

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: October 9, 2019

From: SUSAN BRANSEN, Executive Director

Reference Number: 4.18, Information

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Subject: **Local Streets and Roads Funding Program – Fiscal Year 2018-19 Annual Expenditure Report Update**

## **Summary:**

As of October 7, 2019, the California Transportation Commission (Commission) verified the receipt of 539 (100 percent) of the Annual Expenditure Reports submitted for Fiscal Year 2018-19 from those cities and counties that received Local Streets and Roads Program Funding in that fiscal year and had remaining funds from Fiscal Year 2017-18. This marks the second Local Streets and Roads Funding Program annual expenditure reporting period in which 100 percent jurisdiction reporting compliance has been achieved.

Reports were due to the Commission by October 1, 2019, however, due to technical system issues in the California State Multi-Modal Application and Reporting Tool (CalSMART) and an increase in local agency staff turnover, a reporting extension was granted to 35 of the 539 reporting agencies. The submitted reporting detail will be posted on the Commission's Local Streets and Roads Funding Program webpage no later than December 1, 2019, per the 2019 Local Streets and Roads Funding Program Reporting Guidelines.

## **Background:**

Pursuant to Streets and Highways Code Section 2034(b), for each fiscal year in which Road Maintenance and Rehabilitation Account (RMRA) funds are received and expended, cities and counties shall submit documentation to the Commission that details the expenditure of all RMRA funds. The documentation must include a description and location of each completed and in progress project, the amount of funds expended on the project, the completion date, and the estimated useful life of the improvement.

Commission staff held three technical training webinars throughout August and September, to provide guidance for the Annual Expenditure Report that was to be submitted using CalSMART. Over 423 (78 percent) of the reporting jurisdictions participated in the webinars held.

The final fiscal year monthly apportionment payment is issued by the State Controller's Office on August 22 each year. As a result, expenditure reporting in CalSMART cannot be made available until the week following the final fiscal year monthly disbursement. CalSMART was initially made accessible on August 26, 2019, and immediately following the reporting system deployment, an operating system bug was reported. The system was shut down for three business days to repair the issue and was reopened on August 30, 2019 and remained opened through October 4, 2019.

Commission staff worked closely with all jurisdictions, Regional Transportation Planning Agencies, California State Association of Counties, and the League of California Cities to ensure timely submittals. Cities and counties were expected to account for \$249.3 million in apportionments remaining from Fiscal Year 2017-18, in addition to the \$1.2 billion in Fiscal Year 2018-19 apportionments that were disbursed between September 2018 and August 2019.

A preliminary summary reflecting the Annual Expenditure Report data collected will be posted to the Local Streets and Roads Program webpage <https://catc.ca.gov/programs/sb1/local-streets-roads-program> by mid-November 2019. The Commission will provide the final reporting detail in the Annual Program Update to the California Legislature by December 2019, pursuant to Streets and Highways Code Section 2034(b).