

AGENDA ITEM 2 A  
Action Item

**MEMORANDUM**

**DATE:** February 2, 2023

**TO:** El Dorado County Transit Authority

**FROM:** Julie Petersen, Finance Manager

**SUBJECT:** Proposed Fiscal Year 2022/23 Mid-Year Operating Budget Adjustments

**REQUESTED ACTION:**

**BY MOTION,**

1. **Adopt Proposed Fiscal Year 2022/23 Mid-Year Operating Budget Adjustments**
2. **Approve line-item increase of \$208,164 to Contingency**

**BACKGROUND**

Following the close of the first six (6) months of the fiscal year, mid-year Operating Budget adjustments are typically recommended to address actual revenue and expenditure changes within the budget. Section 8.9 of the Joint Exercise of Powers Agreement of the El Dorado County Transit Authority states that the Executive Director has the power “to execute transfers within major budget units, as long as the total expenditures of each major budget unit remain unchanged.”

The proposed El Dorado County Transit Authority (El Dorado Transit) Fiscal Year (FY) 2022/23 Mid-Year Operating Budget adjustments include overall increases in Revenues, Salary & Benefits, and Service & Supply expenditure accounts. These adjustments to actual revenues and expenses trigger an increase to the available Contingency line item, requiring Board approval.

**DISCUSSION**

The following mid-year adjustments to the El Dorado Transit FY 2021/22 Operating Budget are presented for Board review and approval. Proposed account adjustments are noted in bold on the attached budget report per corresponding line-item.

**Revenue Accounts** **Net change is an increase of \$460,242 in revenue**

1. Account 4970.00 Interest Income: Increased due to higher than expected rates of return.
2. Account 4100.05 Federal Transit Administration (FTA) Section 5311(f) Grant: Added funding recently awarded to support operation of the S. Lake Tahoe intercity bus service.

3. Account 4300.00 Cash Fares: Increased by \$10,000 based on the first six (6) months of actual receipts.
4. Account 4310.00 Contract Services: Added based on the first six (6) months of actual reimbursements from the Alta California Regional Center for services to Mother Load Rehabilitation Enterprises (MORE) clientele. It is now anticipated that this contract will continue on a month-to-month basis through the remainder of the fiscal year.
5. Account 4330.00 Commuter Route Fare Media: Revised upward to \$308,00 based on the first six (6) months of actual receipts as ridership continues to improve on the Sacramento commuter and S. Lake Tahoe routes.
6. Account 4400.00 Advertising Revenue: Zeroed as revenue reallocated to Operating Reserves.
7. Account 4990.00 Misc. Revenue: Zeroed as revenue reallocated to Operating Reserves.
8. Account 5060.00 Offset Reserve Fund (ORF) - CalTIP (restricted): Increased to actual amount as provided by CalTIP for future premium offset.

**Salary and Benefits Accounts**

**Net change is an increase of \$316,200 in expenses**

9. Account 5010.02 Temporary Employees: Increased to \$110,000 based on the first six (6) months of actual expenses. These employees are used to cover regular employees for vacations, sick leave, etc.
10. Account 5010.07 Overtime: Increased to \$90,000 based on the first six (6) months of actual expenses.
11. Account 5020.01 Employee Retirement: Final projection increased \$272,000 based on the first six months of actual payroll expenses.
12. Account 5070.01 FICA Payroll Tax: Increase of \$1,200 based on the first six months of actual payroll expenses.
13. Account 5020.03 Unemployment Insurance: Decrease of \$7,000 is based on the first six (6) months actual expenses.

**Service and Supply Accounts**

**Net change is an increase of \$144,042 in expenses**

The following adjustments in each line item presented are based on the actual costs experienced over the first six (6) months of the current fiscal year 2022/23:

14. Account 5090.02 Clothing & Supplies: Increased \$4,000.
15. Account 5060.03 Insurance Premiums EPLI Package: Increase of \$1,000.
16. Account 5160.01 Maintenance/Buildings: Increase of \$10,000.
17. Account 5090.05 Safety Equipment/Training: Decreased to \$5,000.
18. Account 5030.00 Professional Services: Decreased by \$43,000 based on actuals and expected project related expenses over the remainder of the fiscal year.
19. Account 5030.10 Employee Medical Exams: Increased by \$3,000 based on actuals and anticipated hiring needs.
20. Account 5030.30 Background Checks: Increased by \$1,000 based on actuals and anticipated hiring needs.
21. Account 5090.80 Publications/Legal Notices: Increased by \$3,000.
22. Account 5090.75 Printing: Decreased by \$4,000.

