

AGENDA ITEM 2 B
Action Item

MEMORANDUM

DATE: September 7, 2017
TO: El Dorado County Transit Authority
FROM: Julie Petersen, Fiscal Administration Manager
SUBJECT: Final Amended Operating Budget Fiscal Year 2016/17

REQUESTED ACTION:
BY MOTION,

1. Receive and File Final Proposed Amended Operating Budget Fiscal Year 2016/17
2. Authorize the transfer of \$360,462 from Contingency to offset a reduction of Revenue

BACKGROUND

As of August 31, 2017, most work related to posting was accomplished to close fiscal year (FY) 2016/17.

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*”.

Final Amended Operating Budget adjustments are based on actual revenue and expenses; producing decreases to revenue, salary and benefit and general expenses.

DISCUSSION

Outlined below are the recommended adjustments with comments and attached is a copy of the Proposed Final Amended Operating Budget with the mid-year budget for comparison showing net changes made.

The represented overall budget reflects decreases to revenue, salary and benefits and general expense units. The Final Proposed Amended Operating Budget decreases the annual budget by \$645,463.

El Dorado Transit Management and staff worked well within the mid-year budget adjustment projections. No major service changes were implemented that would reflect the need for more drastic final adjustments.

The transfer of \$360,462 in Contingency Funds to balance the Final Amended Budget will require Board action.

REVENUE ACCOUNTS

El Dorado Transit saw an overall decrease of approximately \$20,010 in fare revenue accounts. A portion of State Transit Assistance (STA) funds were transferred to the Capital Budget during the Mid-Year Budget process.

Total revenue decreased by \$567,463.

- 1 State Transit Assistance was reduced to reflect anticipated transfer to balance operating budget. Actual amounts will be presented in the annual financial audit results.
- 2 State Transit Assistance Deferred was reduced to balance operating budget.
- 3 Interest Income decreased to accurately reflect receipts.
- 4 Federal Transit Administration (FTA) Section 5311 Grant increased to reflect actual allocation.
- 5 Farebox decreased to accurately reflect receipts.
- 6 Contract Services decreased to accurately reflect receipts.
- 7 Farebox – Charter decreased to accurately reflect receipts.
- 8 Sacramento Commuter Route Passes increased to accurately reflect receipts.
- 9 Bus passes increased to accurately reflect receipts.
- 10 Low Carbon Transit Operations Project (LCTOP) Grant increased to recognize restricted interest earned

SALARY & BENEFITS ACCOUNTS

Overall, the Salary and Benefits accounts were managed below mid-year budget adjustment projections. There have been no significant service changes that would drive a major change in budget preparation methodology.

Total Salary and Benefits accounts decreased by \$179,390.

- 11 Regular Employees increased to reflect current actuals; staff will be processing a final adjustment to this line item that will reflect a decrease of approximately \$20,000. At this time we maintain this level to present a balanced budget.
- 12 Temporary Employees increased to reflect actual usage of the extra help employee category.
- 13 Overtime decreased to accurately reflect costs.
- 14 On Call Pay decreased to accurately reflect usage.
- 15 Employee Retirement reduced to reflect actual costs. FY 2016/17 is the second full year of agency employee's paying the employee portion of CalPERS obligation.
- 16 Social Security (FICA) Payroll Tax reduced to accurately reflect actual costs.
- 17 Medicare Payroll Tax reduced to accurately reflect actual costs.

- 18 Health Insurance decreased to reflect staffing levels and premium increases.
- 19 Unemployment Insurance decreased to reflect actual costs.

