

SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION

TRIENNIAL PERFORMANCE AUDIT

**FOR THE THREE FISCAL YEARS ENDED
JUNE 30, 2003**

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INDEPENDENT AUDITOR'S REPORT

To the Commissioners
Santa Cruz County Regional Transportation Commission
Santa Cruz, California

We are pleased to present the results of our performance audit of the Santa Cruz County Regional Transportation Commission (SCCRTC) for the three fiscal years ended June 30, 2003. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

The purpose of this performance audit was to evaluate the efficiency, effectiveness, and economy of the operations of the SCCRTC.

This report is intended for the information of management, the Commissioners, the SCCRTC, and the State of California Department of Transportation. However, this report is a matter of public record and its distribution is not limited.

We have not included management's response and a corrective action plan in this report as required by the *Government Auditing Standards*. We are requesting that the Commission respond to the findings, conclusions, and recommendations made in this report and include a corrective action plan, which should be submitted to the California State Department of Transportation.

MOSS, LEVY & HARTZHEIM, C.P.A.s

February 12, 2004

SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION

EXECUTIVE SUMMARY

This performance audit of the SCCRTC covers the three-year period of fiscal year 2000-2001 through fiscal year 2002-2003. Performance audits are prepared to fulfill the requirements of the California Transportation Development Act (TDA), which requires a performance audit every three years to review the “service’s efficiency, effectiveness, and economy” and to determine if the SCCRTC meets other specified TDA requirements.

This audit includes the basic compliance audit required by the TDA, a review and verification of the SCCRTC’s data collection process, an analysis of performance indicators and trends during the audit period, a determination of TDA compliance, a program review, and identification of issues.

Based on the review of the performance of the SCCRTC, it is the opinion of the auditors that the SCCRTC has adopted goals, policies, and procedures, and has taken a number of steps to improve its overall performance since the last performance audit.

The audit also identified areas where the SCCRTC can continue to improve its performance and developed recommendations to improve the performance of the SCCRTC in these areas. The following are the recommendations for the SCCRTC:

Functional Area Recommendations

Administration and Management

Salaries for all SCCRTC employees are defined and limited by the Santa Cruz County (County) salary structure. Planners and support staff are not technically County employees. Being limited to the salary structure of the County may limit the SCCRTC’s ability to attract and retain quality personnel. Our recommendation is to review the salary cap policy imposed by the County, explore options to become independent from the County’s Compensation Policy, and perform a cost benefit analysis in conjunction with improving the salary structure.

The SCCRTC uses a different budget system than the County. Because the two systems are incompatible, the staff of the SCCRTC is required to prepare additional reports so that the information can be used by management and the Commission. We recommend that the SCCRTC become an autonomous entity from the County or to implement an accounting system that is able to integrate both the County’s and the SCCRTC’s reporting systems. By implementing this recommendation, the SCCRTC will benefit from increased effectiveness and efficiency, and may potentially reduce overall costs.

The SCCRTC’s relationship with the County involves the use of County services, policies, and procedures for legal advice, personnel and payroll, insurance coverages, purchasing, fleet services, and claim and warrant processing. Some aspects of this operational relationship work well for the SCCRTC, while others impose limitations or inefficiencies that detract from the functioning of the SCCRTC. We recommend that the SCCRTC explore options to change the operational relationship between the SCCRTC and the County including investigating the option of becoming fully independent from the County and/or of crafting more limited operational arrangements with the County or another governmental entity. The SCCRTC should also perform an updated cost-benefit analysis in conjunction with any recommendation to change the SCCRTC’s administrative and personnel structure.

Transportation Planning and Regional Coordination

We have no recommendations.

Claimant Relationships and Oversight

We have no recommendations.

Marketing and Transportation and Alternatives

We have no recommendations.

Grant Applications and Management

We have no recommendations.

SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION

INTRODUCTION

PERFORMANCE AUDITING

The SCCRTC was created pursuant to Title 3 of the Government Code Section 29532.1f. As the Regional Transportation Planning Agency (RTPA) for Santa Cruz County, SCCRTC is responsible for transportation planning activities as well as for the administration of the TDA funds.

The TDA requires that SCCRTC engage an outside consultant to conduct a triennial performance audit. This performance audit covers the three fiscal years ended June 30, 2003.

The California Department of Transportation (Caltrans) contracted for the development of a performance audit guidebook for transit operators and regional transportation planning entities. The County has elected to have the performance audit of the SCCRTC conducted in accordance with this guidebook.

