



Sunset Empire Transportation District

BOARD OF COMMISSIONERS

MEETING AGENDA

THURSDAY JULY 24, 2014

9:00 AM

Astoria Transit Center, 900 Marine Drive Astoria, OR

AGENDA:

1. CALL TO ORDER; PLEDGE OF ALLEGIANCE TO THE FLAG
2. ROLL CALL
3. CHANGES TO AGENDA
4. Executive Session ORS 192.660 2(b) and 2 (h).
5. PUBLIC COMMENT (3 minute limit)
6. APPROVAL OF JUNE 26, 2014 BOARD and JULY 10, 2014 SPECIAL BOARD MEETING MINUTES
7. REPORTS FROM CHAIR AND COMMISSIONERS
8. OLD BUSINESS
9. ELECTION OF OFFICERS
10. FINANCIAL REPORTS
11. CORRESPONDENCE
12. NEW BUSINESS
 - a. New Bus Wrap Designs
 - b. Labor Day Bus Operations
13. MANAGEMENT REPORTS
14. OTHER ITEMS

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SUNSET EMPIRE TRANSPORTATION DISTRICT

**BOARD OF COMMISSIONERS
MEETING MINUTES
THURSDAY JUNE 26, 2014**

1. CALL TO ORDER- Chair Paul Lewicki called the meeting to order at 9:00 AM.
2. ROLL CALL:

Present: Chair Paul Lewicki, Commissioner Rae Goforth, Commissioner Neal Smith, Commissioner Marcia Fenske, Commissioner Carol Gearin, Commissioner Kevin Widener and Commissioner Kleczek participated over the phone beginning at 9:47 AM.

Staff Present: Executive Director Diana Bartolotta, Financial Officer Diane Moody, Executive Assistant Mary Parker, NWRC Manager Jason Jones, IS John Layton, Operations Manager Scott Earls, Operations Assistant Tami Carlson, Mobility Lis Pietila
3. CHANGE TO AGENDA: Chair Lewicki said that the Executive Session scheduled at the end of agenda will be moved up to around 10:30 am to accommodate Jeaneyse Snow's schedule or whatever point the meeting is at when Jeaneyse arrives. Chair Lewicki also said that Jean Palmateer had a change in schedule and would not be attending the meeting. Mary Parker said that a representative/applicant for the proposed Antique Fair was here to discuss their plans and asked that this item also be moved up on the agenda. Chair Lewicki suggested it be listed first under new business.
4. PUBLIC COMMENT: None
5. APPROVAL OF MAY 2014 BOARD MEETING MINUTES- Commissioner Gearin noted that Diane Moody needed to be added to staff who attended and on the April 8th minutes had a typo in the second sentence the word "and" should be changed to "had". Commissioner Goforth said that at the last Board meeting Commissioner Kleczek had asked for information on the Ifocus contract to be available at the June Board meeting and she did not see it in the Board packets. Executive Director Diana Bartolotta said she has that information and will present it however you want to address it.

Commissioner Gearin moved to approve the May 2014 Board Minutes as corrected
Commissioner Goforth seconded the motion
Motion passed by unanimous aye vote
Commissioner Fenske abstained due her not attending the meeting
6. REPORTS FROM CHAIR AND COMMISSIONERS
 - a. Commissioner Widener- Reported that he had taken pictures of local area and sent them in for use in the new Bus wraps.
 - b. Commissioner Gearin- Commissioner Gearin said that she had talked to one of our drivers who is very happy driving and with the staff at the Ride Center.
 - c. Commissioner Fenske- Reported that she had forgot her log in to Edocs during the weekend and appreciated quick help from Mary and John.
 - d. Commissioner Smith- Reported that he had gone to the Ride Care Committee Meeting and it was an interesting meeting

- e. Commissioner Goforth-Reported being surprised to see Commissioner Smith at the Ride Care Committee meeting and she asked if she was being replaced but he said he had been invited by the Executive Director. Commissioner Goforth reported that the committee has been working on the committee by-laws and will have another meeting on July 17th where they plan to complete the by-laws so that they can bring them before the Board for approval at the July 24th meeting. Commissioner Goforth said we will be talking about the Senior and Disabled meeting later in the meeting and asked the Board to approve two new members Michael Hendon and Margaret Cross. Commissioner Goforth said that both will be a great addition to the committee and asked for approval from the Board at this time rather than later in the meeting. Chair Lewicki asked the Board if it was agreeable. The Board members agreed.

