR § 6648). The first year is counted as the year in which the funds are first allocated, regardless of the month in which the funds are allocated. Eligible costs must be incurred during the three-year reserve period. Funds not authorized for payment within three years of the allocation date will cease to be allocated or reserved. The TPA will give a 30-day notice before the end of the three-year period. Funds may be reserved for the same projects(s) if justified by the claimant and approved by VCTC (CCR § 6655.1). At any time within the three years, with the claimant's consent, the TPA can rescind or reallocate the moneys reserved in the fund.

## **Eligible Uses**

The intent of TDA is to fund public transportation and all jurisdictions must follow TDA's efficiency and performance requirements. Whether a jurisdiction can claim article 4 or 8 was further defined with the enactment of SB 716 and SB 203. Some of the changes apply to all TDA funds and some changes specifically apply to Ventura County.

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## LTF ARTICLES

The TDA statute divides LTF funding into “articles” and defines the eligible uses and requirements by article. Funds are then apportioned and claimed by article in priority funding set by TDA statute (see *Table 2 – Allocation Priorities by Article*). TDA Article 3 administration has the highest priority of LTF. VCTC and the County Auditor-Controller are eligible to receive administrative funds as approved by the statutes. VCTC is also allowed to receive up to two percent (2%) for Article 3 planning funds. The remaining Article 3 funds are the pedestrian and bicycle facilities and rail passenger service operations and capital improvements followed by Article 4.5, community transit services. Then the remaining funds are apportioned to Article 4, public transportation and Article 8, other allocation. All uses of Article 4 funds have equal priority and have priority over Article 8 funds. For Article 8 funds, the uses have equal priority as long as there are “no unmet transit needs” which must be funded first.

**Table 2 – Allocation Priorities by Article**

Priority	Priority by Article	Purpose	Amount Available	PUC Section
1	<b>Article 3</b>	TDA Administration	As necessary	99233.1
2	<b>Article 3</b>	VCTC Planning & Programming	Up to 2% of the annual revenues	99233.2
3	<b>Article 3</b>	Pedestrian & Bicycle facilities	Countywide, 2% of remaining funds	99233.3 & 99234
4	<b>Article 3</b>	Rail passenger service operations and capital improvements	Up to remaining apportionment	99233.4 & 99234.9
5	<b>Article 4.5</b>	Community Transit Services	Countywide, 5% of remaining funds	99233.7
6	<b>Article 4</b>	Public Transportation/ Rail Passenger Service	Up to remaining apportionment	99233.8, 99234.9, 99260, & 99262
7	<b>Article 8</b>	Other Allocation	Up to remaining apportionment	99233.9, 99400, 99402, & 99407

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Per SB 716 and SB 203, jurisdictions with populations under 100,000 and not in the Gold Coast Transit District can claim their local transportation funds for public transit purposes (Article 4, Public Transportation, 4.5, Community Transit Service and Article 8(c), Public Transportation) and, if all unmet transit needs are met, Streets and Roads (Article 8(a)) as per the TDA regulations. Currently these jurisdictions include the cities of Camarillo, Fillmore, Moorpark, and Santa Paula.

For jurisdictions with populations over 100,000 and not in the Gold Coast Transit District (currently Simi Valley), local transportation funds are to be allocated for public transit purposes and not for street and road purposes (SB 716 and SB 203). Therefore, these cities can claim their local transportation funds for Article 4, Public Transportation, and 4.5, Community Transit Service. Effective July 1, 2018, SB 848 exempts Thousand Oaks from the above requirement and allows Thousand Oaks to also claim LTF funds for Streets and Roads purposes.

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## Examples of Eligible Uses by Article

Below in Tables 3-6 are common examples of use of LTF funds by Article. These funds are not all inclusive or detailed, but general examples. The TDA regulations and subsequent legislation as well as VCTC policy, if applicable, should be consulted for criteria of eligible uses. It is up to the claimant to determine the eligible use and support the expenditures accordingly.

**Table 3 – Article 3, Pedestrian and Bicycle Facilities, common examples**

Current Eligible Claimants	Purpose
<ul style="list-style-type: none"> <li>• Camarillo</li> <li>• Fillmore</li> <li>• Moorpark</li> <li>• Ojai</li> <li>• Oxnard</li> <li>• Port Hueneme</li> <li>• San Buenaventura</li> <li>• Santa Paula</li> <li>• Simi Valley</li> <li>• Thousand Oaks</li> <li>• County of Ventura</li> </ul>	<p>VCTC apportions 2% of LTF funds to Article 3, Pedestrians and Bicycle Facilities to the County and cities for facilities provided for the exclusive use of pedestrians and bicycles. In 2016, the Commission adopted a policy to set aside 25% of the region’s annual allocation for maintenance of Class I Bicycle Path facilities. These funds are distributed proportionately based on the number of Class I pathway miles within each jurisdiction. A claim is not needed for bicycle maintenance funds as they are disbursed automatically. The remainder (75%) of the funding is allocated on a competitive basis for projects that foster an increase in bicycling and walking to provide improved connectivity. The call for projects is intended to encourage more innovative projects or projects that might involve more than one jurisdiction. Project funds must be claimed. TDA eligibility requirements must be maintained and are the responsibility of the claimant/local agency. Some general examples include:</p>
<p><b>PUC Section</b></p>	
<p>99233.3 99234.9</p>	<ul style="list-style-type: none"> <li>• Bicycle parking</li> <li>• Bicycle and pedestrian facilities plans</li> <li>• Pedestrian and Bicycle facility improvements</li> <li>• Pedestrian and Bicycle path or lane construction</li> <li>• Pedestrian and Bicycle safety education programs</li> <li>• Sidewalk construction</li> <li>• Trail maintenance and signage</li> </ul>

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**Table 4 – Article 4.5, Community Transit Services, common examples**

Current Eligible Claimants	Purpose
<ul style="list-style-type: none"> <li>VCTC</li> </ul>	<p>VCTC may apportion up to 5% of remaining LTF funds to Article 4.5, Community Transit Services unless VCTC finds that the allocation of such funds could be used to better advantage for the purposes of supporting public transportation systems in development of a balanced transportation system. TDA eligibility requirements must be maintained and are the responsibility of the claimant. VCTC does not provide guidelines on specific projects that might be eligible; however, some general examples include:</p> <ul style="list-style-type: none"> <li>Senior nutrition program</li> <li>Services for those who cannot use conventional transit services (PUC § 99275)</li> </ul>
<p><b>PUC Section</b></p>	
<p>99233.7</p>	

**Table 5 – Article 4, Public Transportation, common examples**

Current Eligible Claimants	Purpose
<ul style="list-style-type: none"> <li>Simi Valley</li> <li>Thousand Oaks</li> <li>Gold Coast Transit District</li> </ul>	<p>VCTC may apportion up to the remaining apportionment to <i>transit operators</i> for the support of public transportation systems, to aid public transportation research and demonstration projects and for the construction of grade separation projects. TDA eligibility requirements must be maintained (including but not limited to farebox requirements) and are the responsibility of the claimant. VCTC does not provide guidelines on specific projects that might be eligible; however, some general examples include:</p> <ul style="list-style-type: none"> <li>Acquisition of real property</li> <li>Construction of facilities and buildings</li> <li>Maintenance and repair</li> <li>Planning process</li> <li>Purchase and replacement of vehicles</li> <li>System operations</li> </ul>
<p><b>PUC Section</b></p>	
<p>99233.8 99260(a) 99260(b) 99260.2(a) 99260.6 99260.7</p>	

**Table 6 – Article 8, Other Allocations**

Current Eligible Claimants	Purpose
<ul style="list-style-type: none"> <li>• Camarillo</li> <li>• Fillmore</li> <li>• Moorpark</li> <li>• Santa Paula</li> <li>• Thousand Oaks</li> </ul>	<p>VCTC may apportion up to the remaining apportionment to other allocations after Article 4 needs have been fulfilled. TDA eligibility requirements must be maintained (including, but not limited to, farebox and unmet needs requirements) and are the responsibility of the claimant. VCTC does not provide guidelines on specific projects that might be eligible; however, some general examples include:</p> <p><b>Article 8(a):</b> Street and roads projects which are provided for use by pedestrians and bicycles that are “necessary and convenient to the development, construction, and maintenance of the city’s or county’s streets or highway network, including planning, acquisition of real property and construction of facilities and buildings” (PUC § 99402) as long as all unmet needs that are reasonable to meet have been met (PUC § 99401).</p>
<p><b>PUC Section</b></p> <ul style="list-style-type: none"> <li>99400(a)</li> <li>99400(b)</li> <li>99400(c)</li> <li>99400(d)</li> <li>99400(e)</li> <li>99400.5</li> <li>99402</li> <li>99407</li> </ul>	<ul style="list-style-type: none"> <li>• Gutters</li> <li>• Overlay and slurry</li> <li>• Repairs and maintenance</li> <li>• Restriping</li> <li>• Sidewalks</li> </ul> <p><b>Article 8(b):</b> Passenger rail service operations and capital improvements</p> <p><b>Article 8(c):</b> Payments for contracted public transportation or transportation services for those groups needing special transportation assistance.</p> <p><b>Article 8(d):</b> Administrative and planning costs related to transportation services under Article 8(c)</p> <p><b>Article 8(e):</b> Capital expenditures to acquire vehicles and related equipment, bus shelters, bus benches, and communication equipment for transportation.</p>

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A Transit Operator establishes the service provided by setting the route structure, schedules and fares to control the quality and basic operation of the system (PUC § 99210). An operator may lease or own the transit vehicles and/or employ or contract drivers. A “Municipal operator” means a city or county, including any nonprofit corporation, which operates a public transportation system (PUC § 99209).

Per PUC § 99400(c), a municipality can only contract to provide public transportation services; therefore, a city or county that uses its own employees to provide the transportation service cannot file under Article 8(c). Furthermore, an Article 8(c) transit claimant must ensure that its Article 8(c) funds do not represent more than 50% of the amount required to meet the claimant’s total proposed expenditure (PUC § 99405(a)) and maintain the fare and local support recovery ratio requirements (PUC § 99268.5 and CCR § 6633.2).

## LTF REQUIREMENTS

Before, during and after a claim is filed, the claimant must comply with various requirements. This section will provide information about some of the more common and complex requirements.

### Annual Fiscal Audits

As required by TDA and to help ensure funding is being spent and reported properly, all claimants must obtain an annual fiscal audit that is prepared by an independent auditor. A report on the audit (which must contain a certification that LTF funds were expended in conformance with applicable laws, rules and regulations) must be submitted to VCTC and the State Controller within 180 days after the end of the fiscal year.

The audit by an independent auditor should include many things including, but not limited to:

- Verify claimant was eligible to receive the funds allocated to it based on eligibility requirements of the Article under which the funding was received, and the definitions supplied in the TDA regulations.
- Verify claimant is maintaining its accounts in compliance with the uniform system of accounts and records adopted by the State Controller.
- Verify claimant spent its TDA funds in conformance with the purposes specified by the section of the TDA under which it received it and in conformance with applicable rules, regulations and procedures of VCTC.
- Verify that claimant accrued interest and spent interest earned on its TDA funds only for those purposes which the funds were allocated.

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- Verify (for transit claims) claimant's operating costs for the fiscal year, the amount of fare revenues or fare and local support revenues, and if the required farebox recovery ratio was met.
- Verify (for transit claims) the amount of claimant's fare and local support revenues for the fiscal year.
- Verify (for transit claims) the maximum amount the claimant was eligible to receive during the fiscal year per (CCR § 6634 and 6649).
- Verify (for Article 4 claims) the amount of the operator's expenditure limitation in accordance with the 50% expenditure limitation.
- Verify (Article 4 claim) claimant has obtained CHP certification of compliance (PUC § 99251).
- Verify (for STA) claimant's eligibility and efficiency standards are met (PUC § 99314.6).
- Verify (for community transit services) claimant is in compliance (PUC § 99155).
- Verify the claimant's employee retirement system or private pension plan is in conformance with the provisions of PUC § 99271, 99272 and 99273, as applicable.
- Certification of compliance with the Act by the auditor (CCR § 6666 or 6667\*).

