



MENDOCINO COUNCIL OF GOVERNMENTS

Regional Transportation Planning Agency
and Council of Governments

Fiscal Year 2023/24

AMENDED BUDGET



Adopted June 5, 2023
Amended August 14, 2023
Amended October 2, 2023
Amended November 6, 2023
Amended March 4, 2024

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MENDOCINO COUNCIL OF GOVERNMENTS

Regional Transportation Planning Agency
and Council of Governments

Fiscal Year 2023/24

BUDGET

Prepared by

Janet M. Orth
MCOG Deputy Director & CFO

Adopted by

MCOG Board of Directors
June 5, 2023

Amended
August 14, 2023
October 2, 2023
November 6, 2023
March 4, 2024

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Contents

Executive Director's Introduction

Budget Amendment – Staff Report for August 14, 2023 Meeting

Budget Amendment – Staff Report for October 2, 2023 Meeting

Budget Amendment – Staff Report for November 6, 2023 Meeting

Budget Amendment – Staff Report for March 4, 2024 Meeting

Summary of Regional Transportation Planning Agency and COG Budget - Fiscal Year 2023/24

Budget Summary – Supplemental Format with FY 2022/23 Comparison

Explanatory Notes on Funding Sources

MCOG's Transportation Development Act (TDA) Budget Calendar

Resolutions:

- I. **#M2024-01 – "Revising Allocation of Fiscal Year 2023/24 Funds and 2022/23 Carryover Funds for Administration, Bicycle & Pedestrian Facilities, Planning and Reserves, Superseding Resolution #M2023-02"**
 - **Exhibit A** – MCOG Administration Budget
 - **Exhibit B** – Final Planning Overall Work Program - Summary of Funding Sources
 - **Exhibit C** – Dow & Associates Administration & Fiscal Services
 - **Exhibit D** – Davey-Bates Consulting Planning Services
- II. **#M2023-03 – "Finding That There Are Unmet Transit Needs That Are Reasonable To Meet for Fiscal Year 2023/24"**
 - **Exhibit A** – MCOG's "Unmet Transit Needs" and "Reasonable to Meet" Process
 - **Exhibit B** – Unmet Transit Needs Testimony
 - **Exhibit C** – MTA's Unmet Transit Needs Analysis
 - **Exhibit D** – Transit Productivity Committee Meeting Minute Order of May 12, 2023
- III. **#M2023-11 – "Revising Allocation of Fiscal Year 2023/24 Local Transportation Funds, State Transit Assistance, and FY 2022/23 Carryover Capital Reserve Funds to Mendocino Transit Authority, Superseding Resolutions #M2023-04 and M2023-07"**
 - **Exhibit C** – Mendocino Transit Authority's FY 2023/24 Second Revised Claim for Funds
- IV. **#M2023-05 – "Allocating Surface Transportation Block Grant Funds for Fiscal Year 2023/24 MCOG Partnership Funding Program, Local Assistance, and Distribution By Formula To Member Agencies"**
- V. **#M2023-06 – "Allocating Fiscal Year 2022/23 Carryover Regional Early Action Planning (REAP) Program Grant Funds for FY 2023/24"**

Appendices:

A - MCOG Budget Workshop Presentation of May 1, 2023

B - MCOG Fiscal Audit for the Year Ended June 30, 2022: Management's Discussion & Analysis

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MENDOCINO COUNCIL OF GOVERNMENTS

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May 25, 2023

To: MCOG Board of Directors
From: Nephele Barrett, Executive Director
Prepared by Janet M. Orth, Deputy Director & CFO
**Re: Regional Transportation Planning Agency (RTPA) and Council of Governments
Fiscal Year 2023/24 Budget**

This budget is submitted to you for adoption at our meeting on June 5, 2023. It represents all recommendations made over the past several months by the Executive Committee, Technical Advisory Committee, Transit Productivity Committee, Social Services Transportation Advisory Council, and staff, progress of which we have reported to you along the way. This introduction is a brief summary of the main components of the RTPA budget. Five resolutions are prepared for adoption of the required findings and budget allocations. Two summary formats present different views of the information as usual. Total available revenues from all sources are **\$16,175,346**, and total proposed allocations amount to **\$15,753,101**.

As previously reported, this year's estimate of the local sales tax revenues (Local Transportation Fund – LTF) shows a drop in revenues for the coming fiscal year and also a shortfall for the current fiscal year. The gains of the pandemic period have tapered off, yielding an unallocated surplus for FY 2021/22 of \$384,429, which will be needed to help cover this year's shortfall. Normally, the unallocated surplus would be available to supplement the 2023/24 budget, and potentially some of that amount could be carried forward. Actual revenues for 2021/22 came in higher than estimated, though dropped to \$4.9 million from the previous year's all-time high of \$5 million. Now, with the current high rate of inflation and revenue shortfall, we are carefully monitoring LTF revenue. For the coming year MCOG will be able to fund programs of both the Regional Transportation Planning Agency and Mendocino Transit Authority, with the various funding sources available.

Administration

In the Transportation Development Act (TDA), funds for Administration of the agency are the first allocation priority, in amounts "as necessary." The Executive Committee recommended staff's "Option B" draft budget for Administration, which comprises several funding sources. The Board of Directors approved a fifth and final contract extension for Administration & Fiscal Services on April 3, 2023. The proposal includes scheduled COLA increases to the contract. TDA/LTF costs for Administration have risen slightly due to inflation, to 11.4 percent of the Auditor's estimate, with total costs dropping to a new low of 3.5 percent of the total RTPA budget. The Administration budget proposal (excluding STBG and SAFE) is \$559,626.

Bicycle & Pedestrian

TDA allows up to two percent of Local Transportation Funds (LTF) available each year, after Administration is allocated, to provide for facilities "for the exclusive use of pedestrians and bicycles." MCOG has customarily allocated the full two percent (2%) annually to a separate fund, and has awarded the funds on a competitive application basis. For the coming fiscal year, the Executive Committee recommends allocation of two percent (2%). The total Bicycle & Pedestrian budget proposal is \$86,846.

Planning

As a major function and responsibility of the RTPA, Planning is managed in the Overall Work Program (OWP). MCOG has customarily provided Local Transportation Funds (LTF) to Planning after Administration and

Bicycle & Pedestrian allocations. In addition, several other available sources are combined to fund the Planning program. Details of the OWP are presented in a separate document. The Executive Committee concurred with staff's proposed allocation of \$141,479 of new LTF funds and \$29,135 of prior-year funds. The Technical Advisory Committee works closely with our planning staff to develop this program each year and on May 24 recommended all proposed allocations, including FY 2022/23 estimated carryover. The total Planning budget proposal is \$894,365.

Transit

After all of the above allocations, the remaining balance of LTF is made available to fund public transit. Also available are State Transit Assistance (STA) funds. In our region, the only currently eligible claimant is Mendocino Transit Authority (MTA). Additionally, MCOG adopted a regional policy in 1999 (amended in 2001) to set aside an LTF Reserve for transit purposes at a minimum \$100,000 or five percent (5%) of the County Auditor's estimate of new LTF revenues. This year, with MTA's concurrence, staff and the Executive Committee again recommended setting aside in reserve three times the policy minimum, to 15 percent (\$735,000). LTF Balance Available for Transit is down 6.5 percent (\$304,075) from last year for MTA's claim, while surpassing \$4 million for the third consecutive year. The Transit Productivity Committee (TPC) met on May 12 and recommended full funding of MTA's claim with a revision to identify a portion of LTF Operations funds for high priority Unmet Transit Needs to continue restoring temporary service cuts. The TPC also recommends a finding that *"there are unmet transit needs that are reasonable to meet for Fiscal Year 2023/24."* The Social Services Transportation Advisory Council (SSTAC) met May 10 and made the same recommendation on unmet needs. Pending federal Section 5311 funds, the total Transit budget proposal is \$6,502,064.

Surface Transportation Block Grant (STBG) Program

MCOG adopted a policy in June 2006 to set aside a portion for regional projects, so a fund balance is available to MCOG for allocation consistent with this policy, called the Partnership Funding Program. Also, as a result of the Council's strategic planning workshop of August 2010, a portion of STBG funds is used to provide Local Assistance to the five MCOG member agencies, beginning in FY 2011/12. This is meant to help increase project delivery, to assist with new funding applications, and to provide related technical support. The balance is distributed by formula to the member local agencies. A resolution in this budget documents the STBG background and proposed allocations. The preliminary 2023/24 fund estimate for the RSTP budget is \$811,848.

Active Transportation Program (ATP)

MCOG is responsible for management of state grants awarded in 2014/15 and 2015/16. The infrastructure components for project development activities of the Covelo State Route 162 Corridor Multi-Purpose Trail, Phases 1 and 2 – Preliminary Engineering and Right-of-Way will be essentially completed, as the project begins construction in 2023. This is an exceptional function for MCOG, approved by separate resolution. The ATP infrastructure grant funding carried over is estimated at \$2,672,000 for construction, with recently supplemented Caltrans Complete Streets funds of \$3,828,000, for a total 2023/24 budget of \$6,500,000.

Regional Early Action Planning (REAP)

In FY 2021/22, state funding was provided for planning related to housing production and the Regional Housing Needs Allocation (RHNA) for which MCOG is responsible. Our Joint Powers Agreement was amended to include housing matters as a specific power. Most of the grant is sub-allocated to the member local agencies; carryover to 2023/24 is estimated at \$348,736.

Service Authority for Freeway Emergencies (SAFE)

Not included in this budget is the SAFE motorist aid call box program, which is set up as a separate agency under the same council representation as MCOG. An updated budget for Administration, Operations, and Capital Programs is on the Council's June agenda for approval.

My staff and I are available to answer any questions you may have about the proposed budget.



MENDOCINO COUNCIL OF GOVERNMENTS

STAFF REPORT

Agenda # 8
Consent
MCOG Meeting
8/14/2023

TITLE: FY 2023/24 Budget Amendment - MTA's Revised Claim for Capital Reserve Funds

SUBMITTED BY: Janet Orth, Deputy Director & CFO

DATE: 8/7/2023

BACKGROUND:

Mendocino Transit Authority has requested a revised allocation from the Capital Reserve Fund (CRF) for Fiscal Year 2023/24. The adopted budget allocates the entire estimated balance of \$705,462 for Long-Term projects in MTA's Five Year Capital Program, as allowed by the Transportation Development Act (TDA). MTA is the only eligible applicant for CRF funds under MCOG's jurisdiction, and funds are available.

MTA now requests moving the Long-Term allocation to current-year MTA Capital. They are purchasing a zero-emission, battery-electric bus with charging infrastructure at a total cost of approximately \$1.2 million. This requested CRF allocation would provide a local match for Federal Transit Administration (FTA) Section 5339 program funding. MTA has also contributed some of its own capital reserves to the project. It is anticipated that other state and/or federal resources will free up Local Transportation Funds for MTA to replenish MCOG's Capital Reserve Fund at some point going forward.

The proposed project expenditures are in conformity with the Regional Transportation Plan. The other required findings remain in effect, as documented in the budget allocating resolution.

I have prepared a draft resolution #M2023-07 indicating the requested changes in ~~strikeout~~ and ~~bold-italic~~ typeface to the adopted allocating resolution M2023-04, which would be superseded by this new resolution.

ACTION REQUIRED: Approval of this change to the Capital Reserve Fund allocation for 2023/24. If approved, staff will prepare an amendment of the adopted Budget package.

ALTERNATIVES:

This item could be pulled from the Consent Calendar for questions of MTA and/or further discussion.

RECOMMENDATION:

Approve MTA's revised FY 2023/24 claim for Capital Reserve funds as a Budget Amendment, and authorize the Executive Director to issue revised allocation instructions to the County Auditor-Controller/Treasurer-Tax Collector.

Enclosures:

Resolution M2023-07 superseding MCOG's FY 2023/24 allocating resolution M2023-04
Exhibit B - MTA's letter dated 8/7/2023 with summary of Revised 2023/24 Claim for Funds

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Mendocino Council of Governments

Regional Transportation Planning Agency & COG - Fiscal Year 2023/24 Budget

Amended by Board of Directors August 14, 2023

REVENUES	Trans. Devt. Act (TDA)			State			Federal		Local Agencies	TOTALS
	LTF	STA	CRF	PPM	RPA	Grants	STBG	5311		
2023/24 LTF Official County Auditor's Estimate	4,901,913									4,901,913
2022/23 Auditor's Anticipated Shortfall	-185,956									-185,956
Total Local Transportation Fund (LTF) Estimate	4,715,957									4,715,957
LTF 2014/15 prior-year unallocated revenues - reserved 2017/18	29,135									29,135
Carryover - Planning Overall Work Program and RSTP Local Assistance	122,868							278,545		401,413
2023/24 State Transit Assistance - SCO's Preliminary Estimate		1,073,881								1,073,881
2023/24 State of Good Repair - SCO's Preliminary Estimate						154,817				154,817
STA and SGR - Fund Balance Available for Allocation		369,690								369,690
MCOG's Capital Reserve Fund - Balance Available for Transit			705,462							705,462
Federal Transit Administration (FTA) Sec. 5311 Programs - CARES, CRRSAA, ARPA								To Info Supp.		0
FTA Section 5311 Program - Annual Regional Apportionment								pending		0
2023/24 STIP Planning, Programming & Monitoring (PPM)				141,000						141,000
2023/24 Rural Planning Assistance					319,000					319,000
2023/24 State Active Transportation Program (ATP) - grants & carryover						2,672,000				2,672,000
2022/23 Transportation Planning Program carryover				118,750	0	22,133				140,883
Surface Transportation Block Grant Program							811,848			811,848
HCD Regional Early Action Planning (REAP) Housing Funds - est. carryover						348,736				348,736
SHOPP Complete Streets Program - SR-162 Corridor Multi-Purpose Trail						3,828,000				3,828,000
Rural Counties Task Force - Membership Dues									38,500	38,500
LTF Reserve:										
Audited 2021/22 LTF Unrestricted Balance	384,429									
Audited LTF Reserve Balance as of 6/30/2022	1,212,745									
Less LTF Reserve Allocated for FY 2022/23	437,150									
Subtotal	1,160,024									
Less LTF Reserve per Policy adopted 4/2/2001 - 15%	735,000									(Per policy, minimum Reserve is 5% of County Auditor's estimate of new revenue, to nearest 1,000.)
Amount Available for Allocation in FY 2023/24	425,024									425,024
TOTAL REVENUES	5,292,984	1,443,571	705,462	259,750	319,000	7,025,686	1,090,393	0	38,500	16,175,346
ALLOCATIONS										
2023/24 Administration - inc. staffing contract at max. 7.3% COLA	559,626						101,116		38,500	699,242
2% Bicycle & Pedestrian - 2023/24 LTF Estimate less Admin. x .02	86,846									86,846
2023/24 Planning Overall Work Program (OWP) - new funds at 3% per TDA	141,479			141,000	319,000					
Temporary Reserves - LTF prior-year unallocated revenues requested for Planning OWP	29,135									
Carryover Funds - See OWP Summary	122,868			118,750	0	22,133			Total OWP:	894,365
Total Administration, Bike & Ped., and Planning	939,953	0	0	259,750	319,000	22,133	101,116	0	38,500	1,680,453
BALANCE AVAILABLE FOR TRANSIT	4,353,031	1,443,571	705,462	0	0	154,817	0	0	0	6,656,881
2023/24 Mendocino Transit Authority Claim - due April 1:										
MTA Operations	3,621,782	1,443,571								5,065,353
Unmet Transit Needs	50,000									50,000
Senior Centers Operations	681,249									681,249
Transit Planning										0
Capital Reserve Fund Contribution										0
Capital Program, MTA & Seniors Current Year			705,462							705,462
Capital Program, Long Term (Five Year Plan)			0							0
Total Transit Allocations	4,353,031	1,443,571	705,462					0		6,502,064
Other Allocations - RSTP for MCOG Partnership Fund							100,000			100,000
Other Allocations - RSTP for County & Cities Projects by Formula							621,848			621,848
Other Allocations - ATP Infrastructure Grants - SR162 Corridor Multi-Purpose Trail						2,672,000				2,672,000
Other Allocations - REAP for Admin., County & Cities Projects by Formula						348,736				348,736
Other Allocations - SHOPP Complete Streets for SR-162 Corridor Multi-Purpose Trail						3,828,000				3,828,000
TOTAL ALLOCATIONS	5,292,984	1,443,571	705,462	259,750	319,000	6,870,869	822,964	0	38,500	15,753,101
Balance Remaining for Later Allocation	0	0	0	0	0	154,817	267,429	0	0	422,245

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MENDOCINO COUNCIL OF GOVERNMENTS

Agenda # 12
Regular Calendar
MCOG Meeting
10/2/2023

STAFF REPORT

TITLE: Second FY 2023/24 Budget Amendment to Reconcile Shortfall with Available LTF

SUBMITTED BY: Janet Orth, Deputy Director & CFO

DATE: 9/25/2023

BACKGROUND:

Over the past several months I have reported the ongoing shortfall of FY 2022/23 Local Transportation Funds (LTF) from the quarter-cent transportation sales tax, and how it would impact available revenues in MCOG's FY 2023/24 budget.

In late August we received the final LTF deposit, revealing an actual shortfall of \$593,588 or 11.6% compared to the County Auditor-Controller/Treasurer-Tax Collector's official budget estimate. (Budget \$5,137,383 less actual revenues \$4,543,795 equals \$593,588 short.)

Withdrawals from MCOG's LTF Reserve fund are able to cover 2022/23 budget allocations, notably making whole those for Mendocino Transit Authority, according to long-standing policy. In order to maintain the Reserve at the level budgeted for 2023/24, this in turn means less funding available to flow forward into the 2023/24 budget. It would be wise in these uncertain economic times to keep in reserve the 15 percent (\$735,000) already allocated.

The LTF Reserve policy amended August 14 allows for advances to MTA before fiscal year closing, so the Executive Director released the 12th monthly payment on August 16, subject to later reconciliation.

Note that the adopted 2023/24 budget shows estimated 2022/23 shortfall as known back in February. In budget development we had intended to cover the shortfall partly with prior-year audited, unrestricted surplus LTF funds and partly with new funds if needed (Method A). However, this would mean tracking the shortfall through the new budget year and possibly impacting cash flow, so I now recommend wiping the slate clean by covering the shortfall entirely with Reserve funds according to policy (Method B). Either way, the Transit claim has been over-allocated by \$407,632, so will need to be reduced by that amount at a subsequent Council meeting.

The result is not yet audited, which will take several more months; however I recommend taking this step now to reconcile the budget. MTA management has indicated they might submit another revised claim for MCOG's November meeting, so this action in October would make clear the adjusted Balance Available for Transit. If no revision is requested by MTA, staff would return to the Council in November for approval of a pro rata reduction of the transit allocations.

Attached are two summary budget tables (Methods A and B) showing the new calculations. As always, I will be available to answer any questions at our meeting.

ACTION REQUIRED: Approval of staff's reconciliation of Local Transportation Funds (LTF) available for allocation in 2023/24, as a second amendment of the Budget adopted June 5, 2023.

ALTERNATIVES:

This item could be delayed to a future meeting. – *not recommended as item is time sensitive*

RECOMMENDATION:

Approve staff's reconciliation of Local Transportation Funds (LTF) available for allocation in 2023/24, using Method B to cover the FY 2022/23 shortfall entirely from LTF Reserve funds, as a second Budget Amendment.

Enclosures:

Summary budget tables calculating 2022/23 LTF shortfall and available LTF for 2023/24 – *Methods A and B*

Mendocino Council of Governments

Regional Transportation Planning Agency & COG - Fiscal Year 2023/24 Budget

Amended by Board of Directors October 2, 2023

REVENUES	Trans. Devt. Act (TDA)			State			Federal		Local Agencies	TOTALS
	LTF	STA	CRF	PPM	RPA	Grants	STBG	5311		
2023/24 LTF Official County Auditor's Estimate	4,901,913									4,901,913
2022/23 Auditor's Anticipated Shortfall	-185,956									-185,956
Total Local Transportation Fund (LTF) Estimate	4,715,957									4,715,957
2022/23 Auditor's Anticipat'd Unrestricted Balance - Reversed	185,956									
LTF 2014/15 prior-year unallocated revenues - reserved 2017/18										29,135
Carryover - Planning Overall Work Program and RSTP Local Assistance	122,868							278,545		401,413
2023/24 State Transit Assistance - SCO's Preliminary Estimate		1,073,881								1,073,881
2023/24 State of Good Repair - SCO's Preliminary Estimate						154,817				154,817
STA and SGR - Fund Balance Available for Allocation		369,690								369,690
MCOG's Capital Reserve Fund - Balance Available for Transit			705,462							705,462
Federal Transit Administration (FTA) Sec. 5311 Programs - CARES, CRRSAA, ARPA								To Info Supp.		0
FTA Section 5311 Program - Annual Regional Apportionment								pending		0
2023/24 STIP Planning, Programming & Monitoring (PPM)				141,000						141,000
2023/24 Rural Planning Assistance					319,000					319,000
2023/24 State Active Transportation Program (ATP) - grants & carryover						2,672,000				2,672,000
2022/23 Transportation Planning Program carryover				118,750	0	22,133				140,883
Surface Transportation Block Grant Program							811,848			811,848
HCD Regional Early Action Planning (REAP) Housing Funds - est. carryover						348,736				348,736
SHOPP Complete Streets Program - SR-162 Corridor Multi-Purpose Trail						3,828,000				3,828,000
Rural Counties Task Force - Membership Dues									38,500	38,500
LTF Reserve:										
Audited 2021/22 LTF Unrestricted Balance	384,429									
Audited LTF Reserve Balance as of 6/30/2022	1,212,745									
Less LTF Reserve Released for Allocation in FY 2022/23	-437,150									
Less Withdrawals from Reserve to Fully Cover Actual 2022/23 Shortfall	-593,588									
Subtotal	566,436									
Less LTF Reserve per Policy adopted 4/2/2001 - 15%	735,000									(Per policy, minimum Reserve is 5% of County Auditor's estimate of new revenue, to nearest 1,000.)
Amount Available for Allocation Replenish Reserve in FY 2023/24	-168,564									-168,564
TOTAL REVENUES	4,885,352	1,443,571	705,462	259,750	319,000	7,025,686	1,090,393	0	38,500	15,581,758
ALLOCATIONS										
2023/24 Administration - inc. staffing contract at max. 7.3% COLA	559,626						101,116		38,500	699,242
2% Bicycle & Pedestrian - 2023/24 LTF Estimate less Admin. x .02	86,846									86,846
2023/24 Planning Overall Work Program (OWP) - new funds at 3% per TDA	141,479				141,000	319,000				
Temporary Reserves - LTF prior-year unallocated revenues requested for Planning OWP	29,135									
Carryover Funds - See OWP Summary	122,868				118,750	0	22,133		Total OWP:	894,365
Total Administration, Bike & Ped., and Planning	939,953	0	0	259,750	319,000	22,133	101,116	0	38,500	1,680,453
BALANCE AVAILABLE FOR TRANSIT	3,945,399	1,443,571	705,462	0	0	154,817	0	0	0	6,249,249
2023/24 Mendocino Transit Authority Claim - due April 1:										
MTA Operations	3,621,782	1,443,571								5,065,353
Unmet Transit Needs	50,000									50,000
Senior Centers Operations	681,249									681,249
Transit Planning										0
Capital Reserve Fund Contribution										0
Capital Program, MTA & Seniors Current Year			705,462							705,462
Capital Program, Long Term (Five Year Plan)			0							0
Total Transit Allocations	4,353,031	1,443,571	705,462	0	0	154,817	0	0	0	6,502,064
Other Allocations - RSTP for MCOG Partnership Fund							100,000			100,000
Other Allocations - RSTP for County & Cities Projects by Formula							621,848			621,848
Other Allocations - ATP Infrastructure Grants - SR162 Corridor Multi-Purpose Trail						2,672,000				2,672,000
Other Allocations - REAP for Admin., County & Cities Projects by Formula						348,736				348,736
Other Allocations - SHOPP Complete Streets for SR-162 Corridor Multi-Purpose Trail						3,828,000				3,828,000
TOTAL ALLOCATIONS	5,292,984	1,443,571	705,462	259,750	319,000	6,870,869	822,964	0	38,500	15,753,101
Balance Remaining for Later Allocation / Over-allocation	-407,632	0	0	0	0	154,817	267,429	0	0	14,613

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MENDOCINO COUNCIL OF GOVERNMENTS