Commissioner Gearin moved to approve Michael Hendon and Margaret Cross as new members on the Senior and Disabled Committee.

Commissioner Widener seconded the motion

Motion passed by unanimous Aye vote

- f. Chair Lewicki- Noted that the Executive Director Goals are not on this month's agenda. He thanked the Board for working on this because he had received some goal lists however he said he thought it would serve us all better to put this on the agenda for next month. Chair Lewicki asked that those that haven't sent their list in to take a look at them and either send them in or maybe bring the lists to the next meeting. He said he would send out a message before the next meeting.

- 7. ANTIQUE FAIR- Mary Parker introduced Debbie Schmitz who owns the Phog Bounder Antique Mall next to the Transit Center. Mary said that Debbie and Mary Krettler have applied to use the transit parking area August 9th to hold an outdoor Antique Fair. Debbie said she and Mary Krettler have vendors that are interested in being part of the Antique Fair. They are planning on doing it during Regatta. Debbie said that they would rent spaces out to cover the costs of advertising and any fees. Debbie said she knew that there are public parking spaces that could not be used and that they will have to keep access to the electric charging station open. Debbie suggested moving the public parking spots to the north end of the parking lot so there would be less traffic coming through and that area next to Marine Drive could be used for the vendors. There was in depth discussion about several safety concerns and other options. The Board went out to the parking area to view options for access.

Commissioner Goforth moved to allow the Antique Fair to use the east end of the parking lot on August 9, 2014, keeping access to the electric charging station and the public parking area open.

Commissioner Gearin seconded the motion

Discussion- Debbie asked how much of the parking lot was used for the Downtown Developments downtown cleanup day. Scott Earls said that the parking lot was taped off so that the rental area wasn't used. Mary said that access to the electric car charger and the park and ride spaces remained accessible.

Chair Lewicki Aye

Commissioner Widener Aye

Commissioner Gearin Aye

Commissioner Fenske Nay

Commissioner Smith Aye

Commissioner Goforth Aye

5 Aye and 1 Nay

Motion Passed

- 8. MANAGEMENT REPORT- Executive Director Diana Bartolotta reported that that there will be service on July 4th and that the team had put a lot of work into this. Executive Director Bartolotta reported that she and Scott Earls had attended the Cannon Beach City council meeting. The Summer Fun Pass has been launched with a new design including a radio add. Diane and Executive Director Bartolotta have been working on compliance issues for the fiscal year. Jean Palmateer will be coming in today and tomorrow to go over grants including the planning grant which has the statement of work due by August 15th. We will take this to the Team first then bring it to the Board. We really want the Board involved; and there is a huge public component to this grant. Diane and I went to Salem to a pre-audit training. Board policy says that the Board has to approve the Auditor. Diane and I are trying to tie up things for the fiscal then we are going to look at what we need to do for the Auditor and terms of getting approval and then we will bring it back to you. The proposal will be that we go with the

same auditor for a few more years because they know us and they know the things we are struggling with. Executive Director Bartolotta said she has been participating in the Connector Alliance meetings which have been a great resource. Executive Director Bartolotta said that the 3 new busses are here and Scott is working on the licensing and registration and Mary has been working on the bus wrap design. Commissioner Goforth asked that the design be brought to the Board. Eric Barton asked to be part of the Transit Center and started on July 1st. Operations assistant Shasia was moved from part time to full time. Executive Director Bartolotta said she and Jason are continuing to work on the CCO model and reported that she will be out of the office on July 8th to the OTA meeting and NWACT July 10th and that staff and Mary know her schedule.

