

AGENDA ITEM 2 B  
Action Item

**MEMORANDUM**

**DATE:** September 6, 2018

**TO:** El Dorado County Transit Authority

**FROM:** Julie Petersen, Finance Manager

**SUBJECT:** Final Amended Operating Budget Fiscal Year 2017/18

**REQUESTED ACTION:**  
**BY MOTION,**

1. Receive and File Final Proposed Amended Operating Budget Fiscal Year 2017/18
2. Authorize the transfer of \$347,246 from Contingency to offset a reduction of Revenue

**BACKGROUND**

As of August 31, 2018 most work related to posting was accomplished to close fiscal year (FY) 2017/18.

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 \$586,904.

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 \$347,246 in Contingency Funds to balance the Final Amended Budget will require Board action.

### *REVENUE ACCOUNTS*

El Dorado Transit saw an overall decrease of approximately \$10,369 in fare revenue accounts.

Total revenue decreased by \$586,904.

- 1 State Transit Assistance was reduced to reflect anticipated transfer to capital budget. Actual amounts will be presented in the annual financial audit results.
- 2 State Transit Assistance Deferred was increased to balance operating budget using prior period allocations.
- 3 Interest Income increased to accurately reflect receipts.
- 4 Farebox increased to accurately reflect receipts.
- 5 Contract Services decreased to accurately reflect receipts.
- 6 Farebox – Charter decreased to accurately reflect receipts.
- 7 Sacramento Commuter Route Passes decreased to accurately reflect receipts.
- 8 Bus passes increased to accurately reflect receipts.
- 9 Scrip decreased to accurately reflect receipts.
- 10 Low Carbon Transit Operations Project (LCTOP) Grant increased to recognize restricted interest earned
- 11 Offset Reserve Fund – Restricted increased to actual.

### *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 \$112,078.

- 12 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.
- 13 Temporary Employees decreased to reflect actual usage of the extra help employee category.
- 14 Overtime decreased to accurately reflect costs.
- 15 On Call Pay decreased to accurately reflect usage.
- 16 Skill and Shift Pay increased to reflect actual costs.
- 17 Employee Retirement reduced to reflect actual costs. FY 2017/18 is the third full year of agency employee's paying the employee portion of CalPERS obligation.
- 18 Social Security (FICA) Payroll Tax reduced to accurately reflect actual costs.
- 19 Medicare Payroll Tax reduced to accurately reflect actual costs.
- 20 Health Insurance decreased to reflect actual expenses.

- 21 Unemployment Insurance decreased to reflect actual costs.
- 22 Workers' Compensation reduced to reflect actual Premiums paid and an estimated reconciliation adjustment.

*SERVICE & SUPPLY ACCOUNTS*

The Contingency line item has been zeroed out to balance the Final Amended Budget.

Total Services and Supplies accounts decreased by \$474,826.

- 23 Uniforms – Other decreased to actual expenses.
- 24 Communications – Radio increased to actual.
- 25 Insurance Premiums/Public Liability increased to reflect the two (2) month pre-paid allocation of current FY 2018/19 premiums into FY 2017/18.
- 26 Insurance Premiums/Physical Damage increased to reflect the two (2) month pre-paid allocation of current FY 2018/19 premiums into FY 2017/18.
- 27 Service Contracts/Equipment increased due to increased renewal costs and completion of capital project.
- 28 Park & Ride Maintenance increased to accurately reflect expenses.
- 29 Maintenance/Buildings increased to accurately reflect expenses.
- 30 Maintenance/Equipment decreased to accurately reflect expenses.
- 31 Maintenance/Grounds increased to accurately reflect expenses.
- 32 Maintenance/Bus Stops decreased to accurately reflect expenses.
- 33 Maintenance/other decreased to accurately reflect expenses.
- 34 Vehicle Maintenance (In-House) decreased to accurately reflect expenses.
- 35 Vehicle Maintenance/Tires & Tubes decreased to accurately reflect expenses.
- 36 Vehicle Maintenance/ Lubricants decreased to accurately reflect expenses.
- 37 Vehicle Maintenance/ Small Tools - Shop increased to reflect expenses.
- 38 Vehicle Maintenance/Sales Tax/Fuel & Lubricants - increased to accurately reflect actual expenses.
- 39 Memberships increased to reflect expenses
- 40 Office Expense decreases to accurately reflect actual expenses.
- 41 Postage increased to accurately reflect actual expenses.
- 42 Operating Expenses – Other increased to accurately reflect actual expenses.
- 43 Professional Services increased to accurately reflect actual expenses.
- 44 Employee Exams decrease to accurately reflect actual expenses.
- 45 Background Checks decreased to accurately reflect actual expenses.
- 46 Publications/Legal Notices increased to accurately reflect actual expenses.
- 47 Printing decreased to accurately reflect actual expenses.
- 48 Rents/Leases – Equipment increased to accurately reflect expenses.
- 49 Rents/Leases – Park & Rides increased to accurately reflect expenses.
- 50 Equipment Purchase – Office decreased to accurately reflect expenses.
- 51 Special Department Expenses - decreased to accurately reflect expenses.
- 52 Marketing decreased to accurately reflect actual expenses.
- 53 Staff Development/Travel decreased to accurately reflect actual expenses.

