

BOARD COMMUNICATION: YOLO COUNTY TRANSPORTATION DISTRICT
350 Industrial Way, Woodland, CA 95776---- (530) 661-0816

Topic: Receive Draft FY 2022-23 YCTD Budget	Agenda Item#: Agenda Type:	5 Discussion	
		Attachments:	<input checked="" type="radio"/> Yes <input type="radio"/> No
Prepared By: Leo Levenson		Meeting Date: May 9, 2022	

RECOMMENDATION:

The Yolo County Transportation District (YCTD) Draft Fiscal Year (FY) 2022-23 budget was distributed to the *Technical Advisory Committee* on April 29, 2022 and is being introduced to the YCTD Board at this time for preliminary review and discussion. Staff recommends that the YCTD Board of Directors:

- a. Receive the Draft FY 2022-23 Budget Resolution and Attached Draft Budget Document for discussion, comments and questions.
- b. Provide written comments and feedback on the draft budget by May 30, 2022.
- c. Consider adoption of the budget after a public hearing at the next scheduled Board meeting on June 13, 2022

BACKGROUND:

A. Draft Budget

A digital copy of the Draft FY 2022-23 budget was sent via email to the YCTD Technical Advisory Committee on April 29th. A copy is also attached to this packet, along with a draft Budget Resolution.

Yolo County Transportation District’s bylaws state that “the Board shall adopt at least a preliminary budget by June 30th which shall serve as the tentative District’s budget pending adoption of a final budget. A final budget shall be adopted no later than August 30th of each year.”

The Draft FY 2022-23 \$17.0 million Operating Budget for combined administration, fixed route, microtransit and paratransit operations represents a \$0.4 million (3%) increase from FY 2021-22.

The Draft FY 2022-23 \$5.1 million capital/planning project budgets represents an \$0.2 million decrease from FY 2021-22.

B. Budget Highlights

Budget highlights include:

- The long-awaited expansion of the Route 42 A/B to 30 minute headways.
- Launch of the new Woodland microtransit service in January 2023.
- Continued restoration of previously-suspended express services as demand warrants and driver resources allow.
- New multimodal project budgets that include a grant-funded planning effort for the Yolo Active Corridors Project.
- Continuing advisory, legal and technical support services to support implementation of a first-in-the-region express lane, paired with transit and transportation equity investments on the Yolo 80 corridor, in partnership with CalTrans.

- Addition of one FTE to our planning team, as well as \$550K in professional services to address the backlog of planning efforts, including a Short Range Transit Plan, 10-year Capital Improvement Plan and Zero-emission Fleet Conversion Plan.

C. State Transit Assistance and Local Transportation Fund (STA/LTF) Funding

The overall amount of Transportation Development Act State Transit Assistance (STA) and Local Transportation Fund (LTF) funding available to Yolo County in FY 2022-23 is \$17.6 million, which is 18.3% greater than for FY 2021-22.

The budget assumes \$8.6 million in STA/LTF funding, an increase of 21.2% over FY 2021-22, leaving \$9.0 million of LTF funds to be retained by jurisdictions for other uses (15.7% increase, as shown in Table 1.1c of the attached budget. This increase in YCTD revenues was a key factor in eliminating the unsustainable use of \$2.6 million in one-time carryforward fund balance that supported YCTD's FY 2021-22 budget (along with the proposed programming of \$1.2 million in Coronavirus stimulus funds (CARES Act and CRRSAA).

The contribution amount for each member jurisdiction was set so that YCTD and member jurisdictions would share equally in the LTF allocation growth, with the result that the amount retained by the jurisdiction would grow by the same percentage as the growth in their LTF allocation.

D. Draft Budget Resolution

The attached draft Budget Resolution is being provided for discussion purposes only. Staff is not requesting approval of the Budget Resolution at this time. Rather, staff is requesting comments and questions, so that the Board will be prepared to approve the Budget Resolution at the June meeting.

The draft Budget Resolution would accomplish the following:

- Adopt the attached budget as a final FY 2022-23 budget.
- Authorize a cost-of-living adjustment (COLA) of 3.98% for YCTD staff and salary ranges, consistent with the formula in the Personnel Policy adopted by the Board in December 2021, which reflects the California Urban index increase from April 2020 to April 2021.
- Approve the 1 additional FTE proposed in the draft budget.
- Authorize the deposit of \$112,000 into YCTD's new General Reserve to maintain the 25% General Reserve target level approved by the Board in March 2022.
- Authorize the use of State Transit Assistance (STA) funds from FY 2020-21, FY 2021-22 and FY 2022-23 to be applied toward the local share of the capital projects identified in the Budget Table 2.1.
- Authorize the Executive Director to move funding between expenditure categories in the operating budget, adjust position classifications, and reprogram grant and local funding within approved projects, provided that operating and project budget expenditures and staff FTE do not exceed amounts authorized by the Board.
- Requires the Executive Director or their designee to provide budget status reports to the Board at the regularly scheduled November 2022, February 2023 and May 2023 Board meetings, or at any other time that may be requested by the Board, that shall include updated revenue and expenditure projections, and, in the event of anticipated revenue shortfalls or expenditure overruns, shall propose budget rebalancing options.

E. Next Steps

The YCTD Board is requested to provide comments, questions, and feedback on the Draft FY 2022-23 Budget to YCTD staff by May 30, 2022. Staff recommends that the Board set the next regularly scheduled Board meeting of June 13, 2022 as a public hearing on the Draft Budget, which may be adopted at that hearing or at a subsequent special Board meeting prior to July 1 as a Preliminary or Final FY 2022-23 Budget. .