FY 2023/24 BUDGET SUMMARY

Amended by Board of Directors August 14 and October 2, 2023

Supplemental Format

REVENUES	FY 2022/23 Budget Amended	FY 2023/24 Budget Proposed	\$ Change	% Change	NOTES
LOCAL/REGIONAL:		*			
Local Transportation Funds (LTF)					Transportation Development Act (TDA) Funds
LTF Official County Auditor's Estimate	\$ 5,137,383	\$ 4,901,913	\$ (235,470)	-4.6%	
Auditor's Anticipated Unrestricted Balance - Current Year	\$ 566,800	\$ (185,956)	\$ (752,756)	-132.8%	FY 2021/22 and 2022/23 respectively
Total Local Transportation Fund (LTF) Estimate	\$ 5,704,183	\$ 4,715,957	\$ (988,226)	-17.3%	
Auditor's Anticipat'd Unrestricted Balance - Reversal	\$ (566,800)	\$ 185,956			Per policy, any excess/shortfall flows through LTF Reserve
Reserved LTF Prior-year Unallocated Revenues	\$ 29,135	\$ 29,135	\$ -	0.0%	Available for TDA allowable purposes (no new revenue, in fund balance)
MTA Fiscal Audit - Amount returned to MCOG, if any	\$ -	\$ -	\$ -		2021/22 MTA audit verified full eligibility for funds received, per state waivers
Planning Overall Work Program (OWP) - Carryover from Previous FY	\$ 165,646	\$ 122,868			FY 2022/23 OWP as amended April 2023
Subtotal Local Transportation Funds:	\$ 5,332,164	\$ 4,867,960	\$ (464,204)	-8.7%	OWP carryover is offset by equivalent allocation
LTF Reserve Funds					
LTF "Unrestricted Balance" of Unallocated Revenue	\$ 754,417	\$ 384,429	\$ (369,988)	-49.0%	Last audited year, actual LTF revenue excess/shortfall per Auditor's Estimate
LTF Reserve Fund Balance	\$ 472,034	\$ 1,212,745	\$ 740,711	156.9%	Reserve used to cover transit allocation shortfalls and claims per policy
Less/Plus Current Year Reserve Allocation	\$ (18,301)	\$ (437,150)	\$ (418,849)	2288.7%	Prior year unrestricted "excess revenue" or surplus above fund balance
Less Withdrawals from Reserve to Fully Cover Actual 2022/23 Shortfall		\$ (593,588)			
Subtotal	\$ 1,208,150	\$ 566,436	\$ (641,714)	-53.1%	
Less LTF Reserve Balance per Policy adopted 4/2/2001	\$ (771,000)	\$ (735,000)	\$ 36,000	-4.7%	Per policy, min. Reserve 5% of County Auditor's est. of new LTF, nearest 1,000.
Replenish Reserve in FY 2023/24:	\$ 437,150	\$ (168,564)	\$ (605,714)	-138.6%	From increase in prior-year sales tax revenues & current year actual shortfall
TOTAL LTF REVENUES	\$ 5,769,314	\$ 4,885,352	\$ (883,962)	-15.3%	
Capital Reserve Funds					
Total Capital Reserve Fund	\$ 701,179	\$ 705,462	\$ 4,283	0.6%	Fund balance available for transit claim based on 5-Year Capital Program
Local Agency Contributions					
	\$ 38,500	\$ 38,500			Local agencies' Rural Counties Task Force dues collected by MCOG
Total Local/Regional Revenues:	\$ 6,508,993	\$ 5,629,314	\$ (879,679)	-13.5%	
STATE:					
Planning Programming & Monitoring (PPM) Funds					
Planning Overall Work Program (OWP) - New Revenue	\$ 131,000	\$ 141,000	\$ 10,000	7.6%	
Planning Overall Work Program (OWP) - Carryover from Previous FY	\$ 114,636	\$ 118,750	\$ 4,114	3.6%	FY 2022/23 OWP as amended April 2023
Total PPM Funds:	\$ 245,636	\$ 259,750	\$ 14,114	5.7%	
State Transit Assistance (STA) Funds					TDA Funds
State Controller's Estimate	\$ 868,476	\$ 1,073,881	\$ 205,405	23.7%	Revised 2022/23 SCO est. \$1,181,639, Preliminary 2023/24 may change
Estimated Fund Balance Available for Allocation	\$ 355,426	\$ 369,690	\$ 14,264	4.0%	FY 2022/23 fund balance revised per 2021/22 fiscal audit
Total State Transit Assistance Funds:	\$ 1,223,902	\$ 1,443,571	\$ 219,669	17.9%	
State of Good Repair (SGR) Funds					SGR=transit funding in Senate Bill 1, allocated to MTA by separate resolution
State Controller's Estimate	\$ 139,740	\$ 154,817	\$ 15,077	10.8%	Revised 2022/23 SCO est. \$149,139, Preliminary 2023/24 may change
Estimated Fund Balance Available for Allocation	\$ -	\$ -	\$ -		Fully allocated to MTA projects through 2022/23
Total State of Good Repair Funds:	\$ 139,740	\$ 154,817	\$ 15,077	10.8%	
Rural Planning Assistance Funds (RPA)					
Planning Overall Work Program (OWP) - New Revenue	\$ 294,000	\$ 294,000	\$ -	0.0%	
Planning Overall Work Program - Carryover	\$ 26,882	\$ -			FY 2022/23 OWP as amended April 2023
Planning Overall Work Program (OWP) - RPA Grant	\$ -	\$ 25,000			To pass through CA Regional Leadership Academy (CARL) scholarships
Total RPA Funds:	\$ 320,882	\$ 319,000	\$ (1,882)	-0.6%	

California Active Transportation Program (ATP)					
ATP Infrastructure Projects - Carryover	\$ 2,672,000	\$ 2,672,000	\$ -	0.0%	Estimated funds to carry over to next FY of trail project for construction
Total ATP Funds:	\$ 2,672,000	\$ 2,672,000			
SHOPP Complete Streets Program					
SR-162 Corridor Multi-Purpose Trail - Right of Way (ROW)	\$ -	\$ -			2021/22 funding through Caltrans to supplement ATP funds; ROW completed
SR-162 Corridor Multi-Purpose Trail - Construction (CON)	\$ 1,511,000	\$ 3,828,000	\$ 2,317,000	153.3%	2021/22 funding through Caltrans carried over, plus new funds 3/23/2023
Total Complete Streets Funds:	\$ 1,511,000	\$ 3,828,000			
Caltrans Sustainable Communities Planning Grants					
FY 2021/22 Grant Funded Feasibility Study	\$ 155,662	\$ 22,133			Mobility Solutions for Rural Communities of Inland Mendocino County, carried over to 2023/24
Total Caltrans Planning Grants:	\$ 155,662	\$ 22,133			
HCD Regional Early Action Planning (REAP) Housing Funds	\$ 354,864	\$ 348,736	\$ (6,128)	-1.7%	2020/21 grant from Housing & Community Devt. Dept., carried over
Total State Revenues:	\$ 6,623,686	\$ 9,048,007	\$ 2,424,321	36.6%	
FEDERAL:					
Federal Grant Programs and Regional Apportionments					
FTA Section 5311f Intercity Bus Program	\$ 200,000	pending			Competitive grants include Operating Assistance and Capital Projects
FTA Section 5311 Program - Regional Apportionment	\$ 732,129	pending			Annual apportionment to Mendocino County for transit operations/capital
Surface Transportation Block Grant Program (STBG)	\$ 977,852	\$ 811,848	\$ (166,004)	-17.0%	Actual revenue 2022/23, estimated 2023/24 - exchanged for State \$
STBG Carryover/Balance Available for Later Allocation	\$ 240,656	\$ 278,545	\$ 37,889	15.7%	Updated bal. under Admin for Local Assistance, per audits thru 6.30.2022
Total Federal Revenues:	\$ 2,150,637	\$ 1,090,393	\$ (1,060,244)	-49.3%	
TOTAL REVENUES	\$ 15,283,316	\$ 15,767,714	\$ 484,398	3.2%	

ALLOCATIONS	FY 2022/23 Budget Amended	FY 2023/24 Budget Proposed	\$ Change	% Change	NOTES
LOCAL/REGIONAL:					
Local Transportation Funds (LTF)					
Reserved LTF Prior-year Unallocated Revenues Administration:	\$ 29,135	\$ -			Zero balance remaining after allocations of Prior-Year Unallocated Revenues
Admin. & Fiscal Services Contract	\$ 461,379	\$ 501,126	\$ 39,747	8.61%	Includes COLA of 4.2% for 2022/23 and 7.3% for 2023/24 per CPI rates
Other Direct Costs	\$ 48,000	\$ 58,500	\$ 10,500	21.9%	
Total Administration Allocations:	\$ 509,379	\$ 559,626	\$ 50,247	9.9%	Admin. & Fiscal Services contract 2014/15-2018/19 plus five 1-yr extensions
Two Percent LTF Bicycle & Pedestrian Program	\$ 92,560	\$ 86,846	\$ (5,714)	-6.2%	Opt. 2% of LTF Estimate (less Admin. allocation) per TDA
Planning Overall Work Program (OWP) - New Funds	\$ 315,488	\$ 141,479	\$ (174,009)	-55.2%	
LTF Prior-year Unallocated Revenues	\$ -	\$ 29,135			Allocates remainder of prior-year revenues reserved in 2017.
OWP Carryover from Previous Fiscal Year	\$ 165,646	\$ 122,868			FY 2022/23 OWP as amended April 2023
Total Admin., Bike & Ped., Planning, Reserves:	\$ 1,112,208	\$ 939,953	\$ (172,255)	-15.5%	
Balance Available For Transit	\$ 4,657,106	\$ 3,945,399	\$ (711,707)	-15.3%	Rounding error of (1) for 2023/24 balance available
Mendocino Transit Authority (MTA) Claim:					<u>TDA Authority:</u>
MTA Operations	\$ 3,428,087	\$ 3,621,782	\$ 193,695	5.7%	Public Utilities Code (PUC) Sec. 99260a
Unmet Transit Needs	\$ 300,000	\$ 50,000	\$ (250,000)	-83.3%	PUC Section 99260a
Senior Centers Operations	\$ 729,019	\$ 681,249	\$ (47,770)	-6.6%	PUC Section 99400c
Transit Planning	\$ 200,000	\$ -			Short Range Transit Development Plan
MTA Capital Program - Current Year	\$ -	\$ -			
Capital Reserve Fund Contribution	\$ -	\$ -			CA Code of Regulations (CCR) Sec. 6648
Total LTF Transit Claim:	\$ 4,657,106	\$ 4,353,031	\$ (304,075)	-6.5%	
Total LTF Allocations:	\$ 5,769,314	\$ 5,292,984	\$ (476,330)	-8.3%	

Capital Reserve Funds					
Mendocino Transit Authority (MTA) Claim:					
Capital Program, MTA - Current Year	\$	-	\$	-	CCR Section 6648
Capital Program, Senior Centers - Current Year	\$	-	\$	705,462	CCR Section 6648 - MTA revised claim to spend funds in current year
Capital Program - Long Term	\$	701,179	\$	-	CCR Section 6631
Total CRF Allocations:	\$	701,179	\$	705,462	\$ 4,283 0.6%
Local Agency Contributions					
	\$	38,500	\$	38,500	\$ - 0.0%
Total Local/Regional Allocations:	\$	6,508,993	\$	6,036,946	\$ (472,047) -7.3%
STATE:					
Planning Programming & Monitoring (PPM) Funds					
Planning Overall Work Program (OWP) - New Revenue	\$	131,000	\$	141,000	\$ 10,000 7.6%
Planning Overall Work Program (OWP) - Carryover from Previous FY	\$	114,636	\$	118,750	\$ 4,114 3.6%
Total PPM Allocations:	\$	245,636	\$	259,750	\$ 14,114 5.7%
State Transit Assistance (STA) Funds					
Mendocino Transit Authority (MTA) Claim:					
MTA Operations	\$	967,375	\$	1,443,571	\$ 476,196 49.2%
Capital Program, MTA & Seniors - Current Year	\$	200,000	\$	-	CCR Section 6730a
Capital Reserve Fund Contribution	\$	-	\$	-	CCR Section 6730b
Total STA Allocations:	\$	1,167,375	\$	1,443,571	\$ 276,196 23.7%
	\$	-	\$	-	CCR Section 6631
State of Good Repair (SGR) Funds					
	\$	-	\$	-	SGR=transit funding in Senate Bill 1, allocated to MTA by separate resolution
Rural Planning Assistance Funds (RPA)					
Planning Overall Work Program (OWP) - New Revenue	\$	294,000	\$	294,000	\$ - 0.0%
Planning Overall Work Program (OWP) - Carryover from Previous FY	\$	26,882	\$	-	FY 2022/23 OWP as amended April 2023
Planning Overall Work Program (OWP) - RPA Grant	\$	-	\$	25,000	To pass through CA Regional Leadership Academy (CARL) scholarships
Total RPA Allocations:	\$	320,882	\$	319,000	\$ (1,882) -0.6%
California Active Transportation Program (ATP)					
ATP Infrastructure Projects - Carryover	\$	2,672,000	\$	2,672,000	\$ - 0.0%
Total ATP Allocations	\$	2,672,000	\$	2,672,000	Estimated funds to carry over to next FY of trail project for construction
SHOPP Complete Streets Program					
SR-162 Corridor Multi-Purpose Trail - Right of Way (ROW)	\$	-	\$	-	2021/22 funding through Caltrans to supplement ATP funds; ROW completed
SR-162 Corridor Multi-Purpose Trail - Construction (CON)	\$	1,511,000	\$	3,828,000	2021/22 funding through Caltrans carried over, plus new funds 3/23/2023
Total Complete Streets Funds:	\$	1,511,000	\$	3,828,000	
Caltrans Sustainable Communities Planning Grant					
FY 2021/22 Grant Funded Feasibility Study	\$	155,662	\$	22,133	
Total Caltrans Planning Grants:	\$	155,662	\$	22,133	\$ (133,529) -85.8%
HCD Regional Early Action Planning (REAP) Housing Funds					
MCOG Administration and Management	\$	26,325	\$	20,197	\$ (6,128) -23.3%
Formula Distribution to MCOG Member Agencies:					
Mendocino County Dept. of Transportation	\$	177,228	\$	177,228	
City of Ukiah	\$	69,536	\$	69,536	
City of Fort Bragg	\$	46,410	\$	46,410	
City of Willits	\$	35,365	\$	35,365	
City of Point Arena	\$	-	\$	-	
Total REAP Formula Distribution	\$	328,539	\$	328,539	\$ - 0.0%
Total REAP Allocations:	\$	354,864	\$	348,736	\$ (6,128) -1.7%
Total State Funds Allocations:	\$	6,427,419	\$	8,893,190	\$ 2,465,771 38.4%

FEDERAL:					
Federal Grant Programs and Regional Apportionments					
FTA Section 5311f Intercity Bus Program	\$ 200,000		pending		
FTA Section 5311 Program - Regional Apportionment:	\$ 732,129		pending		MTA applied for \$200K for Route 65, \$300K awarded for Route 65 in 2021/22 MTA is eligible, MCOG approves programming; resolution adopted 5/2/2022
Surface Transportation Block Grant Program (STBG)					
MCOG Partnership Funding Program	\$ 100,000	\$ 100,000	\$ -	0.0%	STBG budget allocations are based on estimates Regional capital project funds "off the top"
Local Assistance - Project Delivery - Administration	\$ 90,000	\$ 90,000	\$ -	0.0%	Staff - Regional Project Manager under Admin. Contract and direct costs Contract CPI increase from unexpended Local Assistance fund balance
	\$ 3,096	\$ 11,116			Actual revenue 2022/23, estimated 2023/24 - exchanged for State \$
Formula Distribution to MCOG Member Agencies:					
Mendocino County Dept. of Transportation	\$ 169,609	\$ 133,871	\$ (35,738)	-21.1%	
City of Ukiah	\$ 228,256	\$ 180,162	\$ (48,094)	-21.1%	
City of Fort Bragg	\$ 152,402	\$ 120,290	\$ (32,112)	-21.1%	
City of Willits	\$ 143,042	\$ 112,903	\$ (30,139)	-21.1%	
City of Point Arena	\$ 94,542	\$ 74,622	\$ (19,920)	-21.1%	
Total RSTP Formula Distribution	\$ 787,851	\$ 621,848	\$ (166,003)	-21.1%	
Total RSTP Allocations:	\$ 980,947	\$ 822,964	\$ (157,983)	-16.1%	Formula allocation by policy, distribution pending State processing of funds
Total Federal Funds Allocations:	\$ 1,913,076	\$ 822,964	\$ (1,090,112)	-57.0%	
Total Transit Allocations	\$ 7,457,789	\$ 6,502,064	\$ (955,725)	-12.8%	
Total Overall Work Program (OWP)	\$ 1,203,314	\$ 894,365	\$ (308,949)	-25.7%	FY 2022/23 OWP as amended April 2023
TOTAL ALLOCATIONS	\$ 14,849,488	\$ 15,753,100	\$ 903,612	6%	
Balance for Later Allocation/Over-allocation/Dif. of Actuals	\$ 433,828	\$ 14,614	\$ (419,214)	-97%	SGR, STBG

INFORMATION	FY 2022/23	FY 2023/24			NOTES
STATE / FEDERAL:					
Other Funds Available Outside MCOG's Budget Process					
FTA Section 5311 Program - CARES Act - Ph.1 Fund Balance	\$ -	\$ -			Refer to Explanatory Notes on Funding Sources for details Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020)
FTA Section 5311(f) Program - CARES Act - Ph.1 Fund Balance	\$ 1,206,413	\$ 144,998	\$ (1,061,415)	-88.0%	FY 2022/23 details not available at this writing
FTA Section 5311 Program - CARES Act - Ph.2 Fund Balance	\$ -	\$ 847,271			FY 2022/23 details not available at this writing
FTA Section 5311(f) Program - CARES Act - Ph.2 Fund Balance	\$ -	\$ 295,042			
Total CARES Act Funds	\$ 1,206,413	\$ 1,287,311	\$ 80,898	6.7%	
CRRSAA Fund Balance	\$ 1,459,704	\$ 1,459,704	\$ -	0.0%	Coronavirus Response & Relief Supplemental Appropriations Act of 2021
Total Coronavirus Relief Funds	\$ 2,968,317	\$ 2,747,015	\$ (221,302)	-7.5%	
FTA Section 5311 Program - ARPA Fund Balance	\$ -	\$ 700,650			American Rescue Plan Act (ARPA) of 2021
FTA Section 5311(f) Program - ARPA Fund Balance	\$ -	\$ 208,681			FY 2022/23 data not available
Total ARPA Funds	\$ -	\$ 909,331			
State Transportation Improvement Program (STIP) Project Totals	\$ 1,369,000	\$ 1,725,000	\$ 356,000	26.0%	Programmed by MCOG in Regional TIP for State \$ directly to local agencies 2022/23 major project is City of Ukiah's Downtown Streetscape Phase II. 2023/24 major project Fort Bragg SR-1/So. Main St. bike & ped improvmts.



MENDOCINO COUNCIL OF GOVERNMENTS

Agenda # 6
Consent Calendar
MCOG Meeting
11/6/2023

STAFF REPORT

TITLE: Third FY 2023/24 Budget Amendment to Revise LTF Allocation for MTA Operations

SUBMITTED BY: Janet Orth, Deputy Director & CFO

DATE: 10/20/2023

BACKGROUND:

At the October meeting, the Council took action to address the shortfall of FY 2022/23 Local Transportation Funds (LTF) from the quarter-cent transportation sales tax. The result is a reduction of available funds for Transit in MCOG's FY 2023/24 budget from \$4,353,031 to \$3,945,399, a difference of \$407,632. Since the Transit claim was over-allocated by \$407,632 in MCOG's budget, MTA has submitted a revised claim.

As approved by the Council, withdrawals from MCOG's LTF Reserve fund covered 2022/23 budget allocations, making whole Mendocino Transit Authority's LTF funding for the year, according to long-standing policy. The Reserve for 2023/24 remains funded at 15 percent (\$735,000) to cover unanticipated MTA needs or revenue shortfalls, as allowed by the Transportation Development Act.

MTA is claiming a reduced amount for its own Operations. No changes are requested to MCOG's allocations for Unmet Transit Needs and Senior Center Operations.

ACTION REQUIRED: Approval of this revision to the Local Transportation Fund (LTF) allocation for FY 2023/24 by adopting Resolution #M2023-11.

If approved, staff will prepare an amendment of the Budget package and post it to MCOG's website as usual.

ALTERNATIVES:

This item could be pulled from the Consent Calendar for questions and/or further discussion.

RECOMMENDATION:

Adopt Resolution No. M2023-11 revising the allocation of Local Transportation Funds to MTA's FY 2023/24 claim, as a third Budget Amendment, and authorize the Executive Director to issue revised allocation instructions to the Acting County Auditor-Controller/Treasurer-Tax Collector.

Enclosures:

Resolution M2023-11 superseding MCOG's FY 2023/24 allocating resolutions M2023-04 and M2023-07 Exhibit C - MTA's letter dated 10/20/2023 with summary of second Revised 2023/24 Claim for Funds

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Mendocino Council of Governments

Regional Transportation Planning Agency & COG - Fiscal Year 2023/24 Budget

Third Amendment by Board of Directors November 6, 2023

REVENUES	Trans. Devt. Act (TDA)			State			Federal		Local Agencies	TOTALS
	LTF	STA	CRF	PPM	RPA	Grants	STBG	5311		
2023/24 LTF Official County Auditor's Estimate	4,901,913									4,901,913
2022/23 Auditor's Anticipated Shortfall	-185,956									-185,956
Total Local Transportation Fund (LTF) Estimate	4,715,957									4,715,957
2022/23 Auditor's Anticipat'd Unrestricted Balance - Reversed	185,956									185,956
LTF 2014/15 prior-year unallocated revenues - reserved 2017/18	29,135									29,135
Carryover - Planning Overall Work Program and RSTP Local Assistance	122,868						278,545			401,413
2023/24 State Transit Assistance - SCO's Preliminary Estimate		1,073,881								1,073,881
2023/24 State of Good Repair - SCO's Preliminary Estimate						154,817				154,817
STA and SGR - Fund Balance Available for Allocation		369,690								369,690
MCOG's Capital Reserve Fund - Balance Available for Transit			705,462							705,462
Federal Transit Administration (FTA) Sec. 5311 Programs - CARES, CRRSAA, ARPA								To Info Supp.		0
FTA Section 5311 Program - Annual Regional Apportionment								pending		0
2023/24 STIP Planning, Programming & Monitoring (PPM)				141,000						141,000
2023/24 Rural Planning Assistance					319,000					319,000
2023/24 State Active Transportation Program (ATP) - grants & carryover						2,672,000				2,672,000
2022/23 Transportation Planning Program carryover				118,750	0	22,133				140,883
Surface Transportation Block Grant Program							811,848			811,848
HCD Regional Early Action Planning (REAP) Housing Funds - est. carryover						348,736				348,736
SHOPP Complete Streets Program - SR-162 Corridor Multi-Purpose Trail						3,828,000				3,828,000
Rural Counties Task Force - Membership Dues									38,500	38,500
LTF Reserve:										
Audited 2021/22 LTF Unrestricted Balance	384,429									384,429
Audited LTF Reserve Balance as of 6/30/2022	1,212,745									1,212,745
Less LTF Reserve Released for Allocation in FY 2022/23	-437,150									-437,150
Less Withdrawals from Reserve to Fully Cover Actual 2022/23 Shortfall	-593,588									-593,588
Subtotal	566,436									566,436
Less LTF Reserve per Policy adopted 4/2/2001 - 15%	735,000									(Per policy, minimum Reserve is 5% of County Auditor's estimate of new revenue, to nearest 1,000.)
Amount Available for Allocation Replenish Reserve in FY 2023/24	-168,564									-168,564
TOTAL REVENUES	4,885,352	1,443,571	705,462	259,750	319,000	7,025,686	1,090,393	0	38,500	15,767,714
ALLOCATIONS										
2023/24 Administration - inc. staffing contract at max. 7.3% COLA	559,626						101,116		38,500	699,242
2% Bicycle & Pedestrian - 2023/24 LTF Estimate less Admin. x .02	86,846									86,846
2023/24 Planning Overall Work Program (OWP) - new funds at 3% per TDA	141,479			141,000	319,000					460,479
Temporary Reserves - LTF prior-year unallocated revenues requested for Planning OWP	29,135									29,135
Carryover Funds - See OWP Summary	122,868			118,750	0	22,133			Total OWP:	894,365
Total Administration, Bike & Ped., and Planning	939,953	0	0	259,750	319,000	22,133	101,116	0	38,500	1,680,453
BALANCE AVAILABLE FOR TRANSIT	3,945,399	1,443,571	705,462	0	0	154,817	0	0	0	6,249,249
2023/24 Mendocino Transit Authority Claim - revised Oct. 20, 2023:										
MTA Operations	3,214,150	1,443,571								4,657,721
Unmet Transit Needs	50,000									50,000
Senior Centers Operations	681,249									681,249
Transit Planning										0
Capital Reserve Fund Contribution										0
Capital Program, MTA & Seniors Current Year			705,462							705,462
Capital Program, Long Term (Five Year Plan)			0							0
Total Transit Allocations	3,945,399	1,443,571	705,462					0		6,094,432
Other Allocations - RSTP for MCOG Partnership Fund							100,000			100,000
Other Allocations - RSTP for County & Cities Projects by Formula							621,848			621,848
Other Allocations - ATP Infrastructure Grants - SR162 Corridor Multi-Purpose Trail						2,672,000				2,672,000
Other Allocations - REAP for Admin., County & Cities Projects by Formula						348,736				348,736
Other Allocations - SHOPP Complete Streets for SR-162 Corridor Multi-Purpose Trail						3,828,000				3,828,000
TOTAL ALLOCATIONS	4,885,352	1,443,571	705,462	259,750	319,000	6,870,869	822,964	0	38,500	15,345,469
Balance Remaining for Later Allocation / Over-allocation	0	0	0	0	0	154,817	267,429	0	0	422,245

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MENDOCINO COUNCIL OF GOVERNMENTS

