

AGENDA ITEM 2 A
Action Item

MEMORANDUM

DATE: October 25, 2023

TO: El Dorado County Transit Authority
Transit Advisory Committee

FROM: Julie Petersen, Finance Manager

SUBJECT: Final Amended Operating Budget for Fiscal Year 2022/23

REQUESTED ACTION:
BY MOTION,

1. **Receive and File the Final Amended Operating Budget for Fiscal Year 2022/23**
2. **Acknowledge the budget amount of \$1,715,544 in Deferred Local Transportation Funds (LTF) from Contingency**
3. **Authorize the use of Deferred LTF for Fiscal Year 2022/23 Capital Expenses**

BACKGROUND

As of August 30, 2023, most work related to posting was accomplished to close the internal fiscal year (FY) 2022/23 financials.

A Final Amended Operating Budget is typically presented to the Board of Directors following the close of the fiscal year and prior to completion of an independent financial audit. The proposed Final Amended FY 2022/23 Operating Budget (attached) reflects fiscal year-end adjustments from the adopted mid-year version, based on actual revenue and expenses realized during the period.

This item was presented to the Board on September 7, 2023 and was approved.

DISCUSSION

The Final Amended FY 2022/23 Operating Budget reflects an overall increase to revenue and salary and benefit accounts and a decrease to general expenses. Outlined below are the recommended adjustments by line item with comments. The attached Final Amended FY 2022/23 Operating Budget sheet presents the adopted mid-year budget amounts for comparison and shows the net changes proposed.

The Final Amended FY 2022/23 Operating Budget includes limited-time revenue from emergency CRRSAA Act funding in the amount of \$738,717 allocated under the Federal Transit Administration (FTA) Section 5311 program and FTA Section 5307. The Joint Exercise of Powers Agreement (JPA) of the El Dorado County Transit Authority (El Dorado Transit) Section 11.3 states the following: “*The EDCTA shall actively seek to maximize utilization of Federal, State, and other available revenues which shall be applied towards such operating and capital expenditures...*”

Maximum use of Federal CRRSAA Act funds in FY 2022/23 has allowed for a deferral of Local Transportation Funds (LTF) for use in the FY 2023/24 Operating and Capital Budgets. The final amount will be determined after today’s requested action.

El Dorado Transit management and staff worked well within the overall mid-year budget expense projections.

Due primarily to the infusion of the emergency CRRSAA Act funding and prior year LTF carry-over, an increase of \$900,055 in Contingency Funds now totaling \$1,715,544 has been realized. Staff is recommending the use of these (LTF) for matching funds in the Capital Budget to preserve State Transit Assistance (STA) funds in FY 2022/23. Any remaining funds will represent the projected amount of conventional State funding offset for use in the FY 2023/24 operating budget.

REVENUE ACCOUNTS

El Dorado Transit saw an overall increase of approximately \$1,410,107 in revenue accounts.

- 1 Local Transportation Fund (LTF) FY 2021/22 included.
- 2 State of Good Repair (SGR) redirected to capital.
- 3 Interest Income increased to accurately reflect receipts.
- 4 Cash Fares increased to accurately reflect receipts.
- 5 Contract Services increased to accurately reflect receipts.
- 6 Commuter Route Fare Media increased to accurately reflect receipts.
- 7 Local Route Fare Media increased to accurately reflect receipts.
- 8 Paper Scrip increased to accurately reflect receipts.
- 9 Capital City Corridor (CCJPA) income for SLT route.
- 10 Fair Shuttle AB2766 Grant funding award for FY 2022/23

SALARY & BENEFITS EXPENSE ACCOUNTS

Overall, the total Salary and Benefits expenditures were managed well allowing for additional payments to CalPERS: an increase of \$1,112,952.

- 11 Regular Employee salary expenses decreased to reflect actuals. Short staffing continues to be an issue for several departments
- 12 Temporary Employee costs decreased to reflect actual usage of the extra help employees.

- 13 Overtime decreased to accurately reflect costs.
- 14 CRDI and Shift Pay decreased to reflect actual costs.
- 15 Employee Retirement increased to reflect actual costs. Contributions to the California Employers' Pension Additional Unfunded Liability payments of \$1,649,704 made to the Classic funds.
- 16 Social Security (FICA) Payroll Tax reduced to accurately reflect actual costs. These costs are driven by the actual hours worked by extra help employees.
- 17 Medicare Payroll Tax reduced to accurately reflect actual costs.
- 18 Health Insurance decreased to reflect actual premium expenses.
- 19 Unemployment Insurance decreased to reflect actual reimbursement costs.
- 20 Long Term Disability/Life insurance increased to reflect actual premium costs.
- 21 Workers' Compensation reduced to premium.

SERVICE & SUPPLY EXPENSE ACCOUNTS

Total Services and Supplies accounts (including the Contingency line item) increased by \$297,155.