The purpose of a performance audit is as follows:

- Meet the requirements of the Transportation Development Act (TDA)
- Provide management with useful information to assess past activities and provide insight for future planning activities
- Provide management with a review and evaluation of the organization and its operations
- Assure public accountability for the use of public funds

Performance auditing consists of evaluating the efficiency, effectiveness, and economy of the operation of the entity under examination. The TDA requires the performance audit follow the efficiency, economy, and program results portions of the Comptroller General's *Government Auditing Standards*. The *Government Auditing Standards* states the following:

“Economy and efficiency audits include determining (1) whether the entity is acquiring, protecting, and using its resources (such as personnel, property, and space) economically and efficiently, (2) the causes of inefficiencies or uneconomical practices, and (3) whether the entity has complied with laws and regulations concerning matters of economy and efficiency.”

“Program audits include determining (1) the extent to which the desired results or benefits established by the legislature or other authorizing body are being achieved, (2) the effectiveness of organizations, programs, activities, or functions, and (3) whether the entity has complied with laws and regulations applicable to the program.”

In order to meet the requirements of the TDA and the *Government Auditing Standards*, we reviewed pertinent documents, observed operations, and interviewed staff. The results of our audit are documented in the pages that follow.

ORGANIZATION AND STRUCTURE

The SCCRTC governing body was restructured in 2002 to include all five members of the Santa Cruz Board of Supervisors, one member from each of the four cities of the county, and three members appointed by the Santa Cruz Metropolitan Transit District. An ex-officio member represents the California Department of Transportation (Cal Trans) District 5 office. The core activities are carried out by a professional staff consisting of an Executive Director, Deputy Director, Transportation Planners (7), Transportation Technician (2), Fiscal Officer, Accounting Technician, and a Typist Clerk II. See appendix for the organizational chart.

Committees are utilized to assist in the transportation planning process. The SCCRTC evaluated its committee structure in 2001 and revised the committee membership and updated the committee charges. The main committees are as follows:

Bicycle Committee

Focus is on coordinating and advancing bicycle projects and programs in Santa Cruz County, including bicycle planning support for the county, the cities, Cal Trans and other public agencies around bikeway projects.

Budget & Administration/Personnel Committee

Reviews and monitors issues relating to the budget, Overall Work Program, and other administrative functions. It also functions as the Personnel Committee to review personnel matters, and to conduct performance evaluations of the Executive Director.

Interagency Technical Advisory Committee

Coordinates regional transportation capital improvement projects and transportation planning programs, serving as technical and planning support to local jurisdictions and member agencies, as well as SCCRTC.

Elderly and Disabled Transportation Advisory Committee

Serves as the Social Services Transportation Advisory Council (SSTAC) in accordance with Public Utility Code Section 99238. It participates in the determination of transportation needs of the elderly and disabled population. The SSTAC members are appointed by the SCCRTC and include representation from social services and transit providers representing the elderly, disabled, and those of limited economic means.

The SCCRTC works closely with the Association of Monterey Bay Area Governments (AMBAG). The AMBAG has been designated as the Metropolitan Planning Organization responsible for comprehensive planning for Monterey, San Benito, and Santa Cruz Counties. The SCCRTC coordinates its Regional Transportation Planning program with the AMBAG, Cal Trans, and other local agencies as outlined in a Memorandum of Understanding.

AUDIT RESULTS

The Triennial performance audit of the SCCRTC consists of four sections. A compliance review, a follow up review of the implementation of the prior performance audit recommendations, results for the verification of performance audit indicators, and a detailed functional review of the SCCRTC functions.

AUDIT RESULTS (CONTINUED)

COMPLIANCE REVIEW

The SCCRTC is required to follow the rules and regulations described in the TDA in administering the Local Transportation Funds (LTF) and the State Transit Assistance Funds (STA). The TDA consists of two parts, the Public Utilities Code (PUC) and the California Code of Regulations (CCR). These two codes outline specific compliance requirements that the SCCRTC must follow. A review of each compliance requirement and the SCCRTC's compliance is as follows:

PUC Section 99231 – All operators and city or county governments which have responsibility for serving a given area, in total, claim no more than those LTF monies apportioned to that area.

- The SCCRTC maintains appropriate accounting for the areas of apportionment, and does not allow any claimant to claim more than its apportioned amount.

PUC Section 99233 and 99234 – The RTPA must adopt rules and regulations delineating procedures for the submission of claims for facilities provided for the exclusive use of pedestrians and bicycles.

- Rules and regulations have been adopted
- The Bicycle Committee and the Elderly and Disabled Transportation Advisory Committee deals with the issues related to claims submission and other pedestrian and bicycle topics.

PUC Section 99238 and 99238.5 – The RTPA must establish a Special Service Transportation Advisory Council (SSTAC). The RTPA must ensure that there is a citizen participation process which includes at least one annual public hearing.

- The Elderly and Disabled Transportation Advisory Committee serves as the SSTAC. An advertised hearing is held annually to discuss relevant transportation issues with citizens.

PUC Section 99244 – The RTPA must annually identify and recommend potential productivity improvement which could lower the operating costs of those operators which operate at least 50 percent of their vehicle service miles within the RTPA's jurisdiction. Recommendations include, but are not limited to, those made in the performance audit.

