

AGENDA ITEM 2 B
Action Item

MEMORANDUM

DATE: April 6, 2023

TO: El Dorado County Transit Authority

FROM: Julie Petersen, Finance Manager

SUBJECT: Adoption of the Fiscal Year 2023/24 Preliminary Operating and Capital Budgets

REQUESTED ACTION:

BY MOTION,

1. **Adopt Resolution No. 23-10 Approving the Fiscal Year 2023/24 Preliminary Operating Budget including Revisions**
2. **Adopt Resolution No. 23-11 Approving the Fiscal Year 2023/24 Preliminary Capital Budget**
3. **Form an Ad Hoc Committee to review the proposed Final Fiscal Year 2023/24 Operating and Capital Budgets**
4. **Appoint the Chair and Vice-Chair to the Ad Hoc Budget Review Committee**

BACKGROUND

The Bylaws of the El Dorado County Transit Authority (El Dorado Transit) require the Executive Director to submit preliminary operating and capital budgets on or before the March meeting of each year and Board adoption of the preliminary budgets by April 15th of each year. Final operating and capital budgets are to be proposed to the Board on or before June 15 of each year with final adoption required by July 15th.

On March 2, 2023, the Fiscal Year (FY) 2023/24 Preliminary Operating Budget was presented for full Board review. El Dorado Transit is required to operate within a balanced budget.

DISCUSSION

Minor changes to the FY 2023/24 Preliminary Operating Budget have been made since the last budget presentation to the Board on March 2, 2023. These include the following:

- A decrease of \$100,000 in Workers' Compensation insurance premiums as estimates for the FY 23/24 coverage period have been provided by the Special Districts Risk Management Authority (SDRMA)

- A decrease of \$37,881 in Public Liability insurance premiums as estimates for the FY 23/24 coverage period have been provided by the California Transit Indemnity Pool (CalTIP)
- A decrease of \$2,500 in Vehicle Physical Damage insurance premiums as estimates for the FY 23/24 coverage period have been provided by the California Transit Indemnity Pool (CalTIP)
- A decrease to annual Connect Card administration expenses based on estimates received from Sacramento Regional Transit (SacRT).
- An increase to the Contingency line item to balance the budget.

Final insurance premium amounts are still pending from the CalTIP for the Public Liability, Vehicle Physical Damage, and Employment Practices Liability Insurance (EPLI) packages. Workers' Compensation rates are still an estimate.

In addition, there have been changes made to the Capital Improvement Plan (CIP) and Budget since the March 2, 2023, presentation. Project estimates have been revised for projects 20-04 and 21-02. Project 18-02 is now considered closed and a new recurring project 24-03 has been included for yearly maintenance of Bus Stops and Shelters.

Staff is requesting the Board adopt the proposed Fiscal Year 2023/24 Preliminary Operating and Capital Budgets as presented and appoint the Chair and Vice-Chair to form an Ad Hoc Committee to review the proposed budgets in detail prior to final adoption by the full Board. Following at least one meeting and direction from the Budget Review Committee, staff anticipates submission of the Fiscal Year 2023/24 Final Operating and Capital Budgets for Board adoption at the regular June 1, 2023, meeting.

FISCAL IMPACT

The Preliminary FY 2023/24 Operating Budget as presented reflects a projected \$9,844,439 in total operating expenditures balanced to anticipated Federal, State and project specific operating revenues.

The Preliminary FY 2023/24 Capital Budget reflects a total of \$10,699,882 in estimated project costs with a shortfall of \$3,961,262 due to the anticipated needs of the Zero Emissions Bus (ZEB) fleet conversion.

**EL DORADO COUNTY TRANSIT AUTHORITY
RESOLUTION NO. 23-10**

**RESOLUTION OF THE EL DORADO COUNTY TRANSIT AUTHORITY
ADOPTING THE PRELIMINARY OPERATING
BUDGET FOR FISCAL YEAR 2023/2024**

WHEREAS, Section 11.1 of the Joint Powers Agreement (JPA) establishing the El Dorado County Transit Authority states, *“For each fiscal year, the Board shall adopt capital and operating budgets which are consistent with the requirements of the Regional Transportation Planning Agency, the California Transportation Development Act, the Federal Highway Act of 1973, and the Federal Transit Administration Act as amended from time to time, and all other funding and regulatory agencies involved in the execution of the purpose of EDCTA.”*; and

WHEREAS, Section 7.1 Preliminary Budgets of the Bylaws states, *“The Executive Director shall propose a preliminary operating budget and a preliminary capital budget to the Board on or before the March meeting of each year.”*; and

WHEREAS, the El Dorado County Transit Authority prepared the preliminary operating budget for Fiscal Year (FY) 2023/24 incorporated as an attachment to this resolution; and

WHEREAS, the preliminary operating budget for FY 2023/24 ending June 30, 2024, is based upon continuation of current public transportation services provided by the El Dorado County Transit Authority; and

WHEREAS, the preliminary FY 2023/24 operating budget projected revenue is based on known levels of anticipated funding;

NOW THEREFORE, BE IT RESOLVED, the El Dorado County Transit Authority hereby adopts the preliminary operating budget for FY 2023/24 ending June 30, 2024.

