

AGENDA ITEM 2 A
Action Item

MEMORANDUM

DATE: February 1, 2024
TO: El Dorado County Transit Authority
FROM: Julie Petersen, Finance Manager
SUBJECT: Proposed Fiscal Year 2023/24 Mid-Year Operating Budget Adjustments

REQUESTED ACTION:
BY MOTION,

1. **Adopt Proposed Fiscal Year 2023/24 Mid-Year Operating Budget Adjustments**
2. **Approve line-item decrease of \$70,612 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) 2023/24 Mid-Year Operating Budget adjustments include overall increases in Revenues and Services and Supply accounts. The overall Salary and Benefit account section reflects a decrease. 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 2023/24 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 \$160,688 in revenue**

1. Account 4970.00 Interest Income: Increased due to higher-than-expected rates of return.
2. 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.

3. Account 4330.00 Commuter Route Fare Media: Revised downward of \$98,000 based on the first six (6) months of actual receipts.
4. Account 4350.00 Local Route Fare Media: Increased by \$70,000 based on first six months of actual receipts.
5. Account 4400.00 Advertising Revenue: Zeroed as revenue reallocated to Operating Reserves.
6. Account 4990.00 Misc. Revenue: Zeroed as revenue reallocated to Operating Reserves.
7. 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 a decrease of \$49,000 in expenses

8. Account 5010.00 Regular Employees: Decreased by \$85,000 based on the first six (6) months of actual expenses. These funds will be redistributed to Extra Help and Overtime accounts.
9. Account 5010.02 Temporary Employees: Increased by \$40,000 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 by \$45,000 based on the first six (6) months of actual expenses.
11. Account 5020.03 Unemployment Insurance: Increase to \$15,000 is based on the first six (6) months' actual expenses.
12. Account 5020.04 LTD/Life Insurance: Increase of \$9,000 based on the first six months of actual payroll expenses.
13. Account 5020.05 Workers' Compensation Insurance: Increase of \$68,000 based on the first six months of actual payroll expenses.

Service and Supply Accounts

Net change is an increase of \$70,612 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 2023/24:

14. Account 5090.05 Uniforms - Other: Increased \$5,000.
15. Account 5090.06 Service Contracts/Equipment: Increase of \$45,000.
16. Account 5160.01 Maintenance/Buildings: Increase of \$7,000.
17. Account 5040.02 Vehicle Maintenance/Tires & Tubes: Increase to \$125,000.
18. Account 5040.03 Vehicle Maintenance/Lubricants: Increase to \$45,000.
19. Account 5030.00 Professional Services: Increased by \$100,000 based on actual and expected project-related expenses over the remainder of the fiscal year.
20. Account 5090.80 Publications/Legal Notices: Increased by \$7,000.
21. Account 5008.01 MY RIDE Expenses: Board approved demonstration project expense line item added to the budget, if approved in separate agenda item.
22. Account 6270.00 Contingency: Decreased by \$70,612. The decrease 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) 2023/24 Mid-Year Operating Budget reflects an additional balancing of \$160,688 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 2023/2024**

