



INYO COUNTY LOCAL TRANSPORTATION COMMISSION



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Michael Errante, Executive Director

AGENDA

INYO COUNTY LOCAL TRANSPORTATION COMMISSION

On-line Only

Topic: Inyo County Local Transportation Commission Meeting
Time: Jun 15, 2022 09:00 AM Pacific Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/81278346515?pwd=a3dsbTAvR2QxQUxQaFZ2dIVmNEI2Zz09>

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All members of the public are encouraged to participate in the discussion of any items on the Agenda. Questions and comments will be accepted via e-mail to: jkokx@inyocounty.us

Any member of the public may also make comments during the scheduled "Public Comment" period on this agenda concerning any subject related to the Inyo County Local Transportation Commission.

PUBLIC NOTICE: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Transportation Commission Secretary at (760) 878-0201. Notification 48 hours prior to the meeting will enable the Inyo County Local Transportation Commission to make reasonable arrangements to ensure accessibility to this meeting (28CFR 35. 102-35. ADA Title II).

June 15, 2022

9:00 a.m. Open Meeting

1. Roll Call
2. Public Comment

ACTION ITEMS

3. Consent Agenda
 - a. Request your Commission authorize future meetings during a state of emergency to be conducted virtually, in accordance with AB 361.
 - b. Secretary of the Local Transportation Commission - Request approval of the minutes of the meeting of May 18, 2022.
4. Request Commission hear a presentation from Kathy Chambers of Moore & Associates, Inc. regarding Draft Triennial audits of the ICLTC and ESAAA for the three-year period of July 1, 2018, through June 30, 2021.
5. Request Commission approve Resolution No. 2022-04 apportioning and allocating Local Transportation Funds (LTF) for fiscal year 2022-2023.
6. Request Commission approve Resolution No. 2022-05 allocating all of fiscal year 2022-2023 State Transit Assistance (STA) Funds as estimated as \$172,784 to Eastern Sierra Transit Authority (ESTA) for public transit operating and capital expenses.
7. Request Commission approve Resolution No. 2022-06 a resolution approving 1) the fiscal year 2021-2022 Federal Exchange Program and State Match Program Agreement, Agreement No. X22-6134(034) with the Department of Transportation in an amount of \$123,873; 2) apportioning and allocating Regional Surface Transportation Program (RSTP) funds to the County of Inyo and City of Bishop based on population, and 3) authorize the Executive Director to sign the Agreement.
8. Request Commission provide direction to staff regarding AB 2237, and if opposed, authorize via Minute Order the Executive Director to sign the opposition letter on behalf of the Inyo County Local Transportation Commission.

DISCUSSION ITEMS

9. Freeman Gulch Safety Improvements Project Discussion at the request of Commissioner Thompson

INFORMATIONAL ITEMS

10. Fiscal year 2019-2020 audited financial statements of governmental activities, Planning Fund, and aggregate fund information of the ICLTC.
11. ESTA Report
 - ESTA Executive Director's Report

12.Tribal Report

13.DVNP Report

14.Caltrans Report

- Caltrans 2022 Construction Maps

15. City of Bishop Report

16. Executive Director's Report

17. Reports from all members of the Inyo County LTC

CORRESPONDENCE

ADJOURNMENT

Adjourned until 9 a.m., Wednesday July 20, 2022

UPCOMING AGENDA ITEMS

- MOU and negotiations Inyo County LTC, Mono County LTC, and Kern Cog
- LRSP update and RTP kickoff with LSC Transportation Consultants



INYO COUNTY LOCAL TRANSPORTATION COMMISSION

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Michael Errante, Executive Director

Minutes

INYO COUNTY LOCAL TRANSPORTATION COMMISSION

On-line Only

Topic: Inyo County Local Transportation Commission Meeting
Time: May 18, 2022, 09:00 AM Pacific Time (US and Canada)

May 18, 2022

9:06 a.m. Open Meeting

1. Roll Call
2. **Commissioners Present:**

Stephen Muchovej
Jennifer Roeser
Celeste Berg
Rick Pucci

Others Present

Justine Kokx Inyo County Public Works
John Pinckney Inyo County Public Works
Phil Moores ESTA
Deston Dishion City of Bishop
Adam Weitzmann of Caltrans
Kirsten Helton of Caltrans
Denee Alcala of Caltrans
Jenny Parks of IMAH

3. Public Comment
None

ACTION ITEMS

4. Consent Agenda
 - a. Request your Commission authorize future meetings during a state of emergency to be conducted virtually, in accordance with AB 361.

- b. Secretary of the Local Transportation Commission - Request approval of the minutes of the meeting of March 16, 2022.
- c. Secretary of the Local Transportation Commission - Request approval of the minutes of the special meeting of April 13, 2022.
- d. Request your Commission approve Resolution No. 2022-03, allocating \$45,209 of Inyo County LCTOP funds to ESTA and, authorize the Executive Director to execute all required documents thereto.

***Motion to approve was made by Commissioner Muchovej and seconded by Commissioner Roeser. All in favor.**

5. Request Commission approve and adopt 1) Unmet Transit Needs Findings, and 2) Resolution No. 2022-01, a Resolution regarding unmet transit needs.
- Justine Kokx provided a summary of the 2022 Unmet Needs finding process, including the initial SSTAC meeting held on February 9th; the public hearing held during the March LTC meeting; and the final public hearing held on April 20th. No public comments were made; therefore staff requested the Commission approved the draft Unmet Needs findings presented at the March LTC meeting.

***Motion to approve was made by Commissioner Muchovej and seconded by Commissioner Roeser. All in favor.**

6. Request Commission approve Resolution No. 2022-02, a resolution to 1) approve the Overall Work Program for the Inyo County LTC for FY 2022/2023, 2) authorize the Executive Director to sign related documents and 3) allow staff to make minor technical changes if required.

Justine Kokx summarized the purpose of the Overall Work Program, the types and amounts of funding sources, which include, \$230K of RPA, \$156K of PPM, and \$89K of TDA funding. Some anticipated Fiscal Year 2022-2023 OWP activities include 1/3 data collection of the Pavement Management Program; participation in the scoring of ATP grant Cycle 6 process to better position ourselves for future grant cycles; complete LRSP and apply for HSIP grant based on LRSP data; prepare project study reports for Horseshoe Meadows Rd, and Old Spanish Trail; prepare quarterly invoices, monthly transfers of TDA funds, attend monthly and quarterly meetings and trainings as needed.

***Motion to approve was made by Commissioner Roeser and seconded by Commissioner Muchovej. All in favor.**

DISCUSSION ITEMS

7. Request Commission provide direction to staff regarding how to proceed with the Successor MOU and negotiations between Inyo County LTC, Mono County LTC and Kern COG.

Justine Kokx provided a summary of the history of the Tri-County MOU and the benefits obtained by the three entities leveraging IIP and their RIP shares during STIP cycles. Several corridor enhancing projects were completed via this funding mechanism, which was 40% IIP,

40% home county, 10% remaining two counties. In 2016, the counties agreed to deviate from this formula, Inyo and Mono fronted the Freeman Gulch Phase 1 widening project. As a result, both counties are owed \$6.3 and \$5.8 million respectively. MOU states that Kern is obligated to reimburse both counties in the event of termination of MOU, or if remaining phases of Freeman Gulch are not programmed by 2022 STIP cycle. Both situations apply now. Due to IIP funding being re-directed to GHG and VMT reductions, it is unlikely Freeman Gulch widening will occur via the STIP. A summary of the ensuing discussion follows:

Commissioner Muchovej began discussion by acknowledging the grim picture of being owed \$6.3 million and having a \$15.5 million negative STIP balance, what are our options if MOU goes away? What avenues for payment exist? John Pinkney responded by reminding the group that Kern Cog has a lot of STIP funding, but also a lot of transportation needs. He asked District 9 if they had any insight into how IIP funding is distributed. His understanding is that CALSTA and Governor have control over the IIP funds, and they are being reprogrammed away from widening. There's money but it has been reprioritized to SHOPP for operations and maintenance and away from widening. Commissioner Muchovej: Do we want to extend or renew the Tri County MOU? John: The minute we terminate the MOU, no more ability to leveraging IIP funds. Inyo and Kern counties have gotten projects out the agreement, but not Mono. Recommends Commission speak with Mono County to determine if they have gotten enough benefit out of the MOU. Justine brought up the enforceable repayment language. John stated that prior counsel believed that it was indeed enforceable. Phil of ESTA shared that he had attended the Mono County LTC meeting and that they had decided to ask Kern Cog about potential repayment. Recommends Commission join that effort. It's a lot of money and deserves some inquiry. John mentioned that if Doug were here he would have a lot of input on this. Mono isn't as concerned because they are not in a negative balance. Your Commission's 2022 STIP was denied Lone Pine town streets because we are too far in the hole. He asked Denee to provide input. She agreed with John, District 9 is at the whims of higher agencies. Adding lanes equates to adding to capacity. Never? Maybe not, but the brakes are on for now. Are expiration and termination equal? End date is unclear, whether it expired or terminated, not sure there's a difference. If Commission doesn't want to extend or renew a MOU, then Inyo is owed \$6.3M. Commissioner Muchovej asked for clarification: The MOU was put in place so that we could do projects that benefit the three counties. In particular at the time, focus was put on Freeman Gulch, right? John: there were several; N. Mojave four-Lane, Olanca Cartago, High point in Mono. It was the Tri-County agreement that got the State to the table to fund these projects at 40%. Without the MOU, it would have been up to each county to fund 100% of each project. Muchovej: So, no IIP funds are available for these projects. Inyo County is in such a hole because we decided to take an advance with the expectation that the remaining phases would pan out, but they haven't. Options are to try to renew the MOU, in which case it might just sit there in limbo until the state decides that IIP can be used, or we can terminate the MOU, try to collect the \$6.3M, and still be \$9M in the hole. Kirsten Helton mentioned that Mono County was discussing the possibility of extending the MOU just in case future funding might come down the pike, but no one knows when that might happen right now. She also mentioned other projects that benefitted the corridor. Added that Caltrans is directing SHOPP funding to do some other improvements on Freeman Gulch, short of widening. Chair Berg asked for additional clarification. If we were to renew the MOU how would that impact repayment? Does extending

the MOU extend the limbo? John replied that Kern is going to be reticent to repay any of these funds. They feel like they haven't gotten enough money from the state to take care of the minimum. Extending the MOU, we would be at the mercy of the IIP, Kern would have the excuse to not repay the \$6.3 M. If you allow the agreement to terminate expire, then we would need to engage in productive conversations with Kern Cog to ensure that Inyo and Mono are repaid. Justine brought up the possibility of a payback at STIP cycle intervals. Chair Berg: if we accept termination/expiration, would it be an effective strategy to pursue another one in the future to take advantage of state funding when dynamics are different? Denee: Good question, D-9 is hopeful that the MOU or successor can be achieved, but understands that with the uncertainty of state funding, is up to the three counties. Districts' marching orders are that IIP monies are not moving in the widening direction. Commissioner Muchovej question: we focused on Mono's interest in renewing this, do we have sense of Kern's interest? Justine and John relayed that it is their understanding that Kern is not willing to repay. Commissioner Muchovej expressed interested in not losing the \$6.3M. They owe us money. Regardless of the MOU, I don't think the Commission should just sit back idly and say well, let's just let it go. Chair Berg: Functionally, what is the deadline? Mono is in the exploratory phase, when do we have to decide? Does it seem a positive next step would be a conversation with Mono County and Kern Cog? The engagement needs to happen but need to concur with Mono County. How do we engage with Kern Cog, how to come up with a plan? Mono county was potentially willing to move on, but they are not in a negative share balance. Phil Moores: Suggests Commissioners call their cohorts at Kern and Mono, to be able to gauge what to expect. Commissioner Muchovej: Do the remaining areas of Freeman Gulch pose safety hazards? Denee: Yes, we have a history of run off the road, and unsafe passing and collisions. Commissioner Muchovej: So, why do these sorts of projects have to come from a pot of money that is dedicated to "capacity building" when there's a clear safety need? Can IIP funds be used for safety projects? Denee: Good question, Olancho Cartago was almost shelved, but we were lucky it had already begun construction. Headquarters is saying that when you are adding lanes that have to be maintained as state highway in the future, these are being looked at as capacity enhancing. Districts have to prove to Headquarters that project is not capacity enhancing. Kirsten: We're looking at options to improve safety that don't include increasing capacity, using SHOPP finding to do this. Yes, IIP funds can be used to fund safety projects. Commissioner Muchovej: So, we can make a strong case for continuing the MOU and still be able to apply for IIP funds for safety projects. John: SHOPP funds is where most of the loss of the STIP has gone. It used to be that the Inyo STIP would get 4-6 million, now we're getting 1.5 million. District 9 advocating to use their sorely needed SHOPP funds to improve safety along Freeman Gulch is a huge benefit to our region. It will be problematic to gain STIP funding for this project in the future. Kirsten: Exactly right, ability to use STIP finding in this manner is severely limited. But we do have the option to use SHOPP finds. Commissioner Muchovej: Do we want to extend or terminate? Would like to get feelers out to the other commissions. Prefers not to terminate the MOU, because it provides a mechanism to leverage future funding. Would like a payback timeline. Chair Berg: We are in the situation already of extending the MOU without the IIP funds. John: Really, the issue falls between the Commissioners of Kern Cog and Inyo, ask how they intend to proceed, repay us or not. Commissioner Muchovej is willing to do that. Chair Berg: Agreed. Is that the direction we want to take in terms of next steps? Meeting with Mono County LTC and Kern Cog? Commissioner Roeser would also like to hear back from current

County Counsel regarding language. Commissioner Pucci: Would like to know what the legal risk vs. reward is for pursuing litigation. The issue began a long time ago, there was a give and take between and among counties to ensure the Olancho Cartago project was funded. Could not have been done without their allocations. Commissioners asked John to contact County Counsel and report back. After hearing the latest legal interpretation, the Commissioners will next reach out to the other counties to get a feel for how they might want to proceed.

8. Virtual vs. in-person/hybrid meeting discussion.

Chair Berg summarized the existing options for meeting in person, City of Bishop chambers and Independence BOS chambers (2 x per year). Muchovej: depends on how much driving we want to do. He also mentioned that if not for virtual meeting today there would not have been a quorum. Chair Berg favors virtual but sees upsides and down sides to both. Commissioner Roeser agreed but thinks an in-person meeting should occur now and then. Perhaps quarterly, bi-annual in person meetings. Commission agreed to continue virtual meetings until further notice.

INFORMATIONAL ITEMS

9. Receive invoices of Rural Planning Assistance funds for second & third quarters of Fiscal Year 2021-2022.

Justine didn't have a report but did share that she is assessing the state of RPA funds and is trying to determine if we may lose a little RPA funds this year.

10. ESTA Report

- ESTA Executive Director's Report

Phil briefly updated the Commission. Still trying to get back to normal on ridership.

11. Tribal Report

12. DVNP Report

13. Caltrans Report

- Caltrans 2022 Construction Maps

Adam provided the 2022 construction maps; he pasted a spring quarterly report into chat. May is bike month, check out the scavenger hunt (see the chat). This Friday is the State Bicycle and Pedestrian Plan webinar. Commissioner Roeser asked for a status report on Manzanar and Fish Springs paving project. Final environmental documented anticipated for Fish Springs end of June. Manzanar is in final design.

14. City of Bishop Report

Deston Dishion reported that he had a meeting with Ryan Dermody about revisiting a discussion of the Truck Route. Caltrans would provide support but thinks the LTC should be the lead on this. To start this off we would need to create a project initiation document, which is basically a PSR. During the Downtown specific plan meeting, getting trucks off Main St. was the number one issue. Commissioners generally agreed, Commissioner Muchovej thought timing is good now with the commercial airport. Deston added the addition of a truck stop would be a benefit, something Caltrans has been supportive of. John added that the LTC cannot take on such a large

project. There is not enough funding, staffing, and engineering staff. This magnitude of project would require a planning grant and hiring a consultant. All concurred.

15. Executive Director's Report

John Pinckney provided report on behalf of Mike Errante: A lot going on at the Bishop Airport terminal expansion. The Independence wind event will require demolishing a hangar at the Independence airport. Having problems with Lone Pine Airport renewing leases. Working on PSR's for Horseshoe Meadows Road and Old Spanish Trail. Submitted payment to FHWA to begin State Line Road grant project. Continued discussion with Matt Kingsley regarding having RCRC advocate to designate that portion of State Line Road to Caltrans. Been having meetings regarding OHV combined use. US BR 85 designation has had problems in San Bernardino and LA. Looking at moving it down 395 to 58. Onion Valley guard rail project moving forward. Lone Pine ATP project requested a 6-month extension. Lone Pine Town streets – hired a consultant. N. Round Valley Bridge is moving along, all the piles are complete.

16. Reports from all members of the Inyo County LTC

Commissioner Muchovej read the March minutes and noticed the EV discussion lacked all the City of Bishop charging station locations. There are three EV charging locations at the City of Bishop: a Tesla station on Warren St., a charging station in the Vons parking lot, and a fast charging station at the Caltrans office.

Chair Berg asked if we had made any progress on a secretary. John replied we are down three positions. We have filled Cynthia's position but are shorthanded throughout.

CORRESPONDENCE

ADJOURNMENT

Adjourned at 10:41 am, until 9 a.m., Wednesday June 15, 2022



Triennial Performance Audit of the Inyo County Local Transportation Commission FY 2018/19 - FY 2020/21

DRAFT REPORT
JUNE 2022





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Chapter 1 | Executive Summary

The Triennial Performance Audit of the Inyo County Local Transportation Commission (ICLTC) covers a three-year period ending June 30, 2021. The California Public Utilities Code requires all Regional Transportation Planning Agencies conduct an independent Triennial Performance Audit in order to be eligible for Transportation Development Act (TDA) funding.

In 2021, the Inyo County Local Transportation Commission selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the two transit operators to which it allocates TDA funding. Moore & Associates, Inc. is a consulting firm specializing in public transportation. Selection of the consultant followed a competitive procurement process.

This chapter summarizes key findings and recommendations developed during the Triennial Performance Audit (TPA) of the ICLTC's public transit program for the period:

- Fiscal Year 2018/19,
- Fiscal Year 2019/20, and
- Fiscal Year 2020/21.

The auditors conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require the auditors plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our review objectives. Moore & Associates, Inc. believes the evidence obtained provides a reasonable basis for its findings and conclusions.

The review was also conducted in accordance with the processes established by the California Department of Transportation, as outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*.

The Triennial Performance Audit includes five elements:

1. Compliance requirements,
2. Follow-up of prior recommendations,
3. Analysis of internal goal setting and strategic planning efforts,
4. Review of the RTPA's functions and activities, and
5. Findings and recommendations.

Test of Compliance

With five exceptions, the Inyo County Local Transportation Commission adheres to Transportation Development Act (TDA) regulations in an efficient and effective manner:

1. The Eastern Sierra Area Agency on Aging (ESAAA) did not provide TDA fiscal audits for FY 2019/20 and FY 2020/21, and the audit provided for FY 2018/19 only included TDA revenues.



2. The ICLTC did not provide its State Controller Report for FY 2020/21, and did not confirm on-time submittal of its FY 2018/19 report.
3. The prior triennial performance audit was submitted in September 2020, more than one year after the deadline of June 30, 2019.
4. The ICLTC could not confirm submittal of its prior TDA triennial performance audit to Caltrans.
5. The ICLTC does not appear to have any adopted evaluation criteria for Article 4.5 claims.

Status of Prior Recommendations

The prior Triennial Performance Audit – completed in 2020 by Michael Baker International. for the three fiscal years ending June 30, 2018 – included the following recommendations:

1. [Require annual financial and compliance audits of the Eastern Sierra Area Agency on Aging to reflect full financial statements.](#)
Status: Not implemented.
2. [Work with the ESAAA to update performance standard for TDA claims.](#)
Status: Not implemented.
3. [Include an assessment of farebox recovery in the staff report adopting annual Local Transportation Fund allocations.](#)
Status: Not implemented.
4. [Work towards an alternative delivery method of the unmet transit needs process.](#)
Status: Implemented.

Goal Setting and Strategic Planning

As the Regional Transportation Planning Agency (RTPA) for Inyo County, the ICLTC is responsible for developing regional transportation planning and programming documents. Specific planning and programming responsibilities include:

- Administration of Transportation Development Act (TDA) funds,
- Development and implementation of the Inyo County Regional Transportation Plan (RTP),
- Preparation and implementation of the annual Overall Work Program (OWP),
- Preparation of the Regional Transportation Improvement Program (RTIP),
- Review and comment on the State Transportation Improvement Program (STIP), and
- Review and prioritization of grant applications for various funding programs.

The primary regional planning document is the Regional Transportation Plan (RTP). The RTP, updated every four years, is a long-range transportation plan providing a 20-year vision for regional transportation investments. The current RTP was prepared by a consultant and adopted by the ICLTC Board in September 2019.



Findings and Recommendations

Based on the current review, we submit the aforementioned TDA compliance findings.

The auditors also identified two functional findings. While these findings are not compliance findings, the auditors believe they are significant enough to be addressed within this review:

1. The ICLTC does not appear to calculate one of the STA efficiency tests correctly.
2. TDA claims are granted despite missing, out-of-date, or preliminary information, and do not effectively assess productivity.

In completing this Triennial Performance Audit, we submit the following recommendations for the ICLTC as the RTPA. They have been divided into two categories: TDA Program Compliance Recommendations and Functional Recommendations. TDA Program Compliance Recommendations are intended to assist in bringing the agency into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the Triennial Performance Audit that are not specific to TDA compliance.

Exhibit 1.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	The ICLTC must ensure the ESAAA completes an annual fiscal audit of its TDA funding, and withhold TDA funding as necessary if the audit is not completed on time.	High	Ongoing
2	Clearly identify both the individual responsible for submitting the State Controller Report as well as the deadline for doing so.	Medium	FY 2022/23
3	Ensure future Triennial Performance Audits are completed prior to the established deadline.	Medium	Ongoing
4	Ensure documentation of the submittal of the RTPA's triennial performance audit and certification of the operator's triennial performance audit is maintained and can be provided during the next triennial performance audit.	Medium	FY 2021/22
5	The ICLTC should adopt criteria for the evaluation of claims under Article 4.5.	High	FY 2022/23
Functional Recommendations		Importance	Timeline
1	Update the calculation methodology for the second (average) STA efficiency test and use the smallest percentage if funds must be restricted for capital purposes.	Medium	FY 2022/23
2	Reevaluate the ICLTC's claims process and forms, including how the provided data is reviewed and eligibility for funding is determined.	Medium	FY 2022/23



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Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the Inyo County Local Transportation Commission covers the three-year period ending June 30, 2021. The California Public Utilities Code requires all Regional Transportation Planning Agencies conduct an independent Triennial Performance Audit in order to be eligible for Transportation Development Act (TDA) funding.

In 2021, the ICLTC selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the two transit operators to which it allocates funding. Moore & Associates, Inc. is a consulting firm specializing in public transportation. Selection of Moore & Associates, Inc. followed a competitive procurement process.

The Triennial Performance Audit is designed to be an independent and objective evaluation of the ICLTC as the designated RTPA for Inyo County. Direct benefits of a triennial performance audit include providing RTPA management with information on the economy, efficiency, and effectiveness of their programs across the prior three years; helpful insight for use in future planning; and assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized. Finally, the Triennial Performance Audit fulfills the requirement of PUC 99246(a) that the RTPA designate an independent entity other than itself to conduct a performance audit of its activities as well as those of each operator to whom it allocates TDA funding.

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that the audit team plans and performs the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions.

The audit was also conducted in accordance with the processes established by the California Department of Transportation (Caltrans), as outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, as well as *Government Audit Standards* published by the U.S. Comptroller General.

Objectives

A Triennial Performance Audit has four primary objectives:

1. Assess compliance with TDA regulations,
2. Review actions taken by the RTPA to implement prior recommendations,
3. Evaluate the efficiency and effectiveness of the RTPA through a review of its functions, and
4. Provide sound, constructive recommendations for improving the efficiency and functionality of the RTPA.



Scope

The TPA is a systematic review of performance evaluating the efficiency, economy, and effectiveness of the regional transportation planning agency. The audit of the Inyo County Local Transportation Commission included five tasks:

1. Review of compliance with TDA requirements and regulations.
2. Assessment of the implementation status of recommendations included in the prior Triennial Performance Audit.
3. Analysis of the ICLTC's internal goal setting and strategic planning functions.
4. Examination of the following functions:
 - Administration and Management,
 - Transportation Planning and Regional Coordination,
 - Claimant Relationships and Oversight,
 - Marketing and Transportation Alternatives, and
 - Grant Applications and Management.
5. Recommendations to address opportunities for improvement based on analysis of the information collected and the review of the RTPA's core functions.

Methodology

The methodology for the Triennial Performance Audit of the ICLTC as the RTPA included thorough review of documents relevant to the scope of the review, as well as information contained on the ICLTC's website. The documents reviewed included the following (spanning the full three-year period):

- Triennial Performance Audit reports for the prior review period;
- Annual budgets;
- Audited financial statements;
- State Controller Reports;
- Agency organizational chart;
- Board meeting minutes and agendas;
- Policies and procedures manuals;
- Regional planning documents;
- Overall work plans;
- Article 8 Unmet Transit Needs documentation;
- TDA claims manual; and
- TDA and transit funding allocations to operators.

Given impacts of the ongoing COVID-19 pandemic, the methodology for this audit included a virtual site visit with ICLTC representatives on April 21, 2022. The audit team met with Justine Kokx (Transportation Planner) and John Pickney (Deputy Director) and reviewed materials germane to the triennial audit.

The report is comprised of seven chapters divided into three sections:

1. Executive Summary: A summary of the key findings and recommendations developed during the Triennial Performance Audit process.



2. TPA Scope and Methodology: Methodology of the audit and pertinent background information.
3. TPA Results: In-depth discussion of findings surrounding each of the subsequent elements of the audit:
 - Compliance with statutory and regulatory requirements,
 - Progress in implementing prior recommendations,
 - Goal setting and strategic planning,
 - Functional review, and
 - Findings and recommendations.



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Chapter 3 | Program Compliance

This section examines the Inyo County Local Transportation Commission’s compliance with the State of California’s Transportation Development Act as well as relevant sections of California’s Public Utilities Commission code. An annual certified fiscal audit confirms TDA funds were apportioned in conformance with applicable laws, rules, and regulations. Although compliance verification is not a Triennial Performance Audit function, several specific requirements concern issues relevant to the performance audit. The RTPA considers full use of funds under CCR Section 6754(a) to refer to operating funds but not capital funds. The Triennial Performance Audit findings and related comments are delineated in Exhibit 3.1.

Compliance was determined through discussions with ICLTC staff as well as an inspection of relevant documents, including the fiscal audits for each year of the triennium. Also reviewed were planning documents, Board actions, and other related documentation.

With six exceptions, the ICLTC adheres to Transportation Development Act (TDA) regulations in an efficient and effective manner:

1. The RTPA does not effectively review productivity for the ESAAA as part of the TDA claims process.
2. The ESAAA did not provide TDA fiscal audits for FY 2019/20 and FY 2020/21, and the audit provided for FY 2018/19 only included TDA revenues.
3. The ICLTC did not provide its State Controller Report for FY 2020/21, and did not confirm on-time submittal of its FY 2018/19 report.
4. The prior triennial performance audit was submitted in September 2020, more than one year after the deadline of June 30, 2019.
5. The ICLTC could not confirm submittal of its prior TDA triennial performance audit to Caltrans.
6. The ICLTC does not appear to have any adopted evaluation criteria for Article 4.5 claims.

Developments Occurring During the Audit Period

The last half of the audit period is markedly different from the first half. The impacts of the COVID-19 pandemic resulted in significant declines in ridership and revenue. In many instances, transit operators strove to retain operations staff despite adopting a reduced schedule, resulting in significant changes to many cost-related performance metrics. While infusions of funding through the CARES Act mitigated some of the lost revenues for federally funded programs, most transit operators have yet to return to pre-pandemic ridership and fare levels. As a result, the Triennial Performance Audits will provide an assessment not only of how COVID-19 impacted each organization, but how they responded to the crisis.

In addition to the ongoing COVID-19 pandemic, recent and proposed changes to the TDA may result in audit reports that look somewhat different than in prior years. In the nearly 50 years since introduction of the Transportation Development Act, there have been many changes to public transportation in California. Many operators have faced significant challenges in meeting the farebox recovery ratio requirement, calling into question whether it remains the best measure for TDA compliance. In 2018, the chairs of California’s state legislative transportation committees requested the California Transit Association spearhead a policy task force to examine the TDA, which resulted in a draft framework for TDA reform released in early 2020. The draft framework maintains the farebox recovery ratio



requirement, but eliminates financial penalties and allows more flexibility with respect to individual operator targets. These changes have yet to be implemented.

Assembly Bill 90, signed into law on June 29, 2020, provided temporary regulatory relief for transit operators required to conform with Transportation Development Act (TDA) farebox recovery ratio thresholds in FY 2019/20 and FY 2020/21. While the ability to maintain state mandates and performance measures is important, AB 90 offered much-needed relief from these requirements for these years impacted by the COVID-19 pandemic while TDA reform continues to be discussed.

AB 90 included the following provisions specific to transit operator funding through the TDA:

1. It prohibited the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost during FY 2019/20 or FY 2020/21.
2. It required the Controller to calculate and publish the allocation of transit operator revenue-based funds made pursuant to the State Transit Assistance (STA) Program for FY 2020/21 and FY 2021/22 based on the same individual operator ratios published by the Controller in a specified transmittal memo, and authorized the Controller to revise that transmittal memo, as specified. It required the Controller to use specified data to calculate those individual operator ratios. Upon allocation of the transit operator revenue-based funds to local transportation agencies pursuant to this provision, the Controller would publish the amount of funding allocated to each operator.
3. It exempted an operator from having to meet either of the STA efficiency standards for FY 2020/21 and FY 2021/22 and authorized the operator to use those funds for operating or capital purposes during that period.
4. It required the Controller to allocate State of Good Repair (SOGR) program funding for FY 2020/21 and FY 2021/22 to recipient transit agencies pursuant to the individual operator ratios published in the above-described transmittal memo.
5. It required the Controller to allocate Low Carbon Transit Operations Program (LCTOP) funding for FY 2020/21 and FY 2021/22 to recipient transit agencies pursuant to the individual operator ratios published in the above-described transmittal memo.

Assembly Bill 149, signed into law on July 16, 2021, provided additional regulatory relief with respect to Transportation Development Act (TDA) compliance. It extended the provisions of AB 90 through FY 2022/23 as well as provided additional regulatory relief including:

1. Waiving the annual productivity improvement requirement of Section 99244 through FY 2022/23.
2. Adding a temporary provision exempting operators from farebox recovery ratio requirements provided they expend at least the same amount of local funds as in FY 2018/19.
3. Expanding the definition of "local funds" to enable the use of federal funding, such as the CARES Act or CRRSAA, to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
4. Adjusting the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and micro-transit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
5. Allowing operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2022/23.



AB 149 also called for an examination of the triennial performance audit process, to ensure the practice continues to be effective and beneficial.

Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
All transportation operators and city or county governments which have responsibility for serving a given area, in total, claim no more than those Local Transportation Fund monies apportioned to that area.	PUC 99231	In compliance	
The RTPA has adopted rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles (Article 3).	PUC 99233, 99234	In compliance	
The RTPA has established a social services transportation advisory council. The RTPA must ensure that there is a citizen participation process that includes at least an annual public hearing.	PUC 99238, 99238.5	In compliance	FY 2018/19: <ul style="list-style-type: none"> • SSTAC meeting February 28, 2019 • UTN hearing April 17, 2019 • UTN hearing May 15, 2019 FY 2019/20: <ul style="list-style-type: none"> • SSTAC meeting February 3, 2020 • UTN hearing March 18, 2020 • UTN hearing April 15, 2020 FY 2020/21: <ul style="list-style-type: none"> • SSTAC meeting April 7, 2021 • UTN hearing April 21, 2021 • UTN hearing May 19, 2021
The RTPA has annually identified, analyzed, and recommended potential productivity improvements which could lower operating cost of those operators, which operate at least 50 percent of their vehicle service miles within the RTPA’s jurisdiction. Recommendations include, but are not being limited to, those made in the performance audit. <ul style="list-style-type: none"> • A committee for the purpose of providing advice on productivity improvements may be formed. • The operator has made a reasonable effort to implement improvements recommended by the RTPA as determined by the RTPA, or else the operator has not received an allocation that exceeds its prior year allocation. 	PUC 99244	Finding	While productivity is part of the TDA claim, it is unclear if it is being effectively reviewed and assessed, especially for ESAAA.