Currently, VCTC retains a Certified Public Accountant to conduct all fiscal audits with the exception of GCTD and the City of Moorpark which contract for their own fiscal audits. VCTC will file the audits on behalf of the agencies it has audits performed for. Any agency whose audit is not performed by VCTC's selected CPA firm, will be required to file the audit with the State Controller before the deadline. A copy of the audit and proof of filing shall be submitted to VCTC in a timely manner.

If a claimant fails to submit the audit to VCTC and the State, the claimant's requested TDA allocations cannot be distributed. VCTC will hold disbursements until the fiscal audits are completed and submitted to VCTC and the State.

\* CCR § 6667 is currently not consistent with current PUC and will be updated in a future version.

# VCTC Transportation Development Act Claims Manual

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## Annual Fiscal Audits Extensions

A report on the audit must be submitted to VCTC and the State Controller within 180 days after the end of the fiscal year. If the claimant will not be able to meet this deadline, upon written request and with justification, VCTC may extend the deadline up to a maximum of 90 days.

To request approval for an extension, the local agency should submit a letter on agency letterhead addressed to the Executive Director of VCTC (with a “cc” to the Finance Director) that includes the following information:

- Request for a time extension for the completion of the TDA audit:
  - Specify which article(s)
  - Indicate the number of extension days requested and to what date (e.g. 60 days to February 28, 2018)
- Indicate the reason for the delay and why an extension is needed

After the audits are completed, a follow-up letter from VCTC may be sent with questions about the information contained within the audit. It is the responsibility of the local agency to respond to the follow-up request.

## Annual State Controller Reports

- **Article 3, Bicycle and Pedestrians** – claimants must report revenues and expenditures to the State Controller’s office within 90 days after the fiscal year (CCR § 6665).
- **Article 4, 4.5 and 8, Transit** – claimants must report revenues and expenditures to the State Controller’s office within seven months after the fiscal year (PUC § 99243).
- **Article 8, Streets and Roads** – claimants must report revenues and expenditures to the State Controller’s office within 90 (110 if filed electronically) days after the close of the fiscal year (CCR § 6665 and PUC § 99243).

## **Triennial Performance Audit**

VCTC and all operators filing for TDA Article 4 claims must complete a triennial performance audit (PUC § 99248) in order to remain eligible for Article 4 funds (PUC § 99246). All Article 4.5 claimants must also participate in the triennial performance audit. Article 8 claimants are not statutorily required to have a performance audit; however, to enable a comprehensive and objective review that benefits both the TPA and the transit provider, VCTC recommends performance audits of all transit claimants allocated funding under TDA.

Every three years, VCTC contracts with an independent consultant/auditor to perform the performance audits. The audit reviews transit operating trends and each entity's compliance with TDA regulations over the prior three years. The performance audit includes details of the information obtained, results of compliance with requirements and recommendations from the auditor. The Triennial performance audit also examines VCTC policies and procedures of the TDA administration process.

## **Part Time Staffing of Public Transit Vehicles**

A transit operator cannot routinely staff a public transit vehicle designed to be operated by one person with two or more persons (PUC § 99264).

## **Budget Increase of 15% or More**

If a transit operator's claim includes an operating budget that is more than 15% greater than its previous year budget or there is a substantial increase or decrease in scope of operations or capital for major new fixed facilities, the operator's claim must be accompanied by statements, reports and other supporting data as may be reasonably required to substantiate such change (PUC § 99266).

## **Retirement System and Private Pension Plans**

The current cost of the operator's retirement system must be fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by VCTC, which will fully fund the retirement system within 40 years (PUC § 99271). Private pension plans are also eligible under PUC § 99272-99273 if actuarial studies are performed to determine annual cost of future pension benefits, payment of future pension benefit payments are current, and financial statements include specific pension plan information.

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## CHP Certification

All transit claimants must provide VCTC with certification from the Department of California Highway Patrol (CHP) completed within the last 13 months indicating that the operator is in compliance with Section 1801.1 of the California Vehicle Code. (CCR § 6632(c))

## LTF Revenue Qualifications

Per PUC § 99268, LTF received under Article 4 cannot equal more than 50% of their transit operation. If a transit operator uses LTF to fund more than 50% of their transit operation, CCR § 6633 allows the operator to claim Article 4 if they meet their fare and local support ratios.

## Interest Accrual

Agencies must accrue and account for interest on all funds.

## Farebox Requirements

The farebox recovery ratio is the ratio of fares revenue plus local funds received to operating costs. If fare revenues are insufficient to meet the required ratio of fare revenues to operating cost, an operator may satisfy that requirement by supplementing its fare revenues with local funds, meaning any non-federal or non-state grant funds or other revenues generated by, earned by, or distributed by an operator (PUC § 99268.19). The TDA LTF is subject to provisions pursuant to Sections 6633 and 6634 of the California Code of Regulation and Section 99268.5(c) of the Public Utilities Code.

- **CCR § 6634** – Pursuant to CCR § 6634, a transit claimant is precluded from receiving monies from the LTF in an amount which exceeds the claimant's capital and operating costs less the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the fiscal year from a city or county to which the operator has provided services beyond its boundaries.
- **CCR § 6633 and PUC § 99268(c)** – CCR § 6633.2 indicates that an operator in providing transit services in urbanized areas shall be eligible for LTF if it maintains for the fiscal year, ratio of fare revenue to operating costs at least equal to 20%. For operators providing services in non-urbanized areas shall be eligible if it maintains a ratio at least equal to 10%.

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In addition, PUC § 99268.5(c) indicates that an operator providing combined specialized service for elderly and handicapped persons and regular public transportation shall be eligible for LTF if it maintains for the fiscal year, ratio of fare revenue to operating costs at least equal to 20%. An operator providing services in a non-urbanized areas shall be eligible if it maintains a ratio at least equal to 10%.

- **Fares** – CCR § 6611.2 defines the term “fare revenue” as all revenues in the following account classes of the uniform system of accounts and records adopted by the State Controller (PUC § 99243)
  - 401.00 Passenger Fares for Transit Services
  - 402.00 Special Transit Fares
  - 403.00 School Bus Service Revenues
- **Exemptions and Exclusions to the Farebox Recovery Requirement** –
  - Service Extension –When a transit operator expands service, it is recognized that the new service or route can take some time to achieve its full ridership potential and achieve the farebox recovery ratio requirement. As such, service extensions are exempt from this requirement until two years after the end of the fiscal year during which the service/route was established (PUC § 99268.8).

An extension of public transit service for purpose of farebox ratio requirement exemption includes:

- Additions of geographic areas or route miles
- Improvements in service frequency or hours of service greater than 25% of the route total, or
- Addition of new days of service

To receive this exemption from VCTC, an operator must track performance data for the extension separately from the rest of the system. In addition, the operator must also submit a report to VCTC within 90 days after the end of the fiscal year that includes but is not limited to a description of the area served and route(s) included, the revenues it generated, and the method used to derive that amount, and the cost to provide the service.

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- Operating Costs Exclusions - The exclusion of these costs from the definition of operating costs applies solely for the purpose of farebox recovery ratio calculation and does not authorize an operator to report operating costs other than as defined in PUC § 99247(a).
  - *Comparable complementary paratransit service* – the 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 operators costs required to provide comparable complementary paratransit service in the prior year as adjusted by the Consumer Price Index (CPI). (PUC § 99268.17)
  - *Consumer Price Index cost increases* – Cost increases beyond the changes in the CPI for all of the following (PUC § 99268.17):
    - Fuel
    - Alternative fuel programs
    - Power, including electricity
    - State and federal mandates
    - Insurance premiums and payments in settlement of claims arising out of the operator’s liability
  - *Startup Costs* – Startup costs for new services for a period of not more than two years. (PUC § 99268.17)
- Newly Designated Urbanized Area – If a jurisdiction grows so that it becomes an urbanized area (according to the federal census bureau), VCTC may grant the operator up to five years from July 1 of the year following the census year, to meet the urbanized farebox recovery ratio requirement (PUC § 99270.2)

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- Work Stoppages – if an operator has two separate work stoppages for 15 days or longer during one fiscal year and at least one is not related to a labor dispute, VCTC may waive the farebox ratio requirement during that fiscal year. The waiver may only occur if the waiver is necessary to enable the operator to provide vital public transportation services (PUC § 99268.11).

## **Deficient Farebox Recovery Ratio**

If an operator does not meet the required farebox recovery ratio, the operator is “out of compliance” and a non-compliance penalty cycle will begin. The first year of non-compliance is usually considered a “grace period” and will hopefully allow the operator time to make changes to bring the fare revenue ratio back in to compliance. There is neither a penalty nor a loss of eligibility for TDA funds in this year. If in the next consecutive year, the transit operator meets or exceeds the required farebox ratio, the penalty cycle will stop. However, if in the next consecutive year, the farebox ratio is not met, the year will be deemed a non-compliant year and a penalty will be required. The penalty is calculated as the difference between the required farebox revenues and the actual farebox revenues. The penalty will be deducted from the TDA allocation the second year after the close of the second non-compliant fiscal year. The cycle would continue as long as the operator is not meeting the farebox requirement. An example of the process is summarized in *Table 7 – Farebox Penalty Timeline*.

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**Table 7 – Farebox Penalty Timeline**

	Grace Year FY 2019/2020	Non-Compliance Year FY 2020/2021	Determination Year FY 2021/2022	Penalty Year for Non-Compliant Year FY 2022/2023
Net Operating Cost	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Required Fare at 20%	\$200,000	\$200,000	\$200,000	\$200,000
Fare Revenue	\$150,000	\$180,000	\$200,000	\$200,000
Farebox Ratio	15%	18%	20%	20%
Penalty assigned – Reduced eligibility	none	\$20,000	\$0	\$0
Penalty deducted from TDA allocation	\$0	\$0	\$0	\$20,000
This example is based on PUC § 99268.9 and CCR § 6633.9				

If an operator is non-compliant, the operator can do any or all of the following to become compliant:

- **Service Modifications** – The operator should evaluate services provided to determine if changes can be made to provide more efficient service.
- **Local Funds** – The operator could raise local funds to meet the ratio requirement (PUC § 99268.19). Local funds (as clarified by SB 508) include nonfederal or non-state grant funds or other revenues generated by, earned by or distributed by an operator. Local funds include all of the revenues in the following revenue account cases of the uniform system of accounts and records:
  - 406.000 Auxiliary Transportation Revenues
  - 407.000 Non-Transportation Revenues
  - 408.000 Taxes Levied Directly by the Transit System
  - 409.011 Local Cash Grants and Reimbursements – General Operating Assistance

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- **Specialized Service** – The operator can also use specialized service subsidies to meet the ratio.
  - 410.000 Local Special Fare Assistance
  - 440.000 Subsidy from Other Sectors of Operation

For illustration purposes, a sample listing of other revenues includes the following:

- Advertising revenues
  - Lease revenues
  - Concession revenues
  - Local transportation sales tax
  - Interest revenues
  - Gain on sale of capital assets
- **Fare adjustments** - The operator should evaluate the fare structure to determine if changes should be made to increase the fares.

## ARTICLE 3

### Local Match

If local match is indicated in the application for Article 3 bicycle and pedestrian funds, the local agency should expend the LTF and local match funds concurrently in the same proportional amount as stated in the claim. The use of Article 3 funds and local match as well as expenditures should be reflected in the Article 3 audit schedule – Status of Fund by Project. The expenditures and application of local match will be audited.

### Transfer of Funds for Closed Projects and/or Accrued Interest

Sometimes Article 3 projects are completed with LTF funds remaining. When this occurs, the local agency can request approval from the TPA to transfer the remaining LTF funds and associated local match to an open project on their Article 3 schedule or return the funds (along with accrued interest) to the TPA for redistribution.

