

STAFF REPORT

SUBJECT: Fiscal Year 2019-2020 Local Transportation Fund (LTF) Revenue Update and Draft Fiscal Year 2020-2021 Revenue Estimate & Apportionment Schedule

RECOMMENDED ACTION: Information

DISCUSSION:

BACKGROUND

In February 2019, the SJCOG Board adopted an FY 2019-20 Local Transportation Fund Revenue Estimate of \$34,800,000. In September 2019, because of strong sales tax receipts in FY 2018-19, the Board adopted a revised revenue estimate of \$37,204,131. Through the first four months or 1/3rd of FY 2019-20, LTF revenue received is \$12,640,086.67, roughly 30% of the revenue estimate. Assuming LTF will be at or above that level for the remainder of the year, the total received would be about \$37,920,000.

Staff would not recommend changing the revenue estimate. Since the California Department of Tax and Fee Administration changed the distribution methodology two years ago, revenues are erratic compared to the same time period the previous year? The month over month distributions for the first four months shows 7.7%, -3.7%, 12.2% and -1.5%. The average is 3.7% which is a little higher than expected. At the end of the fiscal year, if actual revenues exceed the estimate, a revised revenue and apportionment schedule will be brought back to the board.

Looking forward to FY 2020/21, staff is not seeing any signs of sales tax growth in the “robust” category. There doesn’t appear to be a significant revenue enhancement from the Wayfair decision. Unless there is a big increase in the January 2020 revenue, staff is reluctant to propose a growth rate of over 3% for FY 2020-21. Based upon achieving the FY 2019-20 LTF estimate of \$37,204,131, in February, staff would be recommending to the Board a prudent revenue estimate of \$38,320,300, a 3% increase.

FISCAL IMPACT

Adopting the \$38,320,300 revenue estimate will provide local agencies with a prudent number from which to budget the coming fiscal year's transportation programs. In the event revenues are higher than this estimate, local agencies will be able to claim the difference later in the next fiscal year as previously unclaimed funds.

LOCAL TRANSPORTATION FUND APPORTIONMENTS

Using the \$38,320,300 revenue estimate, the apportionments would as shown in Tables 1 and 2.

TABLE 1				
LOCAL TRANSPORTATION FUND				
REVENUE ESTIMATE AND APPORTIONMENT				
FISCAL YEAR: 2020-21				
				19-20 Rev Est
ESTIMATED REVENUE FY 2019-20			\$ 38,320,300.00	\$ 37,204,131
	RECOMMENDATIONS			
I. LESS ADMINISTRATIVE ALLOCATIONS				
COUNTY AUDITOR*		2,000		2,000
COG TDA ADMINISTRATION*		290,000		290,000
A. COG TRANSPORTATION PLANNING				
2.9% PLANNING				
APPORTIONMENT**		1,111,289		1,078,920
			36,917,011	35,833,211
B. COUNTY AND CITIES				
2% BICYCLE/PEDESTRIAN**		738,340		716,664
APPORTIONMENT			36,178,671	35,116,547
C. SAN JOAQUIN REGIONAL RAIL				
COMMISSION **		11.50%		
		4,160,547		4,038,403
			32,018,124	31,078,144
D. ARTICLE 4.5 -Consolidated Transportation Service Agency				
2% APPORTIONMENT			640,362	621,563
II. BALANCE AVAILABLE FOR				
2018-19 BY AREA APPORTIONMENT				
ARTICLE 4 AND ARTICLE 8 PURPOSES**			31,377,761	30,456,581
*Upon adoption by the COG Board, these amounts are fixed and will be apportioned "off the top".				
**These amounts will vary with actual revenues received.				
See Table 2 for breakdown of 2% bicycle/pedestrian funds and general purpose revenues.				

TABLE 2						
LOCAL TRANSPORTATION FUND AREA APPORTIONMENT						
FISCAL YEAR: 2020-21						
CLAIMANTS	POPULATION ESTIMATE*	%	BIKE/PED APPT.	ARTICLE 4 OR 8	TOTAL APPT.	19-20 Rev Est
SAN JOAQUIN REGIONAL TRANSIT DISTRICT **	476,218	0.61816	0	19,396,347	19,396,347	18,868,257
LATHROP	24,936	0.03237	23,899	1,015,643	1,039,541	974,137
LODI	68,272	0.08862	65,432	2,780,717	2,846,149	2,694,290
MANTECA	83,781	0.10875	80,296	3,412,398	3,492,694	3,265,252
TRACY	92,800	0.12046	88,940	3,779,742	3,868,682	3,715,150
RIPON	16,613	0.02156	15,922	676,647	692,569	636,111
ESCALON	7,765	0.01008	7,442	316,268	323,710	303,384
UNINCORPORATED**	0	0.00000	153,161	0	153,161	146,356
SAN JOAQUIN REG. RAIL COMM	0	0.00000	0	4,160,547	4,160,547	4,038,403
STOCKTON	0	0.00000	303,249	0	303,249	297,627
COUNCIL OF GOVT'S TRANSPORTATION PLANNING		1.00000 0.00000				
TOTAL	770,385	2.00000	738,340	35,538,309	36,276,649	
SAN JOAQUIN RTD		POP.	PCT.			
CITY OF STOCKTON		316,410	0.6644			
CO. OF SAN JOAQUIN (24%)		38,354	0.0805			
CO. OF SAN JOAQUIN - CAT (76%)		121,454	0.2550			
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TOTAL		476,218	1.00			
*State Department of Finance population estimates (January, 2019).						
**Funds apportioned in the unincorporated area outside the Stockton Urbanized will continue to be split 76/24% per previous agreement.						
The 24% will be apportioned to RTD based upon a new 3-year agreement b/w SJCO & RTD						
Total Unincorporated population (used to determine bike/ped apportionment) =					159,808	