FY 2023/24 BUDGET SUMMARY

Amended by Board of Directors November 6, 2023

Supplemental Format

REVENUES	FY 2022/23 Budget Amended	FY 2023/24 Budget Proposed	\$ Change	% Change	NOTES
LOCAL/REGIONAL:		*			
Local Transportation Funds (LTF)					Transportation Development Act (TDA) Funds
LTF Official County Auditor's Estimate	\$ 5,137,383	\$ 4,901,913	\$ (235,470)	-4.6%	
Auditor's Anticipated Unrestricted Balance - Current Year	\$ 566,800	\$ (185,956)	\$ (752,756)	-132.8%	FY 2021/22 and 2022/23 respectively
Total Local Transportation Fund (LTF) Estimate	\$ 5,704,183	\$ 4,715,957	\$ (988,226)	-17.3%	
Auditor's Anticipat'd Unrestricted Balance - Reversal	\$ (566,800)	\$ 185,956			Per policy, any excess/shortfall flows through LTF Reserve
Reserved LTF Prior-year Unallocated Revenues	\$ 29,135	\$ 29,135	\$ -	0.0%	Available for TDA allowable purposes (no new revenue, in fund balance)
MTA Fiscal Audit - Amount returned to MCOG, if any	\$ -	\$ -	\$ -		2021/22 MTA audit verified full eligibility for funds received, per state waivers
Planning Overall Work Program (OWP) - Carryover from Previous FY	\$ 165,646	\$ 122,868			FY 2022/23 OWP as amended April 2023
Subtotal Local Transportation Funds:	\$ 5,332,164	\$ 4,867,960	\$ (464,204)	-8.7%	OWP carryover is offset by equivalent allocation
LTF Reserve Funds					
LTF "Unrestricted Balance" of Unallocated Revenue	\$ 754,417	\$ 384,429	\$ (369,988)	-49.0%	Last audited year, actual LTF revenue excess/shortfall per Auditor's Estimate
LTF Reserve Fund Balance	\$ 472,034	\$ 1,212,745	\$ 740,711	156.9%	Reserve used to cover transit allocation shortfalls and claims per policy
Less/Plus Current Year Reserve Allocation	\$ (18,301)	\$ (437,150)	\$ (418,849)	2288.7%	Prior year unrestricted "excess revenue" or surplus above fund balance
Less Withdrawals from Reserve to Fully Cover Actual 2022/23 Shortfall		\$ (593,588)			
Subtotal	\$ 1,208,150	\$ 566,436	\$ (641,714)	-53.1%	
Less LTF Reserve Balance per Policy adopted 4/2/2001	\$ (771,000)	\$ (735,000)	\$ 36,000	-4.7%	Per policy, min. Reserve 5% of County Auditor's est. of new LTF, nearest 1,000.
Replenish Reserve in FY 2023/24:	\$ 437,150	\$ (168,564)	\$ (605,714)	-138.6%	From increase in prior-year sales tax revenues & current year actual shortfall
TOTAL LTF REVENUES	\$ 5,769,314	\$ 4,885,352	\$ (883,962)	-15.3%	
Capital Reserve Funds					
Total Capital Reserve Fund	\$ 701,179	\$ 705,462	\$ 4,283	0.6%	Fund balance available for transit claim based on 5-Year Capital Program
Local Agency Contributions					
	\$ 38,500	\$ 38,500			Local agencies' Rural Counties Task Force dues collected by MCOG
Total Local/Regional Revenues:	\$ 6,508,993	\$ 5,629,314	\$ (879,679)	-13.5%	
STATE:					
Planning Programming & Monitoring (PPM) Funds					
Planning Overall Work Program (OWP) - New Revenue	\$ 131,000	\$ 141,000	\$ 10,000	7.6%	
Planning Overall Work Program (OWP) - Carryover from Previous FY	\$ 114,636	\$ 118,750	\$ 4,114	3.6%	FY 2022/23 OWP as amended April 2023
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Total State Transit Assistance Funds:	\$ 1,223,902	\$ 1,443,571	\$ 219,669	17.9%	
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State Controller's Estimate	\$ 139,740	\$ 154,817	\$ 15,077	10.8%	Revised 2022/23 SCO est. \$149,139, Preliminary 2023/24 may change
Estimated Fund Balance Available for Allocation	\$ -	\$ -	\$ -		Fully allocated to MTA projects through 2022/23
Total State of Good Repair Funds:	\$ 139,740	\$ 154,817	\$ 15,077	10.8%	
Rural Planning Assistance Funds (RPA)					
Planning Overall Work Program (OWP) - New Revenue	\$ 294,000	\$ 294,000	\$ -	0.0%	
Planning Overall Work Program - Carryover	\$ 26,882	\$ -			FY 2022/23 OWP as amended April 2023
Planning Overall Work Program (OWP) - RPA Grant	\$ -	\$ 25,000			To pass through CA Regional Leadership Academy (CARL) scholarships
Total RPA Funds:	\$ 320,882	\$ 319,000	\$ (1,882)	-0.6%	

California Active Transportation Program (ATP)					
ATP Infrastructure Projects - Carryover	\$ 2,672,000	\$ 2,672,000	\$ -	0.0%	Estimated funds to carry over to next FY of trail project for construction
Total ATP Funds:	\$ 2,672,000	\$ 2,672,000			
SHOPP Complete Streets Program					
SR-162 Corridor Multi-Purpose Trail - Right of Way (ROW)	\$ -	\$ -			2021/22 funding through Caltrans to supplement ATP funds; ROW completed
SR-162 Corridor Multi-Purpose Trail - Construction (CON)	\$ 1,511,000	\$ 3,828,000	\$ 2,317,000	153.3%	2021/22 funding through Caltrans carried over, plus new funds 3/23/2023
Total Complete Streets Funds:	\$ 1,511,000	\$ 3,828,000			
Caltrans Sustainable Communities Planning Grants					
FY 2021/22 Grant Funded Feasibility Study	\$ 155,662	\$ 22,133			Mobility Solutions for Rural Communities of Inland Mendocino County, carried over to 2023/24
Total Caltrans Planning Grants:	\$ 155,662	\$ 22,133			
HCD Regional Early Action Planning (REAP) Housing Funds					
	\$ 354,864	\$ 348,736	\$ (6,128)	-1.7%	2020/21 grant from Housing & Community Devt. Dept., carried over
Total State Revenues:	\$ 6,623,686	\$ 9,048,007	\$ 2,424,321	36.6%	
FEDERAL:					
Federal Grant Programs and Regional Apportionments					
FTA Section 5311f Intercity Bus Program	\$ 200,000	pending			Competitive grants include Operating Assistance and Capital Projects
FTA Section 5311 Program - Regional Apportionment	\$ 732,129	pending			Annual apportionment to Mendocino County for transit operations/capital
Surface Transportation Block Grant Program (STBG)	\$ 977,852	\$ 811,848	\$ (166,004)	-17.0%	Actual revenue 2022/23, estimated 2023/24 - exchanged for State \$
STBG Carryover/Balance Available for Later Allocation	\$ 240,656	\$ 278,545	\$ 37,889	15.7%	Updated bal. under Admin for Local Assistance, per audits thru 6.30.2022
Total Federal Revenues:	\$ 2,150,637	\$ 1,090,393	\$ (1,060,244)	-49.3%	
TOTAL REVENUES	\$ 15,283,316	\$ 15,767,714	\$ 484,398	3.2%	

ALLOCATIONS	FY 2022/23 Budget Amended	FY 2023/24 Budget Proposed	\$ Change	% Change	NOTES
LOCAL/REGIONAL:					
Local Transportation Funds (LTF)					
Reserved LTF Prior-year Unallocated Revenues Administration:	\$ 29,135	\$ -			Zero balance remaining after allocations of Prior-Year Unallocated Revenues
Admin. & Fiscal Services Contract	\$ 461,379	\$ 501,126	\$ 39,747	8.61%	Includes COLA of 4.2% for 2022/23 and 7.3% for 2023/24 per CPI rates
Other Direct Costs	\$ 48,000	\$ 58,500	\$ 10,500	21.9%	
Total Administration Allocations:	\$ 509,379	\$ 559,626	\$ 50,247	9.9%	Admin. & Fiscal Services contract 2014/15-2018/19 plus five 1-yr extensions
Two Percent LTF Bicycle & Pedestrian Program	\$ 92,560	\$ 86,846	\$ (5,714)	-6.2%	Opt. 2% of LTF Estimate (less Admin. allocation) per TDA
Planning Overall Work Program (OWP) - New Funds	\$ 315,488	\$ 141,479	\$ (174,009)	-55.2%	
LTF Prior-year Unallocated Revenues	\$ -	\$ 29,135			Allocates remainder of prior-year revenues reserved in 2017.
OWP Carryover from Previous Fiscal Year	\$ 165,646	\$ 122,868			FY 2022/23 OWP as amended April 2023
Total Admin., Bike & Ped., Planning, Reserves:	\$ 1,112,208	\$ 939,953	\$ (172,255)	-15.5%	
Balance Available For Transit	\$ 4,657,106	\$ 3,945,399	\$ (711,707)	-15.3%	Rounding error of (1) for 2023/24 balance available
Mendocino Transit Authority (MTA) Claim:					<u>TDA Authority:</u>
MTA Operations	\$ 3,428,087	\$ 3,214,150	\$ (213,937)	-6.2%	Public Utilities Code (PUC) Sec. 99260a
Unmet Transit Needs	\$ 300,000	\$ 50,000	\$ (250,000)	-83.3%	PUC Section 99260a
Senior Centers Operations	\$ 729,019	\$ 681,249	\$ (47,770)	-6.6%	PUC Section 99400c
Transit Planning	\$ 200,000	\$ -			Short Range Transit Development Plan
MTA Capital Program - Current Year	\$ -	\$ -			
Capital Reserve Fund Contribution	\$ -	\$ -			CA Code of Regulations (CCR) Sec. 6648
Total LTF Transit Claim:	\$ 4,657,106	\$ 3,945,399	\$ (711,707)	-15.3%	MTA revised claim to conform with LTF funds available, approved November
Total LTF Allocations:	\$ 5,769,314	\$ 4,885,352	\$ (883,962)	-15.3%	

Capital Reserve Funds					
Mendocino Transit Authority (MTA) Claim:					
Capital Program, MTA - Current Year	\$	-	\$	-	CCR Section 6648
Capital Program, Senior Centers - Current Year	\$	-	\$	705,462	CCR Section 6648 - MTA revised claim to spend funds in current year
Capital Program - Long Term	\$	701,179	\$	-	\$ (701,179) -100.0% CCR Section 6631
Total CRF Allocations:	\$	701,179	\$	705,462	\$ 4,283 0.6%
Local Agency Contributions					
	\$	38,500	\$	38,500	\$ - 0.0% Local agencies' Rural Counties Task Force dues collected by MCOG
Total Local/Regional Allocations:	\$	6,508,993	\$	5,629,314	\$ (879,679) -13.5%
STATE:					
Planning Programming & Monitoring (PPM) Funds					
Planning Overall Work Program (OWP) - New Revenue	\$	131,000	\$	141,000	\$ 10,000 7.6%
Planning Overall Work Program (OWP) - Carryover from Previous FY	\$	114,636	\$	118,750	\$ 4,114 3.6% FY 2022/23 OWP as amended April 2023
Total PPM Allocations:	\$	245,636	\$	259,750	\$ 14,114 5.7%
State Transit Assistance (STA) Funds					
Mendocino Transit Authority (MTA) Claim:					
MTA Operations	\$	967,375	\$	1,443,571	\$ 476,196 49.2% TDA Authority: CCR Section 6730a
Capital Program, MTA & Seniors - Current Year	\$	200,000	\$	-	CCR Section 6730b
Capital Reserve Fund Contribution	\$	-	\$	-	CCR Section 6631
Total STA Allocations:	\$	1,167,375	\$	1,443,571	\$ 276,196 23.7%
State of Good Repair (SGR) Funds	\$	-	\$	-	SGR=transit funding in Senate Bill 1, allocated to MTA by separate resolution
Rural Planning Assistance Funds (RPA)					
Planning Overall Work Program (OWP) - New Revenue	\$	294,000	\$	294,000	\$ - 0.0%
Planning Overall Work Program (OWP) - Carryover from Previous FY	\$	26,882	\$	-	FY 2022/23 OWP as amended April 2023
Planning Overall Work Program (OWP) - RPA Grant	\$	-	\$	25,000	To pass through CA Regional Leadership Academy (CARL) scholarships
Total RPA Allocations:	\$	320,882	\$	319,000	\$ (1,882) -0.6%
California Active Transportation Program (ATP)					
ATP Infrastructure Projects - Carryover	\$	2,672,000	\$	2,672,000	\$ - 0.0% Estimated funds to carry over to next FY of trail project for construction
Total ATP Allocations	\$	2,672,000	\$	2,672,000	
SHOPP Complete Streets Program					
SR-162 Corridor Multi-Purpose Trail - Right of Way (ROW)	\$	-	\$	-	2021/22 funding through Caltrans to supplement ATP funds; ROW complete
SR-162 Corridor Multi-Purpose Trail - Construction (CON)	\$	1,511,000	\$	3,828,000	2021/22 funding through Caltrans carried over, plus new funds 3/23/2023
Total Complete Streets Funds:	\$	1,511,000	\$	3,828,000	
Caltrans Sustainable Communities Planning Grant					
FY 2021/22 Grant Funded Feasibility Study	\$	155,662	\$	22,133	
Total Caltrans Planning Grants:	\$	155,662	\$	22,133	\$ (133,529) -85.8% Mobility Solutions for Rural Communities of Inland Mendocino County, carried over to 2023/24
HCD Regional Early Action Planning (REAP) Housing Funds					
MCOG Administration and Management	\$	26,325	\$	20,197	\$ (6,128) -23.3% Allocated to Admin., County & Cities Projects by Formula, carried over 5% grant administration, 5% management/participation, total 10%
Formula Distribution to MCOG Member Agencies:					
Mendocino County Dept. of Transportation	\$	177,228	\$	177,228	Suballocation formula adopted Nov. 2, 2020
City of Ukiah	\$	69,536	\$	69,536	Projects carried over to 2022/23 and 2023/24
City of Fort Bragg	\$	46,410	\$	46,410	
City of Willits	\$	35,365	\$	35,365	
City of Point Arena	\$	-	\$	-	Grant funds fully claimed
Total REAP Formula Distribution	\$	328,539	\$	328,539	\$ - 0.0%
Total REAP Allocations:	\$	354,864	\$	348,736	\$ (6,128) -1.7% Carryover from total grant of \$383,245
Total State Funds Allocations:	\$	6,427,419	\$	8,893,190	\$ 2,465,771 38.4%

FEDERAL:					
Federal Grant Programs and Regional Apportionments					
FTA Section 5311f Intercity Bus Program	\$ 200,000		pending		
FTA Section 5311 Program - Regional Apportionment:	\$ 732,129		pending		MTA applied for \$200K for Route 65, \$300K awarded for Route 65 in 2021/22 MTA is eligible, MCOG approves programming; resolution adopted 5/2/2022
Surface Transportation Block Grant Program (STBG)					
MCOG Partnership Funding Program	\$ 100,000	\$ 100,000	\$ -	0.0%	STBG budget allocations are based on estimates
Local Assistance - Project Delivery - Administration	\$ 90,000	\$ 90,000	\$ -	0.0%	Regional capital project funds "off the top"
	\$ 3,096	\$ 11,116			Staff - Regional Project Manager under Admin. Contract and direct costs
Formula Distribution to MCOG Member Agencies:					Contract CPI increase from unexpended Local Assistance fund balance
Mendocino County Dept. of Transportation	\$ 169,609	\$ 133,871	\$ (35,738)	-21.1%	Actual revenue 2022/23, estimated 2023/24 - exchanged for State \$
City of Ukiah	\$ 228,256	\$ 180,162	\$ (48,094)	-21.1%	
City of Fort Bragg	\$ 152,402	\$ 120,290	\$ (32,112)	-21.1%	
City of Willits	\$ 143,042	\$ 112,903	\$ (30,139)	-21.1%	
City of Point Arena	\$ 94,542	\$ 74,622	\$ (19,920)	-21.1%	
Total RSTP Formula Distribution	\$ 787,851	\$ 621,848	\$ (166,003)	-21.1%	
Total RSTP Allocations:	\$ 980,947	\$ 822,964	\$ (157,983)	-16.1%	Formula allocation by policy, distribution pending State processing of funds
Total Federal Funds Allocations:	\$ 1,913,076	\$ 822,964	\$ (1,090,112)	-57.0%	
Total Transit Allocations	\$ 7,457,789	\$ 6,094,432	\$ (1,363,357)	-18.3%	
Total Overall Work Program (OWP)	\$ 1,203,314	\$ 894,365	\$ (308,949)	-25.7%	FY 2022/23 OWP as amended April 2023
TOTAL ALLOCATIONS	\$ 14,849,488	\$ 15,345,468	\$ 495,980	3%	
Balance for Later Allocation/Over-allocation/Dif. of Actuals	\$ 433,828	\$ 422,246	\$ (11,582)	-3%	SGR, STBG

INFORMATION	FY 2022/23	FY 2023/24			NOTES
STATE / FEDERAL:					
Other Funds Available Outside MCOG's Budget Process					
FTA Section 5311 Program - CARES Act - Ph.1 Fund Balance	\$ -	\$ -			Refer to Explanatory Notes on Funding Sources for details
FTA Section 5311(f) Program - CARES Act - Ph.1 Fund Balance	\$ 1,206,413	\$ 144,998	\$ (1,061,415)	-88.0%	Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020)
FTA Section 5311 Program - CARES Act - Ph.2 Fund Balance	\$ -	\$ 847,271			FY 2022/23 details not available at this writing
FTA Section 5311(f) Program - CARES Act - Ph.2 Fund Balance	\$ -	\$ 295,042			FY 2022/23 details not available at this writing
Total CARES Act Funds	\$ 1,206,413	\$ 1,287,311	\$ 80,898	6.7%	
CRRSAA Fund Balance	\$ 1,459,704	\$ 1,459,704	\$ -	0.0%	Coronavirus Response & Relief Supplemental Appropriations Act of 2021
Total Coronavirus Relief Funds	\$ 2,968,317	\$ 2,747,015	\$ (221,302)	-7.5%	
FTA Section 5311 Program - ARPA Fund Balance	\$ -	\$ 700,650			American Rescue Plan Act (ARPA) of 2021
FTA Section 5311(f) Program - ARPA Fund Balance	\$ -	\$ 208,681			FY 2022/23 data not available
Total ARPA Funds	\$ -	\$ 909,331			
State Transportation Improvement Program (STIP) Project Totals	\$ 1,369,000	\$ 1,725,000	\$ 356,000	26.0%	Programmed by MCOG in Regional TIP for State \$ directly to local agencies 2022/23 major project is City of Ukiah's Downtown Streetscape Phase II. 2023/24 major project Fort Bragg SR-1/So. Main St. bike & ped improvmts.



MENDOCINO COUNCIL OF GOVERNMENTS

Agenda # 16
Regular Calendar
MCOG Meeting
3/4/2024

STAFF REPORT

TITLE: Fourth FY 2023/24 Budget Amendment to Adjust for FY 2023/24 Shortfall

SUBMITTED BY: Janet Orth, Deputy Director & CFO

DATE: 2/23/2024

BACKGROUND:

On January 18, 2024, MCOG Administrative staff met by teleconference with Chair Gjerde; Sara Pierce, Acting County Auditor-Controller/Treasurer-Tax Collector; and Mendocino Transit Authority management to discuss the upcoming Local Transportation Fund revenue estimate.

According to Transportation Development Act (TDA) statute, the estimate is to be prepared by the County Auditor and is due February 1 annually. This forms the basis of MCOG's budget for the Local Transportation Funds, derived from the countywide transportation sales tax.

Ms. Pierce provided the attached letter indicating her revised estimate of 2023/24 LTF revenue. Another shortfall is projected, from the budget of \$4,901,913 to \$4,243,383, a decrease of \$658,530. It was agreed to review quarterly so as to be prepared to respond to any significant changes during the year.

The Executive Committee met February 13 and reviewed several options prepared by MCOG Administrative staff in response to the shortfall, based on the new projections (attached). – *see committee minutes on Consent Calendar for details*

Previous budget amendments this fiscal year were to: 1) revise MTA's allocation of Capital Reserve funds for release in current year, 2) reconcile with the 2022/23 LTF shortfall, and 3) reduce MTA's allocation of LTF to funds available (as 2021/22 surplus was used to cover 2022/23 shortfall).

ACTION REQUIRED:

Approval of this revision to the Local Transportation Fund (LTF) allocation for FY 2023/24 by adopting Resolution #M2024-01.

If approved, staff will prepare an amendment of the Budget package and post it to MCOG's website as usual.

ALTERNATIVES:

Take no action, in which case staff would follow adopted policies and procedures for withdrawals from the allocated LTF Reserve fund balance in the event of an actual revenue shortfall, with no changes to the adopted budget. – *presented as "No Action/Status Quo" option*

RECOMMENDATION:

Adopt Resolution No. M2024-01 revising the allocation of Local Transportation Funds to MCOG's FY 2023/24 governmental programs, as a fourth Budget Amendment, and authorize the Executive Director to issue revised allocation instructions to the Acting County Auditor-Controller/Treasurer-Tax Collector.

Attachments:

Resolution M2024-01 superseding MCOG's FY 2023/24 allocating resolution M2023-02

Revised Budget summary table highlighting "Option A" recommendation

Letter from Acting County Auditor-Controller/Treasurer-Tax Collector dated January 18, 2024

Spreadsheet of options prepared by MCOG staff – derived from Budget Summary table

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Mendocino Council of Governments

Regional Transportation Planning Agency & COG - Fiscal Year 2023/24 Budget

Fourth Amendment by Board of Directors March 4, 2024

REVENUES	Trans. Devt. Act (TDA)			State			Federal		Local Agencies	TOTALS
	LTF	STA	CRF	PPM	RPA	Grants	STBG	5311		
2023/24 LTF Official County Auditor's Estimate - <i>revised 1/18/2024</i>	4,243,383									4,243,383
2022/23 Auditor's Anticipated Shortfall	-185,956									-185,956
Total Local Transportation Fund (LTF) Estimate	4,057,427									4,057,427
2022/23 Auditor's Anticipat'd Unrestricted Balance - Reversed	185,956									185,956
LTF 2014/15 prior-year unallocated revenues - <i>reserved 2017/18</i>	29,135									29,135
Carryover - Planning Overall Work Program and RSTP Local Assistance	122,868						278,545			401,413
2023/24 State Transit Assistance - SCO's Preliminary Estimate		1,073,881								1,073,881
2023/24 State of Good Repair - SCO's Preliminary Estimate						154,817				154,817
STA and SGR - Fund Balance Available for Allocation		369,690								369,690
MCOG's Capital Reserve Fund - Balance Available for Transit			705,462							705,462
Federal Transit Administration (FTA) Sec. 5311 Programs - CARES, CRRSAA, ARPA								To Info Supp.		0
FTA Section 5311 Program - Annual Regional Apportionment								pending		0
2023/24 STIP Planning, Programming & Monitoring (PPM)				141,000						141,000
2023/24 Rural Planning Assistance					319,000					319,000
2023/24 State Active Transportation Program (ATP) - grants & carryover						2,672,000				2,672,000
2022/23 Transportation Planning Program carryover				118,750	0	22,133				140,883
Surface Transportation Block Grant Program							811,848			811,848
HCD Regional Early Action Planning (REAP) Housing Funds - est. carryover						348,736				348,736
SHOPP Complete Streets Program - SR-162 Corridor Multi-Purpose Trail						3,828,000				3,828,000
Rural Counties Task Force - Membership Dues									38,500	38,500
LTF Reserve:										
Audited 2021/22 LTF Unrestricted Balance	384,429									384,429
Audited LTF Reserve Balance as of 6/30/2023	788,712									788,712
Less Accounts Payable 2022/23 - <i>audited</i>	-327,342									-327,342
Less Withdrawal from Reserve to Cover Remaining 2022/23 Shortfall - <i>audited</i>	-266,047									-266,047
Subtotal - Reserve Cash Balance 12.31.2023	579,752									579,752
Less LTF Reserve per Policy amended 8.14.2023 - 15% of Revised Est.	637,000									637,000
Amount to Replenish Reserve in FY 2023/24 - <i>revised</i>	-57,248									-57,248
TOTAL REVENUES	4,338,138	1,443,571	705,462	259,750	319,000	7,025,686	1,090,393	0	38,500	15,220,500
ALLOCATIONS										
2023/24 Administration - <i>inc. staffing contract at max. 7.3% COLA</i>	559,626						101,116		38,500	699,242
Optional 2% Bicycle & Pedestrian - 2023/24 LTF Estimate less Admin. x .02	0									0
2023/24 Planning Overall Work Program (OWP)	141,479			141,000	319,000					601,479
Temporary Reserves - LTF prior-year unallocated revenues requested for Planning OWP	29,135									29,135
Carryover Funds - See OWP Summary	122,868			118,750	0	22,133				263,751
Total Administration, Bike & Ped., and Planning	853,108	0	0	259,750	319,000	22,133	101,116	0	38,500	1,593,607
BALANCE AVAILABLE FOR TRANSIT	3,485,030	1,443,571	705,462	0	0	154,817	0	0	0	5,788,880
2023/24 Mendocino Transit Authority Claim - revised Oct. 20, 2023:										
MTA Operations	3,214,150	1,443,571								4,657,721
Unmet Transit Needs	50,000									50,000
Senior Centers Operations	681,249									681,249
Transit Planning										0
Capital Reserve Fund Contribution										0
Capital Program, MTA & Seniors Current Year			705,462							705,462
Capital Program, Long Term (Five Year Plan)			0							0
Total Transit Allocations	3,945,399	1,443,571	705,462	0	0	154,817	0	0	0	6,094,432
Other Allocations - RSTP for MCOG Partnership Fund							100,000			100,000
Other Allocations - RSTP for County & Cities Projects by Formula							621,848			621,848
Other Allocations - ATP Infrastructure Grants - SR162 Corridor Multi-Purpose Trail						2,672,000				2,672,000
Other Allocations - REAP for Admin., County & Cities Projects by Formula						348,736				348,736
Other Allocations - SHOPP Complete Streets for SR-162 Corridor Multi-Purpose Trail						3,828,000				3,828,000
TOTAL ALLOCATIONS	4,798,507	1,443,571	705,462	259,750	319,000	6,870,869	822,964	0	38,500	15,258,623
Balance Remaining for Later Allocation / Over-allocation - <i>Draw from Reserve</i>	-460,369	0	0	0	0	154,817	267,429	0	0	-38,123