To request approval for a transfer of unused funds and associated local match of a closed project or accrued interest, the local agency should submit a letter on agency letterhead addressed to the Executive Director of VCTC (with a “cc” to the Finance Director) that includes the following:

- Request a transfer of funds from a completed/closed project or accrued interest
  - Indicate dollar amount

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- Name and fiscal year of project
- Indicate the project (including fiscal year of the project) the funds are to be transferred to

VCTC will then approve or deny the request. If the request is approved, the local agency will need to update their Article 3 audit schedule to notate the transfer of funds. The transfer information should remain on the schedule until the transfer “from” and “to” projects are closed. If denied, the agency must use the funds on a different approved project or return the funds to VCTC.

## ARTICLE 4 or ARTICLE 8

Some jurisdictions can claim under either Article 4 or Article 8. Reasons to claim under article 4 include:

- **Article 4 can be used more broadly for transit** – Article 4 money can be used for all purposes necessary and convenient to the development and operation of a public transportation system including planning and contributions to the transportation planning process, acquisition of real property, construction of facilities and buildings, purchase and replacement of vehicles, and system operation, maintenance and repair (PUC § 99262). These payments can be either direct expense or payment of principle and interest on equipment, other indebtedness or bonds.
- **Article 4 claims take priority over Article 8 bicycle/pedestrian and streets and road** – If transit were threatened by the amount a jurisdiction wanted to claim for other purposes, the Article 4 transit claim would take priority over the other claims.
- **Article 4 claimants are required to conduct a Triennial Performance Audit** – Triennial Performance Audits help monitor service trends and gives transit operators the opportunity of an outside auditor to make service improvement recommendations.

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- **Article 8 can be used for more than transit, but the transit uses are more restrictive** – Article 8 claims can be used to pay contract operators to provide public transportation or transportation services to those requiring special transportation assistance (PUC § 99400(c)) but not use its own employees to provide transportation services. Article 8 claims can be used for administrative and planning costs for contract services (PUC § 99400(d)). Article 8 claims can be used for capital expenditures to acquire vehicles and related equipment, bus shelters, bus benches and communication equipment for the transportation services (PUC § 99400(e)) and if there are no unmet transit needs, streets and roads and projects which are provided for use by pedestrians and bicycles (PUC § 99400(a)).

## UNMET TRANSIT NEEDS PROCESS

Before VCTC can allocate funds for purposed “not directly related to public transportation services, specialized transportation services, or facilities provided for the exclusive use of pedestrians and bicycles” (PUC § 99401.5), i.e., streets and roads, VCTC must first implement the annual unmet transit needs process. Since the primary purpose of the TDA is to fund transit, the unmet needs process is used to determine whether or not there are “unmet transit needs” that are “reasonable to meet” prior to funding street and road projects. The unmet transit needs process, however, is not required before VCTC can allocate Article 8 funds for transit, rail or multimodal projects. The unmet transit needs process is described in PUC § 99401.5 and summarized below.

### What is an Unmet Need?

VCTC must identify any unmet transit needs of the jurisdictions that are reasonable to meet. Unmet transit needs identified in a government-approved plan must meet the definition of an unmet transit need. Sufficient broad-based community support means that persons who will likely use the service on a routine basis demonstrate support: at least 15 requests for general public service and 10 requests for disabled service. Below are examples of inclusions and exclusions:

#### Inclusions:

- Public transit services not currently provided to reach employment, medical assistance, shop for food or clothing, to obtain social services such as health care, county welfare programs and education programs. Service must be needed by and benefit the general public.
- Service expansions including new routes, significant modifications to existing routes, and major increases in service hours and frequency

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## Exclusions:

- Operational changes such as minor route changes, bus stop changes, or changes in schedule
- Requests for minor extended hours
- Service for groups or individuals that is not needed by or will not benefit the general public
- Comments about vehicles, facilities, driver performance and transit organizational structure
- Requests for better coordination
- Requests for reduced fares and changes to fare restrictions
- Improvements funded or scheduled for implementation in the following year
- Future transportation needs
- Duplication or replacement of existing service

## **Public Input**

To identify unmet transit needs, VCTC conducts a public comment period approved by the Commission. Also, VCTC is required to hold at least one annual unmet transit needs hearing to gather comments. More meetings or other means of receiving public comment may also be utilized but are not required. The process is presented to the Commission for approval each year. The purpose of the annual public hearing is to take testimony on local and/or regional transit needs, and then develop findings that ensure that all reasonable transit needs are satisfied.

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## What is Reasonable to Meet?

If it's determined there is an unmet transit need, the need must then be evaluated to see if the need is "reasonable to meet" (see *Table 8 – Criteria for Reasonable to Meet*).

**Table 8 – Criteria for Reasonable to Meet**

Outcome	Definition	Measures & Criteria
<b>Equity</b>	The proposed service will not cause reductions in existing transit services that have an equal or higher priority.	<b>Measure:</b> Vehicle revenue service hours and revenue service miles. <b>Criteria:</b> Transit vehicle service hours and miles will not be reduced on existing routes to fund the proposed service.
<b>Timing</b>	The proposed service is in response to an existing rather than future transit need.	<b>Criteria:</b> Same as definition that proposed service is in response to an existing rather than future transit need; based on public input.
<b>Feasibility</b>	The proposed service can be provided with the existing fleet or under contract to a private provider.	<b>Measure:</b> Vehicle spare ratio: Transit system must be able to maintain FTA's spare ratio requirement of 20% (buses in peak service divided by the total bus fleet cannot fall below 20%). If less than 20%, can additional buses be obtained (purchased or leased) or can service be provided under contract to a private provider?
	There are adequate roadways to safely accommodate transit vehicles.	<b>Measure and Criteria:</b> Route inspection to determine adequacy of infrastructure to accommodate transit vehicles and passengers.
<b>Cost Effectiveness</b>	The proposed service will not unduly affect the operator's ability to maintain the required passenger fare ratio for its system as a whole.	<b>Measure:</b> Total estimate annual passenger fare revenue divided by total annual operating cost (the entire service including the proposed service) <b>Criteria:</b> fare revenue/operating cost cannot fall below the operator's required passenger fare ratio.
	The proposed service will meet the scheduled passenger fare ratio standards.	<b>Measures and Criteria:</b> See unmet needs process separately documented.
<b>Service Effectiveness</b>	Estimated passengers per hour for the proposed service will not be less than the system-wide average after three years.	<b>Measure:</b> Passengers per hour. <b>Criteria:</b> Projected passengers per hour for the proposed service is not less than 70% of the system-wide average (without the proposed service) at the end of 12 months of service, 85% at the end of 24 months of service, and 100% at the end of 36 months of service.

## **Committee Involvement**

Per PUC § 99238, VCTC must consult with the Social Service Transportation Advisory Committee (SSTAC) as part of the unmet needs process. Ventura County's SSTAC is combined with the Citizen's Transportation Advisory Committee (CTAC). Therefore, VCTC looks to the CTAC/SSTAC representatives to comment and review on the unmet needs process and staff's recommendations. The CTAC/SSTAC is comprised of representatives and alternates appointed by the VCTC, the County of Ventura, the ten cities in Ventura County, and from social service agencies involved in transportation service projects.

## **Adoption of Findings**

After considering all information, VCTC must adopt one of the following findings:

- There are no unmet transit needs;
- There are no unmet transit needs that are reasonable to meet; OR
- There are unmet transit needs, including needs that are reasonable to meet.

If it is determined and adopted that there are unmet transit needs that are reasonable to meet, then the unmet transit need shall be funded before any allocations are made for streets and roads within the jurisdiction (PUC § 99401.5(e))

## STATE TRANSIT ASSISTANCE FUND (STA)

### FUNDING PROCESS

The State Controller publishes STA estimates in January (draft) and August (revised) each year. STA funds are paid quarterly in arrears. Eligible claimants are allowed to claim STA funds based on estimates and reports published by the State. After the claimant has followed the claims process and VCTC has accepted the submitted claim, STA funds will be paid as received.

### State Controller's Allocation of STA Funds

The amount of STA funds received by VCTC varies each year depending on three factors:

1. Diesel Fuel Sales  
The amount of STA funds received from sales tax revenues generated by sales of Diesel Fuel for the year.
2. Population  
PUC § 99313 funds are allocated based on the relative size of the population of Ventura County to the population of the other TPA's within the State. The majority of STA funds received are PUC § 99313 funds and the amount received will vary year to year.
3. Qualifying Transit Operator Revenues  
PUC § 99314 funds are allocated based on the relative amount of total qualifying revenues of STA-eligible operators within Ventura County as compared to the total qualifying revenue of all STA-eligible operators statewide. The revenues are reported to the State Controller by each jurisdiction in the Annual Report of Financial Transactions of Transit Operators and Non-Transit Claimants. The local and State revenues reported each year vary, so each jurisdiction's proportional share of PUC § 99314 revenues change from year to year.

## VCTC Apportionment and Allocation

As previously noted, there are two types of STA funds: Population formula funds, PUC § 99313 and Revenue formula funds, PUC § 99314.

The majority of population-based funds (PUC § 99313) partially fund the VCTC Intercity Service that provides bus service throughout the County where there are gaps in jurisdiction's boundaries and into two neighboring Counties (Santa Barbara and Los Angeles). These funds also support transit projects that support regional transit including commuter rail programs like Metrolink. These funds are apportioned and allocated via the VCTC comprehensive annual budget.

The revenue formula funds (PUC § 99314) are apportioned to the following eligible jurisdictions based on the State's allocation:

- Southern California Regional Rail Authority (via VCTC)
- Gold Coast Transit District
- City of Camarillo
- City of Moorpark
- City of Simi Valley
- City of Thousand Oaks

## Claim Submittal

Before submitting a claim form, the claimant must decide what eligible use they want to use their apportionment for in the coming year. The claimant must submit a claim form to VCTC requesting funding amounts. When submitting a claim, the claimant must submit the following forms completely and accurately:

- Signed resolution and accompanying agenda item
- Claim Form
- Financial Reporting Form
- Assurances Form
- Capital Projects and Reserve Form

Each jurisdiction files a claim with VCTC for its funds (CCR § 6630). VCTC reviews the claim(s). If needed, VCTC may contact the claimant for clarification and/or additional information. Upon administrative approval of the claim, VCTC will prepare an allocation letter to submit to the County for disbursement (see *Table 1 – Important Dates* for deadlines).

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## Disbursement

Based on the amounts apportioned and claimed and after the claim packet has been reviewed, VCTC provides instructions to the County Auditor to remit payment. Disbursement instructions from VCTC to the County are based on the Commission's approval and receipt of funding.

STA funds are based on an estimate and therefore, the actual amount of funds distributed will not be known until the final allocation. STA funds will be disbursed quarterly after funds are received from the State.

## Eligible Uses

Use of STA funds must adhere to requirements as found in the TDA statutes and California codes of regulations manual prepared by the State. It is strongly recommended that claimants review the regulations when utilizing these funds. Examples of STA uses PUC § 99313.6 (referencing 99260(a) and 99400(b), 99400(c), 99400(d), 99400(e) and 99275)), 99313.7 and 99400.5 and CCR § 6730-6731 include but are not limited to:

- Transit operations
- Contract payments for public transit services
- Administrative and planning costs of contracted public transit
- Capital requirements of public transportation systems
- Rail service operations and capital improvements
- Passenger rail subsidies
- Community transit service
- Construction and maintenance of intermodal transportation facilities

Although there are no formal STA funding priorities, STA funds can *only* be used for transportation planning and mass transportation purposes and all STA regulations must be followed. Capital allocations do not have an expiration date; however, it is expected that funds will be utilized efficiently, and a Capital Reserve form must be completed.

## STA REQUIREMENTS

### Annual Fiscal Audits

As required by TDA and to help ensure funding is being spent and reported properly, all claimants must obtain an annual fiscal audit that is prepared by an independent auditor. A report on the audit (which must contain a certification that STA funds were expended in conformance with applicable laws, rules and regulations) must be submitted to VCTC and the State Controller within 180 days after the end of the fiscal year. Upon written request, with justification, VCTC may extend the deadline up to a maximum of 90 days.