OPERATING BUDGET		FY 2023/2024 Final	FY 2023/2024 Mid-Year		
REVENUE ACCOUNTS		Adopted 06/01/23	Proposed 02/01/24	Difference	
4000.00	Transportation Development Act (TDA/LTF)	\$7,293,579	\$7,293,579	\$0	
4270.01	State of Good Repair (SGR) Program	\$0	\$0	\$0	
4100.00	Federal Transit Administration (FTA) Section 5311 Grant	\$741,022	\$741,022	\$0	
4100.05	Federal Transit Administration (FTA) Section 5311(f) Grant	\$165,000	\$165,000	\$0	
4100.06	Federal Transit Administration (FTA) ARPA Act Section 5311 Grant	\$138,875	\$138,875	\$0	
4970.00	Interest Income	\$82,000	\$130,000	\$48,000	1
4300.00	Cash Fares	\$97,000	\$97,000	\$0	
4310.00	Contract Services	\$0	\$165,000	\$165,000	2
4330.00	Commuter Route Fare Media	\$418,000	\$320,000	-\$98,000	3
4350.00	Local Route Fare Media	\$32,000	\$70,000	\$38,000	4
4360.00	Paper Scrip	\$9,000	\$9,000	\$0	
4370.00	CCJPA	\$185,000	\$185,000	\$0	
4400.00	Advertising Revenue	\$15,000	\$0	-\$15,000	5
4990.00	Misc. Revenue	\$400	\$0	-\$400	6
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)	\$0	\$0	\$0	
4112.00	Federal Transit Administration (FTA) CRRSAA Act Section 5307 Grant	\$183,509	\$183,509	\$0	
5060.00	Offset Reserve Fund - CalTIP (restricted)	\$111,382	\$134,470	\$23,088	7
TOTAL REVENUES		\$9,578,767	\$9,739,455	\$160,688	
SALARY & BENEFIT ACCOUNTS					
5010.00	Regular Employees	\$3,551,705	\$3,466,705	-\$85,000	8
5010.02	Temporary Employees	\$50,000	\$90,000	\$40,000	9
5010.07	Overtime	\$50,000	\$95,000	\$45,000	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	\$1,094,000	\$1,094,000	\$0	
5070.01	(OASDI - Payroll Tax) FICA	\$8,400	\$8,400	\$0	
5070.02	MEDICARE - Payroll Tax	\$54,000	\$54,000	\$0	
5020.02	Health Insurance	\$1,585,000	\$1,585,000	\$0	
5020.03	Unemployment Insurance	\$5,000	\$15,000	\$10,000	11
5020.04	LT Disability/Life Ins	\$32,000	\$41,000	\$9,000	12
5020.05	Worker's Comp	\$190,000	\$122,000	-\$68,000	13
TOTAL SALARY & BENEFITS		\$6,647,105	\$6,598,105	-\$49,000	
SERVICE & SUPPLY ACCOUNTS					
5090.02	Shop Clothing & Supplies	\$10,000	\$10,000	\$0	
5090.05	Uniforms - Other	\$10,000	\$15,000	\$5,000	14
5050.01	Communications - Phone	\$35,000	\$35,000	\$0	
5090.20	Communications - Radio	\$1,000	\$1,000	\$0	
5090.01	Household Expenses	\$18,000	\$18,000	\$0	
5060.01	Insurance Premiums/Public Liability	\$347,000	\$347,000	\$0	
5060.02	Insurance Premiums/Physical Damage	\$24,000	\$24,000	\$0	
5060.03	Insurance Premiums/Commercial	\$20,000	\$20,000	\$0	
5060.04	Insurance Premium EPLI Package	\$28,000	\$28,000	\$0	
5090.06	Service Contracts/Equipment	\$200,000	\$245,000	\$45,000	15
5160.07	Park and Ride Maintenance	\$47,500	\$47,500	\$0	
5160.01	Maintenance/Buildings	\$8,000	\$15,000	\$7,000	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)	\$417,000	\$417,000	\$0	
5040.02	Vehicle Maintenance/Tires & Tubes	\$99,000	\$125,000	\$26,000	17
5040.03	Vehicle Maintenance/Lubricants	\$29,700	\$45,000	\$15,300	18
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	\$5,000	\$5,000	\$0	
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	\$250,000	\$350,000	\$100,000	19
5030.10	Employee Medical Exams	\$11,500	\$11,500	\$0	
5030.30	Background Checks	\$3,000	\$3,000	\$0	
5090.08	Pubs/Legal Notices	\$6,000	\$13,000	\$7,000	20
5090.75	Printing	\$10,000	\$10,000	\$0	
5120.00	Rents/Leases	\$12,000	\$12,000	\$0	
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	\$10,000	\$10,000	\$0	
5090.30	Staff Development/Travel	\$30,000	\$30,000	\$0	
5040.01	Fuel Purchase	\$750,000	\$750,000	\$0	
5090.72	Bank Charges	\$1,500	\$1,500	\$0	
5090.73	Credit Card Charge Fees	\$4,000	\$4,000	\$0	
5090.74	Connect Card Administration Expenses	\$11,000	\$11,000	\$0	
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	
5008.01	MY RIDE - Mileage Expenses	\$65,000	\$140,000	\$75,000	21
6270.00	Contingency	\$251,662	\$181,050	-\$70,612	22
TOTAL SERVICES AND SUPPLIES		\$2,931,662	\$3,141,350	\$209,688	
TOTAL OPERATING EXPENSES		\$9,578,767	\$9,739,455	\$160,688	