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MENDOCINO COUNCIL OF GOVERNMENTS

FY 2023/24 BUDGET SUMMARY

Amended by Board of Directors March 4, 2024

Supplemental Format

REVENUES	FY 2022/23 Budget Amended	FY 2023/24 Budget Amended	\$ Change	% Change	NOTES
LOCAL/REGIONAL:		*			
Local Transportation Funds (LTF)					Transportation Development Act (TDA) Funds
LTF Official County Auditor's Estimate	\$ 5,137,383	\$ 4,243,383	\$ (894,000)	-17.4%	FY 2023/24 revised January 18, 2024, down \$658,530 from \$4,901,913
Auditor's Anticipated Unrestricted Balance - Current Year	\$ 566,800	\$ (185,956)	\$ (752,756)	-132.8%	FY 2021/22 and 2022/23 respectively
Total Local Transportation Fund (LTF) Estimate	\$ 5,704,183	\$ 4,057,427	\$ (1,646,756)	-28.9%	
Auditor's Anticipat'd Unrestricted Balance - Reversal	\$ (566,800)	\$ 185,956			Per policy, any excess/shortfall flows through LTF Reserve
Reserved LTF Prior-year Unallocated Revenues	\$ 29,135	\$ 29,135	\$ -	0.0%	Available for TDA allowable purposes (no new revenue, in fund balance)
MTA Fiscal Audit - Amount returned to MCOG, if any	\$ -	\$ -	\$ -		2021/22 MTA audit verified full eligibility for funds received, per state waivers
Planning Overall Work Program (OWP) - Carryover from Previous FY	\$ 165,646	\$ 122,868	\$ (42,778)	-25.8%	FY 2022/23 OWP as amended April 2023
Subtotal Local Transportation Funds:	\$ 5,332,164	\$ 4,209,430	\$ (1,122,734)	-21.1%	OWP carryover is offset by equivalent allocation
LTF Reserve Funds					
Audited LTF "Unrestricted Balance" of Unallocated Revenue	\$ 754,417	\$ 384,429	\$ (369,988)	-49.0%	Last audited year, actual LTF revenue excess/shortfall per Auditor's Estimate
Audited LTF Reserve Fund Balance	\$ 472,034	\$ 788,712	\$ 316,678	67.1%	Reserve used to cover transit allocation shortfalls and claims per policy
Less/Plus Current Year Reserve Allocation	\$ (18,301)	\$ -	\$ 18,301	-100.0%	Prior year unrestricted surplus above fund balance
Less Withdrawals from Reserve to Fully Cover Actual 2022/23 Shortfall		\$ (593,389)			
Subtotal	\$ 1,208,150	\$ 579,752	\$ (628,398)	-52.0%	
Less LTF Reserve Balance per Policy amended 8/14/2023 - at 15%	\$ (771,000)	\$ 637,000	\$ 1,408,000	-182.6%	Per policy, min. Reserve 5% of County Auditor's est. of new LTF, nearest 1,000.
LTF Reserve Available for Allocation/Replenish Reserve in 2023/24	\$ 437,150	\$ (57,248)	\$ (494,398)	-113.1%	From increase in prior-year sales tax revenues & current year actual shortfall
TOTAL LTF REVENUES	\$ 5,769,314	\$ 4,338,138	\$ (1,431,176)	-24.8%	
Capital Reserve Funds					
Total Capital Reserve Fund	\$ 701,179	\$ 705,462	\$ 4,283	0.6%	Fund balance available for transit claim based on 5-Year Capital Program
Local Agency Contributions					
	\$ 38,500	\$ 38,500	\$ -		Local agencies' Rural Counties Task Force dues collected by MCOG
Total Local/Regional Revenues:	\$ 6,508,993	\$ 5,082,100	\$ (1,426,893)	-21.9%	
STATE:					
Planning Programming & Monitoring (PPM) Funds					
Planning Overall Work Program (OWP) - New Revenue	\$ 131,000	\$ 141,000	\$ 10,000	7.6%	
Planning Overall Work Program (OWP) - Carryover from Previous FY	\$ 114,636	\$ 118,750	\$ 4,114	3.6%	FY 2022/23 OWP as amended April 2023
Total PPM Funds:	\$ 245,636	\$ 259,750	\$ 14,114	5.7%	
State Transit Assistance (STA) Funds					TDA Funds
State Controller's Estimate	\$ 868,476	\$ 1,073,881	\$ 205,405	23.7%	Revised 2022/23 SCO est. \$1,181,639, Preliminary 2023/24 may change
Estimated Fund Balance Available for Allocation	\$ 355,426	\$ 369,690	\$ 14,264	4.0%	FY 2022/23 fund balance revised per 2021/22 fiscal audit
Total State Transit Assistance Funds:	\$ 1,223,902	\$ 1,443,571	\$ 219,669	17.9%	
State of Good Repair (SGR) Funds					SGR=transit funding in Senate Bill 1, allocated to MTA by separate resolution
State Controller's Estimate	\$ 139,740	\$ 154,817	\$ 15,077	10.8%	Revised 2022/23 SCO est. \$149,139, Preliminary 2023/24 may change
Estimated Fund Balance Available for Allocation	\$ -	\$ -	\$ -		Fully allocated to MTA projects through 2022/23
Total State of Good Repair Funds:	\$ 139,740	\$ 154,817	\$ 15,077	10.8%	
Rural Planning Assistance Funds (RPA)					
Planning Overall Work Program (OWP) - New Revenue	\$ 294,000	\$ 294,000	\$ -	0.0%	
Planning Overall Work Program - Carryover	\$ 26,882	\$ -	\$ (26,882)	-100.0%	FY 2022/23 OWP as amended April 2023
Planning Overall Work Program (OWP) - RPA Grant	\$ -	\$ 25,000	\$ 25,000		To pass through CA Regional Leadership Academy (CARL) scholarships
Total RPA Funds:	\$ 320,882	\$ 319,000	\$ (1,882)	-0.6%	

California Active Transportation Program (ATP)						
ATP Infrastructure Projects - Carryover	\$ 2,672,000	\$ 2,672,000	\$ -	0.0%	Estimated funds to carry over to next FY of trail project for construction	
Total ATP Funds:	\$ 2,672,000	\$ 2,672,000				
SHOPP Complete Streets Program						
SR-162 Corridor Multi-Purpose Trail - Right of Way (ROW)	\$ -	\$ -			2021/22 funding through Caltrans to supplement ATP funds; ROW completed	
SR-162 Corridor Multi-Purpose Trail - Construction (CON)	\$ 1,511,000	\$ 3,828,000	\$ 2,317,000	153.3%	2021/22 funding through Caltrans carried over, plus new funds 3/23/2023	
Total Complete Streets Funds:	\$ 1,511,000	\$ 3,828,000				
Caltrans Sustainable Communities Planning Grants						
FY 2021/22 Grant Funded Feasibility Study	\$ 155,662	\$ 22,133			Mobility Solutions for Rural Communities of Inland Mendocino County, carried over to 2023/24	
Total Caltrans Planning Grants:	\$ 155,662	\$ 22,133				
HCD Regional Early Action Planning (REAP) Housing Funds						
	\$ 354,864	\$ 348,736	\$ (6,128)	-1.7%	2020/21 grant from Housing & Community Devt. Dept., carried over	
Total State Revenues:	\$ 6,623,686	\$ 9,048,007	\$ 2,424,321	36.6%		
FEDERAL:						
Federal Grant Programs and Regional Apportionments						
FTA Section 5311f Intercity Bus Program	\$ 200,000	pending			Competitive grants include Operating Assistance and Capital Projects	
FTA Section 5311 Program - Regional Apportionment	\$ 732,129	pending			Annual apportionment to Mendocino County for transit operations/capital	
Surface Transportation Block Grant Program (STBG)	\$ 977,852	\$ 811,848	\$ (166,004)	-17.0%	Actual revenue 2022/23, estimated 2023/24 - exchanged for State \$	
STBG Carryover/Balance Available for Later Allocation	\$ 240,656	\$ 278,545	\$ 37,889	15.7%	Updated bal. under Admin for Local Assistance, per audits thru 6.30.2022	
Total Federal Revenues:	\$ 2,150,637	\$ 1,090,393	\$ (1,060,244)	-49.3%		
TOTAL REVENUES	\$ 15,283,316	\$ 15,220,500	\$ (62,816)	-0.4%		

ALLOCATIONS	FY 2022/23 Budget Amended	FY 2023/24 Budget Amended	\$ Change	% Change	NOTES
LOCAL/REGIONAL:					
Local Transportation Funds (LTF)					
Reserved LTF Prior-year Unallocated Revenues Administration:	\$ 29,135	\$ -			Zero balance remaining after allocations of Prior-Year Unallocated Revenues
Admin. & Fiscal Services Contract	\$ 461,379	\$ 501,126	\$ 39,747	8.61%	Includes COLA of 4.2% for 2022/23 and 7.3% for 2023/24 per CPI rates
Other Direct Costs	\$ 48,000	\$ 58,500	\$ 10,500	21.9%	
Total Administration Allocations:	\$ 509,379	\$ 559,626	\$ 50,247	9.9%	Admin. & Fiscal Services contract 2014/15-2018/19 plus five 1-yr extensions
Two Percent LTF Bicycle & Pedestrian Program	\$ 92,560	\$ -	\$ (92,560)	-100.0%	Opt. 2% of LTF Estimate (less Admin. allocation) per TDA
Planning Overall Work Program (OWP) - New Funds	\$ 315,488	\$ 141,479	\$ (174,009)	-55.2%	
LTF Prior-year Unallocated Revenues	\$ -	\$ 29,135			Allocates remainder of prior-year revenues reserved in 2017.
OWP Carryover from Previous Fiscal Year	\$ 165,646	\$ 122,868			FY 2022/23 OWP as amended April 2023
Total Admin., Bike & Ped., Planning, Reserves:	\$ 1,112,208	\$ 853,108	\$ (259,100)	-23.3%	Rounding error of (1) for 2023/24 allocations
Balance Available For Transit	\$ 4,657,106	\$ 3,485,030	\$ (1,172,076)	-25.2%	Rounding error of (1) for 2023/24 balance available
Mendocino Transit Authority (MTA) Claim:					<u>TDA Authority:</u>
MTA Operations	\$ 3,428,087	\$ 3,214,150	\$ (213,937)	-6.2%	Public Utilities Code (PUC) Sec. 99260a
Unmet Transit Needs	\$ 300,000	\$ 50,000	\$ (250,000)	-83.3%	PUC Section 99260a
Senior Centers Operations	\$ 729,019	\$ 681,249	\$ (47,770)	-6.6%	PUC Section 99400c
Transit Planning	\$ 200,000	\$ -			Short Range Transit Development Plan
MTA Capital Program - Current Year	\$ -	\$ -			
Capital Reserve Fund Contribution	\$ -	\$ -			CA Code of Regulations (CCR) Sec. 6648
Total LTF Transit Claim:	\$ 4,657,106	\$ 3,945,399	\$ (711,707)	-15.3%	MTA revised claim to conform with LTF funds available, approved November
Total LTF Allocations:	\$ 5,769,314	\$ 4,798,507	\$ (970,807)	-16.8%	

Capital Reserve Funds						
Mendocino Transit Authority (MTA) Claim:						
Capital Program, MTA - Current Year	\$	-	\$	-		CCR Section 6648
Capital Program, Senior Centers - Current Year	\$	-	\$	705,462		CCR Section 6648 - MTA revised claim to spend funds in current year
Capital Program - Long Term	\$	701,179	\$	-	\$ (701,179)	-100.0% CCR Section 6631
Total CRF Allocations:	\$	701,179	\$	705,462	\$ 4,283	0.6%
Local Agency Contributions						
	\$	38,500	\$	38,500	\$ -	0.0% Local agencies' Rural Counties Task Force dues collected by MCOG
Total Local/Regional Allocations:	\$	6,508,993	\$	5,542,469	\$ (966,524)	-14.8%
STATE:						
Planning Programming & Monitoring (PPM) Funds						
Planning Overall Work Program (OWP) - New Revenue	\$	131,000	\$	141,000	\$ 10,000	7.6%
Planning Overall Work Program (OWP) - Carryover from Previous FY	\$	114,636	\$	118,750	\$ 4,114	3.6% FY 2022/23 OWP as amended April 2023
Total PPM Allocations:	\$	245,636	\$	259,750	\$ 14,114	5.7%
State Transit Assistance (STA) Funds						
Mendocino Transit Authority (MTA) Claim:						
MTA Operations	\$	967,375	\$	1,443,571	\$ 476,196	49.2% TDA Authority: CCR Section 6730a
Capital Program, MTA & Seniors - Current Year	\$	200,000	\$	-		CCR Section 6730b
Capital Reserve Fund Contribution	\$	-	\$	-		CCR Section 6631
Total STA Allocations:	\$	1,167,375	\$	1,443,571	\$ 276,196	23.7%
State of Good Repair (SGR) Funds						
	\$	-	\$	-		SGR=transit funding in Senate Bill 1, allocated to MTA by separate resolution
Rural Planning Assistance Funds (RPA)						
Planning Overall Work Program (OWP) - New Revenue	\$	294,000	\$	294,000	\$ -	0.0%
Planning Overall Work Program (OWP) - Carryover from Previous FY	\$	26,882	\$	-		FY 2022/23 OWP as amended April 2023
Planning Overall Work Program (OWP) - RPA Grant	\$	-	\$	25,000		To pass through CA Regional Leadership Academy (CARL) scholarships
Total RPA Allocations:	\$	320,882	\$	319,000	\$ (1,882)	-0.6%
California Active Transportation Program (ATP)						
ATP Infrastructure Projects - Carryover	\$	2,672,000	\$	2,672,000	\$ -	0.0% Estimated funds to carry over to next FY of trail project for construction
Total ATP Allocations	\$	2,672,000	\$	2,672,000		
SHOPP Complete Streets Program						
SR-162 Corridor Multi-Purpose Trail - Right of Way (ROW)	\$	-	\$	-		2021/22 funding through Caltrans to supplement ATP funds; ROW completed
SR-162 Corridor Multi-Purpose Trail - Construction (CON)	\$	1,511,000	\$	3,828,000		2021/22 funding through Caltrans carried over, plus new funds 3/23/2023
Total Complete Streets Funds:	\$	1,511,000	\$	3,828,000		
Caltrans Sustainable Communities Planning Grant						
FY 2021/22 Grant Funded Feasibility Study	\$	155,662	\$	22,133		Mobility Solutions for Rural Communities of Inland Mendocino County, carried over to 2023/24
Total Caltrans Planning Grants:	\$	155,662	\$	22,133	\$ (133,529)	-85.8%
HCD Regional Early Action Planning (REAP) Housing Funds						
MCOG Administration and Management	\$	26,325	\$	20,197	\$ (6,128)	-23.3% Allocated to Admin., County & Cities Projects by Formula, carried over 5% grant administration, 5% management/participation, total 10% Suballocation formula adopted Nov. 2, 2020
Formula Distribution to MCOG Member Agencies:						
Mendocino County Dept. of Transportation	\$	177,228	\$	177,228		Projects carried over to 2022/23 and 2023/24
City of Ukiah	\$	69,536	\$	69,536		
City of Fort Bragg	\$	46,410	\$	46,410		
City of Willits	\$	35,365	\$	35,365		
City of Point Arena	\$	-	\$	-		Grant funds fully claimed
Total REAP Formula Distribution	\$	328,539	\$	328,539	\$ -	0.0%
Total REAP Allocations:	\$	354,864	\$	348,736	\$ (6,128)	-1.7% Carryover from total grant of \$383,245
Total State Funds Allocations:	\$	6,427,419	\$	8,893,190	\$ 2,465,771	38.4%

FEDERAL:						
Federal Grant Programs and Regional Apportionments						
FTA Section 5311f Intercity Bus Program	\$ 200,000		pending			MTA applied for \$200K for Route 65, \$300K awarded for Route 65 in 2021/22.
FTA Section 5311 Program - Regional Apportionment:	\$ 732,129		pending			MTA is eligible, MCOG approves programming; resolution adopted 5/2/2022
Surface Transportation Block Grant Program (STBG)						
MCOG Partnership Funding Program	\$ 100,000	\$ 100,000	\$ -	0.0%		STBG budget allocations are based on estimates
Local Assistance - Project Delivery - Administration	\$ 90,000	\$ 90,000	\$ -	0.0%		Regional capital project funds "off the top"
	\$ 3,096	\$ 11,116				Staff - Regional Project Manager under Admin. Contract and direct costs
Formula Distribution to MCOG Member Agencies:						Contract CPI increase from unexpended Local Assistance fund balance
Mendocino County Dept. of Transportation	\$ 169,609	\$ 133,871	\$ (35,738)	-21.1%		Actual revenue 2022/23, estimated 2023/24 - exchanged for State \$
City of Ukiah	\$ 228,256	\$ 180,162	\$ (48,094)	-21.1%		
City of Fort Bragg	\$ 152,402	\$ 120,290	\$ (32,112)	-21.1%		
City of Willits	\$ 143,042	\$ 112,903	\$ (30,139)	-21.1%		
City of Point Arena	\$ 94,542	\$ 74,622	\$ (19,920)	-21.1%		
Total RSTP Formula Distribution	\$ 787,851	\$ 621,848	\$ (166,003)	-21.1%		
Total RSTP Allocations:	\$ 980,947	\$ 822,964	\$ (157,983)	-16.1%		Formula allocation by policy, distribution pending State processing of funds
Total Federal Funds Allocations:	\$ 1,913,076	\$ 822,964	\$ (1,090,112)	-57.0%		
Total Transit Allocations	\$ 7,457,789	\$ 6,094,432	\$ (1,363,357)	-18.3%		
Total Overall Work Program (OWP)	\$ 1,203,314	\$ 894,365	\$ (308,949)	-25.7%		FY 2022/23 OWP as amended April 2023
TOTAL ALLOCATIONS	\$ 14,849,488	\$ 15,258,623	\$ 409,135	3%		
Balance for Later Allocation/Over-allocation/Dif. of Actuals	\$ 433,828	\$ (38,123)	\$ (471,951)	-109%		2023/24 SGR, STBG and LTF over-allocation of (407,632)

INFORMATION		FY 2022/23	FY 2023/24			NOTES
STATE / FEDERAL:						
Other Funds Available Outside MCOG's Budget Process						
FTA Section 5311 Program - CARES Act - Ph.1 Fund Balance	\$ -	\$ -				Refer to Explanatory Notes on Funding Sources for details
FTA Section 5311(f) Program - CARES Act - Ph.1 Fund Balance	\$ 1,206,413	\$ 144,998	\$ (1,061,415)	-88.0%		Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020)
FTA Section 5311 Program - CARES Act - Ph.2 Fund Balance	\$ -	\$ 847,271				FY 2022/23 details not available at this writing
FTA Section 5311(f) Program - CARES Act - Ph.2 Fund Balance	\$ -	\$ 295,042				FY 2022/23 details not available at this writing
Total CARES Act Funds	\$ 1,206,413	\$ 1,287,311	\$ 80,898	6.7%		
CRRSAA Fund Balance	\$ 1,459,704	\$ 1,459,704	\$ -	0.0%		Coronavirus Response & Relief Supplemental Appropriations Act of 2021
Total Coronavirus Relief Funds	\$ 2,968,317	\$ 2,747,015	\$ (221,302)	-7.5%		
FTA Section 5311 Program - ARPA Fund Balance	\$ -	\$ 700,650				American Rescue Plan Act (ARPA) of 2021
FTA Section 5311(f) Program - ARPA Fund Balance	\$ -	\$ 208,681				FY 2022/23 data not available
Total ARPA Funds	\$ -	\$ 909,331				
State Transportation Improvement Program (STIP) Project Totals	\$ 1,369,000	\$ 1,725,000	\$ 356,000	26.0%		Programmed by MCOG in Regional TIP for State \$ directly to local agencies 2022/23 major project is City of Ukiah's Downtown Streetscape Phase II. 2023/24 major project Fort Bragg SR-1/So. Main St. bike & ped improvmts.

Amendments Color Key:

August 14, 2023
October 2, 2023
November 6, 2023
March 4 2024

MENDOCINO COUNCIL OF GOVERNMENTS

2023/24 Budget

Explanatory Notes on Funding Sources

5/25/2023

LTF - Local Transportation Fund

- Generated from quarter-cent sales tax on all sales countywide. Fund estimate provided by County Auditor-Controller/Treasurer Tax-Collector. Allocated by Regional Transportation Planning Agencies (RTPAs).
- Governed by the Transportation Development Act (TDA).
- Transportation planning and public transit systems are supported by these revenues according to TDA.
- As of 2020/21, online sales tax revenues were noted, of which a formula share is received from a state pool.

LTF Reserve Fund

- Allowed under TDA, Section 6655, adopted by MCOG on June 7, 1999, revised April 2, 2001.
- Fund balance adjusted annually at minimum five percent of County Auditor-Controller's LTF estimate.
- Surplus allocated through annual budget process.
- To be used *“for transit services provided by Mendocino Transit Authority (MTA) that have been funded by MCOG through the annual transit claim process, when 1) actual LTF revenues fall short of LTF budget allocations, or 2) extreme or unusual circumstances warrant an additional allocation.”*
- The fund was depleted to cover the FY 2008/09 revenue shortfall and policy waived in 2010/11 and 2011/12. The policy was partially waived for the three following fiscal years. A claim was made to meet the FY 2015/16 shortfall of \$68,364.
- Since 2015/16, MCOG has fully restored the LTF Reserve policy, releasing two years of surplus for allocation between \$100,000 and \$200,000, then a shortfall of \$65,000, a surplus of \$71,000, and for 2019/20 (from 2017/18 revenue) a record surplus of \$375,634. Audited surplus from 2020/21 was 754,417, a new record, allocated in 2022/23. The audited surplus for 2021/22 was \$384,429.
- With no maximum by policy, the reserve was set at ten percent for 2021/22 and 15 percent for 2022/23.

STA - State Transit Assistance

- Generated from sales taxes on diesel and gasoline, until the Transportation Tax Swap of March 2010, when it was replaced by an increased excise tax on gasoline and increased sales tax on diesel. This expired with SB 1, the Road Repair & Accountability Act of 2017. The gas tax is now indexed to inflation.
- Governed by the Transportation Development Act (TDA).
- Eligibility is open only to transit operators - MTA in Mendocino County.
- May be used for either Operations, subject to an eligibility formula based on certain cost efficiency standards, or for Capital. MTA typically has used STA for Capital purposes, until the operations requirement was waived for FY 2009/10 – 2015/16 during the Recession; again waived for the pandemic.
- Senate Bill 508, effective July 1, 2016, provides more flexibility, so that *“rather than making an operator ineligible to receive State Transit Assistance program funds for operating purposes for an entire year for failing to meet the efficiency standards, would instead reduce the operator's operating allocation by a specified percentage, based on the percentage amount that the operator failed to meet the efficiency standards, as specified.”* – from SB 508, Chapter 716, preamble
- State Controller provides fund estimate—“Preliminary” in January, “Revised” after State Budget adopted.
- Regional allocation policy: Respond to fluctuating revenues by releasing approved allocations to MTA when received in MCOG's fund account. At times there is an unallocated balance. Other times the fund is fully claimed and has only a small balance of interest earnings, as is the case this year.
- STA has fluctuated widely, subject to political influences, while generally rising over time. 20 years ago, annual revenues were about \$150,000; two years ago in the range of \$800-900,000 with support of SB 1. During the pandemic, fuel tax revenues dropped 20%. Preliminary estimate for 2023/24 is \$1,073,881.

Capital Reserve Fund

- Created and controlled by MCOG as allowed by Transportation Development Act (TDA), Section 6648.
- Contributions from LTF and/or STA.
- Open to Mendocino Transit Authority and Senior Centers for projects in MTA's Five-Year Capital Program.

