

AGENDA ITEM 3 C  
Information Item

**MEMORANDUM**

**DATE:** April 24, 2019

**TO:** El Dorado County Transit Authority  
Transit Advisory Committee

**FROM:** Julie Petersen, Finance Manager

**SUBJECT:** Fiscal Year 2018/19 Revised Mid-Year Operating Budget

**REQUESTED ACTION:**

**BY MOTION,**

- 1. Fiscal Year 2018/19 Revised Mid-Year Operating Budget Adjustments**
- 2. Use of Contingency funds to offset increases Expenses**

**BACKGROUND**

The Fiscal Year (FY) 2018/19 Mid-Year Adjusted Operating Budget is presented to consider the status of the El Dorado County Transit Authority's (El Dorado Transit) budget at the six (6) month closing. 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 Fiscal Year 2018/19 Mid-Year Operating Budget includes a reduction in Revenue and Service & Supply accounts requiring Board approval.

Account adjustments are noted in bold in the attached budget report.

This item was adopted by the El Dorado County Transit Authority Board on February 7, 2019.

**DISCUSSION**

**Revenue Accounts** **Net change is a decrease of \$429,829 in revenue**

- Account 4270.00 State Transit Assistance (STA): STA funds may be used for operating revenues if certain criteria are met and capital projects. El Dorado Transit does not typically use STA to fund transit operations due to the volatility of the funding stream. STA is impacted by the price and amount of fuel sold and potential legislative action. The El Dorado Transit Board normally approves a transfer of all STA from operating to

capital as a component of mid-year budget adjustments however; this year final adjustments will be made during the Final Amended Budget Process. The increase of \$253,233 is due to the revised allocation provided by the State Controllers' Office.

- Account 4270.00 State Transit Assistance (STA) Deferred: STA funds may be used for operating revenues if certain criteria are met and capital projects. STA deferred revenue was being used to balance the budget. Contingency funds are requested to allow for the return of deferred funds to the Capital budget.
- Account 4970.00 Interest Income: Interest income has been increased to reflect actual receipts and final projections; revised to \$45,000.
- Account 4100.00 Federal Transit Administration (FTA) Section 5311 Grant: Adjusting to actual allocation; revised to \$509,322.
- Account 4300.00 Farebox: Increase based on first six (6) months actual income; revised to \$245,000.
- Account 4360.00 Scrip: Decrease based on six (6) months actual receivables; revised to \$47,000.
- Account 4400.00 Advertising Revenue: zeroed to allocated revenue to Operating Reserves.
- Account 4990.00 Misc. Revenue: zeroed to allocated revenue to Operating Reserves.
- Account 4107.03 Fair Shuttle AB2766 Grant: Increase to recognize the remaining balance available on this two (2) year grant cycle.
- Account 5060.00 Offset Reserve Fund: Increase based on balance provided by insurance pool; revised to \$8,374.

**Service and Supply Accounts** **Net change is a decrease of \$429,829 expenses**

The adjustments in each line item presented, are based on actual costs for the first six (6) months of fiscal year 2018/19 and a projection for the remaining six (6) months.

- Account 5160.07 Park and Ride Maintenance: Increase of \$3,000 based on first six (6) month actual.
- Account 5040.00 Vehicle Maintenance (In-House): Budget line item added in the amount of \$40,000 based on first six (6) month actual. This is for preventive maintenance and incident repairs.
- Account 5040.02 Vehicle Maintenance/Tires & Tubes: Increase in the amount of \$20,000 based on first six (6) month actual.
- Account Vehicle Maintenance/Sales Tax/Fuel & Lubricants: Budget line item increased in the amount of \$10,000 based on first six (6) month actual.
- Account 5030.00 Professional Services: Increase of \$20,000 based on first six (6) month actual and projections for upcoming items.
- Account Rents/Leases - Equipment: Increase of \$4,000 based on first six (6) months actual expenses.
- Account 5040.01 Fuel Purchase: Increase of \$50,000 based on first six (6) month actual.

