



Wednesday, May 5th, 2021

**Hood River County Transportation District
1st Meeting of the Budget Committee
224 Wasco Loop, Board Conference Room
Hood River, OR 97031**

4pm – 5:30pm

Agenda

The Hood River County Transportation District is taking measures to limit exposure of COVID-19. In support of state and federal guidelines for social distancing, HRCTD will hold this meeting by using Zoom Conferencing technology. Members of the public can attend by calling (253)215-8782, Meeting ID 868 5668 8762, Passcode 120318.

- 1) Call Meeting to Order (4:00pm)**
- 2) Election of Budget Committee**
- 3) Reading of Budget Message FY 2021-22 by Executive Director**
- 4) Initial Review of Budget FY 2021-22**
- 5) Meeting Adjourned**



PROPOSED FY2022
BUDGET DOCUMENTS

Budget Message

Purpose of the Budget

In compliance with the State of Oregon Local Budget Law, the 2021-2022 (FY22) Budget beginning July 1, 2021 and ending June 30, 2022 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 2021

Much of the focus for CAT in FY 2021 Budget was to weather the COVID-19 Pandemic. CAT's efforts to accomplish this were threefold: ensure that critical transit services were maintained, create opportunities for the District to support local recovery efforts and maintain a secure financial footing that would allow us to prepare our system and services to build toward a relevant and meaningful post-COVID future.

Key outcomes of this focus included:

- Developed a Transition Plan & Selection of an Assistant Executive Director;
- Created a partnership with Wasco, Skamania & Klickitat transit agencies to incorporate their services into the GORge Pass 2021 beginning July;
- Supported local community efforts (Hood River County Health, Emergency Services, Native American Tribes) to ensure residents have access to COVID testing and vaccinations as well as other social service needs;
- Secured over \$2 Million in grant funds for the next two years;
- Enhanced relationships with other community stakeholders to support service expansion, raise community awareness of services and secure needed infrastructure for future transit needs (Dog Mountain Shuttle – Skamania County' Trolley & Bus Stops – Hood River County; Transit Oriented Development – Cascade Locks; Regional Planning MOU – MCEDD, etc.)

Impacts of the COVID-19 Pandemic

The COVID-19 Pandemic has created a variety of challenges and opportunities for CAT and other transit providers in Oregon. With federal support through COVID related funding (CARES ACT, CRRSSA and Rescue ACT), and some service level and staff hour reductions, CAT was financially able to weather the direct impacts of COVID on our system. Ridership levels continued low through winter 2020, but has shown a slow but steady increase over the past months. While CAT is optimistic that that ridership will continue to rise this year, as more people are vaccinated and the impacts of COVID begin to wane, we understand that CAT staff will need to continue to instill rider confidence in our system and our safety protocols.

Board Goals for the 2022 Budget Year

The Board has outlined the following goals for the FY22 Budget

- Ensure a coordinated, thoughtful transition between Executive Directors.
- Begin the formal update to the Transit Master Plan.
- Market & relaunch the multi-provider GOrge Pass.
- Expand services including:
 - Evening & Weekend Services
 - Hood River City Route (evening & weekend)
 - Summer Weekend Upper Valley
 - Summer Weekend Cascade Locks
 - Community Circulator Service
 - Cascade Locks
- Explore innovative options and implement solutions to address specific transportation needs:
 - Local NEMT & Door through Door
 - After hour (hotel/bar/restaurant) shuttle
 - Gorge to Portland Medical Van

Overview of the 2022 Proposed Budget

While it is clear that the 2022 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 with last year, there are three main funding areas:

- **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. CAT has had to carry over \$500K in capital grant funds from the FY2021 season, as COVID bus delivery delays have meant that we are unlikely to receive four of the five vehicles ordered before June 30th. In addition to Capital Funds, CAT is carrying over some STIF Formula funds that were not spent in the FY19-21 funding cycle. In large part, these carryovers were due to COVID and much of the planned service expansion in FY20 & FY21 have been moved to FY22. Other federal COVID related funding (CARES ACT, CRRSSA and Rescue ACT) continue to offer some revenue relief for CAT and other transit agencies as we look to restore confidence in the system.
- **Columbia Gorge Express (CGE) Service** – CGE Services are made up of STIF Discretionary Funds A new grant funding application was released this fall. CAT put in an application for \$1.2M. Our grant application was rated quite well and appears to be on the list to receive \$1.2M with a 80/20 match. Final decisions on grant funds will be made by the Oregon Transportation Commission at their May meeting.
- **Gorge to Mountain (G2M) Hwy 35 Service** – CAT has opted to leave the G2M revenues and expenditures off the FY2022 Budget. The Federal Lands Access Program (FLAP) competitive grant funds for FY2022-2024 has yet to be opened for application. We expect the grants to be out late April and not due until June, with a final decision in Fall 2022. CAT will opt to do a

supplemental budget to the FY2022 Budget should we receive the requested FLAP funds for the FY2022 winter season.