- 54** Fuel Purchase increased to accurately reflect actual expenses.
- 55** Bank Charges increased to reflect actual expenses.
- 56** Credit Card Fees decreased to accurately reflect expenses.
- 57** Connect Card administration Fees increased to reflect actual expenses.
- 58** Utilities decreased to accurately reflect actual expenses.
- 59** AB2766 Fair Shuttle posting estimated expenses. Actuals will be presented in the financial audit.
- 60** Cameron Park Expansion adjusted to zero, expenses for service posted to correct accounts throughout operating budget.
- 61** Contingency line adjusted to zero to balance the FY 2017/18 operating budget.

### **FISCAL IMPACT**

Staff is presenting a balanced Final Amended Operating Budget for FY 2017/18.

Final adjustments and financial position of the El Dorado County Transit Authority will be presented during the December 2018 regularly scheduled Board meeting.

**EL DORADO COUNTY TRANSIT AUTHORITY  
PROPOSED FINAL AMENDED OPERATING BUDGET 2017/2018**

OPERATING BUDGET		FY 2017/2018 Mid-Year Adopted 02/01/2018	FY 2017/2018 Final Amended Proposed 09/06/2018	Difference	
<b>REVENUE ACCOUNTS</b>					
4000.00	Transportation Development Act (TDA/LTF)	\$4,159,003	\$4,159,003	\$0	
4270.00	State Transit Assistance (STA)	\$1,052,353	\$0	-\$1,052,353	1
4270.00	State Transit Assistance (STA) Deferred	\$704,006	\$1,202,830	\$498,824	2
4970.00	Interest Income	\$28,000	\$40,400	\$12,400	3
4100.00	Federal Transit Administration (FTA) Section 5311 Grant	\$490,631	\$490,631	\$0	
4300.00	Farebox	\$210,000	\$219,229	\$9,229	4
4310.00	Contract Services	\$440,000	\$426,500	-\$13,500	5
4320.00	Farebox - Charter	\$5,000	\$4	-\$4,996	6
4330.00	Sac Commute Route Passes	\$760,000	\$736,258	-\$23,742	7
4350.00	Bus Passes	\$80,000	\$87,898	\$7,898	8
4360.00	Scrip	\$47,000	\$38,000	-\$9,000	9
4400.00	Advertising Revenue	\$0	\$0	\$0	
4990.00	Misc. Revenue	\$0	\$0	\$0	
4107.03	Fair Shuttle AB2766 Grant	\$35,265	\$35,265	\$0	
4270.01	State Transit Assistance (STA)/State of Good Repair (SGR)	\$235,677	\$235,677	\$0	
4109.04	Low Carbon Transit Operations Program (LCTOP) Grant CP	\$78,928	\$79,625	\$697	10
5060.00	Offset Reserve Fund - CalTIP (restricted)	\$8,335	\$8,374	\$39	11
<b>TOTAL REVENUES</b>		<b>\$8,334,198</b>	<b>\$7,759,694</b>	-\$574,504	
<b>SALARY &amp; BENEFIT ACCOUNTS</b>					
5010.00	Regular Employees	\$3,109,237	\$3,256,424	\$147,187	12
5010.02	Temporary Employees	\$225,000	\$95,000	-\$130,000	13
5010.07	Overtime	\$80,000	\$66,000	-\$14,000	14
5010.08	On Call Pay	\$13,000	\$7,000	-\$6,000	15
5010.09	Skill and Shift Pay	\$43,000	\$46,500	\$3,500	16
5020.01	Employee Retirement	\$470,000	\$461,000	-\$9,000	17
5070.01	(OASDI - Payroll Tax) FICA	\$14,000	\$5,200	-\$8,800	18
5070.02	MEDICARE - Payroll Tax	\$50,000	\$48,500	-\$1,500	19
5020.02	Health Insurance	\$1,331,000	\$1,301,000	-\$30,000	20
5020.03	Unemployment Insurance	\$20,000	\$15,000	-\$5,000	21
5020.04	LT Disability/Life Ins	\$37,000	\$37,000	\$0	
5020.05	Worker's Comp	\$268,465	\$210,000	-\$58,465	22