Compliance Element	Reference	Compliance	Comments
The RTPA has ensured that all claimants to whom it allocated TDA funds submit to it and to the state controller an annual certified fiscal and compliance audit within 180 days after the end of the fiscal year.	PUC 99245	Finding	ESAAA: FY 2018/19: August 20, 2020 FY 2019/20: <i>Not provided</i> FY 2020/21: <i>Not provided</i> ESTA: FY 2018/19: January 27, 2020 FY 2019/20: January 7, 2021 FY 2020/21: January 26, 2022
The RTPA has submitted to the state controller an annual certified fiscal audit within 12 months of the end of the fiscal year.	CCR 6662	In compliance	FY 2018/19: August 21, 2020 FY 2019/20: January 4, 2022 FY 2020/21: <i>Pending</i>
The RTPA has submitted within 90 days after the end of the fiscal year an annual financial transactions report to the state controller	CCR 6660	Finding	FY 2018/19: <i>Not provided</i> FY 2019/20: March 16, 2021 FY 2020/21: <i>Not provided</i>
The RTPA has designated an independent entity to conduct a performance audit of operators and itself (for the current and previous triennia). For operators, the audit was made and calculated the required performance indicators, and the audit report was transmitted to the entity that allocates the operator's TDA money, and to the RTPA within 12 months after the end of the triennium. If an operator's audit was not transmitted by the start of the second fiscal year following the last fiscal year of the triennium, TDA funds were not allocated to that operator for that or subsequent fiscal years until the audit was transmitted.	PUC 99246, 99248	Finding	Prior Triennial Performance Audits were conducted by Michael Baker International. They were completed in September 2020, beyond 12 months from the end of the triennium.
The RTPA has submitted a copy of its performance audit to the Director of the California Department of Transportation. In addition, the RTPA has certified in writing to the Director that the performance audits of operators located in the area under its jurisdiction have been completed.	PUC 99246(c)	Finding	No evidence was provided that the prior audits were certified to Caltrans.
For Article 8(c) claimants, the RTPA may adopt performance criteria, local match requirements, or fare recovery ratios. In such cases, the rules and regulations of the RTPA will apply.	PUC 99405	Not applicable	
The performance audit of the operator providing public transportation services shall include a verification of the operator's cost per passenger, operating cost per vehicle service hour, passenger per vehicle service mile, and vehicle service hours per employee, as defined in Section 99247. The performance audit shall include consideration of the needs and types of passengers being served and the employment of part-time drivers and the contracting with common carriers of persons operating under a franchise or license to provide services during peak hours, as defined in subdivision (a) of section 99260.2.	PUC 99246(d)	In compliance	ESTA: In compliance ESAAA: <i>Pending</i>



Compliance Element	Reference	Compliance	Comments
The RTPA has established rules and regulations regarding revenue ratios for transportation operators providing services in urbanized and newly urbanized areas.	PUC 99270.1, 99270.2	Not applicable	
The RTPA has adopted criteria, rules, and regulations for the evaluation of claims filed under Article 4.5 of the TDA and the determination of the cost effectiveness of the proposed community transit services.	PUC 99275.5	Finding	ESAAA receives funding under Article 4.5. However, there do not appear to be any adopted evaluation criteria.
State transit assistance funds received by the RTPA are allocated only for transportation planning and mass transportation purposes.	PUC 99310.5, 99313.3, Proposition 116	In compliance	
Transit operators must meet one of two efficiency standards in order to use their full allocation of state transit assistance funds for operating purposes. If an operator does not meet either efficiency standard, the portion of the allocation that the operator may use for operations shall be the total allocation to the operator reduced by the lowest percentage by which the operator's total operating cost per revenue vehicle hour exceeded the target amount necessary to meet the applicable efficiency standard. The remaining portion of the operator's allocation shall be used only for capital purposes.	PUC 99314.6	In compliance	ICLTC applies the STA efficiency tests and correctly restricts funding for capital purposes. However, one of the efficiency tests does not appear to be calculated correctly.
The amount received pursuant to the Public Utilities Code, Section 99314.3, by each RTPA for state transit assistance is allocated to the operators in the area of its jurisdiction as allocated by the State Controller's Office.	PUC 99314.3	In compliance	



Compliance Element	Reference	Compliance	Comments
<p>If TDA funds are allocated to purposes not directly related to public or specialized transportation services, or facilities for exclusive use of pedestrians and bicycles, the transit planning agency has annually:</p> <ul style="list-style-type: none"> • Consulted with the Social Services Transportation Advisory Council (SSTAC) established pursuant to PUC Section 99238; • Identified transit needs, including: <ul style="list-style-type: none"> ▪ Groups that are transit-dependent or transit-disadvantaged; ▪ Adequacy of existing transit services to meet the needs of groups identified; and ▪ Analysis of potential alternatives to provide transportation alternatives; • Adopted or reaffirmed definitions of “unmet transit needs” and “reasonable to meet”; • Identified the unmet transit needs and those needs that are reasonable to meet; and • Adopted a finding that there are no unmet transit needs, that there are no unmet transit needs that are reasonable to meet, or that there are unmet transit needs including needs that are reasonable to meet. <p>If a finding is adopted that there are unmet transit needs, these needs must have been funded before an allocation was made for streets and roads.</p>	PUC 99401.5	In compliance	<p>ICLTC does not allocate TDA funds for streets and roads. It does follow the prescribed Unmet Transit Needs process.</p>



Chapter 4 | Prior Recommendations

This section reviews and evaluates the implementation of prior Triennial Performance Audit recommendations. This objective assessment provides assurance the Inyo County Local Transportation Commission has made quantifiable progress toward improving both the efficiency and effectiveness of its programs.

The prior audit – completed in September 2020 by Michael Baker International for the three fiscal years ending June 30, 2018 – included four recommendations:

1. [Require annual financial and compliance audits of the Eastern Sierra Area Agency on Aging to reflect full financial statements](#)

Discussion: This prior audit recommendation was carried forward for full implementation. A TDA fiscal audit of the ESAAA that included fiscal years 2013, 2014, and 2015 was completed in January 2016 by an independent certified public accounting firm. The ESAAA is required to complete an annual TDA fiscal audit each year, and has completed the audit for FYs 2017 and 2018 relative to the same time frame as this performance audit cycle.

A review of the fiscal audit, however, shows that only the TDA revenue and corresponding expenses are provided, not the entire budget of ESAAA Transportation programs and services. The audit should reflect the full operating and capital budgets/financial statements of the transportation service. TDA is one source of funding for the service.

To help with implementation, starting the last few years, the ESAAA, as a claimant of TDA Article 4.5 funds, has prepared the annual Transit Operators Financial Transactions report to the State Controller which reports all transportation revenues and expenditures for the program. The State Controller report by statute is to be based on audited financial data. The TDA fiscal audit should also be prepared with the same audited financial data.

Progress: At this time, the ESAAA has yet to implement the recommendation. Given TDA funding only comprises a portion of the agency's revenues, and the program already undergoes other robust auditing processes, ESAAA management believes the requirement for an additional audit is unreasonable.

Status: Not implemented.

2. [Work with the ESAAA to update performance standard for TDA claims.](#)

Discussion: Claims made under TDA Article 4.5 include provisions that the ESAAA meet a performance standard adopted by the ICLTC. The most typical performance standard is farebox recovery; however, as the ESAAA does not charge a fare for its transportation service, this performance measure is not as applicable. Donations that count toward transportation can be included in the farebox ratio which are estimated in the ESAAA budget. However, according to



the budgets in the recent TDA claims, the level of donations is not high enough to meet the farebox threshold.

In lieu of farebox recovery, other performance standards that are used under Article 4.5 include funding match requirements where contributions from sources other than the TDA match a certain threshold of operations cost or TDA funding. For example, the standard could be a minimum of a dollar-for-dollar match of TDA funds with another funding source. Based on budget data in the claim, the TDA provides funding for about 40 percent of the service, while other sources provide the remaining revenue.

The prior audit noted other standards could be based on operational performance such as meeting a minimum number of annual service hours or riders based on the previous year's data or a rolling three-year average. It recommended the ESAAA work with the ICLTC to comply with a performance standard applicable to the transportation program, whether farebox recovery or another appropriate indicator.

Progress: No performance metric specific to the ESAAA has been formally adopted.

Status: Not implemented.

3. [Include an assessment of farebox recovery in the staff report adopting annual Local Transportation Fund allocations.](#)

Discussion: The ICLTC's staff report for the annual apportionment and allocation of LTF including for the ESTA and the ESAAA is well documented. While the ICLTC completes an evaluation of the claim forms submitted by the transit systems and lists several key compliance areas, it does not acknowledge in the staff report whether the transit systems have met their farebox recovery measures from the most recent fiscal year. Both the ESTA and the ESAAA are currently subject to a 10-percent farebox recovery standard.

The staff report should include an assessment of this performance measure, or an alternative measure, and include the results in the evaluation section in the staff report. As described in the aforementioned recommendation, the farebox ratio should be evaluated for relevance to the ESAAA and modified as warranted. Should a different performance standard be developed for the ESAAA, this measure would substitute for farebox recovery in the assessment.

Progress: An assessment of farebox recovery did not appear to be included in the staff report for TDA audit claims during any year of the audit period.

Status: Not implemented.

4. [Work towards an alternative delivery method of the unmet transit needs process.](#)

Discussion: Discussion with Commission staff for this audit indicated that some aspects of the process could be revised to meet thresholds such as consistent quorums for SSTAC meetings. As



presented in the prior audit, several alternative approaches were suggested such as creating more predictability in membership changes and appointments and changing the dialog of the unmet needs process to identify unmet needs and prioritize them instead of undertaking the reasonable to meet test.

From this alternative, existing steps such as SSTAC meetings and notification and holding of a public hearing would still occur, but leading to development of a list of transit needs that are prioritized as funding options and/or transit service hours become available. Transit needs not immediately implemented would carry forward each year to remain on the list. A set of criteria identified in this audit would be used for prioritization of unmet needs, and a resolution drawn for Commission adoption attesting to meeting the public hearing requirement and the commitment by the ICLTC to expend local transportation funds for transit purposes.

The prior audit recommended the ICLTC consider these alternative delivery methods for the unmet transit needs process, given that no local transportation funds are allocated to streets and roads.

Progress: During discussions with ICLTC staff, it was noted that needs are prioritized and carried over from year to year if not implemented. In addition, the ICLTC's unmet transit needs process does not appear to be markedly different from those use elsewhere, which calls into question the need to revise it.

Status: Implemented.



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Chapter 5 | Goal Setting and Strategic Planning

This chapter analyzes the Inyo County Local Transportation Commission’s goal setting and strategic planning process.

As the Regional Transportation Planning Agency (RTPA) for Inyo County, the ICLTC is responsible for developing regional transportation planning and programming documents. Specific planning and programming responsibilities include:

- Administration of Transportation Development Act (TDA) funds,
- Development and implementation of the Inyo County Regional Transportation Plan (RTP),
- Preparation and implementation of the annual Overall Work Program (OWP),
- Preparation of the Regional Transportation Improvement Program (RTIP),
- Review and comment on the State Transportation Improvement Program (STIP), and
- Review and prioritization of grant applications for various funding programs.

The primary regional planning document is the Regional Transportation Plan (RTP). The RTP, updated every four years, is a long-range transportation plan providing a 20-year vision for regional transportation investments. The current RTP was prepared by a consultant and adopted by the ICLTC Board in September 2019.

Advisory groups involved in the development of the RTP included the ICLTC, its Social Services Transportation Advisory Council (SSTAC), and Caltrans. The ICLTC also conducted extensive public and stakeholder involvement that included opportunities for input from the general public, private and public transit and freight operators, and tribal governments. Other entities invited to participated in the process included adjacent county RTPAs; local, state, and federal resource agencies; Great Basin Unified Air Pollution Control District; human service agencies; and transportation-related advocacy groups. Tribal outreach included requests for input from five federally recognized tribal governments within Inyo County:

- Bishop Paiute Tribe,
- Big Pine Paiute Tribe of the Owens Valley,
- Fort Independence Community of Paiute Indians of the Fort Independence Reservation,
- Lone Pine Paiute-Shosone Tribe, and
- Death Valley Timbisha Shoshone Tribe.

While all five tribal governments were invited to participate, only the Bishop Paiute Tribe provided copies of relevant tribal transportation plans, which were reviewed during RTP development.

The 2019 RTP includes the three required elements (Policy Element, Action Element, Financial Element). The Policy Element includes 11 individual goals. Each goal is supported by one or more objectives and policies (Exhibit 5.1). A separate Modal Discussion chapter includes individual sections for each mode (such as Transit and Non-Motorized Facilities) and work element (such as Air Quality and Summary of



Roadway and Bridge Needs). The Action Element also includes a series of Program Level Performance Measures (Exhibit 5.2), which are used to evaluate the performance and impact of policies and strategies included in the RTP.



Exhibit 5.1 2019 RTP Goals, Objectives, and Policies

Goal	Objective	Policy
<p>Goal 1: Streets, roads, and highways maintained at a safe and acceptable level.</p>	<p>1.1: Adequate road maintenance. Provide proper levels of road maintenance to avoid unnecessary vehicle wear.</p>	<ul style="list-style-type: none"> 1.1.1: Priority list for maintenance, rehabilitation, and reconstruction. Establish a priority list based on the premise that maintenance, rehabilitation, and reconstruction of the existing regionally significant roads have the highest consideration for available funds.
<p>Goal 2: A transportation system which is safe, efficient, and comfortable, which meets the needs of people and goods, and enhances the lifestyle of the county's residents.</p>	<p>2.1: Maintain and improve roadway level of service. Maintain or improve existing LOS on roadways within the county.</p>	<ul style="list-style-type: none"> 2.1.1: Better road and weather conditions information. Provide better road and weather condition information to the general public. 2.1.2: Safer truck transportation. Facilitate safer truck transportation and ease the impact of truck traffic on residential areas by constructing designated truck parking and encouraging the development of private truck stops. 2.1.3: Increase capacity of arterials. Provide effective measures to maintain capacity for arterial roads. 2.1.4: Plan comprehensive transportation system. Ensure roadway improvements recognize and incorporate design features addressing the needs of local communities and state greenhouse gas emission goals.
	<p>2.2: Review of projects. Consider transportation issues during the review of projects.</p>	<ul style="list-style-type: none"> 2.2.1: Proper access. Provide proper access to residential, commercial, and industrial areas. 2.2.2: Minimum transportation impacts. Ensure that all transportation projects have a minimum adverse effect on the environment of the county and on regional greenhouse gas (GHG) emissions. 2.2.3: Air quality standards. Maintain air quality standards established by the Environmental Protection Agency (EPA) and California Air Resources Board (CARB). 2.2.4: Air quality consultation. Coordinate transportation planning with air quality planning at the technical and policy level. 2.2.5: If transportation improvements are required as part of a new development, require the developer to share the cost of the improvements.



Goal	Objective	Policy
Goal 2: A transportation system which is safe, efficient, and comfortable, which meets the needs of people and goods, and enhances the lifestyle of the county's residents. <i>(continued)</i>	2.3: Consider all types of environmental impacts including cumulative impacts as part of the transportation project selection process. Work with the project implementing agency to ensure that transportation projects will meet environmental quality standards set by federal, state, and local resource agencies.	<ul style="list-style-type: none"> 2.3.1: Coordinate with the project implementing agency to determine the impact of the project on biological resources, hydrology, geology, cultural resources and air quality prior to construction. Follow appropriate permitting processes and if necessary, mitigate the impacts according to natural resource agency standards.
	2.4: Community ability to pay. Develop a transportation system consistent with the community's ability to pay.	<ul style="list-style-type: none"> 2.4.1: Maximize state and federal funds. Pursue all means to maximize state and federal funds. 2.4.2: Allocation of funds. Ensure that the allocation of transportation funding dollars maximizes the "highest and best use" for interregional and local projects. 2.4.3: Selection criteria. Ensure that transportation investments use the ranking and selection criteria proposed as part of this plan. 2.4.4: Priority to efficiency projects. Give priority to transportation projects designed to improve the efficiency, safety, and quality of existing facilities.
	2.5: Relationship between the RTP and General Plans. Recognize the relationship between the RTP and the Inyo County and City of Bishop General Plans and strive to accomplish the aims and purposes of these plans.	<ul style="list-style-type: none"> 2.5.1: Plan comprehensive transportation system. Continually plan, prioritize, design, and develop a comprehensive transportation system in cooperative partnership between the county, city and state officials; the Local Transportation Commission; the Inyo County Planning Commission; City of Bishop Planning Commission; public and private groups; Inyo County Tribal Governments; and other interested entities.
Goal 3: Maintain adequate capacity on state routes (SRs) and local routes in and surrounding Inyo County and the City of Bishop.	3.1: Widen US 395 to 4 lanes. Provide a 4-lane facility for US 395 in Inyo County.	<ul style="list-style-type: none"> 3.1.1: Improve US 395 in sections. Widen US 395 as funding allows.
	3.2: Improve State Routes. Add additional capacity to other routes as needed to maintain concept LOS.	<ul style="list-style-type: none"> 3.2.1: Improve State Routes as necessary. Improve State Routes through maintenance, widening, bicycle/pedestrian improvements and landscaping as funding allows.



Goal	Objective	Policy
Goal 3: Maintain adequate capacity on state routes (SRs) and local routes in and surrounding Inyo County and the City of Bishop. <i>(continued)</i>	3.3: Improve county routes.	<ul style="list-style-type: none"> 3.3.1: Support roadway improvements to optimize public safety. Improve county roads through specific safety improvements and maintenance. 3.3.2: Improve county routes as necessary. Improve county roads through maintenance and capacity enhancements, as funding and need are identified.
	3.4: Provide a 4-lane facility for US 395 and CA 14 between Southern California populations centers and Inyo County.	<ul style="list-style-type: none"> 3.4.1: Enter into MOUs with Mono County, Kern Council of Governments, and San Bernardino Associated Governments to leverage additional ITIP funding on regional roadways wherever feasible. 3.4.2: Enter into MOUs with Mono Count, Kern Council of Governments, and San Bernardino Associated Governments to provide funding for safety and roadway improvements on US 395 in Mono County.
Goal 4: Provide effective, economically feasible, and efficient public transportation in Inyo County that is safe, convenient, and efficient, reduces the dependence on privately owned vehicles, and meets the identified transportation needs of the county, emphasizing service to the transportation disadvantaged.	4.1: Financially support public transportation. Financially support public transportation to the maximum extent possible that is determined by an “unmet transit needs” public hearing and the amount of funds available.	<ul style="list-style-type: none"> 4.1.1: Identify transit facilities. Identify transit facilities, such as bus shelters, staging areas, base stations, transit hubs, etc., and potential funding sources. 4.1.2: Transportation grants. Encourage and support the use of public transportation grants from state and federal programs to the maximum extent possible.
	4.2: Accessible transportation services and facilities. Provide accessible transportation services and facilities responsive to the needs of the young, elderly, handicapped, and disadvantaged.	<ul style="list-style-type: none"> 4.2.1: Public transit accessibility. Support and promote accessibility in public transportation to the maximum extent practicable, including continued support of special service vans that provide a high level of service to low mobility groups. This may include ITS applications such as ride hailing services.



Goal	Objective	Policy
Goal 4: Provide effective, economically feasible, and efficient public transportation in Inyo County that is safe, convenient, and efficient, reduces the dependence on privately owned vehicles, and meets the identified transportation needs of the county, emphasizing service to the transportation disadvantaged. <i>(continued)</i>	4.3: Improved transit level of service. Develop a transit system that will provide an improved level of service, in terms of accessibility, convenience, dependability, economy, and safety, will consider alternative fuels, and is sensitive to environmental impacts (including air quality).	<ul style="list-style-type: none"> • 4.3.1: Develop Long-Range Transit Plans. Cooperatively develop long-range plans with transit operators that provide guidance and assistance in determining capital and operating requirements. • 4.3.2: Consider future development. Consider future development of commercial or residential centers that will generate traffic and require transportation improvements. • 4.3.3: Encourage interregional and intercity bus service. Encourage interregional and intercity bus lines to provide more attractively scheduled service into and within Inyo County. • 4.3.4: Coordinate transit services. Continue to identify and coordinate existing transit services available throughout the various agencies. Identify ways these services can be coordinated to avoid duplication of service. This may include ITS applications such as bus-to-bus communication, transit kiosks, and transit management systems. • 4.3.5: Support capital improvements. Consider future and current capital needs in support of delivering transit services. This may include administrative or maintenance facilities and vehicles. Other capital needs include infrastructure related to electrification of the fleets.
	4.4: Promote public transit. Promote public transit to raise awareness, encourage ridership, and create an understanding of how to use transit systems.	<ul style="list-style-type: none"> • 4.4.1: Promote public transportation. Actively promote public transportation through mass media, personal contact, social media, and other marketing techniques; improve marketing and information programs to assist current ridership and to attract potential riders. This may include ITS applications such as a transit information system or mobile phone application.
	4.5: Encourage intermodal transfers at airports. Encourage intermodal transfer of both passengers and freight at airports.	<ul style="list-style-type: none"> • 4.5.1: Provide for multi-modal facilities at airports. Encourage development of multi-modal facilities at airports where appropriate.
	4.6: Promote multi-modal connections between communities and recreation destinations.	<ul style="list-style-type: none"> • 4.6.1: Support public and private shuttles between communities and trailheads.



Goal	Objective	Policy
Goal 5: Encourage and promote greater use of active means of personal transportation in the region.	5.1: Encourage development of non-motorized facilities. Encourage the development of non-motorized facilities that will be convenient to use, easy to access, continuous, safe, and integrated into a multi-modal transportation network. The facilities should serve as many segments of the population, both resident and tourist, as possible.	<ul style="list-style-type: none"> • 5.1.1: Consider the non-motorized mode in planning. Consider the non-motorized mode as an alternative in the transportation planning process and how transportation projects will affect overall health of the region. • 5.1.2: Bikeway system in the region. Plan for and provide a continuous and easily accessible bikeway system within the region, including connections to recreation destinations. • 5.1.3: Promote projects which close gaps in community pedestrian networks, particularly along Safe Routes to Schools and between residential and commercial areas. • 5.1.4: Plan for the expansion of electric bicycles for commuting in Inyo County including necessary infrastructure improvements.
	5.2: Complete Streets. Include bicycle facilities on streets and highways. Encourage the modification of streets and highways to include bicycle facilities.	<ul style="list-style-type: none"> • 5.2.1: Multi-modal use of road and highway system. Support plans that propose multi-modal use of the highway system. • 5.2.2: Minimize cyclist/pedestrian/motorist conflicts. Develop a regional non-motorized transportation system that will minimize conflicts. This may include bicycle and pedestrian-related ITS applications. • 5.2.3: Incorporate active transportation facilities into roadway improvement projects.
Goal 6: Provide for the parking needs of local residents, visitors, and tourists.	6.1: Easily accessed rest areas and parking lots. Require the planning and implementation of convenient and easily accessed rest areas and parking lots for travelers.	<ul style="list-style-type: none"> • 6.1.1: Adequate allocation of parking. Require development proposals to provide adequate allocation of parking for the intended uses. • 6.1.2: Park-and-ride facilities. Encourage park-and-ride facilities along major roadways. • 6.1.3: Rest areas. Encourage the development of rest areas in appropriate locations. • 6.1.4: Truck parking. Encourage the development of truck parking in appropriate locations and designate truck parking locations.
Goal 7: Enhanced airports in the county.	7.1: Maintain, preserve, and enhance existing airports and airstrips within the county in the safest and most operational conditions consistent with current funding constraints.	<ul style="list-style-type: none"> • 7.1.1: Airport funding. Seek all available funding sources for airport maintenance and enhancement. • 7.1.2: Land use compatibility. Promote land use compatibility with the surrounding environment for each airport. • 7.1.3: Effective and efficient use of airports. Encourage and foster effective and efficient use of existing airport facilities.



Goal	Objective	Policy
Goal 7: Enhanced airports in the county. <i>(continued)</i>	7.2: Airport usage.	<ul style="list-style-type: none"> • 7.2.1: Commercial usage around the Bishop Airport. Maintain and improve commercial usage at and around the Bishop Airport. • 7.2.2: Air carrier service at the Bishop Airport. Establish dependable air carrier service at the Bishop Airport to serve the air passenger, cargo, and courier mail needs of the county. • 7.2.3: Air passenger service at Eastern Sierra Regional Airport. Promote and secure adequate air passenger and other aviation and air transportation services.
Goal 8: Incorporate new developments in transportation technology, including ITS approaches.	8.1: New technology. Incorporate new technology into transportation systems within the county.	<ul style="list-style-type: none"> • 8.1.1: Transportation technology research and development. Support public and private research and development efforts in new transportation technology. • 8.1.2: Communication technology. Support communications technology that reduces the need for vehicle travel. • 8.1.3: Multi-modal use of technology. Encourage multi-modal uses of new technology. • 8.1.4: Autonomous transportation. Support autonomous transportation technology. • 8.1.5. Alternative fuels. Support all types of alternative fuels and infrastructure for transportation in Inyo County.
Goal 9: Management of the transportation system.	9.1: Increase the efficiency of the existing transportation system. Implement Transportation System Management (TSM) techniques where feasible.	<ul style="list-style-type: none"> • 9.1.1: Periodically review traffic operations along state highways and major county roads and implement cost-effective solutions to reduce congestion. • 9.1.2: Promote access management and accident scene management measures to increase traffic flow.
Goal 10: Transportation Demand Management (TDM).	10.1: Reduce the demand for single-occupant vehicle travel. Where feasible, reduce the demand for travel by single-occupant vehicles and two-passenger one-way school trips through transportation demand management (TDM) techniques.	<ul style="list-style-type: none"> • 10.1.1: Increase the mode share for public transit by 10 percent by 2030. • 10.1.2: Continually review ridesharing options, including Transportation Network Companies. • 10.1.3: Promote public awareness of Eastern Sierra Transit and rideshare opportunities through media and promotional events.



Goal	Objective	Policy
Goal 11: Land use integration.	11.1: Improve livability and health in the county through land use and transportation decisions that encourage walking, transit, and bicycling.	<ul style="list-style-type: none">11.1.1: Assist local jurisdictions in taking a regional approach in land use decisions during their General Plan process, and developing a road network that supports the RTP goals and objectives and the reduction of greenhouse gases.



Exhibit 6.2 RTP Performance Measures

Performance Measure	Data Source	RTP Measure	RTP Objective/Desired Outcome
Mobility and Accessibility (M/A)	Caltrans traffic volumes, project study reports, transportation concept reports, US Census and special studies	<ul style="list-style-type: none"> • Maintain acceptable LOS • Peak period travel time on high volume segments (US 395, 6, SR 168) • Increase transportation options in/out of county 	<ul style="list-style-type: none"> • Work with Caltrans to provide acceptable LOS on regionally significant roadways • Complete US 395 4-lane projects • Improve airports, non-motorized facilities, and public transit
Safety and Security (S) – State Highways	Caltrans, California Highway Patrol	<ul style="list-style-type: none"> • Collision rate per 1,000,000 VMT • Fatality rate per 1,000,000 VMT • Number of bicycle and pedestrian related crashes 	<ul style="list-style-type: none"> • Reduce accidents below .257 per million annual VMT • Reduce countywide fatalities below 0.15 per million annual VMT • Complete US 395 4-lane projects • Reduce average annual bicycle/pedestrian crashes from 5.4
Safety and Security (S) – Local Roads	Inyo County, City of Bishop, California Highway Patrol	<ul style="list-style-type: none"> • Number of fatal collisions • Number of injury collisions • Number of annual intersection collisions • Number of bicycle and pedestrian related crashes 	<ul style="list-style-type: none"> • Reduce number of fatal collisions from 6 in 2017 • Reduce number of total collisions from 52 in 2017 • Recommend roadway and intersection improvements to reduce incidence • Monitor the number and location of intersection collisions • Reduce average annual bicycle/pedestrian crashes from 3
System Preservation (SP)	Caltrans, County and City Department of Public Works	<ul style="list-style-type: none"> • Pavement conditions/ • % of distressed lane miles/# of structurally deficient bridges 	<ul style="list-style-type: none"> • Maintain city and county roadways at an average PCI of >70 • Reduce distressed state highway miles • Zero structurally deficient local bridges
Complete Streets/ Active Transportation	Census, County, City	<ul style="list-style-type: none"> • Increase non-motorized modes of transportation 	<ul style="list-style-type: none"> • Increase county bicycle mode split from 5.6% • Increase county walk mode split from 8.3%
Economic Well-Being (EW)	Caltrans, County, and City	<ul style="list-style-type: none"> • Increased sales tax revenues 	<ul style="list-style-type: none"> • Provide acceptable LOS on all state highways, provide safe and attractive transportation facilities • Improve airports



Chapter 6 | Functional Review

A functional review of the Inyo County Local Transportation Commission determines the extent and efficiency of the following functional activities:

- Administration and Management;
- Transportation Planning and Regional Coordination;
- Claimant Relationships and Oversight;
- Marketing and Transportation Alternatives; and
- Grant Applications and Management; and

Administration and Management

The Inyo County Local Transportation Commission (ICLTC) is a six-member commission that serves as the Regional Transportation Planning Agency (RTPA) for Inyo County. The ICLTC is comprised of two members each from the Inyo County Board of Supervisors and the Bishop City Council, while the remaining two seats are Board- and Council-appointed at-large representatives. The Inyo County Public Works Director serves as the Executive Director of the ICLTC.

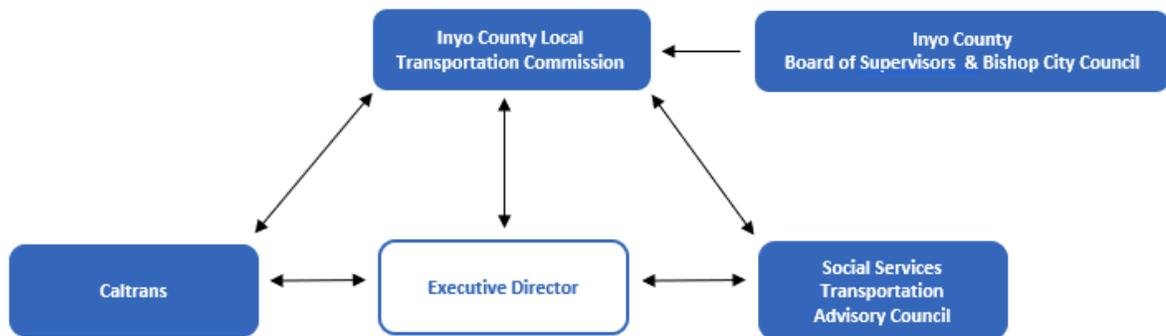
The ICLTC meets on the third Wednesday of each month at 9:00 a.m., with a public comment period scheduled during the meeting. All meetings are open to the public and are conducted via Zoom due to the ongoing pandemic. Updates regarding the two transit operators are provided during each meeting.

The ICLTC prepares a Regional Transportation Plan every four years. The last update to the Plan was completed in September 2019. The ICLTC has a positive and effective relationship with its two operators.

The ICLTC does not have any committees with the exception of a social services transportation advisory council (SSTAC). The SSTAC is an advisory committee to the ICLTC addressing all transportation issues, including the transit needs of transit dependent and transit disadvantaged persons. The SSTAC's input is used as part of the ICLTC's annual "Unmet Transit Needs" hearing and findings process. The County's Board of Supervisors is the oversight board for the transit program.



Exhibit 6.1 Organizational Chart



The ICLTC has established clear, comprehensive, and realistic goals and objectives for internal functions, regional coordination, grant applications, operator performance, and transportation alternatives through its annual Overall Work Plan (OWP) and Regional Transportation Plan. The OWP describes in detail milestones, deliverables, and schedules to be accomplished during the fiscal year.

The ICLTC is modest in size, but believes it would benefit from an additional full-time employee dedicated to the LTC. The ICLTC is currently using one of the County’s Road department employees for some LTC activities. The ICLTC would like to create a full-time dedicated planning technician role to handle all pavement surveys, traffic counts, and assist with reporting duties.

Impact of COVID-19 pandemic

The primary impact of the COVID-19 pandemic was related to funding. The ICLTC reduced LTF funding allocations by five percent the first year, but then allocations actually went up. The RTPA did a distribution of the reserved funds during the current fiscal year. County funding remained fairly stable. Some staff worked from home, while the transportation planner worked in the office exclusively.

Transportation Planning and Regional Coordination

Every four years, the ICLTC updates its Regional Transportation Plan (RTP), which provides overall guidance for transportation policy and planning in Inyo county. The last RTP was adopted September 2019. The RTP update is currently underway, along with an update to the Short Range Transit Plan (SRTTP). The ICLTC typically contracts out for the RTP update, including hearing and public outreach.

The RTP describes challenges in the region in the areas of congestion, air quality, and provision of alternative transportation modes. It identifies projects to address those challenges and offers analytics on how those challenges are affected by various transportation investments. This draws on a decision-making process during the public outreach period to evaluate various transportation investment packages and focus on a preferred RTP alternative. A financial element identifies all available state, local, and federal revenue sources. Additional details regarding the ICLTC’s regional planning activities are provided in Chapter 5.



Claimant Relationships and Oversight

The Inyo County Board of Supervisors does not currently have a productivity committee. However, it conducts regular monitoring of transit operator performance through the claims process and regular ICLTC Board meetings. In general, operator efforts to implement suggestions and recommendations are reasonable and effective.

The ICLTC makes technical and managerial assistance available to operators, and is in regular communication with claimants. Technical support is provided upon request.

Marketing and Transportation Alternatives

The ICLTC does not provide marketing on behalf of any of the transit operators. It does advertise and promote the links to the operators' information on its website. The ICLTC fields calls from the public due to their placement in the public works department.

Grant Applications and Management

The ICLTC may review and coordinate grant applications by operators, but the Eastern Sierra Transit Authority (ESTA) typically pursues and prepares most available operator grants. ICLTC will assist with grant reporting. The ICLTC's transportation planner recently assisted on PTMISEA grants and participated in scoring 5311 applications. Given TDA also funds bicycle and pedestrian projects, the ICLTC has been actively tracking Active Transportation Plan (ATP) grants. The ICLTC received an ATP grant several years ago (ADA sidewalk improvements) and the transportation planner is working on better understanding the scoring process to make them more competitive in the future. Since the ICLTC is not submitting a project this year, the transportation planner will serve as a judge for submitted projects. The ICLTC also pursues highway grants, and recent engaged a federal lobbyist that can assist with potential federal appropriations.



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Chapter 7 | Findings and Recommendations

Conclusions

With five exceptions, Moore & Associates, Inc. finds the Inyo County Local Transportation Commission, functioning as the RTPA, to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner. The compliance finding and the recommendation for its resolution, as well as modest recommendations intended to improve the effectiveness of the organization as the RTPA, are detailed below.

Findings and Recommendations

Based on the current review, the auditors submit the following TDA compliance findings:

1. The ESAAA did not provide TDA fiscal audits for FY 2019/20 and FY 2020/21, and the audit provided for FY 2018/19 only included TDA revenues.
2. The ICLTC did not provide its State Controller Report for FY 2020/21, and did not confirm on-time submittal of its FY 2018/19 report.
3. The prior triennial performance audit was submitted in September 2020, more than one year after the deadline of June 30, 2019.
4. The ICLTC could not confirm submittal of its prior TDA triennial performance audit to Caltrans.
5. The ICLTC does not appear to have any adopted evaluation criteria for Article 4.5 claims.

The audit team has identified one functional finding. While this finding is not a compliance finding, the auditors believe it is significant enough to be addressed within this review:

1. The ICLTC does not appear to calculate one of the STA efficiency tests correctly.
2. TDA claims are granted despite missing, out-of-date, or preliminary information, and do not effectively assess productivity.

In completing this Triennial Performance Audit, the auditors submit the following recommendations for the ICLTC's program. They are divided into two categories: TDA Program Compliance Recommendations and Functional Recommendations. TDA Program Compliance Recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the audit that are not specific to TDA compliance. Each finding is presented with the elements identified within the 2011 *Government Auditing Standards* as well as one or more recommendations.