Surface Transportation Block Grant (STBG) Program, Section 182.6(d)(1)

- Under ISTEA legislation originally, later TEA21, SAFETEA-LU, MAP-21, FAST Act, and currently from Investment in Infrastructure & Jobs Act (IIJA). Formerly Regional Surface Transportation Program (RSTP).
- Section d(1) is for regional discretionary transportation uses, in compliance with U.S. Code, Title 23 and California Constitution, Article 19.
- As allowed, MCOG exchanges for state funds by agreement with Caltrans, eliminating federal requirements.
- MCOG allocated the early fund cycles by regional competition; all of those projects were closed out.
- Subsequent MCOG policy allocated new RSTP d(1) apportionments by formula to County and Cities.
- In FY 2003/04, MCOG staff introduced new administrative procedures in order to comply with new clauses in Caltrans' fund transfer agreement. MCOG requires local claimants to provide a list of eligible projects for which they plan to spend the formula funds, and an authorized officer must sign a certification document (replaced in 2017/18 with a master Subrecipient Agreement). Also they must report prior-year expenditures when claiming new funds.
- For the FY 2005/06 funding cycle and going forward, MCOG approved recommendations of staff and the Technical Advisory Committee to revise MCOG's allocation formula such that a portion would be reserved for MCOG's use on regional projects, aka "Partnership Funding Program" (see allocating resolution). To date the Council has allocated \$1,113,485 of Partnership funds to nine projects.
- Starting FY 2011/12, MCOG approved \$90,000 annually from RSTP for a Regional Project Manager.
- In FY 2015/16 and 2016/17, funds not expended for the project manager position were approved for direct costs that are consistent with the intended scope of Local Assistance; \$20,000 has been allocated.
- Total unexpended Local Assistance funds have accumulated due to a temporary vacancy in the position and funding limits of the staffing contract, with a balance as of June 30, 2022 of \$278,545.
- In California, 2021 federal coronavirus relief funds were apportioned partly by STBG formula, partly through the State Transportation Improvement Program (STIP), as well as for transit programs. - *see Page 3*

PPM - Planning, Programming & Monitoring / SB 45

- Apportioned by State to Regional Transportation Planning Agencies for work associated with State Transportation Improvement Program (STIP) projects.
- Up to 5% of Regional Improvement Program (RIP) funds in the STIP may be used for eligible activities.
- MCOG has programmed funds for planning work elements and Project Study Reports (PSRs).

RPA - Rural Planning Assistance

- Traditionally, either State or Federal funds have been provided in some form of subvention.
- This program is funded by the State for required Overall Work Program mandated planning functions.
- Competitive RPA grants include MCOG's 2013 Zero Emission Vehicle (ZEV) Regional Readiness Plan.

Caltrans Sustainable Transportation Planning Grant Program

- This program replaced the Consolidated Planning Grant Program, which included Community Based Transportation Planning, Environmental Justice, and Transit Planning grants.
- Funded by Federal Transit Administration (FTA, Section 5304) and State Highway Account.
- MCOG was awarded seven annual Community Based Transportation Planning grants and one Environmental Justice grant as a sponsor, administered through the Planning Overall Work Program, including projects for Gualala, Laytonville, Point Arena, Westport, Ukiah Rails-With-Trails, Covelo/Round Valley, and Anderson Valley/SR-128 Trail.
- City of Willits completed the grant-funded Willits Main Street Corridor Enhancement Plan.
- MCOG completed its Pedestrian Facility Needs Engineered Feasibility Study in 2019. The SB 743 Vehicle Miles Travelled Regional Baseline Study and Mendocino County Fire Vulnerability Assessment & Emergency Preparedness Plan were completed in 2020. In FY 2021/22 MCOG was awarded a grant for a Feasibility Study: Mobility Solutions for Rural Communities of Inland Mendocino County, in progress.

Active Transportation Program (ATP)

- Competitive State grant program combining state and federal funds for bicycle and pedestrian projects.
- Cycles 1 and 2 funded MCOG's Covelo SR 162 Corridor Multi-Purpose Trail, in progress.
- In 2018, MCOG completed Safe Routes to School Non-Infrastructure ATP grant projects in Covelo and countywide. In 2022 MCOG was awarded funds for Gualala Downtown Streetscape Enhancement project.

Local Agency Match

- Local matching funds are required for some state and federal grants.
- Mendocino Transit Authority has contributed the required local match for their projects.
- Gualala, Laytonville, and Westport have provided in-kind local match contributions.
- MCOG typically provides required cash match from local planning funds in Overall Work Program.
- FY 2020/21 included \$308,900 from the five member local agencies for Local Road Safety Plans, from state grants and ten percent matching funds, to pool resources for consultant services through the OWP.

Coronavirus Aid, Relief, and Economic Security (CARES) Act

- [Signed into law in March 2020](#), funds are available to transit operators through FTA's 5311 programs.
- MCOG included CARES in its adopted FY 2020/21 budget at \$1,206,413, including Phase 1 and 2 balance of funds available at the time, to offset a potential shortfall of local funds for transit.
- *"Funding is provided at a 100-percent federal share, with no local match required, and is available to support capital, operating, and other expenses generally eligible under those programs to prevent, prepare for, and respond to COVID-19."* [\[from FTA website\]](#)

Coronavirus Response & Relief Supplemental Appropriations Act of 2021 (CRRSAA)

- [This bill became law in December 2020](#), including funds for various transportation programs.
- California has chosen to suballocate its apportionment of infrastructure funding through STBG and STIP. MCOG received \$423,875 and \$1,198,132 respectively; these flowed down to member local agencies by a formula adopted by the Council on May 3, 2021.
- For transit: *"Similar to the CARES Act, the supplemental funding will be provided at 100-percent federal share, with no local match required. Funding will support expenses eligible under the relevant program, although the Act directs recipients to prioritize payroll and operational needs."* [\[from FTA website\]](#)
- MCOG's draft 2021/22 budget included \$1,459,704 of new CRRSAA funds for MTA (no expiration), later moved to a new Information section of the budget tables, along with CARES Act funds carried over.
- Funds are also available through the FTA Section 5310 Elderly and Disabled Specialized Transit Program for applicants that were successful during the last grant cycle. A total of \$103,532 has been awarded to three specialized transit providers in Mendocino County.

Federal Transit Administration (FTA) Section 5311 and 5311f

- MCOG's budget includes these programs, as funds for MTA are approved by MCOG resolution, although cash does not flow through MCOG's accounts.
- Annual 5311 regional apportionments are typically used by MTA for operations, now over \$800,000.
- MTA has been successful in winning competitive 5311f Intercity Bus Program grants, typically about \$300,000, for Route 65 operations and/or vehicles, with a required funding match.
- CARES and CRRSAA funds for transit flow through FTA's programs, subject to MCOG's approval and claimed directly through Caltrans. From CARES Phase 1, MTA was allocated \$557,349, fully claimed to date. In August 2020, MCOG approved 5311 CARES Phase 2 funds for MTA at \$1,068,573.

Regional Early Action Planning (REAP) for Housing

- Created by AB 101, state funding is provided for regional planning related to housing production and implementation of the Regional Housing Needs Allocation (RHNA).
- In 2020, MCOG amended its Joint Powers Agreement to include housing matters as a specific power.
- MCOG's 2020/21 budget was amended to add a grant of \$383,245, suballocated to member local agencies at 90 percent, by an adopted distribution formula.
- A new master agreement with the Department of Housing & Community Development has been executed to receive the grant funds.
- Eligible activities include providing technical assistance, performing infrastructure planning, and conducting feasibility studies.

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MENDOCINO COUNCIL OF GOVERNMENTS

Transportation Development Act (TDA) Budget Calendar

- November** Social Services Transportation Advisory Council (SSTAC) convenes annual Unmet Transit Needs Workshop.
- December** MCOG Board conducts Unmet Transit Needs hearing to identify needs. Testimony includes needs identified by SSTAC, MTA, and the general public. MCOG refers to MTA all testimony for analysis of needs that meet the adopted definition. Analysis may include cost projections, ability to provide service, and prioritization.
- January** MTA prepares Unmet Transit Needs analysis for recommendation by Transit Productivity Committee (TPC) in April.
- County Auditor provides annual estimate of Local Transportation Fund (LTF) revenues to MCOG, by due date of February 1.
- February** MCOG staff prepares preliminary draft budget, including available LTF, State Transit Assistance (STA), Capital Reserve, and grant funds for Administration, 2% Bicycle & Pedestrian, Planning, and Transit allocations.
- MCOG staff issues notice to eligible claimants of the County Auditor's estimate and Area Apportionment by population, by due date of March 1.
- Mendocino Transit Authority (MTA) begins preliminary transit budget.
- Feb. / March** Executive Committee reviews staff's preliminary recommended budget and amount available for transit claims, for recommendation to MCOG Board. MTA staff receives committee materials and is included in discussions.
- MTA, as the designated Consolidated Transportation Services Agency (CTSA), informs subcontractors (senior centers) of projected amounts available to claim.
- MTA Board prepares transit claim based on MCOG's anticipated funds available.
- MTA submits transit claim to MCOG office by due date of April 1.
- April** TPC reviews for recommendation to MCOG: 1) Unmet Transit Needs analysis, and 2) annual transit claim.
- May** SSTAC optionally meets to review and comment on Unmet Transit Needs analysis.
- June** MCOG Board adopts reasonable-to-meet finding of Unmet Transit Needs for the upcoming year.
- MCOG Board adopts the annual budget, allocating funds for Administration, Bicycle & Pedestrian facilities, Planning, and Transit, including any Unmet Transit Needs found reasonable to meet.

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I.
Administration,
Bike & Ped,
Planning and
Reserves

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MENDOCINO COUNCIL OF GOVERNMENTS

BOARD of DIRECTORS

RESOLUTION No. M2024-01

REVISING ALLOCATION OF FISCAL YEAR 2023/24 FUNDS and
2022/23 CARRYOVER FUNDS for ADMINISTRATION,
BICYCLE & PEDESTRIAN FACILITIES, PLANNING and RESERVES,
SUPERSEDING RESOLUTION #M2023-02

WHEREAS,

1. Mendocino Council of Governments (MCOG) is the designated Regional Transportation Planning Agency (RTPA) for Mendocino County;
2. The total 2023/24 Local Transportation Fund (LTF) revenue has been estimated at \$4,901,913 by the Mendocino County Auditor-Controller, less an estimated shortfall of \$185,956 from prior-year allocated LTF revenues, and the addition of various other funds carried over;
3. *A revised LTF estimate was received from the Acting Mendocino County Auditor-Controller on January 18, 2024 in the amount of \$4,243,383, a decrease of \$658,530 from the original budget estimate of \$4,901,913; the Executive Committee recommended staff's "Option A" of three options, including updated data for a fourth 2023/24 Budget Amendment, as reflected in this revised Resolution;*
4. ~~The LTF Reserve fund balance available for allocation is \$775,595, and the 2021/22 fiscal audit identified a surplus of Local Transportation Funds at \$384,429; the Executive Committee recommended setting aside \$735,000 of these combined amounts for the FY 2023/24 LTF Reserve fund balance (at least five percent of the County Auditor-Controller's fund estimate according to policy), and to release for allocation the remaining \$425,024 at December 31, 2023 is \$579,752; the fund balance is recalculated at 15 percent of the revised LTF estimate or \$637,000, requiring \$57,248 to replenish the LTF Reserve; this fund balance shall cover an estimated over-allocation of \$460,369, leaving an estimated Reserve balance of \$176,632 at fiscal year end;~~
5. Total revenue from all LTF sources available for allocation is estimated at ~~\$5,170,116~~ **4,338,138**; other funding sources include Surface Transportation Block Grant (STBG) program, Service Authority for Freeway Emergencies (SAFE), and grants;
6. SAFE funds are documented in a separate budget and financial plan, referenced in exhibits to this resolution to conform with MCOG's staffing contracts;
7. Dow & Associates shall have the management responsibility for the 2023/24 overall approved Administration budget of up to \$660,741 (Total Administration \$705,996 less SAFE contract \$45,255), attached and incorporated herein as **Exhibit A**, which includes contracts for professional services and other direct costs; the Dow & Associates contract funding is summarized in **Exhibit C**;
8. Dow & Associates shall have the management responsibility to collect up to \$38,500 of 2023/24 Rural Counties Task Force dues, available to claim reimbursement for actual direct costs related to the Chair's duties, up to the available amount of dues revenue as in **Exhibit C**;

9. Dow & Associates shall have the management responsibility for Surface Transportation Block Grant Program funds for a Regional Project Manager or equivalent staff position, also referred to as Local Assistance-Project Delivery, as approved in its contract, identified in **Exhibits A and C**;
10. Dow & Associates shall have the management responsibility for Active Transportation Program state grants for the SR 162 Corridor Multipurpose Trail in Covelo, Phases I and II at an estimated \$6,500,000 carried over;
11. Davey-Bates Consulting shall have the management responsibility for the 2023/24 approved Overall Work Program (OWP) as amended and transportation planning and related projects, a budget summary of which is attached and incorporated herein as **Exhibit B**, in the amount of \$659,364; the Davey-Bates Consulting contract funding is summarized in **Exhibit D**;
12. The Planning allocation to the 2023/24 Overall Work Program, for transportation planning and related projects, will be provided from 2023/24 LTF revenues, reallocation of prior year local carryover funds, state and federal sources; and
13. Dow & Associates and Davey-Bates Consulting shall be responsible for providing grant administration and management of Regional Early Action Planning (REAP) funds from California Department of Housing and Community Development (HCD), as identified in **Exhibits C and D** and allocated by separate budget resolution; and
14. Allocation for Bicycle & Pedestrian facilities are allowable at no more than two percent (2%) of the LTF funds remaining after allocation for Administration; ~~\$86,846~~ **\$0 (zero dollars)** shall be allocated for 2023/24; therefore, be it

RESOLVED, THAT:

1. MCOG hereby allocates available revenues for FY 2023/24 as follows.

USE	AUTHORITY	SOURCE	FISCAL YEAR	AMOUNT	TOTALS
101116MCOG Administration	PUC Sec. 99233.1	LTF	2023/24	559,626	559,626
	Surface Transportation Block Grant Program (STBG)	MCOG Local Assistance – Project Delivery	2023/24	101,116	101,116
	PUC Sec. 99233.2	Rural Counties Task Force Dues and Direct Costs	2023/24	38,500	38,500
	SB99/AB101 of 2013 - CA Transportation Commission	Active Transportation Program (ATP) Infrastructure Grants <i>and Caltrans SHOPP</i>	2022/23	6,500,000	6,500,000
Bicycle & Pedestrian Facilities	PUC Sec. 99233.3	LTF	2023/24	86,846 0	86,846 0
Planning Overall Work Program (OWP)	CCR Sec. 99233.2	LTF	2023/24	141,479	264,347
			2022/23	122,868	
	TDA, CCR Sec. 6655.1	LTF Temp. Reserves	2016/17	29,135	29,135

	Senate Bill 45	Planning, Programming & Monitoring (PPM)	2023/24	141,000	259,750
			2022/23	118,750	
	State Highway Account (SHA)	Rural Planning Assistance (RPA)	2023/24	319,000	319,000
	State Highway Account (SHA)	Sustainable Transportation Grant	2022/23	22,133	22,133
			Subtotal OWP	894,365	
			Total Allocations		8,180,453 8,093,607

2. ~~Any amendment~~ **Amendments** to the Overall Work Program approved by MCOG’s Board of Directors ~~may result~~ **have resulted** in a revised OWP budget (**not reflected in this resolution**).

ADOPTION OF THIS RESOLUTION was moved by Director Carter, seconded by Director Haschak, and approved on this 4th of March, 2024, by the following roll call vote:

AYES: Haschak, Carter, Duenas, Norvell, Kanne, Hansen, Ahlstrand (PAC) and Gjerde
 NOES: None
 ABSTAINING: None
 ABSENT: None

WHEREUPON, the Chairman declared the resolution adopted, AND SO ORDERED.

/s/

/s/

 ATTEST: Nephele Barrett, Executive Director

 Dan Gjerde, Chair

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MCOG Administration
 FY 2023/24 Budget

Executive Committee Recommendations
 As of February 24, 2023

Funding Source	TDA/LTF	STBG	SAFE	Total	%	Note
Administration						
TOTAL Admin. Budget Proposed	559,626	101,116	45,255	705,996	100%	A - SAFE B - TDA C - STBG
Staffing Contract						
Dow & Associates new 2023/24 Base Rate + 9 years COLA	501,126	101,116	45,255	647,497		D
Total Contract FY 2023/24	501,126	101,116	45,255	647,497	92%	
Other Direct Costs						
Memberships - CALCOG, NSSR, CALACT	5,365	-	-	5,365	0.8%	
Fiscal Audits of MCOG and MTA	25,660	-	-	25,660	3.6%	E
Performance Audit	7,500	-	-	7,500	1.1%	F
County Auditor-Controller	5,000	-	-	5,000	0.7%	
Legal Counsel	2,000	-	-	2,000	0.3%	
Travel and Training	7,500	-	-	7,500	1.1%	
Communications	4,000	-	-	4,000	0.6%	G
Contingency / Miscellaneous	1,475	-	-	1,475	0.2%	
Total Other Direct Costs	58,500	-	-	58,500	8%	
Balance Available for Later Allocation	(0)	(0)	0	(0)	0%	

LEGEND

TDA/LTF = Transportation Development Act, source of Local Transportation Funds (1/4 cent sales tax)
 RSTP = Regional Surface Transportation Program (federal source exchanged for state funds)
 SAFE = Mendocino County Service Authority for Freeway Emergencies (\$1 DMV fee)

NOTES

- A) The Mendocino County SAFE program is not made a part of MCOG's overall budget, since it was formed as a separate agency. The SAFE budget is adopted annually.
- B) TDA Admin. at \$559,626 is 11.4% of County Auditor's Estimate of new sales tax revenues (\$4,901,913), up from 9.9% last year. This option is calculated on the full CPI rate of 7.3%.
- C) \$90,000 of new funds and \$11,116 of prior-year unexpended funds (due to staff position vacancies) from STBG program, a.k.a. RSTP.
- D) Dow & Assoc.'s contract is calculated by adding each year's COLA increase: first to base proposal, then to result of each previous step. This process was approved in the original contract proposal - table of calculations available on request. Dow & Associates' contract limits annual COLA to 4 percent unless approved by the Council. Increase is calculated on California CPI Annual Average 2021 to 2022. 2022 Average 319.224 less 2021 Average 297.371 = 21.853 divided by 297.371 = 0.0734873272780466 increase, rounded to 7.3%. <https://www.dir.ca.gov/oprl/CAPriceIndex.htm> Using California statewide, All Urban Consumers
- E) Fiscal Audit costs for 2023: MCOG \$12,360; Mendocino Transit Authority \$13,300.
- F) The Triennial Performance Audit expense occurs in FY 2024/25 at budget of \$22,500. FY 2022/23 started a 3-year cycle of setasides for the next audit (\$7,500 annually).
- G) Communications expenses have included website hosting, meeting space rentals, meals, miscellaneous legal notices and printing.

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**MENDOCINO COUNCIL OF GOVERNMENTS
FY 2023/24 (FINAL) OVERALL WORK PROGRAM
SUMMARY OF FUNDING SOURCES**

NO.	WORK ELEMENT	LOCAL LTF	STATE PPM	STATE RPA	OTHER / GRANT	TOTAL
1	MCOG - Regional Government & Intergovernmental Coordination	\$ -	\$ -	\$ 142,000	\$ -	\$ 142,000
2	MCOG - Planning Management & General Coordination (Non-RPA)	\$ 108,545	\$ 26,108	\$ -	\$ -	\$ 134,653
3	MCOG - MTA Feasibility Study for Ukiah Transit Center - (<i>Carryover</i>)	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
4	MCOG - Sustainable Transportation Planning	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
5	MCOG - Mobility Solutions-Feasibility Study for Rural Areas (<i>Carryover</i>)	\$ 2,868	\$ -	\$ -	\$ 22,133	\$ 25,001
6	Co. DOT - Combined Special Studies	\$ -	\$ -	\$ 54,000	\$ -	\$ 54,000
7	MCOG - Planning, Programming & Monitoring	\$ -	\$ 100,195	\$ 14,305	\$ -	\$ 114,500
8	MCOG - Regional Leadership Training	\$ -	\$ -	\$ 25,000	\$ -	\$ 25,000
12	Ukiah - Truck Route Study - (<i>Carryover</i>)	\$ -	\$ 45,000	\$ -	\$ -	\$ 45,000
13	Fort Bragg - Central Business District Parking Evaluation - (<i>Carryover</i>)	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
14	MCOG - Training	\$ 20,000	\$ -	\$ -	\$ -	\$ 20,000
15	Point Arena - Downtown Parking Master Plan (NEW)	\$ -	\$ 48,375	\$ -	\$ -	\$ 48,375
16	MCOG - Multi-Modal Transportation Planning	\$ -	\$ -	\$ 45,000	\$ -	\$ 45,000
18	MCOG - Geographic Information System (GIS) Activities	\$ -	\$ -	\$ 5,798	\$ -	\$ 5,798
20	MCOG - Grant Development & Assistance	\$ 18,103	\$ -	\$ 32,897	\$ -	\$ 51,000
	<i>PROJECT RESERVE</i>	\$ 23,966	\$ 40,072	\$ -	\$ -	\$ 64,038
	TOTAL	\$ 293,482	\$ 259,750	\$ 319,000	\$ 22,133	\$ 894,365

TOTAL WORK PROGRAM SUMMARY/PROGRAM MATCH					
Local	\$293,482	33%	Local LTF 2023/24 - 3% Alloc.		\$141,479
State	\$600,883	67%	Local LTF Unallocated		\$29,135
Federal	\$0	0%	Local LTF <i>Carryover</i>		\$122,868
Other	\$0	0%	State PPM 2022/23 Alloc.		\$141,000
TOTAL WORK PROGRAM SUMMARY	\$894,365	100%	State PPM <i>Carryover</i>		\$118,750
			State RPA 2023/24 Alloc.		\$294,000
			State RPA Grant Funds		\$25,000
			State RPA <i>Carryover</i>		\$0
			State Grant (SHA) <i>Carryover</i>		\$22,133
			Federal		\$0
			TOTAL		\$894,365

**MENDOCINO COUNCIL OF GOVERNMENTS
FY 2023/24 (FINAL) OVERALL WORK PROGRAM
FUNDING ALLOCATION & EXPENDITURE SUMMARY**

NO.	WORK ELEMENT TITLE	COUNTY DOT	CITIES	MCOG STAFF	CONSULT/ OTHERS/ DIRECT COSTS	TOTAL
1	MCOG - Regional Government & Intergovernmental Coordination			\$ 140,000	\$ 2,000	\$ 142,000
2	MCOG - Planning Management & General Coordination (Non-RPA)			\$ 134,653		\$ 134,653
3	MCOG - MTA Feasibility Study for Ukiah Transit Center - <i>Carryover</i>				\$ 50,000	\$ 50,000
4	MCOG - Sustainable Transportation Planning			\$ 15,000	\$ 5,000	\$ 20,000
5	MCOG-Mobility Solutions-Feasibility Study for Rural Areas - <i>Carryover</i>				\$ 25,001	\$ 25,001
6	Co. DOT - Combined Special Studies	\$ 54,000				\$ 54,000
7	MCOG - Planning, Programming & Monitoring			\$ 105,000	\$ 9,500	\$ 114,500
8	MCOG - Regional Leadership Training				\$ 25,000	\$ 25,000
12	Ukiah - Truck Route Study - <i>Carryover</i>		\$ 45,000			\$ 45,000
13	Fort Bragg - Central Business District Parking Evaluation - <i>Carryover</i>		\$ 50,000			\$ 50,000
14	MCOG - Training			\$ 10,000	\$ 10,000	\$ 20,000
15	Point Arena - Downtown Parking Master Plan (NEW)		\$ 48,375			\$ 48,375
16	MCOG - Multi-Modal Transportation Planning			\$ 45,000		\$ 45,000
18	MCOG - Geographic Information System (GIS) Activities			\$ 5,798		\$ 5,798
20	MCOG - Grant Development & Assistance			\$ 51,000		\$ 51,000
	<i>PROJECT RESERVE</i>				\$ 64,038	\$ 64,038
	TOTAL	\$ 54,000	\$ 143,375	\$ 506,451	\$ 190,539	\$ 894,365

Note: Reimbursement Rates Used for Calculating Days Programmed (estimate only). County/Cities/Local Agencies (\$75/hr.); Consultants (\$125/hr.); MCOG Planning Staff (est. @ approx. \$38-\$130/hr. - various positions).

* MCOG planning staff funding level is based on contracted obligation with DBC Consulting (\$476,451). DBC's contract extension (approved 4/3/2023) goes through 9-30-24. In addition, \$30,000 in ESTIMATED carryover funding is available from under-expending prior years' funding, for a total available of \$506,451.

Dow & Associates
ADMINISTRATIVE & FISCAL SERVICES
Allocation Summary
Fiscal Year 2023/24

1. **Budget.** Total approved funding for the services of Dow & Associates is **\$699,242.**
2. **Scope of Work and Cost.** As approved by the Board of Directors on September 29, 2014: “The scope of work and cost for the Administrative & Fiscal Services contract between MCOG and Dow & Associates shall be as originally submitted in the Dow & Associates proposal, except that annual Cost of Living Adjustments (COLA) shall be limited to four percent, and if cost inflation exceeds four percent in a year, the contractor may negotiate directly with the Board of Directors; and the Chair is authorized to execute the contract.”

A five-year Professional Services Agreement between Contractor and MCOG was prepared by County Counsel, as the Board’s designated negotiator, and executed by the Chair. On March 4, 2019, the Board approved a one-year extension of the contract through September 30, 2020. On March 2, 2020, the Board approved a second one-year extension through September 30, 2021. On April 5, 2021, the Board approved a third one-year extension through September 30, 2022. On March 7, 2022, the Board approved a fourth one-year extension through September 30, 2023. On April 3, 2023, the Board approved a fifth and final one-year extension through September 30, 2024.

