

AGENDA ITEM 2 C
Action Item

MEMORANDUM

DATE: September 25, 2024

TO: El Dorado County Transit Authority
Transit Advisory Committee

FROM: Julie Petersen, Finance Manager

SUBJECT: Final Amended Operating Budget for Fiscal Year 2023/24

REQUESTED ACTION:
BY MOTION,

1. Receive and File the Final Amended Operating Budget for Fiscal Year 2023/24 as Presented
2. Acknowledge the budget amount of \$1,740,272 in Deferred Local Transportation Funds (LTF) from Contingency
3. Acknowledge the use of Deferred LTF for Fiscal Year 2023/24 Capital Expenses

BACKGROUND

As of August 27, 2024, most work related to posting was accomplished to close the internal fiscal year (FY) 2023/24 financials.

A Final Amended Operating Budget is typically presented to the Board of Directors following the close of the fiscal year and prior to completion of an independent financial audit. The proposed Final Amended FY 2023/24 Operating Budget (attached) reflects fiscal year-end adjustments from the adopted mid-year version, based on actual revenue and expenses realized during the period.

On September 5, 2024 the Board approved the presented Final Amended Operating Budget for FY 2023/24.

DISCUSSION

The Final Amended FY 2023/24 Operating Budget reflects a slight decrease in overall revenue of \$933; salary and benefit accounts decreased by \$1,189,355; general expenses decreased by \$551,850. Outlined below are the recommended adjustments by line item with comments. The attached Final Amended FY 2023/24 Operating Budget sheet presents the adopted mid-year budget amounts for comparison and shows the net changes proposed.

The Final Amended FY 2023/24 Operating Budget includes limited-time revenue from emergency ARPA Act funding in the amount of \$138,875 allocated under the Federal Transit Administration (FTA) Section 5311 program and \$189,211 under the FTA Section 5307 program. The Joint Exercise of Powers Agreement (JPA) of the El Dorado County Transit Authority (El Dorado Transit) Section 11.3 states the following: *“The EDCTA shall actively seek to maximize utilization of Federal, State, and other available revenues which shall be applied towards such operating and capital expenditures...”*

Maximum use of Federal ARPA Act funds, Formulaic funds in the FTA 5311 program and competitive FTA 5311(f) in FY 2023/24 has allowed for a deferral of Local Transportation Funds (LTF) for use in the FY 2024/25 Operating and Capital Budgets. The final amount will be determined after today’s requested action.

El Dorado Transit management and staff worked well within the overall mid-year budget expense projections.

Due to Federal operating monies, an increase in farebox recovery revenues and staffing demographics, an increase of \$1,559,222 in Contingency Funds now totaling \$1,740,272 has been realized. Staff is recommending the use of these (LTF) for matching funds in the Capital Budget to preserve State Transit Assistance (STA) funds in FY 2023/24. Any remaining funds will represent the projected amount of conventional State funding offset for use in the FY 2024/25 operating budget.

REVENUE ACCOUNTS

El Dorado Transit saw an overall decrease of approximately \$933 in revenue accounts.

- 1 Federal 5311 funds adjusted to actual award amount.
- 2 Federal 5311(f) funds adjusted to actual award amount.
- 3 Interest Income increased to accurately reflect receipts.
- 4 Cash Fares increased to accurately reflect receipts.
- 5 Contract Services increased to accurately reflect receipts.
- 6 Commuter Route Fare Media increased to accurately reflect receipts.
- 7 Local Route Fare Media increased to accurately reflect receipts.
- 8 Paper Scrip decreased to accurately reflect receipts.
- 9 Fair Shuttle AB2766 Grant funding award for FY 2023/24.
- 10 AB2766 AQMD Grant funds adjusted to actual amount.
- 11 Federal ARPA funds adjusted to actual award amount.

SALARY & BENEFITS EXPENSE ACCOUNTS

Overall, the total Salary and Benefits expenditures were managed well with an overall decrease of \$1,189,355.

- 12 Regular Employee salary expenses decreased to reflect staffing shortages in operations.
Regular employees worked additional shifts.

