



2020-2021 Budget Minutes Budget Committee Meeting

Thursday, June 15, 2020

3076 NE Diamond Lake Blvd, Roseburg, OR 97470

PRESENT: Mike Baker, Kat Stone, Mark Hendershott, Sarah Thompson, Natasha Jansen, Roy Spurgeon, Toby Notenboom, Shelley Gurney, John Parker.

ABSENT: Jennifer Bragg, Lonnie Rainville, John Schlais.

PRESENTER: Cheryl Cheas, UPTD General Manager.

1. Call to Order:

Meeting called to order at 5:37 p.m. by UPTD Board Chair Mike Baker.

2. Roll Call

Roll call taken by UPTD Board Chair Mike Baker.

3. Pledge of Allegiance

Recitation of the Pledge of Allegiance.

4. Presentation of Fiscal Year 2020/21 Budget

Board Chair Mike Baker welcomed members to Umpqua Public Transportation District's first official budget committee meeting. Historical clarification that prior year's budget was minimal due to UPTD not having resources at the time and not planning to take over bus services until July 2021. The upcoming fiscal year's budget is complex due to UPTD taking over UTrans starting July 1, 2020. UPTD General Manager Cheryl Cheas has been working closely with Neuner Davidson and UCAN to ensure Fiscal Year 2020-21 Budget meets the District's upcoming needs.

Budget Introduction:

UPTD General Manager Cheryl Cheas read the Letter of Transmittal and Budget Message to UPTD Budget Committee, followed by review of the STIF projects that are included in the Public Transportation Improvement Plan.

Form LB-1 Financial Summary – Resources

Reviewed Fiscal Year 2018-19 that showed zeros (0) across the board. The adopted budget for 2019-20 proposed Resource – Federal, State & all Other Grants, Gifts, Allocations & Donations totaled at \$3,475,973, Interfund Transfers/Internal Service Reimbursements at \$1,129,503, and the Total Resources for that fiscal year as \$4,605,476.

Provided with this budget, the proposed Beginning Fund Balance/Net Working Capital of \$1,370,000. Fees, Licenses, Permits, Fines, Assessments & Other Service is projected at \$210,000. Federal, State & all Other Grants, Gifts, Allocations & Donations estimated at \$3,761,428. Interfund Transfers/Internal Service Reimbursements forecasted at \$860,835. All Other Resources Except Current Year Property Taxes estimated at \$11,000. The Total Resources amount expected for the Fiscal Year 2020-21 is \$6,213,263.

Form LB-1 Financial Summary – Requirements by Object Classification

Personnel Services is suggested at \$1,938,700. Materials and Services planned at \$1,121,700. Capital Outlay anticipated at \$1,435,000. Interfund Transfers projected at \$860,835, with Contingencies at \$300,000. The Unappropriated Ending Balance and Reserved for Future Expenditure is proposed at \$557,028.

Form LB-1 Financial Summary – Requirements and Full-Time Equivalent Employees (FTE) by Organizational Unit or Program

For the Fiscal Year 2020-21 UPTD has two (2) FTEs with Administration proposed at \$190,500, and for Operations UPTD has twenty (20) FTEs planned at \$1,748,200. UPTD totals FTEs at twenty-two (22).

Resources - General Fund

General Fund is a combination of all the cash resources that UPTD has available, including federal grants, state grants, the Special transportation Improvement Fund (STIF), Capital grants, and collecting fares on the bus, medical transportation, miscellaneous advertising, totaling at \$4,311,971 for grant and income-based funding.

Clarified requirement for historical data shows preceding three (3) years. UPTD was not in existence or did not have any funding during the prior years and shows all numbers as zero (0). As UPTD moves forward year to year, it will start to show the historical data for reference during the budget process.

In Fiscal Year 2019-20, there is \$250,000 in Local which was UPTD transfer from Douglas County. The State showing \$2,298,193 is primarily the STIF transportation plans, and the combination between state and federal grants that were also allocated to UPTD.

Discussed 5311 CARES funding which first came into effect because of the pandemic which provided an additional almost \$500,000 worth of funding that is at zero (0) match rate. After Fiscal Year 2020-21, funding should be depleted to zero (0) dollars, but it will show on the history side for three (3) years.

