

AGENDA ITEM 2 B
Action Item

MEMORANDUM

DATE: January 25, 2023

TO: El Dorado County Transit Authority
Transit Advisory Committee

FROM: Julie Petersen, Finance Manager

SUBJECT: Proposed Fiscal Year 2022/23 Mid-Year Operating Budget
Adjustments

REQUESTED ACTION:
BY MOTION,

- 1. Approve Proposed Fiscal Year 2022/23 Mid-Year Operating Budget Adjustments**
- 2. Approve line-item increase of \$208,164 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) 2022/23 Mid-Year Operating Budget adjustments include overall increases in Revenues, Salary & Benefits, and Service & Supply expenditure accounts. These adjustments to actual revenues and expenses trigger an increase to the available Contingency line item, requiring Board approval.

DISCUSSION

This item will be presented to the Board on February 2, 2023, for open discussion and proposed adoption.

The following mid-year adjustments to the El Dorado Transit FY 2021/22 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 \$460,242 in revenue**

1. Account 4970.00 Interest Income: Increased due to higher than expected rates of return.
2. Account 4100.05 Federal Transit Administration (FTA) Section 5311(f) Grant: Added funding recently awarded to support operation of the S. Lake Tahoe intercity bus service.
3. Account 4300.00 Cash Fares: Increased by \$10,000 based on the first six (6) months of actual receipts.
4. 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.
5. Account 4330.00 Commuter Route Fare Media: Revised upward to \$308,00 based on the first six (6) months of actual receipts as ridership continues to improve on the Sacramento commuter and S. Lake Tahoe routes.
6. Account 4400.00 Advertising Revenue: Zeroed as revenue reallocated to Operating Reserves.
7. Account 4990.00 Misc. Revenue: Zeroed as revenue reallocated to Operating Reserves.
8. 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 an increase of \$316,200 in expenses**

9. Account 5010.02 Temporary Employees: Increased to \$110,000 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 to \$90,000 based on the first six (6) months of actual expenses.
11. Account 5020.01 Employee Retirement: Final projection increased \$272,000 based on the first six months of actual payroll expenses.
12. Account 5070.01 FICA Payroll Tax: Increase of \$1,200 based on the first six months of actual payroll expenses.
13. Account 5020.03 Unemployment Insurance: Decrease of \$7,000 is based on the first six (6) months' actual expenses.

Service and Supply Accounts**Net change is an increase of \$144,042 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 2022/23:

14. Account 5090.02 Clothing & Supplies: Increased \$4,000.
15. Account 5060.03 Insurance Premiums EPLI Package: Increase of \$1,000.
16. Account 5160.01 Maintenance/Buildings: Increase of \$10,000.
17. Account 5090.05 Safety Equipment/Training: Decreased to \$5,000.
18. Account 5030.00 Professional Services: Decreased by \$43,000 based on actuals and expected project related expenses over the remainder of the fiscal year.

19. Account 5030.10 Employee Medical Exams: Increased by \$3,000 based on actuals and anticipated hiring needs.
20. Account 5030.30 Background Checks: Increased by \$1,000 based on actuals and anticipated hiring needs.
21. Account 5090.80 Publications/Legal Notices: Increased by \$3,000.
22. Account 5090.75 Printing: Decreased by \$4,000.
23. Account 5120.00 Rents/Leases: Decreased by \$12,000.
24. Account 5150.01 Marketing: Decreased by \$10,000.
25. Account 5090.72 Bank Charges: Increased by \$900.
26. Account 5090.74 Connect Card Administration Expenses: Decreased by \$8,022.
27. Account 5008.01 MY RIDE Expenses: Board approved demonstration project expense line item added to the budget.
28. Account 6270.00 Contingency: Increased by \$208,164. The increase 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) 2022/23 Mid-Year Operating Budget reflects an additional balancing of \$460,242 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 2022/2023**