- 3(a) **MCOG Administration.** The funding sources are Local Transportation Fund (LTF) and Regional Early Action Planning (REAP) grant funds. Contractor’s portion of the MCOG administrative budget totals **\$559,626.** This amount is to be routinely submitted as a monthly claim, at \$46,635 for the first 11 months, then at \$46,641 for the final month. REAP costs will be billed on a reimbursable basis for actual hours worked. On invoices that include REAP reimbursement, LTF billing will be reduced by an equal amount.

- 3(b) **MCOG Regional Project Coordinator** (or equivalent position). The funding source is (Regional) Surface Transportation Block Grant (STBG) Program, a.k.a. RSTP. Contractor’s portion of the MCOG administrative budget totals **\$101,116.** The Regional Project Coordinator position is part time. This staff time, also referred to as Local Assistance, shall be billed on a monthly reimbursable basis for actual hours worked at a fully-weighted hourly rate.

MCOG’s adopted policy allocates \$90,000 to this staff position. Under the approved contract, the full amount exceeds this amount. The difference is allocated from the accumulated STBG/RSTP unexpended fund balance for the Local Assistance program.

FY 2023/24 Allocation per Policy		\$ 90,000
FY 2023/24 from unallocated STBG/RSTP fund balance		11,116
Contracted rate as adjusted by cumulative COLA	\$94.36/hour	Up to \$101,116

- 3(c) Reimbursable Direct Costs.** The funding sources are Local Transportation Fund (LTF) and Surface Transportation Block Grant (STBG) Program. In addition to staffing services, Contractor may claim certain direct costs for reimbursement as necessary, identified in MCOG's FY 2023/24 Administration Budget, to include line items for Travel & Training, Communications, and Contingency/Miscellaneous.
- 4. SAFE Administration.** The funding source is Vehicle Registration Fees collected by the California Department of Motor Vehicles. Contractor's portion of the SAFE administrative budget totals **\$45,255** to cover SAFE administrative staff time and direct costs incurred by the Contractor. This amount is to be routinely submitted as a monthly claim, at \$3,771 for the first 11 months, then at \$3,774 for the final month.
- 5. Rural Counties Task Force.** The funding source is voluntary membership dues. As RCTF Chair, Contractor will invoice member agencies to collect up to **\$38,500**. Contractor may claim reimbursement for actual direct costs incurred, related to duties while serving as Chair, up to the available amount of dues revenue. Funds will be deposited and paid from the LTF Administration account.

Davey-Bates Consulting

PLANNING SERVICES

Allocation Summary

Fiscal Year 2023/24

1. **Budget.** Total approved funding for the services of Davey-Bates Consulting is **\$527,144**.
2. **Scope of Work and Cost.** As approved by the Board of Directors on September 29, 2014: “the scope of work and cost for the Transportation Planning Services contract between MCOG and Davey-Bates Consulting shall be as originally submitted in the Davey-Bates Consulting proposal, except that annual Cost of Living Adjustments (COLA) shall be limited to four percent, and if cost inflation exceeds four percent in a year, the contractor may negotiate directly with the Board of Directors; and the Chair is authorized to execute the contract.”

A five-year Professional Services Agreement between Contractor and MCOG was prepared by County Counsel, as the Board’s designated negotiator, and executed by the Chair. On March 4, 2019, the Board approved a one-year extension of the contract through September 30, 2020. On March 2, 2020, the Board approved a second one-year extension through September 30, 2021. On April 5, 2021, the Board approved a third one-year extension through September 30, 2022. On March 7, 2022, the Board approved a fourth one-year extension through September 30, 2023. On April 3, 2023, the Board approved a fifth and final one-year extension through September 30, 2024.
3. **MCOG Planning.** Multiple funding sources are identified in the Overall Work Program. MCOG planning staff costs shall be billed on a monthly reimbursable basis for actual hours worked at the attached fully-weighted hourly rates, and pursuant to the approved 2023/24 Work Program (as may be amended). Total approved funding for MCOG planning duties in FY 2023/24 is **\$506,451**.
4. **REAP Program.** The funding source is Regional Early Action Planning (REAP) grant funds from California Department of Housing and Community Development (HCD). REAP costs will be billed on a reimbursable basis for actual hours worked, not to exceed the portion allocated for MCOG grant activities, as identified in the allocating resolution.
5. **SAFE Planning & Operations.** The funding source is Vehicle Registration Fees collected by the California Department of Motor Vehicles. SAFE planning staff costs shall be billed on a monthly reimbursable basis for actual hours worked at the attached fully-weighted hourly rates. Total approved funding for SAFE planning and operations in FY 2023/24 is **\$20,693**.

Davey-Bates Consulting

FISCAL YEAR 2023/24 PLANNING CHARGE RATES

The following rates have been approved for transportation and housing planning services performed under the contract. These will be applied to work done on tasks identified in MCOG's 2023/24 Transportation Planning Overall Work Program and the REAP grant.

Lisa Davey-Bates, Principal	\$ 156.58
Deputy Planner	\$ 140.44
Program Manager	\$ 111.23
Associate Program Planner/Administrator	\$ 78.67
Executive Assistant	\$ 46.36

II.
Unmet
Transit Needs

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MENDOCINO COUNCIL OF GOVERNMENTS

BOARD of DIRECTORS

RESOLUTION No. M2023-03

FINDING THAT
THERE ARE UNMET TRANSIT NEEDS
THAT ARE REASONABLE TO MEET
FOR FISCAL YEAR 2023/24

WHEREAS,

- The Mendocino Council of Governments (MCOG) is the designated Regional Transportation Planning Agency for Mendocino County;
- The MCOG Board of Directors, on November 2, 1992 and December 7, 1998, adopted revised definitions of “unmet transit need” and “reasonable to meet,” attached hereto as **Exhibit A**;
- MCOG held its “unmet transit needs” public hearing for Fiscal Year 2023/24 on February 6, 2023, accepting as testimony a list of six (6) needs compiled by the Social Services Transportation Advisory Council (SSTAC) on November 28, 2022, four (4) needs from Mendocino Transit Authority (MTA) from public meetings during the year, and two (2) needs from testimony at the public hearing, for a total list of 12 items;
- On February 6, 2023, MCOG referred all unmet transit needs testimony received from the SSTAC, MTA and the public hearing, attached as **Exhibit B**, to MTA for analysis, cost projections and prioritization, then to be referred to the Transit Productivity Committee for a recommendation of “reasonableness” according to MCOG’s process;
- The Transit Productivity Committee (TPC) met and reviewed MTA’s report, attached as **Exhibit C**, and recommended to MCOG that “*there are unmet transit needs that are reasonable to meet*” for Fiscal Year 2023/24, as reflected in the TPC minute order of May 12, 2023, attached as **Exhibit D**;
- MTA revised their 2023/24 claim for funds to include \$50,000 for unmet transit needs;
- The Social Services Transportation Advisory Council (SSTAC) met again to review MTA’s report and recommended to MCOG that “*there are unmet transit needs that are reasonable to meet*” for Fiscal Year 2023/24, as reflected in the SSTAC minute order of May 10, 2023, attached as **Exhibit E**; therefore, be it

RESOLVED, THAT:

MCOG finds that there are unmet transit needs that are reasonable to meet for Fiscal Year 2023/24, as identified on the FY 2023/24 list:

#S-3 Affordable public transit link to Humboldt County, stopping in Piercy, Leggett, Laytonville – *contingent on grant award to Humboldt Transit Authority*

#P-2 Fixed route timing that coincides with retail workforce shifts in the Fort Bragg/ Mendocino coast area

ADOPTION OF THIS RESOLUTION was moved by Director Haschak, seconded by Director Carter, and approved on this 5th day of June, 2023, by the following roll call vote:

AYES: Haschak, Carter, Kanne, Hansen, Norvell, Duenas, Ahlstrand (Caltrans/PAC) and Gjerde
NOES: None
ABSTAINING: None
ABSENT: None

WHEREUPON, the Chair declared the resolution adopted, AND SO ORDERED.

/s/

ATTEST: Nephele Barrett, Executive Director

/s/

Dan Gjerde, Chair

Adopted by MCOG
11/2/92
Revised by MCOG
12/7/98

MENDOCINO COUNCIL OF GOVERNMENTS

“Unmet Transit Needs” and “Reasonable to Meet” Process

Introduction

The stated intent of the Legislature in passing the Transportation Development Act (TDA) was to provide funding for transit, which would provide an essential public service through a balanced transportation system. The TDA administrative code specifically states, “it is the intent of the Legislature to improve existing public transportation services and encourage regional public transportation coordination.” The Public Utilities Code, in Article 2, Section 99220 provides even more succinctly: “to encourage people to use public transportation rather than private vehicles.”

Prior to using TDA funds for street and road improvements, Sections 99401.5 and 99401.6 of TDA require the Regional Transportation Planning Agency to hold a public hearing and make a determination that there are no unmet transit needs that can reasonably be met within the area of a county, city or eligible operator. As a result, the RTPA has the responsibility and authority to determine what constitutes unmet transit needs and whether or not such unmet transit needs can reasonably be met.

The Mendocino Council of Governments (MCOG), acting in its official capacity as the designated Regional Transportation Planning Agency for Mendocino County, accomplishes this in part through a public hearing process conducted by MCOG taking into account the recommendations of the Social Services Transportation Advisory Council and other various factors in the transportation planning process.

Definitions

The following definitions of “Unmet Transit Need” and “Reasonable to Meet” have been adopted by the Mendocino Council of Governments.

The unmet needs and reasonableness policies apply to new proposed services. Existing services will be evaluated through the existing performance standard policies established by MCOG, and reviewed by the Transit Productivity Committee.

1. Unmet Transit Need: Whenever a need to transport people is not being satisfied through existing public or private resources.
2. Reasonable to Meet: It is reasonable to meet a transit need if all of the following conditions prevail:

“Unmet Transit Needs” and “Reasonable to Meet” Process

Page 2 of 2

12/7/98

- a) Service will be capable of meeting the Transportation Development Act fare revenue/operating cost requirements and established MCOG criteria for new services
- b) Transit services designed or intended to address an unmet transit need shall not duplicate transit services currently provided either publicly or privately
- c) The claimant this is expected to provide the service shall review, evaluate and indicate that the service is operationally feasible, and vehicles shall be currently available in the market place
- d) Funds are available, or there is a reasonable expectation that funds will become available.

/le
/jmo



MENDOCINO COUNCIL OF GOVERNMENTS

Reso. M2023-03
Exhibit B
1 Page

FY 2023/24 Unmet Transit Needs

Testimony Heard in Public Hearing

February 6, 2023

(not in any order of priority)

Needs Identified at the SSTAC workshop:

1. Wednesday service for Ukiah Senior Center transportation
2. Westport/North Coast limited service
3. Affordable public transit link to Humboldt County, stopping in Piercy, Leggett, Laytonville
4. Mobility solutions/transit/micro-transit service for Covelo, Laytonville, Brooktrails, Hopland, and Potter Valley
5. Restoration of evening service in Ukiah Valley for people to get to/from work
6. Anderson Valley service to the coast with same-day return.

Needs Identified by Mendocino Transit Authority (MTA):

1. Bus stop at Waugh Lane & Talmage Avenue, for both northbound and southbound Ukiah Local Route 9
2. Saturday service between Ukiah and Willits, round trip
3. Saturday service for Willits Local Route 1
4. Brooktrails connection for commuters AM and PM.

Needs Identified in Public Hearing:

1. Fare pricing on inter-county Route 65 that is more equitable between southbound and northbound and a youth discount that fills the gap between minors accompanied by adult and college students
2. Fixed route timing that coincides with retail workforce shifts in the Fort Bragg/ Mendocino coast area

TOTAL of 12 Recommended Unmet Transit Needs for Analysis by MTA

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Analysis of the recommendations for Unmet Needs by MTA FY 2023/2024

High Priority – Consider for FY 2023/24

S-3 Affordable public transit link to Humboldt County, stopping in Piercy, Leggett, Laytonville

MTA and HTA are currently working with Caltrans on a solution.

P-2 Fixed route timing that coincides with retail workforce shifts in the Fort Bragg/Mendocino coast area

When second Route 65 is reinstated will depart Mendocino, the timing will be at or around 7:30pm

Medium Priority – Consider for FY 2023/24

S-4 Mobility solutions/transit/micro-transit service for Covelo, Laytonville, Brooktrails, Hopland, and Potter Valley

Mobility solutions for rural Mendocino County has this item currently under review

M-3 Saturday service for Willits Local Route 1

MTA will continue to study the feasibility and ridership demand for this need.

M-4 Brooktrails connection for commuters AM and PM.

Mobility solutions for rural Mendocino County has this item currently under review

Low Priority – Consider for FY 2023/24

S-2 Westport/North Coast limited service

MTA will continue to study the feasibility and ridership demand for this need.

S-5 Restoration of evening service in Ukiah Valley for people to get to/from work

MTA realizes the need for evening service to the community but due to the current driver shortages the service is not feasible at this time. MTA anticipates full restoration of this route fiscal year 24/25

S-6 Anderson Valley service to the coast with same-day return.

MTA will continue to study the feasibility and ridership demand for this need.

Already Exists

S-1 Wednesday service for Ukiah Senior Center transportation

MTA operates both fixed route and Dial-A-Ride services in Ukiah on Wednesdays.

M-2 Saturday service between Ukiah and Willits, round trip

MTA offers route 65 that serves Willits and Ukiah on Saturdays

Not Feasible

M-1 Bus stop at Waugh Lane & Talmage Avenue, for both northbound and southbound Ukiah Local Route 9

This area does not offer a safe location for a bus stop due to a lack of safe pedestrian access.

P-1 Fare pricing on inter-county Route 65 that is more equitable between southbound and northbound and a youth discount that fills the gap between minors accompanied by adult and college students

It does not meet the formal definition of an unmet need. MTA is reviewing its fare policy and anticipates a result in the 24/25 fiscal year.

MINUTE ORDER *

Transit Productivity Committee – Unmet Transit Needs

May 12, 2023

Primary Location:

Mendocino Transit Authority
Conference Room, 241 Plant Road, Ukiah

Teleconference Locations:

Redwood Coast Senior Center, 490 N. Harold St., Fort Bragg
Harrah Senior Center, 1501 Baechtel Road, Willits

General Public Teleconference by Zoom

PRESENT:

MCOG Board Members: Dan Gjerde, Mike Carter
MTA Board Members: [Note Director Gjerde doubles as MTA Board Member]
Senior Centers Rep.: Richard Baker, Willits Seniors; Jill Rexrode, Redwood Coast Seniors (Alt.)
Staff & Others: Nephele Barrett, Janet Orth, and Jody Lowblad, MCOG
Jacob King and Mark Harvey, MTA

ABSENT:

Bruce Richard, MTA

1. Call to Order. Chair Gjerde called the meeting to order at 10:00 a.m. Participants on the call were identified: Mike, Jacob, Janet and Jody in Ukiah; Richard in Willits; Dan and Jill in Fort Bragg; and Nephele and Mark joining by Zoom. It was determined that a quorum of three voting members was present, representing all parties (MCOG, MTA and Senior Centers).

3. Review and Recommendation on MTA’s Analysis and Prioritization of 2023/24 Unmet Transit Needs.

Janet reviewed the annual process, current status and the recommended action. Included in the agenda packet was MTA’s analysis of the list of all testimony compiled by MCOG from the Social Services Transportation Advisory Council (SSTAC), Mendocino Transit Authority (MTA) and the February public hearing. The report was ranked by five categories: *High Priority* (2), *Medium Priority* (3), *Low Priority* (3), *Already Exists* (2), and *Not Feasible* (2) for a total of 12 needs. Jacob then reviewed each need on the list, with group discussion. He noted “priority” did not mean the needs were not important, only less feasible at this time.

- “High Priority–Consider for FY 2023/24” – **#S-3**, for service to/from Humboldt County, MTA is working on developing with Humboldt Transit Authority (HTA) and Caltrans. There are no bus stops yet in Leggett or Piercy, and MTA is looking for a new bus stop location in Laytonville. The cost would be covered by HTA from grant funds, with no cost to MTA. This could serve more connections than Route 65, which is funded by FTA 5311(f) Intercity program. Current Greyhound service is not affordable for many riders. **#P-2**, for later work-shift service between Mendocino and Fort Bragg, can be served as MTA is reinstating another Route 65 round trip, to depart Mendocino at 7:30pm. Estimated cost for the full route is \$246,000, already in MTA’s Operations budget for 2023/24.
- “Medium Priority–Consider for FY 2023/24” – **#S-4** would be premature for these five communities currently under review by MCOG’s Mobility Solutions feasibility study, with a report of options due out in August; some service could start in FY 2024/25. These are being tracked on the list as important needs that are brought up each year. **#M-3** is of great need locally for the transit dependent to have service on Saturday in Willits; MTA will continue to study feasibility and ridership demand. **#M-4**, Brooktrails commuter connection can go in the same category as Mobility Solutions needs.
- “Low Priority– Consider for FY 2023/24” – **#S-2**, Westport/North Coast limited service requires more study of potential ridership; MTA will meet with Westport Municipal Advisory Council to consider various options. **#S-5**, to restore Ukiah Valley evening service for workers, could be feasible next fiscal year, though not yet due to the driver shortage. MTA is actively recruiting. **#S-6**, Anderson Valley to the coast with same-day return, would be very costly and just one person is known to have requested this; MTA will continue to study feasibility and demand.

- “Already Exists” – #S-1, Wednesday service for Senior Center transportation is served by MTA’s fixed route and Dial-a-Ride (DAR). Jacob brought this back on the list, recognizing the differences between needed door-thru-door service as compared to DAR’s curb-to-curb. He encouraged Ukiah Senior Center to apply for FTA 5310 program funds. #M-2, Ukiah to Willits, is served by Route 65 and will have more trips in FY 2023/24.
- “Not Feasible” – #M-1, bus stop at Waugh Lane and Talmage Road, MTA has studied at length and determined to be unsafe for pedestrians. #P-1 addresses fare pricing issues; MTA is reviewing its fare policy, anticipating results in 2024/25. This is not an unmet need by definition.

Questions and discussion included:

- How did the Westport/North Coast need come up at the November SSTAC workshop? No one was sure. Are we hearing fewer requests post-pandemic in outlying areas? Yes. This need may have originated from people in the Leggett area, who lack transportation to government services. One idea is a loop that uses Branscomb Road, though might not be feasible. Population is aging there as in much of the coastal area; many have medical appointments in Fort Bragg and Ukiah. Potentially there could be a dispatch center on the coast. (Nephele, Jacob, Dan)
 - Earlier this week, the SSTAC met and recommended a finding that the top two “High Priority” needs are reasonable to meet. Would it be appropriate to budget the entire cost of reinstating a Route 65 trip at \$246,000/year, or a portion to meet that local need? MTA would estimate \$50,000 for that need to be met. (Janet, Nephele, Jacob)
 - The SSTAC had noted that #S-3 to Humboldt County is contingent on HTA receiving grant funds to pay for it, with action by HTA. Is it reasonable to meet in 2023/24 without bus stops ready? The HTA General Manager has confirmed that if they can hire enough drivers, they plan to start service January 1, 2024. (Nephele, Richard, Dan, Jacob)
 - If that need were met, it would provide the added benefit of new service for Laytonville, as HTA’s trip would pass through not only north, but also south to Ukiah and back. (Mike, Jacob)
- Chair Gjerde called for any public comment, with no one present requesting to speak to the matter.

Recommendations:

Upon motion by Carter, seconded by Baker, and carried unanimously by roll call vote (3 Ayes – Gjerde, Carter, and Baker; 0 Noes; 1 Absent), the TPC recommended a finding that “there are unmet transit needs that are reasonable to meet” for Fiscal Year 2023/24, as identified on the FY 2023/24 list:

- #S-3 Affordable public transit link to Humboldt County, stopping in Piercy, Leggett, Laytonville – *contingent on grant award to Humboldt Transit Authority*
- #P-2 Fixed route timing that coincides with retail workforce shifts in the Fort Bragg/Mendocino coast area.

8. Adjournment. The meeting was adjourned at 11:30 a.m.

Submitted by Janet Orth, Deputy Director & CFO

* Minutes will be on the MCOG Board agenda for approval June 5, 2023.

MENDOCINO COUNCIL OF GOVERNMENTS

MINUTE ORDER

Social Services Transportation Advisory Council – Unmet Transit Needs

May 10, 2023

Primary Location:

Mendocino Transit Authority
Conference Room, 241 Plant Road, Ukiah

Teleconference Locations:

Redwood Coast Senior Center, 490 N. Harold St., Fort Bragg
Harrah Senior Center, 1501 Baechtel Road, Willits
Redwood Coast Regional Center 1116 Airport Park Blvd, Ukiah

General Public Teleconference by Zoom

MEMBERS PRESENT

Richard Baker, Willits Senior Center
Jill Rexrode, Redwood Coast Seniors
Christine Sookne, Redwood Coast Regional Center
Jacob King, Mendocino Transit Authority (MTA)
Dawn White, MTA
Luis Martinez, MTA (Alternate)

MEMBERS ABSENT

Ukiah Senior Center

MEMBER VACANCIES

“Local social service provider for the handicapped”
“Potential handicapped transit user”
“Potential transit user at least 60 years of age”

MCOG STAFF PRESENT

Nephele Barrett
Janet Orth
Jody Lowblad

PUBLIC PRESENT

Dean Meester, Caltrans District 1

1. Call to Order & Introductions. Executive Director Barrett called the meeting to order at 1:03 p.m. Self-introductions were made: Jacob, Dawn, Luis, Janet and Jody at MTA; Richard in Willits; Jill in Fort Bragg; Christine at Regional Center; and Nephele and Dean joining by Zoom.

4. Review and Recommendation on MTA’s Analysis and Prioritization of 2023/24 Unmet Transit Needs. Janet briefly reviewed the annual process with status to date. Today’s meeting is a chance to comment and make a recommendation on whether any of the needs are “reasonable to meet.” The Transit Productivity Committee (TPC) will meet to consider the same item on May 12, followed by MCOG’s Board of Directors meeting June 5 to make a formal finding by resolution as part of budget adoption. Jacob then reviewed his report, which was shared on screen:

- “High Priority–Consider for FY 2023/24” – #S-3 is for affordable service to/from Humboldt County, as the existing Greyhound is a private, for-profit service that is unaffordable for some and other problems. MTA is working with Humboldt Transit Authority and Caltrans to fund a transit link with the requested stops, to include Laytonville. #P-2 originated with a letter from a business owner in Mendocino village with retail workers; discussion of whether additional Route 65 trips would meet this identified need, starting July 1 at \$246,000; Jacob believed it would help.
- “Medium Priority–Consider for FY 2023/24” – #S-4, Mobility solutions/transit/micro-transit service for Covelo, Laytonville, Brooktrails, Hopland and Potter Valley, is the subject of a planning feasibility study by MCOG this year, so could possibly start in 2024/25 depending on results. #M-3, Saturday service for Willits Local Route 1, has not shown significant demand but MTA is actively investigating for eventual implementation for the transit-dependent public. #M-4, Brooktrails connection for commuters, also is pending results of the Mobility Solutions study.

- “Low Priority– Consider for FY 2023/24” – #S-2, Westport/North Coast limited service, is currently infeasible due to remote location and lack of drivers, but merits further investigation to quantify need in the upcoming Short Range Transit Development Plan update. In discussion, infrequent ridership and cost were noted as a challenge. Perhaps it could be met with DAR or a local community subscription service; an aging population potentially becoming transit dependent could indicate other service types. #S-5, restoration of Ukiah evening workforce service, is not feasible this fiscal year due to driver shortage and lacks demand, so Jacob doesn’t want to get people’s hopes up; review has been ongoing and service anticipated for FY 2024/25. MTA wants to restore all services to pre-pandemic levels; first priority is to serve the College first for evening classes; currently the last trip is at 6:00 p.m. #S-6, Anderson Valley to/from the coast, is a complicated proposition requiring more study. Ridership demand is low and service would be costly to provide; MTA will look at adding to existing services.
- “Already Exists” – #S-1, Wednesday Ukiah senior center service, is a long-standing need that Jacob added to the list again this year and wants to see restored; he recommends federal 5310 program funding. Nephele agreed and questioned whether “already exists” was entirely correct, as the current DAR is not equivalent to the senior center’s “door-through-door” service. Dawn reported a new executive director was recently hired; Richard will look into an introduction and share contact information as available. #M-2, Saturday service between Ukiah and Willits, starts July 1 for a total of four trips per day on the restored Route 65 (see also #P-2).
- “Not Feasible” – #M-1, bus stop at Waugh Lane & Talmage for Local Route 9; Jacob explained why infeasible to install a safe bus stop for pedestrians. Discussion; no stops between Walmart and Cherry Street, quite a distance on foot. #P-1, equitable fare pricing for youth on Route 65, does not meet the definition of an unmet need. MTA is reviewing and addressing fare policies, a major task with many ideas; Jacob gave examples such as a flat rate countywide. Nephele and Janet described details of the testimonial submitted, in which a minor did not meet requirements for a fare discount. Jacob gave further details on inter-county service reporting, noting changes over time and a good opportunity now for MTA’s board to revisit the need for more ridership fare equity. This issue is quite technical and will be part of the Short Range Transit Development Plan update now underway.

