

Subject	Approval of the FY 2007-08 Allocation for Elderly & Handicapped (Paratransit) Service, Authority Resolution No. 07-06-G
Summary of Issues	<p>A total funding allocation of \$2,676,000 for paratransit services is proposed for FY 2007-08, the seventeenth year of paratransit funding from Measure C.</p> <p>The allocation has two main components:</p> <ul style="list-style-type: none"> A. \$2,627,500 allocated directly to paratransit service providers; B. \$48,500 allocated for paratransit coordination and other services. This amount includes \$47,500 for salary and benefits costs for the Program Manager. <p>The allocation includes a \$401,425 drawdown of paratransit reserves in continuation of the policy adopted in 2003 (\$300,000); and \$101,425 to make up the allocation difference between the original \$80,000,000 sales tax revenue estimate and the recently revised \$76,585,000 estimate.</p>
Recommendations	<p>Staff recommends that the Authority approve Resolution No. 07-06-G, authorizing the allocation of \$2,676,000 in Measure C funds for the FY 2007-08 paratransit program.</p>
Financial Implications	<p>The annual Paratransit program amount is \$2,274,575 equal to 2.97% of projected sales tax revenues. A supplemental drawdown of paratransit reserves of \$401,425 is included, bringing the total FY 2007-08 allocation to \$2,676,000. Paratransit reserves remaining at the end of FY 2007-08 are estimated to be about \$380,259.</p>
Options	<p>Direct modification of the requested allocation.</p>
Attachments (See PC Packet, dated 6/6/07, for attachments)	<ul style="list-style-type: none"> A. Resolution No. 07-06-G, including Exhibit 1, Paratransit Allocation
Changes from Committee	<p><i>Approved.</i></p>

Background

In FY 1989-90 a Paratransit funding plan was developed, as required by Measure C. The original paratransit plan specified the formula used to distribute paratransit funds to service providers. CCTA Resolution No. 01-06-G clarified the annual paratransit program proportion as 2.97% of sales tax revenues. FY 2007-08 is the seventeenth full year of paratransit funding under Measure C.

Annual paratransit allocations are composed of allocations directly to paratransit providers and of amounts for paratransit coordination and other support services.

- Total sales tax revenues in FY 2007-08 are currently projected to be \$76,585,000. The Paratransit Program portion of 2.97% is \$2,274,575.
- Of this amount, \$48,500 is taken aside for coordination services. This year a Program Manager has been hired. Rather than using as much Paratransit Program funding for consultant coordination services in FY 2007-08, \$47,500 is apportioned this year for reimbursement of Program Manager salary and benefits costs and \$1,000 for legal costs.
- The remaining apportionment of \$2,226,075 is programmed to the paratransit service providers according to the same formula as in prior years. An additional supplemental distribution of reserves of \$300,000 is also made as per prior policy. An additional distribution of \$101,425 is proposed from reserves to ensure existing services levels by providers. The difference is based on the original sales tax revenue estimates for 2007-08 of \$80,000,000.
- Estimated ending reserves at June 30, 2008 are about \$380,259. These reserves are far above the 3% Measure J program reserves level requested by Authority members during the annual budget discussions, though reserve policies have not yet been developed. It is anticipated these reserves will be fully allocated during the last year of the Measure C program.
- As part of the Paratransit Coordinating Council (PCC) claim review process a PCC Subcommittee met with all recipients of Measure C Paratransit Program Funds and reviewed all claims. As a follow-up, one paratransit operator, the City of Richmond, was asked to provide supplemental information to the Authority staff prior to payment of any quarterly paratransit distribution. At the PCC meeting on May 21, 2007, the PCC approved the FY 2006-07 Paratransit Program allocations.

Recommendation

Staff recommends approval of Resolution No. 07-06-G, the Measure C Paratransit Program allocation for FY 2007-08.