OPERATING BUDGET		FY 2022/2023 Final Adopted 06/02/2022	FY 2022/2023 Mid Year Proposed 01/25/2023	Difference	
REVENUE ACCOUNTS					
4000.00	Transportation Development Act (TDA/LTF)	\$6,030,361	\$6,030,361	\$0	
4270.01	State of Good Repair (SGR) Program	\$285,297	\$285,297	\$0	
4970.00	Interest Income	\$3,000	\$76,000	\$73,000	1
4100.00	Federal Transit Administration (FTA) Section 5311 Grant	\$741,022	\$741,022	\$0	
4100.04	Federal Transit Administration (FTA) CRRSAA Act Section 5311 Grant	\$738,717	\$738,717	\$0	
4100.05	Federal Transit Administration (FTA) Section 5311(f) Grant	\$0	\$68,750	\$68,750	2
4300.00	Cash Fares	\$77,000	\$87,000	\$10,000	3
4310.00	Contract Services	\$0	\$140,000	\$140,000	4
4320.00	Charter Services	\$0	\$0	\$0	
4330.00	Commuter Route Fare Media	\$162,000	\$308,000	\$146,000	5
4350.00	Local Route Fare Media	\$31,000	\$31,000	\$0	
4360.00	Paper Scrip	\$7,000	\$7,000	\$0	
4370.00	CCJPA	\$185,000	\$185,000	\$0	
4400.00	Advertising Revenue	\$15,000	\$0	-\$15,000	6
4990.00	Misc. Revenue	\$400	\$0	-\$400	7
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)	\$31,181	\$31,181	\$0	
4112.00	Federal Transit Administration (FTA) CRRSAA Act Section 5307 Grant	\$183,509	\$183,509	\$0	
5060.00	Offset Reserve Fund - CalTIP (restricted)	\$73,490	\$111,382	\$37,892	8
TOTAL REVENUES		\$8,670,977	\$9,131,219	\$460,242	
SALARY & BENEFIT ACCOUNTS					
5010.00	Regular Employees	\$2,940,530	\$2,940,530	\$0	
5010.02	Temporary Employees	\$100,000	\$110,000	\$10,000	9
5010.07	Overtime	\$50,000	\$90,000	\$40,000	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	\$668,000	\$940,000	\$272,000	11
5070.01	(OASDI - Payroll Tax) FICA	\$4,000	\$5,200	\$1,200	12
5070.02	MEDICARE - Payroll Tax	\$50,000	\$50,000	\$0	
5020.02	Health Insurance	\$1,094,000	\$1,094,000	\$0	
5020.03	Unemployment Insurance	\$15,000	\$8,000	-\$7,000	13
5020.04	LT Disability/Life Ins	\$32,000	\$32,000	\$0	
5020.05	Worker's Comp	\$275,000	\$275,000	\$0	
TOTAL SALARY & BENEFITS		\$5,255,530	\$5,571,730	\$316,200	
SERVICE & SUPPLY ACCOUNTS					
5090.02	Clothing & Supplies	\$5,000	\$9,000	\$4,000	14
5090.05	Uniforms - Other	\$10,000	\$10,000	\$0	
5050.01	Communications - Phone	\$35,000	\$35,000	\$0	
5090.20	Communications - Radio	\$1,000	\$1,000	\$0	
5090.01	Household Expenses	\$16,500	\$16,500	\$0	
5060.01	Insurance Premiums/Public Liability	\$387,000	\$387,000	\$0	
5060.02	Insurance Premiums/Physical Damage	\$27,000	\$27,000	\$0	
5060.03	Insurance Premiums/Commercial	\$14,000	\$14,000	\$0	
5060.04	Insurance Premium EPLI Package	\$24,000	\$25,000	\$1,000	15
5090.06	Service Contracts/Equipment	\$190,000	\$190,000	\$0	
5160.07	Park and Ride Maintenance	\$14,000	\$14,000	\$0	
5160.01	Maintenance/Buildings	\$7,500	\$17,500	\$10,000	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)	\$376,000	\$376,000	\$0	
5040.02	Vehicle Maintenance/Tires & Tubes	\$99,000	\$99,000	\$0	
5040.03	Vehicle Maintenance/Lubricants	\$29,700	\$29,700	\$0	
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	\$40,000	\$5,000	-\$35,000	17
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	\$435,000	\$392,000	-\$43,000	18
5030.10	Employee Medical Exams	\$8,500	\$11,500	\$3,000	19
5030.30	Background Checks	\$2,000	\$3,000	\$1,000	20
5090.08	Pubs/Legal Notices	\$2,500	\$5,500	\$3,000	21
5090.75	Printing	\$14,000	\$10,000	-\$4,000	22
5120.00	Rents/Leases	\$24,000	\$12,000	-\$12,000	23
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	\$20,000	\$10,000	-\$10,000	24
5090.30	Staff Development/Travel	\$30,000	\$30,000	\$0	
5040.01	Fuel Purchase	\$750,000	\$750,000	\$0	
5090.72	Bank Charges	\$600	\$1,500	\$900	25
5090.73	Credit Card Charge Fees	\$4,000	\$4,000	\$0	
5090.74	Connect Card Administration Expenses	\$25,022	\$17,000	-\$8,022	26
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	\$0	\$25,000	\$25,000	27
6270.00	Contingency	\$607,325	\$815,489	\$208,164	28
TOTAL SERVICES AND SUPPLIES		\$3,415,447	\$3,559,489	\$144,042	
TOTAL OPERATING EXPENSES		\$8,670,977	\$9,131,219	\$460,242	