Currently, VCTC retains a Certified Public Accountant to conduct all fiscal audits with the exception of GCTD and the City of Moorpark which contract for their own fiscal audits. VCTC will file the audits on behalf of the agencies it has audits performed for. GCTD will be responsible filing the audit with the State Controller.

Under PUC § 99245.2, a provider of public transportation services may expand the scope of its fiscal audit to include the conditions and purposes of other funds. This occurs for funds such as the Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA), the Local Carbon Transit Operations Program (LCTOP), etc.

If a claimant fails to submit the audit to VCTC and the State, the claimant's requested TDA allocations cannot be distributed. VCTC will hold disbursements until the fiscal audits are completed and submitted to VCTC and the State.

### Interest Accrual

Agencies must accrue and account for interest on all funds.

### Operational Requirements

If STA is used for operating costs, there are additional requirements noted in the TDA regulations (see [http://www.dot.ca.gov/drmt/docs/tda/TDA\\_07-2018.pdf](http://www.dot.ca.gov/drmt/docs/tda/TDA_07-2018.pdf)) including but not limited to:

- Part-time drivers and common carriers (PUC § 99314.5);
  - Operators must be allowed to employ part-time drivers or contract with common carriers operating under a franchise or license.

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- Passenger fares and costs – The level of passenger fares and costs is sufficient to enable the operator or transit service claimant to meet their respective farebox ratios.
- Federal Funds – The claimant is making full use of federal funds available under the FTA.
- Allocation Amount – The sum of the claimant’s allocations from the STA fund and from the LTF does not exceed the amount the claimant is eligible to receive during the fiscal year.
- CHP Certification – A certification by the Department of the California Highway Patrol verifying that the operator is in compliance with Section 1808.1 of the Vehicle Code, as required in PUC § 99251. The certification shall have been completed within the last 13 months.
- CPI Efficiency standards and allowable exclusions (PUC § 99314.6):
  - Efficiency Standard 1: An operator’s total cost per vehicle revenue hour for the most recent audited fiscal year must not exceed the prior year’s operating cost per revenue vehicle hour, by a percentage greater than the percentage change in the Los Angeles Regional Consumer Price Index (CPI) for the same period.  
OR
  - Efficiency Standard 2: An operator’s total average operating cost per vehicle revenue hour for the most recent audited fiscal year must not exceed the average total operating cost per vehicle revenue hour for the three prior audited years, increased by the average percentage change in the Los Angeles Regional CPI for the same period.
  - Allowable Exclusions: The operating costs for the efficiency calculations can be adjusted by cost increases beyond the change in CPI 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, and start-up costs for new services for a period of not more than two years.
  - Failure to Meet Efficiency Standards: The operator’s ability to use STA for operations will be based on a graduated schedule (see SB 508). Rather than entirely disallowing STA for operations, if the operator fails both tests, only a portion of the funds would be disallowed for operations and default the eligibility to capital use only. The amount disallowed for operations is dependent on the results from the efficiency tests.

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**Table 9 – STA Efficiency Standard**

<b>Efficiency Standard Test #1</b>	
Audited total operating cost per revenue vehicle hour, most recent year	\$110.00
Audited total operating cost per revenue vehicle hour, previous year 1:	\$97.00
Change in Consumer Price Index from previous year 1	2.5%
Is the cost per hour for recent year $\leq$ cost per hour for year 1 Consumer Price Index?	
Is $\$110.00 \leq \$97.00 \times 1.025$ or is $\$110.00 \leq \$99.43$ ?	No, Fail
<b>Efficiency Standard Test #2</b>	
Audited total operating cost per revenue vehicle hour, most recent year	\$110.00
Audited total operating cost per revenue vehicle hour, previous year 1:	\$97.00
Audited total operating cost per revenue vehicle hour, previous year 2:	\$94.00
Audited total operating cost per revenue vehicle hour, previous year 3:	\$88.00
Change in Consumer Price Index from previous year 1	2.5%
Change in Consumer Price Index from previous year 2	1.5%
Change in Consumer Price Index from previous year 3	3.0%
Is the average cost per hour for recent year, year 1 and year 2 $\leq$ Average cost per hour for year 1, year 2, and year 3 plus average Consumer Price Index of those years?	
Does $(\$110.00 + \$97.00 + \$94.00)/3 \leq (\$97.00 + \$93.00 + \$88.00)/3 + (2.5+1.5+3.0)/3$ or $\$100.33 \leq \$95.17$	No, Fail

**Table 10 – Summary of Eligibility Test Results**

Results - Pass Test?		
Efficiency Standard Test #1	$\$110.00 \leq \$99.43$	No - Fail
Efficiency Standard Test #2	$\$100.33 \leq \$95.17$	No - Fail
<b>Efficiency Standard Test #1 % Difference between actual and target = 10.6%</b>		
$((\$110.00 - 99.43)/\$99.43) = 10.6\%$		
<b>Efficiency Standard Test #2 % Difference between actual and target = 10.6%</b>		
$((\$100.33 - 95.17)/\$95.17) = 5.42\%$		
<ul style="list-style-type: none"> <li>Assume STA operator apportionment: \$100,000</li> <li>Take lessor of percentage difference with two tests: Reduce Operations Apportionment by 5.42% or \$5,420</li> </ul>		
<b>Remaining Operations Apportionment: \$94,580</b>		
<b>Capital Apportionment: \$5,420</b>		

## Passenger Rail Services Claims

Agencies are allowed to claim funds for passenger rail service operation expenditures and capital improvement expenditures, including construction and maintenance of intermodal transportation facilities (PUC § 99234.9, 99260.6 and 99313.7). The Southern California Regional Rail Authority (SCRRA) operates the regional commuter rail service known as Metrolink. SCRRA is a joint powers authority made up of an 11-member board representing CTS's of Ventura, Los Angeles, Orange, Riverside and San Bernardino Counties. VCTC, acting as the CTC, claims LTF/STA funding on behalf of the SCRRA to support passenger rail service in Ventura County.

## STATE OF GOOD REPAIR

### FUNDING PROCESS

The State Controller publishes the State of Good Repair (SGR) estimates in January (draft) and August (revised) each year. State of Good Repair funds are paid quarterly in arrears. Eligible claimants are allowed to claim funds based on the SGR approved project list published by Caltrans and the SGR estimates published by the State. After the claimant has followed the claim process and VCTC has accepted the submitted claim, State of Good Repair funds will be paid as received.

#### **State Controller's Allocation of SGR Funds**

State of Good Repair funds are generated from a fixed amount established by the Road Repair and Accountability Act of 2017, Senate Bill 1. The amount is adjusted annually for California CPI.

#### **VCTC Apportionment and Allocation**

The State of Good Repair funds are apportioned in a similar method as STA funds. VCTC, as the Transportation Planning Agency (TPA) is responsible for receiving and sub-allocating the State of Good Repair funds. The majority of the State of Good Repair funds are distributed by population (PUC § 99313) to the TPA for apportionment. The revenue-based funds (PUC § 99314) are apportioned to eligible transit operators. An annual list of projects must be submitted to and approved by Caltrans. The following are eligible entities based on the State's allocation:

- Southern California Regional Rail Authority
- Gold Coast Transit District
- City of Camarillo
- City of Moorpark
- City of Simi Valley
- City of Thousand Oaks
- Ventura County Transportation Commission

## **Claim Submittal**

The claimant must submit a claim form to VCTC requesting funding amounts after approval is received from Caltrans. When submitting a claim form, the claimant must submit the following forms completely and accurately:

- Signed resolution and accompanying agenda item for the VCTC claim
- VCTC Claim Form
- VCTC Financial Reporting Form
- VCTC Assurances Form
- VCTC Capital Projects and Reserve Form
- Copy of Authorized Agent Form (State)
- Copy of Certification and Assurances (State)
- Copy of Board Resolution (State)

## **Disbursement**

The claim forms must be filed and approved by VCTC before funds can be disbursed. Upon approval, VCTC provides instructions to the County Auditor to remit payment. Disbursement instructions from VCTC to the County are based on the Commission's approval and receipt of funding. Since SGR funds are based on an estimate, the actual amount of funds distributed will not be known until the final allocation from the State. State of Good Repair funds will be disbursed quarterly after funds are received from the State.

## **Eligible Uses**

Eligible uses of State of Good Repair funds are described within the Road Repair and Accountability Act of 2017 and include:

- Transit maintenance
- Transit rehabilitation
- Transit capital projects

## **Annual Fiscal Audits**

As required by TDA and to help ensure funding is being spent and reported properly, all claimants must obtain an annual fiscal audit that is prepared by an independent auditor. A report on the audit (which must contain a certification that STA funds were expended in conformance with applicable laws, rules and regulations) must be submitted to VCTC (PUC § 99245) and the State Controller within 180 days after the end of the fiscal year. Upon written request, with justification, VCTC may extend the deadline up to a maximum of 90 days.

Currently, VCTC retains a Certified Public Accountant to conduct all fiscal audits with the exception of GCTD and the City of Moorpark which contract for their own fiscal audits. VCTC will file the audits on behalf of the agencies it has audits performed for. GCTD will be responsible filing the audit with the State Controller.

Under PUC § 99245.2, a provider of public transportation services may expand the scope of its fiscal audit to include the conditions and purposes of other funds. This occurs for funds such as the Public Transportation Modernization, Improvement, and Service Enhancement Account Program (PTMISEA), the Local Carbon Transit Operations Program (LCTOP), etc.

If a claimant fails to submit the audit to VCTC and the State, the claimant's requested TDA allocations cannot be distributed. VCTC will hold disbursements until the fiscal audits are completed and submitted to VCTC and the State.

## **Interest Accrual**

Agencies must accrue and account for interest on all funds.

## CLAIM FORMS

TDA Claim forms created by VCTC are used to provide important information from the claimant to the TPA. There are various forms requested depending on the type of funding being claimed. Please refer to the Claim Form Checklist (Form F) in Table 11 when completing claim forms.

## HOW TO COMPLETE THE FORMS

The steps to complete the forms are provided for your convenience. If you choose to use the Excel version of the forms, many fields will auto fill. Excel versions of the Claim forms can be obtained from VCTC. Claim forms must be filled out completely and accurately in order to claim TDA funds. An incomplete, inaccurate or misleading claim may be delayed, reduced or denied. Claim forms should be submitted to VCTC between July and September each year. If necessary, footnotes can be added by the claimant for unusual or exceptional items. A checklist is available (see *Table 11 – Claim Form Checklist (Form F)*) to assure that all forms required are submitted.

Claims must be spent as allocated. No borrowing between TDA funds is permitted. If claims need to be amended, new claim forms and an explanation for the request must be submitted to VCTC for approval.

The LTF, STA and SGR amounts available to be claimed are found in different documents. A jurisdiction's LTF apportionment for Articles 4 and or 8 can be found in the June VCTC agenda under "TDA LTF Apportionment." The STA and SGR estimates from the State are provided on the State Controller's website under Local Government Apportionments, "Quarterly State Transit Assistance and State of Good Repair Program."

When completing the forms, there are two colors of cells for information. The orange cells are for input and the white cells are auto fill.

## Claim Revisions

Once a claim is allocated, the claimant must spend the funds as allocated. If a jurisdiction wishes to revise its current claim, they should submit a revised claim packet and submit the claim packet to VCTC along with an explanation for the need of revision. If the request is approved, VCTC will send an approval letter to the local agency and the County Auditor-Controller, as applicable.

# VCTC Transportation Development Act Claims Manual

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## Claim Form (Form A)

A Claim Form is required for all claimants. Form A (See *Figure 1, Sample Claim Form (Form A)*) is a sample of the form. Fill in all applicable blanks highlighted in orange. Other blanks should auto-populate if using the provided Excel spreadsheet. *Otherwise, fill in the blank spaces as described below.* Forms can be turned in by individual article or multiple articles. Lines not used should be left blank.

