

Purpose of the Budget

In compliance with the State of Oregon Local Budget Law, the 2020-2021 (FY21) Budget beginning July 1, 2020 and ending June 30, 2021 is submitted to the Budget Committee for approval. As prepared and submitted, the annual budget is intended to serve as a financial plan for the Board's goals for the coming fiscal year. To that end the Budget should:

- Outline the forecasted expenditure requirements to meet those goals and the proposed means for financing those requirements.
- Provide a financial overview of the use and deployment of personnel, materials and services during the fiscal year.
- Offer guidance to the Board & District on overall operational priorities and expenditures.

Accomplishment of Fiscal Year 2020

Much of the focus for CAT in FY20 Budget was to begin a long-term operational and revenue strategy that would better address local and regional service needs of the community while ensuring a stable and sustainable funding source for the future.

Key outcomes of this focus included:

- Hiring of a new Planning and Development Manager
- Updating logo and look for CAT
- Raising local awareness and marketing within the community
- Implementing the Columbia Gorge Express and Gorge to Mountain services
- Implementing the GORge Go Pass and leveraging resources through strong partnerships with governmental agencies, businesses, and other community stakeholders
- Fostering new planning and visioning efforts for Gorge wide transit vision
- Growing ridership (particularly in the local City Route, Columbia Gorge Express, and Gorge to Mountain services)

Board Goals for the 2021 Budget Year

The Board's goal for the District this year is to:

- Ensure the District can financially weather the COVID pandemic. This would include:
 - Restoring and maintaining existing transit services
 - Fostering CAT's identity as an essential service within the Hood River community and working with key partners to rebuild confidence in transit use both locally and regionally
 - Maintaining and continuing to build key partnerships
 - Working to identify and secure revenues long-term for new services

Overview of the 2021 Proposed Budget

The COVID-19 Pandemic has created a variety of challenges and opportunities for CAT and other transit providers in Oregon. While there is no doubt that recovery will come slowly and revenues will dwindle the new resources available through the FTA as part of the CARES ACT show a promising new commitment on the Federal level for transit as critical and essential service going forward.

So, while it is clear that the 2021 Budget will need to grapple with the physical and financial realities of the post-COVID era, it's also an opportunity for us to strengthen our resolve, maintain what we have built and continue to move and build slowly into the future.

The outcome of this budget strategy is outlined in the attached budget. As last year we have presented the budget based on available funding sources.

- **General Budget** – The general budget is made up of federal grants, property tax revenues, state payroll tax collection and a variety of other smaller sources. The general budget proposal recognizes that some revenue decline is expected in payroll and property tax collection, but also assumes that the CARES ACT funds will allow us to fill those gaps. The goal for the general budget is to maintain funding our local services at existing levels with only minor schedule adjustments. CAT has estimated a slow ramp up, but this budget assumes a return to full-service levels by the Fall.
- **Columbia Gorge Express (CGE) Service** – CGE Services are made up of STIF Discretionary Funds (currently match ration is 90/10). Funding for these services has not been impacted by COVID-19 and services should continue through the FY21 Fiscal year. A new grant funding application and associated match amount will be required should the Board wish to continue the CGE intercity grant into FY22. The new grant match rate is expected to be as high as 50% and will be an important source of discussion for the budget next year.
- **Gorge to Mountain (G2M) Hwy 35 Service** – G2M Services are made up of Federal Federal Lands Access Program (FLAP) funds. Funding for these services has not been impacted by COVID-19 and services should continue through the FY21 Fiscal year. A new grant funding application will be required in Spring 2021 should the Board wish to continue services in FY22.

In summary, the draft FY 2021 budget is a conservative one that is designed to offer some flexibility to address the ridership and services needed during this transition time. This year's budget should enable Hood River County Transportation District to ensure local dial-a-ride and fixed-route services are on a stable financial footing, while continuing to provide critical services to Portland, The Dalles, and Mount Hood.

I wish to thank the leadership of the HRCTD Board and the skilled employees at CAT, who continue to work as a community together to create the best transit system in the Gorge.

Further, I want to thank the citizens of Hood River County and our passengers for the continued support of their public transportation system.

I look forward to continuing the good work in the future.

Patricia Fink
Executive Director

Hood River County Transportation District

dba Columbia Area Transit

Vision

To connect the people and communities of Hood River County with an accessible and more sustainable future.

Mission

We provide safe, reliable, accessible and efficient public transportation services in Hood River County

Our Values

Safety – We will ensure the safety of our employees, customers and transit systems.

Customer Service – We will work with our customers to meet their needs and exceed their expectations

Sustainability – We will continuously improve and be accountable for our financial, environmental and social outcomes.

Integrity – As stewards of public resources, we will use our assets prudently and conduct ourselves honestly and respectfully.

Community Driven – As stakeholders in Hood River County, we strive to ensure our services contribute to the social, cultural and economic betterment of all residents.