Compliance Finding 1: The ESAAA did not provide TDA fiscal audits for FY 2019/20 and FY 2020/21, and the audit provided for FY 2018/19 only included TDA revenues.

Criteria: PUC 99276 requires recipients of Article 4.5 funds to submit an annual certified fiscal audit pursuant to PUC 99245. PUC 99245 states that the audit must be submitted within 180 days following the end of the fiscal year, and may be extended another 90 days by the RTPA. The audit report must



include a certification that the TDA funds allocated to the claimant were expended in conformance with the TDA. The report should also include audited amounts for the prior fiscal year. Under CCR 6663, this is also a compliance issue for the RTPA.

Condition: The ESAAA's TDA fiscal audit has historically been limited to its receipt and expenditure of TDA funds. Only one TDA fiscal audit was provided in support of this audit, and that audit was completed well outside the timeframe established for the completion of TDA fiscal audits.

Cause: The ESAAA's primary challenge issue is that it already undergoes other audits through the County and the California Department of Aging. In addition, the Transportation program is only a small portion of the ESAAA's mission, and the time and effort involved for an additional audit specific to the TDA is out of proportion with the percentage of the program funded through TDA.

Effect: The ESAAA is out of compliance with the annual fiscal audit requirement of PUC 99276.

Recommendation: The ICLTC must ensure ESAAA completes an annual fiscal audit of its TDA funding, and withhold TDA funding as necessary if the audit is not completed on time.

Recommended Action: It is essential the ESAAA complete an annual TDA fiscal audit that meets the requirements of the TDA legislation in order to continue to be in compliance with the TDA and eligible to receive funds.

PUC 99245.2 notes that an entity that receives other funding that requires a fiscal audit may expand the scope of its TDA audit to include those funds. Conversely, the entity could also expand the existing audit to include the TDA audit, provided all the requirements of the TDA audit can be incorporated into the existing audit. The ESAAA currently undergoes two separate audits: as part of the County's single-year fiscal audit, and every three years under the California Department of Aging (CDA). The CDA audit is not a good candidate for this, as it does not meet the requirement for an annual audit. However, it may be possible for the ESAAA to work with the County auditor to include a separate TDA audit of the ESAAA's Transportation program as part of the County's annual single audit. If this is not possible, the ESAAA will be required to prepare a separate annual TDA fiscal audit.

The TDA fiscal audit should reflect the full costs of the Transportation program, not simply that all TDA funds were expended on transportation activities. Including the full revenues and expenses for the program shows what percentage of expenses were covered by TDA funds. The audit should also determine whether or not the ESAAA is in compliance with performance or productivity measures (or other alternative metrics) established for it by the ICLTC and include audit tasks as specified in CCR 6667.

Timeline: Beginning with FY 2022/23 (preparation of audit report for FY 2021/22).

Anticipated Cost: Dependent upon actions taken.



Compliance Finding 2: The ICLTC did not provide its State Controller Report for FY 2020/21, and did not confirm on-time submittal of its FY 2018/19 report.

Criteria: PUC 99243 requires RTPAs submit their Financial Transaction Reports to the State Controller within seven months of the end of the fiscal year. Reports are typically due by January 31, though this deadline may be extended to February 1 or 2 if January 31 falls on a weekend.

Condition: For FY 2018/19, ICLTC did not provide the cover page for its report, and on-time submittal could not be verified. Neither the report or cover page were provided for FY 2020/21.

Cause: Late submittal of State Controller Transit Operator Financial Transaction Reports is usually attributable to delays in receiving audited financial data and/or lack of clear responsibility for preparing and submitting the report.

Effect: In such cases, the report is submitted late.

Recommendation: Clearly identify both the individual responsible for submitting the State Controller Report as well as the deadline for doing so.

Recommended Action: The deadline for submittal of the State Controller Report (January 31) should be clearly noted on the RTPA's calendar, and responsibility for its completion should be clearly assigned. If access to audited data is contributing to the late submittal, ICLTC should work with its auditor to ensure data is available in advance of the deadline. In addition, ICLTC staff should ensure the complete report (including the cover page, whether signed or not) is stored in an appropriate location that can be easily accessed during the next Triennial Performance Audit.

Timeline: FY 2022/23 (for FY 2021/22 reporting).

Anticipated Cost: Negligible.

Compliance Finding 3: The prior triennial performance audit was submitted in September 2020, more than one year after the deadline of June 30, 2019.

Criteria: PUC 99246 requires the RTPA to designate an entity other than itself to conduct a performance audit of the activities of it and the operators to which it allocates TDA funds on a triennial basis. Per PUC 99248, no operator is eligible to receive an allocation of LTF funds until the reports have been completed. CCR 6662.5 stipulates that the performance audits must be submitted by July 1 of the year following the end of the fiscal year.

Condition: For the prior audit cycle, all three Triennial Performance Audits were dated September 2020. This was more than a year after the deadline of July 1, 2019 for the ICLTC and ESAAA audits (which covered FY 2015/16 through FY 2017/18), and two months after the July 1, 2020 deadline for the ESTA audit (which covered FY 2016/17 through FY 2018/19). During this time, the ICLTC continued to provide TDA funding to the ESAAA, despite the Triennial Performance Audit not being submitted.



Cause: It appears all audits three audits were submitted upon completion of the ESTA audit, which covers a different three-year period than the other two.

Effect: This can impact TDA funding for operators whose audits are submitted late.

Recommendation: Ensure future Triennial Performance Audits are completed prior to the established deadline.

Recommended Action: Because all three audits are not on the same schedule, it is important the ICLTC ensure the audits are completed and submitted according to their individual timeframes. Upon completion of the ICLTC and ESAAA audits prior to June 30, 2022, the ICLTC would certify the operator audit and submit its audit to Caltrans. In 2023, the ICLTC will certify the on-time completion of the ESTA audit to Caltrans.

Timeline: Ongoing.

Anticipated Cost: Negligible.

Compliance Finding 4: The ICLTC could not confirm submittal of its prior TDA triennial performance audit to Caltrans.

Criteria: PUC 99246 requires each RTPA to submit its completed performance audit to Caltrans and certify in writing it has completed the audits of any operator to which it allocates TDA funding.

Condition: The ICLTC could not provide documentation of this submittal from its prior triennial performance audit.

Cause: Since most such submittals occur via email, it is common to keep the sent message in an individual's email account. This can cause the message/documentation to get lost if emails are archived or deleted or if the original sender is no longer with the entity three years later when it is needed for the next audit.

Effect: Failure to maintain this documentation could result in the RTPA being out of compliance with the TDA.

Recommendation: Ensure documentation of the submittal of the RTPA's triennial performance audit and certification of the operator's triennial performance audit is maintained and can be provided during the next triennial performance audit.

Recommended Action: While this information can be submitted via an email only, we recommend creating a submittal letter that can be sent via email along with the electronic version of the RTPA audit. The sent email should be saved (with attachments) on a network drive that can be readily accessed in preparation for the next triennial performance audit. Avoid saving the email in the sender's email account and nowhere else.



Timeline: Upon completion of the current Triennial Performance Audit.

Anticipated Cost: None.

Compliance Finding 5: The ICLTC does not appear to have any adopted evaluation criteria for Article 4.5 claims.

Criteria: PUC 99275.5 requires the RTPA to adopt criteria, rules, and regulations for the evaluation of claims filed under Article 4.5. In addition, it must determine the cost effectiveness of the transit service provided by adopting appropriate performance criteria for operators receiving Article 4.5 funding.

Condition: At present, the ICLTC does not have clearly defined criteria, rules, and regulations for the evaluation of Article 4.5 claims. There are no defined performance criteria for services provided under ESAAA.

Cause: Given there are only two operator claimants, having a more formal claims process has not been necessary. While farebox recovery ratio is not an effective performance metric for the ESAAA, the ICLTC has not developed alternative performance criteria.

Effect: The ICLTC has not developed more formal Article 4.5 criteria or regulations. Failure to establish alternative performance criteria has resulted in the ESAAA being out of compliance with the TDA, as compliance against an adopted metric cannot be assessed.

Recommendation: The ICLTC should adopt criteria for the evaluation of claims under Article 4.5.

Recommended Action: The ICLTC should adopt criteria for the evaluation of claims under Article 4.5 that are in compliance with PUC 99275.5. Doing so will ensure the current process for awarding CTSA funding is in compliance with the RTPA's own guidance.

Timeline: FY 2022/23.

Anticipated Cost: Modest.

Recommendation: The ICLTC must develop and adopt appropriate performance criteria for the ESAAA, to be evaluated as part of the TDA claims process.

Recommended Action: Work with the ESAAA to determine one or more appropriate performance criteria. These could include the percentage of Transportation funding provided through TDA funds, a percentage increase in the number of trip/bus passes provided, or other such metric. The criteria will need to be adopted by the RTPA by resolution and reviewed annually as part of the ESAAA's TDA claim. Thresholds should be established in such a manner to offer a meaningful measure of productivity but not to the point they cannot be reasonably met, as compliance with the criteria is a required element of the TDA claim evaluation.



Timeline: FY 2022/23.

Anticipated Cost: Negligible.

Functional Finding 1: ICLTC does not appear to calculate one of the STA efficiency tests correctly.

Criteria: PUC 99314.6 requires transit operators to meet one of two efficiency criteria in order to use STA funding for operational expenses. The measure of efficiency is based on change in cost per vehicle service hour (VSH). If an operator does not meet either test of efficiency, then the amount of STA funding available for operating expenses is reduced by the lowest percentage it exceeded the amount necessary to meet the standard.

Condition: The first test compares cost per VSH adjusted by CPI for the two most recent audited years. This test appears to be calculated correctly, and the ICLTC correctly restricts the percentage of STA funds that can be used for operating purposes by which the operator does not pass the test. The second test compares the average cost/VSH for two consecutive three-year periods, adjusted by the change in CPI between the averages for each of those three-year periods. This is the metric that appears to be calculated incorrectly.

Because the one test is being conducted correctly as part of the ESTA claim and the appropriate amount of STA funding is being restricted for capital purposes, this is presented as a functional finding rather than as a compliance finding.

Cause: It is unclear why the ICLTC is not using the correct calculation for the second STA efficiency test.

Effect: This may result in the operator having STA funds restricted for capital purposes that do not need to be restricted.

Recommendation: Update the calculation methodology for the second (average) STA efficiency test and use the smallest percentage if funds must be restricted for capital purposes.

Recommended Action: Update the calculation methodology for the second (average) STA efficiency test to reflect the appropriate time period. The ICLTC may wish to provide a spreadsheet for ESTA to use so that eligibility for use of STA for operating purposes is clearly demonstrated, and the percentages clearly identified if funds must be restricted for capital.

Timeline: FY 2022/23.

Anticipated Cost: Negligible.



Functional Finding 2: TDA claims are granted despite missing, out-of-date, or preliminary information, and do not effectively assess productivity.

Criteria: Under the TDA, each RTPA has the responsibility of developing an effective claims process for the funds it allocates. In addition, it is the responsibility of the RTPA to ensure claims are only paid to eligible claimants (those in compliance with the TDA). It is the responsibility of the RTPA to annually identify, analyze, and recommend potential productivity improvements (PUC 99244). While this may be done via a productivity committee, such as committee is not required.

Condition: The ESAAA claims submitted during the audit period were missing some information and included preliminary budget data that was not updated once a budget was approved. Both operators submitted claims for FY 2020/21 with recommendations to the audit for FY 2013 – FY 2015 and FY 2014 – FY 2016 as the triennial performance audits for the most recent triennium were not completed until September. In addition, it does not appear the ICLTC reviewed the responses regarding implementation of audit recommendations (the primary test of productivity) given the ESAAA indicated it had implemented a number of strategies that it has not yet achieved.

Cause: A historically informal claims process is the most likely cause.

Effect: Failure to effectively determine eligibility for TDA fundings can result in payments being made to ineligible claimants, and that money would then need to be returned.

Recommendation: Reevaluate the ICLTC’s claims process and forms, including how the provided data is reviewed and eligibility for funding is determined.

Recommended Action: The ICLTC should review its TDA claim forms and processes, and update them as necessary to ensure they provide all information needed for the RTPA to make a clear determination of compliance with the TDA. This may require adding or updating forms, adjusting the productivity review process, and/or working with the operators to ensure the forms are completed fully. ICLTC staff should also ensure prior audit recommendations are from the most current triennial performance audit for which recommendations are available and that responses either indicate completion (which can be carried over from year to year) or progress toward implementation. ICLTC should note which recommendations have been implemented and follow up to confirm this status. In addition, either the claim forms or the annual fiscal audit should also document compliance with required performance criteria, whether farebox recovery ratio (ESTA) or something else (ESAAA).

Timeline: FY 2022/23.

Anticipated Cost: Modest.



Exhibit 7.1 Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	The ICLTC must ensure the ESAAA completes an annual fiscal audit of its TDA funding, and withhold TDA funding as necessary if the audit is not completed on time.	High	Ongoing
2	Clearly identify both the individual responsible for submitting the State Controller Report as well as the deadline for doing so.	Medium	FY 2022/23
3	Ensure future Triennial Performance Audits are completed prior to the established deadline.	Medium	Ongoing
4	Ensure documentation of the submittal of the RTPA's triennial performance audit and certification of the operator's triennial performance audit is maintained and can be provided during the next triennial performance audit.	Medium	FY 2021/22
5	The ICLTC should adopt criteria for the evaluation of claims under Article 4.5.	High	FY 2022/23
Functional Recommendations		Importance	Timeline
1	Update the calculation methodology for the second (average) STA efficiency test and use the smallest percentage if funds must be restricted for capital purposes.	Medium	FY 2022/23
2	Reevaluate the ICLTC's claims process and forms, including how the provided data is reviewed and eligibility for funding is determined.	Medium	FY 2022/23



Inyo County Local Transportation Commission

Triennial Performance Audit of the Eastern Sierra Area Agency on Aging FY 2018/19 - FY 2020/21

DRAFT REPORT
JUNE 2022





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Chapter 1 | Executive Summary

In 2022, the Inyo County Local Transportation Commission (ICLTC) selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the two transit operators to which it allocates TDA funding.

The California Public Utilities Code requires all recipients of Transit Development Act (TDA) Article 4 funding to undergo an independent performance audit on a three-year cycle in order to maintain funding eligibility. Audits of Article 8 recipients are encouraged.

The Triennial Performance Audit is designed to be an independent and objective evaluation of Eastern Sierra Area Agency on Aging (ESAAA) as a public transit operator, providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three fiscal years. In addition to assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized, the Triennial Performance Audit fulfills the requirement of PUC Section 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each operator to whom it allocates funds.

This chapter summarizes key findings and recommendations developed during the Triennial Performance Audit (TPA) of the ESAAA's public transit program for the period:

- Fiscal Year 2018/19,
- Fiscal Year 2019/20, and
- Fiscal Year 2020/21.

The ESAAA operates specialized transportation services within Inyo and Mono counties. Transportation services include the provision of bus passes for the Eastern Sierra Transit Authority (ESTA) to seniors to provide access to community resources. In addition, some residents receive assisted transportation services. Eligibility is determined as those who are in need of assistance with transportation as a result of physical or cognitive difficulties. Assisted transportation is primarily used to access out-of-area medical care; however, assistance with accessing local medical and other support services is also available.

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require the audit team plans and performs the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. Moore & Associates, Inc. believes the evidence obtained provides a reasonable basis for its findings and conclusions.

This audit was also conducted in accordance with the processes established by the California Department of Transportation (Caltrans), as outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*.



The Triennial Performance Audit includes five elements:

- Compliance requirements,
- Prior recommendations,
- Analysis of program data reporting,
- Performance Audit, and
- Functional review.

Test of Compliance

Based on discussions with ESAAA staff, analysis of program performance, and an audit of program compliance and function, the audit team presents four compliance findings:

1. ESAAA does not prepare an annual TDA fiscal audit that meets TDA requirements.
2. ESAAA does not have any current productivity or performance measures against which annual performance can be measured.
3. ESAAA has not submitted annual State Controller Reports within the established deadline.
4. ESAAA does not use the TDA definition of several performance measures, which are required for reporting to the State Controller.

Status of Prior Recommendations

The prior audit – completed in September 2020 by Michael Baker International for the three fiscal years ending June 30, 2018 – included five recommendations:

1. [Allocate motor pool costs based on vehicle mileage.](#)
Status: Not implemented.
2. [Subdivide bus pass counts in the Non-Registered Services Report.](#)
Status: Implemented.
3. [Submit updated TDA claim budgets to the ICLTC following approval of the budget by Inyo County Board of Supervisors.](#)
Status: Not implemented.
4. [Work with the TDA fiscal auditor to report full operating costs.](#)
Status: Not implemented.
5. [Work with the ICLTC to update performance standard for TDA claims.](#)
Status: Not implemented.

Findings and Recommendations

Based on discussions with Eastern Sierra Area Agency on Aging staff, analysis of program performance, and a review of program compliance and function, the audit team submits the aforementioned compliance findings for ESAAA.



The audit team has identified one functional finding. While this finding is not a compliance finding, the audit team believes it warrants inclusion in this report:

1. While TDA claims are submitted according to the rules and regulations established by the Inyo County Local Transportation Commission (ICLTC), the information included is not always current.

In completing this Triennial Performance Audit, we submit the following recommendations for the ESAAA’s public transit program. They have been divided into two categories: TDA Program compliance recommendations and functional recommendations. TDA program compliance recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the triennial audit that are not specific to TDA compliance.

Exhibit 1.1 Summary of Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	The ESAAA must complete an annual fiscal audit of its TDA funding in compliance with PUC 99245 and PUC 99276.	High	FY 2022/23
2	Work with the ICLTC to develop and adopt appropriate performance criteria for the ESAAA.	High	FY 2022/23
3	Begin utilizing TDA definitions of performance measures for internal reporting as well as external reporting to the State Controller.	High	FY 2022/23
4	Clearly identify both the individual responsible for submitting the State Controller Report as well as the deadline for doing so.	Medium	FY 2022/23
Functional Recommendations		Importance	Timeline
1	The ESAAA should ensure the TDA claim forms it submits are accurate, fully complete, and in compliance with ICLTC’s guidance and procedures.	Medium	Ongoing



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Chapter 2 | Audit Scope and Methodology

The Triennial Performance Audit (TPA) of the Eastern Sierra Area Agency on Aging’s public transit program covers the three-year period ending June 30, 2021. The California Public Utilities Code requires all recipients of Transit Development Act (TDA) funding to complete an independent review on a three-year cycle in order to maintain funding eligibility.

In 2022, the Inyo County Local Transportation Commission selected Moore & Associates, Inc., to prepare Triennial Performance Audits of itself as the RTPA and the two transit operators to which it allocates TDA funding. Moore & Associates, Inc. is a consulting firm specializing in public transportation, including audits of non-TDA Article 4 recipients. Selection of Moore & Associates, Inc. followed a competitive procurement process.

The Triennial Performance Audit is designed to be an independent and objective evaluation of the ESAAA as a public transit operator. Direct benefits of a Triennial Performance Audit include providing operator management with information on the economy, efficiency, and effectiveness of its programs across the prior three years; helpful insight for use in future planning; and assuring legislative and governing bodies (as well as the public) that resources are being economically and efficiently utilized. Finally, the Triennial Performance Audit fulfills the requirement of PUC Section 99246(a) that the RTPA designate an entity other than itself to conduct a performance audit of the activities of each operator to whom it allocates funds.

This performance audit was conducted in accordance with generally accepted government auditing standards. Those standards require that the audit team plans and performs the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for its findings and conclusions based on the audit objectives. The auditors believe the evidence obtained provides a reasonable basis for our findings and conclusions.

The audit was also conducted in accordance with the processes established by the California Department of Transportation (Caltrans), as outlined in the *Performance Audit Guidebook for Transit Operators and Regional Transportation Planning Entities*, as well as *Government Audit Standards* published by the U.S. Comptroller General.

Objectives

A Triennial Performance Audit (TPA) has four primary objectives:

1. Assess compliance with TDA regulations;
2. Review improvements subsequently implemented as well as progress toward adopted goals;
3. Evaluate the efficiency and effectiveness of the transit operator; and
4. Provide sound, constructive recommendations for improving the efficiency and functionality of the transit operator.



Scope

The TPA is a systematic review of performance evaluating the efficiency, economy, and effectiveness of the transit operator. The audit of the ESAAA included five tasks:

1. A review of compliance with TDA requirements and regulations.
2. A review of the status of recommendations included in the prior Triennial Performance Audit.
3. A verification of the methodology for calculating performance indicators including the following activities:
 - Assessment of internal controls,
 - Test of data collection methods,
 - Calculation of performance indicators, and
 - Evaluation of performance.
4. Comparison of data reporting practices:
 - Fiscal audits,
 - Internal reports,
 - State Controller Reports, and
5. Examination of the following functions:
 - General management and organization;
 - Service planning;
 - Scheduling, dispatching, and operations;
 - Personnel management and training;
 - Administration;
 - Marketing and public information; and
 - Fleet maintenance.
6. Conclusions and recommendations to address opportunities for improvement based upon analysis of the information collected and the audit of the transit operator's major functions.

Methodology

The methodology for the Triennial Performance Audit of the Eastern Sierra Area Agency on Aging included thorough review of documents relevant to the scope of the audit, as well as information contained on ESAAA's website. The documents reviewed included the following (spanning the full three-year period):

- Monthly performance reports;
- State Controller Reports;
- Annual budgets;
- TDA fiscal audits;
- TDA claims;
- Fleet inventory;
- Preventive maintenance schedules and forms; and
- Organizational chart.



Given impacts of the ongoing COVID-19 pandemic, the methodology for this audit included a virtual site visit with ESAAA representatives on April 25, 2022. The audit team met with Melissa Best-Baker (Senior Management Analyst), Morningstar Wagoner (Program Manager), Jean Turner (Retired Director of Inyo County Health and Human Services), and Darcia Blackdeer-Lent (Deputy Director of Aging and Social Services), and reviewed materials germane to the triennial audit.

This report is comprised of eight chapters divided into three sections:

1. Executive Summary: A summary of the key findings and recommendations developed during the Triennial Performance Audit process.
2. TPA Scope and Methodology: Methodology of the review and pertinent background information.
3. TPA Results: In-depth discussion of findings surrounding each of the subsequent elements of the audit:
 - Compliance with statutory and regulatory requirements,
 - Status of prior recommendations,
 - Consistency among reported data,
 - Performance measures and trends,
 - Functional audit, and
 - Findings and recommendations.



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Chapter 3 | Program Compliance

This section examines the Eastern Sierra Area Agency on Aging’s compliance with the Transportation Development Act as well as relevant sections of the California Code of Regulations. An annual certified fiscal audit confirms TDA funds were apportioned in conformance with applicable laws, rules, and regulations. The TPA findings and related comments are delineated in Exhibit 3.1.

Status of compliance items was determined through discussions with ESAAA staff as well as an inspection of relevant documents including fiscal audits, State Controller annual filings, year-end performance reports, and other compliance-related documentation.

Four compliance issues were identified for the ESAAA:

1. The ESAAA does not prepare an annual TDA fiscal audit that meets TDA requirements.
2. The ESAAA does not have any current productivity or performance measures against which annual performance can be measured.
3. The ESAAA has not submitted annual State Controller Reports within the established deadline.
4. The ESAAA does not use the TDA definition of several performance measures, which are required for reporting to the State Controller.

Developments Occurring During the Audit Period

The last half of the audit period is markedly different from the first half. The impacts of the COVID-19 pandemic resulted in significant declines in ridership and revenue. In many instances, transit operators strove to retain operations staff despite adopting a reduced schedule, resulting in significant changes to many cost-related performance metrics. While infusions of funding through the CARES Act mitigated some of the lost revenues for federally funded programs, most transit operators have yet to return to pre-pandemic ridership and fare levels. As a result, the Triennial Performance Audits will provide an assessment not only of how COVID-19 impacted each organization, but how they responded to the crisis.

In addition to the COVID-19 pandemic, recent and proposed changes to the TDA may result in audit reports that look somewhat different than in prior years. In the nearly 50 years since introduction of the Transportation Development Act, there have been many changes to public transportation in California. Many operators have faced significant challenges in meeting the farebox recovery ratio requirement, calling into question whether it remains the best measure for TDA compliance. In 2018, the chairs of California’s state legislative transportation committees requested the California Transit Association spearhead a policy task force to examine the TDA, which resulted in a draft framework for TDA reform released in early 2020. The draft framework maintains the farebox recovery ratio requirement, but eliminates financial penalties and allows more flexibility with respect to individual operator targets. These changes have yet to be implemented.

Assembly Bill 90, signed into law on June 29, 2020, provided temporary regulatory relief for transit operators required to conform with Transportation Development Act (TDA) farebox recovery ratio thresholds in FY 2019/20 and FY 2020/21. While the ability to maintain state mandates and performance measures is important, AB 90 offered much-needed relief from these requirements for these years impacted by the COVID-19 pandemic while TDA reform continues to be discussed.



AB 90 included the following provisions specific to transit operator funding through the TDA:

1. It prohibited the imposition of the TDA revenue penalty on an operator that did not maintain the required ratio of fare revenues to operating cost during FY 2019/20 or FY 2020/21.
2. It required the Controller to calculate and publish the allocation of transit operator revenue-based funds made pursuant to the State Transit Assistance (STA) Program for FY 2020/21 and FY 2021/22 based on the same individual operator ratios published by the Controller in a specified transmittal memo, and authorized the Controller to revise that transmittal memo, as specified. It required the Controller to use specified data to calculate those individual operator ratios. Upon allocation of the transit operator revenue-based funds to local transportation agencies pursuant to this provision, the Controller would publish the amount of funding allocated to each operator.
3. It exempted an operator from having to meet either of the STA efficiency standards for FY 2020/21 and FY 2021/22 and authorized the operator to use those funds for operating or capital purposes during that period.
4. It required the Controller to allocate State of Good Repair (SOGR) program funding for FY 2020/21 and FY 2021/22 to recipient transit agencies pursuant to the individual operator ratios published in the above-described transmittal memo.
5. It required the Controller to allocate Low Carbon Transit Operations Program (LCTOP) funding for FY 2020/21 and FY 2021/22 to recipient transit agencies pursuant to the individual operator ratios published in the above-described transmittal memo.

Assembly Bill 149, signed into law on July 16, 2021, provided additional regulatory relief with respect to Transportation Development Act (TDA) compliance. It extended the provisions of AB 90 through FY 2022/23 as well as provided additional regulatory relief including:

1. Waiving the annual productivity improvement requirement of Section 99244 through FY 2022/23.
2. Adding a temporary provision exempting operators from farebox recovery ratio requirements provided they expend at least the same amount of local funds as in FY 2018/19.
3. Expanding the definition of “local funds” to enable the use of federal funding, such as the CARES Act or CRRSAA, to supplement fare revenues and allows operators to calculate free and reduced fares at their actual value.
4. Adjusting the definition of operating cost to exclude the cost of ADA paratransit services, demand-response and micro-transit services designed to extend access to service, ticketing/payment systems, security, some pension costs, and some planning costs.
5. Allowing operators to use STA funds as needed to keep transit service levels from being reduced or eliminated through FY 2022/23.

AB 149 also called for an examination of the triennial performance audit process, to ensure the practice continues to be effective and beneficial.



Exhibit 3.1 Transit Development Act Compliance Requirements

Compliance Element	Reference	Compliance	Comments
State Controller Reports submitted on time.	PUC 99243	Finding	FY 2018/19: February 6, 2020 FY 2019/20: March 2, 2021 FY 2020/21: <i>Not provided</i>
Fiscal and compliance audits submitted within 180 days following the end of the fiscal year (or with up to 90-day extension).	PUC 99245	Finding	A TDA fiscal audit for FY 2018/19 was completed on August 20, 2020. TDA fiscal audits for the other years have not been completed.
Operator’s terminal rated as satisfactory by CHP within the 13 months prior to each TDA claim.	PUC 99251 B	Not applicable	
Operator’s claim for TDA funds submitted in compliance with rules and regulations adopted by the RTPA.	PUC 99261	In compliance	
If operator serves urbanized and non-urbanized areas, it has maintained a ratio of fare revenues to operating costs at least equal to the ratio determined by the rules and regulations adopted by the RTPA.	PUC 99270.1	Not applicable	
Except as otherwise provided, the allocation for any purpose specified under Article 8 may in no year exceed 50% of the amount required to meet the total planning expenditures for that purpose.	PUC 99405	Not applicable	
An operator receiving allocations under Article 4.5 may be subject to regional, countywide, or subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA.	PUC 99275.5	Finding	No performance criteria or other requirements have been established for ESAAA.
The operator’s operating budget has not increased by more than 15% over the preceding year, nor is there a substantial increase or decrease in the scope of operations or capital budget provisions for major new fixed facilities unless the operator has reasonably supported and substantiated the change(s).	PUC 99266	Not applicable	ESAAA does not receive Article 4 funding.
The operator’s definitions of performance measures are consistent with the Public Utilities Code Section 99247.	PUC 99247	Finding	ESAAA does not use or report performance measures using TDA definitions.
If the operator serves an urbanized area, it has maintained a ratio of fare revenues to operating cost at least equal to one-fifth (20 percent).	PUC 99268.2, 99268.4, 99268.1	Not applicable	



Compliance Element	Reference	Compliance	Comments
If the operator serves a rural area, it has maintained a ratio of fare revenues to operating cost at least equal to one-tenth (10 percent).	PUC 99268.2, 99268.4, 99268.5	Not applicable	
For a claimant that provides only services to elderly and handicapped persons, the ratio of fare revenues to operating cost shall be at least 10 percent.	PUC 99268.5, CCR 6633.5	Not applicable	
The current cost of the operator's retirement system is fully funded with respect to the officers and employees of its public transportation system, or the operator is implementing a plan approved by the RTPA, which will fully fund the retirement system for 40 years.	PUC 99271	Not applicable	ESAAA does not receive Article 4 funding.
If the operator receives State Transit Assistance funds, the operator makes full use of funds available to it under the Urban Mass Transportation Act of 1964 before TDA claims are granted.	CCR 6754 (a) (3)	Not applicable	ESAAA does not receive STA funds.
In order to use State Transit Assistance funds for operating assistance, the operator's total operating cost per revenue hour does not exceed the sum of the preceding year's total plus an amount equal to the product of the percentage change in the CPI for the same period multiplied by the preceding year's total operating cost per revenue hour. An operator may qualify based on the preceding year's operating cost per revenue hour or the average of the three prior years. If an operator does not meet these qualifying tests, the operator may only use STA funds for operating purposes according to a sliding scale.	PUC 99314.6	Not applicable	ESAAA does not receive STA funds.
A transit claimant is precluded from receiving monies from the Local Transportation Fund and the State Transit Assistance Fund in an amount which exceeds the claimant's capital and operating costs less the actual amount of fares received, the amount of local support required to meet the fare ratio, the amount of federal operating assistance, and the amount received during the year from a city or county to which the operator has provided services beyond its boundaries.	CCR 6634	In compliance	



Chapter 4 | Prior Recommendations

This section reviews and evaluates the implementation of prior Triennial Performance Audit recommendations. This objective assessment provides assurance the Eastern Sierra Area Agency on Aging has made quantifiable progress toward improving both the efficiency and effectiveness of its public transit program.

The prior audit – completed in September 2020 by Michael Baker International for the three fiscal years ending June 30, 2018 – included five recommendations:

1. [Allocate motor pool costs based on vehicle mileage.](#)

Discussion: Motor pool expenses for the ESAAA are allocated among two primary programs, the assisted transportation program and meals delivery. The closeout worksheets show the cost for these expenses, which represent vehicle maintenance-related costs allocated on a percentage basis between the two programs. As the vehicles are shared between the programs, a percentage basis has been used. Industry practice in allocating cost by vehicle and by program is typically based on miles driven. With revisions made to the driver trip sheet to record starting and ending odometer readings, mileage information is available for the assisted transportation program relative to the total mileage for the fleet. The prior auditor noted mileage can be used to provide a more accurate factor in determining motor pool cost to the transportation program in the closeout budget worksheets.

Progress: While beginning and ending odometer readings are logged for County vehicles, they are only attributed to the ESAAA and not to a particular program (transportation or meal delivery). In addition, this data does not appear to be aggregated except by vehicle on a monthly basis, and the mileage translated to an invoiced motor pool cost. In addition, the mileage does not differentiate between total miles and revenue miles for transportation services. The ESAAA was unable to provide vehicle service miles for its transportation programs for this audit period.

Status: Not implemented.

2. [Subdivide bus pass counts in the Non-Registered Services Report.](#)

Discussion: The non-registered services report is labeled as including both the number of bus punch pass tickets issued and IC-GOLD trips. The single column with the total trips combines both types. These types of trips are distinct, with bus passes being funded in part by the TDA. For analysis purposes, the ESAAA should separate or subdivide the bus passes from IC-GOLD in the report. This can be accomplished by creating separate columns for each program, or creating one additional column separate from the total for bus passes.

Progress: Documents provided for the current audit period did not include any bus passes provided under the IC-GOLD program.



Status: Implemented.

3. [Submit updated TDA claim budgets to the Inyo County Local Transportation Commission \(ICLTC\) following approval of the budget by Inyo County Board of Supervisors.](#)

Discussion: This recommendation was carried forward from the prior audit as having been partially implemented. During the last audit period, the annual initial TDA claims submitted by the ESAAA to the ICLTC included the same estimated budget for two of the three audit years. The budget was revised in the third year. The TDA claim budget page states that the numbers may change upon approval by the Inyo County Board of Supervisors, and a finalized budget will be submitted to the ICLTC. However, the ICLTC has not received finalized budgets from ESAAA. The prior auditor recommended the ESAAA submit finalized budgets to ICLTC annually following approval of the budget by the County board so that the ICLTC is aware of the budget changes in the transportation program from year to year.

Progress: The ESAAA continues to submit TDA claims with budgets carried over from prior years.

Status: Not implemented.

