

Board Retreat

Hood River County Transportation District

March 2, 2019

Attendees: Jake Bolland, Leanne Hogie, Marbe Cook, Rob Brostoff; Teresa Ocampo; Leti Valle; Mark Reynolds

Staff: Patty Fink, Teresa Gallucci, Our Team Accounting

This was an informal meeting of the Board to review the Board's financial situation and provide input on goals for the coming fiscal year.

Chart of Accounts – Teresa Gallucci from Our Team Accounting (OTA) gave a brief overview of the revised Chart of Account (COA). OTA worked with Board Member Jake Bolland and Patty to redesign the COA to better meet the needs of the Board and our Grantors. The consensus of the Board was that the changes that had been made were helpful – the Board asked OTA and Patty to continue to refine (as appropriate) the COA for the coming Budget Season.

Financial Policy: Contingency Reserve - After a brief discussion on the purpose of the reserve fund and the interest in leaving some general flexibility to the Board, the Board approved the draft changes to the Contingency Reserve Policy. Patty noted that if we moved forward with expansion (CGE, HWY 35) that the Board would need to ensure that a set aside from the grant would move to build up the contingency fund.

As part of this discussion, Patty noted that the existing practice of transferring funds to the Operating Account throughout the year should not continue. Patty suggested that the Board transfer the funds from the Contingency Reserve at the beginning of the year. This will do two things. 1) allow more flexibility for the Executive Director in the Operating Account and 2) ensure that the funds transfer from the contingency reserve would only happen with Board approval. There was some discussion about how this might best be accomplished. The Board liked the idea, but opted to make a final decision on how much to transfer as part of the budget process.

Financial Policy: Signature Authority - The Board had a conversation regarding signature authority for grants and other contractual agreements that bind the Board to specific terms. The Board settled on allowing the Executive Director "to and enter into a grant financial contract, that is less than \$250,000, for the Board of Directors *if their approval to enter into such an agreement has been previously provided.*" The Board also noted that any contract over \$250,000 must be approved and signed by the Executive Director and the Board Chair.

In addition, the Board provided signature authority for individuals checks & EFT transfers as follows:

Any formal check written or Invoice paid by Electronic Fund Transfer may be authorized by the Executive Director if 1) they are within line item budget limits; 2) are approved by the Executive Director and 3) are less than \$10,000 or less than \$20,000 when associated with a legal or formal contract or agreement that has been approved by the Board and signed by the Executive Director.

Staffing – Patty provided the staffing chart and job descriptions for existing positions. Teresa O. asked whether the positions were actually what the District needed or whether they were tailored to staff strengths. Patty noted that there was some of both. She admitted that in an ideal world, the Office Manager would also take on administrative duties – but that given the current staff strengths with IT and the District need for IT support– the position was reconstituted to include IT rather than administrative duties. This was done because it would be "easier" to hire for administrative duties and also might be incorporated into other longer-term options.

As part of the discussion Patty noted that Ty Graves had done an exemplary job in the temporary Office Manager position and that she would like to offer him the permanent position as of April 1st. The Board had no objections.

Supplemental Budget – Patty explained that because the Board had approved the implementation of the Commuter Bus – a supplemental budget should be filed. Patty noted that she expected the year-end budget to come in very close to the proposed budget in terms of money in the bank (e.g. around \$50K less than last year). She also asked that the Board formally approve a transfer of \$200,000 from the County Account to the Operating Account, to allow the District to back fill some delays in grant funds due to the Government Shut down and the delay of STIF funds. Jake provided the motion, Marbe seconded -the transfer was unanimously approved by the Board.

Budget Process – Patty indicated she would like to begin the Budget process in April/May. Patty had not yet reached out to the Budget Committee. The Board indicated they thought last year's committee was effective and she should go ahead and see if they wanted to continue and would fill vacancies as available.

Funding Uncertainty – Patty provided a brief overview of the potential opportunities and constraints for next year's budget. She highlighted that for the past five years the Board had been spending slightly more than they were taking in and this year there were several grants that might not be renewed and other funds that might be cut back – and while the STIF formula funds for Hood River would help to make these resources up, the Board had a decision to make: to either move forward aggressively or look to scale back in a thoughtful and strategic way.

Given that the Board had moved forward with the STIF discretionary Fund for CGE and was moving ahead with the HWY 35 planning, the Board had indicated their interest in moving ahead. Patty noted, however that the Board would need to be conservative and thoughtful about this direction and make sure that their budgeting allowed for the District to remain fiscally sound. Several Board Members asked about what would happen if the grant funds didn't come through – and Patty said it would be useful to ensure the new budget reflected the potential scenarios.

Long-term Financial Planning – Patty noted that if the Board did move ahead, they would need to aggressively tackle two issues the expansion of vehicle storage and a permanent regional transit hub. Leanne suggested that at the next Board Meeting they establish a committee that might look at the options.