Innovation – We will pursue opportunities to enhance value for our customers.

Collaboration – We will cultivate strong partnerships, community connections and links to other types of travel.

Teamwork – As a team, we celebrate diversity, foster effective communication; and promote advancement and longevity.

Hood River County Transportation District is proud to present the 2021 budget to the public. We are committed to providing safe, reliable, accessible and SUSTAINABLE public transit services far into the future.

Overall Economic Outlook

The overall economic outlook for Hood River County Transportation District is one of cautious stability. The COVID Crisis and the instability of the economy has raised significant concerns regarding local funding sources (such as payroll and property tax) for the coming year. However, in April 2020 Congress passed the CARES ACT which included \$25 Billion dollars to transit agencies across the nation. Funds available under the CARES Act are available for all operating activities and justifiable net revenue losses that occur on or after January 20, 2020 and through June 30, 2021.

Oregon was allocated \$217.5M to Urban Areas (Portland, Salem, Eugene), \$24M for small urban areas (Albany, Bend, Corvallis, Grants Pass, Longview, Medford, Walla Walla) and \$42.6M for rural areas which includes 35 individual transit agencies/counties including Hood River County Transportation District. While HRCTD will need to justify funding short falls and other revenue expenses, we could be eligible for as much as \$700,000 or more from these funding sources.

Major Budget Additions

This budget has no major additions but maintains and builds off the budget additions for service enhancements that were approved as part of FY20. While the focus of last year was on investing in planned expansion, this expenditure was done with the understanding that the FY21 budget would be the year to receive the benefits of previous investments, allowing us to build on our reserves. We believe this current budget will accomplish this.