PASSED AND ADOPTED BY THE GOVERNING BOARD OF THE EL DORADO COUNTY TRANSIT AUTHORITY at a regular meeting of said Board held on the 6th day of April 2023 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jackie Neau, Chairperson

ATTEST:

Megan Wilcher, Secretary to the Board

**EL DORADO COUNTY TRANSIT AUTHORITY
RESOLUTION NO. 23-11**

RESOLUTION OF THE EL DORADO COUNTY TRANSIT AUTHORITY ADOPTING THE
PRELIMINARY CAPITAL PLAN AND BUDGET FOR FISCAL YEAR 2023/24

WHEREAS, Section 11.1 of the Joint Powers Agreement (JPA) establishing the El Dorado County Transit Authority states, *“For each fiscal year, the Board shall adopt capital and operating budgets which are consistent with the requirements of the Regional Transportation Planning Agency, the California Transportation Development Act, the Federal Highway Act of 1973, and the Federal Transit Administration Act as amended from time to time, and all other funding and regulatory agencies involved in the execution of the purpose of EDCTA.”*; and

WHEREAS, Section 7.1 Preliminary Budgets of the Bylaws states, *“The Executive Director shall propose a preliminary operating budget and a preliminary capital budget to the Board on or before the March meeting of each year.”*; and

WHEREAS, the El Dorado County Transit Authority prepared the preliminary capital plan and budget for Fiscal Year (FY) 2023/24 incorporated as an attachment to this resolution; and

WHEREAS, the preliminary capital plan and budget for FY 2023/24 ending June 30, 2024 is based upon continuation of current public transportation services provided by the El Dorado County Transit Authority; and

WHEREAS, the preliminary FY 2023/24 capital plan and budget projected revenue is based on known levels of anticipated funding;

NOW THEREFORE, BE IT RESOLVED, the El Dorado County Transit Authority hereby adopts the preliminary capital plan and budget for FY 2023/24 ending June 30, 2024.

PASSED AND ADOPTED BY THE GOVERNING BOARD OF THE EL DORADO COUNTY TRANSIT AUTHORITY at a regular meeting of said Board held on the 6th day of April 2023 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Jackie Neau, Chairperson

ATTEST:

Megan Wilcher, Secretary to the Board

**EL DORADO COUNTY TRANSIT AUTHORITY
PROPOSED FINAL PRELIMINARY OPERATING BUDGET 2023/2024**

OPERATING BUDGET		FY 2023/2024 Preliminary Presented 03/02/23	FY 2023/2024 Final Preliminary Proposed 04/06/23	Difference
REVENUE ACCOUNTS				
4000.00	Transportation Development Act (TDA/LTF)	\$7,293,579	\$7,293,579	\$0
4270.01	State of Good Repair (SGR) Program	\$297,741	\$297,741	\$0
4100.00	Federal Transit Administration (FTA) Section 5311 Grant	\$741,022	\$741,022	\$0
4100.05	Federal Transit Administration (FTA) Section 5311(f) Grant	\$68,750	\$68,750	\$0
4100.06	Federal Transit Administration (FTA) ARPA Act Section 5311 Grant	\$138,875	\$138,875	\$0
4970.00	Interest Income	\$82,000	\$82,000	\$0
4300.00	Cash Fares	\$97,000	\$97,000	\$0
4310.00	Contract Services	\$140,000	\$140,000	\$0
4330.00	Commuter Route Fare Media	\$418,000	\$418,000	\$0
4350.00	Local Route Fare Media	\$32,000	\$32,000	\$0
4360.00	Paper Scrip	\$9,000	\$9,000	\$0
4370.00	CCJPA	\$185,000	\$185,000	\$0
4400.00	Advertising Revenue	\$15,000	\$15,000	\$0
4990.00	Misc. Revenue	\$400	\$400	\$0
4107.03	Fair Shuttle AB2766 Grant	\$0	\$0	\$0
4109.04	Low Carbon Transit Operations Program (LCTOP) Grant	\$0	\$0	\$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)	\$111,382	\$111,382	\$0
TOTAL REVENUES		\$9,844,439	\$9,844,439	\$0
SALARY & BENEFIT ACCOUNTS				
5010.00	Regular Employees	\$3,551,705	\$3,551,705	\$0
5010.02	Temporary Employees	\$50,000	\$50,000	\$0
5010.07	Overtime	\$50,000	\$50,000	\$0
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	\$1,094,000	\$0
5070.01	(OASDI - Payroll Tax) FICA	\$8,400	\$8,400	\$0
5070.02	MEDICARE - Payroll Tax	\$54,000	\$54,000	\$0
5020.02	Health Insurance	\$1,585,000	\$1,585,000	\$0
5020.03	Unemployment Insurance	\$5,000	\$5,000	\$0
5020.04	LT Disability/Life Ins	\$32,000	\$32,000	\$0
5020.05	Worker's Comp	\$290,000	\$190,000	-\$100,000
TOTAL SALARY & BENEFITS		\$6,747,105	\$6,647,105	-\$100,000
SERVICE & SUPPLY ACCOUNTS				
5090.02	Shop Clothing & Supplies	\$10,000	\$10,000	\$0
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	\$18,000	\$18,000	\$0
5060.01	Insurance Premiums/Public Liability	\$424,881	\$387,000	-\$37,881
5060.02	Insurance Premiums/Physical Damage	\$29,500	\$27,000	-\$2,500
5060.03	Insurance Premiums/Commercial	\$20,000	\$20,000	\$0
5060.04	Insurance Premium EPLI Package	\$25,500	\$25,500	\$0
5090.06	Service Contracts/Equipment	\$200,000	\$200,000	\$0
5160.07	Park and Ride Maintenance	\$15,000	\$15,000	\$0
5160.01	Maintenance/Buildings	\$8,000	\$8,000	\$0
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)	\$417,000	\$417,000	\$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	\$5,000	\$5,000	\$0
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	\$250,000	\$250,000	\$0
5030.10	Employee Medical Exams	\$11,500	\$11,500	\$0
5030.30	Background Checks	\$3,000	\$3,000	\$0
5090.08	Pubs/Legal Notices	\$6,000	\$6,000	\$0
5090.75	Printing	\$10,000	\$10,000	\$0
5120.00	Rents/Leases	\$12,000	\$12,000	\$0
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	\$10,000	\$10,000	\$0
5090.30	Staff Development/Travel	\$30,000	\$30,000	\$0
5040.01	Fuel Purchase	\$750,000	\$750,000	\$0
5090.72	Bank Charges	\$1,500	\$1,500	\$0
5090.73	Credit Card Charge Fees	\$4,000	\$4,000	\$0
5090.74	Connect Card Administration Expenses	\$17,000	\$11,000	-\$6,000
5050.02	Utilities	\$56,000	\$56,000	\$0
5050.03	Utilities/ Park & Rides	\$22,000	\$22,000	\$0
4108.03	Fair Shuttle AB2766 Grant	\$0	\$0	\$0
5008.01	MY RIDE - Mileage Expenses	\$25,000	\$25,000	\$0
6270.00	Contingency	\$444,953	\$591,334	\$146,381
TOTAL SERVICES AND SUPPLIES		\$3,097,334	\$3,197,334	\$100,000
TOTAL OPERATING EXPENSES		\$9,844,439	\$9,844,439	\$0

El Dorado County Transit Authority
Preliminary Capital Improvement Plan Budget FY 2023/24

Status	CIP Project Number	Project Description	Completion Estimate (FY)	Project Budget	FY 2023/24 Expenditures	STA* \$6,373,678	FTA Section 5307 \$700,000	FTA Section 5310 \$176,000	LCTOP \$518,738	SB1 / SGR \$285,297	Restricted \$12,200	Unfunded	
ACTIVE	20-04	Maintenance Facility Swamp Cooler and Steam Cleaner Modifications	2024/25	\$168,675	\$168,675	\$168,675						\$0	
ACTIVE	20-06	Vehicle Replacement - Demand Response - Transit Van	2022/23	\$104,871	\$104,871	\$36,671		\$56,000			\$12,200	\$0	
ACTIVE	21-02	Vehicle Replacement - Maintenance Truck	2022/23	\$47,260	\$47,260	\$47,260						\$0	
ACTIVE	22-02	Park and Ride Parking Lot Resurfacing	2025/26	\$250,000	\$30,000	\$250,000						\$0	
ACTIVE	22-03	Zero Emission Vehicles and Infrastructure	2025/26	\$8,280,000	\$0	\$3,800,000			\$518,738			\$3,961,262	
ACTIVE	22-04	Bass Lake Park & Ride - Phase I	2025/26	\$818,000	\$0	\$118,000	\$700,000					\$0	
ACTIVE	22-05	Scheduling and Dispatching Software Replacement	2023/24	\$132,000	\$0	\$12,000		\$120,000				\$0	
ACTIVE	23-02	Bus Parking Lot Rehabilitation	2025/26	\$519,076	\$134,076	\$99,703				\$285,297		\$0	
PROPOSED	24-01	Administration / Maintenance Facility Equipment	2023/24	\$40,000	\$40,000	\$40,000							
PROPOSED	24-02	Passenger Security Surveillance & Lighting	2025/26	\$300,000	\$300,000	\$300,000							
PROPOSED	24-03	Bus Stop Improvement, Maintenance and Repairs	2025/26	\$40,000	\$40,000	\$40,000							
Project Totals					\$10,699,882	\$864,882	\$4,912,309	\$700,000	\$176,000	\$518,738	\$285,297	\$12,200	\$3,961,262
Remaining Funds Available							\$1,461,369	\$0	\$0	\$0	\$0	\$0	-\$3,961,262

*Balance Per FY 2021/22 Audited Financials

Project Status: In Progress Funded Unfunded