Nephele summarized and brought discussion back to how the needs were categorized, not necessarily prioritized by need, but by a combination of factors such as feasibility and funding availability. In discussion, it was noted that of the “High Priority” needs, #S-3 is pending funding by HTA. #P-2 is already in MTA’s budget and could be broken out in MTA’s claim for funds. Without any objections from the group, consensus was that these two are “reasonable to meet.” Discussion of any other needs to add included funding levels, cost increases, and low staffing. MTA is still claiming available COVID relief funds within the guidelines for eligible expenditures.

Recommendation:

Upon motion by Baker, seconded by King, and carried unanimously on roll call vote (5 Ayes – Baker, Rexrode, King, White and Sookne; 0 Noes; 0 Absent), the SSTAC recommended a finding that the top two “High Priority” unmet transit needs on Mendocino Transit Authority’s analysis of the list are reasonable to meet for Fiscal Year 2023/24:

- #S-3 Affordable public transit link to Humboldt County, stopping in Piercy, Leggett, Laytonville
- #P-2 Fixed route timing that coincides with retail workforce shifts in the Fort Bragg/ Mendocino coast area.

7. Adjournment. With no further business, the meeting was adjourned at 1:52 p.m.

Submitted by Janet Orth, Deputy Director & CFO

III.
Mendocino
Transit Authority

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MENDOCINO COUNCIL OF GOVERNMENTS

BOARD of DIRECTORS

RESOLUTION No. M2023-11

REVISING ALLOCATION OF FISCAL YEAR 2023/24 LTF, STA, and
FY 2022/23 CARRYOVER CAPITAL RESERVE FUNDS to
MENDOCINO TRANSIT AUTHORITY,
SUPERSEDING RESOLUTIONS #M2023-04 and M2023-07

WHEREAS,

- The Mendocino Council of Governments (MCOG) is the designated Regional Transportation Planning Agency (RTPA) for Mendocino County;
- The Mendocino Transit Authority (MTA) is designated as the Consolidated Transportation Services Agency (CTSA) for Mendocino County by MCOG and has submitted a claim for funding for public transportation purposes in accordance with the Transportation Development Act (TDA), which provides for the needs of MTA and Senior Centers in Mendocino County with Local Transportation Funds (LTF) funds, State Transit Assistance (STA) funds, and Capital Reserve Funds;
- This claim, ~~attached hereto~~ **retained on file** as **Exhibit A**, was reviewed by MCOG staff and the Transit Productivity Committee (TPC), and the MTA Board of Directors may make revisions according to budget development and TPC recommendations, as allowed by adopted MCOG policy; staff and the TPC recommended that MCOG identify Local Transportation Funds for reasonable-to-meet Unmet Transit Needs in MTA's FY 2023/24 allocation, and MTA revised the claim accordingly;
- According to MCOG's adopted Capital Reserve Fund policies, eligible applicants under contract with MTA may request capital funds, providing that a five-year capital program and contract between the claimant and MTA is on file with the RTPA;
- A revised claim for Capital Reserve Funds was received from MTA on August 7, 2023, requesting the entire fund balance of \$705,462 to be reallocated from Long-Term Capital to a current year MTA Capital project in FY 2023/24, ~~attached hereto~~ **retained on file** as Exhibit B;
- Capital claims must be identified in accordance with TDA: 1) to reflect capital needs that will be expended during the fiscal year so claimed under Public Utilities Code 6648 and 2) filed to reflect specific capital improvements of a long-term nature up to five years, or for matching purposes in applying for federal transportation grants under P.U.C. 6631;
- *A second revised claim was received from MTA on October 20, 2023 reducing the amount of LTF for MTA Operations, to conform to funds available in MCOG's second Budget Amendment, attached hereto as Exhibit C;*
- MTA is the only eligible claimant of State Transit Assistance, for which eligibility for Operations funding is to be determined by performance reviews, fiscal audits, and state legislation;

- State of Good Repair program funding is available through the RTPA from Senate Bill 1, the Road Repair & Accountability Act of 2017; and
- Based on allocations in accordance with TDA for Administration, Planning, and Reserves, the 2023/24 LTF funds available for transportation services are ~~\$4,353,031~~ **3,945,399**; STA funds available for 2023/24 are estimated at \$1,443,571 (\$1,073,881 of new State funds and \$369,690 of audited and anticipated fund balance); State of Good Repair funds are estimated at \$154,817 (preliminary estimate of new funds); and the Capital Reserve Fund balance is estimated at \$705,462; The total amount available for transportation services from these four funding sources is estimated at ~~\$6,656,881~~ **6,249,249**; therefore, be it

RESOLVED, THAT:

MCOG hereby allocates LTF, STA, and Capital Reserve Funds to MTA and its contract claimants as follows:

1.

AUTHORITY		SOURCE	USE	AMOUNT
A.	PUC Sec. 99260(a)	Local Transportation Fund (LTF)	MTA Operations	3,621,782 3,214,150
	PUC Sec. 99260(a)		Unmet Transit Needs	50,000
	PUC Sec. 99400(c)		Senior Center Operations	681,249
	PUC Sec. 99262		Transit Planning	0
	CCR Sec. 6648		Capital Reserve Fund	0
			Total LTF	4,353,031 3,945,399
B.	CCR Sec. 6730(a)	State Transit Assistance (STA)	MTA Operations	1,293,571
	CCR Sec. 6731(b)		Senior Center Operations	0
	CCR Sec. 6730(b)		MTA and Seniors Capital	150,000
	CCR Sec. 6648		Capital Reserve Fund	0
	Total STA	1,443,571		
C.	CCR Sec. 6648	Capital Reserve Fund (CRF)	Current Year - MTA	705,462
	CCR Sec. 6648		Current Year – Senior Centers	0
	CCR Sec. 6631		Long Term – MTA and Seniors	0
	CCR Sec. 6648		LTF/STA allocated to CRF above	0
			Total CRF	705,462
D.	Senate Bill 1	State of Good Repair (SGR)	To Be Determined	0
			Total SGR	0
		Total LTF, STA, and Capital Reserve Allocations		6,502,064 6,094,432
		Balance Remaining for Later Allocation (SGR)		154,817
		Total Estimated 2023/24 Funds Available for Transit		6,656,881 6,249,249

2. Additionally, MCOG makes the following required findings from Article 5, Section 6754 of the California Code of Regulations, regarding STA and LTF eligibility and fund allocation (refer to documentation on file):

A. MCOG as the regional entity may allocate funds to an operator or a transit service claimant on the basis of all these findings:

- a. The claimant's proposed expenditures are in conformity with the Regional Transportation Plan.
 - b. The level of passenger fares and charges is sufficient to enable the operator or transit service claimant to meet the fare revenue requirements of Public Utilities Code (PUC) Section 99268.2, 99268.3, 99268.4, 99268.5, and 99268.9, as they may be applicable to the claimant. The most recent fiscal audit dated June 30, 2022 confirmed that MTA's farebox ratio of 3.7% had not met the 10% ratio required by Senate Bill 508, (effective July 1, 2016); however, the State had waived this regulation under COVID-19 as pandemic crisis relief.
 - c. The claimant is making full use of federal funds available under the Urban Mass Transportation Act of 1964 as amended, now referred to as the Federal Transit Administration (FTA).
 - d. Of five measures for analysis on eligibility for Capital and Operations for use by both LTF and STA funds that were applied by the independent auditor in the most recent fiscal audit, most were met according to the auditor's report, and the remaining measure was waived by legislation.
 1. The sum of the claimant's allocations from STA did exceed the amount the claimant is eligible to receive during the fiscal year for operations purposes. For the fiscal year audited (ending June 30, 2022), the funds were claimed by MTA for operating and capital purposes. State Assembly Bill 90 provided statutory relief due to COVID-19.
 2. The sum of the claimant's allocations from LTF did not exceed the amount the claimant is eligible to receive during the fiscal year for operating.
 3. The sum of the claimant's allocations from LTF did not exceed the amount the claimant is eligible to receive during the fiscal year for capital.
 4. The claimant's subcontractors (senior centers) did not exceed the eligibility criteria for LTF and STA funds during the fiscal year.
 5. The fifth measure pertains to passenger rail eligibility and was not applicable for the fiscal year audited.
- B. MCOG as the regional entity may allocate funds to an operator for any transit-related purpose (as specified in Section 6730) on the basis of all these findings:
- a. The operator has made a reasonable effort to implement the productivity improvements recommended pursuant to PUC Section 99244. This finding shall make specific reference to the improvements recommended and to the efforts made by the operator to implement them. On May 12, 2023, the Transit Productivity Committee (TPC) reviewed performance data through December 31, 2022 with a report of good performance while emerging from two years of the COVID pandemic; no recommendations were made.

- b. The California Highway Patrol has certified, within the last 13 months and prior to filing claims, that the operator is in compliance with Section 1808.1 of the Vehicle Code, as required by PUC Section 99251.
 - c. The operator is not in compliance with the eligibility requirements of PUC Section 99314 as applicable (relative to STA funds); however, State Assembly Bill 90 provided statutory relief due to COVID-19.
3. In accordance with Section 99405(c) of the Public Utilities Code, MCOG adopts and sets forth the local match requirements for senior centers claimed under Article 8 at a minimum of 10 percent, consistent with Senate Bill 508, signed into law October 9, 2015, amending the Transportation Development Act.
4. The Capital Reserve Fund (Account No. 2110-760271) audited balance of \$705,462 as of June 30, 2022, less 2022/23 allocations of \$0, and the addition of \$0 earned interest recorded as of the first budget draft in February 2023, provides a total estimated balance of \$705,462. MTA has requested all funds for FY 2023/24 current-year capital projects and the TPC and MCOG staff have recommended full funding of MTA's claim after revising for Unmet Transit Needs, therefore the entire available balance of \$705,462 is hereby allocated to capital needs for MTA as identified in #1(C) above and to be referenced in MTA's Capital Plan.
5. The above allocations are to be paid to MTA in conformance with allocation instructions as submitted by MCOG's Executive Director to the County Auditor-Controller.
6. MTA will be required to incorporate all TDA requirements for these allocations in their upcoming 2023/24 contracts, including senior centers as applicable, and provide executed contracts to MCOG no later than September 30, 2023.

ADOPTION OF THIS RESOLUTION was moved by Director Carter, seconded by Director Haschak, and approved on this 6th day of November, 2023, by the following roll call vote:

AYES: Haschak, Carter, Kanne, Norvell, Ahlstrand (PAC) and Gjerde
NOES: None
ABSTAINING: None
ABSENT: Duenas

[Clerk's note: Director Hansen was present but unable to vote due to technical difficulties.]

WHEREUPON, the Chairman declared the resolution adopted, AND SO ORDERED.

/s/

/s/

ATTEST: Nephele Barrett, Executive Director

Dan Gjerde, Chair



SERVING MENDOCINO COUNTY SINCE 1976

October 20th, 2023

Ms. Nephele Barrett, Executive Director
Mendocino Council of Governments
525 South State Street, Suite B
Ukiah, CA 95482

Dear Nephele,

Attached is MTA's second revised claim for funds for fiscal year 2023/2024.

In summary, MTA is requesting:

\$ 3,945,399	from the Local Transportation Fund (LTF), and
\$ 1,443,571	in State Transit Assistance funds

Local Transportation Fund

The Claim includes the amount approved by MCOG's Board of Directors on October 2, 2023 as available for Transit. Of that amount, \$ 3,214,150 would be used to support MTA's General Public Operations and \$681,249 for Senior Center operations, and \$50,000 for Unmet Transit Needs.

State Transit Assistance Fund

The Claim includes a total of \$1,443,571 of MTA's share of the Governor's State budget for STA funds, all to be used for Operating except \$150,000 to be used for Capital.

Capital Reserve

The Capital Program for FY2023/24 balance was transferred to the MTA Capital section for use in FY 2023-2024.

MTA Operations

The Auditor's Estimate of LTF Revenues FY23/24 will be utilized to augment MTA operating costs. We understand this estimate is subject to revision.

Senior Center Subsidy Program

Senior Center operating budgets are not developed until later in the process. Since 1996, MTA and Senior Centers have agreed to share equally in the percentage change in LTF funding available for transit operations. MTA has elected not to change the Senior Centers allocation due to the reduction in LTF funding, in order to allow them to continue existing operations.

MTA and Senior Center Capital Program

The Capital Program for the budget year FY23/24 will reflect only projects which MTA will pay for from its Capital funds on deposit with Mendocino County, grant funding, and MTA Capital funds held by MCOG (CCR, Sec. 6648).

Uncertainty

We are submitting the best information we have currently, but respectfully request your understanding and support if a revised claim is necessary.

Regards,



Jacob King
Executive Director

Cc: Budget File

Mendocino Transit Authority Summary of 2023/2024 Claim for Funds

10/20/23

Source	Authority	Purpose	FY 2022/23 Amount	FY 2023/24 Amount
Local Transportation Fund:				
	PUC, Sec. 99260(a)	MTA Operations	\$3,428,087	\$3,214,150
	PUC, Sec. 99260(a)	Unmet Transit Needs	\$300,000	\$50,000
	PUC, Sec. 99400(c)	Senior Center Operations	\$729,019	\$681,249
	PUC, Sec. 99260(a)	MTA & Senior Capital	\$0	\$0
	CCR, Sec. 6648	Transit Capital Reserve	\$0	\$0
	PUC, Sec. 99262	Transit Planning	\$200,000	\$0
Total			\$4,657,106	\$3,945,399
State Transit Assistance Fund:				
	CCR, Sec. 6730(a)	MTA Operations	\$967,375	\$1,293,571
	CCR, Sec. 6731(b)	Senior Center Operations	\$0	\$0
	CCR, Sec. 6730(b)	MTA & Senior Capital	\$200,000	\$150,000
	CCR, Sec. 6648	Transit Capital Reserve	\$0	\$0
Total			\$1,167,375	\$1,443,571
Capital Reserve				
	CCR, Sec. 6648	MTA Capital	\$0	\$705,462
	CCR, Sec. 6648	Senior Capital	\$0	\$0
	CCR, Sec. 6631	Long-Term Capital	\$701,179	\$0
Total			\$701,179	\$705,462
Total Claim			\$6,525,660	\$6,094,432

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IV.
Surface Transportation
Block Grant Program

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MENDOCINO COUNCIL OF GOVERNMENTS

BOARD of DIRECTORS

RESOLUTION No. M2023-05

ALLOCATING SURFACE TRANSPORTATION BLOCK GRANT PROGRAM FUNDS
for FISCAL YEAR 2023/24
MCOG PARTNERSHIP FUNDING PROGRAM, LOCAL ASSISTANCE,
AND DISTRIBUTION BY FORMULA TO MEMBER AGENCIES

WHEREAS,

- Mendocino Council of Governments (MCOG) is the designated Regional Transportation Planning Agency (RTPA) for Mendocino County;
- Surface Transportation Block Grant (STBG) program, formerly known as Regional Surface Transportation Program (RSTP), revenue is based on estimates provided by the California Department of Transportation under federal legislation; the Investment in Infrastructure & Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law, continued the program in its authorizing legislation, providing a preliminary estimate of revenue for FY 2023/24 of **\$811,848**;
- Customarily MCOG has exchanged its annual federal STBG/RSTP apportionment for more flexible state funds through State of California's optional Federal Apportionment Exchange Program;
- On June 5, 2006, MCOG adopted a simplified version of its existing RSTP distribution formula, such that 60 percent of the annual regional apportionment is divided equally among the five MCOG member jurisdictions as a base amount, and 40 percent is divided by the Federal Aid Urban (FAU) equivalent road miles percentage for each jurisdiction;
- On June 5, 2006, MCOG also created a capital fund from RSTP revenues, for MCOG regional safety, operational and capacity-increasing projects that stimulate partnerships, in specified amounts of each annual regional apportionment, before distribution to the five MCOG member jurisdictions, and this set-aside is referred to as MCOG's Partnership Funding Program;
- On October 4, 2010, MCOG confirmed four agreements in concept as a result of the Council's Strategic Planning Workshop of August 9, 2010:
 - 1) MCOG will be responsible for project development for priority projects to ensure project readiness.
 - 2) MCOG's Partnership Funding Program, initiated several years ago with RSTP funding, will be continued through the life of the next federal transportation bill.
 - 3) MCOG will pursue expansion of the level of local assistance for its member agencies.
 - 4) MCOG will expand project selection criteria to increase the relative importance of leveraging and to reflect outcomes of this workshop.
- On February 7, 2011, MCOG approved Dow & Associates' staffing contract extension, to include RSTP funds for a new "local assistance" staff position with the goal of increased project delivery, consistent with the Council's strategic planning of the previous August; this new position of Regional Project Manager (now referred to as Regional Project Coordinator) was initiated in FY 2011/12 at \$90,000 per year;

- Under the approved five-year contract and extensions for Administration & Fiscal Services that began October 1, 2014, Dow & Associates shall have the management responsibility for the Partnership Funding Program in the amount of approximately **\$638,955** (\$438,955 audited fund balance at June 30, 2022, \$100,000 allocated for FY 2022/23, \$100,000 anticipated for FY 2023/24); this amount includes one open Partnership project balance assigned by the Council of an estimated \$57,725 for the Covelo Trail and an estimated \$581,230 available for later allocation before FY 2022/23 expenditures;
- Dow & Associates also shall have the management responsibility for the Local Assistance current-year budget of \$90,000 and an audited unexpended program fund balance of \$278,545 through FY 2021/22; the amount of \$90,000 of new funds shall be allocated to continue Local Assistance services to member agencies in Fiscal Year 2023/24, to include the actual personnel cost according to contract (up to \$101,116) and other direct costs that are consistent with the intended scope of Local Assistance, at the Executive Director’s discretion, such as engineer’s services for member agency grant proposals, subject to periodic reports to the Board of Directors; and
- It is MCOG’s intention to reevaluate its STBG formula for distribution to the member agencies if a forthcoming federal transportation legislative bill substantially changes the amount of, or designated use of, STBG funds; therefore, be it

RESOLVED, THAT: MCOG hereby allocates estimated new STBG revenues for FY 2023/24 as follows.

PROGRAM		AMOUNT	TOTALS
MCOG Partnership Funding		100,000	100,000
Local Assistance – Project Delivery		90,000	90,000
Formula Distribution to MCOG Member Agencies (rounded to nearest dollar)	Mendocino County Dept. of Transportation	133,871	621,848
	City of Ukiah	180,162	
	City of Fort Bragg	120,290	
	City of Willits	112,903	
	City of Point Arena	74,622	
Total FY 2023/24 Allocations			811,848

ADOPTION OF THIS RESOLUTION was moved by Director Haschak, seconded by Director Carter, and approved on this 5th day of June, 2023, by the following roll call vote:

- AYES: Haschak, Carter, Kanne, Hansen, Norvell, Duenas, Ahlstrand (Caltrans/PAC) and Gjerde
 NOES: None
 ABSTAINING: None
 ABSENT: None

WHEREUPON, the Chair declared the resolution adopted, AND SO ORDERED.

/s/

/s/

ATTEST: Nephele Barrett, Executive Director

Dan Gjerde, Chair

V.
REAP
Housing Grants

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MENDOCINO COUNCIL OF GOVERNMENTS

BOARD of DIRECTORS

RESOLUTION No. M2023-06

ALLOCATING FISCAL YEAR 2022/23 CARRYOVER REGIONAL EARLY ACTION PLANNING (REAP) PROGRAM GRANT FUNDS FOR FY 2023/24

WHEREAS,

- The California Department of Housing and Community Development (HCD) is authorized to provide up to \$125,000,000 under the Local Government Planning Support Grants Program to Councils of Governments and other Regional Entities (as described in Health and Safety Code section 50515.02), including the Regional Early Action Planning (REAP) Program;
- The Mendocino Council of Governments (MCOG) is the Regional Entity in Mendocino County eligible to apply for and receive said funds and may execute a Master Fund Agreement with HCD;
- To this end, MCOG amended its Joint Powers Agreement (JPA) in 2020 to add housing matters as a specific power, with all five member agencies approving by resolution;
- REAP funds were available to MCOG at \$383,245 for activities that “increase housing planning and accelerate housing production” with eligible activities that include providing technical assistance, performing infrastructure planning, and conducting feasibility studies;
- Funds may be suballocated to cities and counties for these activities, MCOG staff consulted with member agencies’ staff, and on November 2, 2020, MCOG approved a distribution formula for suballocation and amended the budget December 7, 2020; a REAP application was submitted January 29, 2021, revised May 11, 2021, and a Master Agreement with HCD was executed February 11, 2022 to receive the funds; and
- A portion of the \$38,325 (ten percent) for Grant Administration & Management was expended in Fiscal Years 2020/21, 2021/22 and 2022/23, and City of Point Arena’s REAP funds were fully expended; therefore, be it

RESOLVED, THAT:

1. MCOG hereby carries over estimated REAP funds to 2022/23, allocated as follows.

RECIPIENT	AMOUNT	TOTALS
MCOG Grant Administration & Management		20,197
Formula Distribution to MCOG Member Agencies (rounded to nearest dollar)	County of Mendocino	177,228
	City of Ukiah	69,536
	City of Fort Bragg	46,410
	City of Willits	35,365
	City of Point Arena	0
		328,539
		348,736

Appendices

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MCOG Budget Workshop

May 1, 2023

Funding Sources in Annual Budget 2

Transportation Development Act (TDA)

- Local Transportation Funds (LTF) – countywide sales tax
- State Transit Assistance (STA) – fuel taxes

Local & State Funds: LTF – Planning

- STIP Planning, Programming & Monitoring (PPM)
- Rural Planning Assistance (RPA)
- Regional Early Action Planning (REAP) for Housing
- Active Transportation Program (ATP)
- State Highway Operations & Protection Program (SHOPP)

Federal Funds

- Surface Transportation Block Grant (STBG, aka RSTP)

Funding Sources – More Info

5

MENDOCINO COUNCIL OF GOVERNMENTS
2022/23 Budget
Explanatory Notes on Funding Sources
4/19/2022

“Explanatory Notes on Funding Sources” in agenda packet

LTF - Local Transportation Fund

- Generated from quarter-cent sales tax on all sales countywide. Fund estimate provided by County Auditor-Controller. Allocated by Regional Transportation Planning Agencies (RTPAs).
- Governed by the Transportation Development Act (TDA).
- Transportation planning and public transit systems are supported by these revenues according to TDA.
- Notable since 2020-21 are online sales tax revenues, of which a formula share is received from a state pool.

LTF Reserve Fund

- Approved under TDA, Section 6645, adopted by MCOG on June 7, 1999, revised April 2, 2001.
- Fund balance adjusted annually at minimum five percent of County Auditor-Controller's LTF estimate.
- Surplus allocated through annual budget process.
- To be used "for transit services provided by Mendocino Transit Authority (MTA) that have been funded by MCOG through the annual financial claim process, when 1) actual LTF revenues fall short of LTF budget allocations, or 2) extreme or unusual circumstances warrant an additional allocation."
- The fund was depleted to cover the FY 2008-09 revenue shortfall and policy waived in 2010-11 and 2011-12. The policy was partially waived for the three following fiscal years. A claim was made to meet the FY 2015-16 shortfall of \$68,364.
- Since 2015-16, MCOG has fully restored the LTF Reserve policy, releasing two years of surplus for allocation between \$100,000 and \$200,000, then a shortfall of \$45,000, a surplus of \$11,000, and for 2019-20 (from 2017-18 revenue) a record surplus of \$175,614. Audited surplus from 2020-21 is \$54,417, a new record, for allocation in 2022-23.
- With no maximum by policy, in 2021-22 ten percent was reserved, the 2022-23 proposal is 15 percent.

STA - State Transit Assistance

- Generated from sales taxes on diesel and gasoline, until the Transportation Tax Swap of March 2010, when it was replaced by an increased excise tax on gasoline and increased sales tax on diesel. This expired with SB 1, the Road Repair & Accountability Act of 2017. The gas tax is now indexed to inflation.
- Governed by the Transportation Development Act (TDA).
- Eligibility is open only to transit operators (MTA in Mendocino County).
- May be used for other Operations, subject to an eligibility formula based on certain cost efficiency standards, or for Capital. MTA typically has used STA for Capital purposes, until the operations requirement was waived for FY 2009-10 - 2015-16 during the Recession, again waived for the pandemic.
- Senate Bill 101, effective July 1, 2016, provides more flexibility, so that "rather than making an operator eligible to receive State Transit Assistance program funds, for operating purposes, for an entire year for failing to meet the efficiency standards, would instead reduce the operator's operating allocation by a specified percentage, based on the percentage amount that the operator failed to meet the efficiency standard, as specified." - from SB 101, Chapter 715, paragraph 4.
- State Controller provides fund estimate—"Preliminary" in January, "Revised" after State Budget adopted.
- Regional allocation policy: Respond to fluctuating revenues by releasing approved allocations to MTA when received in MCOG's fund account. At times there is an unallocated balance. Other times the fund is fully claimed and has only a small balance of interest earnings, as is the case this year.
- STA has fluctuated widely, subject to political influences, while generally rising over time. 20 years ago, annual revenues were about \$150,000; two years ago in the range of \$800,000,000 with support of SB 1. During the pandemic, fuel tax revenues dropped 20%. Preliminary estimate for 2022-23 is \$660,476.