4. [Work with the TDA fiscal auditor to report full operating costs.](#)

Discussion: This recommendation was carried forward from the prior audit as having not been implemented. The annual TDA fiscal audit showed the TDA funds received, and the expenditure of only those funds. No other revenue or expenditure for the transportation program was included. TDA fiscal audits for transit programs typically showed full operating budgets for the transit service, which were not reflected in the ESAAA fiscal audit at that time. The California Code of Regulations Section 6664 speaks to the inclusion of the financial statements of the claimants in the audit. The prior auditor recommended the next TDA fiscal audit for ESAAA should include the full operating financial statements of the transportation program. Starting the last few years, the ESAAA, as a claimant of TDA Article 4.5 funds, has prepared the annual Transit Operators Financial Transactions report to the State Controller, which reports all transportation revenues and expenditures. This report by statute was to be based on audited financial data which should come from the TDA fiscal audit.

Progress: One TDA fiscal audit was provided during preparation for this audit, and it continued to include only the expenditure of TDA funds.

Status: Not implemented.

5. [Work with the ICLTC to update performance standard for TDA claims.](#)

Discussion: This recommendation was carried forward from the prior audit as having not been implemented. Claims made under TDA Article 4.5 include provisions that the ESAAA meet a performance standard adopted by the ICLTC. The most typical performance standard is farebox recovery; however, as the ESAAA does not charge a fare for its transportation service, this



performance measure is not as applicable. Donations that count toward transportation can be included in the farebox ratio which are estimated in the ESAAA budget. However, according to the budgets in the recent TDA claims, the level of donations is not high enough to meet the farebox threshold. In lieu of farebox recovery, other performance standards that are used under Article 4.5 include funding match requirements where contributions from sources other than the TDA match a certain threshold of operations cost or TDA funding. For example, the standard could be a minimum of a dollar-for-dollar match of TDA funds with another funding source. Based on budget data in the claim, the TDA provides funding for about 40 percent of the service, while other sources provide the remaining revenue. Other standards could be based on operational performance such as meeting a minimum number of annual service hours or riders based on the previous year's data or a rolling three-year average. The ESAAA should work with the ICLTC to comply with a performance standard applicable to the transportation program, whether farebox recovery or other appropriate indicator.

Progress: The ICLTC has yet to establish performance criteria for the ESAAA's public transit program.

Status: Not implemented.



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Chapter 5 | Data Reporting Analysis

An important aspect of the Triennial Performance Audit process is assessing how effectively and consistently the transit operator reports performance statistics to local, state, and federal agencies. Often as a condition of receipt of funding, an operator must collect, manage, and report data to different entities. Ensuring such data are consistent can be challenging given the differing definitions employed by different agencies as well as the varying reporting timeframes. This chapter examines the consistency of performance data reported by the Eastern Sierra Area Agency on Aging (ESAAA) both internally as well as to outside entities during the audit period. Data reporting will be discussed in greater detail in Chapter 6 and Chapter 8.

- **Operating cost:** Operating cost is somewhat inconsistently reported. Data reported internally (including on state program close-out reports) and to the State Controller was more consistent in FY 2019/20 and FY 2020/21.
- **Fare Revenue:** The ESAAA does not collect fares for its programs.
- **Vehicle Service Hours (VSH):** The ESAAA does not track vehicle service hours for its transportation program. It is unclear where the data reported to the State Controller originated.
- **Vehicle Service Miles (VSM):** The ESAAA tracks mileage by vehicles but does not segregate revenue and non-revenue usage, or differentiate between transportation and meal delivery trips. Mileage data is not aggregated by fiscal year. It is unclear where the data reported to the State Controller in FY 2020/21 originated.
- **Passengers:** Passengers as reported to the State Controller and on the Assisted Transportation Report were not consistent. It is unclear whether the State Controller Report for FY 2020/21 included any bus passes.
- **Full-Time Equivalent (FTE) Employees:** The ESAAA does not use the TDA definition, but reports a head count of all employees who are budgeted.



Exhibit 5.1 Data Reporting Comparison

Performance Measure	System-Wide		
	FY 2018/19	FY 2019/20	FY 2020/21
Operating Cost (Actual \$)			
<i>TDA fiscal audit</i>	\$41,199	<i>Not provided</i>	<i>Not provided</i>
<i>Monthly Performance Reports</i>	\$89,113	\$74,563	\$52,521
<i>State Controller Report</i>	\$162,759	\$79,267	\$51,522
Fare Revenue (Actual \$)			
<i>TDA fiscal audit</i>	<i>Not provided</i>	<i>Not provided</i>	<i>Not provided</i>
<i>Monthly Performance Reports</i>	\$0	\$0	\$0
<i>State Controller Report</i>	\$0	\$0	\$0
Vehicle Service Hours (VSH)			
<i>Monthly Performance Reports</i>	<i>Not provided</i>	<i>Not provided</i>	<i>Not provided</i>
<i>State Controller Report</i>	40	40	2,080
Vehicle Service Miles (VSM)			
<i>Monthly Performance Reports</i>	<i>Not provided</i>	<i>Not provided</i>	<i>Not provided</i>
<i>State Controller Report</i>	0	0	115
Passengers			
<i>Monthly Performance Reports</i>	<i>Not provided</i>	256	272
<i>State Controller Report</i>	30	30	2,322
Full-Time Equivalent Employees			
<i>State Controller Report</i>	10	10	10
<i>Per TDA methodology</i>	<i>Not provided</i>	<i>Not provided</i>	<i>Not provided</i>



Chapter 6 | Performance Analysis

Performance indicators are typically employed to quantify and assess the efficiency of a transit operator's activities. Such indicators provide insight into current operations as well as trend analysis of operator performance. Through a review of indicators, relative performance as well as possible inter-relationships between major functions is revealed.

The Transportation Development Act (TDA) requires recipients of TDA funding to track and report five performance indicators:

- Operating Cost/Passenger,
- Operating Cost/Vehicle Service Hour,
- Passengers/Vehicle Service Hour,
- Passengers/Vehicle Service Mile, and
- Vehicle Service Hours/Employee.

To assess the validity and use of performance indicators, the audit team performed the following activities:

- Assessed internal controls in place for the collection of performance-related information,
- Validated collection methods of key data,
- Calculated performance indicators, and
- Evaluated performance indicators.

The procedures used to calculate TDA-required performance measures for the current triennium were verified and compared with indicators included in similar reports to external entities (i.e., State Controller and Federal Transit Administration).

Operating Cost

The Transportation Development Act requires an operator to track and report transit-related costs reflective of the Uniform System of Accounts and Records developed by the State Controller and the California Department of Transportation. The most common method for ensuring this occurs is through a compliance audit report prepared by an independent auditor in accordance with California Code of Regulations Section 6667¹. The annual independent financial audit should confirm the use of the Uniform System of Accounts and Records. *Operating cost* – as defined by PUC Section 99247(a) – excluded the following during the audit period²:

¹ CCR Section 6667 outlines the minimum tasks which must be performed by an independent auditor in conducting the annual fiscal and compliance audit of the transit operator.

² Given the passage of AB 149, the list of excluded costs will be expanded beginning with FY 2021/22.



- Cost in the depreciation and amortization expense object class adopted by the State Controller pursuant to PUC Section 99243,
- Subsidies for commuter rail services operated under the jurisdiction of the Interstate Commerce Commission,
- Direct costs of providing charter service, and
- Vehicle lease costs.

Vehicle Service Hours and Miles

Vehicle Service Hours (VSH) and *Miles* (VSM) are defined as the time/distance during which a revenue vehicle is available to carry fare-paying passengers, and which includes only those times/miles between the time or scheduled time of the first passenger pickup and the time or scheduled time of the last passenger drop-off during a period of the vehicle's continuous availability.³ For example, demand-response service hours include those hours when a vehicle has dropped off a passenger and is traveling to pick up another passenger, but not those hours when the vehicle is unavailable for service due to driver breaks or lunch. For both demand-response and fixed-route services, service hours will exclude hours of "deadhead" travel to the first scheduled pick-up, and will also exclude hours of "deadhead" travel from the last scheduled drop-off back to the terminal. For fixed-route service, a vehicle is in service from first scheduled stop to last scheduled stop, whether or not passengers board or exit at those points (i.e., subtracting driver lunch and breaks but including scheduled layovers).

Passenger Counts

According to the Transportation Development Act, *total passengers* is equal to the total number of unlinked trips (i.e., those trips that are made by a passenger that involve a single boarding and departure), whether revenue-producing or not.

Employees

Employee hours is defined as the total number of hours (regular or overtime) which all employees have worked, and for which they have been paid a wage or salary. The hours must include transportation system-related hours worked by persons employed in connection with the system (whether or not the person is employed directly by the operator). Full-Time Equivalent (FTE) is calculated by dividing the number of person-hours by 2,000.

Fare Revenue

Fare revenue is defined by California Code of Regulations Section 6611.2 as revenue collected from the farebox plus sales of fare media.

³ A vehicle is considered to be in revenue service despite a no-show or late cancellation if the vehicle remains available for passenger use.



TDA Required Indicators

To calculate the TDA indicators for the Eastern Sierra Area Agency on Aging, the following sources were employed:

- Operating Cost was not independently calculated as part of this audit. Operating Cost data were obtained via California Department of Aging Closeout Reports for each fiscal year covered by this audit. Operating Cost from the reports was compared against that reported in the ESAAA's State Controller Reports and appeared to be consistent with TDA guidelines. In accordance with PUC Section 99247(a), the reported costs excluded depreciation and other allowable expenses.
- Fare Revenue was not independently calculated as part of this audit. Fare revenue data were obtained via County of Inyo Budget Worksheet Closeout Reports for each fiscal year covered by this audit. The ESAAA does not charge fares but does report donations which are counted as fare revenue. This appears to be consistent with TDA guidelines as well as the uniform system of accounts.
- Vehicle Service Hours (VSH) data could not be determined from the data provided for this audit. The ESAAA indicated it does not track its vehicle service hours. This is not consistent with PUC guidelines.
- Vehicle Service Miles (VSM) data could not be determined from the data provided for this audit. The ESAAA tracks mileage by vehicles but does not segregate revenue and non-revenue usage, or differentiate between transportation and meal delivery trips. Mileage data is not aggregated by fiscal year. This is not consistent with PUC guidelines.
- Unlinked trip data were obtained via Assisted Transportation Reports for each fiscal year covered by this audit. The ESAAA's calculation methodology is consistent with PUC guidelines.
- Full-Time Equivalent (FTE) data were obtained from State Controller Reports for each fiscal year covered by this review. The ESAAA does not use the TDA definition, but reports a head count of all employees who are budgeted.

System Performance Trends

Operating cost remained fairly stable over the past six years, but was significantly impacted by the COVID-19 pandemic during the current audit period. This was due to reduced demand for services as well as bus passes. As noted above, the ESAAA did not track vehicle service hours during the current audit period, and the data reported to the State Controller does not appear to be reflective of actual operating conditions when compared to the prior audit period. Vehicle service miles was also reported inconsistently and seemingly incorrectly during both audit periods. It is not clear whether ridership includes only rides provided or if it also includes the number of bus passes provided.

Several performance indicators could not be calculated due to the lack of performance data. In addition, given the inconsistency of the data provided, a number of metrics can be calculated but the accuracy is questioned. As a result, graphs of individual performance indicators are not provided as part of this audit.



Exhibit 6.1 System Performance Indicators

Performance Measure	System-wide					
	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21
Operating Cost (Actual \$)	\$90,469	\$91,168	\$82,262	\$89,113	\$74,563	\$52,521
<i>Annual Change</i>		0.8%	-9.8%	8.3%	-16.3%	-29.6%
Fare Revenue (Actual \$)	\$0	\$0	\$0	\$0	\$0	\$0
<i>Annual Change</i>		0.0%	0.0%	0.0%	0.0%	0.0%
Vehicle Service Hours (VSH)	262	422	390	40	40	2,080
<i>Annual Change</i>		61.1%	-7.6%	-89.7%	0.0%	5100.0%
Vehicle Service Miles (VSM)	0	703	11,883	0	0	115
<i>Annual Change</i>		703.0%	1590.3%	-100.0%	0.0%	115.0%
Passengers	2,532	4,933	7,205	30	30	2,322
<i>Annual Change</i>		94.8%	46.1%	-99.6%	0.0%	7640.0%
Employees	0	0	0	10	10	10
<i>Annual Change</i>		0.0%	0.0%	1000.0%	0.0%	0.0%
Performance Indicators						
Operating Cost/VSH (Actual \$)	\$345.30	\$216.04	\$210.93	\$2,227.83	\$1,864.08	\$25.25
<i>Annual Change</i>		-37.4%	-2.4%	956.2%	-16.3%	-98.6%
Operating Cost/Passenger (Actual \$)	\$35.73	\$18.48	\$11.42	\$2,970.43	\$2,485.43	\$22.62
<i>Annual Change</i>		-48.3%	-38.2%	25916.8%	-16.3%	-99.1%
Passengers/VSH	9.66	11.69	18.47	0.75	0.75	1.12
<i>Annual Change</i>		21.0%	58.0%	-95.9%	0.0%	48.8%
Passengers/VSM	0.00	7.02	0.61	0.00	0.00	20.19
<i>Annual Change</i>			-91.4%	-100.0%	0.0%	#DIV/0!
Farebox Recovery	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Annual Change</i>		0.0%	0.0%	0.0%	0.0%	0.0%
Hours/Employee				4.0	4.0	208.0
<i>Annual Change</i>					0.0%	5100.0%
TDA Non-Required Indicators						
Operating Cost/VSM	\$0.00	\$129.68	\$6.92	\$0.00	\$0.00	\$456.70
<i>Annual Change</i>			-94.7%	-100.0%	0.0%	456.7%
VSM/VSH	0.00	1.67	30.47	0.00	0.00	0.06
<i>Annual Change</i>			1729.0%	-100.0%	0.0%	6.0%
Fare/Passenger	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>Annual Change</i>		0.0%	0.0%	0.0%	0.0%	0.0%



Chapter 7 | Functional Review

A functional review of the Eastern Sierra Area Agency on Aging's (ESAAA) specialized transportation program is intended to assess the effectiveness and efficiency of the operator. Following a general summary of the City's transit services, this chapter addresses seven functional areas. The list, taken from Section III of the *Performance Audit Guidebook* published by Caltrans, reflects those transit services provided by the ESAAA through its transit program:

- General management and organization;
- Service planning;
- Scheduling, dispatch, and operations;
- Personnel management and training;
- Administration;
- Marketing and public information; and
- Fleet maintenance.

Service Overview

The ESAAA operates specialized transportation services within Inyo and Mono counties. Transportation services include the provision of bus passes for the Eastern Sierra Transit Authority (ESTA) to seniors in order to provide access to community resources. In addition, some residents receive assisted transportation services. Eligibility is determined as those who are in need of assistance with transportation as a result of physical or cognitive difficulties. Assisted transportation is primarily used to access out-of-area medical care; however, assistance with accessing local medical and other support services is also available.

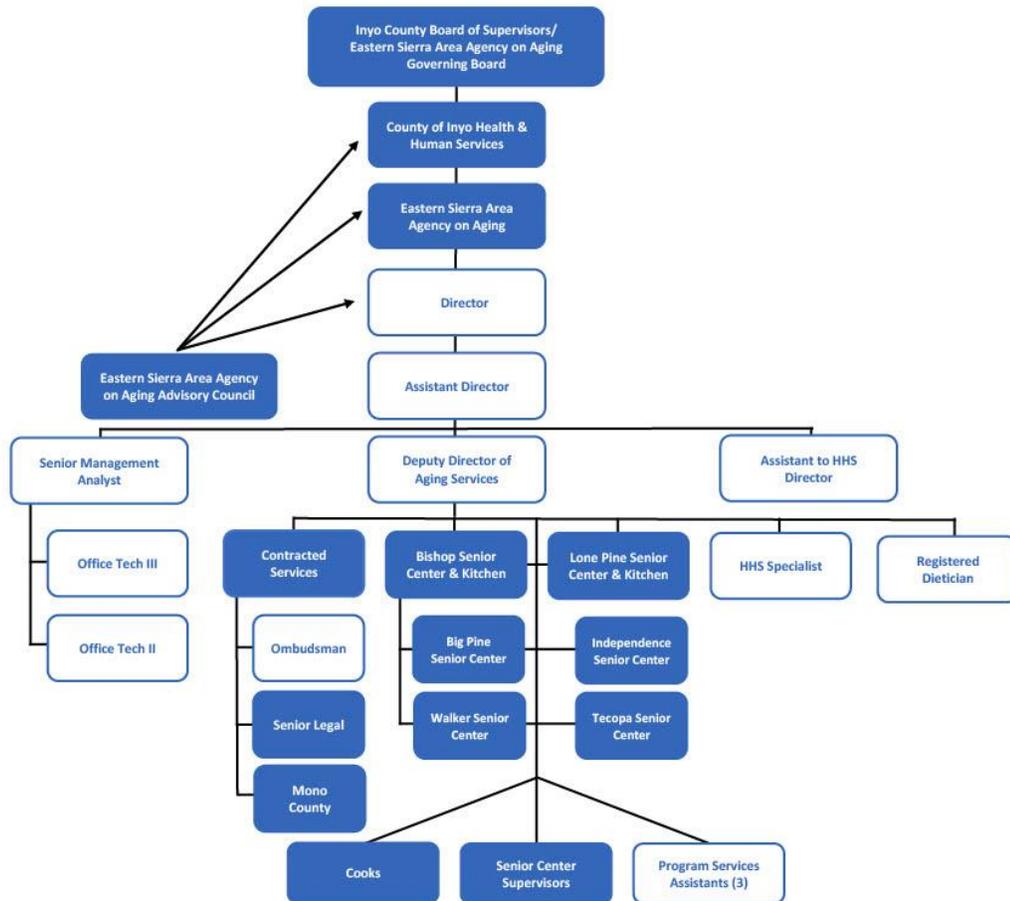
The ESAAA also make nutrition services available to eligible individuals within Inyo and Mono counties, through congregate or home-delivered meals. Eligibility for these services is primarily focused on persons 60 years of age or older regardless of income.

General Management and Organization

The Eastern Sierra Area Agency on Aging is a program that operates within the Inyo County Health and Human Services Department. The ESAAA Director is also the Health and Human Services (HHS) Director. The Director reports to the ESAAA Governing Board, which is also the Inyo County Board of Supervisors. The Deputy Director is responsible for management oversight of the program and reports directly to the Assistant Director. Lines of reporting are clearly defined.



Exhibit 7.1 Organizational Chart



The ESAAA has recently experienced turnover in several leadership positions. The transportation program is highly dependent upon having staff available. An increase in home-delivered meals during the COVID-19 pandemic increased the need for drivers. ESAAA management is currently full staffed.

The ESAAA participates in periodic conversations with the ICLTC. The ESAAA plans to attend monthly ICLTC meetings.

A nine-member Advisory Council for the ESAAA provides consultation on issues affecting seniors in the two-county region. At a minimum, 50 percent of the appointed members are required to be 60 years of age or older, including minority individuals and those residing in rural areas. The ESAAA Advisory Council meets on a quarterly basis or more frequently as needed. Three meetings are held in Inyo County and the fourth is held in Mono County. All meetings are open to the general public and a Zoom link is available to facilitate broader participation.



Service Planning

With oversight from the ESAAA Advisory Council, Inyo County's Aging Services program conducts a needs assessment of its senior residents every three years. The needs assessment determines funding for the assisted transportation program and other transportation programs. The assessment identifies potential emerging transportation and mobility needs so the ESAAA can better serve its target population.

The ESAAA is currently conducting outreach to seniors in the area to build awareness for the program in an effort to build it back up. There is currently ample capacity for an increased number of trips. Ridership is increasing again as riders are once again scheduling medical appointments and are more comfortable with essential trips (such as going to the grocery store).

Administration

The Senior Management Analyst handles the budget. She assesses what transportation needs are necessary and analyzes what was used in the past to inform the new budget. The senior management analyst utilizes historic and anticipated demand using Excel. The ESAAA provides quarterly reports to the Board of Supervisors.

The Senior Management Analyst is also responsible for TDA claims. Risk management is provided through the County's risk manager. Vehicles are maintained at the County yard. Payroll and accounts payable are responsibilities of the County. The ESAAA is currently audited as part of the County's single audit as well as triennially by the California Department of Aging.

Marketing and Public Information

Marketing efforts were limited during the pandemic. As restrictions lift, the ESAAA increased its outreach efforts to seniors in the greater community. ESAAA has a designated page on Inyo County's website, as well as an informational page on Mono County's website. Postings for recruitment to the ESAAA Advisory Council are on the Mono County website. The ESAAA's webpage includes links to resources around the state, as well as, information regarding senior centers, nutrition services, legal assistance, and health insurance. The ESAAA has an established grievance and complaint process that is posted as well as provided to clients.

Scheduling, Dispatch, and Operations

ESAAA employees also serve as drivers. Employees are represented by the Inyo County Employees Association. Full-time employees are defined as staff that work 40 hours per week. Drivers are trained and capable of operating all vehicles. There are currently five drivers, all part-time employees.

The ESAAA does not collect fares for the services provided. Donations are accepted and kept in locked donation boxes at three designated senior centers. No more than \$300 are kept at any given time.

Personnel Management and Training

The number of drivers is adequate to meet current needs. Recruitment is a challenge due to hiring in a seasonal economy. Full-time employees are eligible for a full range of benefits, while part-time employees are eligible for pro-rated benefits.

New staff members go through a County-level training consisting of a general orientation. The orientation includes a breakdown of the entire ESAAA program and responsibilities within the separate programs.



Ride-alongs on assisted transportation trips occur during the first week and additional training is provided as needed. All drivers are required to have a Class C license. All vehicles are equipped with first aid kits and additional safety equipment. Expectations and penalties are clearly defined.

Maintenance

Fleet maintenance is the responsibility of the County. The County notifies the ESAAA when maintenance is scheduled. There is a sufficient number of vehicles to maintain level of service. Staff use a motor pool fleet when a vehicle is needed. The ESAAA fleet is made up of mostly Ford Escapes and fueled at commercial gas stations using a County credit card. Some vehicles are leased through Enterprise. Communication between County maintenance and ESAAA is positive and effective.



Chapter 8 | Findings and Recommendations

Conclusions

With four exceptions, Moore & Associates, Inc. finds the ESAAA to be in compliance with the requirements of the Transportation Development Act. In addition, the entity generally functions in an efficient, effective, and economical manner.

Findings

Based on discussions with ESAAA staff, analysis of program performance, and an audit of program compliance and function, the audit team presents four compliance findings:

1. The ESAAA does not prepare an annual TDA fiscal audit that meets TDA requirements.
2. The ESAAA does not have any current productivity or performance measures against which annual performance can be measured.
3. The ESAAA has not submitted annual State Controller Reports within the established deadline.
4. The ESAAA does not use the TDA definition of several performance measures, which are required for reporting to the State Controller.

The audit team has identified one functional finding. While this finding is not a compliance finding, the audit team believes it warrants inclusion in this report:

1. While TDA claims are submitted according to the rules and regulations established by the Inyo County Local Transportation Commission, the information included is not always current.

Program Recommendations

In completing this Triennial Performance Audit, the auditors submit the following recommendations for the ESAAA's public transit program. They are divided into two categories: TDA Program Compliance Recommendations and Functional Recommendations. TDA Program Compliance Recommendations are intended to assist in bringing the operator into compliance with the requirements and standards of the TDA, while Functional Recommendations address issues identified during the audit that are not specific to TDA compliance. Each finding is presented with the elements identified within the 2011 *Government Auditing Standards* as well as one or more recommendations.

Compliance Finding 1: The ESAAA does not prepare an annual TDA fiscal audit that meets TDA requirements.

Criteria: PUC 99276 requires recipients of Article 4.5 funds to submit an annual certified fiscal audit pursuant to PUC 99245. PUC 99245 states that the audit must be submitted within 180 days following the end of the fiscal year, and may be extended another 90 days by the RTPA. The audit report must include a certification that the TDA funds allocated to the claimant were expended in conformance with the TDA. The report should also include audited amounts for the prior fiscal year.



Condition: The ESAAA's TDA fiscal audit has historically been limited to its receipt and expenditure of TDA funds. Only one TDA fiscal audit was provided in support of this audit, and that audit was completed well outside the timeframe established for the completion of TDA fiscal audits.

Cause: The ESAAA's primary challenge issue is that it already undergoes other audits through the County and the California Department of Aging. In addition, the Transportation program is only a small portion of the ESAAA's mission, and the time and effort involved for an additional audit specific to the TDA is out of proportion with the percentage of the program funded through TDA.

Effect: The ESAAA is out of compliance with the annual fiscal audit requirement of PUC 99276.

Recommendation: The ESAAA must complete an annual fiscal audit of its TDA funding in compliance with PUC 99245, PUC 99276, and CCR 6667.

Recommended Action: It is essential the ESAAA complete an annual TDA fiscal audit that meets the requirements of the TDA legislation in order to continue to be in compliance with the TDA and eligible to receive funds.

PUC 99245.2 notes that an entity that receives other funding that requires a fiscal audit may expand the scope of its TDA audit to include those funds. Conversely, the entity could also expand the existing audit to include the TDA audit, provided all the requirements of the TDA audit can be incorporated into the existing audit. The ESAAA currently undergoes two separate audits: as part of the County's single-year fiscal audit, and every three years under the California Department of Aging (CDA). The CDA audit is not a good candidate for this, as it does not meet the requirement for an annual audit. However, it may be possible for the ESAAA to work with the County auditor to include a TDA audit of the ESAAA's Transportation program as part of the County's annual single audit. If this is not possible, the ESAAA will be required to prepare a separate annual TDA fiscal audit.

The TDA fiscal audit should reflect the full costs of the Transportation program, not simply that all TDA funds were expended on transportation activities. Including the full revenues and expenses for the program shows what percentage of expenses were covered by TDA funds. The audit should also determine whether or not the ESAAA is in compliance with performance or productivity measures (or other alternative metrics) established for it by the ICLTC and include audit tasks as specified in CCR 6667.

Timeline: FY 2022/23 (preparation of audit report for FY 2021/22).

Anticipated Cost: Dependent upon actions taken.

Compliance Finding 2: The ESAAA does not have any current productivity or performance measures against which annual performance can be measured.

Criteria: PUC 99275.5 requires claimants under Article 4.5 to be in compliance with either farebox recovery ratio requirements stipulated by the TDA or with regional, countywide, or county subarea performance criteria, local match requirements, or fare recovery ratios adopted by resolution of the RTPA.

Condition: There are currently no productivity or performance measures in place for the ESAAA.



Cause: Given the ESAAA does not collect fares, farebox recovery ratio is not an appropriate metric. However, the ICLTC has not adopted any alternative criteria.

Effect: Compliance against an adopted metric cannot be assessed.

Recommendation: Work with the ICLTC to develop and adopt appropriate performance criteria for ESAAA.

Recommended Action: Work with the ICLTC to determine one or more appropriate performance criteria for the ESAAA. These could include the percentage of Transportation funding provided through TDA funds, a percentage increase in the number of trip/bus passes provided, or other such metric. The criteria will need to be adopted by the RTPA by resolution and reviewed annually as part of the ESAAA's TDA claim. Thresholds should be established in such a manner to offer a meaningful measure of productivity but not to the point they cannot be reasonably met, as compliance with the criteria is a required element of the TDA claim evaluation.

Timeline: FY 2022/23.

Anticipated Cost: Negligible.

Compliance Finding 3: The ESAAA does not use the TDA definition of several performance measures, which are required for reporting to the State Controller.

Criteria: PUC 99247 defines a series of performance measures under the TDA. These measures are used for annual reporting to the State Controller.

Condition: The ESAAA does not appear to be utilizing the TDA definition of several performance metrics, nor is it tracking some of these metrics. These include vehicle service hours, vehicle service miles, and Full-time Equivalent (FTE) employees. In addition, reporting of these and other metrics (including ridership) is inconsistent from year to year.

Cause: As a CTSA operator, the ESAAA is relatively new to completing State Controller Transit Operator Financial Transaction Reports. In addition, ESAAA is not a traditional public transportation provider, and is not responsible for some of the external reporting required of more traditional operators.

Effect: As a result, neither TDA or standard industry definitions are used for some performance measures, and other are being used inconsistently.

Recommendation: Begin utilizing TDA definitions of performance measures for internal reporting as well as external reporting to the State Controller.

Recommended Action: Accurate performance measures must be captured for accurate reporting to the State Controller. This will require the ESAAA to both use the correct definition and determine an accurate way to document the data. The following definitions should be used:



- Vehicle service hours: The total number of hours that each transit vehicle is in revenue service, including layover time. For demand-response service, this would not include “deadhead” time between leaving the yard and making the first pickup, or between the last drop-off and returning to the yard. It would also not include the driver’s lunch break. However, if a driver is traveling from a drop-off to another pick-up, that time would be considered as being in revenue service.
- Vehicle service miles: The total number of miles that each transit vehicle is in revenue service. For demand-response service, this would not include “deadhead” time between leaving the yard and making the first pickup, or between the last drop-off and returning to the yard. It would also not include any miles traveled during the driver’s break time. However, if a driver is traveling from a drop-off to another pick-up, those miles would be considered as being in revenue service.
- Passengers: The total number of boarding passengers. Passengers are typically counted per one-way trip, so each person taking a round-trip would constitute two passengers because there were two boardings.
- Full-time Equivalent (FTE) employees: This FTE metric is different than the FTE designation typically used in organizational planning, budgeting, and hiring. Under the TDA, FTE Employee is calculated by determining the number of hours worked in connection with the transportation program, divided by 2,000. The number of hours worked should include regular and overtime hours (including training), but not vacation, paid time off, sick time, or other paid non-work hours.

While FTE data is typically available through payroll records after the end of the fiscal year, the ESAAA may need to make some adjustments to its data collection practices in order to accurately capture the other performance measures. The simplest way to do this is to have each driver complete a trip sheet for each series of trips provided. A sample driver trip sheet is provided in Exhibit 8.1.

Timeline: FY 2022/23.

Anticipated Cost: Modest.



Exhibit 8.1 Sample Driver/Trip Sheet

**ESAAA Assisted Transportation Program
Daily Driver Log/Trip Record**

Vehicle # _____ Date _____

Driver _____

Time out of yard: _____ Odometer out of yard: _____

Time first pick-up: _____ Odometer first pick-up: _____

Time last drop-off: _____ Odometer last drop-off: _____

Time in yard: _____ Odometer in yard: _____

Indicate starting and ending time for all breaks.

Break times: _____

Lunch break: _____

If the vehicle was driven during a break, provide starting and ending odometer readings of the non-revenue miles.

Starting: _____ Ending: _____

Daily Summary

Total revenue hours: _____
(time from first pick-up to last drop-off less break time)

Total non-revenue hours: _____
(e.g., travel time from yard to first pick-up, break times, travel time from last drop-off to yard)

Total revenue miles: _____
(miles from first pick-up to last drop-off less miles traveled during breaks)

Total non-revenue miles: _____
(e.g., travel from yard to first pick-up, travel during break times, travel from last drop-off to yard)

Total boardings: _____
(Each passenger counts as one boarding for each leg of a round trip. This includes any aides, companions, or personal care assistants that may be traveling with the scheduled passenger.)

Note any concerns regarding the vehicle/items that need attention below:

Driver signature _____



Compliance Finding 4: The ESAAA did not submit annual State Controller Reports within the established deadline.

Criteria: Under the requirements for claims for Local Transportation Funds (PUC 99243), the California State Controller’s Office requires transit operators to submit an annual report within seven months after the end of the fiscal year. The Transit Operators Financial Transaction Report is typically due by January 31, though the deadline may be extended by one or two days if January 31 falls on a weekend.

Condition: During the audit period, none of the State Controller Reports were submitted by the deadline. The FY 2018/19 report was submitted on February 6, 2020. The FY 2019/20 report was submitted on March 2, 2021. The cover page for FY 2021/22 was not submitted, though the completed report was provided.

Cause: Late submittal of State Controller Transit Operator Financial Transaction Reports is usually attributable to delays in receiving audited financial data and/or lack of clear responsibility for preparing and submitting the report.

Effect: In such cases, the report is submitted late.

Recommendation: Clearly identify both the individual responsible for submitting the State Controller Report as well as the deadline for doing so.

Recommended Action: The deadline for submittal of the State Controller Report (January 31) should be clearly noted on the Transportation program’s calendar, and responsibility for its completion should be clearly assigned. If access to audited data is contributing to the late submittal, the ESAAA should work with its auditor to ensure data is available in advance of the deadline.

Timeline: FY 2022/23 (for FY 2021/22 reporting).

Anticipated Cost: Negligible.

Functional Finding 1: While TDA claims are submitted according to the rules and regulations established by the Inyo County Local Transportation Commission, the information included is not always current.

Criteria: PUC 99275.5 states that claims for Article 4.5 funds shall be made in the same manner as claims for Article 4 funds.

Condition: The ICLTC uses the same claims form for both the Eastern Sierra Transit Authority and the ESAAA, which is in compliance with PUC 99275.5. However, the ESAAA’s claim forms may be missing information (for example, the fiscal year is not specified on the first page of the FY 2020/21 claim) or use budget data that has not been finalized (and no finalized budget data is subsequently submitted). In addition, the Prior Performance Audit worksheet should include recommendations from the most recent TDA Triennial Performance Audit, not older audits.

Cause: With only two claimants in Inyo County, it is likely the claims process has been somewhat informal.



Effect: This may contribute to some of the laxity on the claim forms.

Recommendation: The ESAAA should ensure the TDA claim forms it submits are accurate, fully complete, and in compliance with the ICLTC’s guidance and procedures.

Recommended Action: The ESAAA should take care to ensure accuracy and completeness on its TDA claim submittals. This includes following up with final budget information if draft figures are used in the initial claim. Actions taken to address recommendations should be re-evaluated as part of the preparation of each claim, rather than copied from the prior year’s claim.

Timeline: Ongoing.

Anticipated Cost: Negligible.