General Fund – Administration

Data was gathered from prior years while transit was still under UCAN, Fiscal Year 2020-21 planned numbers of personnel services for Administration numbers provided to Neuner Davidson for analyzation and returned with approximately 3% increase as appropriate for UPTD. General Manager Salary planned at \$73,000; Program Assistants at \$42,000; Overtime at \$6,000. Personnel Employment Services is estimated at \$10,000. Payroll Taxes and Fringe Benefits are calculated based on employees intended to hire or already hired. Retirement numbers based on upcoming presentation for UPTD Board approval.

Administration expenses proposed for Fiscal Year 2020-21:

Accounting Fees projected at \$12,000. Audit Fees estimated at \$15,000. Background Checks planned at \$2,300. Bank Service charges expected at \$1,000. Conference Fees/Staff Training proposed at \$3,500; lower number than expected due to conferences canceled due to pandemic only expecting two (2) employees from admin to attend any conferences for the upcoming Fiscal Year 2020-21. Copier Lease planned at \$1,400. Dues, Membership, & Fees proposed for \$4,200. Lease of District building is anticipated to \$8,000 until the building purchase completion by September. Legal Fees intended at \$1,500. Liability Insurance

projected at \$17,000. Miscellaneous proposed at \$1,000. Non-capital equipment purchase planned at \$5,000. Postage estimated at \$800.

Safety Related Expenses proposed at \$200, recommendation to increase projected amount to \$500. Committee Consensus to increase Safety Related Expenses from \$200 to \$500 and discussion of where to reduce the amount by \$300 to cover the increased amount. Committee consensus to decrease the Unappropriated Ending Balance to cover differences found throughout Budget presentation. Unappropriated Ending Balance begins at \$557,028, reduced by \$300 makes new ending balance \$556,728.

Staff Lodging, Mileage, and Per Diem based on two (2) Admins going to two conferences and the reimbursement that ODOT usually reimburses at 80% rate for training within Oregon and 50% rate for trainings outside of Oregon. Staff Lodging planned at \$1,300. Staff Mileage planned at \$3,400. Staff Per Diem planned at \$500. Committee Consensus to increase Conference Fees/Staff training from \$3,500 to \$4,800; Unappropriated Ending Balance \$555,428.

Staff Training Supplies proposed at \$300. Staff/Community Recognition suggested at \$2,500 and Office Supplies at \$3,900. Telephone projected at \$1,600 and Utilities at \$8,000.

Discussion whether proposed budget for the upcoming Fiscal Year 2020-21 included the potential loan for the building that UPTD was anticipating closing on by September. Committee consensus to add additional line between Utilities and Total Materials and Services for Building Purchase Loan at \$50,000. Unappropriated Ending Balance \$505,428.

General Fund – Operations

The overview for Operations begins with the lease for the downtown office location, projected at \$10,000 if no changes made to lease amount in negotiation or potential move from Rose St location. Building Maintenance & Repairs estimated at \$6,000. Bus Shelter Maintenance estimated at \$6,100 for the thirty-three (33) bus shelters.

Telephone Cellular is projected at \$7,200; includes a few cell phones and the 17 tablets that are provided for the Dial A Ride service providers.

Office Supplies estimated at \$3,900. Software and Maintenance Support estimated at \$14,000. Bus Supplies \$1,000; current COVID PPE requirements falls under CARES funding but going forward will be necessary to allocate appropriately.

Printing & Copying expected at \$5,000; includes printing of schedules, brochures, etc. Postage is estimated at \$800 for operations. Liability Insurance is proposed at \$48,000. Advertising estimated at \$6,500.

Background Checks projected at \$500, based on the number of employees in operations brought on board prior to July 1, 2020 and going forward. Committee discussion and consensus to increase Background Check proposed amount from \$500 to \$1,000. Unappropriated Ending Balance decreased to \$504,928.

Personnel Services for Transportation Operations include Bus Drivers Salary at \$924,200; which \$348,699 is estimated to come out of STIF, the salaries that are allocated to the

projects that are going to increase frequency to Roseburg and Sutherlin routes and connection to Cottage Grove and Wolf Creek.