- 13 Temporary Employee costs increased to reflect actual usage of the extra help employees.
- 14 Overtime increased to accurately reflect costs.
- 15 Employee Retirement decreased to reflect actual costs. These costs are directly tied to regular pay and special pays.
- 16 Social Security (FICA) Payroll Tax increased reflect actual costs. These costs are driven by the actual hours worked by extra temporary employees.
- 17 Medicare Payroll Tax reduced to accurately reflect actual costs.
- 18 Health Insurance decreased to reflect actual premium expenses.
- 19 Unemployment Insurance increased to reflect actual reimbursement costs.
- 20 Long Term Disability/Life insurance decreased to reflect actual premium costs.
- 21 Workers' Compensation increased to premium.

SERVICE & SUPPLY EXPENSE ACCOUNTS

Total Services and Supplies accounts (including the Contingency line item) increased by \$1,188,422.

- 22 Uniforms – Other decreased closer to actual expenses.
- 23 Communications – Phone decreased closer to actual expenses.
- 24 Communications – Radio decreased closer to actual expenses.
- 25 Household Expenses - decreased closer to actual expenses.
- 26 Insurance Premiums/Public Liability increased to reflect the two (2) month pre-paid allocation of FY 2024/25 premiums in FY 2023/24.
- 27 Insurance Premiums/Physical Damage increased to reflect the two (2) month pre-paid allocation of FY 2024/25 premiums in FY 2023/24.
- 28 Commercial Insurance decreased closer to actual premiums.
- 29 Insurance Premiums/Employer Practices Liability Insurance (EPLI) decreased to reflect the two (2) month pre-paid allocation of FY 2024/25 premiums in FY 2023/24.
- 30 Service Contracts/Equipment decreased closer to actual expenses.
- 31 Park and Ride Maintenance decreased closer to actual expenses.
- 32 Maintenance/Buildings increased closer to actual expenses.
- 33 Maintenance/Equipment increased closer to actual expenses.
- 34 Maintenance/Grounds increased closer to actual expenses.
- 35 Maintenance/Bus Stops increased closer to actual expenses.
- 36 Maintenance/Other decreased to actual expenses.
- 37 Vehicle Maintenance (In-House) increased closer to actual expenses.
- 38 Vehicle Maintenance/Tires & Tubes decreased closer to actual expenses.
- 39 Vehicle Maintenance/ Lubricants decreased closer to actual expenses.
- 40 Small Shop Tools decreased closer to actual.
- 41 Sales Tax/Fuel decreased closer to actual expenses.
- 42 Safety Equipment/Training decreased closer to actual expenses.
- 43 Memberships decreased closer to actual expenses.
- 44 Office Expenses decreased closer to actual expenses.
- 45 Postage decreased ed closer to actual expenses.
- 46 Operating Expenses – Other increased closer to actual expenses.

- 47 Professional Services decreased closer to actual expenses.
- 48 Background Checks decreased closer to actual expenses.
- 49 Publications/Legal Notices decreased closer to actual expenses.
- 50 Printing decreased closer to actual expenses.
- 51 Rents/Leases – Equipment increased to reflect closer to actual.
- 52 Equipment Purchase – Data Processing decreased to actual expenses.
- 53 Special Department increased closer to actual expenses.
- 54 Marketing increases closer to actual expenses.
- 55 Staff Development/Travel increased closer to actual.
- 56 Fuel Purchase decreased closer to actual expenses.
- 57 Bank Charges increased closer to actual.
- 58 Credit Card Charge Fees increased closer to actual expenses.
- 59 Connect Card administration Fees decreased closer to actual expenses.
- 60 Utilities Park & Ride increased closer to actual expenses.
- 61 AB2766 Fair Shuttle reflects expenses of grant.
- 62 My-Ride Mileage Expenses decreased closer to actual expenses.
- 63 Contingency increased to reflect the estimated unearned funding for the FY 2023/24 Operating Budget. If approved with this staff report, Capital expenses for the current year will be subtracted from this amount, as applicable to preserve Capital funding.