Exhibit 8.2 Audit Recommendations

TDA Compliance Recommendations		Importance	Timeline
1	The ESAAA must complete an annual fiscal audit of its TDA funding in compliance with PUC 99245 and PUC 99276.	High	FY 2022/23
2	Work with the ICLTC to develop and adopt appropriate performance criteria for the ESAAA.	High	FY 2022/23
3	Begin utilizing TDA definitions of performance measures for internal reporting as well as external reporting to the State Controller.	High	FY 2022/23
4	Clearly identify both the individual responsible for submitting the State Controller Report as well as the deadline for doing so.	Medium	FY 2022/23
Functional Recommendations		Importance	Timeline
1	The ESAAA should ensure the TDA claim forms it submits are accurate, fully complete, and in compliance with the ICLTC’s guidance and procedures.	Medium	Ongoing



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INYO COUNTY LOCAL TRANSPORTATION COMMISSION



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Michael Errante
Executive Director

S T A F F R E P O R T

MEETING: June 15, 2022

PREPARED BY: Justine Kokx, Transportation Planner

SUBJECT: Fiscal Year 2022-2023 Transportation Development Act (TDA)
Apportionment and Allocations

Recommendation

Adopt Resolution No. 2022-04 apportioning and allocating Local Transportation Funds (LTF) for Fiscal Year 2022-2023.

Background

This report gives an overview of the combined TDA allocation resolution to be considered by your Commission at this meeting for Fiscal Year 2022-2023. TDA funds are derived from a ¼% of the California Sales Tax in Inyo County. The table on the next page summarizes the amount of TDA funds received by the Inyo County LTC and how those funds have been allocated in the last ten budget cycles. Section 4A of the Inyo County LTC Organization and Procedures Manual sets forth the procedures for allocation of TDA funds in the upcoming fiscal year.

The ICLTC shall make allocations from the TDA Fund annually in accordance with the following priorities:

1. To the ICLTC, such sums as are necessary to meet its expenses in the performance of the administrative duties assigned under the Act.
2. Thereafter, up to two percent (2%) of the remaining available funds county-wide may be set aside to be allocated for pedestrian and bicycle facilities anywhere in the County.
3. Thereafter, up to five percent (5%) of the remaining funds may be set aside to be allocated under Article 4.5 of the Act for “community transit services, including such services for those, such as the disabled, who cannot use conventional transit services.” Claims may be filed under Article 4.5 of the Transportation Development Act.
4. Thereafter, to operators of public transportation systems, such monies as are approved by the ICLTC for claims presented pursuant to Article 4 Section 99260 of the P.U.C. Code;

and to applicants contracting for public transportation services in accordance with Article 8 Section 99400(c).

5. Thereafter, to the County of Inyo and the City of Bishop such monies (up to and including the apportionment allowed based on the latest department of Finance figures) approved by the ICLTC for claims presented pursuant to Article 8, Section 99400(a) involving projects for local streets and roads including facilities provide for exclusive use by pedestrians and bicyclists.

Estimate

In accordance with the above, the LTC is responsible for the apportionment and allocation of TDA funds. LTC staff notified Eastern Sierra Transit Authority (ESTA) and Eastern Sierra Area Agency for Aging (ESAAA) of estimated TDA funds available for allocation in the 2022-2023 Fiscal Year. The estimate is a rolling ten-year average, as supplied by the Inyo County Auditor, of the amount of TDA funds received in the past. The resulting FY 2022-2023 estimate is \$892,140, 3% higher than last year's. Staff is recommending that you allocate the full estimated amount.

History

Fiscal Year	Over / Under	Amount Received from State	ESTA Operating Expense ¹	ESAAA Operating Expenses	Bicycle and Pedestrian	Admin. & Audits	Total Allocations
09-10	-65,502	\$745,137	\$718,567	\$40,532	\$16,328	\$35,212	\$810,639
10-11	+10,094	\$808,953	\$716,689	\$37,762	\$15,413	\$28,212	\$798,859
11-12	+76,257	\$832,507	\$677,803	\$35,674	\$14,561	\$28,212	\$756,250
12-13	+70,846	\$868,134	\$705,770	\$37,145	\$15,161	\$39,212	\$797,288
13-14	-85,170	\$763,558	\$753,660	\$39,666	\$16,190	\$39,212	\$848,728
14-15	-4,446	\$850,948	\$770,108	\$40,531	\$16,543	\$28,212	\$855,394
15-16	+60,722	\$881,963	\$720,622	\$37,927	\$15,480	\$47,212	\$821,241
16-17	-2,658	\$846,572	\$748,582	\$39,399	\$16,060	\$46,189	\$849,230
17-18	+103,290	\$943,519	\$743,855	\$39,150	\$15,979	\$41,245	\$840,229
18-19	+84,962	\$988,844	\$782,785	\$41,199	\$16,816	\$63,078	\$903,882
19-20	+111,738	\$958,545	\$746,836	\$39,307	\$16,043	\$44,621	\$846,807
20-21	+291,013	\$986,804	\$576,866	\$30,361	\$12,392	\$76,171	\$695,791
21-22		\$869,739 (est.)	\$722,425	\$38,022	\$15,519	\$93,773	\$869,739
21-22	30%	Reserve Dist.	\$319,511	\$16,816	\$6,864	\$38,132	\$381,323
22-23		\$892,140 (est.)	\$703,955	\$37,050	\$15,123	\$136,012	\$892,140

Apportionment

Inyo County Findings of Apportionment					
Local Transportation Funds for Fiscal Year 2022-2023 ¹					
Jurisdiction	Pop. ²	% of Total County Population	% of Population within ESTA & ESAAA District	ESAAA Operating Expenses	Remaining Amount for ESTA
Bishop	3,804	20%	100%	\$7,412	\$140,821
Inyo Co.	15,212	79.9%	100%	\$29,638	\$563,134
Total	19,016	100%		\$37,050	\$703,955

¹ Estimate based on 10-year rolling average of FY 2020-2021.

² U.S. Census 2020

The Inyo County LTC is required to apportion TDA funds to the County and City in accordance with the TDA Guidelines. For a county without a transit district, apportionments are made for the incorporated area of each city and for the county's unincorporated area. Eastern Sierra Area Agency for the Aging (ESAAA) and ESTA both provide transit services to 100% of the City and of the County so the apportionment is more of a formal exercise than a practical one. Therefore, the amount of funds ESAAA and ESTA receive will not change. A fixed percentage of the funds to the transit agencies will come from both the City and the County. Resolution No. 2022-04 will memorialize the apportionment shown below.

Allocation

The following allocations are set forth as part of Resolutions No. 2022-04.

Administrative Allocation - The cost amount programmed for TDA Administration is \$89,214.

Audits – There is one performance audit included in FY22-23 estimated at \$40,000. The fiscal audit is estimated at \$6,798.

Bicycle and Pedestrian Facilities Allocation - Two percent of the remaining amount is \$15,123. These funds will be set aside for bicycle and pedestrian facilities. To use these funds, the County and/or City will then need to gain approval from the LTC on a project-specific basis.

Community Transit Services Allocation - ESAAA, the senior program for Inyo County, provides community transit services, and is eligible to receive up to 5% of the TDA funds. FY 2012-2013 was the first year of operation for ESAAA. ESAAA continued the same transit services as offered by IMAAA. The ESAAA claim is made under Article 4.5 of the TDA. The proposed allocation of \$37,050 is five percent of the remaining funds.

ESTA Public Transit Service Allocation - ESTA is an eligible public transit provider to receive funding under Article 4, Section 99260(a) of the TDA. The remaining TDA funds are eligible to be allocated for public transit services. The entire amount of \$703,955 is proposed for allocation to ESTA.

Evaluation of Allocation Requests

ESTA

- A. ESTA is eligible to receive Article 4 TDA claim funds in Inyo County as a public transit operator. This was confirmed in the completion of the Triennial Performance Audit of ESTA.
- B. The ESTA claim is in compliance with the Inyo County LTC Regional Transportation Plan. The RTP generally describes the transit services available in Inyo County. The RTP also includes goals and policies generally in support of public transit.
- C. ESTA completes an annual fiscal audit of Transportation Development Act funds and provides this information to the Inyo County LTC.
- D. ESTA provides 100% of the public transit services in both the City of Bishop and Inyo County.
- E. The CHP has completed a terminal inspection of the ESTA headquarters within the last 13 months, as required.
- F. ESTA has specified that the funds are being used for purposes set forth in Article 4, Section 99262 of the Transportation Development Act (TDA). This portion of the

TDA sets out the general uses for funds claimed under the TDA. The ESTA claim form complies with this general requirement.

The ESTA allocation request includes a preliminary budget for the upcoming fiscal year.

Potential Productivity Improvements

Under PUC Section 99244, the ICLTC is required to annually identify, analyze, and recommend potential productivity improvements which could lower the operating costs of those operators who operate at least 50 percent of their vehicle service miles within the area under its jurisdiction. At a minimum, the recommendations for improvements and productivity are to include, but not be limited to, those recommendations related to productivity made in the triennial performance audit of the transit operator.

This is now included in the TDA Claim form as a Prior Performance Audit Worksheet. In it, ESTA staff indicates they are either in the process of responding to performance audit findings or have completed the implementation measure. Staff concurs that ESTA has responded to the audit findings.

ESAAA FY 2022-2023 Request for Funds

ESAAA uses TDA funding to provide rides to individuals who are physically or logistically unable to use regular public transportation to obtain essential services such as medical appointments, grocery shopping, pharmacy and day care services. These individuals need transportation and assistance from the driver to find the out-of-town medical facility, purchase and carry groceries into the house, enter and exit the vehicle, etc. Based on individual needs, services are provided by Inyo County staff using program vehicles to residents through Inyo County. They provide short and long-distance medical trips and regularly scheduled errand/shopping trips. ESAAA Site Coordinators assess individuals, plan trips and maintain records.

Estimated 2022-2023 Operations Budget (numbers may change, depending on what is adopted by the Inyo County Board of Supervisors, copy of finalized budget will be submitted to LTC)

Administrative Support	2,015
Site Supervisors	12,502
Drivers	33,951
Vehicle/Maintenance	6,709
Operations	43,499
Total Direct Costs	98,676
Request to Inyo LTC	37,050
Fares & Match	13,817
IIIB Supportive Services	47,809
	98,676

Potential Productivity Improvements

Under PUC Section 99244, the ICLTC is required to annually identify, analyze, and recommend potential productivity improvements which could lower the operating costs of those operators who operate at least 50 percent of their vehicle service miles within the area under its jurisdiction. At a minimum, the recommendations for improvements and productivity are to include, but not be limited

to, those recommendations related to productivity made in the triennial performance audit of the transit operator.

The ESAAA claim form includes a completed “Prior Performance Audit Worksheet.” The Triennial Performance Audit was the first completed for ESAAA. ESAAA has either 1) working on implementing the requirement, 2) willing to produce audit results that include the TDA component, 3) is in the review process of a recommendation, or 4) ESAAA addresses prior performance audit findings in their claim form. ESAAA is encouraged to continue developing their service and to find ways to meet the performance audit findings.

Attachments:

- Resolution No. 2022-04 apportioning and allocating TDA revenues to ESTA & ESAAA
- ESTA Claim Forms
- ESAAA Claim Forms

CLAIM FOR TDA FUNDS

TO: Inyo County Local Transportation Commission
Attention: Executive Director
PO Drawer Q
Independence, CA 93526

REQUEST FOR ALLOCATION OF TRANSPORTATION DEVELOPMENT ACT (TDA)
FUNDS FOR TRANSIT RELATED PURPOSES - FISCAL YEAR **2022/23**

1. THIS REQUEST IS FOR AN ALLOCATION OF:

\$ 703,955 LOCAL TRANSPORTATION FUNDS

\$ 172,784 STATE TRANSIT ASSISTANCE FUNDS

2. NAME OF CLAIMANT: **EASTERN SIERRA TRANSIT AUTHORITY**

NAME AND TITLE OF
CONTACT PERSON: **PHIL MOORES, EXECUTIVE DIRECTOR**

ADDRESS: **P.O. BOX 1357, BISHOP, CA 93515**

3. THE ABOVE CLAIMANT DECLARES THE FOLLOWING:

- A. That we are eligible to receive TDA funds.
- B. That the proposed expenditures are in conformity with the latest Regional Transportation Plan adopted by the ICLTC and the rules and regulations as set forth in the latest update of the TDA.
- C. That we have (or will) submitted to a fiscal audit of any TDA funds received during the past fiscal year.
- D. That we are eligible to receive **100%** of the total Inyo County TDA allocation based on the current population split between the County and City of Bishop as estimated by the latest State Department of Finance figures.
- E. That we received a satisfactory terminal inspection from the California Highway Patrol within the past 13 months, which evidences are compliance with Section 1808.1 of California Vehicle Code. See attached copy of California Highway Patrol Terminal Inspection with "Satisfactory" rating.

F. That these funds will be used for purposes as specified in Article 4, Section 99262 of the TDA as follows:

4. THE AMOUNTS REQUESTED FOR THE UPCOMING FISCAL YEAR ARE:

	<u>LTF</u>	<u>STA</u>
1 ST Quarter	\$ 175,988.75	\$ 43,196.00
2 nd Quarter	\$ 175,988.75	\$ 43,196.00
3 rd Quarter	\$ 175,988.75	\$ 43,196.00
4 th Quarter	\$ 175,988.75	\$ 43,196.00
TOTAL	\$ 703,955.00	\$ 172,784.00

Note: ESTA requests that LTF revenue be paid monthly at the rate of \$60,202 per month, and that the STA allocations be paid as received from the State Controller's Office.

Signed: 

Title: **EXECUTIVE DIRECTOR**

Date: **May 4, 2022**

TO: Inyo County Local Transportation Commission
Attention: Executive Director
PO Drawer Q
Independence, Ca 93526

REQUEST FOR ALLOCATION OF TRANSPORTATION DEVELOPMENT ACT (TDA) FUNDS
FOR TRANSIT-RELATED PURPOSES FISCAL YEAR **2022/23**

1. THIS REQUEST IS FOR AN ALLOCATION OF: () LOCAL TRANSPORTATION FUNDS

() STATE TRANSIT ASSISTANCE FUNDS

2. NAME OF TRANSIT SERVICE: **EASTERN SIERRA TRANSIT AUTHORITY**

NAME OF CONTACT PERSON: **PHIL MOORES**

ADDRESS: **P.O. BOX 1357, BISHOP, CA 93515**

TELEPHONE #: **760.872.1901**

3. THE ABOVE CLAIMANT IS QUALIFIED TO RECEIVE FUNDS UNDER

HAS THE ABOVE CLAIMANT RECEIVED ANY TDA FUNDS DURING THE PAST FISCAL YEAR? () YES () NO

**THE ABOVE CLAIMANT MADE A REASONABLE EFFORT TO
IMPLEMENT RECOMMENDATIONS MADE BY THE ICLTC. () YES () NO**
ICLTC Staff completed this box. Initials YES - JK 06/07/2022

ARE THE PROPOSED EXPENDITURES IN CONFORMITY WITH THE INYO COUNTY REGIONAL TRANSPORTATION PLAN? () YES () NO

4. AMOUNT REQUESTED FOR THE UPCOMING FISCAL YEAR (OR YEARS):

DIRECT ALLOCATION: **\$ 876,739.00**

RESERVE FUNDS: _____

OTHER: _____

5. THESE FUNDS WILL BE USED FOR PURPOSES AS SPECIFIED IN ARTICLE 4, SECTION **99262** AS FOLLOWS:

Transit Operations, Administration, and Capital Expense, to include matching funds for grants under Federal Transit Administration Section 5311.

6. PROJECTED REVENUES AND EXPENDITURES:

	Revenue		Expenditures		
	Fares	Other	Operations	Maintenance	Capital
Prior FY	\$1,305,608	\$3,496,366	\$4,761,576	\$609,461	\$72,929
Pending FY	\$1,500,000	\$3,648,340	\$4,581,431	\$700,000	\$500,000

7. EFFICIENCY STANDARDS REQUIRED UNDER SECTION 99314.6 OF THE PUBLIC UTILITIES CODE WERE VERIFIED PRIOR TO THE ALLOCATION OF STA FUNDS.*

ESTA's operating cost per service hour increased by 4.32% in FY 20/21. The calculation is detailed below:

	FY19/20	FY20/21
Operating Expense *	\$5,218,120	\$5,118,141
Depreciation	\$456,544	\$472,053
Net Operating Expense	\$4,761,576	\$4,646,088
Vehicle Service Hours	52,466	49,069
Op. Expense/VSH	\$90.76	\$94.68
Percent Increase		4.33%
CPI	2.5	7.5

ESTA did meet the required efficiency standard for FY20/21 and is requesting the STA funds for operating and/or capital expenses as described in the Transportation Development Act. Therefore, none of the STA funds are capital restricted.

8. IF OPERATING BUDGET SHOWS AN INCREASE OVER PRECEDING YEAR, PLEASE IDENTIFY INCREASES: *

The operating budget for FY 2020-21 did not increase over the budget for FY 19/20.

9. IF THERE IS A SUBSTANTIAL INCREASE OR DECREASE IN SCOPE OF OPERATION SINCE PRECEDING YEAR, PLEASE IDENTIFY: *

The anticipated service level for FY 2022/23 is basically status quo with the current year service level. No significant service level increase or decrease is anticipated.

10. IF THERE IS A SUBSTANTIAL INCREASE OR DECREASE IN CAPITAL BUDGET PROVISIONS SINCE PRECEDING YEAR, PLEASE IDENTIFY: *

Capital expense is projected to be higher in FY22/23 due to the fact that vehicle purchases are anticipated.

11. PLEASE DESCRIBE THE SERVICE YOU PROVIDE INCLUDING ROUTES,

METHOD OF OPERATION, CUSTOMERS, NUMBER OF PATRONS SERVED ETC.: *

The table below lists the services ESTA provides. The Inyo County routes serve all manner of patrons including disabled, elderly, visitors, and everyone else living or visiting the area.

Planned ESTA Services May 2022 through October 2022

Route	Type	Days of Week							Hours	Service Period	Description
		S	M	T	W	T	F	S			
Walker DAR	DAR	X	X	X	X				8am-4:30pm	year-round	1 bus, Carson Wed., Mammoth Tue.
Bridgeport - Carson	LL								11am-6:30pm	year-round	1 roundtrip on Wednesday
Walker to Mammoth	LL	X	X	X	X	X			8am-5pm	Tuesdays	Operated by Walker DAR driver. Res. Only
Mammoth DAR	Par	X	X	X	X	X			8am-5pm	year-round	Provides ADA paratransit backup
Purple Line	Cor	X	X	X	X	X			7am-6pm	year-round	1 bus with 30-minute headways
Mammoth Winter Trolley	Cor	X	X	X	X	X			5:40p-2am	Through April 21	2 buses with 30-minutes service till 2am
Mammoth Shoulder Season Trolley	Cor	X	X	X	X	X			7am-10pm	mid-April to mid-June Labor Day till Nov.	2 buses with 30-minutes service till 2am
Mammoth Summer Trolley	Cor	X	X	X	X	X			7am-2am	May 26-Nov 16	3 buses with 30-minutes service until 10pm. Reduced till 2am
Mammoth Lakes Basin Trolley	Cor	X	X	X	X	X			8am-6pm	after Labor Day till Oct. 1	2 buses with 30-minutes service, 3 on Sat. 1 bus with 60-minute service and 2 on Sat.
Red Line	Cor	X	X	X	X	X			7am-5:30pm	Thru April	3 buses with 20-minute service
Blue Line	Cor	X	X	X	X	X			7am-5:20pm	Thru April	As many as 6 buses on busy days
Green Line	Cor	X	X	X	X	X			7:30am-5:30pm	Thru April	1 bus with 15-minute service
Yellow Line	Cor	X	X	X	X	X			7:30am-5:30pm	Thru April	1 bus with 15-minute service
Mammoth Express	Com	X	X	X	X	X			see schedule	year-round	8 trips daily
395 Reno	Cor	X	X	X	X	X			see schedule	year-round	1 roundtrip daily
395 Lancaster	Cor	X	X	X	X	X			see schedule	year-round	1 roundtrip daily
Benton - Bishop	LL								8:30am leave 2:30pm return	year-round	1 roundtrip daily, 2 days per week
Bishop DAR	DAR	X	X	X	X	X			7am-6:30pm (M-F) 8:30am-6pm (Sat) 8am-1pm (Sun)	year-round	Door-to-door service in Bishop
Nite Rider	DAR								6pm-2am	year-round	Friday and Saturday nights (and New Years Eve & Tri-county Fair-Sunday)
Bishop Creek Shuttle	MD	X	X	X	X	X			8am-9:45a 4pm-5:45pm	Weather permitting June 16-Labor Day	RECOMMEND DISCONTINUATION
Lone Pine - Bishop	Com	X	X	X	X	X			see schedule	year-round	6 trips daily
Lone Pine DAR	DAR	X	X	X	X	X			7:30am-3:30pm	year-round	1 bus - door-to-door service
Reds Meadow Shuttle	Cor	X	X	X	X	X			7am-8pm	June 16-Labor Day	6-11 buses with 20-minute service

Legend: Cor=Core, Chr=Charter, DAR=Dial-a-Ride, Par=Paratransit Required, MD=Market Development, LL=Lifeline, Com=Commuter

12. ATTACH A COPY OF PROPOSED BUDGET FOR PENDING FISCAL YEAR.

State and Federal Grant Revenues	19-20 Estimate	20-21 Estimate	21-22 Estimate	22-23 Estimate	Variance
LTF	\$1,272,785	\$1,399,534	\$1,130,000	\$1,330,955	\$200,955
STA*	\$509,221	\$461,712	\$313,185	\$478,055	\$164,870
5311 Apportionment	\$187,601	\$198,250	\$200,000	\$200,000	\$0
5311(f)	\$225,000	\$290,000	\$290,000	\$290,000	\$0
LCTOP	\$35,355	\$44,520	\$35,000	\$37,000	\$2,000
SGR	\$70,941	\$71,828	\$76,449	\$78,840	\$2,391
Total	\$2,300,903	\$2,465,844	\$2,044,634	\$2,414,850	\$370,216
*Capital restricted not included					
Other Agencies	19-20 Estimate	20-21 Estimate	21-22 Estimate	22-23 Estimate	Variance
TOML	\$862,000	\$906,677	\$937,058	\$988,000	\$50,942
MMSA	\$1,050,000	\$1,061,000	\$1,102,778	\$1,119,700	\$16,922
KRT	\$24,000	\$24,000	\$24,000	\$24,000	\$0
Total	\$1,936,000	\$1,991,677	\$2,063,836	\$2,131,700	\$67,864
Fares	19-20 Estimate	20-21 Estimate	21-22 Estimate	22-23 Estimate	Variance
Reds Meadow	\$490,000	\$597,825	\$597,825	\$884,000	\$286,175
395 Routes	\$255,000	\$255,000	\$278,000	\$278,000	\$0
All Other	\$210,000	\$210,000	\$210,000	\$210,000	\$0
Total	\$955,000	\$1,062,825	\$1,085,825	\$1,372,000	\$286,175

Total Operating Revenue \$5,191,903 \$5,520,346 \$5,194,295 \$5,918,550 \$724,255

Operating Expense Categories	19-20 Budget	20-21 Estimate	21-22 Estimate	22-23 Estimate	Variance
Salaries & Benefits	\$2,884,788	\$3,000,180	\$2,900,000	\$3,360,000	-\$100,180
Insurance	\$306,000	\$325,000	\$325,000	\$325,000	\$0
Maintenance	\$603,789	\$620,000	\$630,000	\$630,000	\$10,000
Fuel	\$632,752	\$632,752	\$632,752	\$822,000	\$0
Facilities	\$246,694	\$246,694	\$246,694	\$275,000	\$0
Services	\$288,915	\$288,915	\$288,915	\$288,915	\$0
All Other	\$296,060	\$300,000	\$300,000	\$300,000	\$0
Total	\$5,258,998	\$5,413,541	\$5,323,361	\$6,000,915	\$154,543

13. ATTACH COPIES OF ANY CONTRACTS UPON WHICH PROVISIONS OF YOUR SERVICE DEPENDS.

No contracts are currently active.

14. ADDITIONAL COMMENTS: *

* Attach additional sheets as necessary.

Signed:



Title:

EXECUTIVE DIRECTOR

Date:

May 4, 2022

CLAIM FOR TDA FUNDS

Prior Performance Audit Worksheet

TO: Inyo County Local Transportation Commission
 Attention: Executive Director
 PO Drawer Q
 Independence, CA 93526

REQUEST FOR ALLOCATION OF TRANSPORTATION DEVELOPMENT ACT (TDA)
 FUNDS FOR TRANSIT RELATED PURPOSES - FISCAL YEAR 2022/23

Note that this worksheet is only required to be completed by claimants for public transit services under Article 4 of the Public Utilities Code.

Each recommendation from the latest performance audit	Action(s) taken to date to address the recommendation	Conclusion
Ensure vehicle maintenance is conducted within maintenance parameters.	ESTA continues to strive for zero late maintenance inspections. The Performance Audit commented that while improved maintenance scheduling practices and an in-house maintenance database have improved performance, certain inspections exceed established maintenance intervals. ESTA is working proactively with maintenance vendors to ensure that documentation of dates when service is performed is accurate so as not to mistakenly reflect an overdue service.	In progress
Study feasibility of having the 45-day (3,000 mile) vehicle inspections conducted in-house	ESTA has completed the PTMISEA funded maintenance area at the Bishop airport. Having a covered, solid surface work area will facilitate ESTA developing the capability to perform these inspections more effectively in-house. The training and plans for conducting these inspections is still being considered.	In progress
Include comparison of performance against new standards in the monthly operations report	The monthly operations report has been updated and now reflects the passenger miles per service hour metric as outlined in ESTA's most recent SRTP.	Completed
Work with LTC's to procure additional on-board video cameras.	Ten buses in Mono County were equipped with on-board video. We are actively applying for funds to continue the installation of video equipment on the remaining fleet. All new vehicle purchases include video.	In progress

APPENDIX B

Forms – Request for Allocation of Funds

Amended June 15, 2016

CLAIM FOR TDA FUNDS

TO: Inyo County Local Transportation Commission
Attention: Executive Director
PO Drawer Q
Independence, CA 93526

REQUEST FOR ALLOCATION OF TRANSPORTATION DEVELOPMENT ACT (TDA)
FUNDS FOR TRANSIT RELATED PURPOSES - FISCAL YEAR 2021/2022

1. THIS REQUEST IS FOR AN ALLOCATION OF:

\$ 37,050.00 LOCAL TRANSPORTATION FUNDS

\$ _____ STATE TRANSIT ASSISTANCE FUNDS

2. NAME OF CLAIMANT: Eastern Sierra Area Agency on Aging

NAME AND TITLE OF
CONTACT PERSON: Marilyn Mann, Director

ADDRESS: 1360 North Main Street, Bishop, CA 93514

3. THE ABOVE CLAIMANT DECLARES THE FOLLOWING:

- A. That we are eligible to receive TDA funds.
- B. That the proposed expenditures are in conformity with the latest Regional Transportation Plan adopted by the ICLTC and the rules and regulations as set forth in the latest update of the TDA.
- C. That we have (or will) submitted to a fiscal audit of any TDA funds received during the past fiscal year.
- D. That we are eligible to receive 5% of the total Inyo County TDA allocation based on the current population split between the County and City of Bishop as estimated by the latest State Department of Finance figures.

E. That we received a satisfactory terminal inspection from the California Highway Patrol within the past 13 months, which evidences are compliance with Section 1808.1 of California Vehicle Code.

F. That these funds will be used for purposed as specified in Article _____, Section _____ of the TDA as follows:

4. THE AMOUNTS REQUESTED FOR THE UPCOMING FISCAL YEAR ARE:

	<u>LTF</u>	<u>STA</u>
1 ST Quarter	\$ <u> \$9262.50 </u>	\$ _____
2 nd Quarter	\$ <u> \$9262.50 </u>	\$ _____
3 rd Quarter	\$ <u> \$9262.50 </u>	\$ _____
4 th Quarter	\$ <u> \$9262.50 </u>	\$ _____
TOTAL	\$ <u> \$37,050.00 </u>	\$ _____

Signed: 

Title: HHS Director

Date: 4/25/2022

TO: Inyo County Local Transportation Commission
Attention: Executive Director
PO Drawer Q
Independence, Ca 93526

REQUEST FOR ALLOCATION OF TRANSPORTATION DEVELOPMENT ACT (TDA) FUNDS
FOR TRANSIT-RELATED PURPOSES FISCAL YEAR 2018/19

1. THIS REQUEST IS FOR AN ALLOCATION OF: LOCAL TRANSPORTATION
FUNDS

STATE TRANSIT
ASSISTANCE FUNDS

2. NAME OF TRANSIT SERVICE: Eastern Sierra Area Agency on Aging

NAME OF CONTACT PERSON: Marilyn Mann, Director

ADDRESS: 1360 North Main Street, Bishop, CA 93514

TELEPHONE #: 760-873-3305

3. THE ABOVE CLAIMANT IS QUALIFIED TO RECEIVE FUNDS UNDER
ARTICLE 4, SECTION 5 OF THE TRANSPORTATION
DEVELOPMENT ACT.

HAS THE ABOVE CLAIMANT RECEIVED ANY TDA FUNDS DURING THE PAST
FISCAL YEAR? YES NO

**THE ABOVE CLAIMANT MADE A REASONABLE EFFORT TO IMPLEMENT
RECOMMENDATIONS MADE BY THE ICLTC. YES NO**

ICLTC Staff completed this box. Initials

ARE THE PROPOSED EXPENDITURES IN CONFORMITY WITH THE INYO COUNTY
REGIONAL TRANSPORTATION PLAN? YES NO

4. AMOUNT REQUESTED FOR THE UPCOMING FISCAL YEAR (OR YEARS):

DIRECT ALLOCATION: 37,050.00

RESERVE FUNDS: _____

OTHER: _____

5. THESE FUNDS WILL BE USED FOR PURPOSES AS SPECIFIED IN
ARTICLE 4, SECTION 5 AS FOLLOWS:

6. PROJECTED REVENUES AND EXPENDITURES:

	REVENUES		EXPENDITURES		
	FARES	OTHER (identify by source)	OPERATIONS	MAINTENANCE	CAPITAL
PRIOR FY	\$1,500	\$97,175	\$91,966	\$6,709	
PENDING FY	\$1500	\$97,175	\$91,966	\$ 6709	

7. EFFICIENCY STANDARDS REQUIRED UNDER SECTION 99314.6 OF THE PUBLIC UTILITIES CODE WERE VERIFIED PRIOR TO THE ALLOCATION OF STA FUNDS.*
8. IF OPERATING BUDGET SHOWS AN INCREASE OVER PRECEDING YEAR, PLEASE IDENTIFY INCREASES: *
9. IF THERE IS A SUBSTANTIAL INCREASE OR DECREASE IN SCOPE OF OPERATION SINCE PRECEDING YEAR, PLEASE IDENTIFY; *
10. IF THERE IS A SUBSTANTIAL INCREASE OR DECREASE IN CAPITAL BUDGET PROVISIONS SINCE PRECEDING YEAR, PLEASE IDENTIFY: *
11. PLEASE DESCRIBE THE SERVICE YOU PROVIDE INCLUDING ROUTES, METHOD OF OPERATION, CUSTOMERS, NUMBER OF PATRONS SERVED ETC.: *
12. ATTACH A COPY OF PROPOSED BUDGET FOR PENDING FISCAL YEAR.
13. ATTACH COPIES OF ANY CONTRACTS UPON WHICH PROVISIONS OF YOUR SERVICE DEPENDS.
14. ADDITIONAL COMMENTS: *

* Attach additional sheets as necessary.

Signed: 
 Title: HHS Director
 Date: 4/25/2022

CLAIM FOR TDA FUNDS

Prior Performance Audit Worksheet

TO: Inyo County Local Transportation Commission
 Attention: Executive Director
 PO Drawer Q
 Independence, CA 93526

REQUEST FOR ALLOCATION OF TRANSPORTATION DEVELOPMENT ACT (TDA)
 FUNDS FOR TRANSIT RELATED PURPOSES - FISCAL YEAR 2022/23

Note that this worksheet is only required to be completed by claimants for public transit services under Article 4 of the Public Utilities Code.

Each recommendation from the latest performance audit	Action(s) taken to date to address the recommendation	Conclusion
Allocate motor pool costs based on vehicle mileage	Due to the pandemic and staff turnover, we were not able to implement this. We are working to develop that into our process for FY 2022/23.	
Subdivide bus pass counts in the Non-Registered Services Report	Bus passes are only funded through ESAAA but if we purchase bus passes in the ICGOLD program, we will track them separately as recommended.	
Submit updated TDA claim budgets to the ICLTC following approval of the budget by Inyo County Board of Supervisors	We will implement this in FY 2022/23.	
Work with the TDA fiscal auditor to report full operating costs.	California Department of Aging completes a full audit every three years for all services and expenses in the ESAAA program. ESAAA participates in the county-wide Single Audit each year. We are also now completing the requested TDA audit with the same auditor that is doing the county-wide Single Audit. We are willing to produce the current audit results from these audits.	
Work with the ICLTC to update performance stand for TDA claims	We will review this recommendation in FY 22/23	

FY 22/23 AAA Request for Funds

ESAAA uses TDA funding to provide rides to individuals who are physically or logistically unable to use regular public transportation to obtain essential services such as medical appointments, grocery shopping, pharmacy and day care services. These individuals need transportation and assistance from the driver to find the out-of-town medical facility, purchase and carry groceries into the house, enter and exit the vehicle, etc. Based on individual needs, services are provided by Inyo County staff using program vehicles to residents through Inyo County. We provide short and long distance medical trips and regularly scheduled errand/shopping trips. ESAAA Site Coordinators assess individuals, plan trips and maintain records. In FY 21/22, July through February, there were a total of 3310 one way trips provided; this decreased from the prior years due to COVID restrictions. We have also provided 7 clients assisted transportation services for a total 143 miles.

Estimated 2022/23 Operations Budget (numbers may change, depending on State and Federal funding and what is adopted by the Inyo County Board of Supervisors)

Administrative Support	2,015
Site Supervisors	12,501.89
Drivers	33,951
Vehicle/Maint	6,709
Operations	43,499
Total Direct Costs	98,675.89
Request to Inyo LTC	37,050
Fares and required Match	13,817
IIIB Supportive Services	47,808.89
	98,675.89

**INYO COUNTY LOCAL TRANSPORTATION COMMISSION
RESOLUTION No. 2022-04**

**A RESOLUTION APPORTIONING AND ALLOCATING LOCAL
TRANSPORTATION FUNDS FOR THE FISCAL YEAR 2022-2023**

WHEREAS, the Inyo County Local Transportation Commission (ICLTC) is the designated transportation planning agency pursuant to Government Code Section 29535 and by action of the Secretary of Business, Transportation and Housing, and, as such, has the responsibility to apportion and allocate Local Transportation Funds (LTF); and

WHEREAS, the Transportation Development Act claimants have submitted claims for FY 2022-2023 TDA funds pursuant to Article 4.5 and Article 8 of the California Public Utilities Code; and

WHEREAS, ICLTC has analyzed the claims and determined that the claims conform to the provisions of the Transportation Development Act including the provision of PUC 99275.5.