In summary, the draft FY2022 Budget moves forward with Board goals to enhance local services, promote the economic recovery of our area, and maintain and expand access to residents and visitors in other Gorge communities and the Portland Metropolitan area. This year's budget should enable Hood River County Transportation District to expand weekend and evening service throughout the County while offering new connections.

I wish to welcome John Andoh to the Assistant Executive Director position – he will be a great addition to the HRCTD team and 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 my last year at the helm and look with optimism to the future of CAT.

A handwritten signature in blue ink, appearing to be 'P. Allen', written in a cursive style.

Executive Director
Hood River County Transportation District
(dba Columbia Area Transit)

Hood River County Transportation District

dba Columbia Area Transit

Draft Vision

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

Draft Mission

We provide safe, reliable, accessible and efficient public transportation services in Hood River County and offer critical regional connections to Portland, Washington State and throughout the Gorge.

Draft 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 FY2022 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 good. CAT received over \$800,000 from federal COVID related funding (CARES ACT, CRRSSA) in FY20 and FY21 and expects to see another \$200,000 or more allocated in FY22. These funds have helped to maintain stability for the District and have allowed us to move forward with planned enhancements without significant concern. While we do expect to see some decrease in the STIF formula (payroll tax) this year, the amount is small and will not directly impact our overall revenue levels, particularly since we were able to pull over the unspent revenues from the previous years.

We have been somewhat conservative in our fare revenue estimates. We expect there to be strong dividends due to the launch of the multi-provider GORge Pass in July 2021 and the subsequent marketing campaign that will launch in Fall 2021. How those revenues will be divided among the four transit providers (and is able to support additional or needed service due to pass sales) is still under discussion and should be resolved with more clarity before the Fall launch.

Major Budget Additions

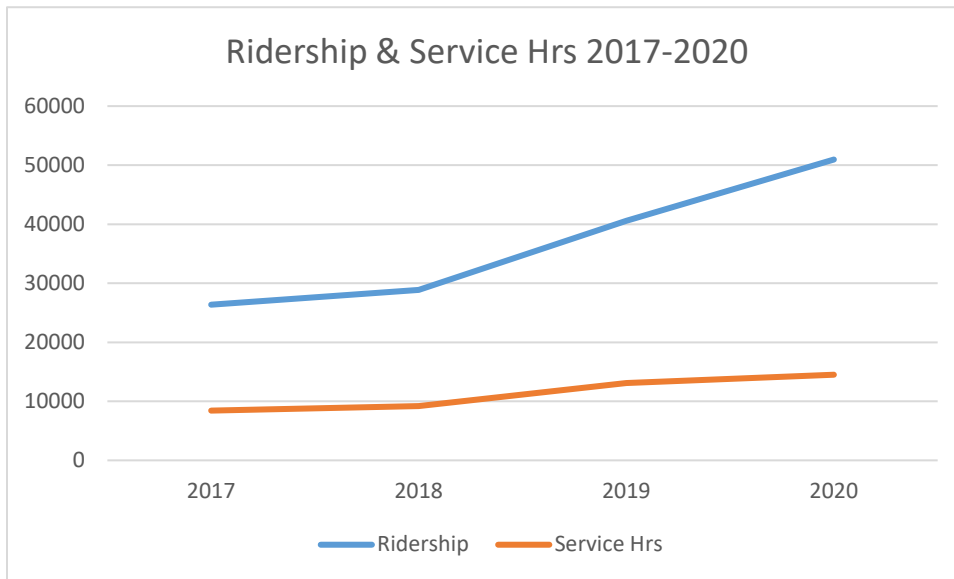
This year, we have provided more details on major additions to the budget by highlighting and calling out specific new revenues or expenditures based on our operating, administrative or capital line items. These detailed accounts can be found in the following pages but include:

- Service hour additions enhancing services in Cascade Locks and Upper Valley communities as well as in Hood River on evening and weekends throughout the summer as part of the FY 22-24 STIF Plan.
- Addition of a yearlong temporary Assistant Executive Director position, as part of the District's Executive Director transition plan.
- Implementation of an update to the Transit Master Plan.
- New capital projects (including ADA improvements) that were identified by the community as part of the FY 22-24 STIF Plan.
- Gorge to Portland Dial A-Ride Medical Van (CARES ACT fund project).