**Line 1:** Enter the Fiscal Year the funds are being claimed for. For example: 2019/2020.

**Line 2:** Enter the name of the jurisdiction claiming the TDA funds.

**Line 3:** Enter the mailing address of the jurisdiction claiming the TDA funds.

**Line 4:** Enter the name of the person to contact if there are questions.

**Line 5:** Enter the title of the contact person.

**Line 6:** Enter the telephone number of the contact person.

**Line 7:** Enter the email address of the contact person.

**Line 8:** *Auto fills after form B1 is completed* or enter the amount to be claimed for Article 3.

**Line 9:** *Auto fills after form B2 is completed* or enter the amount to be claimed for Article 4.

**Line 10:** *Auto fills after form B2 is completed* or enter the amount to be claimed for Article 4.5.

**Line 11:** *Auto fills after form B3 is completed* or enter the amount to be claimed for Article 8(a).

**Line 12:** *Auto fills after form B2 is completed* or enter the amount to be claimed for Article 8(c).

**Line 13** *Auto fills with total (sum of Lines 8 through 12).*

## VCTC Transportation Development Act Claims Manual

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**Line 14:** Enter the name of the agency funds are to be released to on behalf of the jurisdiction. For example: VCTC.

**Line 15:** Enter the Article number of funds to be released to the agency in Line 15 on behalf of the jurisdiction. For example: 8(c).

**Line 16:** Enter the purpose of the fund transfer of funds to be released to the agency in Line 16 on behalf of the jurisdiction. For example: Valley Express Bus Service.

**Line 17:** *Auto fills after Form B2 is completed* or enter the amount of funds to be transferred to another agency.

**Line 18:** *Auto totals after Forms B1-3 are completed* or enter the amount of Local Transportation Funds to be sent to claimant (Line 13 minus Line 17).

**Line 19:** *Auto fills after Form B2 is completed* or enter the amount to be claimed for State Transit Assistance.

**Line 20:** *Auto fills after Form B2 is completed* or enter the amount to be claimed for State of Good Repair.

**Line 21** *Auto totals after Forms B1-3 are completed* or Enter the total amount of State Transit Assistance claimed (Add Lines 19 and 20).

**Line 22:** Signature of the authorizing agent.

**Line 23:** Enter the name of the authorizing agent.

**Line 24:** Enter the title of the authorizing agent.

**Line 25:** Enter the current date.

# VCTC Transportation Development Act Claims Manual

**Figure 1, Sample Claim Form (Form A)**

1	Fiscal Year	2019/2020
2	Claimant	City of Newtown
3	Address	555 Main Street Newtown, CA 93333
4	Name of Contact Person	Polly Cracker
5	Title of Contact Person	Manager of Special Projects
6	Telephone Number of Contact Person	805-555-1212
7	Email Address of Contact Person	<a href="mailto:polly.cracker@newtown.org">polly.cracker@newtown.org</a>

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
<b>Local Transportation Fund</b>		
8	Article 3, Pedestrian and Bicycles (PUC § 99234)	\$ 50,000.00
9	Article 4, Transit (PUC § 99260)	\$ -
10	Article 4.5, Community Transit (PUC § 99275)	\$ -
11	Article 8(a), Streets and Roads (PUC § 99400(a))	\$ 980,000.00
12	Article 8(c), Transit (PUC § 99400(c))	\$ 2,600,000.00
13	<b>Total LTF Claimed</b>	<b>\$ 3,630,000.00</b>
14	Less funds released to	County
15	for Article	8c
16	for purpose of	Operations & business center
17	in the amount of	\$ (75,000.00)
18	<b>Amount of LTF to be sent to Claimant</b>	<b>\$ 3,555,000.00</b>

Purpose		Claimed
<b>State Transit Assistance</b>		
19	STA (PUC § 99314) Transportation and Rail	\$ 16,540.00
20	State of Good Repair	\$ 11,500.00
21	<b>Total STA Claimed</b>	<b>\$ 28,040.00</b>

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.

22	Authorizing Signature	
23	Name of Authorizing Agent	<b>Polly Cracker</b>
24	Title of Authorizing Agent	<b>Manager of Special Projects</b>
25	Date	<b>8/31/2019</b>

# VCTC Transportation Development Act Claims Manual

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## Financial Reporting Form – LTF Article 3, Bicycles and Pedestrians (Form B1)

A Financial Reporting Form is required from all claimants. Form B1 (See *Figure 2, Sample Financial Reporting Form – LTF Article 3, Bicycles and Pedestrians (Form B1)*) is a sample of the form for Article 3, Bicycles and Pedestrians. Fill in all applicable blanks highlighted in orange. Other blanks should auto-populate if using the provided Excel spreadsheet. *Otherwise, fill in the blank spaces as described below.* Lines not used should be left blank.

**Prior FY** = the previous fiscal year or claim fiscal year less one year.

**Claim FY** = the current fiscal year being claimed.

**Line 1:** *Auto fills from Form A* or enter the Fiscal Year the funds are being claimed for. For example: 2018/2019.

**Line 2:** *Auto fills from Form A* or enter the name of the jurisdiction claiming the TDA funds.

**Line 3:** Enter the Fiscal Years. Enter the prior fiscal year and claim fiscal year (*when using auto fill, claim fiscal year will auto populate*).

**Line 4:** Enter the beginning fund balance of Article 3 funds for the prior fiscal year (use audited amounts if available or estimates if unavailable). *When using auto fill, the “claim FY” beginning fund balance will automatically populate when you complete the prior year information – (same number as Line 18 Surplus/Deficit End of Year).* Please indicate in the notes the amount within the fund balance that is TDA.

**Line 5:** Enter the federal grant revenues for the prior and claim fiscal years. Indicate in the notes the type of federal funds used.

**Line 6:** Enter the amount of Local Transportation Funds (LTF) Article 3, Bicycles and Pedestrians claimed.

**Line 7:** Enter the amount of unearned/deferred LTF revenues to be used in budgeted year.

**Line 8:** Enter the amount of State revenue (non TDA) to be used in budgeted year. Indicate in the notes the type of state funds used.

## VCTC Transportation Development Act Claims Manual

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**Line 9:** Enter the amount of local funds to be used in budgeted year. Indicate in the notes the type of local funds used.

**Line 10:** Enter the amount of other funds to be used in budgeted year. Indicate in the notes the type of other funds used.

**Line 11:** Enter the amount of interest to be used in budgeted year.

**Line 12:** *Auto fills or* enter the total revenues and fund balance (Add lines 4 through 11).

**Line 13:** Enter the eligible construction project amounts. Indicate in the notes the details of the project.

**Line 14:** Enter the eligible maintenance project amounts. Indicate in the notes the details of the project.

**Line 15:** Enter the eligible planning project amounts. Indicate in the notes the details of the project.

**Line 16:** Enter the eligible other project amounts. Indicate in the notes the details of the project.

**Line 17:** *Auto fills or* Enter the total expenses (Add lines 13 through 16).

**Line 18:** *Auto fills or* Enter the surplus or deficit of funds at the end of the fiscal year (Line 12 minus Line 17).

**Line 19:** Enter notes for all items above requiring details or other information pertaining to the use of TDA funds and this claim. (Lines 4, 5, 8, 9, 10, 13, 14, 15, and 16)

# VCTC Transportation Development Act Claims Manual

**Figure 2, Sample Financial Reporting Form – LTF Article 3, Bicycles and Pedestrians (Form B1)**

		<u>2019/2020</u>	
		<u>City of Newtown</u>	
		<b>Operating Budget Comparison</b>	
		<b>Prior FY</b>	<b>Claim FY</b>
		<b>2018/2019</b>	<b>2019/2020</b>
1	Fiscal Year		
2	Claimant		
3	Budgeted Year		
4	Beginning Fund Balance(Indicate LTF amount)*	\$ 125,632.00	\$ 50,732.00
<b>Estimated Revenues :</b>			
5	Federal grants (provide detail in notes)	\$ 600,000.00	
6	LTF Article 3, Pedestrians and Bicycles	\$ 100,000.00	\$ 50,000.00
7	LTF Unearned/Deferred Revenues	\$ -	
8	State grants (provide detail in notes)		
9	Local (specify) _____		
10	Other (specify) _____		
11	Interest	\$ 100.00	
12	<b>Total Estimated Revenues and Fund Balances</b>	<b>\$ 825,732.00</b>	<b>\$ 100,732.00</b>
<b>Estimated Expenses:</b>			
13	Construction*	\$ 600,000.00	\$ 100,000.00
14	Maintenance*	\$ 175,000.00	\$ 700.00
15	Planning		
16	Other (provide detail in notes)		
17	<b>Total Estimated Expenses</b>	<b>\$ 775,000.00</b>	<b>\$ 100,700.00</b>
18	<b>Surplus/Deficit End of Year</b>	<b>\$ 50,732.00</b>	<b>\$ 32.00</b>
19	<b>Notes and Explanations:</b>		

\* Line 4 - The beginning FY fund balance matches the audited financials of which \$100,000 is LTF. The FY 2019/2020 fund balance is all LTF.

\* Line 5 - Federal Funds for FY 2018/2019 consist of CMAQ.

\* Line 13 - Construction is of the Rice Hill pedestrian crossing.

\* Line 14 - Class 1 Bicycle maintenance Surry Hill and Craft Road projects in FY 2018/2019 and Surry Hill in FY 2019/2020.

# VCTC Transportation Development Act Claims Manual

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## Financial Reporting Form - LTF Articles 4, 4.5 and 8 (excluding 8(a)) and STA and SGR (Form B2)

A Financial Reporting Form is required from all claimants. Form B2 (See *Figure 3, Sample Financial Reporting Form – LTF Articles 4, 4.5, and 8 (excluding 8(a)) and STA and SGR (Form B2)*) is a sample of the form for Article 4, 4.5 and 8 (excluding 8(a)) and STA and SGR. Fill in all applicable blanks highlighted in orange. Other blanks should auto-populate if using the provided Excel spreadsheet. *Otherwise, fill in the blank spaces as described below.* Lines not used should be left blank.

**Prior FY** = the previous fiscal year or claim fiscal year less one year.

**Claim FY** = the current fiscal year being claimed.

**Line 1:** *Auto fills from Form A* or enter the Fiscal Year the funds are being claimed for. For example: 2018/2019.

**Line 2:** *Auto fills from Form A* or enter the name of the jurisdiction claiming the TDA funds.

**Line 3:** Enter the budgeted Fiscal Years. Enter the prior fiscal year and claim fiscal year (*when using auto fill, claim fiscal year will auto populate if Form A was started*).

**Line 4:** Enter the beginning fund balance of operating and capital funds for the prior fiscal year (use audited amounts if available or estimates if unavailable). *When using auto fill, the “Claim FY” beginning fund balance will automatically populate when you complete the prior year information – (same number as Line 27 Surplus/Deficit End of Year).* Please indicate in the notes the amount within the fund balance that is TDA and by type of TDA.

**Lines 5 to 19:** Enter amounts of operating and capital revenue by source in the appropriate column – operating vs. capital and prior FY vs. claim FY. If no funds are utilized for the line, leave blank.

**Line 5:** Enter the federal grant revenues for the prior and claim fiscal years. Indicate in the notes the type of federal funds used.

**Line 6:** Enter the amount of Local Transportation Funds (LTF) Article 4, Transit funds claimed. The operating and capital funds added together by fiscal year should equal the claim amount for the fiscal year.

# VCTC Transportation Development Act Claims Manual

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**Line 7:** Enter the amount of LTF Article 4.5, Community Transit claimed funds if eligible. The operating and capital funds added together by fiscal year should equal the claim amount for the fiscal year.

**Line 8:** Enter the amount of LTF Article 8(c), Transit funds claimed if eligible. The operating and capital funds added together by fiscal year should equal the claim amount for the fiscal year.