WHEREAS, it is estimated that **\$892,140** of ICLTC-administered funds will be available for apportionment and allocation in fiscal year 2022-2023; and

WHEREAS, the following disbursements will be made. In accordance with the adopted ICLTC Overall Work Program, **\$96,012** of LTF has been committed to administration per Section 99233.1., **\$40,000** has been committed to audits and, based upon prior action of the ICLTC, and in accordance with Section 99233.3 of the Transportation Development Act, 2% of the remaining LTF, or **\$15,123**, will be “set-aside” for bicycle and pedestrian facilities. Also, **\$37,050** (app. 5% of the remaining LTF) will be allocated to the Eastern Sierra Agency on Aging (ESAAA) under Article 8 of the Transportation Development Act for medical escort service for seniors and other transit dependent adults. ESAAA is responding to a transit need that is not otherwise being met by ESTA. The ICLTC has reviewed the pending ESTA proposed Inyo County and City of Bishop transit system budget and allocates the remainder of TDA funds in FY 2022-2023 (**\$703,955**) to ESTA under Public Utilities Code Section 99260(a), and

NOW, THEREFORE BE IN RESOLVED that the Inyo County Local Transportation Commission does hereby apportion and allocate FY 2022-2023 LTF funds as follows:

1. **\$96,012** for LTC administration, Public Utilities Code 99233.1.
2. **\$40,000** for LTC auditing costs, Public Utilities Code 99233.1.
3. **\$15,123** or 2% of remaining LTF moneys for bicycle and pedestrian “set-aside” to be used anywhere in the County and/or City, Public Utilities Code 99233.3.

4. **\$37,050** of LTF apportioned and allocated to Eastern Sierra Agency on Aging (ESAAA) for medical escort service for seniors and other transit dependent adults in Inyo County and the City of Bishop, Article 4.5 of the Transportation Development Act.
5. **\$703,955** of remaining LTF apportioned and allocated to the Eastern Sierra Transit Authority for operating costs in Inyo County and the City of Bishop, Public Utilities Code Section 99260(a).

BE IT FURTHER RESOLVED that this action is taken in conformance with the Inyo County Regional Transportation Plan (RTP) and with the Commission’s earlier action defining current “Unmet Needs” and that are “Reasonable to Meet.”

Passed and adopted this 15th day of June 2022, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Celeste Berg, Chair
Inyo County Local Transportation Commission

Attest:

Justine Kokx, Staff
Inyo County Local Transportation Commission



INYO COUNTY LOCAL TRANSPORTATION COMMISSION



P.O. DRAWER Q
INDEPENDENCE, CA 93526
PHONE: (760) 878-0201
FAX: (760) 878-2001

Michael Errante
Executive Director

STAFF REPORT

MEETING: June 15, 2022

PREPARED BY: Justine Kokx, Transportation Planner

SUBJECT: Allocation of State Transit Assistance (STA) funds to the Eastern Sierra Transit Authority (ESTA) for operating & capital expenses

Recommended Action

Approve Resolution 2022-05 allocating an estimated amount of \$172,784 in FY 2022-2023 STA funds ESTA for operating and/or capital expenses.

Background

The State Controller's Office has provided an estimate of STA funds that will be received in FY 2022-2023. The State Controller's Office allocates funds under two sections of the Public Utilities Code. The Inyo County LTC will receive an estimate of \$172,784 under Public Utilities Code (PUC) Section 99313. This amount is based on annual population estimates per PUC Section 99312.7.

Analysis

The role of the Inyo County LTC is to confirm the information provided by ESTA in the claim forms is correct. The following findings are made. For the *Claim for TDA Funds* form:

- A. ESTA is eligible to receive Article 4 TDA claim funds in Inyo County as a public transit operator. This was confirmed in the completion of the Triennial Performance Audit of ESTA. ESTA can use these funds for capital and operating expenses. ESTA did meet the required efficiency standard for FY2020-2021, therefore, none of the STA funds are capital restricted. (See the discussion on pg. 2 of Efficiency Standards). The funds can also be used as matching funds for Federal Transit Administration grants.
- B. The ESTA claim is in compliance with the Inyo County LTC Regional Transportation Plan. The RTP generally describes the transit services available in Inyo County. The RTP also includes goals and policies generally in support of public transit. ESTA is maintaining their existing services.

- C. ESTA completes an annual fiscal audit of Transportation Development Act funds and provides this information to the Inyo County LTC.
- D. ESTA provides 100% of the public transit services in both the City of Bishop and Inyo County.
- E. The CHP has completed a terminal inspection of the ESTA headquarters within the last 13 months.
- F. ESTA has specified that the funds are being used for purposes set forth in Article 4, Section 99262 of the Transportation Development Act (TDA). This portion of the TDA sets out the general uses for funds claimed under the TDA. The draft ESTA budget for FY 2022-2023 is attached. The ESTA claim form complies with this general requirement. This was demonstrated by the completion of the Triennial Performance Report of ESTA.

The Inyo County LTC *Request for Allocation of TDA funds for transit-related purposes* form repeats some of the above questions and sets forth other requirements. The analysis below will cover those portions of this form not discussed above.

Reasonable Effort

ESTA has claimed TDA funds from the Inyo County LTC in the past year. As such, the LTC is required to determine if “The above claimant made a reasonable effort to implement recommendations made by the ICLTC.” The Inyo County LTC, in the Unmet Transit Needs hearing process, did find new proposed transit services that met the definition of an “unmet transit need” but none were determined to be “reasonable to meet”. Staff has marked the “Yes” box to indicate that ESTA has made a reasonable effort to implement recommendations made by the Inyo County LTC.

Efficiency Standards Analysis

ESTA is claiming STA funds this year for operating and/or capital expenditures. To receive funds for operating expenses, ESTA is required to meet the efficiency standards set out by Section 99314.6 of the Public Utilities Code. In FY 2020-2021, ESTA’s operating cost per service hour increased less than the California Consumer Price Index (CPI) over the same period. Therefore, ESTA’s budget has met the efficiency standards and has therefore not triggered restrictions of capital funding. The entire STA allocation of \$172,784 is available for use on operations, capital expenditures or matching funds for FTA section 5311 grants at ESTA’s discretion.

Scope of Service

The scope of services provided by ESTA will remain the same.

Change in Capital Costs

ESTA’s operating costs per service hour increased by 4.32% in FY 2020-2021. When fixed costs are divided by increased service hours, the operating cost per service area has increased.

Services Provided

ESTA has included a description of transit services it will provide in 2022-2023.

Proposed Budget

ESTA has included its preliminary budget for 2022-2023 as part of this allocation request.

Attachments: -Resolution No. 2022-05

-State Controller Estimate of State Transit Assistance funds



BETTY T. YEE
California State Controller

January 31, 2022

County Auditors Responsible for State Transit Assistance Funds
Transportation Planning Agencies
County Transportation Commissions
San Diego Metropolitan Transit System

SUBJECT: Fiscal Year 2022-23 State Transit Assistance Allocation Preliminary Estimate

Enclosed is a preliminary summary schedule of State Transit Assistance (STA) funds estimated to be allocated for fiscal year (FY) 2022-23 to each Transportation Planning Agency (TPA), county transportation commission, and the San Diego Metropolitan Transit System for the purposes of Public Utilities Code (PUC) sections 99313 and 99314. Also enclosed is a schedule detailing the amount of the PUC section 99314 allocation for each TPA by operator.

PUC section 99313 allocations are based on the latest available annual population estimates from the Department of Finance. Pursuant to PUC section 99314.10, the PUC section 99314 allocations are based on the State Controller's Office (SCO) transmittal letter, Reissuance of the FY 2020-21 STA Allocation Estimate, dated July 30, 2021. Pursuant to PUC section 99314.3, each TPA is required to allocate funds to the STA-eligible operators in the area of its jurisdiction.

According to the FY 2022-23 enacted California Budget, the estimated amount of STA funds budgeted is \$734,715,000. SCO anticipates the first quarter's allocation will be paid by November 30, 2022. Please refer to the schedule for the amounts that relate to your agency.

Please contact Mike Silvera by telephone at (916) 323-0704 or email at msilvera@sco.ca.gov with any questions, or for additional information.

Sincerely,

(Original Signed By)

MELMA DIZON
Manager
Local Apportionments Section

Enclosures

STATE CONTROLLER'S OFFICE
2022-23 STATE TRANSIT ASSISTANCE ALLOCATION ESTIMATE
SUMMARY
JANUARY 31, 2022

Regional Entity	PUC 99313 Funds from RTC Sections 7102(a)(3), 6051.8(a), and 6201.8(a) Fiscal Year 2022-23 Estimate		PUC 99313 Funds from RTC Sections 6051.8(b), and 6201.8(b) Fiscal Year 2022-23 Estimate		PUC 99314 Fiscal Year 2022-23 Estimate	Total Fiscal Year 2022-23 Estimate
	A		B		C	D= (A+B+C)
Metropolitan Transportation Commission	\$	39,184,873	\$	32,514,802	\$ 196,846,972	\$ 268,546,647
Sacramento Area Council of Governments		9,966,407		8,269,920	6,366,559	24,602,886
San Diego Association of Governments		4,864,088		4,036,120	2,188,240	11,088,448
San Diego Metropolitan Transit System		12,001,214		9,958,360	9,009,395	30,968,969
Tahoe Regional Planning Agency		549,716		456,143	58,050	1,063,909
Alpine County Transportation Commission		5,774		4,792	827	11,393
Amador County Transportation Commission		190,135		157,770	13,160	361,065
Butte County Association of Governments		1,030,967		855,476	104,727	1,991,170
Calaveras County Local Transportation Commission		229,096		190,099	5,122	424,317
Colusa County Local Transportation Commission		113,175		93,910	9,085	216,170
Del Norte County Local Transportation Commission		137,088		113,753	13,189	264,030
El Dorado County Local Transportation Commission		885,654		734,897	111,591	1,732,142
Fresno County Council of Governments		5,222,677		4,333,670	1,717,767	11,274,114
Glenn County Local Transportation Commission		150,976		125,276	7,679	283,931
Humboldt County Association of Governments		665,633		552,328	211,301	1,429,262
Imperial County Transportation Commission		946,346		785,258	160,135	1,891,739
Inyo County Local Transportation Commission		94,429		78,355	0	172,784
Kern Council of Governments		4,650,456		3,858,853	521,962	9,031,271
Kings County Association of Governments		775,979		643,891	57,102	1,476,972
Lake County/City Council of Governments		325,260		269,894	32,171	627,325
Lassen County Local Transportation Commission		140,257		116,383	12,051	268,691
Los Angeles County Metropolitan Transportation Authority		51,095,675		42,398,142	121,686,458	215,180,275
Madera County Local Transportation Commission		806,150		668,926	49,111	1,524,187
Mariposa County Local Transportation Commission		91,753		76,135	4,708	172,596
Mendocino Council of Governments		440,881		365,834	61,761	868,476
Merced County Association of Governments		1,448,947		1,202,307	127,949	2,779,203
Modoc County Local Transportation Commission		48,280		40,062	6,942	95,284
Mono County Local Transportation Commission		67,631		56,119	182,131	305,881
Transportation Agency for Monterey County		2,224,616		1,845,940	1,266,400	5,336,956
Nevada County Local Transportation Commission		495,805		411,409	44,638	951,852
Orange County Transportation Authority		16,043,046		13,312,190	10,627,316	39,982,552
Placer County Transportation Planning Agency		1,618,612		1,343,091	426,130	3,387,833
Plumas County Local Transportation Commission		92,155		76,469	27,539	196,163
Riverside County Transportation Commission		12,485,685		10,360,365	3,739,538	26,585,588
Council of San Benito County Governments		323,154		268,146	9,762	601,062
San Bernardino County Transportation Authority		11,068,745		9,184,617	4,336,855	24,590,217
San Joaquin Council of Governments		3,985,800		3,307,335	1,664,301	8,957,436
San Luis Obispo Area Council of Governments		1,379,439		1,144,630	180,903	2,704,972
Santa Barbara County Association of Governments		2,244,221		1,862,208	1,052,827	5,159,256
Santa Cruz County Transportation Commission		1,328,279		1,102,179	2,249,725	4,680,183
Shasta Regional Transportation Agency		904,445		750,490	87,568	1,742,503
Sierra County Local Transportation Commission		16,222		13,462	1,146	30,830
Siskiyou County Local Transportation Commission		225,505		187,119	17,498	430,122
Stanislaus Council of Governments		2,828,183		2,346,768	292,651	5,467,602
Tehama County Transportation Commission		332,453		275,862	12,549	620,864
Trinity County Transportation Commission		68,852		57,132	4,915	130,899
Tulare County Association of Governments		2,450,553		2,033,418	471,317	4,955,288
Tuolumne County Transportation Council		271,974		225,678	13,107	510,759
Ventura County Transportation Commission		4,248,739		3,525,517	1,264,670	9,038,926
Subtotals	\$	200,766,000	\$	166,591,500		
State Totals	\$		\$	367,357,500	\$ 367,357,500	\$ 734,715,000

STATE CONTROLLER'S OFFICE
2022-23 STATE TRANSIT ASSISTANCE ALLOCATION ESTIMATE PUC 99314 ALLOCATION DETAIL
JANUARY 31, 2022

Regional Entity and Operator(s)	Revenue Basis	Funds from RTC Sections 7102(a)(3), 6051.8(a), and 6201.8(a)		Funds from RTC Sections 6051.8(b), and 6201.8(b)		Total Fiscal Year 2022-23 Estimate
		Fiscal Year 2022-23 Estimate	A	Fiscal Year 2022-23 Estimate	B	
Altamont Corridor Express*						
Alameda County Congestion Management Agency	\$ NA	\$ 157,026		\$ 130,297		\$ 287,323
Santa Clara Valley Transportation Authority	NA	90,592		75,171		165,763
San Joaquin Regional Rail Commission	NA	507,315		420,960		928,275
Regional Entity Totals	0	754,933		626,428		1,381,361
	0	(754,933)		(626,428)		(1,381,361)
Metropolitan Transportation Commission						
Alameda-Contra Costa Transit District, San Francisco Bay Area Rapid Transit District, and the City of San Francisco**	2,032,465,904	71,632,416		59,439,108		131,071,524
Central Contra Costa Transit Authority	12,684,408	447,050		370,953		818,003
City of Dixon	123,850	4,365		3,622		7,987
Eastern Contra Costa Transit Authority	6,132,724	216,142		179,350		395,492
City of Fairfield	2,250,751	79,326		65,823		145,149
Golden Gate Bridge Highway and Transportation District	138,827,667	4,892,854		4,059,991		8,952,845
Livermore-Amador Valley Transit Authority	6,084,421	214,440		177,938		392,378
Marin County Transit District	23,726,064	836,204		693,865		1,530,069
Napa Valley Transportation Authority	1,722,522	60,709		50,375		111,084
Peninsula Corridor Joint Powers Board	144,681,126	5,099,154		4,231,174		9,330,328
City of Petaluma	739,065	26,048		21,614		47,662
City of Rio Vista	39,373	1,388		1,151		2,539
San Francisco Bay Area Water Emergency Transportation Authority	39,452,081	1,390,453		1,153,769		2,544,222
San Mateo County Transit District	145,105,738	5,114,119		4,243,592		9,357,711
Santa Clara Valley Transportation Authority	439,800,215	15,500,359		12,861,880		28,362,239
City of Santa Rosa	2,483,478	87,528		72,629		160,157
Solano County Transit	5,290,076	186,444		154,707		341,151
County of Sonoma	3,459,517	121,928		101,173		223,101
Sonoma-Marin Area Rail Transit District	29,993,581	1,057,097		877,157		1,934,254
City of Union City	1,879,467	66,240		54,965		121,205
City of Vacaville	402,817	14,197		11,780		25,977
Western Contra Costa Transit Authority	8,044,931	283,536		235,273		518,809
Regional Entity Subtotals	3,045,389,776	107,331,997		89,061,889		196,393,886
Alameda County Congestion Management Agency - Corresponding to ACE*	NA	157,026		130,297		287,323
Santa Clara Valley Transportation Authority - Corresponding to ACE*	NA	90,592		75,171		165,763
Regional Entity Totals	3,045,389,776	107,579,615		89,267,357		196,846,972
Sacramento Area Council of Governments						
City of Davis (Unitrans)	2,957,630	104,239		86,495		190,734
City of Elk Grove	2,129,534	75,053		62,278		137,331
County of Sacramento	1,189,071	41,908		34,774		76,682
Sacramento Regional Transit System	86,413,727	3,045,574		2,527,154		5,572,728
Yolo County Transportation District	4,689,895	165,291		137,155		302,446
Yuba Sutter Transit Authority	1,343,449	47,349		39,289		86,638
Regional Entity Totals	98,723,306	3,479,414		2,887,145		6,366,559

* The amounts allocated to the member agencies of Altamont Corridor Express are included with their corresponding transportation planning agency.

** The amounts for Alameda-Contra Costa Transit District, San Francisco Bay Area Rapid Transit District, and the City of San Francisco are combined.

STATE CONTROLLER'S OFFICE
2022-23 STATE TRANSIT ASSISTANCE ALLOCATION ESTIMATE PUC 99314 ALLOCATION DETAIL
JANUARY 31, 2022

<u>Regional Entity and Operator(s)</u>	<u>Revenue Basis</u>	Funds from RTC Sections 7102(a)(3), 6051.8(a), and 6201.8(a) <u>Fiscal Year 2022-23 Estimate</u> A	Funds from RTC Sections 6051.8(b), and 6201.8(b) <u>Fiscal Year 2022-23 Estimate</u> B	Total Fiscal Year 2022-23 Estimate C= (A+B)
San Diego Association of Governments North County Transit District	33,932,036	1,195,904	992,336	2,188,240
San Diego Metropolitan Transit System				
San Diego Metropolitan Transit System	33,958,141	1,196,824	993,100	2,189,924
San Diego Transit Corporation	62,951,421	2,218,666	1,841,003	4,059,669
San Diego Trolley, Inc.	42,794,978	1,508,270	1,251,532	2,759,802
Regional Entity Totals	<u>139,704,540</u>	<u>4,923,760</u>	<u>4,085,635</u>	<u>9,009,395</u>
Southern California Regional Rail Authority***				
Los Angeles County Metropolitan Transportation Authority	NA	4,184,078	3,471,862	7,655,940
Orange County Transportation Authority	NA	1,837,421	1,524,654	3,362,075
Riverside County Transportation Commission	NA	934,989	775,835	1,710,824
San Bernardino County Transportation Authority	NA	944,172	783,455	1,727,627
Ventura County Transportation Commission	NA	447,459	371,292	818,751
Regional Entity Totals	<u>0</u>	<u>8,348,119</u>	<u>6,927,098</u>	<u>15,275,217</u>
	0	(8,348,119)	(6,927,098)	(15,275,217)
Tahoe Regional Planning Agency Tahoe Transportation District	900,147	31,725	26,325	58,050
Alpine County Transportation Commission County of Alpine	12,816	452	375	827
Amador County Transportation Commission Amador Transit	204,076	7,192	5,968	13,160
Butte County Association of Governments				
Butte Regional Transit	1,601,714	56,451	46,842	103,293
City of Gridley - Specialized Service	22,232	784	650	1,434
Regional Entity Totals	<u>1,623,946</u>	<u>57,235</u>	<u>47,492</u>	<u>104,727</u>
Calaveras County Local Transportation Commission Calaveras Transit Agency	79,417	2,799	2,323	5,122
Colusa County Local Transportation Commission County of Colusa	140,877	4,965	4,120	9,085
Del Norte County Local Transportation Commission Redwood Coast Transit Authority	204,530	7,208	5,981	13,189
El Dorado County Local Transportation Commission El Dorado County Transit Authority	1,730,379	60,986	50,605	111,591

*** The amounts allocated to the member agencies of Southern California Regional Rail Authority are included with their corresponding transportation planning agency.

STATE CONTROLLER'S OFFICE
2022-23 STATE TRANSIT ASSISTANCE ALLOCATION ESTIMATE PUC 99314 ALLOCATION DETAIL
JANUARY 31, 2022

<u>Regional Entity and Operator(s)</u>	<u>Revenue Basis</u>	Funds from RTC Sections 7102(a)(3), 6051.8(a), and 6201.8(a) <u>Fiscal Year 2022-23 Estimate</u> A	Funds from RTC Sections 6051.8(b), and 6201.8(b) <u>Fiscal Year 2022-23 Estimate</u> B	Total Fiscal Year 2022-23 Estimate C= (A+B)
Fresno County Council of Governments				
City of Clovis	1,770,328	62,394	51,773	114,167
City of Fresno	22,991,076	810,300	672,370	1,482,670
Fresno County Rural Transit Agency	1,875,194	66,090	54,840	120,930
Regional Entity Totals	<u>26,636,598</u>	<u>938,784</u>	<u>778,983</u>	<u>1,717,767</u>
Glenn County Local Transportation Commission				
County of Glenn Transit Service	119,071	4,197	3,482	7,679
Humboldt County Association of Governments				
City of Arcata	213,054	7,509	6,231	13,740
Humboldt Transit Authority	3,063,481	107,970	89,591	197,561
Regional Entity Totals	<u>3,276,535</u>	<u>115,479</u>	<u>95,822</u>	<u>211,301</u>
Imperial County Transportation Commission				
Imperial County Transportation Commission	2,462,028	86,772	72,002	158,774
Quechan Indian Tribe	21,107	744	617	1,361
Regional Entity Totals	<u>2,483,135</u>	<u>87,516</u>	<u>72,619</u>	<u>160,135</u>
Inyo County Local Transportation Commission	None	None	None	None
Kern Council of Governments				
City of Arvin	62,152	2,190	1,818	4,008
City of California City	25,760	908	753	1,661
City of Delano	279,451	9,849	8,172	18,021
Golden Empire Transit District	5,882,508	207,324	172,033	379,357
County of Kern	1,194,767	42,108	34,941	77,049
City of McFarland	12,106	427	354	781
City of Ridgecrest	159,250	5,613	4,657	10,270
City of Shafter	57,568	2,029	1,684	3,713
City of Taft	360,169	12,694	10,533	23,227
City of Tehachapi	28,252	996	826	1,822
City of Wasco	31,839	1,122	931	2,053
Regional Entity Totals	<u>8,093,822</u>	<u>285,260</u>	<u>236,702</u>	<u>521,962</u>
Kings County Association of Governments				
City of Corcoran	122,620	4,322	3,586	7,908
Kings County Area Public Transit Agency	762,823	26,885	22,309	49,194
Regional Entity Totals	<u>885,443</u>	<u>31,207</u>	<u>25,895</u>	<u>57,102</u>
Lake County/City Council of Governments				
Lake Transit Authority	498,852	17,582	14,589	32,171
Lassen County Local Transportation Commission				
Lassen Transit Service Agency	186,872	6,586	5,465	12,051

STATE CONTROLLER'S OFFICE
2022-23 STATE TRANSIT ASSISTANCE ALLOCATION ESTIMATE PUC 99314 ALLOCATION DETAIL
JANUARY 31, 2022

<u>Regional Entity and Operator(s)</u>	<u>Revenue Basis</u>	Funds from RTC Sections 7102(a)(3), 6051.8(a), and 6201.8(a) <u>Fiscal Year 2022-23 Estimate</u>	Funds from RTC Sections 6051.8(b), and 6201.8(b) <u>Fiscal Year 2022-23 Estimate</u>	Total Fiscal Year 2022-23 Estimate
		A	B	C= (A+B)
Los Angeles County Metropolitan Transportation Authority				
Antelope Valley Transit Authority	20,326,872	716,402	594,456	1,310,858
City of Arcadia	1,607,131	56,642	47,000	103,642
City of Burbank	3,769,842	132,865	110,248	243,113
City of Claremont	456,234	16,080	13,342	29,422
City of Commerce	4,235,696	149,283	123,872	273,155
City of Culver City	15,278,536	538,478	446,818	985,296
Foothill Transit	67,815,955	2,390,112	1,983,266	4,373,378
City of Gardena	13,772,242	485,390	402,767	888,157
City of Glendale	8,225,171	289,889	240,544	530,433
City of La Mirada	874,670	30,827	25,580	56,407
Long Beach Public Transportation Company	60,542,189	2,133,755	1,770,546	3,904,301
City of Los Angeles	98,801,791	3,482,180	2,889,441	6,371,621
County of Los Angeles	6,316,927	222,634	184,737	407,371
Los Angeles County Metropolitan Transportation Authority	1,332,273,335	46,954,765	38,962,099	85,916,864
City of Montebello	20,096,742	708,291	587,726	1,296,017
City of Norwalk	9,188,277	323,832	268,710	592,542
City of Pasadena	7,704,457	271,537	225,315	496,852
City of Redondo Beach	2,905,619	102,406	84,974	187,380
City of Santa Clarita	26,010,198	916,706	760,664	1,677,370
City of Santa Monica	47,544,183	1,675,652	1,390,421	3,066,073
Southern California Regional Rail Authority***	236,865,779	NA	NA	NA
City of Torrance	20,472,763	721,544	598,722	1,320,266
Regional Entity Subtotals	2,005,084,609	62,319,270	51,711,248	114,030,518
Los Angeles County Metropolitan Transportation Authority - Corresponding to SCRRRA***	NA	4,184,078	3,471,862	7,655,940
Regional Entity Totals	2,005,084,609	66,503,348	55,183,110	121,686,458
Madera County Local Transportation Commission				
City of Chowchilla	524,476	18,485	15,338	33,823
City of Madera	169,785	5,984	4,965	10,949
County of Madera	67,286	2,371	1,968	4,339
Regional Entity Totals	761,547	26,840	22,271	49,111
Mariposa County Local Transportation Commission				
County of Mariposa	73,004	2,573	2,135	4,708
Mendocino Council of Governments				
Mendocino Transit Authority	957,692	33,753	28,008	61,761
Merced County Association of Governments				
Transit Joint Powers Authority of Merced County	1,025,125	36,130	29,980	66,110
Yosemite Area Regional Transportation System (YARTS)	958,913	33,796	28,043	61,839
Regional Entity Totals	1,984,038	69,926	58,023	127,949
Modoc County Local Transportation Commission				
Modoc Transportation Agency - Specialized Service	107,653	3,794	3,148	6,942

*** The amounts allocated to the member agencies of Southern California Regional Rail Authority are included with their corresponding transportation planning agency.

STATE CONTROLLER'S OFFICE
2022-23 STATE TRANSIT ASSISTANCE ALLOCATION ESTIMATE PUC 99314 ALLOCATION DETAIL
JANUARY 31, 2022

<u>Regional Entity and Operator(s)</u>	<u>Revenue Basis</u>	Funds from RTC Sections 7102(a)(3), 6051.8(a), and 6201.8(a) <u>Fiscal Year 2022-23 Estimate</u> A	Funds from RTC Sections 6051.8(b), and 6201.8(b) <u>Fiscal Year 2022-23 Estimate</u> B	Total Fiscal Year 2022-23 Estimate C= (A+B)
Mono County Local Transportation Commission Eastern Sierra Transit Authority	2,824,223	99,537	82,594	182,131
Transportation Agency for Monterey County Monterey-Salinas Transit	19,637,486	692,105	574,295	1,266,400
Nevada County Local Transportation Commission County of Nevada	369,077	13,008	10,794	23,802
City of Truckee	323,083	11,387	9,449	20,836
Regional Entity Totals	<u>692,160</u>	<u>24,395</u>	<u>20,243</u>	<u>44,638</u>
Orange County Transportation Authority City of Laguna Beach	1,910,271	67,326	55,866	123,192
Orange County Transportation Authority	110,748,483	3,903,229	3,238,820	7,142,049
Regional Entity Subtotals	<u>112,658,754</u>	<u>3,970,555</u>	<u>3,294,686</u>	<u>7,265,241</u>
Orange County Transportation Authority - Corresponding to SCRRRA***	NA	1,837,421	1,524,654	3,362,075
Regional Entity Totals	<u>112,658,754</u>	<u>5,807,976</u>	<u>4,819,340</u>	<u>10,627,316</u>
Placer County Transportation Planning Agency City of Auburn	21,830	769	638	1,407
County of Placer	5,410,141	190,676	158,219	348,895
City of Roseville	1,175,827	41,441	34,387	75,828
Regional Entity Totals	<u>6,607,798</u>	<u>232,886</u>	<u>193,244</u>	<u>426,130</u>
Plumas County Local Transportation Commission County of Plumas	346,829	12,224	10,143	22,367
County Service Area 12 - Specialized Service	80,198	2,827	2,345	5,172
Regional Entity Totals	<u>427,027</u>	<u>15,051</u>	<u>12,488</u>	<u>27,539</u>
Riverside County Transportation Commission City of Banning	208,349	7,343	6,093	13,436
City of Beaumont	318,557	11,227	9,316	20,543
City of Corona	426,555	15,034	12,475	27,509
Palo Verde Valley Transit Agency	175,762	6,195	5,140	11,335
City of Riverside - Specialized Service	493,635	17,398	14,436	31,834
Riverside Transit Agency	18,329,390	646,003	536,040	1,182,043
Sunline Transit Agency	11,506,078	405,521	336,493	742,014
Regional Entity Subtotals	<u>31,458,326</u>	<u>1,108,721</u>	<u>919,993</u>	<u>2,028,714</u>
Riverside County Transportation Commission - Corresponding to SCRRRA***	NA	934,989	775,835	1,710,824
Regional Entity Totals	<u>31,458,326</u>	<u>2,043,710</u>	<u>1,695,828</u>	<u>3,739,538</u>
Council of San Benito County Governments San Benito County Local Transportation Authority	151,384	5,335	4,427	9,762

*** The amounts allocated to the member agencies of Southern California Regional Rail Authority are included with their corresponding transportation planning agency.

STATE CONTROLLER'S OFFICE
2022-23 STATE TRANSIT ASSISTANCE ALLOCATION ESTIMATE PUC 99314 ALLOCATION DETAIL
JANUARY 31, 2022

<u>Regional Entity and Operator(s)</u>	<u>Revenue Basis</u>	Funds from RTC Sections 7102(a)(3), 6051.8(a), and 6201.8(a) <u>Fiscal Year 2022-23 Estimate</u>	Funds from RTC Sections 6051.8(b), and 6201.8(b) <u>Fiscal Year 2022-23 Estimate</u>	Total Fiscal Year 2022-23 Estimate
		A	B	C= (A+B)
San Bernardino County Transportation Authority				
Morongo Basin Transit Authority	1,027,787	36,223	30,057	66,280
Mountain Area Regional Transit Authority	564,732	19,903	16,515	36,418
City of Needles	58,190	2,051	1,702	3,753
OmniTrans	34,279,207	1,208,140	1,002,489	2,210,629
Victor Valley Transit Authority	4,530,204	159,663	132,485	292,148
Regional Entity Subtotals	40,460,120	1,425,980	1,183,248	2,609,228
San Bernardino County Transportation Authority - Corresponding to SCRRA***	NA	944,172	783,455	1,727,627
Regional Entity Totals	40,460,120	2,370,152	1,966,703	4,336,855
San Joaquin Council of Governments				
Altamont Corridor Express *	21,420,132	NA	NA	NA
City of Escalon	51,911	1,830	1,518	3,348
City of Lodi	887,825	31,291	25,964	57,255
City of Manteca	77,826	2,743	2,276	5,019
City of Ripon	44,345	1,563	1,297	2,860
San Joaquin Regional Transit District	10,156,807	357,967	297,034	655,001
City of Tracy	194,489	6,855	5,688	12,543
Regional Entity Subtotals	32,833,335	402,249	333,777	736,026
San Joaquin Regional Rail Commission - Corresponding to ACE*	NA	507,315	420,960	928,275
Regional Entity Totals	32,833,335	909,564	754,737	1,664,301
San Luis Obispo Area Council of Governments				
City of Arroyo Grande - Specialized Service	0	0	0	0
City of Atascadero	37,783	1,332	1,105	2,437
City of Morro Bay	42,401	1,494	1,240	2,734
City of Pismo Beach - Specialized Service	0	0	0	0
City of San Luis Obispo Transit	821,105	28,939	24,013	52,952
San Luis Obispo Regional Transit Authority	1,673,045	58,965	48,928	107,893
South County Transit	230,837	8,136	6,751	14,887
Regional Entity Totals	2,805,171	98,866	82,037	180,903
Santa Barbara County Association of Governments				
City of Guadalupe	69,525	2,450	2,033	4,483
City of Lompoc	136,501	4,811	3,992	8,803
County of Santa Barbara	0	0	0	0
Santa Barbara County Association of Governments (SBCAG)	1,620,453	57,111	47,390	104,501
Santa Barbara Metropolitan Transit District	13,488,703	475,397	394,475	869,872
City of Santa Maria	906,214	31,939	26,502	58,441
City of Solvang	104,313	3,676	3,051	6,727
Regional Entity Totals	16,325,709	575,384	477,443	1,052,827
Santa Cruz County Transportation Commission				
Santa Cruz Metropolitan Transit District	34,885,448	1,229,506	1,020,219	2,249,725

* The amounts allocated to the member agencies of Altamont Corridor Express are included with their corresponding transportation planning agency.

*** The amounts allocated to the member agencies of Southern California Regional Rail Authority are included with their corresponding transportation planning agency.