FISCAL IMPACT

Staff is presenting a balanced Final Amended Operating Budget for FY 2023/24 totaling \$9,738,522, which is approximately \$933 under the mid-year projections. This includes the anticipated deferral of LTF Contingency of approximately \$1,740,272. El Dorado Transit's final FY 2023/24 financials will be adjusted in the independent audit process and presented during the December 2024 regularly scheduled Board meeting.

EL DORADO COUNTY TRANSIT AUTHORITY

APPROVED FINAL AMENDED OPERATING BUDGET 2023/2024

OPERATING BUDGET

OPERATING BUDGET		FY 2023/2024	FY 2023/2024		
		Mid-Year	Final Amended		
REVENUE ACCOUNTS		Adopted 02/01/24	Approved 09/05/2024	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	\$761,477	\$20,455	1
4100.05	Federal Transit Administration (FTA) Section 5311(f) Grant	\$165,000	\$75,000	-\$90,000	2
4100.06	Federal Transit Administration (FTA) ARPA Act Section 5311 Grant	\$138,875	\$138,875	\$0	
4970.00	Interest Income	\$130,000	\$154,500	\$24,500	3
4300.00	Cash Fares	\$97,000	\$103,000	\$6,000	4
4310.00	Contract Services	\$165,000	\$178,500	\$13,500	5
4330.00	Commuter Route Fare Media	\$320,000	\$420,500	\$100,500	6
4350.00	Local Route Fare Media	\$70,000	\$79,000	\$9,000	7
4360.00	Paper Scrip	\$9,000	\$5,000	-\$4,000	8
4370.00	CCJPA	\$185,000	\$185,000	\$0	
4400.00	Advertising Revenue	\$0	\$0	\$0	
4990.00	Misc. Revenue	\$0	\$0	\$0	
4107.03	Fair Shuttle AB2766 Grant	\$32,000	\$20,400	-\$11,600	9
4109.04	Low Carbon Transit Operations Program (LCTOP) Grant	\$75,000	\$0	-\$75,000	10
4112.00	FTA Section 5307 Grant Income - Preventative Maintenance (PM)	\$0	\$0	\$0	
4112.00	Federal Transit Administration (FTA) ARPA Act Section 5307 Grant	\$183,509	\$189,221	\$5,712	11
5060.00	Offset Reserve Fund - CalTIP (restricted)	\$134,470	\$134,470	\$0	
TOTAL REVENUES		\$9,739,455	\$9,738,522	-\$933	
SALARY & BENEFIT ACCOUNTS					
5010.00	Regular Employees	\$3,466,705	\$3,160,000	-\$306,705	12
5010.02	Temporary Employees	\$90,000	\$115,000	\$25,000	13
5010.07	Overtime	\$95,000	\$110,000	\$15,000	14
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	\$675,000	-\$419,000	15
5070.01	(OASDI - Payroll Tax) FICA	\$8,400	\$14,250	\$5,850	16
5070.02	MEDICARE - Payroll Tax	\$54,000	\$43,500	-\$10,500	17
5020.02	Health Insurance	\$1,585,000	\$1,100,000	-\$485,000	18
5020.03	Unemployment Insurance	\$15,000	\$7,000	-\$8,000	19
5020.04	LT Disability/Life Ins	\$41,000	\$33,000	-\$8,000	20
5020.05	Worker's Comp	\$122,000	\$124,000	\$2,000	21
TOTAL SALARY & BENEFITS		\$6,598,105	\$5,408,750	-\$1,189,355	
SERVICE & SUPPLY ACCOUNTS					
5090.02	Shop Clothing & Supplies	\$10,000	\$10,000	\$0	
5090.05	Uniforms - Other	\$15,000	\$14,000	-\$1,000	22
5050.01	Communications - Phone	\$35,000	\$28,000	-\$7,000	23