Capital Reserve Fund

- Created and controlled by MCOG as allowed by Transportation Development Act (TDA), Section 6644.
- Contributions from LTF and STA.
- Open to Mendocino Transit Authority and Senior Centers for projects in MTA's Five-Year Capital Program.

Highlights of This Year's Budget

6

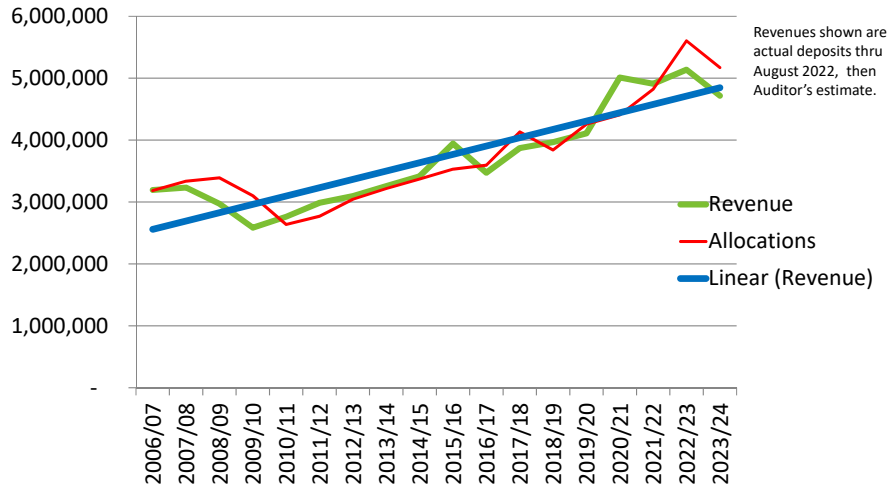
REVENUES:

- Local Transportation Fund (LTF) sales tax revenue estimated by County Auditor at \$4.9M, still high while trending downward
- State Transit Assistance (STA) from gas taxes est'd at high of \$1M
- 2021/22 surplus available to help cover shortfall
- Recommendation to keep LTF in Reserve at 15%

ALLOCATIONS:

- LTF for MTA & Senior Centers down 6.5%, tho up 6.9% from 21/22
- LTF shortfall for FY 2022/23 could affect 23/24 transit allocation
- Increase in STA helps make MTA claim whole – total TDA available down just \$23K or 0.3% from 2022/23

LTF Revenues & Allocations - Trend 7



LTF Revenues FYTD 2022/23 8

LTF budget compared to actual receipts July through February - 8 months, accrual basis:

	<u>BUDGET</u>	<u>ACTUAL</u>
Auditor's FY Estimate	\$ 5,137,383	
Budget FYTD	3,424,922	\$ 3,029,622
Shortfall FYTD		395,300 (7.7%)
4 mos. remaining	1,712,461	2,107,761 need
Auditor's FYE estimate	\$ 185,956	(3.6%) shortfall

LTF Revenues – Process

9

REVENUES	Trans. Devt. Act (TDA)		
	LTF	STA	CRF
2023/24 LTF Official County Auditor's Estimate	4,901,913		
2022/23 Auditor's Anticipated Shortfall	-185,956		
Total Local Transportation Fund (LTF) Estimate	4,715,957		
LTF 2014/15 prior-year unallocated revenues - reserved 2017/18	29,135		
Carryover - Planning Overall Work Program and RSTP Local Assistance	pending		
2023/24 State Transit Assistance - SCO's Preliminary Estimate		1,073,881	
2023/24 State of Good Repair - SCO's Preliminary Estimate			
STA and SGR - Fund Balance Available for Allocation		369,690	
MCOG's Capital Reserve Fund - Balance Available for Transit			705,462
LTF Reserve:			
Audited 2021/22 LTF Unrestricted Balance	384,429		
Audited LTF Reserve Balance as of 6/30/2022	1,212,745		
Less LTF Reserve Allocated for FY 2022/23	437,150		
Subtotal	1,160,024		
Less LTF Reserve per Policy adopted 4/2/2001 - 15%	735,000	(Per policy, minimum Reserve is 5%)	
Amount Available for Allocation in FY 2023/24	425,024		
TOTAL REVENUES	5,170,116	1,443,571	705,462

LTF Reserve Policy since 1999

10

Last Audited FY:
Any excess LTF
revenue over
Budget is added to
Reserve

Current FY:
Prepare next year's
Budget, set Reserve
balance

Next FY:
Any excess over
Reserve balance is
allocated in Budget
/shortfall is covered
by Reserve

LTF Allocation Priorities

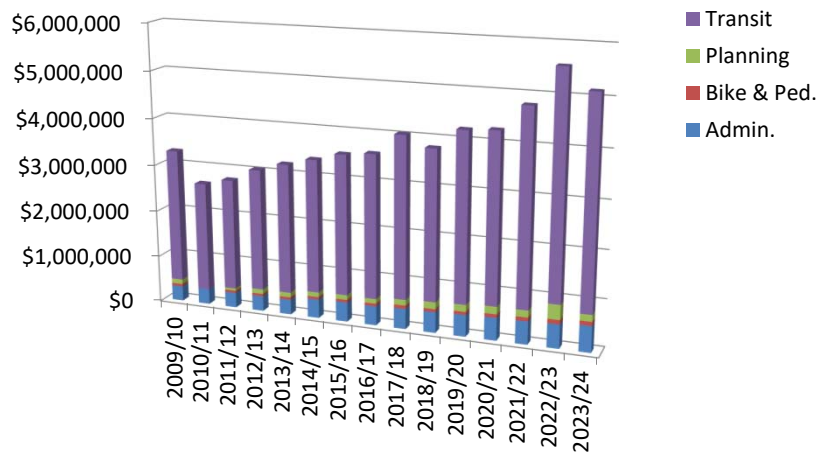
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Consistent with TDA:

- Administration
- 2% Bicycle & Pedestrian (opt.)
- Planning Program ~3%
- Transit – MTA
 - Operations
 - Senior Center Contracts
 - Capital Reserve – 5 Year Plan
 - Unmet Transit Needs
 - Transit Planning

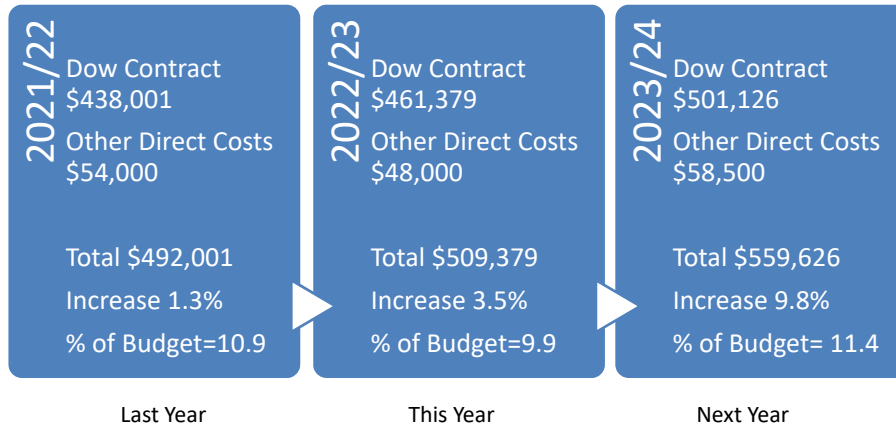
LTF Allocations - Trend

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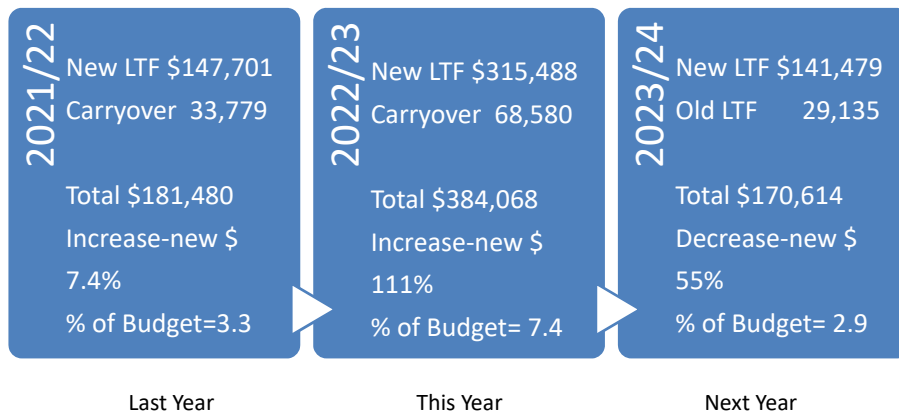
LTF Allocations – Admin.

13



LTF Allocations – Planning

14



All Allocations – Planning

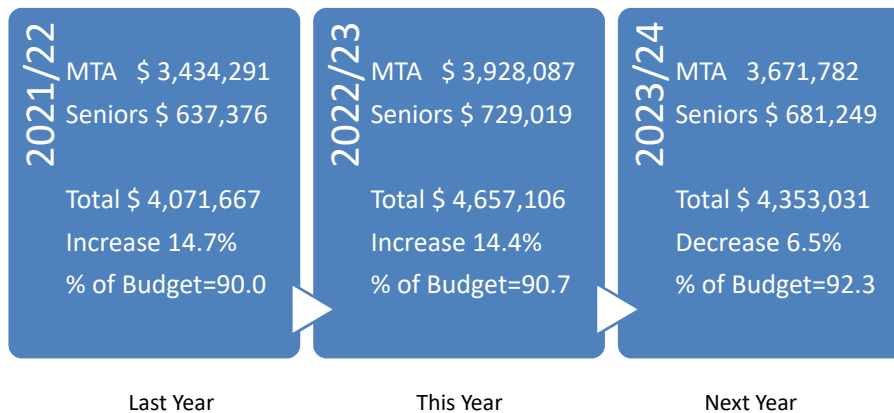
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Draft FY 2023/24 Overall Work Program:

W.E. #	Project	Agency	\$ Source	Amount
1	Regional Govt./Intergov't'l Coordination	MCOG	State RPA	142,000
2	Planning Mgmt. & General Coordination	MCOG	LTF, PPM	120,000
3	MTA Feasibility Study – Ukiah Transit Center–c/o	MCOG	LTF	pending
4	Sustainable Transportation Planning	MCOG	LTF	20,000
5	Mobility Solutions – Feasibility Study Rural – c/o	MCOG	State Grant, LTF	pending
6	Combined Special Studies	MCDOT	State RPA	54,000
7	Planning, Programming & Monitoring	MCOG	State PPM, RPA	94,500
12	Truck Route Study – <i>carryover</i>	Ukiah	State PPM	pending
13	Central Business District Parking Evaluation – c/o	Fort Bragg	LTF	pending
14	Training – <i>carryover</i>	MCOG	LTF	pending
15	Downtown Parking Master Plan - New	Pt. Arena	State PPM	48,375
16	Multi-Modal Transportation Planning	MCOG	State RPA	45,000
18	Geographic Information System Activities	MCOG	State RPA	5,798
20	Grant Development & Assistance	MCOG	LTF, State RPA	51,000
	<i>PROJECT RESERVE</i>	MCOG	LTF, State PPM	78,691
	TOTAL			659,364

LTF Allocations – Transit

16



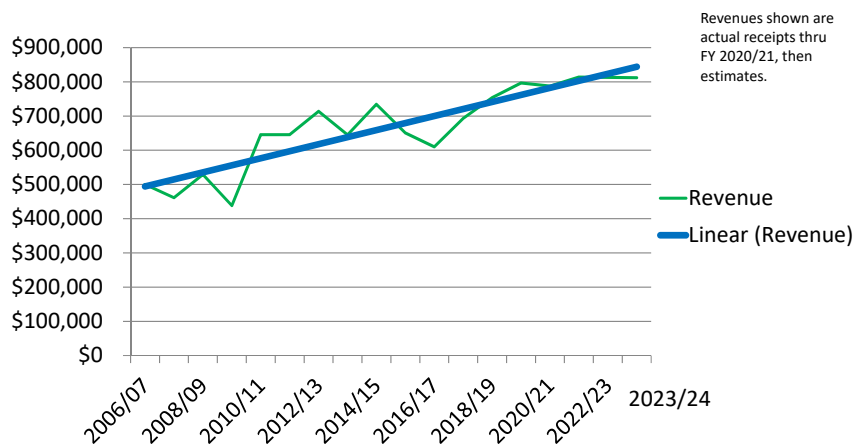
State Funding from SB I

17

- Planning Grants
 - Sustainable Communities (competitive)
- Active Transportation Program (ATP)
 - Covelo SR 162 Corridor Multi-Purpose Trail
 - Successfully applied for Gualala Downtown Streetscape
 - Highly competitive program, oversubscribed
- State of Good Repair – transit
 - Formula funds, MCOG approves MTA project list

STBG Revenues – Trend

18



STBG Allocation Priorities

19

MCOG Policy for Surface Transportation Block Grant Program, Section 182.6(d)(1):

- Partnership Funding Program
- Regional Mgr. & Local Assistance – Project Delivery
- County & Cities Projects – by formula (about 75% of total)

2023/24 STBG = **\$811,848**

What's Not in the Budget

20

- Regional/State Transportation Improvement Program (RTIP, STIP)
 - Capital programming, no cash flow
- Service Authority for Freeway Emergencies (Mendocino SAFE)
 - Motorist Aid Call Box System
 - Separate annual budgets

Budget Adoption FY 2023/24

21

- **Recommendations:**
 - Staff – Admin & Planning
 - Executive Committee – Feb. 24
 - Technical Advisory Committee – Feb. 15
 - Transit Productivity Committee – May 3
 - SSTAC – May 10

- **Adopt Budget June 5, 2023**
- **Can amend during Fiscal Year**

22

Questions?

Thank You!

Presentation by:
Janet Orth, Deputy Director & CFO

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Credits:
Cover photo by Janet



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Mendocino Council of Governments
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2022

This presents management's overview of the financial activities of Mendocino Council of Governments ("the Council") for Fiscal Year (FY) 2021/22, ended June 30, 2022. The discussion and analysis serves as an introduction to the Council's audited financials, which comprise the Council's official financial statements of record.

The required financial statements, required supplemental information, and additional supplemental information in the audit report are listed in the Table of Contents and described in the "Notes to Basic Financial Statements." All sections must be considered together to obtain a complete understanding of the financial picture of the Council and all funds held in trust by the Council.

Economic Trends

The sales tax is an essential economic indicator tracked by the Council, as the largest single source of Council funding. Revenue from the dedicated quarter-cent sales tax to the Local Transportation Fund (LTF) continued a trend of economic recovery since the Great Recession began in 2008. Local sales tax revenues had been around \$3 million annually until the low point in 2009/10 of \$2.6 million. Annual revenues grew steadily to \$5 million in FY 2020/21 during the coronavirus pandemic, when LTF revenues came in a full 20 percent above the budget estimate. In 2021/22, there was again a substantial unallocated surplus, though slowing to 8.5%. Since then, the LTF estimates have shown the growth trend leveling off to about one percent, later revised to indicate a shortfall in the current year. The estimate for 2023/24 is \$4.9 million. The Council has wisely set aside reserves during this period, which will buffer projected shortfalls in the near term. The Council's management remains encouraged that despite this downward trend, the sales tax revenues are coming in higher than pre-pandemic levels just three years ago.

The State Transit Assistance (STA) fund from fuel taxes has rebounded from its drop during the first pandemic year. The infusion of revenues from Senate Bill 1, the Road Repair & Accountability Act of 2017, had more than doubled STA annual revenues since its ten-year low point in FY 2016/17 of \$325,000, to a high of \$815,000 in 2018/19. This was followed by an impact of the pandemic on driving behavior, resulting in a loss of 20% in 2020/21. Now that travel has resumed, revenues have recovered, with 2021/22 in excess of both the estimates and pre-pandemic actual revenues. The 2023/24 estimate is an all-time high of over \$1 million. STA is important for transit operations and capital.

Revenues that originate from gasoline and diesel taxes through federal and state funding sources had been trending downward until the Legislature addressed the statewide transportation funding crisis by passing SB 1, which invests over \$5 billion a year in state and local transportation needs. It has been projected that 10 or so years from now, SB 1 revenues will level off as vehicles become more fuel efficient and transition to electricity. A combination of factors will make fuel taxes lose value in the coming years. For the future, alternative revenue streams are being tested, notably the California Road Charge Pilot completed in 2017. In 2021 the State tested how a road charge could work with four technologies: usage-based insurance, ridesharing, EV charging stations/pay-at-the-pump

systems, and autonomous vehicles. The next research pilot, the Public/Private Roads Project, will gather essential information for planning how a road charge program could address travel on and off public, private, and tribal roadways. The state is offering incentives of up to \$250 for rural and tribal community members to take part in a seven-month pilot launching in March 2023. More information: [California Road Charge \(caroadcharge.com\)](https://www.caroadcharge.com). Also, the recently passed Bipartisan Infrastructure Bill includes a five-year Road User Fee National Pilot.

Grants and other revenue sources available to the Council have remained stable, with increasing opportunities ahead from state and federal funds. Various SB 1 programs have benefited local member agencies. Planning grants have continued to be active over the past several years, as management has consistently delivered grant products and helped to secure new grants that benefit the Council's membership and the region.

For many years, MCOG's net assets were in the range of \$1.5 million in Governmental funds and \$3.5 million in Fiduciary funds. Since large projects such as the SAFE call box program have been completed, balances have changed. FY 2021/22 closing resulted in Governmental net assets of \$630,000 and Fiduciary funds of \$6.1 million.

The Council's management continues to carefully monitor expenditures and is committed to sound fiscal practices so as to deliver the highest quality of service to the citizens of the countywide region.

Fund Classifications

In all, the Council manages 15 separate fund accounts held in trust by the County of Mendocino as specified by the Council's Joint Powers Agreement (and partly by state law). The audit report classifies them as either Governmental Funds or Fiduciary Funds. These are presented separately in the statements. The reader will find more detailed descriptions of these funds and accounting policies in the Notes section prepared by the independent auditor.

The Governmental Funds, also known as Special Revenue Funds, provide the operational revenues that pay for the Council's services, including Administration, the Transportation Planning Overall Work Program (OWP), and Mendocino Service Authority for Freeway Emergencies (SAFE). These services are supported by specific program revenues from apportionments and grants made through the State of California Department of Transportation (Caltrans) and California Transportation Commission (CTC), from program allocations made by the Council for the countywide region, and from vehicle registration fees collected by the California Department of Motor Vehicles. These nine Governmental or Special Revenue Funds account for most of the Council's activities and major funds are presented individually with their budgets under Supplemental Information.

The Fiduciary Funds are those held in trust for allocation to Council activities and to other entities for which the Council acts as an agent. These are in two categories: 1) Private Purpose Trust and 2) Custodial Funds. Fiduciary Fund activity is detailed under Supplemental Information representing these six funds: LTF, STA, STBG, LTF Bicycle & Pedestrian fund and two Reserves. (State of Good Repair program revenues are held within the STA fund, while activity is tracked separately as shown.)

The Private Purpose Trust funds are:

- The Transportation Development Act (TDA) mandated funds, which consist of the Local Transportation Fund (LTF), from the quarter-cent transportation sales tax collected in county, and State Transit Assistance (STA), from statewide taxes on diesel fuel and gasoline; and
- The Surface Transportation Block Grant (STBG) Program (formerly known as Regional Surface Transportation Program or RSTP) is funded by the federal transportation authorizing legislation, and the Council typically opts to exchange these funds for more flexible State Highway Account funds. The Council has authority to allocate the entire STBG Mendocino County apportionment for regional transportation uses, not necessarily to other units of government. The Council's long-standing policy is to allocate most, but not all, of the STBG/RSTP revenues to its member governments by formula. The Council maintains a Partnership Funding Program for projects of regional significance. Additionally, a portion is set aside for a Regional Project Manager providing Local Assistance.

There are two Custodial Funds (refer to Council policy):

- The LTF-derived Capital Reserve Fund, which is set aside for claiming by Mendocino Transit Authority (MTA) based on their Five-Year Capital Program of infrastructure and vehicle replacement, as allowed under TDA statutes; and
- The Council's LTF Reserve Fund, which is meant to fulfill transit operating allocations in the event budget estimates do not materialize as actual tax revenues, or to provide for extraordinary operating costs, for the benefit of Mendocino Transit Authority.

The Council's fiduciary LTF Two Percent Bicycle & Pedestrian Program fund is considered "due to" the original Local Transportation Fund (LTF), the Private Purpose Trust fund from which the program revenues were allocated. The cash balances of both Reserve funds also are considered "due to" the LTF fund, detailed on Page 30.

Capital Assets & Long-Term Liabilities

In the Council's case, the only capital assets are the SAFE program's motorist aid call boxes and associated computer equipment, which are represented separately from the SAFE fund in the Statement of Net Position and further detailed in Note 4 – Capital Assets. Typically items less than \$5,000 in value are expensed in the current year, not capitalized, as advised by the independent CPA auditor. A formal policy for these capital assets is yet to be adopted by the Council.

The Council does not engage in debt financing to fund its operations or programs, and so does not have any long-term liabilities.

Analysis of Governmental Funds

Special Revenue Funds revenue was \$1,629,717, an increase of \$320,702 (24%) compared to the previous fiscal year, mainly due to variable levels of state aid activity. Expenditures were \$1,538,976, an increase of \$252,217 (20%). Table 1 shows the Net Position of the Special Revenue Funds compared to FY 2020/21.

Table 1

Governmental Net Position at June 30	2022	2021	Change
Current Assets	\$ 1,053,431	\$ 902,255	\$ 151,176
Capital Assets, Net of Depreciation	32,006	59,243	(27,237)
Total Assets	1,085,437	937,182	123,939
Current Liabilities	422,610	362,175	60,435
Total Liabilities	422,610	362,175	60,435
Net Position			
Investment in Capital Assets	32,006	59,243	(27,237)
Restricted	630,821	540,080	90,741
Total Net Position	\$ 662,827	\$ 599,323	\$ 63,504

Net position comprised the following:

- Cash and investments of \$598,211 in the County of Mendocino Treasury;
- Current receivables, including reimbursements, grants, and apportionments, totaling \$455,220;
- Current liabilities, including accounts payable, claims, and other amounts due currently, totaling \$216,201;
- Inter-fund operating transfers, due to Expendable Trust funds, of \$206,409;
- Depreciated capital assets of \$32,006. (*refer to Page 22*)

The Council does not have any Governmental assets considered to be unrestricted that can be used to finance day-to-day operations without constraints established by legal requirements. Each of these funds is segregated by its intended use for the particular revenues and is considered restricted to those uses. In August 2015, the Council adopted fiscal policies in compliance with Governmental Accounting Standards Board (GASB) Statement No. 54, detailing fund balance classifications within the restrictions as defined.

Administration

The Council allocated \$492,001 from the Local Transportation Fund for administration of all the Council’s activities, including the eighth year of a contract effective October 1, 2014 as a result of the Council’s procurement for Administrative & Fiscal Services, with a scheduled inflation increase of 1.67 percent. Most of the Administration budget is allocated to the contract for administrative staffing, office and equipment, with the remainder to direct costs. The budget for Direct Costs remained between \$50,000 and \$60,000, consistent with the previous seven years.

Planning

Over the past five years, the Transportation Planning Overall Work Program (OWP) budget has averaged \$1.3 million annually (refer to the Governmental Funds for sources). For FY 2021/22, the amended budget was slightly under \$1.3 million, consistent with this trend. The OWP funded 15 project work elements that benefited the five member agencies, Mendocino Transit Authority, and Caltrans.

SAFE Program

The Mendocino SAFE motorist aid call box program has completed 141 installations. Budgets are adopted annually. Revenues have been consistently above \$100,000 annually from vehicle registration fees countywide. Five-Year Strategic & Financial Plans have been adopted to reflect operation and

maintenance of the system, most recently in 2017. A brief history: a series of technical and legal issues delayed implementation over several years of system development. The cash fund balance had accumulated nearly \$1 million in 2013; this was reduced as expenditures were made to implement the SAFE Plan during FY 2013/14 through 2016/17. The plan was fully implemented on state highways in FY 2017/18. Mendocino SAFE operates 45 boxes using satellite technology, as the first in the nation to test and demonstrate early adoption of equipment for use in remote areas where little or no cellular reception is available. These are more expensive to operate. The other 96 call boxes have cellular service, recently subject to costly cellular network changes by the service operator. With reduced funding available, the current focus is on maintenance of the existing system.

Table 2

Changes in Governmental Net Position	2022	2021	Change
Expenses – Administration and Planning	\$ 1,566,213	\$ 1,305,021	\$ 261,192
Revenues			
Program Revenues:			
Local Transportation Funds	639,702	645,309	(5,607)
DMV Fees	107,368	110,881	(3,513)
Aid from State Governments	878,892	548,733	330,159
Total Program Revenues	1,625,962	1,304,923	321,039
General Revenues:			
Use of Money and Property	3,755	4,092	(337)
Total Revenues	1,629,717	1,309,015	320,702
Change in Net Position	\$ 63,504	\$ 3,994	\$ 59,510

Contacting the Council's Financial Management

This annual financial report is intended to provide citizens, taxpayers, member local governments, and funding agencies with a general overview of finances under the Council's authority. Please direct any questions about this report to Mendocino Council of Governments, Attn. Administration, 525 South Main St., Suite B, Ukiah, CA 95482. Further contact information is available at the Council's website: www.mendocinocog.org.

Prepared by Janet M. Orth, Deputy Director & CFO