



# COMMONWEALTH of VIRGINIA

## *Commonwealth Transportation Board*

Aubrey L. Layne, Jr.  
Chairman

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*Agenda Item #10*

### **RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD**

**December 7, 2016**

#### **MOTION**

**Made By: Mr. Connors, Seconded By: Ms. Hynes**  
**Action: Motion Carried, Unanimously**

**Title: Change in Fiscal Year 2017 Allocation to Bay Aging, a Rural Transit Provider, in the Fiscal Year 2017-2022 Six-Year Improvement Program**

**WHEREAS**, on June 13, 2016, the Commonwealth Transportation Board (Board) adopted a Fiscal Year 2017-2022 Six-Year Improvement Program (SYIP) pursuant to § 33.2-214(B) of the Code of Virginia (1950), as amended, that contained an allocation to Bay Aging, a Rural Transit Provider, in the amount of \$1,097,823 for Fiscal Year 2017 operating expenses; and

**WHEREAS**, a system miscalculation was subsequently discovered by the Department of Rail and Public Transportation (DRPT), in which the non-reimbursable expenses were deducted from total operating expenses twice, making the calculation of total operating expenses, which is the basis of the Board's allocation, incorrect; and

**WHEREAS**, the correct allocation for operating expenses for Bay Aging, a Rural Transit Provider, for Fiscal Year 2017 is \$1,443,223 instead of \$1,097,823; and

**WHEREAS**, it is necessary to correct the allocation to reflect the correct operating expenses calculation.

**NOW THEREFORE, BE IT RESOLVED**, that the Board hereby approves the change in allocation to Bay Aging, a Rural Transit Provider, from \$1,097,823 to \$1,443,223, and amends the Fiscal Year 2017-2022 SYIP to reflect this change. This change in allocation is contingent upon the recording of the allocated funding by Bay Aging in accordance with generally accepted accounting practices, reflecting that the allocation is for the purpose of providing for the Bay Aging's transit service.

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## CTB Decision Brief

### **Change in Fiscal Year 2017 Allocation to Bay Aging, a Rural Transit Provider, in the Fiscal Year 2017-2022 Six-Year Improvement Program**

**Issue:** The Department of Rail and Public Transportation (DRPT) requests that a correction be made in the allocation to Bay Aging in the Six-Year Improvement Program (SYIP) for Fiscal Years 2017-2022, from \$1,097,823 to \$1,443,223. Changes to the SYIP over \$200,000 must be approved by the Commonwealth Transportation Board (CTB) prior to allocation and award.

**Facts:** Fiscal Year 2017 operating expenses for Bay Aging understated in the SYIP due to a DRPT system glitch that deducted Non-Reimbursable Expenses from Total Operating Costs twice, thus calculating the operating subsidy incorrectly. As a result, Bay Aging is eligible to receive an additional \$345,400 of state operating funding for Fiscal Year 2017. This will bring their total award for the fiscal year to \$1,443,223. CTB action is required in order to amend the allocation because the amount sought is beyond the authority of the Director of DRPT.

**Action Required by CTB: Recommendation:** DRPT recommends the approval of this additional allocation to the SYIP for Fiscal Years 2017-2022.

**Action Required by CTB:** Change the allocation to Bay Aging in the Fiscal Year 2017-2022 SYIP from \$1,097,823 to \$1,443,223.

**Options:** Approve, Deny, or Defer.