- Account 5090.74 Connect Card Administration Expenses: Budget line item increased in the amount of \$30,000 based on first six (6) months actual expenses.
- Account 6270.00 Contingency: Reduced by \$606,829 to replace the reallocation of deferred STA and other adjustments.

### **FISCAL IMPACT**

The overall outlook of the El Dorado Transit budget is positive. The mid-year budget for fiscal year 2018/19 nets a \$429,829 decrease in revenue and expenses while maintaining 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 agency. The annual budget includes a contingency. If contingency funds are not used they are moved to the next fiscal year as allowed per California law under the Transportation Development Act.

**EL DORADO COUNTY TRANSIT AUTHORITY**  
**ADOPTED MID YEAR OPERATING BUDGET 2018/2019**

OPERATING BUDGET		FY 2018/2019 Final Adopted 06/07/2018	FY 2018/2019 Mid Year Adopted 02/07/2019	Difference
<b>REVENUE ACCOUNTS</b>				
4000.00	Transportation Development Act (TDA/LTF)	\$4,837,735	\$4,837,735	\$0
4270.00	State Transit Assistance (STA)	\$1,243,570	<b>\$1,496,803</b>	\$253,233
4270.00	State Transit Assistance (STA) Deferred	\$737,699	<b>\$0</b>	-\$737,699
4270.01	State Transit Assistance (STA)/State of Good Repair (SGR)	\$235,684	<b>\$236,877</b>	\$1,193
4970.00	Interest Income	\$20,000	<b>\$45,000</b>	\$25,000
4100.00	Federal Transit Administration (FTA) Section 5311 Grant	\$490,631	<b>\$509,322</b>	\$18,691
4300.00	Farebox	\$208,000	<b>\$245,000</b>	\$37,000
4310.00	Contract Services	\$360,000	\$360,000	\$0
4320.00	Farebox - Charter	\$5,000	\$5,000	\$0
4330.00	Sac Commute Route Passes	\$778,000	\$778,000	\$0
4350.00	Bus Passes	\$72,000	\$72,000	\$0
4360.00	Scrip	\$42,000	<b>\$25,000</b>	-\$17,000
4400.00	Advertising Revenue	\$12,000	<b>\$0</b>	-\$12,000
4990.00	Misc. Revenue	\$400	<b>\$0</b>	-\$400
4107.03	Fair Shuttle AB2766 Grant	\$39,785	<b>\$41,899</b>	\$2,114
4109.04	Low Carbon Transit Operations Program (LCTOP) Grant CP	\$217,678	\$217,678	\$0
4112.00	FTA Section 5307 Grant Income - Preventative Maintenance (PM)	\$250,000	\$250,000	\$0
5060.00	Offset Reserve Fund - CalTIP (restricted)	\$8,335	<b>\$8,374</b>	\$39
<b>TOTAL REVENUES</b>		<b>\$9,558,517</b>	<b>\$9,128,688</b>	-\$429,829
<b>SALARY &amp; BENEFIT ACCOUNTS</b>				
5010.00	Regular Employees	\$3,617,065	\$3,617,065	\$0
5010.02	Temporary Employees	\$100,000	\$100,000	\$0
5010.07	Overtime	\$70,000	\$70,000	\$0
5010.08	On Call Pay	\$9,000	\$9,000	\$0
5010.09	Skill and Shift Pay	\$23,000	\$23,000	\$0
5020.01	Employee Retirement	\$606,000	\$606,000	\$0
5070.01	(OASDI - Payroll Tax) FICA	\$10,000	\$10,000	\$0
5070.02	MEDICARE - Payroll Tax	\$54,000	\$54,000	\$0
5020.02	Health Insurance	\$1,538,000	\$1,538,000	\$0
5020.03	Unemployment Insurance	\$20,000	\$20,000	\$0
5020.04	LT Disability/Life Ins	\$39,000	\$39,000	\$0