STATE CONTROLLER'S OFFICE
2022-23 STATE TRANSIT ASSISTANCE ALLOCATION ESTIMATE PUC 99314 ALLOCATION DETAIL
JANUARY 31, 2022

<u>Regional Entity and Operator(s)</u>	<u>Revenue Basis</u>	Funds from RTC Sections 7102(a)(3), 6051.8(a), and 6201.8(a) <u>Fiscal Year 2022-23 Estimate</u> A	Funds from RTC Sections 6051.8(b), and 6201.8(b) <u>Fiscal Year 2022-23 Estimate</u> B	Total Fiscal Year 2022-23 Estimate C= (A+B)
Shasta Regional Transportation Agency Redding Area Bus Authority	1,357,867	47,857	39,711	87,568
Sierra County Local Transportation Commission County of Sierra - Specialized Service	17,768	626	520	1,146
Siskiyou County Local Transportation Commission County of Siskiyou	271,330	9,563	7,935	17,498
Stanislaus Council of Governments City of Ceres	70,776	2,494	2,070	4,564
City of Modesto	3,366,714	118,657	98,459	217,116
County of Stanislaus	806,855	28,437	23,596	52,033
City of Turlock	293,666	10,350	8,588	18,938
Regional Entity Totals	<u>4,538,011</u>	<u>159,938</u>	<u>132,713</u>	<u>292,651</u>
Tehama County Transportation Commission County of Tehama	194,589	6,858	5,691	12,549
Trinity County Transportation Commission County of Trinity	76,212	2,686	2,229	4,915
Tulare County Association of Governments City of Dinuba	276,368	9,740	8,082	17,822
City of Porterville	846,792	29,844	24,764	54,608
City of Tulare	589,094	20,762	17,228	37,990
County of Tulare	1,191,032	41,977	34,832	76,809
City of Visalia	4,391,535	154,776	128,430	283,206
City of Woodlake	13,667	482	400	882
Regional Entity Totals	<u>7,308,488</u>	<u>257,581</u>	<u>213,736</u>	<u>471,317</u>
Tuolumne County Transportation Council County of Tuolumne	203,234	7,163	5,944	13,107
Ventura County Transportation Commission City of Camarillo	751,079	26,471	21,965	48,436
Gold Coast Transit District	4,272,461	150,579	124,947	275,526
City of Moorpark	299,991	10,573	8,773	19,346
City of Simi Valley	1,167,392	41,144	34,140	75,284
City of Thousand Oaks	423,749	14,935	12,392	27,327
Regional Entity Subtotals	<u>6,914,672</u>	<u>243,702</u>	<u>202,217</u>	<u>445,919</u>
Ventura County Transportation Commission - Corresponding to SCRRA***	NA	447,459	371,292	818,751
Regional Entity Totals	<u>6,914,672</u>	<u>691,161</u>	<u>573,509</u>	<u>1,264,670</u>
STATE TOTALS	<u>\$ 5,696,443,829</u>	<u>\$ 200,766,000</u>	<u>\$ 166,591,500</u>	<u>\$ 367,357,500</u>

*** The amounts allocated to the member agencies of Southern California Regional Rail Authority are included with their corresponding transportation planning agency.

**INYO COUNTY LOCAL TRANSPORTATION COMMISSION
RESOLUTION No. 2022-05**

**A RESOLUTION ALLOCATING \$172,784 OF
STATE TRANSIT ASSISTANCE FUNDS RECEIVED BY THE INYO
COUNTY LOCAL TRANSPORTATION COMMISSION TO
EASTERN SIERRA TRANSIT AUTHORITY TO BE USED FOR
OPERATING AND CAPITAL EXPENDITURES**

WHEREAS, in accordance with the Transportation Development Act, and pursuant to Section 99312.7 of the Public Utilities Code (PUC), and in accordance with the Inyo County Local Transportation Commission (ICLTC) Organization and Procedures Manual, the ICLTC shall make allocations from the State Transit Assistance Fund for the purposes of Section 99313 of the PUC in accordance with the following priorities:

WHEREAS, Section 99313 allocations are based on the latest available annual population estimates from the Department of Finance, and

WHEREAS, Inyo County's portion of the State Transit Assistance (STA) Fund, Section PUC 99313 for FY 2022/2023 is estimated to be \$172,784, and

WHEREAS, the Eastern Sierra Transit Authority is a valid STA claimant under PUC Section 99313, and

NOW, THEREFORE, BE IT RESOLVED, that the Inyo County Local Transportation Commission does hereby allocate all (estimated to be \$172,784) of its State Transit Assistance Fund from FY 2022/2023, and all interest earned on these funds, for use by Eastern Sierra Transit Authority for operating and capital expenditure of the transit system; and

BE IT FURTHER RESOLVED that this allocation of funds is in conformity with the 2019 Inyo County Regional Transportation Plan.

Passed and adopted this 15th day of June 2022, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Celeste Berg, Chair
Inyo County Local Transportation Commission

Attest:

Justine Kokx, Staff
Inyo County Local Transportation Commission



INYO COUNTY LOCAL TRANSPORTATION COMMISSION



P.O. DRAWER Q
INDEPENDENCE, CA 93526
PHONE: (760) 878-0201
FAX: (760) 878-2001

Michael Errante
Executive Director

S T A F F R E P O R T

MEETING: June 15, 2022

PREPARED BY: Justine Kokx, Transportation Planner

SUBJECT: Regional Surface Transportation Program Federal Exchange Program for FY 2021/2022

Recommended Action

Approve Resolution No. 2022-06 which memorializes the following actions:

1. The FY 2021/2022 Federal Apportionment Exchange Program and State Match Program Agreement, Agreement No. X22-6134(034) with the California Department of Transportation in the amount of \$123,873.
2. Apportion and allocate the funds to the County of Inyo and City of Bishop based on population, and
3. Authorize the Executive Director to sign the Agreement.

SUMMARY DISCUSSION:

Section 182.6 of the Streets and Highways Code allows counties of less than 200,000 people to exchange Regional Surface Transportation Programs (RSTP) Federal funds provided under the “Fixing America’s Surface Transportation” (FAST) act for unrestricted State Highway Account funds. In addition, Section 182.9 of the Streets and Highways Code requires the allocation of unobligated State Matching moneys from the State Highway Account to counties choosing to exchange their Federal funds. The State funds are not restricted, whereas the Federal funds are restricted to work on roads that have a Federal designation (otherwise known as "On-System" Roads). Consequently, the exchange for State funds allows the County and City a greater degree of discretion and flexibility in how the funds are spent on maintenance of County and City roads.

In order to streamline the exchange of funds, Caltrans offers the exchange directly to eligible counties and Regional Transportation Planning Agencies and prepares the Fund Exchange Agreement in advance.

Annually, this agreement is usually received during the fourth quarter of the current County fiscal year, and it normally takes somewhere between four and six months to complete processing of the agreement and invoice and to receive actual payment of the RSTP funds. As a result, the funds are usually received during the following fiscal year. The County and City should budget the 2021/2022 funds for expenditure during the 2022/2023 fiscal year.

Apportionment to LTC

RSTP funds are allocated by the State based on two formulas set forth under Section 182.6(d)(1) and (d)(2) of the Streets and Highways Code. The 182.6(d)(2) funds are allocated to County Road / Public Works Department in a population adjusted amount not less than 110% of the 1991 apportionment. The additional 182.6(d)(1) funds that we are currently discussing are to be distributed by the Local Transportation Commission.

LTC Apportionment to City and County

The table below shows options for the apportionment of the funds to the City and the County. In the last several years the LTC allocated the funds to the City and County via a population-based formula. The three options for the allocation of these funds are included for reference.

Regional Surface Transportation Program Apportionment Option							
	Option 1 - Population based			Option 2 - lane miles based			Option 3 - Average of 1 & 2
Agency	Population (2020 Census)	Percent	Amount	Federal Aid Routes	Percent	Amount	Average of Previous Two Amounts
City of Bishop	3,804	20%	\$24,775	5.5 miles	1.5%	\$1,858	\$13,317
County of Inyo	15,212	80%	\$99,098	358.2 miles	98.5%	\$124,015	\$111,556
Total	19,016	100%	\$123,873	363.7	100%	\$123,873	\$123,873

Other transportation planning agencies allocate the funds via a variety of ways. Since the funding is specifically related to Federal Aid Routes, some comparable jurisdictions base their RSTP allocations on the relative percentage of Federal Aid Routes. El Dorado County Transportation Commission doubles the amount of funds going to Placerville due to a “County seat offset” where a high percentage of the County’s traffic is funneled into Placerville. This would be similar to the City of Bishop’s position. Some jurisdictions allocate the funds to specific projects. Other jurisdictions calculate the allocation to smaller entities by averaging the Federal Aid Route proportion with the population percentage. Another factor is the relatively small amount of funds the City of Bishop is receiving. It is for this reason that staff would recommend allocating the funds based on the relative population between the City of Bishop and the County.

Each agency is required by the RSTP Exchange agreement to establish a special account for the purposes of depositing all RSTP Exchange funds in their budget a) for cities

within their Special Gas Tax Streets Improvement Fund and b) for counties within their County Road Fund.

ALTERNATIVES:

The Commission could use another allocation formula.

OTHER AGENCY INVOLVEMENT:

Caltrans will process the Agreement and make payment of the funds.

Attachment:

- Draft Resolution No. 2022-06
- FY 2021/2022 Federal Apportionment Exchange Program and State Match Program Agreement, No. X22-6134(034)

FEDERAL APPORTIONMENT EXCHANGE PROGRAM
CALIFORNIA DEPARTMENT OF TRANSPORTATION
REGIONAL TRANSPORTATION PLANNING AGENCY

District: 09
Agency: Inyo County Transportation Commission

Agreement No. X22-6134(034)
AMS Adv ID:0922000039

THIS AGREEMENT is made on _____, by Inyo County Transportation Commission, a Regional Transportation Planning Agency (RTPA) designated under Section 29532 of the California Government Code, and the State of California, acting by and through the Department of Transportation (STATE).

WHEREAS, RTPA desires to assign RTPA's portion of federal apportionments made available to STATE for allocation to transportation projects in accordance with Section 182.6 of the Streets and Highways Code (Regional Surface Transportation Program/Regional Surface Transportation Block Grant Program [RSTP/RSTBGP] funds) in exchange for nonfederal State Highway Account funds:

NOW, THEREFORE, the parties agree as follows:

1. As authorized by Section 182.6(g) of the Streets and Highways Code, RTPA agrees to assign to STATE the following portion of its estimated annual RSTP/RSTBGP apportionment:

\$123,873.00 for Fiscal Year 2021/2022

The above referenced portion of RTPA's estimated annual RSTP/RSTBGP apportionment is equal to the estimated total RSTP/RSTBGP apportionment less (a) the estimated minimum annual RSTP/RSTBGP apportionment set for the County under Section 182.6(d)(2) of the Streets and Highways Code, (b) any Federal apportionments already obligated for projects not chargeable to said County's annual RSTP/RSTBGP minimum apportionment, and (c) those RSTP/RSTBGP apportionments RTPA has chosen to retain for future obligation.

2. RTPA agrees the exchange for County's estimated annual RSTP/RSTBGP minimum apportionment under Section 182.6(d)(2) of the Streets and Highways Code will be paid by STATE directly to Inyo County.

For Caltrans Use Only

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance

Accounting Officer | Date | \$



4/6/2022

123,873.00

3. Subject to the availability of STATE funds following the receipt of an RTPA invoice evidencing RTPA's assignment of those estimated RSTP/RSTBGP funds under Section 1 to STATE, STATE agrees to pay to RTPA an amount not to exceed \$123,873.00 of non-federal exchange funds ("Funds") that equals the sum of the estimated RSTP/RSTBGP apportionment assigned to State in Section 1 above.

4. RTPA agrees to allocate all of these Funds only for those projects implemented by cities, counties, and other public transportation agencies as are authorized under Article XIX of the California State Constitution, in accordance with the requirements of Section 182.6(d)(1) of the Streets and Highways Code.

5. RTPA agrees to provide to STATE annually by each August 1 a list of all local project sponsors allocated Funds in the preceding fiscal year and the amounts allocated to each sponsor.

6. RTPA agrees to require project sponsors receiving those Funds provided under this AGREEMENT to establish a special account for the purpose of depositing therein all payments received from RTPA pursuant to this Agreement: (a) for cities within their Special Gas Tax Street Improvement Fund, (b) for counties, within their County Road Fund, and (c) for all other sponsors, a separate account.

7. RTPA agrees, in the event a project sponsor fails to use Funds received hereunder in accordance with the terms of this AGREEMENT, to require that project sponsor to return those exchange Funds to RTPA for credit to the account established under Section 6 above. In the event of any such requirement by STATE, RTPA shall provide written verification to STATE that the requested corrective action has been taken.

8. STATE reserves the right to reduce the STATE Funds payment required hereunder to offset such additional obligations by the RTPA or any of its sponsoring agencies against any RSTP/RSTBGP federal apportionments as are chargeable to, but not included in, the assignment made under Section 1 above.

9. COST PRINCIPLES

A) RTPA agrees to comply with, and require all project sponsors to comply with Office of Management and Budget Supercircular 2 CFR 200, Cost Principles for State and Local Government and the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

B) RTPA will assure that its fund recipients will be obligated to agree that (A) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, Et Seq., shall be used to determine the allowability of individual project cost items and (B) Those parties shall comply with Federal Administrative Procedures in accordance with 2 CFR 200, Uniform Administrative Requirements for Grants and Cooperative Agreements To State And Local Governments. Every sub-recipient receiving funds as a contractor or sub-contractor under this agreement shall comply with Federal administrative procedures in accordance with 2 CFR 200, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

C) Any fund expenditures for costs for which RTPA has received payment or credit that are determined by subsequent audit to be unallowable under Office of Management and Budget Supercircular 2 CFR 200 are subject to repayment by RTPA to STATE. Should RTPA fail to reimburse fund moneys due STATE within 30 days of demand, or within such other period as may be agreed in writing between the parties, hereto, STATE is authorized to intercept and withhold future payments due RTPA and STATE or any third-party source, including but not limited to, the State Treasurer, The State Controller and the CTC. The implementation of the Supercircular will cancel 49 Cfr Part 18.

10. THIRD PARTY CONTRACTING

A) RTPA shall not award a construction contract over \$10,000 or other contracts over \$25,000 [excluding professional service contracts of the type which are required to be procured in accordance with Government Code Sections 4525 (d), (e) and (f)] on the basis of a noncompetitive negotiation for work to be performed using Funds without the prior written approval of STATE.

B) Any subcontract or agreement entered into by RTPA as a result of disbursing Funds received pursuant to this AGREEMENT shall contain all of the fiscal provisions of this Agreement; and shall mandate that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as project costs only after those costs are incurred and paid for by the subcontractors.

C) In addition to the above, the preaward requirements of third party contractor/consultants with RTPA should be consistent with Local Program Procedures as published by STATE.

11. ACCOUNTING SYSTEM

RTPA, its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate Fund expenditures by line item. The accounting system of RTPA, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices.

12. RIGHT TO AUDIT

For the purpose of determining compliance with this AGREEMENT and other matters connected with the performance of RTPA's contracts with third parties, RTPA, RTPA's contractors and subcontractors and STATE shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times for three years from the date of final payment of Funds to RTPA. STATE, the California State Auditor, or any duly authorized representative of STATE or the United States Department of Transportation, shall each have access to any books, records, and documents that are pertinent for audits, examinations, excerpts, and transactions, and RTPA shall furnish copies thereof if requested.

13. TRAVEL AND SUBSISTENCE

Payments to only RTPA for travel and subsistence expenses of RTPA forces and its subcontractors claimed for reimbursement or applied as local match credit shall not exceed rates authorized to be paid exempt non-represented State employees under current State Department of Personnel Administration (DPA) rules.

If the rates invoiced are in excess of those authorized DPA rates, then RTPA is responsible for the cost difference and any overpayments shall be reimbursed to STATE on demand.

STATE OF CALIFORNIA
Department of Transportation

Inyo County Transportation Commission

By: _____
Office of Project Implementation
Division of Local Assistance

By: _____

Title:

Date: _____

Date: _____

**INYO COUNTY LOCAL TRANSPORTATION COMMISSION
RESOLUTION No. 2022-06**

**A RESOLUTION APPORTIONING AND ALLOCATING
REGIONAL SURFACE TRANSPORTATION PROGRAM FUNDS
FOR THE FISCAL YEAR 2021-2022**

WHEREAS, the Inyo County Local Transportation Commission (ICLTC) is the designated transportation planning agency pursuant to Government Code Sections 29532 and 29535, and by action of the Secretary of Business, Transportation and Housing, and, as such, has the responsibility to allocate Regional Surface Transportation Program funds (RSTP); and

WHEREAS, the California Department of Transportation provides the option to the ICLTC to participate in the RSTP Federal Exchange Program for FY 2021-2022; and

WHEREAS, the California Department of Transportation has allocated **\$123,873** of RSTP funds to the ICLTC to be allocated to eligible local jurisdictions; and

WHEREAS, based on the 2020 census population for Inyo County where 80% of the County resides in unincorporated parts of the County and 20% of the residents reside in the City of Bishop, the following disbursements will be made, **\$99,098** of RSTP funds will be apportioned to Inyo County and **\$24,775** will be apportioned to the City of Bishop.

NOW, THEREFORE BE IN RESOLVED that the Inyo County Local Transportation Commission approves the following:

1. The FY 2021-2022 RSTP Federal Exchange Program and State Match Program Agreement, No. X22-6134(034) with the California Department of Transportation in the amount of **\$123,873**.
2. **\$99,098** of RSTP funds are allocated to the County of Inyo and **\$24,775** are allocated to the City of Bishop.
3. The Executive Director is authorized to execute this agreement.

Passed and adopted this 15th day of June 2022, by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Executive Director, Inyo County Local Transportation Commission

Attest:

Staff, Inyo County Local Transportation Commission



INYO COUNTY LOCAL TRANSPORTATION COMMISSION



P.O. DRAWER Q
INDEPENDENCE, CA 93526
PHONE: (760) 878-0201
FAX: (760) 878-2001

Michael Errante
Executive Director

STAFF REPORT

MEETING: June 15, 2022

PREPARED BY: Justine Kokx, Transportation Planner

SUBJECT: AB 2237 (Friedman)

Recommended Action

Request Commission oppose AB 2237 and authorize the Executive Director via Minute Order to sign the opposition letter on behalf of the Inyo County Local Transportation Commission.

Background

The AB 2237 (Friedman) bill is awaiting Senate Committee hearings and if adopted, would rank, and prioritize all Regional Transportation Improvement Program (RTIP) projects for funding and implementation based on alignment with sustainable communities strategies (SCS) and state climate goals. Sustainable Communities Strategies are long-range plans, which align transportation, housing, and land use decisions toward achieving GHG emissions reduction targets set by the California Air Resources Board (CARB). Although rural counties are not required to prepare SCS's, this bill does not exempt those counties from consistency with state climate goals. Furthermore, the bill's requirement that projects in RTIP's "shall not induce vehicle miles traveled" could put rural counties' safety projects in jeopardy, as those projects might be interpreted at the state level as VMT inducing. While the intent of the bill to achieve state climate goals is worth supporting, the impacts of this bill would be cost prohibitive on rural counties and would disproportionately impact their ability to implement projects due to lack of resources, and the potential re-prioritization by the state of their local projects.

June 9, 2022

The Honorable Laura Friedman
Member, California State Assembly
1021 O Street, Suite 8220
Sacramento, CA 95814

RE: Opposition to AB 2237 (Friedman): Transportation planning: regional transportation improvement plan: sustainable communities strategies: climate goals.

Dear Assembly Member Friedman:

We regret to inform you that _____ opposes Assembly Bill 2237. Although the apparent goals of the bill—reducing climate impacts and increasing multi-modal transportation options—can be supported, the requirements of the bill unfortunately have the potential to impact our ability to implement critical projects, reduce local funding control, and create costly mandates that would impact our limited financial and staff resources.

The bill's requirement to rank and prioritize all Regional Transportation Improvement Program (RTIP) projects for funding and implementation based on alignment with sustainable communities strategies (SCS) and state climate goals creates new challenging and costly responsibilities for regional agencies. First, it should be noted that many rural counties are not required to prepare SCSs, but the bill does not clearly exempt those counties, as it also requires ranking for consistency with the state's climate goals. The bill also does not specify how the analysis for ranking would be achieved. Most rural counties do not collect the kind of data or conduct modeling for all projects that could be required for this process, creating a new and potentially costly mandate that would impact limited regional resources.

State Transportation Improvement Program funds programmed through RTIPs are one of the few somewhat flexible funding sources available to rural regions, and we rely on that flexibility to fund a wide range of projects, including active transportation and transit projects as well as safety and operational roadway projects. The bill's requirement that projects in RTIPs "shall not induce vehicle miles traveled" is very concerning for rural regions, where safety projects on rural roads and highways may be viewed by the state as inducing vehicle miles traveled. Critical projects, such as evacuation routes or widening for collision reduction, could become ineligible for funding in the RTIP. It's important to keep in mind that not all transportation projects that increase capacity result in induced demand/VMT particularly in rural areas.

We also are concerned with the proposed requirements regarding local transportation tax measures. Local sales tax measures are approved by voters based on a certain expectation of how funds would be spent. Subjecting these voter approved measures to review and recommendation by state agencies would undermine the trust of voters and be counterproductive if recommendations are inconsistent with the approved measures.

Although we support reducing climate impacts and expanding multi-modal choices, for all of the reasons noted above, _____ respectfully opposes AB 2237.

Sincerely,

AMENDED IN ASSEMBLY MAY 19, 2022

AMENDED IN ASSEMBLY APRIL 18, 2022

AMENDED IN ASSEMBLY MARCH 22, 2022

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

ASSEMBLY BILL

No. 2237

Introduced by Assembly Member Friedman

February 16, 2022

An act to amend Section 65082 of, and to add ~~Sections 65080.05 and~~ *Section 65082.5* to, the Government Code, relating to transportation planning.

LEGISLATIVE COUNSEL'S DIGEST

AB 2237, as amended, Friedman. Transportation planning: regional transportation improvement plan: sustainable communities strategies: climate goals.

~~Existing law establishes the Strategic Growth Council in state government. Existing law requires the council to develop and administer the Affordable Housing and Sustainable Communities Program to reduce the emissions of greenhouse gases through projects that implement land use, housing, transportation, and agricultural land preservation practices to support infill and compact development and that support related and coordinated public policy objectives, as specified.~~

Existing law requires certain transportation planning agencies to prepare and adopt regional transportation plans directed at achieving a coordinated and balanced regional transportation system. Existing law requires each regional transportation plan to also include a sustainable communities strategy prepared by each metropolitan planning organization. ~~Existing law requires the council, by January 31, 2022,~~

~~to submit a report to the relevant policy and fiscal committees of the Legislature that includes, among other things, an overview of those sustainable communities strategies, an assessment of how implementation of those sustainable communities strategies will influence the configuration of the statewide integrated multimodal transportation system, and a review of the potential impacts and opportunities for coordination of specified funding programs, including the Affordable Housing and Sustainable Communities Program.~~

~~This bill would require the council, in consultation with the State Air Resources Board, the Department of Housing and Community Development, and the Transportation Agency, to convene a task force to review the roles and responsibilities of metropolitan planning organizations and to define “sustainable community.”~~

Existing law requires each regional transportation planning agency or county transportation commission to biennially adopt and submit to the California Transportation Commission and the Department of Transportation a 5-year regional transportation improvement program that includes, among other things, regional transportation improvement projects and programs proposed to be funded, in whole or in part, in the state transportation improvement program.

This bill would require that those projects and programs included in each regional transportation improvement program also be consistent with the most recently prepared sustainable communities strategy of the regional transportation planning agency or county transportation commission and the state’s climate goals, as defined. The bill would require each regional transportation planning agency or county transportation commission to rank all transportation projects and prioritize projects based on adherence to its most recently adopted sustainable communities strategy and the state’s climate goals, prioritize funding and implementing projects in the order of prioritization, and submit the prioritized list to the state board and the California Transportation Commission. The bill would require the state board, in consultation with the commission, to determine whether those projects and programs are consistent with the sustainable communities strategy and the state’s climate goals, and would prohibit a regional transportation planning agency or county transportation commission from funding inconsistent projects or programs, as specified.

The bill would also require each regional transportation planning agency or county transportation commission to submit a report on local transportation tax measures to the California Transportation Commission

on or before March 30, 2023, as provided. The bill would require the commission, in consultation with the state board, to propose recommendations on alignment of local tax measures with the state’s climate goals. The bill would require, to the extent permitted by the local tax measures, projects funded by local tax measures to be included in regional transportation plans and to adhere to the most recently adopted sustainable-~~community~~ *communities* strategy of the applicable regional transportation agency or county transportation commission and the state’s climate goals.

By imposing additional requirements on local government, including regional transportation planning agencies and county transportation commissions, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 65080.05 is added to the Government~~
2 ~~Code, to read:~~
3 ~~65080.05. The Strategic Growth Council, in consultation with~~
4 ~~the State Air Resources Board, the Department of Housing and~~
5 ~~Community Development, and the Transportation Agency, shall~~
6 ~~convene a task force to do both of the following:~~
7 ~~(a) Review the roles and responsibilities of metropolitan~~
8 ~~planning organizations.~~
9 ~~(b) Define “sustainable community.”~~
10 ~~SEC. 2.~~
11 ~~SECTION 1.~~ Section 65082 of the Government Code is
12 amended to read:
13 65082. (a) For purposes of this section, the following
14 definitions apply:
15 (1) “Regional transportation planning agency or county
16 transportation commission” means a regional transportation

1 planning agency or county transportation commission required to
2 adopt and submit a regional transportation improvement program
3 to the California Transportation Commission and the Department
4 of Transportation pursuant to Section 14527.

5 (2) “State’s climate goals” means the goals expressed in any of
6 the following:

7 (A) Climate Action Plan for Transportation Infrastructure
8 prepared by the Transportation Agency, including the guiding
9 principles in the final draft as adopted by the Transportation
10 Agency and endorsed by the California Transportation Commission
11 in July 2021.

12 (B) State and federal air quality standards set by the federal
13 Clean Air Act (42 U.S.C. Sec. 7401 et seq.), including all state
14 ambient air quality standards, as set forth in Section 70200 of Title
15 17 of the California Code of Regulations, and national ambient air
16 quality standards, as established pursuant to Section 7409 of Title
17 42 of the United States Code, in all areas of the state, as described
18 in California’s state implementation plans required by the federal
19 Clean Air Act (42 U.S.C. Sec. 7401 et seq.).

20 (C) Senate Bill 375 (Chapter 728 of the Statutes of 2008).

21 (D) Senate Bill 32 (Chapter 249 of the Statutes of 2016).

22 (b) (1) Each regional transportation planning agency or county
23 transportation commission shall prepare, adopt, and submit a
24 five-year regional transportation improvement program to the
25 California Transportation Commission on or before December 15
26 of each odd-numbered year thereafter, updated every two years,
27 pursuant to Sections 65080 and 65080.5 and the guidelines adopted
28 pursuant to Section 14530.1, to include regional transportation
29 improvement projects and programs it proposes to be funded, in
30 whole or in part, in the state transportation improvement program
31 and that are consistent with its most recently prepared sustainable
32 communities strategy and the state’s climate goals.

33 (2) Major projects shall include current costs updated as of
34 November 1 of the year of submittal and escalated to the
35 appropriate year, and be listed by relative priority, taking into
36 account need, delivery milestone dates, and the availability of
37 funding.

38 (c) Except for those counties that do not prepare a congestion
39 management program pursuant to Section 65088.3, congestion
40 management programs adopted pursuant to Section 65089 shall

1 be incorporated into the regional transportation improvement
2 program submitted to the commission by December 15 of each
3 odd-numbered year.

4 (d) Local projects not included in a congestion management
5 program shall not be included in the regional transportation
6 improvement program. Projects and programs adopted pursuant
7 to subdivision (b) shall be consistent with the capital improvement
8 program adopted pursuant to paragraph (5) of subdivision (b) of
9 Section 65089, and the guidelines adopted pursuant to Section
10 14530.1.

11 (e) Other projects may be included in the regional transportation
12 improvement program if listed separately.

13 (f) Unless a county not containing urbanized areas of over
14 50,000 population notifies the Department of Transportation by
15 July 1 that it intends to prepare a regional transportation
16 improvement program for that county, the department shall, in
17 consultation with the affected local agencies, prepare the program
18 for all counties for which it prepares a regional transportation plan.

19 (g) The requirements for incorporating a congestion management
20 program into a regional transportation improvement program
21 specified in this section do not apply in those counties that do not
22 prepare a congestion management program in accordance with
23 Section 65088.3.

24 (h) The regional transportation improvement program may
25 include a reserve of county shares for providing funds in order to
26 match federal funds.

27 ~~SEC. 3.~~

28 *SEC. 2.* Section 65082.5 is added to the Government Code, to
29 read:

30 65082.5. (a) For purposes of this section, the following
31 definitions apply:

32 (1) “Regional transportation planning agency or county
33 transportation commission” has the same meaning as defined in
34 Section 65082.

35 (2) “State’s climate goals” has the same meaning as defined in
36 Section 65082.

37 (b) (1) Each regional transportation planning agency or county
38 transportation commission shall rank all transportation projects
39 and prioritize projects based on their adherence to its most recently
40 adopted sustainable communities strategy and the state’s climate

1 goals. Ranked projects shall accelerate sustainable communities
2 strategies implementation and shall not induce vehicle miles
3 traveled. Each regional transportation planning agency or county
4 transportation commission shall fund and implement projects in
5 the order of prioritization.

6 (2) Each regional transportation planning agency or county
7 transportation commission shall submit the prioritized list
8 developed pursuant to paragraph (1) to the State Air Resources
9 Board and the California Transportation Commission. This
10 prioritized list shall be due according to the same timeline as the
11 applicable sustainable communities strategy described in paragraph
12 (2) of subdivision (b) of Section 65080.

13 (c) Upon receiving a list submitted pursuant to subdivision (b),
14 the State Air Resources Board, in consultation with the California
15 Transportation Commission, shall determine whether each project
16 is consistent with the most recently adopted sustainable
17 communities strategy of the regional transportation planning
18 agency or county transportation commission and the state's climate
19 goals.

20 (d) (1) Each regional transportation planning agency or county
21 transportation commission shall submit a report on local
22 transportation tax measures to the California Transportation
23 Commission on or before March 30, 2023. This report shall include
24 all of the following information:

25 (A) The text of the local transportation tax measure.

26 (B) A description of whether the local transportation tax measure
27 aligns with the most recently adopted sustainable communities
28 strategy and the state's climate goals.

29 (C) A description of the transportation projects funded by the
30 local transportation tax measure.

31 (D) A timeline of the transportation projects, including when
32 they were passed and when they will expire.

33 (2) The California Transportation Commission, in consultation
34 with the State Air Resources Board, shall conduct an analysis and
35 propose recommendations on alignment of local tax measures with
36 the state's climate goals.

37 (e) Projects funded by local tax measures shall, to the extent
38 permitted by the terms of the local tax measures, be included in
39 the regional transportation plans prepared pursuant to Section
40 65080 and adhere to the most recently adopted sustainable

1 ~~community~~ *communities* strategy of the applicable regional
2 transportation agency or county transportation commission and
3 the state's climate goals.

4 (f) Regional transportation planning agencies or county
5 transportation commissions that approve projects that adhere to
6 their most recently adopted sustainable communities strategies
7 and the state's climate goals shall, upon appropriation by the
8 Legislature, receive additional funds from surplus state
9 transportation funds and federal funds.

10 (g) A regional transportation planning agency or county
11 transportation commission shall not fund a project or program
12 determined to be inconsistent with its most recently adopted
13 sustainable communities strategy or the state's climate goals
14 pursuant to subdivision (c).

15 ~~SEC. 4.~~

16 *SEC. 3.* If the Commission on State Mandates determines that
17 this act contains costs mandated by the state, reimbursement to
18 local agencies and school districts for those costs shall be made
19 pursuant to Part 7 (commencing with Section 17500) of Division
20 4 of Title 2 of the Government Code.

STAFF REPORT

Subject: Executive Director’s Report
 Presented by: Phil Moores, Executive Director

Recruitment

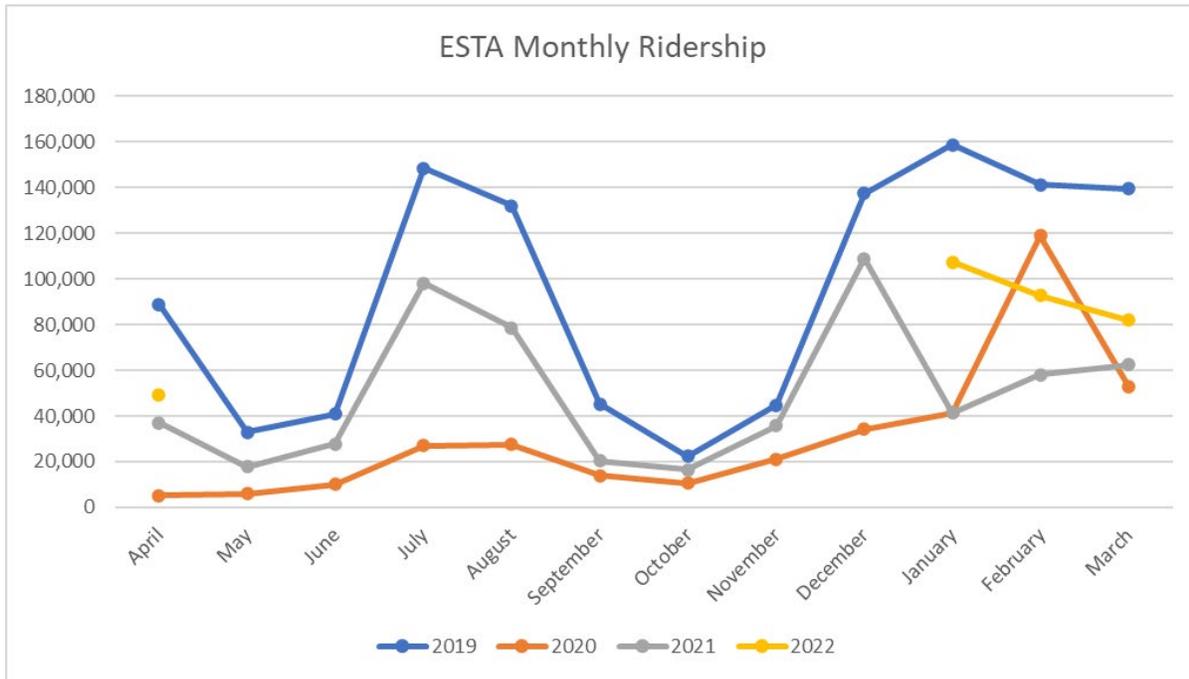
ESTA continues to seek qualified applicants for driving and utility positions. All hands are on deck for the important revenue generating Reds Meadow service; therefore, onboarding and training are suspended until after Reds Meadow Shuttle closes.