- The SCCRTC conducts an annual review of the transit operator to review potential productivity improvements which could make transit operator more cost effective.

PUC Section 99245 – The RTPA must ensure that all claimants to whom it allocates 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.

- The SCCRTC contracts with an external auditor to conduct the fiscal and compliance audits on an annual basis for all claimants to whom it allocates funds, except the Santa Cruz Metropolitan Transit District (SCMTD). The audits are completed within the time limits and any allowable extensions allowed by the State Controller's Office.

AUDIT RESULTS (CONTINUED)

COMPLIANCE REVIEW (CONTINUED)

PUC Section 99246 and 99248 – The RTPA must designate an independent entity to conduct a performance audit of operators and itself. For operators, the audit must include the calculation of the required performance indicators, and the audit report must be transmitted to the entity that allocates the operator’s TDA monies within 12 months after the end of the triennial period. If an operator’s audit was not transmitted by the start of the second fiscal year following the last fiscal year of the triennial period, TDA funds are not to be allocated to the operator for that or subsequent fiscal years until the audit is transmitted.

- The SCCRTC has contracted with external auditors to conduct performance audits of itself and the transit operator, the SCMTD, every three years. The audits have been completed in a timely manner and delivered to the appropriate recipients.

PUC Section 99246 (c) – The RTPA must submit a copy of its performance audit to the Director of the California Department of Transportation. In addition, the RTPA must certify in writing to the Director that the performance audits of operators located under its jurisdiction were completed.

- The SCCRTC performance audit for the fiscal year ended June 30, 2003, was submitted to the Director in a timely manner.

PUC Section 99246 (d) – The performance audit of the operator providing public transportation services shall include, but not be limited to, a verification of the operator’s operating cost per passenger, operating cost per vehicle service hour, passengers per vehicle service mile, and vehicle service hours per employee, as defined in Section 99247. The performance audit shall include, but not be limited to, consideration of the needs and types of passengers being served, the employment of part-time drivers, and the contracting with common carriers of persons operating under a franchise license to provide services during peak hours, as defined in subdivision (a) of Section 99260.2.

- The SCCRTC is in compliance.

PUC Sections 99270.1 and 99270.2 – The RTPA must establish rules and regulations regarding revenue ratios for transportation operators providing services in urbanized and new urbanized areas.

- This does not apply because the sales tax revenue is considered a local match.

PUC Section 99275.5 – The RTPA must adopt 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 .

- The SCCRTC has adopted criteria, rules, and regulations for the evaluation of claims filed under Article 8, and does not allocate under Article 4.5.

PUC Sections 99310.5 and 99313.3 and Proposition 116 – State Transit Assistance Funds (STAF) received by the RTPA can only be allocated for transportation planning and mass transportation purposes.

- The SCCRTC allocates the STAF funds only for public transportation purposes.

AUDIT RESULTS (CONTINUED)

COMPLIANCE REVIEW (CONTINUED)

PUC Section 99314.3 – The amount of State Transit Assistance received, pursuant to PUC Section 99314 by each RTPA shall be allocated to the operators in the area of its jurisdiction as prescribed by the State Controller’s Office.

- The SCCRTC allocates STAF funds to the operators eligible under its jurisdiction in accordance with the rules prescribed by the State Controller’s Office.

PUC Section 99401.5 – If TDA funds are allocated for purposes not directly related to public or specialized transportation services, or facilities for exclusive use of pedestrians and bicycles, the SCCRTC will annually do the following:

1. Consult with the SSTAC established pursuant to PUC Section 99238.
2. Identify transit needs, including the following:
 - Groups who are transit-dependent or transit-disadvantaged
 - Adequacy of existing transit services to meet the needs of groups identified
 - Analyze potential alternatives to provide transportation services
3. Adopt or re-affirm the definitions of “unmet transit needs” and “reasonable to meet”.
4. Identify the “unmet transit needs” and those needs that are “reasonable to meet”.
5. Adopt a finding that there are 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.

If a finding is adopted that there are unmet transit needs, these needs must have been funded before an allocation is made for streets and roads.

- The SCCRTC’s Elderly and Disabled Transportation Advisory Committee is the SSTAC, and conducts an annual hearing to review unmet needs information prior to making allocations for streets and roads. All required findings are adopted by the SCCRTC. The Commission does not allocate funds for street and road purposes.

CCR Section 6662 – The RTPA must cause an audit of its accounts and records to be performed for each fiscal year by the County Auditor or a Certified Public Accountant. The RTPA must transmit the resulting audit report to the State Controller within 12 months of the end of each fiscal year and must be performed in accordance with the Basic Audit Program and Report Guidelines of the California Special Districts prescribed by the State Controller. The audit shall include a determination of compliance with the TDA and the accompanying rules and regulations. Financial statements may not commingle the STAF, the LTF, or other revenue or funds of any city, county, or other agency. The RTPA must maintain fiscal and accounting records and supporting papers for at least four years following fiscal year close.