Historical Data			Estimated Supplemental 2021	RESOURCE DESCRIPTION	FY22 Proposed Budget	Approved Budget FY22	Budget Committee Recommendation 2022	Board Adopted 2022	
Actual									
Actual Budget FY19	Actual Budget FY20								
985,444	959,235	1,021,367		Beginning Cash Balance	\$ 1,434,469				Actual projected cash at the end of the year which included the \$300k roll forward from STIF
				REVENUE					
\$ 249,467	\$ 198,435	\$ 56,160		4000 - Prior Year Roll-Forward Funds	\$ 150,000				FY21 Roll-Forward Funds to be used in FY22
\$ 136,064	\$ 95,271	\$ 11,052		4001 - Fare Revenue	\$ 150,000				
\$ 459,080	\$ 493,671	\$ 594,000		4100 - Contract Revenue	\$ 30,000				FY21 Capital Purchase - Bus Delivery Delayed
\$ 306,675	\$ 1,304,535	\$ 1,161,800		4200 - Federal Assistance	\$ 949,322				
\$ 170,074	\$ 169,160	\$ 190,000		4300 - State Assistance	\$ 1,168,475				
\$ 29,480	\$ 12,894	\$ 65,000		4500 - Local Assistance	\$ 200,000				
	\$ 152,500	\$ 190,000		4600 - Other Revenue	\$ 45,000				
\$ 1,350,840	\$ 2,426,466	\$ 2,268,012		4700 - Federal CARES ACT	\$ 372,000				
				Total Available Funds	\$ 2,914,797	\$ -	\$ -	\$ -	
				OPERATING EXPENSE					
\$ 2,170	\$ 2,773	\$ 7,000		5005 Vehicle Expenses	\$ 7,210				
\$ 111,956	\$ 101,165	\$ 108,233		5015 - Fuel	\$ 260,000				
\$ 63,247	\$ 56,055	\$ 65,000		5020 - Preventative Maintenance & Repair	\$ 81,238				
\$ 21,485	\$ 25,768	\$ 31,876		5100 - Communication Expense	\$ 32,833				
\$ 13,740	\$ 15,014	\$ 16,553		5200 - Vehicle Insurance	\$ 17,048				
\$ 4,893	\$ 7,808	\$ 10,000		5500 - Driver Expenses	\$ 12,600				
\$ 52,973	\$ 217,030	\$ 90,000		5600 - Advertising & Marketing	\$ 40,000				
\$ 41,269	\$ 178,641	\$ 207,000		5700 - Grant / Contract Match Funds	\$ 32,000				
\$ 311,733	\$ 604,254	\$ 535,662		Total Operating Expense	\$ 482,929	\$ -	\$ -	\$ -	
				ADMINISTRATIVE EXPENSE					
\$ 41,438	\$ 32,754	\$ 34,000		7003 - Building Expenses	\$ 38,300				
\$ 7,241	\$ 13,488	\$ 15,000		7100 - Office Supplies & Expense	\$ 15,600				
\$ 93,989	\$ 85,534	\$ 89,100		7300 - Professional Fees	\$ 123,100				
\$ 2,690	\$ 90,000	\$ 5,891		7400 - Other Administrative Expense	\$ 11,340				
\$ 145,358	\$ 221,776	\$ 143,991		Total Administrative Expense	\$ 188,340	\$ -	\$ -	\$ -	
				ADMINISTRATIVE PERSONNEL EXPENSE					
\$ 143,987	\$ 174,180	\$ 149,556		8003 - Admin Wages	\$ 227,220				
\$ 11,126	\$ 11,695	\$ 14,760		8030 - Admin ER Taxes	\$ 53,160				
\$ 11,622	\$ 15,178	\$ 17,447		8080 - Admin Benefits	\$ 15,010				
				8081 - Admin - Accrued PTO Amount	\$ -				
\$ 166,735	\$ 201,053	\$ 181,763		Total Administrative Personnel Expense	\$ 295,390	\$ -	\$ -	\$ -	
				DIRECT SERVICE PERSONNEL EXPENSE					
\$ 460,008	\$ 590,155	\$ 650,000		8103 - Direct Service Wages	\$ 810,508				
\$ 35,510	\$ 31,645	\$ 63,025		8130 - Direct Service ER Taxes	\$ 84,588				
\$ 57,788	\$ 71,900	\$ 90,469		8180 - Direct Service Benefits	\$ 134,579				
				8181 - Direct Service - Accrued PTO Amount	\$ -				
\$ 553,306	\$ 693,700	\$ 803,494		Total Direct Service Personnel Expense	\$ 1,029,675	\$ -	\$ -	\$ -	
				CAPITAL OUTLAY					
\$ 160,511	\$ 597,405	\$ 190,000		9000- Capital Expenses	\$ 863,500				
\$ 57,376				9999-Other Income, Expense Depreciation					
\$ 217,887	\$ 597,405	\$ 190,000		Capital Expenses	\$ 863,500	\$ -	\$ -	\$ -	
\$ 1,350,840		\$ 2,268,012		Total Revenue	\$ 2,914,797	\$ -	\$ -	\$ -	
\$ 1,395,019		\$ 1,854,910		Total Expense	\$ 2,859,834	\$ -	\$ -	\$ -	
\$ (44,179)		\$ 413,102		Net Income	\$ 54,963	\$ -	\$ -	\$ -	
\$ 941,265		\$ 1,434,469		Project Available Funds at EOY	\$ 1,489,432	\$ -	\$ -	\$ -	