5090.20	Communications - Radio	\$1,000	\$0	-\$1,000	24
5090.01	Household Expenses	\$18,000	\$17,000	-\$1,000	25
5060.01	Insurance Premiums/Public Liability	\$347,000	\$358,000	\$11,000	26
5060.02	Insurance Premiums/Physical Damage	\$24,000	\$25,000	\$1,000	27
5060.03	Insurance Premiums/Commercial	\$20,000	\$12,500	-\$7,500	28
5060.04	Insurance Premium EPLI Package	\$28,000	\$27,000	-\$1,000	29
5090.06	Service Contracts/Equipment	\$245,000	\$208,000	-\$37,000	30
5160.07	Park and Ride Maintenance	\$47,500	\$29,000	-\$18,500	31
5160.01	Maintenance/Buildings	\$15,000	\$26,000	\$11,000	32
5160.03	Maintenance/Equipment	\$4,000	\$5,000	\$1,000	33
5160.05	Maintenance/Grounds	\$6,500	\$6,600	\$100	34
5160.09	Maintenance/Bus Stop	\$3,000	\$20,500	\$17,500	35
5160.00	Maintenance/Other	\$2,000	\$0	-\$2,000	36
5040.00	Vehicle Maintenance (In-House)	\$417,000	\$460,000	\$43,000	37
5040.02	Vehicle Maintenance/Tires & Tubes	\$125,000	\$78,000	-\$47,000	38
5040.03	Vehicle Maintenance/Lubricants	\$45,000	\$36,000	-\$9,000	39
5040.04	Vehicle Maintenance/Small Tools - Shop	\$5,000	\$3,000	-\$2,000	40
5040.80	Vehicle Maintenance/Sales Tax/ Fuel & Lub.	\$45,000	\$35,000	-\$10,000	41
5090.50	Safety Equipment/Training	\$5,000	\$2,500	-\$2,500	42
5090.40	Memberships	\$6,000	\$5,000	-\$1,000	43
5090.70	Office Expense	\$15,000	\$13,400	-\$1,600	44
5090.80	Postage	\$4,000	\$600	-\$3,400	45
5090.00	Operating Expense - Other	\$2,000	\$3,000	\$1,000	46
5030.00	Professional Services	\$350,000	\$265,000	-\$85,000	47
5030.10	Employee Medical Exams	\$11,500	\$11,500	\$0	
5030.30	Background Checks	\$3,000	\$1,800	-\$1,200	48
5090.08	Pubs/Legal Notices	\$13,000	\$12,000	-\$1,000	49
5090.75	Printing	\$10,000	\$5,800	-\$4,200	50
5120.00	Rents/Leases	\$12,000	\$12,200	\$200	51
5140.01	Equipment Purchase - Data Processing	\$1,000	\$0	-\$1,000	52
5140.05	Equipment Purchase - Office	\$1,800	\$1,800	\$0	
5150.00	Special Department Expense	\$1,500	\$2,200	\$700	53
5150.01	Marketing	\$10,000	\$13,500	\$3,500	54
5090.30	Staff Development/Travel	\$30,000	\$37,000	\$7,000	55
5040.01	Fuel Purchase	\$750,000	\$580,000	-\$170,000	56
5090.72	Bank Charges	\$1,500	\$1,600	\$100	57
5090.73	Credit Card Charge Fees	\$4,000	\$4,500	\$500	58
5090.74	Connect Card Administration Expenses	\$11,000	\$7,500	-\$3,500	59
5050.02	Utilities	\$56,000	\$56,000	\$0	
5050.03	Utilities/ Park & Rides	\$22,000	\$24,000	\$2,000	60
4108.03	Fair Shuttle AB2766 Grant	\$42,000	\$27,500	-\$14,500	61
5008.01	MY RIDE - Mileage Expenses	\$140,000	\$102,500	-\$37,500	62
6270.00	Contingency	\$181,050	\$1,740,272	\$1,559,222	63
TOTAL SERVICES AND SUPPLIES		\$3,141,350	\$4,329,772	\$1,188,422	
TOTAL OPERATING EXPENSES		\$9,739,455	\$9,738,522	-\$933	