23. Account 5120.00 Rents/Leases: Decreased by \$12,000.
24. Account 5150.01 Marketing: Decreased by \$10,000.
25. Account 5090.72 Bank Charges: Increased by \$900.
26. Account 5090.74 Connect Card Administration Expenses: Decreased by \$8,022.
27. Account 5008.01 MY RIDE Expenses: Board approved demonstration project expense line item added to the budget.
28. Account 6270.00 Contingency: Increased by \$208,164. The increase in contingency funds is facilitated by a combination of revenue account adjustments.

### **FISCAL IMPACT**

The overall fiscal outlook for El Dorado Transit remains positive. The proposed Fiscal Year (FY) 2022/23 Mid-Year Operating Budget reflects an additional balancing of \$460,242 in expenses to revenues and maintains the current level of public transportation provided to the residents of the County of El Dorado.

El Dorado Transit is a joint powers agency and does not draw funding from the general funds of either member jurisdiction. The annual budget includes a contingency per Board policy. If contingency funds are not used, they are typically moved to the next fiscal year as allowed per California law under the Transportation Development Act.

# EL DORADO COUNTY TRANSIT AUTHORITY

## PROPOSED MID YEAR OPERATING BUDGET 2022/2023

OPERATING BUDGET		FY 2022/2023	FY 2022/2023	
		Final	Mid Year	
REVENUE ACCOUNTS		Adopted 06/02/2022	Proposed 02/01/2023	Difference
4000.00	Transportation Development Act (TDA/LTF)	\$6,030,361	\$6,030,361	\$0
4270.01	State of Good Repair (SGR) Program	\$285,297	\$285,297	\$0
4970.00	Interest Income	\$3,000	<b>\$76,000</b>	<b>\$73,000</b> 1
4100.00	Federal Transit Administration (FTA) Section 5311 Grant	\$741,022	\$741,022	\$0
4100.04	Federal Transit Administration (FTA) CRRSAA Act Section 5311 Grant	\$738,717	\$738,717	\$0
<b>4100.05</b>	<b>Federal Transit Administration (FTA) Section 5311(f) Grant</b>	<b>\$0</b>	<b>\$68,750</b>	<b>\$68,750</b> 2
4300.00	Cash Fares	\$77,000	<b>\$87,000</b>	<b>\$10,000</b> 3
4310.00	Contract Services	\$0	<b>\$140,000</b>	<b>\$140,000</b> 4
4320.00	Charter Services	\$0	\$0	\$0
4330.00	Commuter Route Fare Media	\$162,000	<b>\$308,000</b>	<b>\$146,000</b> 5
4350.00	Local Route Fare Media	\$31,000	\$31,000	\$0
4360.00	Paper Scrip	\$7,000	\$7,000	\$0
4370.00	CCJPA	\$185,000	\$185,000	\$0
4400.00	Advertising Revenue	\$15,000	<b>\$0</b>	<b>-\$15,000</b> 6
4990.00	Misc. Revenue	\$400	<b>\$0</b>	<b>-\$400</b> 7
4107.03	Fair Shuttle AB2766 Grant	\$32,000	\$32,000	\$0
4109.04	Low Carbon Transit Operations Program (LCTOP) Grant	\$75,000	\$75,000	\$0
4112.00	FTA Section 5307 Grant Income - Preventative Maintenance (PM)	\$31,181	\$31,181	\$0
4112.00	Federal Transit Administration (FTA) CRRSAA Act Section 5307 Grant	\$183,509	\$183,509	\$0
5060.00	Offset Reserve Fund - CalTIP (restricted)	\$73,490	<b>\$111,382</b>	<b>\$37,892</b> 8
<b>TOTAL REVENUES</b>		<b>\$8,670,977</b>	<b>\$9,131,219</b>	<b>\$460,242</b>
<b>SALARY &amp; BENEFIT ACCOUNTS</b>				
5010.00	Regular Employees	\$2,940,530	\$2,940,530	\$0
5010.02	Temporary Employees	\$100,000	<b>\$110,000</b>	<b>\$10,000</b> 9
5010.07	Overtime	\$50,000	<b>\$90,000</b>	<b>\$40,000</b> 10
5010.08	On Call Pay	\$7,000	\$7,000	\$0
5010.09	CRDI and Shift Pay	\$20,000	\$20,000	\$0
5020.01	Employee Retirement	\$668,000	<b>\$940,000</b>	<b>\$272,000</b> 11
5070.01	(OASDI - Payroll Tax) FICA	\$4,000	<b>\$5,200</b>	<b>\$1,200</b> 12