<b>TOTAL SALARY &amp; BENEFITS</b>		<b>\$5,660,702</b>	<b>\$5,548,624</b>	-\$112,078	
<b>SERVICE &amp; SUPPLY ACCOUNTS</b>					
5090.02	Clothing & Supplies	\$3,000	\$3,000	\$0	
5090.05	Uniforms - Other	\$14,000	\$13,000	-\$1,000	23
5050.01	Communications - Phone	\$57,000	\$57,000	\$0	
5090.20	Communications - Radio	\$1,000	\$1,520	\$520	24
5090.01	Household Expenses	\$13,750	\$13,750	\$0	
5060.01	Insurance Premiums/Public Liability	\$430,000	\$444,150	\$14,150	25
5060.02	Insurance Premiums/Physical Damage	\$28,000	\$25,000	-\$3,000	26
5060.03	Insurance Premiums/Commercial	\$12,000	\$12,000	\$0	
5060.04	Insurance Premium EPLI Package	\$17,000	\$17,000	\$0	
5090.06	Service Contracts/Equipment	\$115,000	\$126,500	\$11,500	27
5160.07	Park and Ride Maintenance	\$9,000	\$11,500	\$2,500	28
5160.01	Maintenance/Buildings	\$4,500	\$10,500	\$6,000	29
5160.03	Maintenance/Equipment	\$8,000	\$6,800	-\$1,200	30
5160.05	Maintenance/Grounds	\$5,500	\$6,500	\$1,000	31
5160.09	Maintenance/Bus Stop	\$3,000	\$1,800	-\$1,200	32
5160.00	Maintenance/Other	\$2,500	\$500	-\$2,000	33
5040.00	Vehicle Maintenance (In-House)	\$293,000	\$289,000	-\$4,000	34
5040.02	Vehicle Maintenance/Tires & Tubes	\$95,000	\$75,000	-\$20,000	35
5040.03	Vehicle Maintenance/Lubricants	\$28,000	\$24,500	-\$3,500	36
5040.04	Vehicle Maintenance/Small Tools - Shop	\$4,300	\$4,700	\$400	37
5040.80	Vehicle Maintenance/Sales Tax/ Fuel & Lub.	\$30,000	\$37,500	\$7,500	38
5090.40	Memberships	\$6,000	\$6,850	\$850	39
5090.70	Office Expense	\$15,000	\$13,500	-\$1,500	40
5090.80	Postage	\$4,000	\$4,200	\$200	41
5090.00	Operating Expense - Other	\$600	\$2,550	\$1,950	42
5030.00	Professional Services	\$150,000	\$165,000	\$15,000	43
5030.10	Employee Medical Exams	\$13,000	\$7,500	-\$5,500	44
5030.30	Background Checks	\$3,000	\$900	-\$2,100	45
5090.08	Pubs/Legal Notices	\$4,000	\$4,800	\$800	46
5090.75	Printing	\$28,000	\$24,000	-\$4,000	47
5120.02	Rents/Leases - Equipment	\$17,000	\$17,500	\$500	48
5120.03	Rents/Leases Park and Rides	\$10,000	\$10,500	\$500	49
5140.01	Equipment Purchase - Data Processing	\$1,000	\$1,000	\$0	
5140.05	Equipment Purchase - Office	\$8,000	\$6,700	-\$1,300	50
5150.00	Special Department Expense	\$5,000	\$2,400	-\$2,600	51
5150.01	Marketing	\$12,500	\$3,000	-\$9,500	52
5090.30	Staff Development/Travel	\$31,000	\$27,000	-\$4,000	53
5040.01	Fuel Purchase	\$572,000	\$604,000	\$32,000	54
5090.72	Bank Charges	\$500	\$700	\$200	55
5090.73	Credit Card Charge Fees	\$5,000	\$4,250	-\$750	56
5090.74	Connect Card Administration Expenses	\$10,000	\$18,000	\$8,000	57
5050.02	Utilities	\$54,000	\$42,500	-\$11,500	58
5050.03	Utilities/ Park & Rides	\$21,000	\$21,000	\$0	
4108.03	Fair Shuttle AB2766 Grant	Pending	\$42,000	-\$42,000	59
6210.01	Cameron Park Expansion	\$194,500	\$0	-\$194,500	60
6270.00	Contingency	\$347,246	\$0	-\$347,246	61
<b>TOTAL SERVICES AND SUPPLIES</b>		<b>\$2,685,896</b>	<b>\$2,211,070</b>	-\$474,826	
<b>TOTAL OPERATING EXPENSES</b>		<b>\$8,346,598</b>	<b>\$7,759,694</b>	-\$586,904	