5020.05	Worker's Comp	\$190,000	\$190,000	\$0
<b>TOTAL SALARY &amp; BENEFITS</b>		<b>\$6,276,065</b>	<b>\$6,276,065</b>	\$0
<b>SERVICE &amp; SUPPLY ACCOUNTS</b>				
5090.02	Clothing & Supplies	\$3,600	\$3,600	\$0
5090.05	Uniforms - Other	\$14,000	\$14,000	\$0
5050.01	Communications - Phone	\$57,000	\$57,000	\$0
5090.20	Communications - Radio	\$1,000	\$1,000	\$0
5090.01	Household Expenses	\$15,750	\$15,750	\$0
5060.01	Insurance Premiums/Public Liability	\$535,000	\$535,000	\$0
5060.02	Insurance Premiums/Physical Damage	\$25,000	\$25,000	\$0
5060.03	Insurance Premiums/Commercial	\$12,000	\$12,000	\$0
5060.04	Insurance Premium EPLI Package	\$22,000	\$22,000	\$0
5090.06	Service Contracts/Equipment	\$192,000	\$192,000	\$0
5160.07	Park and Ride Maintenance	\$9,000	<b>\$12,000</b>	\$3,000
5160.01	Maintenance/Buildings	\$4,500	\$4,500	\$0
5160.03	Maintenance/Equipment	\$8,000	\$8,000	\$0
5160.05	Maintenance/Grounds	\$5,500	\$5,500	\$0
5160.09	Maintenance/Bus Stop	\$3,000	\$3,000	\$0
5160.00	Maintenance/Other	\$2,500	\$2,500	\$0
5040.00	Vehicle Maintenance (In-House)	\$340,000	<b>\$380,000</b>	\$40,000
5040.02	Vehicle Maintenance/Tires & Tubes	\$65,000	<b>\$85,000</b>	\$20,000
5040.03	Vehicle Maintenance/Lubricants	\$28,000	\$28,000	\$0
5040.04	Vehicle Maintenance/Small Tools - Shop	\$4,300	\$4,300	\$0
5040.80	Vehicle Maintenance/Sales Tax/ Fuel & Lub.	\$35,000	<b>\$45,000</b>	\$10,000
5090.40	Memberships	\$7,400	\$7,400	\$0
5090.70	Office Expense	\$15,000	\$15,000	\$0
5090.80	Postage	\$4,000	\$4,000	\$0
5090.00	Operating Expense - Other	\$600	\$600	\$0
5030.00	Professional Services	\$150,000	<b>\$170,000</b>	\$20,000
5030.10	Employee Medical Exams	\$9,000	\$9,000	\$0
5030.30	Background Checks	\$2,000	\$2,000	\$0
5090.08	Pubs/Legal Notices	\$4,000	\$4,000	\$0
5090.75	Printing	\$20,000	\$20,000	\$0
5120.02	Rents/Leases - Equipment	\$17,000	<b>\$21,000</b>	\$4,000
5120.03	Rents/Leases Park and Rides	\$11,000	\$11,000	\$0
5140.01	Equipment Purchase - Data Processing	\$1,000	\$1,000	\$0
5140.05	Equipment Purchase - Office	\$4,000	\$4,000	\$0
5150.00	Special Department Expense	\$5,000	\$5,000	\$0
5150.01	Marketing	\$25,000	\$25,000	\$0
5090.30	Staff Development/Travel	\$31,000	\$31,000	\$0
5040.01	Fuel Purchase	\$621,000	<b>\$671,000</b>	\$50,000
5090.72	Bank Charges	\$800	\$800	\$0
5090.73	Credit Card Charge Fees	\$5,000	\$5,000	\$0
5090.74	Connect Card Administration Expenses	\$10,000	<b>\$40,000</b>	\$30,000
5050.02	Utilities	\$54,000	\$54,000	\$0
5050.03	Utilities/ Park & Rides	\$24,000	\$24,000	\$0
4108.03	Fair Shuttle AB2766 Grant	Pending	Pending	\$0
6210.01	Cameron Park Expansion	\$0	\$0	\$0
6270.00	Contingency	\$879,502	<b>\$272,673</b>	-\$606,829
<b>TOTAL SERVICES AND SUPPLIES</b>		<b>\$3,282,452</b>	<b>\$2,852,623</b>	-\$429,829
<b>TOTAL OPERATING EXPENSES</b>		<b>\$9,558,517</b>	<b>\$9,128,688</b>	-\$429,829