Operations

Since 2017, CAT has slowly increased service levels and ridership. The largest single increase in service levels was in 2020, with the implementation of the Columbia Gorge Express beginning November 2020. We expected the 2020 ridership to double – and were well on the way to achieving this when the COVID-19 pandemic occurred. Ridership & service hours are outlined in the chart below. As the chart shows, CAT has steadily increased ridership since 2017.



Over the past three months, CAT has picked up ridership numbers on most of its fixed route services. Dial-A-Ride, which is largely driven by senior living facilities and related activity centers, has been slower as most of the facilities and activity centers remain closed or tightly regulated. We anticipate a slower than normal recovery in this area.

Because of the pandemic, the Gorge has seen record visitor levels both in local communities and at key recreational sites. This has led to parking and overcrowding issues. To date transit continues to be viewed with concern, however, we believe by late summer, early fall many will see the advantages of using the bus to access the Gorge.

CAT is preparing its vehicles, and staff to enhance services while maintaining COVID safety protocols onboard. We are hopeful that the strong marketing campaign & relaunch of the GORge Pass in the fall (with its strong tie to local and Portland business and visitor communities) coupled with the waning of the COVID-19 Pandemic will continue an upward ridership projectory into the next fiscal year.

Services that will be new this year include:

- City of Cascade Locks community shuttle & weekend summer service
- Upper Valley weekend summer service
- City of Hood River weekend service (yearlong)
- DAR Medical Van to Portland

Below is a table that shows how service hours have slowly been restored after the COVID pandemic. In March 2020, after the Governor's stay at home order, CAT shut down most fixed route service for three months. By March 2021, CAT had slowly restored fixed route services to just below pre-pandemic levels.

By 2022, CAT expects to have restored all pre-pandemic service hours and will move forward with other planned expansion projects. Service hour increases will be just over 5,200 hours and will require the addition of 2.5 new driver positions.

Impacts of COVID on Service Hours & Service Restoration by Year

	2020		2021		2022	
	Weekday	Weekend	Weekday	Weekend	Weekday	Weekend
CGE (Including The Dalles)	1917	600	6750	1800	6750	1800
City Route	1000		3750	900	4000	900
Cascade Locks	708		1250		2000	200
Upper Valley	833		2250		2500	200
Dial a Ride	6540		3000		4000	900
Portland Medical					1040	
Total Hours	10998	600	17000	2700	20290	4000

* Only during summer months (6/15-9/15)