9. FINANCIAL REPORTS- Finance Officer Diane Moody asked if there were any questions about the May 2014 financials or exception reports. Commissioner Gearin said when Jay was her she had asked for the rental income to be broken down. Diane said for the electric car charger you got \$54.71 and the remainder goes to the spaces. Chair Lewicki said for some months we have asked that the rental breakdown to be a regular part of the financials and that there are 3 income streams as they understand it, the billboard, the parking spaces and the electric charging station. Chair Lewicki said he would like to request again that there be a breakdown in a standard spot in the financials, even if there is a \$0 balance in 2 of them and this request has come up several times and the Board would appreciate it. Diane said from this point forward you shall have it. Commissioner Gearin asked about the expenses \$81.95 under the pass through grant? Diane said this is for the STF grantees and that we receive the grant funds for CRS or the Senior Center so it is the pass through. Commissioner Gearin also said that under bank charges: congratulations. Commissioner Fenske asked about the Ridecare reimbursements exceeding the actual expenses. Commissioner Fenske asked if we are paying them too much or are we not getting enough to pay them? Diane said in budget law we have a total materials and services budget and if we exceed it by more than 10% than we are out of compliance. So because of the over expense, overall our actuals are exceeding that budget by 10% so that is the major contributor to that and I apologize for not writing that more clearly. Commissioner Gearin asked if we are over 10% are we going to have to do take action. Diane Moody said we have a resolution that is not listed on the agenda that I was going to recommend we do after the financial reports.

Executive Director Bartolotta said she went back through the minutes and did not find the month that had the motion or resolution for the Ifocus website agreement, so she had Diane pull the contract for the website which was for \$4900 and the total expenditures to date are \$10,000. Executive Director Bartolotta said that we are over budget but we budget by appropriations so we are not out of compliance and said we will manage the contract with Ifocus better in house, making John responsible for the web changes which will be part of the compliance piece. Commissioner Kleczek said we as a Board were never shown that contract and I asked for it but never got it and I believe it was just an amount that was part of the rebranding project and there were no specifics and I raised those concerns every time this came up because I know how this works and that is how they get paid. There was discussion about contract requirements and developing a process going forward which would include all contracts having lawyer approval before the Board ever sees them. Commissioner Kleczek said especially if something is in the ball park of \$10,000 worth of work. Commissioner Goforth told Commissioner Kleczek what we have just been handed is not a contract at all it just shows how much money we have spent. Commissioner Fenske said that we probably did not see the contract because the original was \$4900 which is below the \$5000 limit that Jay had. Commissioner Widener said that Jay had mentioned it was going to be more, however he could not find it in the minutes but he did mention it. Chair Lewicki said as a reference of scale my recollection of this was that we were going to use the money that was awarded to the District to cover the rebranding effort which Commissioner Widener clarified as \$7870.92. Chair Lewicki said we may have had an original contract for \$4900. Commissioner Widener said this went towards the entire rebranding effort. Commissioner Gearin also said that money went to all the rebranding efforts and we have spent well over the \$8000 including Tiffany's contract. Commissioner Kleczek said her concern at that point and time was that the contract had a built in there is going to be more to it. There was further discussion about the need to review current contracts and staying within the scope going forward.

Diane said that it appears that she flipped a and b on the financial reports.

Commissioner Fenske moved to approve the May financials

Commissioner Widener seconded the motion

Motion passed unanimously

Executive Director Bartolotta said that we were looking at the remaining items that need to be paid from RideCare for materials and services for this fiscal year and Diane realized we can pay all those because we have the money but if we do we

will be out of compliance with budget law and then we brainstormed and found how we could stay in compliance and it is tricky to understand. Executive Director Bartolotta said the only goal of this is not to get dinged on our audit and explained this is in two pieces, so we took the remaining that was in the RideCare contingency will move it over to materials and services and that covered about half of it. The second part is to move the funds from materials and services in the general fund to material and services in the Ride Care fund. Diane said to stay in balance we are moving \$150,000 of allocated resources from the General Fund to the Ridecare fund. Chair Lewicki asked if we are amending the budget. Diane said we have made no change to the overall budget as reported on the LB1. Commissioner Kleczek said she had not received a copy of Resolution 2014-01. Mary said that it was not completed until after the original Board Pack went out so it was sent out with the Management Report on Monday June 21st.