- The SCCRTC contracts with a Certified Public Accountant to conduct an annual fiscal and compliance audit of its funds and account groups. The audit meets the requirements of the TDA, as well as those imposed by the State Controller’s Office.

AUDIT RESULTS (CONTINUED)

STATUS OF PRIOR AUDIT RECOMMENDATIONS

The performance audit for the three fiscal year period ended June 30, 2000, contained recommendations for the SCCRTC to consider implementing. The following is a review of SCCRTC's implementation of those recommendations. This review considers the progress to date and provides the public with efforts made to improve economy, efficiency, and effectiveness. The recommendations and their status are as follows.

Administration and Management

Finding 1

Salaries for all SCCRTC employees are defined and limited by the Santa Cruz County salary structure. Planners and support staff are not technically County employees. Being limited to the salary structure of the County may limit the SCCRTC's ability to attract and retain quality personnel.

Recommendations:

Review the salary cap policy imposed by the County. Explore options to become independent from the County's Compensation Policy. Perform a cost benefit analysis in conjunction with any recommendation to change or improve the salary structure.

Status:

We are in agreement with this finding. Further work should be done to separate SCCRTC from the County of Santa Cruz in order to hire and retain quality employees.

Finding 2:

The SCCRTC's relationship with the County involves the use of County services, policies, and procedures for legal advice, personnel and payroll, insurance coverages, purchasing, fleet services, and claim and warrant processing. Some aspects of this operational relationship work will for the SCCRTC, while others impose limitations or inefficiencies that detract from the functioning of the SCCRTC.

Recommendations:

We recommend that the SCCRTC continue to explore options to change the operational relationship between the SCCRTC and the County including investigating the option of becoming fully independent from the County and/or of crafting more limited operational arrangements with the County or another governmental entity. We also recommend that the SCCRTC perform an updated cost-benefit analysis in conjunction with any recommendation to change the SCCRTC's administrative and personnel structure.

Status:

Since the last audit, the SCCRTC prepared a report entitled "Costs of Administrative Options for the SCCRTC Establishing Itself as an Autonomous Government Employer." It explored all services provided by the County and options for those services and costs. The SCCRTC decided to postpone consideration of separating from the County due to the need to concentrate staff time on planning projects. As time permits, staff will work with the Budget and Administration/Personnel Committee on implementing some of the options for individual services. The Committee and staff are working with the County Administrative Office on updating the MOU for County Services.

AUDIT RESULTS (CONTINUED)

FUNCTIONAL REVIEW, FINDINGS, AND RECOMMENDATIONS

In conducting the review of each of the functional areas, we discussed with management what the SCCRTC's policies and procedures are and how they affected performance during the last three fiscal years. We also obtained and reviewed copies of pertinent documents and reviewed correspondence with the County, the cities, and other agencies the SCCRTC interacts with.

Administration and Management

This functional area involves the overall administration of the SCCRTC's activities. It includes general administration, internal planning, governing board, and personnel.

General Administration

The Executive Director and Deputy Director are responsible for developing and implementing an annual Work Program. The work program directs staff to accomplish the missions and goals that are defined by the legal and statutory requirements of the SCCRTC, by the Regional Transportation Plan, and by the policy and direction of the Commission. It includes projects, major products, and plans of action and the employees who are assigned to accomplish them.

The SCCRTC's fiscal officer is responsible for TDA administration that includes tracking the apportionment, claims processing, contract administration, grant billing, payroll, budget, and financial statement preparation. The general ledger is maintained by the County Auditor Controller and the SCCRTC's accountant will interface with the system as needed. A separate budget system is used by the SCCRTC and, in order for the SCCRTC to compare the budget to the general ledger, a double-entry system is used and analysis is done to make the two reports compatible. Although the use of two reporting systems is more labor intensive, we found the fiscal officer to be knowledgeable, responsive, and timely.

The Regional Transportation Plan (RTP) is scheduled to be updated every two years. The last update was completed in 2001. The SCCRTC is currently working on the 2005 RTP. In our opinion, the SCCRTC prepares and revises the RTP in a manner that it is meaningful and useful.

Internal Planning

The Deputy Director is responsible for monitoring and reviewing the progress towards the goals of the transportation planning staff on a regular basis. A schedule is prepared delineating major work assignments that staff is expected to complete. The Executive Director stays involved in this process by leaving regularly scheduled blocks of time open to discuss topics with staff. Impromptu meetings occur on a variety of topics as needed that further help to quickly address and resolve issues. We found this arrangement takes advantage of both formalized and casual lines of communication and is effective.

