

## INTER OFFICE MEMO

**To:** Administration & Finance Committee

**Date:** 04/26/2023

**From:** Amber Johnson, Chief Financial Officer

**Reviewed by:** WC.

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**SUBJECT: Updates to Fiscal Year 2024 Draft Budget and Forecast**

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### **Background:**

County Connection's Fiscal Year (FY) 2024 Draft Operating and Capital Budget was approved by the Board of Directors in April so that a timely Transportation Development Act (TDA) claim could be filed with the Metropolitan Transportation Commission (MTC). Staff continue to monitor revenue and expenditure assumptions for the coming year, until the final FY24 budget is adopted by a public hearing in June.

### **Updates to the Draft Budget:**

The majority of the assumptions made in the draft budget remain adequate, based on known information at this time, with the following exceptions:

#### Expenditures:

1. Diesel Fuel (10-50401001-031). Staff recommend increasing the expenditure budget for diesel fuel from \$2,000,000 to \$2,200,000 based on current trends for fuel prices in today's market.
2. Gasoline (10-50401003-081). Similarly, staff recommend increasing the expenditure budget for gasoline from \$24,000 to \$30,000 based on current trends for fuel prices in today's market.
3. Office Furniture and Equipment (Capital). Staff recommend shifting \$50,000 from the office furniture and equipment capital budget to the operating budget, due to an internal procedure change regarding the capitalization threshold of capital purchases.

#### Revenues:

4. Current Year TDA 4.0 Income (10-40901001-000). Increase TDA revenue utilization by \$230,000 based on items 1 and 2 above. Item 3 results in a net zero increase in expenditures, so no increase to revenue is required.

### **Financial Implications:**

Implementing these changes to the final adopted budget would result in an increase of \$230,000 in expenditures and revenues, bringing the total expenditure authority from \$49,326,889 to \$49,556,889.

**Recommendation:**

Staff recommends the A&F Committee review and discuss the proposed updates to the FY 2024 Draft Budget.

**Action Requested:**

None, for discussion only.

**Attachments:**

None.