** Only 2 times per week

OPERATING BUDGET

Revenues

Funding Source	Description	Amount
Federal FTA 5311	Service	\$ 131,602.50
Federal FTA 5310	Preventative Maintenance & Service	\$ 77,526.50
State STIF Discretionary	CGE Services + Preventative Maintenance	\$ 470,775.00
State STIF Formula	Services	\$ 420,000.00
Federal (5311) CARES ACT	Services	\$ 255,000.00
Federal Hwy FLAP	Services	
STF	Services	\$ 67,700.00
Dedicated STIF Formula	Reserve	\$ 90,000.00
Total		\$ 1,512,604.00

Expenditures

Project	Description	Amount
5005 Vehicle Expenses		\$ 7,210.00
5015 - Fuel	Fuel	\$ 260,000.00
5020 - Preventative Maintenance	Preventative Maintenance	\$ 81,238.00
5100 - Communication Expense	Radios, Tablets,	\$ 32,832.75
5200 - Vehicle Insurance	Vehicle Insurance	\$ 17,048.51
5500 - Driver Expenses	Testing, training, uniforms	\$ 12,600.00
5600 - Advertising & Marketing	Advertising & Marketing	\$ 40,000.00
5700 - Grant / Contract Match Funds	Grant / Contract Match Funds	\$ 32,000.00

Personnel

Drivers	12.5 FTE Drivers includes benefits	\$ 719,242.20
Ops Manager	Full time includes benefits	\$ 97,452.16
Dispatch & Outreach Staff	1.5 Dispatch includes benefits	\$ 79,294.80
Field Supervisors	2 Supervisors includes benefits	\$ 133,685.76
Total		\$ 1,512,604.00

Administration

The administrative budget is higher this year due to three elements. First is the Board transition plan which adds a temporary Assistant Executive Director who will work with the Executive Director to manage a successful transition. Second is the Transit Master Plan Update which will include an extensive outreach process and the hiring of consultants to assist with the land use and outreach process and finally, the Board will need to renegotiate with the Union which will require additional legal assistance.

We expect FY23 administrative expenditures to be more in line with previous years.

ADMINISTRATIVE BUDGET

Revenues

Funding Source	Description	Amount
5311	Formula (Admin)	\$ 35,884.00
STIF Dis	CGE	\$ 80,000.00
CARES ACT (5311)	Admin	\$ 117,000.00
FLAP	Admin	
5304	Planning	\$ 60,000.00
Dedicated STIF Formula	Reserve	\$ 60,000.00
Board Approved	Reserve	\$ 116,272.00
Other Revenues	Local Match	\$ 14,574.37
Total Revenues		\$ 483,730.37

Expenditures

Project	Description	Amount
7003 - Building Expenses	Utilities, maintenance, insurance, etc.	\$ 38,300.00
7100 - Office Supplies & Expense	Equipment, software, printing, etc.	\$ 15,600.00
7300 - Professional Fees	Bookkeeper, planning, audit, legal	\$ 123,100.00
7400 - Other Administrative Expense	Board, team, bank charges, merchant fees	\$ 11,340.00

Administrative Staff

Executive Director	Temporary Part-Time (.75) includes benefits	\$ 82,747.81
Assistant Executive Director	Temporary Full Time (1) includes benefits	\$ 116,272.00
Planning & Grant Manager	Full Time (1) includes benefits	\$ 96,370.56
Total Administrative Expenses		\$ 483,730.37

Capital

CAT purchased five vehicles last year. Only 1 is expected to be delivered before July 1st. \$564,990 is a transfer from last year's budget to this year's budget because of the delay. In addition, CAT plans to purchase one additional replacement bus this year. The other two items (bus stop & sidewalk access improvements near bus stops and real-time bus stop hardware) were added on recommendation by the STIF/STF Committee and approved by the Board in their STIF Plan for FY22-24.

CAPITAL BUDGET

Revenues

Funding Source	Description	Amount
Federal FTA 5339	Vehicle	\$ 621,508.00
Federal FTA5310	Formula (Ops)	\$ 42,801.00
State STIF Formula	ADA Improvement	\$ 100,000.00
State STIF Formula	Vehicle	\$ 30,000.00
Other Revenues	Local Match	\$ 69,191.00
Total Revenue		\$ 863,500.00

Expenditures

Project	Description	Amount
ADA Enhancements	Bus Stop & Sidewalk Improvements	\$ 100,000.00
Digital Signs	Real-time Bus Stop information	\$ 47,500.00
Vehicles	Purchase 6 Vehicles (8)	\$ 716,000.00
Total Expenditures		\$ 863,500.00