

AGENDA ITEM SUMMARY

City Council



STAFF

Monica Martinez, Finance Manager, PDT
Annabelle Phillips, Assistant Director, Transfort

SUBJECT

First Reading of Ordinance No. 119, 2025, Making Supplemental Appropriations, Appropriating Prior Year Reserves and Authorizing Transfers of Appropriations for Transit Operations and Services and Bus Replacement.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate unanticipated grant funds and transfer previously appropriated grant funds per updated Federal Transit Authority Grant Award Amounts.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

FEDERAL FUNDS

The timing of annual federal apportionments from the Federal Transit Administration (FTA) to Transfort requires that federal funding amounts used in the City's budget process be forecasted amounts based on historical federal apportionments. Official annual apportionments are released each spring by the FTA, and Transfort staff has identified annual budget revisions as an opportunity to update forecasted amounts to updated apportionment amounts, which will improve grant tracking and reporting. Until funds are fully expended, additional reconciliation may be required as actual use of funds can result in different match rates.

- **5310 Federal Formula Funds (5310 funds):** 5310 funds are received annually by Transfort from the FTA to be used exclusively for projects that benefit seniors and individuals with disabilities. These funds require local matching funds in the amounts set out below, which will be funded using a transfer from the Transit System portion of the 2050 Tax Park Rec Transit OCF Fund to the Transit Services Fund.
 - Fiscal Year 2020 5310: \$37,153 federal grant funds, \$45,389 local match funds
 - Fiscal Year 2022 5310: \$73,000 federal grant funds, \$51,266 local match funds
 - Fiscal Year 2023 5310: no additional federal grant funds, \$55,303 local match funds
 - Fiscal Year 2024 5310: \$43,822 federal grant funds, \$12,221

- **5337 Federal Formula Funds:** This is a new federal funding source as of 2023 dedicated to maintaining the MAX fixed guideway in a state of good repair. This includes projects which replace and/or repair rolling stock, structures, signals and communications, passenger stations and terminals, security equipment and systems, and maintenance facilities and equipment. Additional local match dollars will be funded by transferring the 2050 Tax Parks Rec Transit OCF Fund to the Transit Services Fund.
 - Fiscal Year 2023 5337: \$613,739 federal grant funds, \$153,435 local match funds.
- **Community Capital Improvement Funds:** funding for bus replacement was designated during the prior CCIP cycle. This is not an appropriation of new funds but a transfer of funds into the Transit Fund from the CCIP Fund. These funds will be used as local match for grant funds received for bus purchases.
 - CCIP: \$500,000

CITY FINANCIAL IMPACTS

Funds to be Appropriated	Grant Amount	Local Amount
5310 Fiscal Year 2020	\$37,153	\$45,389
5310 Fiscal Year 2022	\$73,000	\$51,266
5310 Fiscal Year 2023	\$0	\$55,303
5310 Fiscal Year 2024	\$43,822	\$12,221
5337 Fiscal Year 2023	\$613,739	\$153,435
CCIP Bus Replacement	\$0	\$500,000
Total	\$767,714	\$817,614

The \$767,714 being appropriated in the Ordinance will be received in 2025.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS

1. Ordinance No. 119, 2025