**Line 9:** Enter the amount of LTF Article 8 other (not 8(c) claimed in Line 8 nor 8(a) funds) and indicated the sub article designation if eligible. The operating and capital funds added together by fiscal year should equal the claim amount for the fiscal year.

**Line 10:** Enter the amount of unearned/deferred LTF revenues to be used in budgeted year. Indicate which article is being used.

**Line 11:** Enter the amount of State Transit Assistance (STA) PUC § 99314 revenues expected to claim in budgeted year if eligible. Information may be based on actual numbers from prior years or on State provided estimate. If using the State estimate, remember that the funds disbursed will be based on actual receipts.

**Line 12:** Enter the amount of unearned/deferred STA PUC § 99314 revenues to be used in budgeted year.

**Line 13:** Enter the amount of State of Good Repair (SGR) revenues expected to claim in budgeted year if eligible. Information may be based on actual numbers from prior years or on State provided estimate. If using the State estimate, remember that the funds disbursed will be based on actual receipts.

**Line 14:** Enter the amount of unearned/deferred SGR revenues to be used in budgeted year.

**Line 15:** Enter the amount of State revenue (non TDA) to be used in budgeted year. Indicate in the notes the type of state funds used.

**Line 16:** Enter the amount of fare revenues to be used in budgeted year.

**Line 17:** Enter the amount of local funds to be used in budgeted year. Indicate in the notes the type of local funds used.

## VCTC Transportation Development Act Claims Manual

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**Line 18:** Enter the amount of other funds to be used in budgeted year. Indicate in the notes the type of other funds used.

**Line 19:** Enter the amount of interest to be used in budgeted year.

**Line 20:** *Auto fills or* enter the total revenues and fund balance (Add lines 4 through 19).

**Lines 21 to 26:** Enter amounts of eligible expenses in the appropriate column – operating vs. capital and prior FY vs. claim FY. Do not include depreciation or amortization expense in operating expenses since these are to be shown in the capital budget. Do not exclude liability or casualty insurance premiums in operating expenses unless allowed per PUC § 99268.17. SB 508 excludes the principal and interest payments on all capital projects funded with certificates of participation from the definition of operating costs used for the farebox recovery definition.

**Line 21** Enter the eligible operating costs as allowed per PUC § 99247(a) and CCR § 6611.1.

**Line 22:** Enter the eligible operating costs as allowed per PUC § 99247(a) and CCR § 6611.1 assigned to another agency/jurisdiction. Indicate the agency in the notes. For example: GCTD assigns operating funds to Ojai Trolley.

**Line 23:** Enter the amount of TDA used for eligible Capital expenses. Indicate in the notes the projects and associated expense.

**Line 24:** Enter the eligible capital costs assigned to another agency/jurisdiction. Specify the agency and capital costs in the notes. For example: GCTD assigns capital funds to City of Oxnard for building a transit center.

**Line 25:** Enter the amount of other expense and indicate in the notes the expense.

**Line 26:** *Auto fills the total or* Enter the total expenses (Add lines 21 through 25).

**Line 27:** *Auto fills or* Enter the surplus or deficit of funds at the end of the fiscal year (Line 20 minus Line 26).

**Line 28:** Enter notes for all items above requiring details or other information pertaining to the use of TDA funds and this claim. (Lines 4, 5, 15, 17, 18, 23, 24, and 25)

# VCTC Transportation Development Act Claims Manual

**Figure 3, Sample Financial Reporting Form – LTF Articles 4, 4.5 and 8 (excluding 8(a)) and STA and SGR (Form B2)**

		<b>2019/2020</b>			
		<b>City of Newtown</b>			
		<b>Operating Budget Comparison</b>		<b>Capital Budget Comparison</b>	
		<b>Prior FY</b>	<b>Claim FY</b>	<b>Prior FY</b>	<b>Claim FY</b>
1	Fiscal Year				
2	Claimant				
3	Budgeted Year*	<b>2018/2019</b>	<b>2019/2020</b>	<b>2018/2019</b>	<b>2019/2020</b>
4	Beginning Fund Balance (indicate LTF/STA/SGR amounts)	\$ 25,000.00	\$ -	\$ -	\$ 507,592.00
<b>Estimated Revenues :</b>					
5	Federal grants (provide detail in notes)*	\$ 1,500,000.00	\$ 1,500,000.00	\$ -	\$ 2,250,000.00
Local Transportation Funds by Article					
6	LTF Article 4, Transit (current year allocation)				
7	LTF Article 4.5, Community Transit (current year allocation)				
8	LTF Article 8(c), Transit (current year allocation)	\$ 1,500,000.00	\$ 1,800,000.00	\$ 500,000.00	\$ 800,000.00
9	LTF Article (specify) _____				
10	LTF Unearned/Deferred Revenues (specify article) _____*	\$ 15,000.00			
State Transit Assistance (current year request/estimate)*					
11	STA PUC § 99314 (current year allocation)	\$ 13,375.00	\$ 16,540.00		
12	STA PUC § 99314 Unearned/Deferred Revenues (at agency)				
13	State of Good Repair (current year allocation)			\$ 7,592.00	\$ 11,500.00
14	State of Good Repair Unearned/Deferred Revenues at agency)				
15	State - Other than TDA (provide detail in notes)*	\$ 136,000.00	\$ 75,000.00		
16	Fare Revenue Funds	\$ 710,000.00	\$ 750,000.00		
17	Local (specify in notes)*	\$ 100,000.00	\$ 108,000.00		
18	Other (specify in notes)				
19	Interest	\$ 625.00	\$ 460.00		
20	<b>Total Estimated Revenues and Fund Balances</b>	<b>\$ 4,000,000.00</b>	<b>\$ 4,250,000.00</b>	<b>\$ 507,592.00</b>	<b>\$ 3,569,092.00</b>
<b>Estimated Expenses:</b>					
21	Eligible Operating Costs	\$ 4,000,000.00	\$ 4,200,000.00		
22	Transit Operating assigned to other (specify in notes)*		\$ 50,000.00		
23	Transit Capital TDA (specify projects in notes)				\$ 3,544,092.00
24	Transit Capital assigned to other (specify in notes)				\$ 25,000.00
25	Other (provide detail in notes)				
26	<b>Total Estimated Expenses</b>	<b>\$ 4,000,000.00</b>	<b>\$ 4,250,000.00</b>	<b>\$ -</b>	<b>\$ 3,569,092.00</b>
27	<b>Surplus/Deficit End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 507,592.00</b>	<b>\$ -</b>

\* 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.

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 increase. If not needed, please initial   PP   Otherwise, please provide statement below.

**28 Notes and Explanations:**

- \* Line 4 - The beginning fund balance for FY 18/19 (prior year) operating is local funds.
- \* Line 5 - Federal funds for operations and capital are FTA.
- \* Line 10 - The unearned/deferred LTF revenue is Article 4 from FY 16/17.
- \* Line 15 - The State other funds consist of LCTOP funding
- \* Line 17 - The local funds consist of local sales tax funding
- \* Line 22 - The operating capital transferred to another entity is the County of Ventura and is for the Surry demonstration route.
- \* Line 23 - FY 18/19 capital funds are carried-over to FY 19/20 for bus purchase.
- \* Line 27 - The Art 4 balance of Capital is for the purchase of new passenger buses in FY 19/20.
- \* Line 24 - Capital assigned to other is the County of Ventura for the Rupert bus center.

# VCTC Transportation Development Act Claims Manual

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## Financial Reporting Form - LTF Article 8(a), Streets and Roads (Form B3)

A Financial Reporting Form is required from all claimants. Form B3 (See *Figure 4, Sample Financial Reporting Form – LTF Article 8(a), Streets and Roads (Form B3)*) is a sample of the form for Article 8(a). Fill in all applicable blanks highlighted in orange. Other blanks should auto-populate if using the provided Excel spreadsheet. *Otherwise, fill in the blank spaces as described below.* Lines not used should be left blank.

**Prior FY** = the previous fiscal year or claim fiscal year less one year.

**Claim FY** = the current fiscal year being claimed.

**Line 1:** *Auto fills from Form A or enter the Fiscal Year the funds are being claimed for. For example: 2018/2019.*

**Line 2:** *Auto fills from Form A or enter the name of the jurisdiction claiming the TDA funds.*

**Line 3:** Enter the budgeted Fiscal Years. Enter the prior fiscal year and claim fiscal year (*when using auto fill, claim fiscal year will auto populate*).

**Line 4:** Enter the beginning fund balance of Article 8(a) funds for the prior fiscal year (use audited amounts if available or estimates if unavailable). *When using auto fill, the “Claim FY” beginning fund balance will automatically populate when you complete the prior year information – (same number as Line 17, Surplus/Deficit End of Year from Prior FY column).* Please indicate in the notes the amount within the fund balance that is TDA.

**Line 5:** Enter the federal grant revenues for the prior and claim fiscal years. Indicate in the notes the type of federal funds used.

**Line 6:** Enter the amount of Local Transportation Funds (LTF) Article 8(a), Streets and Roads claimed.

**Line 7:** Enter the amount of unearned/deferred LTF revenues to be used in budgeted year.

**Line 8:** Enter the amount of State revenue (non-TDA) to be used in budgeted year. Indicate in the notes the type of state funds used.

**Line 9:** Enter the amount of local funds to be used in budgeted year. Indicate in the notes the type of local funds used.

## VCTC Transportation Development Act Claims Manual

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**Line 10:** Enter the amount of other funds to be used in budgeted year. Indicate in the notes the type of other funds used.

**Line 11:** Enter the amount of interest to be used in budgeted year.

**Line 12:** *Auto fills total or* enter the total revenues and fund balance (Add lines 4 through 11).

**Line 13** Enter the eligible streets and roads projects expenditures.

**Line 14:** Enter the eligible bicycle and pedestrian projects expenditures (Excluding Article 3/SB 821)

**Line 15:** Enter other eligible projects and include the details in the notes.

**Line 16:** *Auto fills total or* Enter the total expenses (Add lines 13 through 15).

**Line 17:** *Auto fills or* Enter the surplus or deficit of funds at the end of the fiscal year (Line 12 minus Line 16).

**Line 18:** Enter notes for all items above requiring details or other information pertaining to the use of TDA funds and this claim. (Lines 4, 5, 8, 9, 10, and 15)

# VCTC Transportation Development Act Claims Manual

**Figure 4, Sample Financial Reporting Form - LTF Article 8(a), Streets and Roads (Form B3)**

1 Fiscal Year	2019/2020	
	City of Newtown	
3 Budgeted Year	Budget Comparison	
	Prior FY	Claim FY
4 Beginning Fund Balance	2018/2019	2019/2020
	\$ 886,951.00	\$ -
<b>Estimated Revenues :</b>		
5 Federal grants (provide detail in notes)		
6 LTF Article 8(a), Streets and Roads (current year allocation)	\$ 567,800.00	\$ 980,000.00
7 LTF Unearned/Deferred Revenues		
8 State grants (provide detail in notes)		
9 Local (specify) _____		
10 Other (specify) _____	\$ 17,151.00	\$ 23,950.00
11 Interest	\$ 689.00	\$ 850.00
12 <b>Total Estimated Revenues and Fund Balances</b>	<b>\$ 1,472,591.00</b>	<b>\$ 1,004,800.00</b>
<b>Estimated Expenses:</b>		
13 Streets and Roads	\$ 1,472,591.00	\$ 800,000.00
14 Bicycles and Pedestrians (non Article 3)		
15 Other (provide detail in notes)		
16 <b>Total Estimated Expenses</b>	<b>\$ 1,472,591.00</b>	<b>\$ 800,000.00</b>
17 <b>Surplus/Deficit End of Year</b>	<b>\$ -</b>	<b>\$ 204,800.00</b>
18 <b>Notes and Explanations:</b>		

\* Line 4 - Beginning fund balance is carry-over from prior fiscal year and is all LTF.  
 \* Line 10 - Other revenue is street sweeping fees  
 \* Line 17 - The surplus in FY 19/20 is expected to be used in FY 20/21.