SERVICE & SUPPLY ACCOUNTS

- 20 Clothing & Supplies costs increased due to transfer of leasing to owning maintenance uniform shirts.
- 21 Uniforms – Other slightly increased to expences.
- 22 Communications – Phone increase due to the addition of Wi-Fi on buses.
- 23 Communications – Radio increased to actual.
- 24 Household Expenses decreased to closely reflect actual.
- 25 Insurance Premiums/Public Liability increased to reflect the two (2) month pre-paid allocation of current FY 2017/18 premiums into FY 2016/17.
- 26 Insurance Premiums/Physical Damage increased to reflect the two (2) month pre-paid allocation of current FY 2017/18 premiums into FY 2016/17.
- 27 Insurance Premiums/Commercial Property/Employment Practices Liability Insurance (EPLI) decreased to reflect actual.
- 28 Service Contracts/Equipment decreased due to slippage of capital project schedules; added for FY 201718.
- 29 Park & Ride Maintenance decreased to accurately reflect expenses.
- 30 Maintenance/Buildings decreased to accurately reflect expenses.
- 31 Maintenance/Grounds decreased to accurately reflect expenses.
- 32 Maintenance/other decreased to accurately reflect expenses.
- 33 Maintenance/Bus Stops decreased to accurately reflect expenses.
- 34 Vehicle Maintenance (In-House) increased to accurately reflect expenses; several older buses requiring increased repairs were replaced in late FY 2016/17.
- 35 Vehicle Maintenance/Tires & Tubes decreased to accurately reflect expenses.
- 36 Vehicle Maintenance/ Lubricants increased to accurately reflect expenses.
- 37 Vehicle Maintenance/ Small Tools - Shop decreased to reflect expenses.
- 38 Vehicle Maintenance/Sales Tax/Fuel & Lubricants - decreased to accurately reflect actual expenses.
- 39 Office Expense decreases to accurately reflect actual expenses.
- 40 Postage increased to accurately reflect actual expenses.
- 41 Professional Services increased to accurately reflect actual expenses.
- 42 Employee Exams decrease to accurately reflect actual expenses.
- 43 Background Checks decreased to accurately reflect actual expenses.
- 44 Publications/Legal Notices increased to accurately reflect actual expenses.
- 45 Printing decreased to accurately reflect actual expenses.
- 46 Rents/Leases – Equipment decreased to accurately reflect expenses.
- 47 Rents/Leases – Park & Rides decreased to accurately reflect expenses.
- 48 Equipment Purchase – Data Processing decreased to accurately reflect expenses.
- 49 Equipment Purchase – Office decreased to accurately reflect expenses.
- 50 Special Department Expenses - decreased to accurately reflect actual expenses.
- 51 Marketing decreased to accurately reflect actual expenses.

- 52** Staff Development/Travel increased to accurately reflect actual expenses; outside training for additional positions and compliance items.
- 53** Fuel Purchase decreased to accurately reflect actual expenses.
- 54** Bank Charges increased to reflect actual expenses. This line item includes expenses related to the new credit card payment system and Connect Card application. Separate general ledger in items will be set in the future.
- 55** Utilities decreased to accurately reflect actual expenses.
- 56** AB2766 Fair Shuttle posting actual expenses as calculated. Actuals will be presented in the financial audit
- 57** Contingency line adjusted to zero to balance the FY 2016/17 operating budget.

FISCAL IMPACT

Staff is presenting a balanced Final Amended Operating Budget for FY 2016/17.

Final adjustments and financial position of the El Dorado County Transit Authority will be presented at during the December 2017 regularly scheduled Board meeting.