- 22 Uniforms – Other decreased closer to actual expenses.
- 23 Communications – Phone decreased closer to actual expenses.
- 24 Communications – Radio decreased closer to actual expenses.
- 25 Household Expenses - increased closer to actual expenses.
- 26 Insurance Premiums/Public Liability decreased to reflect the two (2) month pre-paid allocation of FY 2023/24 premiums in FY 2022/23.
- 27 Insurance Premiums/Physical Damage decreased to reflect the two (2) month pre-paid allocation of FY 2023/24 premiums in FY 2022/23.
- 28 Commercial Insurance decreased closer to actual premiums.
- 29 Insurance Premiums/Employer Practices Liability Insurance (EPLI) decreased to reflect the two (2) month pre-paid allocation of FY 2023/24 premiums in FY 2022/23.
- 30 Service Contracts/Equipment decreased closer to actual expenses.
- 31 Maintenance/Buildings increased closer to actual expenses.
- 32 Maintenance/Equipment increased closer to actual expenses.
- 33 Maintenance/Grounds increased closer to actual expenses.
- 34 Maintenance/Bus Stops decreased closer to actual expenses.
- 35 Maintenance/Other decreased closer to actual expenses.
- 36 Vehicle Maintenance (In-House) decreased closer to actual expenses.
- 37 Vehicle Maintenance/Tires & Tubes decreased closer to actual expenses.
- 38 Vehicle Maintenance/ Lubricants increased closer to actual expenses.
- 39 Small Shop Tools increased closer to actual.
- 40 Sales Tax/Fuel decreased closer to actual expenses.
- 41 Safety Equipment/Training decreased closer to actual expenses.
- 42 Memberships decreased closer to actual expenses.
- 43 Operating Expense-Other decreased closer to actual expenses.
- 44 Professional Services decreased closer to actual expenses.

- 45 Employee Medical Exams decreased closer to actual expenses.
- 46 Background Checks decreased closer to actual expenses.
- 47 Publications/Legal Notices decreased closer to actual expenses.
- 48 Printing decreased closer to actual expenses.
- 49 Rents/Leases – Equipment decreased to reflect closer to actual.
- 50 Equipment Purchase – Data Processing decreased closer to actual expenses.
- 51 Equipment Purchase – Office increased closer to actual expenses.
- 52 Staff Development/Travel decreased closer to actual.
- 53 Fuel Purchase decreased closer to actual expenses.
- 54 Credit Card Charge Fees decreased closer to actual expenses.
- 55 Connect Card administration Fees decreased closer to actual expenses.
- 56 Utilities decreased closer to actual expenses.
- 57 Utilities Park & Ride decreased closer to actual expenses.
- 58 AB2766 Fair Shuttle reflects expenses of grant.
- 59 My-Ride Mileage Expenses increased closer to actual expenses.
- 60 Contingency increased to reflect the estimated offset of Federal and LTF funding for the FY 2022/23 Operating Budget. If approved with this staff report, Capital expenses for the current year will be subtracted from this amount, as applicable to preserve Capital funding.

FISCAL IMPACT

Staff is presenting a balanced Final Amended Operating Budget for FY 2022/23 totaling \$10,541,644 which is approximately 15% over the mid-year projections. This includes the anticipated deferral of LTF Contingency of approximately \$1,715,544. El Dorado Transit’s final FY 2022/23 financials will be adjusted in the independent audit process and presented during the December 2023 regularly scheduled Board meeting.