Ridership

Unsurprisingly, overall ridership increased in April compared to last year. Compared to pre-Covid, April was still 44% down. Of note, are Lifeline services Benton and Walker DAR which have not recovered since Covid.

April Ridership Report						
Route	Pre-Covid 2019	2020	2021	2022	Change Current vs. Last year	% Change Current vs Pre- Covid
BEN	22	2	24	5	-19	-77%
BISDAR	3,693	1,354	2,551	3,166	615	-14%
BPTCAR	19	20	2	18	16	-5%
LANC	487	73	237	366	129	-25%
LP/BIS	213	106	220	222	2	4%
LPDAR	396	299	429	370	-59	-7%
MAMFR	19,018	2,942	7,942	10,770	2,828	-43%
MDAR	498	28	213	200	-13	-60%
MMSA	63,132	0	24,841	33,145	8,304	-47%
MXP	380	96	195	276	81	-27%
NRIDER	309	57	178	236	58	-24%
RENO	545	84	467	607	140	11%
WLK	117	25	10	14	4	-88%
Total	88,829	5,086	37,309	49,395	12,086	-44%

The chart below shows the ridership by month since pre-Covid.



Service

Lakes Basin Trolley began operation Memorial Day Weekend, and Bishop Creek Shuttle and Reds Meadow Shuttle is scheduled for a June 17 start.

ESTA was issued a Public Records Request for the proposed Woodman Turnaround on the Mammoth Lakes Routes serving upper Old Mammoth Road. The Snow Creek Athletic Club turnaround was discontinued due to housing development on the property. We are currently using the fire station to turn around the bus. However, this is a temporary maneuver, and the Town is working on a permanent routing solution. The Woodman Turnaround was found to be the best location, but the neighborhood is fighting to keep ESTA from using the property at Woodman and Old Mammoth. The property is publicly owned and used by the water district, and a bus turnaround could be engineered there.



January 4, 2022

Board of Commissioners
County of Inyo Local Transportation Commission
Independence, California

We have audited the financial statements of the governmental activities, the Planning Fund, and the aggregate remaining fund information of the Inyo County Local Transportation Commission (the Commission) for the year ended June 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 2, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Commission are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020. We noted no transactions entered into by the Commission during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting the Commission's financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The attached report to this letter details the material misstatements detected as a result of audit procedures and were corrected by management.

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Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated January 4, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Commission's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Commission's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the Combining Statements of the Private Purpose Trust Funds, Budget and Actual by Funding Source – Planning Fund statement, Schedule of Allocations and Expenditures – Local Transportation Fund, and the Schedule of Allocations and Expenditures – State Transit Assistance Fund (the supplementary information), which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of Board of Commissioners and management of the Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Price Pange & Company

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION**

BASIC FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
JUNE 30, 2020**

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
JUNE 30, 2020**

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**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
JUNE 30, 2020**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Inyo County Local Transportation Commission
Independence, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the Planning Fund, and the aggregate remaining fund information of the Inyo County Local Transportation Commission (the Commission), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the Planning Fund, and the aggregate remaining fund information of the Commission, as of June 30, 2020, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The combining and individual fund statements and schedules (supplementary information) listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 4, 2022, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

Price Pange & Company

Clovis, California
January 4, 2022

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

As management of the Commission, we offer readers of our financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2020.

FINANCIAL HIGHLIGHTS

- The assets of the Commission exceeded its liabilities at the close of the year by \$377,511. Of this amount, \$377,511 may be used to meet the Commission's ongoing current obligations to citizens and creditors.
- As of the close of the current fiscal year, the Commission's governmental fund reported an ending fund balance of \$281,409, a decrease of \$135,721 in comparison with the prior year.
- At the end of the current year, unrestricted fund balance for the planning fund was \$377,511 or 54.95% of total planning and administration expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements comprise three components: 1) governmentwide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Commission's finances, in a manner similar to a private sector business.

The *statement of net position* presents information on all of the Commission's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator whether the financial position of the Commission is improving or deteriorating.

The *statement of activities* presents information showing how the Commission's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Commission, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the Commission can be divided into two categories: governmental funds and fiduciary funds.

Governmental fund financial statements report essentially the same functions as those reported in the government-wide financial statements.

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Government-Wide Financial Statements (Continued)

However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate the comparison between governmental funds and government-wide statements.

Fiduciary funds are used to account for resources held for the benefit of parties outside the Commission. Fiduciary funds are not reflected in the government-wide statements because the resources of those funds are not available indiscriminately to support the Commission's own programs. The Commission's fiduciary funds consist solely of private purpose trust funds, which are used to account for the Local Transportation Fund, the State Transit Assistance Fund, the TEA Exchange Program Fund, and other transit related funding.

The Commission adopts an annual appropriated budget for its planning fund. A budgetary comparison statement has been provided for the fund to demonstrate compliance with the budget.

The government-wide and fund financial statements can be found on pages 10-19 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21-26 of this report.

Government-Wide Financial Analysis

The statement of net position and statement of activities report information about the Commission activities in a way that will reflect the changes from the prior year to the current year. These two statements report the net position of the Commission and the changes in them. The Commission's net position – the difference between assets and liabilities – are one way to measure financial health or financial position. Over time, increases or decreases in the Commission's net position are an indicator of whether its financial health is improving or deteriorating. However, other nonfinancial factors such as changes in economic or changed governmental legislation should be considered.

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

The following table summarizes the net position at June 30, 2020 and 2019:

	<u>2020</u>	<u>2019</u>	<u>Dollar Change</u>
ASSETS			
Current and other assets	\$ 433,457	\$ 641,092	\$ (207,635)
Total assets	433,457	641,092	(207,635)
LIABILITIES			
Current and other liabilities	47,365	106,773	(59,408)
Long-term liabilities	<u>8,581</u>	<u>6,235</u>	<u>2,346</u>
Total liabilities	55,946	113,008	(57,062)
NET POSITION			
Unrestricted	<u>377,511</u>	<u>528,084</u>	<u>(150,573)</u>
Total net position	<u>\$ 377,511</u>	<u>\$ 528,084</u>	<u>\$ (150,573)</u>

The Commission's capital assets are fully depreciated and there is no associated debt with their acquisition. Unrestricted net position represents the remaining 100% of the total net position and may be used to meet the Commission's ongoing obligations to citizens and creditors.

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Commission, assets exceed liabilities by \$336,198 at the close of the most recent fiscal year. The most significant portion of the Commission's assets is the \$318,121 of cash invested in the County's investment pool.

Governmental Activities

The Commission's net position decreased overall by \$150,573 during the 2020 fiscal year. This decrease is due to slightly higher expenditures incurred compared to the amount of operating grants received during the year.

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

**Commission's Change in Net Position
Year Ended June 30, 2020 and 2019**

	<u>2020</u>	<u>2019</u>	<u>Dollar Change</u>
PROGRAM REVENUES			
Local transportation funds	\$ 32,115	\$ 63,078	\$ (30,963)
Rural planning assistance	268,143	151,020	117,123
RSTP exchange	127,723	-	127,723
STIP planning (PPM)	100,000	117,188	(17,188)
GENERAL REVENUES			
Unrestricted interest and investment earnings	<u>8,460</u>	<u>9,860</u>	<u>(1,400)</u>
Total revenues	<u>536,441</u>	<u>341,146</u>	<u>195,295</u>
EXPENSES			
Planning and administration	687,014	542,664	(144,350)
Other agencies	<u>-</u>	<u>15,039</u>	<u>15,039</u>
Total expenses	<u>687,014</u>	<u>557,703</u>	<u>129,311</u>
Change in net position	<u>\$ (150,573)</u>	<u>\$ (216,557)</u>	<u>\$ 65,984</u>

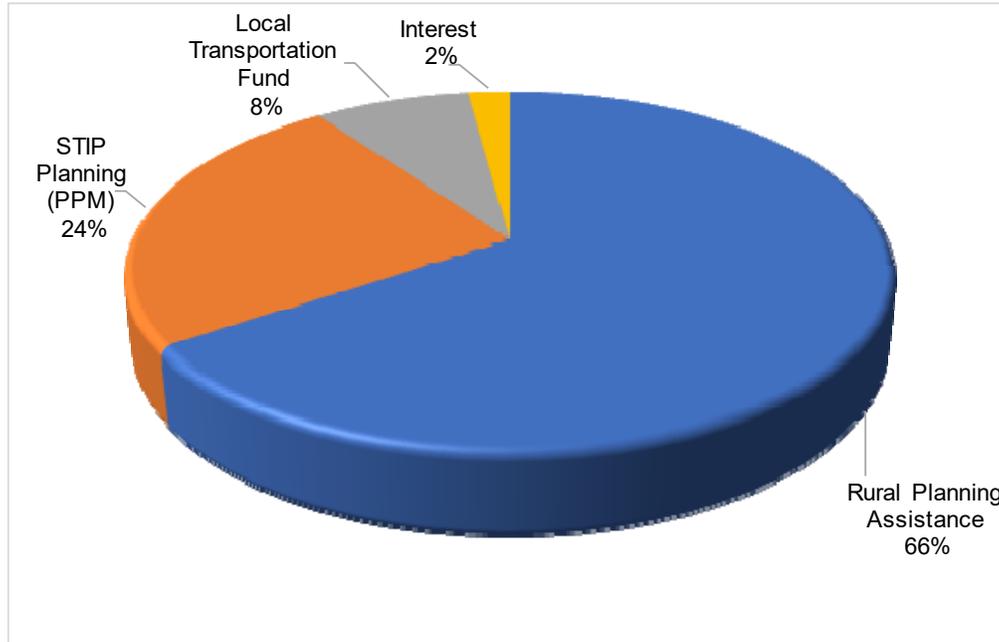
Financial Analysis of the Commission's Governmental Fund

As noted earlier, the Commission uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Fund: The focus of the Commission's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Commission's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

For the year-ended June 30, 2020, the Commission reported an ending fund balance of \$281,409, a decrease of \$135,721 from the prior year. Total revenues were \$548,947 and total expenditures were \$684,668. The chart below depicts revenues by source for all governmental funds.



Fund Budgetary Highlight

Total revenues for the planning fund were over budget by \$15,526 and total expenditures were under budget by \$5,421.

Capital Assets and Debt Administration

Capital Assets

The Commission's investment in capital assets for its governmental activities as of June 30, 2020, is \$0 because all of its capital assets have been fully depreciated and there is no outstanding debt associated with its acquisition of capital assets.

More detailed information about the Commission's capital assets is presented in Note 1 of the notes to the basic financial statements.

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2020**

Capital Assets and Debt Administration (Continued)

Debt Administration

The Commission did not have any long-term obligations as of June 30, 2020 except for compensated absences. More detailed information about the Commission's long-term debt is presented in Note 3 of the notes to the basic financial statements.

Requests for Information

This financial report is designed to provide a general overview of the Commission's finances for all those interested. Questions concerning, any of the information provided in this report or requests for additional financial information should be addressed to Inyo County Local Transportation Commission, P.O. Drawer Q, Independence, CA 93526 or Inyo County Auditor-Controller, P.O. Drawer R, Independence, CA 93526.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
STATEMENT OF NET POSITION
JUNE 30, 2020**

	Governmental Activities
ASSETS	
Cash and investments	\$ 318,121
Interest receivable	1,862
Due from Other Agencies: (STIP) PPM	113,474
Total assets	433,457
LIABILITIES	
Accounts payable	37,745
Salaries Payable	9,620
Long-term liabilities: Compensated absences, due in more than one year	8,581
Total liabilities	55,946
NET POSITION	
Unrestricted	377,511
Total net position	\$ 377,511

The notes to the basic financial statements are an integral part of this statement.

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FUND FINANCIAL STATEMENTS

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
BALANCE SHEET – GOVERNMENTAL FUND
JUNE 30, 2020**

	<u>Planning Fund</u>
ASSETS	
Cash	\$ 318,121
Interest receivable	1,862
Due from other agencies: (STIP) PPM	<u>113,474</u>
Total assets	<u>\$ 433,457</u>
LIABILITIES	
Accounts payable	\$ 37,745
Salaries payable	<u>9,620</u>
Total liabilities	<u>47,365</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue	<u>104,683</u>
FUND BALANCE	
Unassigned	<u>281,409</u>
Total fund balance	<u>281,409</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 433,457</u>

The notes to the basic financial statements are an integral part of this statement.

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020**

Fund balances - total governmental funds:	\$	281,409
---	----	---------

Amounts reported for governmental activities in the statement of net position are different because:

Receivables not available to pay for current period expenditures are deferred in the governmental funds and recognized as revenue in the statement of activities.		104,683
---	--	---------

Long-term liabilities applicable to the Commission's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position as follows:

Compensated absences		<u>(8,581)</u>
----------------------	--	----------------

Net position of governmental activities	\$	<u>377,511</u>
---	----	----------------

The notes to the basic financial statements are an integral part of this statement.

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	<u>Planning Fund</u>
REVENUES	
Local transportation funds	\$ 44,621
Rural planning assistance	268,143
RSTP exchange	127,723
STIP planning (PPM)	100,000
Interest	<u>8,460</u>
Total revenues	<u>548,947</u>
EXPENDITURES	
Planning and administration	<u>684,668</u>
Total expenditures	<u>684,668</u>
Change in fund balance	(135,721)
Fund balance - beginning	<u>417,130</u>
Fund balance - ending	<u>\$ 281,409</u>

The notes to the basic financial statements are an integral part of this statement.

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE OF THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

Net change in fund balances - total governmental funds	\$	(135,721)
Amounts reported for governmental activities in the statement of activities are different because:		
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		(12,506)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences		<u>(2,346)</u>
Change in net position of governmental activities	\$	<u>(150,573)</u>

The notes to the basic financial statements are an integral part of this statement.

INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2020

	Private Purpose Trust Funds
ASSETS	
Current assets:	
Cash and investments	\$ 789,188
Due from other governments	162,307
Interest receivable	3,903
Total assets	955,398
LIABILITIES	
Total liabilities	-
NET POSITION	
Net position held in trust for other purposes	\$ 955,398

The notes to the basic financial statements are an integral part of this statement.

INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Private Purpose Trust Funds
ADDITIONS	
Sales taxes	\$ 1,107,287
Other revenues	149,567
Interest income	15,418
Total additions	1,272,272
DEDUCTIONS	
Grant expenses	-
Allocations:	
Planning and administration	45,071
Transit operations	969,284
Operating transfers out	124,323
Total deductions	1,138,678
Change in net position	133,594
Net position - beginning, restated	821,804
Net position - ending	\$ 955,398

The notes to the basic financial statements are an integral part of this statement.

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Inyo County Local Transportation Commission are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Commission's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Reporting Entity

The Inyo County Local Transportation Commission, the regional transportation planning agency for the County of Inyo, was created pursuant to Title 3 of Government Code Section 29535. The Commission is responsible for transportation planning activities as well as administration of the Local Transportation Fund and the State Transit Assistance Fund. It is comprised of three members appointed by the Bishop City Council and three members appointed by the Inyo County Board of Supervisors. The Commission does not exercise control over any other governmental agency of authority and no governmental agency exercises control over it. Criteria used in determining the reportable entity was based on control or dependence determined on the basis of budget adoption, funding and appointment of the respective governing board.

The Inyo County Local Transportation Commission receives monies from the state of California and allocates those monies for the planning, management, and operation of public transportation systems within the County of Inyo. The Commission also has the authority to allocate monies for other transportation related activities including pedestrian and bicycle and street and road projects.

Basis of Presentation

Government-Wide Statements: The statement of net position and the statement of changes in net position report information on all of the governmental activities of the Commission. These statements distinguish between governmental and business-type activities of the Commission. Governmental activities, which are supported by taxes and intergovernmental revenues, are reported separately from business-type activities (formerly known as enterprise funds), which rely to an extent on charges and fees from the public for support. The Commission had no business-type activities to report for the year ended June 30, 2020.

The statement of activities demonstrates the degree to which the program expenses of a given governmental function are offset by program revenues. Program expenses include direct expenses which are clearly identifiable with a specific function and allocated indirect expenses. Program revenues include charges paid by recipients of goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items, which are properly not included among program revenues, are reported instead as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Commission's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Any remaining governmental funds are aggregated and reported as nonmajor funds.

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation (Continued)

The Commission reports the following major governmental fund:

Planning Fund – The planning fund acts as the general fund for the Commission and all planning and administrative activities are accounted for in this fund.

The Commission did not have any nonmajor governmental funds for the year ended June 30, 2020.

The Commission reports the following fiduciary fund:

Private Purpose Trust Fund – used to account for the Local Transportation Funds, State Transit Assistance Funds, TEA Exchange Funds, Public Transportation Modernization, Improvement, and Service Enhancement Account Fund, Transportation Security Grant Fund, LTF Bike & Pedestrian Fund, Low Carbon Transit Fund, and the State of Good Repair Fund held by the Commission in a trustee capacity.

Basis of Accounting

The government-wide and fiduciary financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Grants are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Commission utilizes a sixty-day availability period for revenue recognition for governmental fund revenues.

Those revenues susceptible to accrual are sales taxes, intergovernmental revenues (grants), and interest revenues. Nonexchange transactions, in which the Commission gives (or receives) value without directly receiving (or giving) equal value in exchange include sales taxes, grants, entitlements and donations. On the modified accrual basis, revenues from sales taxes are recognized when the underlying transactions take place and the availability criteria have been met. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

A fund reports unavailable revenue on its balance sheet. Unavailable revenues arise when potential revenue does not meet the “measurable” and “available” criteria for recognition in the current period. Unavailable revenues also arise when resources are received by the fund before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the fund has a legal claim to the resources, the liability for unavailable revenue is removed from the combined balance sheet and revenue is recognized.

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash in County Treasury

Cash is held by the Inyo County Treasurer in an investment pool. The County maintains a cash and investment pool in order to facilitate the management of cash. Cash in excess of current requirements is invested in various interest-bearing securities. Information regarding categorization and fair value of investments can be found in the County's financial statements. The Treasurer's investments and policies are overseen by the Inyo County Treasury Oversight Committee.

Governmental Accounting Standards Board Statement No. 40 requires additional disclosures about a government's deposits and investments risks that include credit risk, custodial risk, concentration of risk and interest rate risk. The Commission did not have a deposit or investment policy that addresses specific types of risk.

Required risk disclosures for the Commission's investment in the Inyo County Investment Pool at June 30, 2020 were as follows:

Credit Risk	Not Rated
Custodial Risk	Not Applicable
Concentration of Credit Risk	Not Applicable
Interest Rate Risk	661 Days Average Maturity

The fair value of the Commission's investment in the Inyo County Investment Pool is determined on an amortized cost basis which approximates fair value.

Due from Other Agencies

Receivables consist of grants from other government agencies and sales tax revenues. Management believes its receivables to be fully collectible and accordingly no allowance for doubtful accounts is required.

Capital Assets

Capital Assets, which include only equipment, are reported in the applicable governmental activities' column in the government-wide financial statements. The assets are recorded at historical cost or estimated cost if historical cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The Commission defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

Equipment and Furniture	5 years
Computer Software	3 years

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Insurance and Risk of Loss

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission participates in the County of Inyo's risk pool, which is governed by a joint powers' agreement. The County's risk pool has workers' compensation and liability insurance with a third-party insurer and is self-insured for property claims for the first \$100,000. The Commission has excess coverage for claims in excess of these amounts.

Compensated Absences

It is the Commission's policy to permit employees to accumulate a limited amount of earned but unused vacation and personal leave, which will be paid to employees upon separation from Commission service.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period. Actual results could differ from these estimates.

Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as invested capital assets (net of related debt), restricted and unrestricted.

- *Net Investment in Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. At June 30, 2020, the Commission did not have any restricted net position.
- *Unrestricted Net Position* – This category represents net position of the Commission, not restricted for any project or other purpose.

When both restricted and unrestricted net positions are available, unrestricted resources are used only after the restricted resources are depleted.

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balances

In the fund financial statements, in accordance with GASB Statement No. 54, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the County is bound to honor constraints on how specific amounts can be spent.

- *Nonspendable fund balance* – amounts that cannot be spent because they are either not spendable in form or legally or contractually required to remain intact.
- *Restricted fund balance* – amounts with constraints placed on their use by those external to the Commission, including creditors, grantors, contributors or laws and regulations of other governments. It also includes constraints imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balance* – amounts that can only be used for specific purposes determined by formal action of the Commission’s highest level of decision-making authority (the Commission’s Board) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- *Assigned fund balance* – amounts that are constrained by the Commission’s intent to be used for specific purposes. The intent can be established at either the highest level of decision making or by a body or an official designated for that purpose.
- *Unassigned fund balance* – the residual classification that includes amounts not contained in the other classifications.

The Commission’s Board establishes, modifies or rescinds fund balance commitments and assignments by passage of a resolution. When restricted and unrestricted resources are available for use, it is the Commission’s policy to use restricted resources first, followed by unrestricted committed, assigned and unassigned resources as they are needed.

NOTE 2 – LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year end June 30, 2020:

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020	Amount Due Within One Year
Governmental activities:					
Compensated absences	\$ 6,235	\$ 5,995	\$ (3,649)	\$ 8,581	\$ -

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 3 – RELATED PARTY TRANSACTIONS

The County of Inyo personnel provide management, planning and administration services. The County also provides engineering and planning services. During the fiscal year ended June 30, 2020, the Commission paid to the County of Inyo a related party, the following amounts:

Payroll costs	\$ 264,010
Copier charges	337
County cost plan	12,499
County counsel	4,159
IS charges	2,232
Insurance (worker's comp and liability)	3,164
Building and maintenance	541
Road	2,657
Public works services	<u>33,851</u>
 Total related party transactions	 <u>\$ 323,450</u>

NOTE 4 – PTMISEA

In November 2006, California voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality and Port Security Bond Act of 2006. Of the \$19.925 billion of state general obligation bonds authorized, \$4 billion was set aside by the state as instructed by statute as the Public Transportation Modernization Improvement and Service Enhancement Account (PTMISEA). These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety or modernization improvements, capital service enhancements or expansions, new capital projects, bus rapid transit improvements or for rolling stock procurement, rehabilitation or replacement.

During the fiscal year ended June 30, 2020, the commission did not receive any additional funding from the state's PTMISEA account. As of June 30, 2020, PTMISEA funds received and expended were verified in the course of our audit as follows:

Balance at beginning of fiscal year	\$ 89,932
Proceeds received:	
Interest receivable	1,666
Expended:	
Other adjustments	<u>216</u>
 Unexpended proceeds - June 30, 2020	 <u>\$ 91,382</u>

Funds will be passed through to Eastern Sierra Transit Authority for capital projects identified by ESTA such as support vehicles as well as scheduling and dispatch software. Qualifying expenditures must be encumbered within three years from the date of the allocation and expended within three years from the date of the encumbrance.

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2020**

NOTE 5 – PRIOR PERIOD ADJUSTMENT

The following funds have prior period adjustments due to revenue previously not recognized in the prior year:

Private Purpose Trust Funds

Net position - beginning of year	\$ 718,256
Prior period adjustment	<u>103,548</u>
Net position - beginning of year, restated	<u>\$ 821,804</u>

REQUIRED SUPPLEMENTARY INFORMATION

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**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
BUDGETARY COMPARISON SCHEDULE – PLANNING FUND
YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Allocations from LTF	\$ 44,621	\$ 44,621	\$ 44,621	\$ -
Rural planning assistance	287,500	287,500	268,143	(19,357)
RSTP exchange	-	-	127,723	127,723
STIP planning (PPM)	100,000	200,000	100,000	(100,000)
Interest	<u>1,300</u>	<u>1,300</u>	<u>8,460</u>	<u>7,160</u>
Total Revenues	433,421	533,421	548,947	15,526
EXPENDITURES				
Planning and administration	<u>515,828</u>	<u>690,089</u>	<u>684,668</u>	<u>5,421</u>
Total expenditures	515,828	690,089	684,668	5,421
Change in fund balance	<u>\$ (82,407)</u>	<u>\$ (156,668)</u>	(135,721)	<u>\$ 20,947</u>
Fund balance - beginning			<u>417,130</u>	
Fund balance - ending			<u>\$ 281,409</u>	

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020**

NOTE 1 – BUDGETARY ACCOUNTING

The Commission annually adopts a budget through the preparation of an overall work program. This work program describes the projects, or work elements, that are to be funded, and the type of funds that will pay for the expenditures, such as Rural Planning Assistance, Local Transportation, or State Transportation Improvement Program (STIP). The work program, in draft form, is prepared by Commission staff, submitted and approved by the Commission, and submitted to the State of California, Department of Transportation (CALTRANS) before June 30. CALTRANS, as the grantor of Rural Planning Assistance and uses STIP funds, approves the work program, which then becomes the budget for the operating fund of the Commission.

Additional sources and uses of revenue not included in the Commission's overall work program are incorporated to compute the Commission's budget that reflects all anticipated activities for the year.

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Budget amendments are made periodically to reflect unanticipated changes in revenues and expenditures. Appropriations lapse at fiscal year-end, except for items already encumbered.

SUPPLEMENTARY INFORMATION

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2020
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2019)**

	Local Transportation Fund	State Transit Assistance	TEA Exchange Funds	PTMISEA Fund	Transport Security Grant
ASSETS					
Cash and Investments	\$ 350,359	\$ 199,411	\$ 17,261	\$ 91,382	\$ 1
Taxes receivable	162,306	-	-	-	1
Interest receivable	<u>2,098</u>	<u>742</u>	<u>76</u>	<u>401</u>	<u>-</u>
Total assets	<u>\$ 514,763</u>	<u>\$ 200,153</u>	<u>\$ 17,337</u>	<u>\$ 91,783</u>	<u>\$ 2</u>
LIABILITIES AND NET POSITION					
Total liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
NET POSITION					
Net position held in trust for other purposes	<u>514,763</u>	<u>200,153</u>	<u>17,337</u>	<u>91,783</u>	<u>2</u>
Total net position	<u>\$ 514,763</u>	<u>\$ 200,153</u>	<u>\$ 17,337</u>	<u>\$ 91,783</u>	<u>\$ 2</u>

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2020
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2019)
(Continued)**

	LTF Bike & Pedestrian	Low Carbon Transit	SB1 State of Good Repairs	Totals	
				2020	2019
ASSETS					
Cash and Investments	\$ 124,531	\$ 129	\$ 6,114	\$ 789,188	\$ 613,808
Taxes receivable	-	-	-	162,307	141,880
Interest receivable	548	1	37	3,903	3,879
Total assets	<u>\$ 125,079</u>	<u>\$ 130</u>	<u>\$ 6,151</u>	<u>\$ 955,398</u>	<u>\$ 759,567</u>
LIABILITIES AND NET POSITION					
Total liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
NET POSITION					
Net position held in trust for other purposes	125,079	130	6,151	955,398	759,567
Total net position	<u>\$ 125,079</u>	<u>\$ 130</u>	<u>\$ 6,151</u>	<u>\$ 955,398</u>	<u>\$ 759,567</u>

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2019)**

	Local Transportation Fund	State Transit Assistance	TEA Exchange Funds	PTMISEA Fund	Transport Security Grant
ADDITIONS					
Sales taxes	\$ 949,390	\$ 157,897	\$ -	\$ -	\$ -
Other revenue	-	-	-	186	-
Interest income	<u>9,205</u>	<u>3,326</u>	<u>315</u>	<u>1,666</u>	<u>28</u>
Total additions	<u>958,595</u>	<u>161,223</u>	<u>315</u>	<u>1,852</u>	<u>28</u>
DEDUCTIONS					
Grant expenses	-	-	-	-	-
Allocations:					
Planning and administration	45,071	-	-	-	-
Transit operations	786,143	157,897	-	-	186
Operating transfers out	<u>124,323</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deductions	<u>955,537</u>	<u>157,897</u>	<u>-</u>	<u>-</u>	<u>186</u>
Change in net position	3,058	3,326	315	1,852	(158)
Net Position - Beginning of Year	449,469	155,515			
Prior Period Adjustment	62,236	41,312			
Net Position - beginning, restated	<u>511,705</u>	<u>196,827</u>	<u>17,022</u>	<u>89,931</u>	<u>160</u>
Net position - ending	<u>\$ 514,763</u>	<u>\$ 200,153</u>	<u>\$ 17,337</u>	<u>\$ 91,783</u>	<u>\$ 2</u>

LOCAL TRANSPORTATION COMMISSION
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
YEAR ENDED JUNE 30, 2020
(WITH COMPARATIVE TOTALS AS OF JUNE 30, 2019)
(Continued)

	LTF Bike & Pedestrian	Low Carbon Transit	SB1 State of Good Repairs	Totals	
				2020	2019
ADDITIONS					
Sales taxes	\$ -	\$ -	\$ -	\$ 1,107,287	\$ 1,130,398
Other revenue	124,323	-	25,058	149,567	53,598
Interest income	756	3	119	15,418	12,431
Total additions	<u>125,079</u>	<u>3</u>	<u>25,177</u>	<u>1,272,272</u>	<u>1,196,427</u>
DEDUCTIONS					
Grant expenses	-	-	-	-	12,389
Allocations:					
Planning and administration	-	-	-	45,071	63,078
Transit operations	-	-	25,058	969,284	1,044,225
Operating transfers out	-	-	-	124,323	-
Total deductions	<u>-</u>	<u>-</u>	<u>25,058</u>	<u>1,138,678</u>	<u>1,119,692</u>
Change in net position	125,079	3	119	133,594	76,735
Net Position - Beginning of Year					
Prior Period Adjustment					
Net Position - beginning, restated	<u>-</u>	<u>127</u>	<u>6,032</u>	<u>821,804</u>	<u>682,832</u>
Net position - ending	<u>\$ 125,079</u>	<u>\$ 130</u>	<u>\$ 6,151</u>	<u>\$ 955,398</u>	<u>\$ 759,567</u>

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL BY FUNDING SOURCE – PLANNING FUND
YEAR ENDED JUNE 30, 2020**

	Final Budget	Actual		Total	Variance with Final Budget
		Federal and State Funds	Local Transportation Funds		
REVENUES					
Allocations from LTF	\$ 44,621	\$ -	\$ 44,621	\$ 44,621	\$ -
State and federal grants:					
Rural Planning Assistance	287,500	268,143	-	268,143	(19,357)
RSTP exchange	-	127,723	-	127,723	127,723
STIP planning (PPM)	200,000	100,000	-	100,000	(100,000)
Interest income	1,300	8,460	-	8,460	7,160
Total revenues	<u>533,421</u>	<u>504,326</u>	<u>44,621</u>	<u>548,947</u>	<u>15,526</u>
EXPENDITURES					
100.1 Compliance and Oversight	54,000	53,989	-	53,989	11
110.1 Overall Work Program	20,000	19,963	-	19,963	37
200.1 Regional Transportation Improvement	15,000	14,910	-	14,910	90
300.1 Administer Transit	39,621		61,736	61,736	(22,115)
310.1 Coordinate Transit Services	5,000		4,800	4,800	200
400.1 Local Project Development and Monitoring	60,291	46,159	-	46,159	14,132
500.1 Coordination and Regional Planning	70,000	48,923	-	48,923	21,077
600.1 PMS/GIS	30,000	29,941	-	29,941	59
700.1 Planning, Programming and Monitoring	200,000	275,053	-	275,053	(75,053)
RSTP Exchange	-	129,194	-	129,194	(129,194)
Total expenditures	<u>493,912</u>	<u>618,132</u>	<u>66,536</u>	<u>684,668</u>	<u>(190,756)</u>
Change in fund balance	<u>\$ 39,509</u>	<u>\$ (113,806)</u>	<u>\$ (21,915)</u>	(135,721)	<u>\$ (175,230)</u>
Fund balance - beginning				417,130	
Fund balance - ending				<u>\$ 281,409</u>	

**INYO COUNTY
LOCAL TRANSPORTATION COMMISSION
SCHEDULE OF ALLOCATIONS AND EXPENDITURES
LOCAL TRANSPORTATION FUND
YEAR ENDED JUNE 30, 2020**

	PUC	Allocations Outstanding June 30, 2019	Allocated	Expended	Allocations Outstanding June 30, 2020
ALLOCATIONS					
Inyo County Local Transportation Commission	99233.1	\$ 12,939	\$ 44,621	\$ 45,071	\$ 12,489
Inyo County / City of Bishop	99233.3	67,052	16,043	-	83,095
Eastern Sierra Transit Authority	99260(a)	-	746,836	746,836	-
City of Bishop	99400(c)	31,960	-	-	31,960
Eastern Sierra Area Agency on Aging	99400(c)	-	39,307	39,307	-
		<u>\$ 111,951</u>	<u>\$ 846,807</u>	831,214	<u>\$ 127,544</u>
Total allocations				831,214	
Transfer to LTF Bike & Pedestrian Fund				<u>124,323</u>	
Total LTF deductions				<u>\$ 955,537</u>	

**INYO COUNTY
 LOCAL TRANSPORTATION COMMISSION
 SCHEDULE OF ALLOCATIONS AND EXPENDITURES
 STATE TRANSIT ASSISTANCE FUND
 YEAR ENDED JUNE 30, 2020**

	PUC	Allocations Outstanding June 30, 2019	Allocated	Expended	Allocations Outstanding June 30, 2020
ALLOCATIONS					
Eastern Sierra Transit Authority	6731 (b)	\$ 134,784	\$ 130,497	\$ 157,897	\$ 107,384
Total allocations		<u>\$ 134,784</u>	<u>\$ 130,497</u>	<u>\$ 157,897</u>	<u>\$ 107,384</u>

OTHER AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS AND THE RULES
AND REGULATIONS OF THE TRANSPORTATION DEVELOPMENT ACT

To the Board of Commissioners
Inyo County Local Transportation Commission
Independence, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Inyo County Local Transportation Commission (the Commission), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Commission's financial statements, and have issued our report thereon dated January 4, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. Our audit was further made to determine that Transportation Development Act Funds allocated to and received by the Commission were expended in conformance with applicable statutes, rules and regulations of the Transportation Development Act and the allocation instructions and resolutions of the Commission as required by sections 6666 and 6667 of Title 21 of the California Code of Regulations. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Rules and Regulations of the Transportation Development Act.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Price Pange & Company

Clovis, California
January 4, 2022