Operations Program Assistant is the Program Assistant that we have at the Rose St Address, for \$41,000. Salary for the Transit Supervisor and Safety estimated at \$90,000. Overtime scheduled at \$6,000. Personnel Employment Services suggested at \$20,000. Payroll Tax \$135,000. Fringe Benefits \$310,000.

Retirement is proposed a little high at \$222,000, recommended to change that to \$98,945. Committee discussion and consensus to decrease the proposed amount for Retirement from \$222,000 to \$110,000, which increases the Unallocated Ending Balance to \$616,928.

Legal Fees proposed at \$1,500. Transportation Contracts \$520,000 includes the contracts that UPTD currently holds with the Dial A Ride providers.

Conference Fees and Staff Training is for the Transit Trainer/Supervisor to go to conferences for training, but also includes training for the drivers as well. Per Diem \$1,000, Staff Lodging \$5,000, and Staff Mileage \$3,300. Budget Committee discussion and consensus that Per Diem should be raised to \$3,000 to cover the 60% of the cost. Decreasing the Unallocated Ending Balance to \$614,928.

Gas and Oil should be termed as Fuel and Oil and is estimated at \$154,000, in the hopes that fuel prices remain low.

Dues, Membership, & Fees is a duplicate in Operations as the membership for Administration and Operations will become one (1) membership as of July 1, 2020. Duplication of Dues, Membership, & Fees of \$4,200 removed, altering the Unallocated Ending Balance to \$619,128.

Non-Capital Equipment Purchase \$5,000. Bus Repairs & Maintenance \$45,000. Bus Preventive Maintenance \$162,000; estimated on worst case scenario. Preventive Maintenance approximately costs \$10,000 - \$17,000 per month but putting new vehicles into service should help reduce cost of maintenance. Miscellaneous \$1,000.

Safety Related Expenses at \$200; Committee consensus to raise amount to \$1,000 for Operations Safety Related Expenses from \$200, changing the Unallocated Ending Balance to \$618,328.

Bank Service Charges \$1,000 is a duplicate and is removed from the proposed Budget and added to Unallocated Ending Balance \$619,328.

Staff/Community Recognition is proposed at \$500; recognition is provided once a year for Christmas. Discussion for alternative options for Staff Recognition that may be more cost effective; \$50 gift card provisions as a government entity may need to get looked at with scrutiny. \$2,500 is already proposed on the Administration side, so the Operations listing is a duplicate. Unallocated Ending Balance \$619,828.

Drug Testing/Physical is proposed at \$3,600; includes pre-employment and random screenings. Committee discussion regarding the onboarding process for Medical

Transportation and the timeframe for that program to begin. Medical Transport would have its' own income revenue source and would manage its own expenses associated with that. Not expecting to launch program for several months into the upcoming Fiscal Year.

Requirements Summary – General Fund – Not Allocated

Adopted Budget for Fiscal Year 2019-20 shows the dollar amounts budgeted for the current fiscal year. Fiscal Year 2020-21, UPTD will no longer be contracted with UCAN and operations will be ran by UPTD therefore the proposed amount for Materials and Services Not Allocated will be zero (0) going forward.

The amount of \$860,835 will be transferred to Capital Projects.

Resources – Capital Projects

The Capital Projects UPTD has currently are the purchase of the District building and the vehicle match that was Project #4 for the STIF projects that were put aside to match over a million dollars' worth of grants. Those grants are due to be executed on July 1, 2020; that is over \$200,000 UPTD had per vehicle match would be going towards those purchases.

Available cash on hand going into Fiscal Year 2020-21 is \$1,040,457

Expenditures – Capital Projects

Capital Projects anticipated \$1,435,000 with an Unappropriated Ending Balance of \$466,292. Total Requirements \$1,901,292. Numbers changed and amended with Unappropriated Ending Balance of \$619,828.

MOTION: Roy Spurgeon moved to recommend for approval the proposed UPTD Fiscal Year 2020-21 Budget as amended. Seconded by Natasha Jansen. No further discussion. Vote: 9 – Yay; 0 – Nay; 0 – Abstain; 3 – Absent.

5. Adjournment at 6:50 p.m.