Governing Board

The thirteen board members meet regularly and discuss issues with the help of committees that include the SCCRTC staff to aid in topic discussion. The meetings are properly noticed, open to the public, and well attended. The diverse makeup of the Board allows it to respond to transportation issues with experience and a wide knowledge base from individuals representative of the public.

FUNCTIONAL REVIEW, FINDINGS, AND RECOMMENDATIONS (CONTINUED)

Personnel

The staffing of the SCCRTC appears to be more than adequate to accomplish the goals of the schedule of major work assignments and the work program. The educational backgrounds and work experience of the staff are such that the necessary assignments are completed in a timely and efficient manner. Personnel are formally evaluated once a year by the Deputy Director or the Executive Director and are less formally evaluated on an ongoing basis throughout the year.

Salaries for employees of the SCCRTC are limited by the Santa Cruz County salary structure. It is well known that this arrangement is not optimal and several discussions have occurred over how this might be rectified. We discussed how the staff could benefit from the SCCRTC breaking off from the County payroll system.

The functional area of administration and management, except for the findings discussed on page 2, is operating in an efficient, economical, and effective manner.

Transportation Planning and Regional Coordination

This functional area includes short range and long range regional transportation planning that ensures that transportation providers within the region provide service without duplication. Tasks within this area include:

- Regional Transportation Plan (RTP) development and adoption
- Regional Transportation Plan implementation (RTIP) implementation
- Encourage timely implementation of state highway and local projects
- Programming of local, state, and federal funds
- Monitoring of projects using funds programmed by the SCCRTC

Other topics addressed in the SCCRTC's work program include:

Administration of the Transportation Development Act Funds – as the designated Regional Transportation Planning Agency, the SCCRTC is responsible for apportioning, approving claims, and allocating LTF and STAF to eligible claimants.

Plan Coordination – the SCCRTC's work program includes coordination of capital project development with Cal Trans, local jurisdictions, the University of California, Santa Cruz, the SCMTD, and other organizations involved in transportation planning and projects.

Highway 1 Widening – the SCCRTC works with CalTrans on planning and project development for Highway 1 projects.

Special Service Transportation – the SCCRTC, in conjunction with the Elderly and Disabled Transportation Advisory Committee, the Consolidated Transportation Service Agency, the SCMTD, and other public and private agencies, addresses the specialized transportation needs for the elderly and disabled.

Local Transportation Commute Alternatives – the SCCRTC, through "Commute Solutions," provides direct services to individual Santa Cruz area commuters and major employers to encourage use of alternative transportation modes.

FUNCTIONAL REVIEW, FINDINGS, AND RECOMMENDATIONS (CONTINUED)

Transportation Planning and Regional Coordination (Continued)

Transportation Management System – as the state designated Service Authority for Freeway Emergencies (SAFE), the SCCRTC works with Cal Trans, the California Highway Patrol, and the San Francisco Bay Area Metropolitan Transportation Commission to provide motorist aid for Santa Cruz County travelers. This system includes the Freeway Call Box Program, the Freeway Service Patrol Program, and the Traffic Operations System on Highway 17 and Highway 1.

The functional area of transportation planning and regional coordination is being handled in an economical, efficient, and effective manner, therefore we have no recommendations.

Claimant Relationships and Oversight

This functional area includes management of Regional Transportation Commission funds, including claims, expenditures, pass-through funds, and audits.

In carrying out the duties of TDA administration, the SCCRTC apportions available funding in accordance with the guidelines of the TDA. The funding claim used by the SCCRTC outlines eligible uses for the funds claimed by the member agencies. Specific rules and regulations related to submission of claims is detailed in the SCCRTC's Rules and Regulations.

The functional area of claimant relationships and oversight is being handled in an economical, efficient, and effective manner, therefore we have no recommendations.

Marketing and Transportation Alternatives

This functional area consists of promoting public transportation and alternative transportation within Santa Cruz County. The main focus is in two areas, marketing and public relations and public information and transportation alternatives.

The work program details the SCCRTC's efforts to provide a high level of service. Programs and projects include bicycle safety programs, maintenance of a County bike map, Vanpool subsidy program, and maintenance of park and ride lots. The SCCRTC provides information via the internet to the public and to receive feedback from surveys and questionnaires to inform them of public comment and survey results.

The functional area of marketing and transportation alternatives is being handled in an economical, efficient, and effective manner, therefore we have no recommendations.