General Fund 100
Revenue

GENERAL FUND
100

Historical Data				RESOURCE DESCRIPTION	Budget For FY2021			Proposed Budget FY21	Notes on Estimated Supplemental
Actual		Estimated Budget 2020	Estimated Supplemental 2020		General Budget	CGE Budget	G2M Budget		
Actual Budget FY18	Actual Budget FY19								
\$ 1,079,401	985,444	\$ 978,882	\$ 959,235	Beginning Cash Balance	\$ 975,144			\$ 975,144	Notes on variances
REVENUE									
\$ 31,949	\$ 249,467	\$ 337,677	\$ 150,500	4000 - Fare Revenue	\$ 60,000	\$ 50,000	\$ 30,000	\$ 140,000	reduction due to COVID virus
\$ 152,328	\$ 136,064	\$ 155,000	\$ 98,000	4100 - Contract Revenue	\$ 90,000			\$ 90,000	changes at DDS & impacts of COVID Virus
\$ 312,156	\$ 459,080	\$ 928,000	\$ 512,649	4200 - Federal Assistance	\$ 290,823		\$ 284,518	\$ 575,341	FLAP Estimate High & CARES ACT Additions
\$ 141,187	\$ 306,675	\$ 1,363,500	\$ 1,300,000	4300 - State Assistance	\$ 341,800	\$ 820,000		\$ 1,161,800	impacts from COVID
\$ 156,148	\$ 170,074	\$ 165,000	\$ 185,000	4500 - Local Assistance	\$ 129,500			\$ 129,500	Increase in revenues from property tas
\$ 13,320	\$ 29,480	\$ 45,000	\$ 13,000	4600 - Other Revenue	\$ 40,000			\$ 40,000	Lost AD revenue due to COVID
			\$ 197,600	4700 - Federal CARES ACT	\$ 395,200			\$ 395,200	New CARES ACT FUND addition
\$ 807,088	\$ 1,350,840	\$ 2,994,177	\$ 2,456,749	Total Available Funds	\$ 1,347,323	\$ 870,000	\$ 314,518	\$ 2,531,841	
OPERATING EXPENSE									
\$ 11,047	\$ 2,170	\$ 33,000	\$ 2,719	5005 Vehicle Expenses	\$ 5,000	\$ 2,000		\$ 7,000	Reclassifying of line items out of this line item.
\$ 72,456	\$ 111,956	\$ 327,800	\$ 117,000	5015 - Fuel	\$ 70,000	\$ 140,000		\$ 210,000	Lower bc/Covid & Flap Contracted
\$ 33,952	\$ 63,247	\$ 65,000	\$ 54,000	5020 - Preventative Maintenance & Repair	\$ 30,000	\$ 35,000		\$ 65,000	Lower bc/Covid & Flap Contracted
\$ 9,759	\$ 21,485	\$ 23,775	\$ 32,527	5100 - Communication Expense	\$ 16,264	\$ 15,613		\$ 31,876	carry over billing issue in FY19 & Upgade in DSL at Office
\$ 13,740	\$ 13,740	\$ 14,300	\$ 14,393	5200 - Vehicle Insurance	\$ 10,795	\$ 5,757		\$ 16,552	
\$ 8,695	\$ 4,893	\$ 14,007	\$ 8,063	5500 - Driver Expenses	\$ 8,000	\$ 2,000		\$ 10,000	over estimated on 5500/underestimate on 7400
\$ 17,345	\$ 52,973	\$ 154,000	\$ 240,000	5600 - Advertising & Marketing	\$ 30,000	\$ 60,000		\$ 90,000	Increased due to CGE funds shift & includes 40K allocated in
\$ 37,213	\$ 41,269	\$ 41,400	\$ 160,000	5700 - Grant / Contract Match Funds	\$ 5,000		\$ 270,000	\$ 275,000	opted to contract rather than provide MHM
\$ 204,207	\$ 311,733	\$ 673,282	\$ 628,702	Total Operating Expense	\$ 175,058	\$ 260,370	\$ 270,000	\$ 705,428	
ADMINISTRATIVE EXPENSE									
\$ 33,666	\$ 41,438	\$ 37,000	\$ 34,000	7003 - Building Expenses	\$ 17,000	\$ 16,320	\$ 680	\$ 34,000	increase online programs underestimated amounts
\$ 10,000	\$ 7,241	\$ 7,500	\$ 15,000	7100 - Office Supplies & Expense	\$ 7,500	\$ 7,200	\$ 300	\$ 15,000	increase online programs underestimated amounts
\$ 81,845	\$ 93,989	\$ 71,000	\$ 105,000	7300 - Professional Fees	\$ 45,000	\$ 42,000	\$ 2,100	\$ 89,100	3 mo. Contract for Ops Manager
\$ 18,538	\$ 2,690	\$ 2,500	\$ 4,063	7400 - Other Administrative Expense	\$ 3,250	\$ 2,438	\$ 203	\$ 5,891	see 5400 Driver Expense notes
\$ 144,049	\$ 145,358	\$ 118,000	\$ 158,063	Total Administrative Expense	\$ 72,750	\$ 67,958	\$ 3,283	\$ 143,991	
ADMINISTRATIVE PERSONNEL EXPENSE									
\$ 96,000	\$ 143,987	\$ 112,800	\$ 149,556	8003 - Admin Wages	\$ 77,769	\$ 71,787		\$ 149,556	decision to hire Amy in Oct/Nov
\$ 7,554	\$ 11,126	\$ 13,536	\$ 12,000	8030 - Admin ER Taxes	\$ 7,800	\$ 6,960		\$ 14,760	
\$ 22,274	\$ 11,622	\$ 12,000	\$ 17,447	8080 - Admin Benefits	\$ 9,072	\$ 8,375		\$ 17,447	
\$ 125,828	\$ 166,735	\$ 138,336	\$ 179,003	Total Administrative Personnel Expense	\$ 94,642	\$ 87,121	\$ -	\$ 181,763	
DIRECT SERVICE PERSONNEL EXPENSE									
\$ 367,500	\$ 460,008	\$ 700,555	\$ 652,000	8103 - Direct Service Wages	\$ 364,000	\$ 350,000	\$ 7,668	\$ 721,668	FLAP Contract Decision & COVID & Other
\$ 37,304	\$ 35,510	\$ 87,054	\$ 62,200	8130 - Direct Service ER Taxes	\$ 43,680	\$ 42,000	\$ 873	\$ 86,553	
\$ 38,050	\$ 57,788	\$ 89,000	\$ 86,000	8180 - Direct Service Benefits	\$ 47,320	\$ 45,500	\$ 980	\$ 93,800	

\$ 442,854	\$ 553,306	\$ 876,609	\$ 800,200	Total Direct Service Personnel Expense	\$ 455,000	\$ 437,500	\$ 9,521	\$ 902,021	
CAPITAL OUTLAY									
\$ -	\$ 160,511	\$ 1,055,000	\$ 674,872	9000- Capital Expenses	\$ 192,000			\$ 192,000	FLAP contract decision/Slower spending on Capital
	\$ 57,376			9999-Other Income, Expense Depreciation				\$ -	
\$ -	\$ 217,887	\$ 1,055,000	\$ 674,872	Capital Expenses	\$ 192,000	\$ -	\$ -	\$ 192,000	
Total Revenue									
\$ 807,088	\$ 1,350,840	\$ 2,994,177	\$ 2,456,749	Total Revenue	\$ 1,347,323	\$ 870,000	\$ 314,518	\$ 2,531,841	
Total Expense									
\$ 916,938	\$ 1,395,019	\$ 2,861,227	\$ 2,440,840	Total Expense	\$ 989,450	\$ 852,949	\$ 282,804	\$ 2,125,204	
Net Income									
\$ (109,850)	\$ (44,179)	\$ 132,950	\$ 15,909	Net Income	\$ 357,873		\$ 31,714	\$ 389,587	
Project Available Funds at EOY									
\$ 969,551	\$ 941,265	\$ 1,111,832	\$ 975,144	Project Available Funds at EOY				\$ 1,381,781	