DRAFT RESOLUTION NO. 2022-XX

APPROVING THE FISCAL YEAR 2022-2023 BUDGET AND COST OF LIVING ADJUSTMENT, AUTHORIZED POSITIONS, DEPOSIT OF FUNDS TO THE GENERAL RESERVE, AND USE OF YCTD STATE TRANSIT ASSISTANCE FUNDS FROM FY 2020-21, 2021-22 and 2022-23

- WHEREAS, (1) Pursuant to Yolo County Transportation District (YCTD) enabling legislation, a public hearing has been held regarding the attached proposed annual budget for Fiscal Year (FY) 2022-2023, and the proposed budget was available for public inspection at least 15 days prior to the hearing; and
- WHEREAS, (2) Chapter 8 of the YCTD Personnel Policy provides that subject to Board approval, a Cost of Living Adjustment may be applied to YCTD salaries that shall be based on the increase in the “All Urban Consumers” category of the California Consumer Price Index (CPI), between April (two calendar years before the adjustment) and April (one calendar year before the adjustment), i.e., the July 1, 2022 adjustment will use the CPI time period of April 2020 and April 2021, and
- WHEREAS, (3) The increase between CPI for April 2020 (283.006) and April 2021 (294.274) was 3.98%; and
- WHEREAS, (4) The YCTD Personnel Policy provides that the Board of Directors may from time to time amend the Authorized Position Resolution, setting forth the classification and number of full-time equivalent positions as recommended by the Executive Director; and
- WHEREAS, (5) The YCTD Personnel Policy provides that the Board of Directors may from time to time amend the Authorized Salary Resolution, as recommended by the Executive Director; and
- WHEREAS, (6) The YCTD General Reserve Policy target is 25% of budgeted operating expenditures; and
- WHEREAS, (7) The Sacramento Area Council of Governments (SACOG) allocated State Transit Assistance (STA) funds to YCTD in the amount of \$170,298 for FY 2020-2021, \$275,466 for FY 2021-2022, and in March 2022, and an initial allocation of \$302,446 for FY 2022-2023, subject to revision in August 2022; and
- WHEREAS, (8) The Executive Director is responsible for monitoring revenues and expenditures to ensure that the budgeted service levels can be provided within the anticipated resources available to the District, or to inform the Board and propose rebalancing solutions as soon as possible in the event of unanticipated revenue shortfalls or expenditure increases that could affect the District’s ability to maintain budgeted service levels; now therefore be it
- RESOLVED, (a) The attached Yolo County Transportation District operating and capital budget for FY 2022-2023 is adopted as a final budget; and be it further
- RESOLVED, (b) That a Cost of Living Adjustment of 3.98% is approved for existing YCTD staff salaries (including the Executive Director), effective July 1, 2022; and be it further
- RESOLVED, (c) That a Cost of Living Adjustment of 3.98% is applied to existing staff salary ranges effective July 1, 2022, as provided in the attached FY 2022-2023 Budget Table 1.1b , and that such adjustment by this

resolution shall be considered an amendment to the Authorized Salary Resolution as provided by the YCTD Personnel Policy; and be it further

- RESOLVED, (d) The positions included in the attached FY 2022-2023 Budget Table 1.1b are approved, and such approval shall be considered an amendment to the Authorized Position Resolution, as provided for in the YCTD Personnel Policy; and be it further
- RESOLVED, (e) That the Executive Director is authorized to reclassify staff or change the classification of vacant positions based on actual work plans for the associated positions, provided that expenditure projections show that such reclassifications will not cause the fiscal year budget for salaries and benefits to be exceeded, and provided that the creation of new classifications or adjustments to classification salary ranges continues to require Board approval; and be it further
- RESOLVED, (f) That the Executive Director is authorized to commit an additional \$112,000 of unrestricted fund balance to the General Reserve to meet the policy target of 25% of budgeted operating expenses; and be it further
- RESOLVED, (g) That the Executive Director or their designee is authorized to apply YCTD State Transit Assistance Funds allocated for FY 2020-2021, FY 2021-2022, and FY 2022-23 (including any adjustment to that allocation), and any other funds reserved for capital projects and available YCTD unrestricted funds to cover costs associated with the projects listed in the FY 2022-2023 budget Table 2.1 Capital and Planning projects; and be it further
- RESOLVED, (h) That the Executive Director is authorized to move appropriation authority between expenditure categories within the operating budget, provided that the total budget is not increased and ongoing service reductions are not implemented without Board approval; and be it further
- RESOLVED, (i) That the Executive Director is authorized to reprogram available grant and local funding to support eligible expenses within the approved operating and capital and planning project budgets in order to draw down expiring funds, maximize funding flexibility, and whenever otherwise advantageous to the District; and be it further
- RESOLVED, (j) That the Executive Director or their designee shall provide budget status reports at the regularly scheduled November 2022, February 2023 and May 2023 Board meetings, or at any other time that may be requested by the Board, that shall include updated revenue and expenditure projections, and, in the event of anticipated revenue shortfalls or expenditure overruns, shall propose budget rebalancing options.

Adopted at a regular meeting of the Board of Directors at Woodland, CA, this 13th day of June, 2022.

Signed: _____

Chair of the Board

Attest: _____

Clerk to the Board