5070.02	MEDICARE - Payroll Tax	\$50,000	\$50,000	\$0
5020.02	Health Insurance	\$1,094,000	\$1,094,000	\$0
5020.03	Unemployment Insurance	\$15,000	<b>\$8,000</b>	<b>-\$7,000</b> 13
5020.04	LT Disability/Life Ins	\$32,000	\$32,000	\$0
5020.05	Worker's Comp	\$275,000	\$275,000	\$0
<b>TOTAL SALARY &amp; BENEFITS</b>		<b>\$5,255,530</b>	<b>\$5,571,730</b>	<b>\$316,200</b>
<b>SERVICE &amp; SUPPLY ACCOUNTS</b>				
5090.02	Clothing & Supplies	\$5,000	<b>\$9,000</b>	<b>\$4,000</b> 14
5090.05	Uniforms - Other	\$10,000	\$10,000	\$0
5050.01	Communications - Phone	\$35,000	\$35,000	\$0
5090.20	Communications - Radio	\$1,000	\$1,000	\$0
5090.01	Household Expenses	\$16,500	\$16,500	\$0
5060.01	Insurance Premiums/Public Liability	\$387,000	\$387,000	\$0
5060.02	Insurance Premiums/Physical Damage	\$27,000	\$27,000	\$0
5060.03	Insurance Premiums/Commercial	\$14,000	\$14,000	\$0
5060.04	Insurance Premium EPLI Package	\$24,000	<b>\$25,000</b>	<b>\$1,000</b> 15
5090.06	Service Contracts/Equipment	\$190,000	\$190,000	\$0
5160.07	Park and Ride Maintenance	\$14,000	\$14,000	\$0
5160.01	Maintenance/Buildings	\$7,500	<b>\$17,500</b>	<b>\$10,000</b> 16
5160.03	Maintenance/Equipment	\$4,000	\$4,000	\$0
5160.05	Maintenance/Grounds	\$6,500	\$6,500	\$0
5160.09	Maintenance/Bus Stop	\$3,000	\$3,000	\$0
5160.00	Maintenance/Other	\$2,000	\$2,000	\$0
5040.00	Vehicle Maintenance (In-House)	\$376,000	\$376,000	\$0
5040.02	Vehicle Maintenance/Tires & Tubes	\$99,000	\$99,000	\$0
5040.03	Vehicle Maintenance/Lubricants	\$29,700	\$29,700	\$0
5040.04	Vehicle Maintenance/Small Tools - Shop	\$5,000	\$5,000	\$0
5040.80	Vehicle Maintenance/Sales Tax/ Fuel & Lub.	\$45,000	\$45,000	\$0
5090.50	Safety Equipment/Training	\$40,000	<b>\$5,000</b>	<b>-\$35,000</b> 17
5090.40	Memberships	\$6,000	\$6,000	\$0
5090.70	Office Expense	\$15,000	\$15,000	\$0
5090.80	Postage	\$4,000	\$4,000	\$0
5090.00	Operating Expense - Other	\$2,000	\$2,000	\$0
5030.00	Professional Services	\$435,000	<b>\$392,000</b>	<b>-\$43,000</b> 18
5030.10	Employee Medical Exams	\$8,500	<b>\$11,500</b>	<b>\$3,000</b> 19
5030.30	Background Checks	\$2,000	<b>\$3,000</b>	<b>\$1,000</b> 20
5090.08	Pubs/Legal Notices	\$2,500	<b>\$5,500</b>	<b>\$3,000</b> 21
5090.75	Printing	\$14,000	<b>\$10,000</b>	<b>-\$4,000</b> 22
5120.00	Rents/Leases	\$24,000	<b>\$12,000</b>	<b>-\$12,000</b> 23
5140.01	Equipment Purchase - Data Processing	\$1,000	\$1,000	\$0
5140.05	Equipment Purchase - Office	\$1,800	\$1,800	\$0
5150.00	Special Department Expense	\$1,500	\$1,500	\$0
5150.01	Marketing	\$20,000	<b>\$10,000</b>	<b>-\$10,000</b> 24
5090.30	Staff Development/Travel	\$30,000	\$30,000	\$0
5040.01	Fuel Purchase	\$750,000	\$750,000	\$0
5090.72	Bank Charges	\$600	<b>\$1,500</b>	<b>\$900</b> 25
5090.73	Credit Card Charge Fees	\$4,000	\$4,000	\$0
5090.74	Connect Card Administration Expenses	\$25,022	<b>\$17,000</b>	<b>-\$8,022</b> 26
5050.02	Utilities	\$56,000	\$56,000	\$0
5050.03	Utilities/ Park & Rides	\$22,000	\$22,000	\$0
4108.03	Fair Shuttle AB2766 Grant	\$42,000	\$42,000	\$0
<b>5008.01</b>	<b>MY RIDE - Mileage Expenses</b>	<b>\$0</b>	<b>\$25,000</b>	<b>\$25,000</b> 27
6270.00	Contingency	\$607,325	<b>\$815,489</b>	<b>\$208,164</b> 28
<b>TOTAL SERVICES AND SUPPLIES</b>		<b>\$3,415,447</b>	<b>\$3,559,489</b>	<b>\$144,042</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>\$8,670,977</b>	<b>\$9,131,219</b>	<b>\$460,242</b>