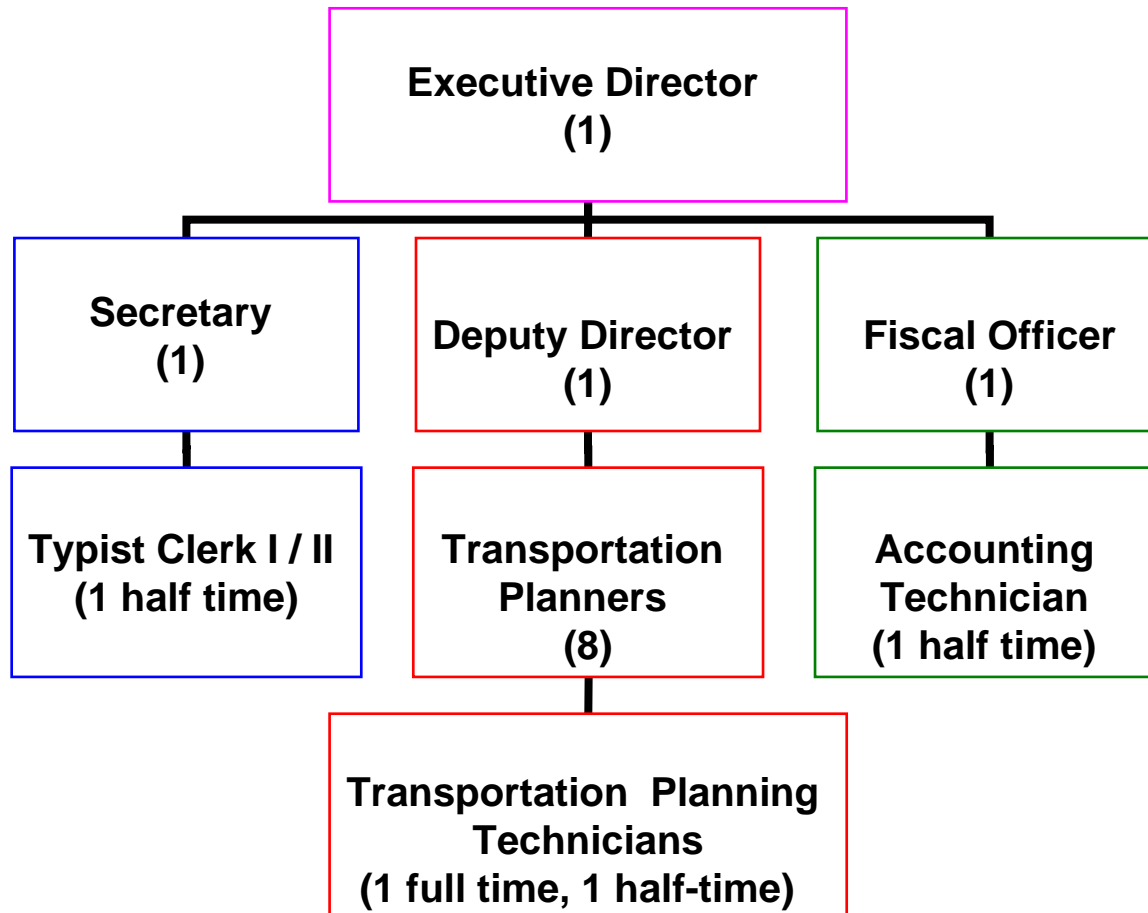
Grant Applications and Management

This functional area includes technical assistance to operators in the grant application process, coordination of grant applications, monitoring operator compliance with grant terms, and managing the grants and other sources of revenues that it receives for its own operations.

The SCMTD is responsible for applying for and obtaining grant related to the transit. The SCCRTC is responsible for applying for and receiving its own grants. A good working relationship exists between the SCCRTC and the SCMTD and information transfer occurs as needed for the purposes of grant application, as well as other relevant topics.

The functional area of grant applications and management is being handled in an economical, efficient, and effective manner, therefore we have no recommendations.

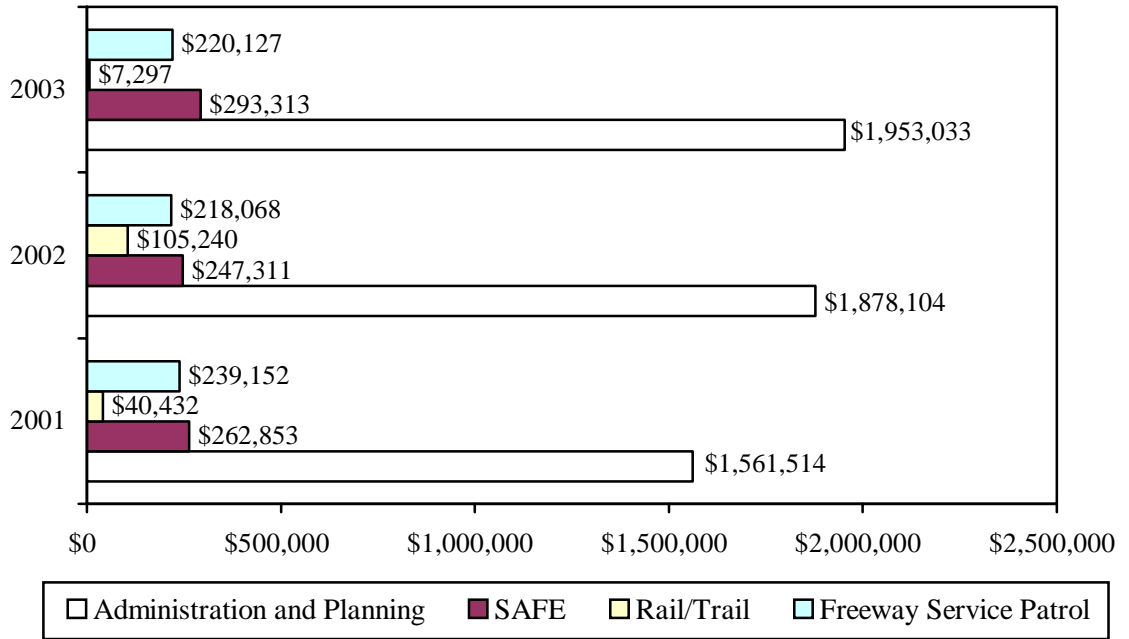
SANTA CRUZ COUNTY
REGIONAL TRANSPORTATION COMMISSION
Current Organizational Chart



SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION
SPECIAL REVENUE FUNDS
REVENUES AND EXPENDITURES
FOR THE LAST THREE FISCAL YEARS ENDED JUNE 30,

	2001				2002				2003			
	Admistration & Planning Fund	Service Authority for Freeway Emergencies Fund	Rail/Trail Authority Fund	Freeway Service Patrol Fund	Admistration & Planning Fund	Service Authority for Freeway Emergencies Fund	Rail/Trail Authority Fund	Freeway Service Patrol Fund	Admistration & Planning Fund	Service Authority for Freeway Emergencies Fund	Rail/Trail Authority Fund	Freeway Service Patrol Fund
Revenues:												
Local Transportation Fund	\$ 715,638	\$ -	\$ 33,051	\$ -	\$ 995,383	\$ -	\$ 72,331	\$ -	\$ 735,702	\$ -	\$ -	\$ -
Motor Vehicle Fees		232,901				230,697				227,553		
California Department of Transportation				132,000				143,000				145,000
State Rural Planning Assistance	200,000				200,000				202,800			
State Plan, Program & Monitoring	186,730		821	71,000	204,895		19,046	72,000	695,529			74,000
AB 2766	3,619				90,766				18,599			
Federal Highway Planning	209,813				260,032				194,811			
Surface Transportation Fund	124,990											
Congestion Mitigation & Air Quality	34,373				97,289				88,769			
Aid From Other Governments	4,936									50,000		
Contributions from S.A.F.E.				32,825								
Use of Money and Property	71,379	23,807	6,560	3,327	23,519	14,519	13,863	3068	9,362	11,198	7,297	1,127
Other	10,036	6,145			6,220	2,095			7,461	4,562		
Total Revenues	1,561,514	262,853	40,432	239,152	1,878,104	247,311	105,240	218,068	1,953,033	293,313	7,297	220,127
Expenditures:												
Transportation Planning	842,847		40,432		1,174,647		105,240		1,230,438		141,397	
Administration	558,737	126,721		215,528	449,017	124,975		220,616	113,624	135,378		244,437
Federal Highway Planning									200,056			
Rideshare	122,413				186,624				33,967			
Pass through to TMA (CMAQ)	25,000				53,933				42,420			
Rural Planning									202,800			
Contribution to F.S.P.		32,825										
Debt Service Principal		32,243				31,557						
Debt Service Interest		4,707				821						
Capital Outlay	12,517	9,635			13,883							
Total Expenditures	1,561,514	206,131	40,432	215,528	1,878,104	157,353	105,240	220,616	1,823,305	135,378	141,397	244,437
Excess of Revenues Over (Under) Expenditures	\$ -	\$ 56,722	\$ -	\$ 23,624	\$ -	\$ 89,958	\$ -	\$ (2,548)	\$ 129,728	\$ 157,935	\$ (134,100)	\$ (24,310)