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## Assurances (Form C)

An Assurance Form is required from all claimants. Form C (See *Figure 5, Sample Assurances Form (Form C)*) is a sample of the form. Fill in all applicable blanks highlighted in orange. Other blanks should auto-populate if using the provided Excel spreadsheet. *Otherwise, fill in the blank spaces as described below.*

**Line 1:** *Auto fills from Form A or* enter the Fiscal Year the funds are being claimed for. For example: 2018/2019.

**Line 2:** *Auto fills from Form A or* enter the name of the jurisdiction claiming the TDA funds.

**Line 3:** Enter the TDA type and/or Article the Assurance Form is completed for. For example: 3, 4, 4.5, 8(a), 8(c), STA or SGR.

**Line 4-21:** Initial each section (or indicate "N/A" if not applicable to the type of fund being claimed). Each assurance indicates they type of funding it is applicable to.

**Line 22:** Signature of the authorizing agent.

**Line 23:** *Auto fills from Form A or* enter the name and title of the authorizing agent.

**Line 24:** *Auto fills from Form A or* enter the current date.

# VCTC Transportation Development Act Claims Manual

**Figure 5, Sample Assurances Form (Form C)**

1	Fiscal Year	2019/2020
2	Claimant	City of Newtown
3	Article	3, 4, STA and SGR

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

	Initial	Assurance
4	PA	<p><b>C1 180-Day Certified Fiscal Audit:</b>                      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 &amp; 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>Applies to All Claims: Article 3, 4, 4.5, 8(a), 8(c), STA and SGR</i></p>
5	PA	<p><b>C2 Timely and Reviewed Fiscal Audits:</b>                      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	PA	<p><b>C3 State Controller Annual Report</b>                      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	PA	<p><b>C4 Passed-through TDA Funds Retain TDA Requirements:</b>                      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	PA	<p><b>C5 Interest Accrual:</b>                      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	PA	<p><b>C6 Unmet Transit Needs:</b>                      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>

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- 10            PO            C7 **Revenue Ratios:**  
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.  
*Applies to 4, 4.5, 8 (transit)*
- 11            PO            C8 **Revenue Ratios for Exclusive Services to Seniors and Disabled:**  
*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.  
*Applies to 4, 4.5, 8 (transit)*
- 12            PO            C9 **50-Percent Allocation Limitation:**  
The expenditures 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 pursuant to PUC § 99268 and § 99405 and CCR § 6633.1  
*Applies to 4, 4.5, 8 (transit)*
- 13            PO            C10 **Retirement System or Private Pension Plan:**  
*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.  
*Applies to 4, 4.5, 8 (transit)*
- 14            PO            C11 **Use of Federal Funds:**  
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.  
*Applies to 4, 4.5, 8 (transit)*
- 15            PO            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)*



## Capital Projects and Reserves (Form D)

A Capital Projects and Reserves Form is required from all claimants. Form D (See *Figure 6, Sample Capital Projects and Reserves Form (Form D)*) is a sample of the form. Fill in all applicable blanks highlighted in orange. Other blanks should auto-populate if using the provided Excel spreadsheet. *Otherwise, fill in the blank spaces as described below.*

**Line 1:** *Auto fills from Form A* or enter the Fiscal Year the funds are being claimed for. For example: 2018/2019.

**Line 2:** *Auto fills from Form A* or enter the name of the jurisdiction claiming the TDA funds.

**Line 3:** Enter the information for each column for ALL funds held in reserve by project. Information required includes:

- a- Project name
- b- Source of Funding Type (for example: Article 8(c) or STA)
- c- Total estimated cost of project
- d- The estimate of funds expended to date
- e- The estimate for funds to be expended in the claim year
- f- The estimate of remaining reserved funds for the project
- g- The expected completion date of the project
- h- A description of the project and use of funds

**Line 4:** *Auto fills total* or Enter the totals for the following columns:

- c- Total estimated cost of project
- d- The estimate of funds expended to date
- e- The estimate for funds to be expended in the claim year
- f- The estimate of remaining reserved funds for the project

# VCTC Transportation Development Act Claims Manual

## Figure 6, Sample Capital Projects and Reserves Form (Form D)

1 Fiscal Year 2019/2020  
 2 Claimant City of Newtown

H:\TDA Prop 1B Audits and FY 1819\TDA Claim forms revised Example.xlsx\Form D - Capital

3	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
	2 Tree Bike Trail	LTF 3/CMAQ	\$ 875,000.00	\$ 775,000.00	\$ 100,000.00	\$ -	6/30/2020	New Class 1 bicycle trail on 2 Tree lane.
	Electric Bus upgrade	SGR	\$ 19,092.00	\$ -	\$ 19,092.00	\$ -	5/31/2020	Upgrade charging station for electric bus
	Purchase Bus	Art 8c/FTA	\$ 3,550,000.00	\$ -	\$ 3,550,000.00	\$ -	6/30/2020	Purchase 5 replacement buses
	Street Improvements	Art 8a	\$ 2,477,391.00	\$ 1,472,591.00	\$ 800,000.00	\$ 204,800.00	11/1/2020	Pave main street between 1st ave and 7th ave
						\$ -		
						\$ -		
						\$ -		
						\$ -		
						\$ -		
						\$ -		
						\$ -		
						\$ -		
						\$ -		
						\$ -		
						\$ -		
						\$ -		
						\$ -		
						\$ -		
4	<b>Total</b>		<b>\$ 6,921,483.00</b>	<b>\$ 2,247,591.00</b>	<b>\$ 4,469,092.00</b>	<b>\$ 204,800.00</b>		

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## Resolution (Form E)

A resolution is required from all claimants. Form E (See *Figure 7, Sample Local Agency Resolution Form (Form E)*) is a sample resolution the claimant can use to prepare the required resolution. The claim and the individual signing the claim and certifications must be authorized by the governing body. *Lines 2 – 9 will auto-populate if the claim forms are completed first. Otherwise, fill in the blank spaces as described below.*

**Line 1:** Enter the agency's resolution number.

**Line 2:** *Auto fills from Form A or* enter the Fiscal Year the funds are being claimed for. For example: 2018/2019.

**Line 3:** *Auto fills from Form A or* enter the name of the agency claiming the TDA funds.

**Line 4:** *Auto fills from Form A or* enter the same Fiscal Year as Line 2.

**Line 5:** *Auto fills from Form A or* enter the amount to be claimed for Article 3 approved by VCTC through the competitive process.

**Line 6:** *Auto fills from Form A or* enter the amount to be claimed for Article 4.

**Line 7:** *Auto fills from Form A or* enter the amount to be claimed for Article 4.5.

**Line 8:** *Auto fills from Form A or* enter the amount to be claimed for Article 8(a).

**Line 9:** *Auto fills from Form A or* enter the amount to be claimed for Article 8(c).

**Line 10:** Enter the day and month/year the resolution is passed.

**Line 11:** Enter the jurisdiction's signature lines for attestation and approval.

A copy of the agenda item and signed resolution is to be submitted to VCTC as part of the claim packet.



## Checklist (Form F)

The Checklist (see *Table 11 – Claim Form Checklist (Form F)*) is used to assist the claimant when filing all the forms necessary to claim TDA funds and is required from all claimants. The forms are numbered for easy reference. The Checklist contains a list of items to be filed with each claim. Many of the items are mandatory for all TDA funds. Some items only apply to certain types of funds and are so indicated.

After completing all forms, the submitter should review the checklist one last time for completion of all forms. The name, title, phone number and email address will auto-fill if Form C was completed. If not, enter the contact name, title, phone number, email address. Finally, date and sign the form.

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**Table 11 – Claim Form Checklist (Form F)**

Form Number	Document Name	Article 3 Bike/Ped	Article 4 Transit	Article 4.5 Community Transit	Article 8(a) Streets & Roads	Article 8(c) Transit	STA	State of Good Repair
A	Claim Form	X	X	X	X	X	X	X
B	Financial Reporting Form							
B1	Financial Reporting, Bike/Ped	X						
B2	Financial Reporting, Transit		X	X		X	X	X
B3	Financial Reporting, Street/Road				X			
C	Assurances							
C1	180-Day Certified Fiscal Audit	X	X	X	X	X	X	X
C2	Timely, Reviewed Fiscal Audits	X	X	X	X	X	X	X
C3	State Controller Annual Report	X	X	X	X	X	X	X
C4	Passed-through TDA Funds	X	X	X	X	X	X	X
C5	Interest Accrual	X	X	X	X	X	X	X
C6	Unmet Transit Needs				X			
C7	Revenue Ratios		X	X		X		
C8	Revenue Ratios Exclusive Service		X	X		X		
C9	50-Percent Allocation Limit		X	X		X		
C10	Retirement System		X	X		X		
C11	Use of Federal Funds		X	X		X		
C12	Staffing		X	X		X		
C13	Reduced Fares		X	X		X		
C14	CHP Certification		X	X		X		
C15	Accessible Vehicles		X	X		X		
C16	Budget Increase		X	X		X		
C17	Part-Time Employees						X	
C18	Operator's Qualifying Criteria						X	
D	Capital Projects and Reserves		X	X	X	X	X	X
F	TDA Checklist	X	X	X	X	X	X	X
E	Local Agency Resolution	X	X	X	X	X	X	X
E1	Agenda item for Resolution	X	X	X	X	X	X	X
G	Authorized Agent Form (State)							X
H	Certification and Assurances (St)							X
I	Board Resolution (State)							X
J	Project List							X
Signature: _____		Submitted by:						
Date: _____		Name: Polly Cracker						
		Title: Manager of Special Projects						
		Phone: 805-555-1212						
		Email: polly.cracker@newtown.org						

# VCTC Transportation Development Act Claims Manual

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## SGR State Forms (Forms G-J)

For information about the State of Good Repair program and forms to submit to the State, consult the Caltrans website at <http://www.dot.ca.gov/drmt/spstasgr.html>. This website is where you will find the current forms, guidelines and templates.

**Figure 8, Sample State Authorized Agent Form (Form G)**  
(form subject to change by Caltrans)

▲  
Authorized Agent

The following individual(s) are hereby authorized to execute for and on behalf of the named Regional Entity/Transit Operator, and to take any actions necessary for the purpose of obtaining State Transit Assistance State of Good Repair funds provided by the California Department of Transportation, Division of Rail and Mass Transportation. This form is valid at the beginning of Fiscal Year 2017-2018 until the end of the State of Good Repair Program. If there is a change in the authorized agent, the project sponsor must submit a new form. This form is required even when the authorized agent is the executive authority himself.

\_\_\_\_\_ Polly Cracker, Manager of Special Projects \_\_\_\_\_ OR  
(Name and Title of Authorized Agent)

\_\_\_\_\_ OR  
(Name and Title of Authorized Agent)

\_\_\_\_\_  
(Name and Title of Authorized Agent)

AS THE \_\_\_\_\_ City Manager \_\_\_\_\_  
(Chief Executive Officer / Director / President / Secretary)

OF THE \_\_\_\_\_ Newtown \_\_\_\_\_  
(Name of County/City Organization)

\_\_\_\_\_ Chris Pat \_\_\_\_\_ City Manager \_\_\_\_\_  
(Print Name) (Title)

\_\_\_\_\_  \_\_\_\_\_  
(Signature)

Approved this \_\_\_\_\_ 24 \_\_\_\_\_ day of \_\_\_\_\_ January \_\_\_\_\_, 20\_18|\_\_\_\_\_

**Figure 9, Sample State Certification and Assurances Form (Form H)**  
(Only page 1 displayed – form subject to change by Caltrans)

## State Transit Assistance State of Good Repair Program

### Recipient Certifications and Assurances

**Recipient:** Newtown\_\_\_\_\_.

**Effective Date:** January 24, 2018\_\_\_\_\_.

In order to receive State of Good Repair Program (SGR) funds from the California Department of Transportation (Department), recipients must agree to following terms and conditions:

#### A. General

- (1) The recipient agrees to abide by the State of Good Repair Guidelines as may be updated from time to time.
- (2) The potential recipient must submit to the Department a State of Good Repair Program Project List annually, listing all projects proposed to be funded by the SGR program. The project list should include the estimated SGR share assigned to each project along with the total estimated cost of each project.
- (3) The recipient must submit a signed Authorized Agent form designating the representative who can submit documents on behalf of the recipient and a copy of the board resolution authorizing the agent.

