



## 2021-2022 Budget Minutes Budget Committee Meeting

Thursday, May 27, 2021

3076 NE Diamond Lake Blvd, Roseburg, OR 97470

**PRESENT:** John Parker, Mike Baker, Kat Stone, Mark Hendershott, Lonnie Rainville, Sarah Thompson, Natasha Atkinson, Roy Spurgeon, Toby Notenboom, Shelley Gurney, Crystal Hall.

**ABSENT:** Dick Dolgonas.

**PRESENTER:** Lora Jones, Neuner Davidson & Co.

### 1. Call to Order:

Meeting called to order at 5:36 p.m. by UPTD Board Chair John Parker.

### 2. Roll Call

Roll call taken by UPTD Board Chair John Parker.

### 3. Pledge of Allegiance

Recitation of the Pledge of Allegiance.

### 4. Presentation of Fiscal Year 2021/22 Budget

Initial clarification of historical data required to show preceding three (3) years. The columns for Fiscal Year 2021-22 UPTD Budget Worksheet that show zero (0) as an official declaration of no data for those previous years. Upcoming fiscal years will start to show data and replace those prior fiscal years on the worksheet.

#### Budget Introduction

General Manager Cheryl Cheas introduces Lora Jones from Neuner Davidson & Co. to provide greater part of UPTD Fiscal Year 2021-22 Budget Presentation. Cheryl will provide any answers to questions that are specific to any projects.

Biennial funding that is confirmed for UPTD to receive for the upcoming two (2) years was split in half for the Fiscal Year 2021-22 for budgeting purposes. Some grants are budgeted for full amounts of the grants depending on usage and purpose.

Per UPTD site review, the UPTD budget has been split up to each appropriate UPTD department for reporting purposes and appropriation of funds. The UPTD departments are defined into Admin, Ops Admin, Operations, Paratransit, and Call Center. Many of the projections are budgeted throughout each department for the Fiscal Year 2021-22.

#### Bus Replacement Fund

Created a Capital Projects Fund for bus replacement, found on page 12 of worksheet, for money received by UPTD for selling a bus; UPTD is required to put that money toward purchasing new buses. This includes other resources 5339 Capital Grant, 5311 Bus Capital, and STIF Grant that came in for \$205,000. Another part of the Capital Project is putting into the project next door or any capital work that needs to be put into the current property.

## **General Fund**

5311 is federal funding split up into admin, operations, and preventive maintenance; each category has a different match rate.

5311 CARES funding is a separate grant for COVID funding. This funding has no match rate and should be spent down by the end of the year.

5310 funding is the federal funding for seniors and people with disabilities. A portion is allocated to the call center and the remainder is allocated to the demand response service, Umpqua Rides.

5304 funding is a planning grant received to develop a marketing plan.

STF funding is through the State and is also for seniors and people with disabilities. STF funding is entitlement funding provided to UPTD at the beginning of each quarter.

STIF is the Special Transportation Improvement Fund which is the HB 2017 one-tenth of a percent ( $\frac{1}{10}\%$ ) of payroll tax, \$1.00 for every \$1,000 that is earned through payroll. STIF is a funding source that does not have a match, it can be used as match but can also be used without match as its' own funding source.

5339 Bus & Bus Facilities grant for four (4) expansion demand response vehicles; grant is in process and expires by end of upcoming fiscal year.

5339 Equipment funding for the new radio system for all UPTD vehicles and a base system for the District building, and a base system at the downtown office location.

STP Vehicle Replacement grant for three (3) demand response vehicles, two (2) Class C, and one (1) Class D vehicle.

Bus Fares & Contract Revenue projected at \$39,000 per quarter. Projection calculated based on typical bus fares received prior to COVID, ridership is down but may increase.

Medical Transportation calculated from the current income received, prior to expense and mileage reimbursement and portion of dispatchers salary. Anything not expended goes back into General Fund and can be used as match for anything.

Miscellaneous, Advertising projected at \$6,000. This category includes advertising, but UPTD has not received much advertising revenue. Calculation is based on the lease payment received from current tenant. Once enough staff available to coordinate advertising, the income should increase from advertising.

UPTD's average interest earned is very minimal at about \$36 per month.

## **General Fund – Admin**

Admin wages were raised for the proposed budget in accordance with the District's wage study completed. Line items within admin pay are based on current pay and salary, plus a 5% merit that could possibly happen throughout the year.

Workers' Compensation Insurance grouped in with the taxes in the worksheet and divided throughout the different departments.

Building Maintenance & Repairs spread out and divided across all departments, except for Paratransit, as Paratransit is the only department with no allocations because it is a part of operations, it just has certain funding sources that need to be allocated separately.

Conference Fees/Staff Training was not split out per department, but combined into one sole line item for Admin.

Audit Fees are doubling because UPTD must undergo what is called a "Single Audit." Single Audit requirement expected because UPTD received over the \$750,000 limit in federal funding during the current fiscal year. Meanwhile, Accounting Fees are a reduced expenditure because a Financial Manager has been recruited and Accounting will be brought in house.

Liability Insurance distributed between Admin department at \$10,000 and Operations department at \$10,000. UPTD has a 10% reduction in rate for upcoming fiscal year from additional admin training.

#### **General Fund – Operations**

Bus Supplies expected at a higher amount due to PPE supply requirements.

Cost of fuel expected as an increased expenditure because cost of fuel is increasing. In one month, the cost of fuel has gone up significantly from approximately \$7,000 to \$12,000. Fuel projected out based on increase.

#### **General Fund – Call Center**

IT Maintenance/Software amount projected at \$39,000. This includes the dispatching software which has a high renewal fee and IT on top of that. Plan to do RFP for dispatching software.

#### **General Fund – Paratransit**

Currently have two and a half Paratransit drivers, plan to put more for Winston/Sutherlin for the hourly service requirement soon.

Drug and alcohol testing for Paratransit would be same pool as Operations, therefore is calculated in with Operations.

#### **General Fund – Capital Projects**

Capital Outlay budgeted at \$30,000 for any new equipment needed for new employees, including desks and office equipment.

Payment for loan expected for both principal and interest for the Fiscal Year 2021-22; based on the debt schedule.

The Transfer going into Capital Projects is the match for all the federal funds for the buses.

Operating Contingency for if UPTD were to go over budget proposed at \$10,000.

Unappropriated Ending Balance \$359,491. Total Requirements for all Programs within fund \$3,831,200 with Total Requirements Not Allocated at \$1,160,850.

Infrastructure loan not included in this budget because amount is unknown yet. Would need to do a supplemental budget if Infrastructure Loan is completed during upcoming fiscal year.

**MOTION:** Mike Baker moved to recommend for approval the UPTD Fiscal Year 2021-22 Budget. Seconded by Lonnie Rainville. No further discussion. Vote: 12 – Yay; 1 – Nay, John Parker; 0 – Abstain; 1 – Absent.

**5. Adjournment at 6:22 p.m.**