EL DORADO COUNTY TRANSIT AUTHORITY

PROPOSED FINAL AMENDED BUDGET 2016/2017

OPERATING BUDGET

		FY 2016/2017 Mid-Year Adopted 02/02/2017	FY 2016/2017 Final Amended Proposed 09/07/17	Difference	
REVENUE ACCOUNTS					
4000.00	Transportation Development Act (TDA/LTF)	\$3,781,200	\$3,781,200	\$0	
4000.00	Transportation Development Act (TDA/LTF) Deferred 15/16	\$913,262	\$913,262	\$0	
4270.00	State Transit Assistance (STA)	\$910,781	\$348,925	-\$561,856	1
4270.00	State Transit Assistance (STA) Deferred	\$68,883	\$0	-\$68,883	2
4970.00	Interest Income	\$24,000	\$23,800	-\$200	3
4100.00	Federal Transit Administration (FTA) Section 5311 Grant	\$474,917	\$479,675	\$4,758	4
4300.00	Farebox	\$189,000	\$184,000	-\$5,000	5
4310.00	Contract Services	\$485,000	\$466,000	-\$19,000	6
4320.00	Farebox - Charter	\$5,000	\$4,600	-\$400	7
4330.00	Sac Commute Route Passes	\$731,000	\$735,000	\$4,000	8
4350.00	Bus Passes	\$89,610	\$90,000	\$390	9
4360.00	Scrip	\$83,000	\$83,000	\$0	
4400.00	Advertising Revenue	\$0	\$0	\$0	
4990.00	Misc. Revenue	\$0	\$0	\$0	
4107.03	Fair Shuttle AB2766 Grant	\$31,512	\$31,512	\$0	
4112.00	FTA Section 5307 Grant Income - Preventative Maintenance (PM)	\$0	\$0	\$0	
4109.04	Low Carbon Transit Operations Program (LCTOP) Grant CP	\$172,232	\$172,960	\$728	10
5060.00	Offset Reserve Fund - CalTIP (restricted)	\$8,299	\$8,299	\$0	
TOTAL REVENUES		\$7,967,696	\$7,322,233	-\$645,463	
SALARY & BENEFIT ACCOUNTS					
5010.00	Regular Employees	\$2,934,490	\$3,017,000	\$82,510	11
5010.02	Temporary Employees	\$190,000	\$197,500	\$7,500	12
5010.07	Overtime	\$80,000	\$76,000	-\$4,000	13
5010.08	On Call Pay	\$13,000	\$7,600	-\$5,400	14
5010.09	Skill and Shift Pay	\$34,000	\$34,000	\$0	
5020.01	Employee Retirement	\$470,000	\$406,000	-\$64,000	15
5070.01	(OASDI - Payroll Tax) FICA	\$14,000	\$11,000	-\$3,000	16
5070.02	MEDICARE - Payroll Tax	\$50,000	\$49,000	-\$1,000	17
5020.02	Health Insurance	\$1,334,000	\$1,153,000	-\$181,000	18
5020.03	Unemployment Insurance	\$20,000	\$9,000	-\$11,000	19
5020.04	LT Disability/Life Ins	\$33,000	\$33,000	\$0	
5020.05	Worker's Comp	\$291,031	\$291,031	\$0	
TOTAL SALARY & BENEFITS		\$5,463,521	\$5,284,131	-\$179,390	
SERVICE & SUPPLY ACCOUNTS					
5090.02	Clothing & Supplies	\$4,000	\$5,500	\$1,500	20
5090.05	Uniforms - Other	\$16,000	\$16,100	\$100	21
5050.01	Communications - Phone	\$48,000	\$50,000	\$2,000	22
5090.20	Communications - Radio	\$1,000	\$1,400	\$400	23
5090.01	Household Expenses	\$15,750	\$14,500	-\$1,250	24
5060.01	Insurance Premiums/Public Liability	\$338,692	\$353,400	\$14,708	25
5060.02	Insurance Premiums/Physical Damage	\$16,671	\$18,050	\$1,379	26
5060.03	Insurance Premiums/Commercial Property/EPLI	\$15,000	\$14,050	-\$950	27
5090.06	Service Contracts/Equipment	\$130,000	\$96,800	-\$33,200	28
5160.07	Park and Ride Maintenance	\$9,400	\$7,400	-\$2,000	29
5160.01	Maintenance/Buildings	\$6,000	\$3,600	-\$2,400	30
5160.05	Maintenance/Grounds	\$4,000	\$3,600	-\$400	31
5160.09	Maintenance/Bus Stop	\$5,000	\$3,900	-\$1,100	32
5160.00	Maintenance/Other	\$5,000	\$0	-\$5,000	33
5040.00	Vehicle Maintenance (In-House)	\$345,000	\$406,000	\$61,000	34
5040.02	Vehicle Maintenance/Tires & Tubes	\$108,000	\$69,500	-\$38,500	35
5040.03	Vehicle Maintenance/Lubricants	\$31,000	\$37,500	\$6,500	36
5040.04	Vehicle Maintenance/Small Tools - Shop	\$5,500	\$3,600	-\$1,900	37
5040.80	Vehicle Maintenance/Sales Tax/ Fuel & Lub.	\$38,000	\$30,000	-\$8,000	38
5090.40	Memberships	\$7,000	\$7,000	\$0	
5090.70	Office Expense	\$18,000	\$14,500	-\$3,500	39
5090.80	Postage	\$4,000	\$6,700	\$2,700	40
5030.00	Professional Services	\$150,000	\$153,000	\$3,000	41
5030.10	Employee Medical Exams	\$13,000	\$12,000	-\$1,000	42
5030.30	Background Checks	\$4,000	\$2,100	-\$1,900	43
5090.08	Pubs/Legal Notices	\$4,000	\$6,300	\$2,300	44
5090.75	Printing	\$34,000	\$24,500	-\$9,500	45
5120.02	Rents/Leases - Equipment	\$19,000	\$17,300	-\$1,700	46
5120.03	Rents/Leases Park and Rides	\$12,000	\$10,100	-\$1,900	47
5140.01	Equipment Purchase - Data Processing	\$3,000	\$300	-\$2,700	48
5140.05	Equipment Purchase - Office	\$38,000	\$2,400	-\$35,600	49
5150.00	Special Department Expense	\$5,000	\$4,300	-\$700	50
5150.01	Marketing	\$25,000	\$4,000	-\$21,000	51
5090.30	Staff Development/Travel	\$25,500	\$36,600	\$11,100	52
5040.01	Fuel Purchase	\$565,000	\$483,000	-\$82,000	53
5090.72	Bank Charges	\$200	\$8,000	\$7,800	54
5050.02	Utilities	\$54,000	\$49,000	-\$5,000	55
5050.03	Utilities/ Park & Rides	\$21,000	\$21,000	\$0	
4108.03	Fair Shuttle AB2766 Grant	Pending	\$41,102	\$41,102	56
6270.00	Contingency	\$360,462	\$0	-\$360,462	57
TOTAL SERVICES AND SUPPLIES		\$2,504,175	\$2,038,102	-\$466,073	
TOTAL OPERATING EXPENSES		\$7,967,696	\$7,322,233	-\$645,463	