#### B. Project Administration

- (1) The recipient certifies that required environmental documentation will be completed prior to expending SGR funds. The recipient assures that each project approved for SGR funding comply with Public Resources Code § 21100 and § 21150.
- (2) The recipient certifies that SGR funds will be used for transit purposes and SGR funded projects will be completed and remain in operation for the estimated useful lives of the assets or improvements.

# VCTC Transportation Development Act Claims Manual

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**Figure 10, Sample State Board Resolution Form (Form I)**  
(Only page 1 displayed – form subject to change by Caltrans)

RESOLUTION # 18-254

**AUTHORIZATION FOR THE EXECUTION OF THE  
CERTIFICATIONS AND ASSURANCES  
FOR THE CALIFORNIA STATE OF GOOD REPAIR PROGRAM**

*(The following is sample language that could be included in your Board Resolution, necessary for execution of Certification and Assurances)*

**WHEREAS**, the Newtown is an eligible project sponsor and may receive State Transit Assistance funding from the State of Good Repair Account (SGR) now or sometime in the future for transit projects; and

**WHEREAS**, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

**WHEREAS**, Senate Bill 1 (2017) named the Department of Transportation (Department) as the administrative agency for the SGR; and

**WHEREAS**, the Department has developed guidelines for the purpose of administering and distributing SGR funds to eligible project sponsors (local agencies); and

**WHEREAS**, the Newtown wishes to delegate authorization to execute these documents and any amendments thereto to the Manager of Special Projects

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Newtown that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and applicable statutes, regulations and guidelines for all SGR funded transit projects.

**NOW THEREFORE, BE IT FURTHER RESOLVED** that the Manager of Special Projects be authorized to execute all required documents of the SGR program and any Amendments thereto with the California Department of Transportation.

**AGENCY BOARD DESIGNEE:**

BY: 

# VCTC Transportation Development Act Claims Manual

**Figure 11, Sample State Project List (Form J)**  
 (Only page 1 displayed – form subject to change by Caltrans)

State of Good Repair Project Information											
#	Sub-Recipient <i>If applicable</i>	Project Title <i>Project Title must match if appearing on multiple rows. Max. 250 Characters</i>	Project Description <i>Max. 300 Characters</i>	Asset Type <i>Dropdown Selection</i>	Project Category <i>Dropdown Selection</i>	Current Condition of Asset <i>Dropdown Selection</i>	Useful Life If Applicable <i>In Years</i>	Project Dates		Project Location City	Project Location County
								Project Start Date <i>MM/DD/YYYY</i>	Project Completion Date <i>MM/DD/YYYY</i>		
1	Newtown	Service Center Electric Chargers	upgrade electric chargers	Operations Facilities	Modernization	Poor	20	11/01/2019	05/31/2020	Newtown	Ventura County
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											

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## SUPPLEMENTAL INFORMATION

### APPENDIX A – ACRONYMS

ADA	American's with Disabilities Act
Caltrans	California Department of Transportation
CCR	California Code of Regulations
CHP	California Highway Patrol
CMAQ	Congestion Mitigation and Air Quality Improvement Programs
Commission	Ventura County Transportation Commission
County	County of Ventura
CPA	Certified Public Accountant
CPI	Consumer Price Index
CPUC	California Public Utilities Commission
CTAC	Citizen's Transportation Advisory Committee
CTC	County Transportation Commission
CTSA	Consolidated Transportation Service Agencies
DOF	Department of Finance
DOT	Department of Transportation
FTA	Federal Transit Administration
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GCTD	Gold Coast Transit District
LCTOP	Local Carbon Transit Operations Program
LTF	Local Transportation Fund
Metrolink	Operating name for SCRRRA (see SCRRRA)
	Public Transportation Modernization, Improvement and Service
PTMISEA	Enhancement Account Program.
PUC	Public Utilities Commission
RTA	Regional Transit Authority
RTPA	Regional Transportation Planning Agency
SB	Senate Bill
SCRRRA	Southern California Regional Rail Authority, a.k.a. Metrolink
SGR	State of Good Repair
SSTAC	Social Services Transportation Advisory Council
STA	State Transit Assistance
State	State of California
TDA	Transportation Development Act
TPA	Transportation Planning Agency
TRANSCOM	Transit Operators Advisory Committee
TTAC	Transportation Technical Advisory Committee
UTN	Unmet Transit Need
UZA	Urbanized Area
VCTC	Ventura County Transportation Commission

# VCTC Transportation Development Act Claims Manual

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## APPENDIX B – GLOSSARY OF TERMS

**Allocation:** How a jurisdiction elects to split its TDA apportionment between public transportation, transit, bicycle, pedestrian, and streets and roads projects.

**Apportionment:** The share of County's TDA funds earmarked for each jurisdiction.

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

**Claimant:** A jurisdiction filing a TDA claim. For example, a claimant might be a city or county that is an operator or a transit service claimant, or a city or county that is filing a bicycle/pedestrian project claim or a streets and roads claim.

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

**Fare and Local Support Recovery Ratio:** Sum of fare revenue and local support to operating costs.

**Farebox Recovery Ratio:** The ratio of the sum of fare revenues and local revenue to operating costs.

**Fare Revenue:** Passenger fares for transit service, special transit fares and school bus service revenues (PUC § 99243). Special transit fares include revenues for charter services and fees paid by an entity to support service for their benefit (i.e. university or employer). Fares can also include donations made by passengers when a fare is not charged.

**Fiscal Year:** July 1<sup>st</sup> through June 30<sup>th</sup>.

**Jurisdiction:** The geographical area over which a government body has the power and right to exercise authority.

**Local Funds:** The amount of local funding used to support the transit system. This could include city/county general fund money, a local sales tax, or other taxes levied directly by the transit system. SB 508 expanded the definition to include any nonfederal or non-state grants or other revenues generated by or distributed by the operator.

# VCTC Transportation Development Act Claims Manual

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**Local Support:** The amount of local funding used to support the transit system. This could include city general fund money, a local sales tax or other taxes levied directly by the transit system.

**Local Transportation Fund (LTF):** The LTF is a local fund into which the State deposits sales tax revenue to be used for transportation purposes defined by TDA. Revenues for LTF come from ¼ cent of the State sales tax collected in Ventura County.

**Mills-Alquist-Deddeh Act:** Another name for the Transportation Development Act.

**Operating Costs:** For the purposes of calculating farebox recovery ratios per the TDA, operating costs are defined as all costs of operating a transit system, exclusive of capital depreciation and amortization. Per SB 508 excludes principal and interest payments on all capital projects funded with certificates of participation from the definition of operating costs.

**Operator:** A city or county that is responsible for the following aspects of the transit service: sets route structure, sets schedules, sets fares, controls the quality and basic operation of the system. A city or county can be considered an operator regardless of whether it leases or owns the transit vehicles and/or regardless of whether it employs or contracts drivers.

**Reasonable to Meet:** A term used in the unmet 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 service.

**State of Good Repair (SGR):** SGR funds are generated from a fixed amount established by the Road Repair and Accountability Act of 2017, Senate Bill 1. The amount is adjusted annually for CPI. The funds are distributed in the same manner as STA funds.

**State Transit Assistance (STA):** STA funds are generated from the statewide sales tax on motor vehicle fuel (gasoline and diesel). STA funds are distributed to counties for transportation purposes. The STA fund is also sometimes referred to as SB 620.

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**Transportation Development Act (TDA):** The Transportation Development Act (TDA) provides two major sources of funding for public transportation: the Local Transportation Fund and the State Transit Assistance fund. These funds are for the development and support of public transportation needs that exist in California and are allocated to areas of each county based on population, taxable sales and transit performance. Some local agencies have the option of using LTF for local streets and roads purposes if their population is under 100,000 and they can show there are no unmet transit needs.

**Transportation Planning Agency (TPA):** An TPA is responsible for the preparation of all federal and state transportation plans and programs that secure transportation funding for highways, local streets and roads, transit, aviation, rail and bikeway/pedestrian facilities. The Ventura County Transportation Commission (VCTC) is the Transportation Planning Agency in Ventura County.

**Unallocated Apportionment:** VCTC may allocate to a claimant an amount less than the apportionment for their area. The amount that is not allocated is called an “unallocated apportionment.”

**Uniform System of Accounts:** The required format for a transit system claimant’s proposed budget, which shall be in conformance with accounting requirements adopted by the State Controller in accordance with PUC § 99243.

**Urbanized Area:** An urbanized area refers to the urbanized boundaries as reported in the latest federal census. An urbanized area has a population of 50,000 or more.

## APPENDIX C – REFERENCED PUBLIC UTILITIES CODE SECTIONS

The instructions and information included in this manual are intended to provide knowledge and aid claimants in filing claims in compliance with the requirements of the Transportation Development Act and related regulations (Title 21 California Code of Regulations Section 6600 et. seq.). It is meant to supplement the State's TDA code book, Transportation Development Act Statutes and California Code of Regulations manual which can be found at the State Department of Transportation's website at [http://www.dot.ca.gov/drmt/docs/tda/TDA\\_07-2018.pdf](http://www.dot.ca.gov/drmt/docs/tda/TDA_07-2018.pdf). Below is a list of Public Utilities Code Sections that may be referenced in this document.

**§ 99234.9 Rail Passenger Service Projects** - Any county, city, county transportation commission, or operator may file claims with the transportation planning agency for rail passenger service operation expenditures and capital improvement expenditures, including construction and maintenance of intermodal transportation facilities. These funds may be used as the entity's required contribution toward the cost of providing these services or capital improvements.

**§ 99260.6 Claims for Rail Passenger Service** - Public agencies authorized to file claims pursuant to § 99234.9 may file claims under this article.

**§ 99275 Community Transit Service Definition** – (a) Claims may be filed with the transportation planning agency by claimants for community transit services, including such services for those, such as the disabled, who cannot use conventional transit services. (b) For purposes of this article, "community transit services" means transportation services which link intra-community origins and destinations.

**§ 99313 State Transit Assistance; Population Formula Allocations** – From the funds made available pursuant to subdivision (c) of § 99312, an amount shall be allocated by the State Controller to each transportation planning agency and county transportation commission, and the San Diego Metropolitan Transit Development Board, based on the ratio of the population of the area under its jurisdiction to the total population of the State.

**§ 99400 Article 8** – Claims may be filed under this article with the transportation planning agency by counties and cities for the following purposes and by transit districts for the purposes specified in subdivisions.

**§ 99400 (a)** - Local streets and roads and projects, which are provided for use by pedestrians and bicycles.

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§ **99400 (b)** – Passenger rail service operations and capital improvements.

§ **99400 (c)** – Payment to any entity which is under contract with a county, city, or transit district for public transportation or for transportation services for any group, as determined by the transportation planning agency, requiring special transportation assistance. If the county, city or transit district is being served by an operator, the contract entered into by the county, city or transit district shall specify the level of service to be provided, the operating plan to implement that service, and how that service is to be coordinated with the public transportation service provided by the operator. Prior to approving any claim filed under this section, the transportation planning agency, or the county transportation commission in a county with such a commission, shall make a finding that the transportation services contracted for under subdivision (c) are responding to a transportation need not otherwise being met within the community or jurisdiction of the claimant and that, where appropriate, the services are coordinated with the existing transportation service.

§ **99400 (d)** – Payments to counties, cities, and transit districts for their administrative and planning costs with respect to transportation services under subdivision (c).

§ **99405 50-Percent Allocation Limitation** – Except as otherwise provided in this section, the allocation for any purposes specified in § 99400 may in no year exceed 50 percent of the amount required to meet the city's or county's total proposed expenditures for that purpose.

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