**EL DORADO COUNTY TRANSIT AUTHORITY
FINAL AMENDED OPERATING BUDGET 2022/2023**

OPERATING BUDGET		FY 2022/2023 Mid Year	FY 2022/2023 Final Amended
REVENUE ACCOUNTS		Adopted 02/01/2023	Approved 09/07/2023
4000.00	Transportation Development Act (TDA/LTF)	\$6,030,361	\$6,030,361
4000.00	Transportation Development Act (TDA/LTF) Deferred FY 2021/22	\$0	\$1,649,704
4270.01	State of Good Repair (SGR) Program	\$285,297	\$0
4970.00	Interest Income	\$76,000	\$89,000
4100.00	Federal Transit Administration (FTA) Section 5311 Grant	\$741,022	\$741,022
4100.04	Federal Transit Administration (FTA) CRRSAA Act Section 5311 Grant	\$738,717	\$738,717
4100.05	Federal Transit Administration (FTA) Section 5311(f) Grant	\$68,750	\$68,750
4300.00	Cash Fares	\$87,000	\$95,000
4310.00	Contract Services	\$140,000	\$149,000
4330.00	Commuter Route Fare Media	\$308,000	\$346,000
4350.00	Local Route Fare Media	\$31,000	\$54,000
4360.00	Paper Scrip	\$7,000	\$7,700
4370.00	CCJPA	\$185,000	\$145,000
4400.00	Advertising Revenue	\$0	\$0
4990.00	Misc. Revenue	\$0	\$0
4107.03	Fair Shuttle AB2766 Grant	\$32,000	\$26,000
4109.04	Low Carbon Transit Operations Program (LCTOP) Grant	\$75,000	\$75,000
4112.00	FTA Section 5307 Grant Income - Preventative Maintenance (PM)	\$31,181	\$31,181
4112.00	Federal Transit Administration (FTA) CRRSAA Act Section 5307 Grant	\$183,509	\$183,509
5060.00	Offset Reserve Fund - CalTIP (restricted)	\$111,382	\$111,382
TOTAL REVENUES		\$9,131,219	\$10,541,326
SALARY & BENEFIT ACCOUNTS			
5010.00	Regular Employees	\$2,940,530	\$2,868,782
5010.02	Temporary Employees	\$110,000	\$102,500
5010.07	Overtime	\$90,000	\$69,000
5010.08	On Call Pay	\$7,000	\$7,000
5010.09	CRDI and Shift Pay	\$20,000	\$19,000
5020.01	Employee Retirement	\$940,000	\$2,219,000
5070.01	(OASDI - Payroll Tax) FICA	\$5,200	\$6,600
5070.02	MEDICARE - Payroll Tax	\$50,000	\$43,500
5020.02	Health Insurance	\$1,094,000	\$1,064,000
5020.03	Unemployment Insurance	\$8,000	\$3,200
5020.04	LT Disability/Life Ins	\$32,000	\$33,600
5020.05	Worker's Comp	\$275,000	\$248,500
TOTAL SALARY & BENEFITS		\$5,571,730	\$6,684,682
SERVICE & SUPPLY ACCOUNTS			
5090.02	Clothing & Supplies	\$9,000	\$9,000
5090.05	Uniforms - Other	\$10,000	\$7,500
5050.01	Communications - Phone	\$35,000	\$33,000
5090.20	Communications - Radio	\$1,000	\$0
5090.01	Household Expenses	\$16,500	\$18,000
5060.01	Insurance Premiums/Public Liability	\$387,000	\$380,000
5060.02	Insurance Premiums/Physical Damage	\$27,000	\$26,100
5060.03	Insurance Premiums/Commercial	\$14,000	\$8,550
5060.04	Insurance Premium EPLI Package	\$25,000	\$23,500
5090.06	Service Contracts/Equipment	\$190,000	\$163,500
5160.07	Park and Ride Maintenance	\$14,000	\$14,000
5160.01	Maintenance/Buildings	\$17,500	\$30,000
5160.03	Maintenance/Equipment	\$4,000	\$7,300
5160.05	Maintenance/Grounds	\$6,500	\$6,700
5160.09	Maintenance/Bus Stop	\$3,000	\$1,600
5160.00	Maintenance/Other	\$2,000	\$700
5040.00	Vehicle Maintenance (In-House)	\$376,000	\$320,000
5040.02	Vehicle Maintenance/Tires & Tubes	\$99,000	\$76,000
5040.03	Vehicle Maintenance/Lubricants	\$29,700	\$31,000
5040.04	Vehicle Maintenance/Small Tools - Shop	\$5,000	\$5,800
5040.80	Vehicle Maintenance/Sales Tax/ Fuel & Lub.	\$45,000	\$22,000
5090.50	Safety Equipment/Training	\$5,000	\$3,100
5090.40	Memberships	\$6,000	\$5,200
5090.70	Office Expense	\$15,000	\$15,000
5090.80	Postage	\$4,000	\$4,000
5090.00	Operating Expense - Other	\$2,000	\$400
5030.00	Professional Services	\$392,000	\$175,000
5030.10	Employee Medical Exams	\$11,500	\$10,000
5030.30	Background Checks	\$3,000	\$2,500
5090.08	Pubs/Legal Notices	\$5,500	\$3,500
5090.75	Printing	\$10,000	\$9,000
5120.00	Rents/Leases	\$12,000	\$11,700
5140.01	Equipment Purchase - Data Processing	\$1,000	\$0
5140.05	Equipment Purchase - Office	\$1,800	\$1,600
5150.00	Special Department Expense	\$1,500	\$1,500
5150.01	Marketing	\$10,000	\$10,000
5090.30	Staff Development/Travel	\$30,000	\$24,000
5040.01	Fuel Purchase	\$750,000	\$525,000
5090.72	Bank Charges	\$1,500	\$1,500
5090.73	Credit Card Charge Fees	\$4,000	\$2,600
5090.74	Connect Card Administration Expenses	\$17,000	\$16,000
5050.02	Utilities	\$56,000	\$50,000
5050.03	Utilities/ Park & Rides	\$22,000	\$18,000
4108.03	Fair Shuttle AB2766 Grant	\$42,000	\$27,250
5008.01	MY RIDE - Mileage Expenses	\$25,000	\$40,000
6270.00	Contingency	\$815,489	\$1,715,544
TOTAL SERVICES AND SUPPLIES		\$3,559,489	\$3,856,644
TOTAL OPERATING EXPENSES		\$9,131,219	\$10,541,326