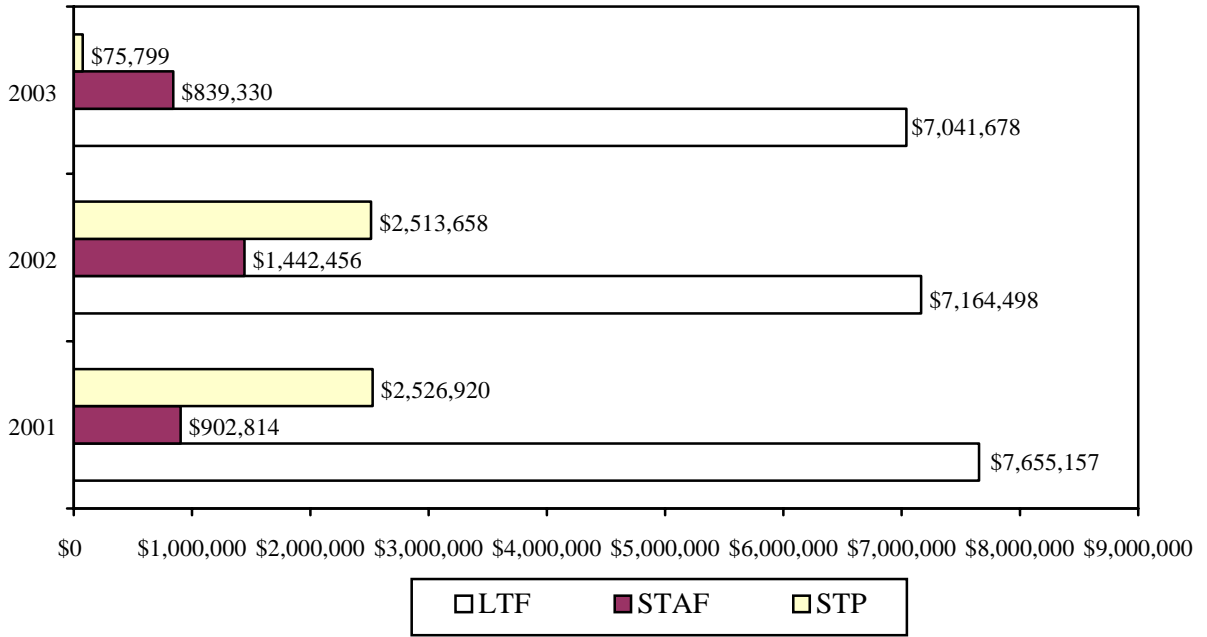
**Special Revenue Funds
Revenues Comparison
For the Last Three Fiscal Years Ended June 30,**



SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION
EXPENDABLE TRUST FUNDS
REVENUES AND EXPENDITURES
FOR THE LAST THREE FISCAL YEARS ENDED JUNE 30,

	2001			2002			2003		
	Local Transportation Fund (LTF)	State Assist (STAF)	STP Exchange Program	Local Transportation Fund (LTF)	State Assist (STAF)	STP Exchange Program	Local Transportation Fund (LTF)	State Assist (STAF)	STP Exchange Program
Revenues:									
Sales Tax	7,545,804	898,766	-	\$ 7,118,988	1,436,436	-	7,026,661	836,637	-
State Highway Exchange Funds			2,303,288			2,291,640			
Return of Funds				13,017		87,332			
Interest	109,353	4,048	223,632	32,493	6,020	134,686	15,017	2,693	75,799
Total Revenues	7,655,157	902,814	2,526,920	7,164,498	1,442,456	2,513,658	7,041,678	839,330	75,799
Expenditures									
Claimants:									
Santa Cruz Metropolitan Transit District	6,579,011	826,838		6,037,117	1,436,436		5,134,522	1,006,294	
Santa Cruz County Regional Transportation Commission	720,100		250,000	809,152		64,151	735,702		480,000
County of Santa Cruz	124,500		1,618,000	93,314		1,391,000	158,613		
City of Santa Cruz	775,110		202,757	761,094		234,000	683,437		880,377
City of Watsonville	72,004		249,300	1,000					396,510
City of Scotts Valley			87,000	33,374					546,415
City of Capitola	41,400		604,000	1,500					7,200
University of Santa Cruz			499,000						
Total Expenditures	8,312,125	826,838	3,510,057	7,736,551	1,436,436	1,689,151	6,712,274	1,006,294	2,310,502
Excess of Revenues Over (Under) Expenditures	(656,968)	75,976	(983,137)	(572,053)	6,020	824,507	329,404	(166,964)	(2,234,703)

**Expendable Trust Fund
Revenues Comparison
For the Last Three Fiscal Years Ended June 30,**



Highway 1/17 Interchange Merge Lanes Project

This project has been funded and designed. It is awaiting state release of construction funds.

Highway 1 Widening/Carpool Lane Project

High Occupancy Toll Lane concept was assessed. Preliminary design, cost, and environmental impacts are being assessed. The SCCRTC is assisting with establishing a Highway 1 Construction Authority.

Rail Corridor

Acquisition of the Santa Cruz Beach rail line for future transportation under way.

2005 Regional Transportation Plan

Draft financial analysis and project list have been adopted.

2004 Regional Transportation Improvement Program

It has been adopted.

Revised Committee and Commission Structure

The SCCRTC Committee evaluation was performed and the recommendations were implemented. The SCCRTC revised its membership to be inclusive of the entire County.

Administrative Options

Prepared report on "Costs of Administrative Options for the SCCRTC Establishing Itself as an Autonomous Government Employer."

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