Chair Lewicki read Resolution 2014-04 (see attached)

Chair Lewicki	Aye
Commissioner Fenske	Aye
Commissioner Gearin	Aye
Commissioner Goforth	Aye
Commissioner Kleczek	Aye
Commissioner Smith	Aye
Commissioner Widener	Aye

Motion passed unanimously

2014-2015 Budget Resolution 2014-03

Diane said the Budget was approved by the Budget Committee and you have the General Fund the Ridecare Fund and the Reserve fund and resource and requirements. Diane said there was one change requested by the Budget Committee which was to reduce the provider payment amount which has been done. Diane said that we were asked by Budget Committee member Barbara Blue to confirm with our Auditor that the 2012-2013 reconciliation payment of \$160,000 was applied to the right appropriated expense in debt service. We had done that and the Auditors came back and said it would be more appropriate that you put it in material and services given it is not a concrete number and after you have it in your budget you can move it after the fact. So I am putting this forward for the Board to consider as a change to the RideCares budget expense. Commissioner Fenske recommended making the change that the Auditors recommended.

Chair Lewicki read Resolution 2014-03 (see attached)

Chair Lewicki	Aye
Commissioner Fenske	Aye
Commissioner Gearin	Aye
Commissioner Goforth	Aye
Commissioner Kleczek	Aye
Commissioner Smith	Aye
Commissioner Widener	Aye

Motion passed unanimously

10. Chair Lewicki said Jeaneyse Snow had arrived and at 10:30 AM announced that the SETD Board will now meet in Executive Session for the purpose of ORS 192.660 2 (b).
Executive Session ended at 10:40

11. OLD BUSINESS-

- a. Holiday Schedule for Administrative Staff-Tabled for later date per Board request
- b. Merit Increases for Staff- Tabled for later date per Board request
- c. Finance Committee Proposal- Chair Lewicki said that he and Diana has spoken about a Finance Committee and he thought it was a good idea. Diana said the Board could determine what the Finance Committee would look like but

Diane would be the staff person that would run it. The Finance Committee would meet before the Board meeting to go over financials so that the questions that aren't getting answered in the Board meetings can get answered by the Finance Committee. Chair Lewicki asked if the Board Secretary Treasurer would also be a member. Diana said yes. Diane said there would also be people from the community on the committee for an outside perspective. There was discussion about staff being on the committee as well as budget committee members or CPA's.

Commissioner Gearin said the concern that she had raised was that she was originally told by Diana that she wanted me to go to her because she may have the answer. I specifically asked the Auditor when he was here, "Should finance and administration be kept separate?" His answer was yes. So my request is that the Board Treasurer has open access to the Finance Officer. Of course the Executive Director should be kept in the loop and if the Board Chair wants to be kept in the loop I do not have a problem with that. As a Board member I want my questions answered and the Finance Committee might not have the same questions I have. And maybe my questions are stupid and ignorant, but I still want them answered.

Commissioner Fenske said in that regard I agree with Carol, I want to understand what I am approving and my questions are my questions. I think that is why there were problems in the past; we were approving things with miss information. I want to understand, even if you had a finance committee I would ask the same questions at the meeting. It would not matter if there was someone else in the loop. I think it is kind of a mute point.

Commissioner Goforth said when I was the Secretary Treasurer; I could go to Brenda who was the financial person and ask her to explain this to me. And now when I am signing checks I can ask questions. I think the Secretary Treasurer should be able to go directly to the finance person. Commissioner Smith said he wanted to think about it for a few minutes. Commissioner Widener said he is not a fan of starting a lot of sub committees. There are times when they are necessary and I am kind of where Neal is and am going back and forth wondering why. Chair Lewicki said he understands staff not wanting to be interrupted. However each of us has the responsibility and the authority to get in there and look at this stuff. It boils down to what kind of courtesy we want to extend, what kind of structure we want to develop to meet the needs of the management and of the Board to get done what we have to get done. Chair Lewick said he thought the idea of a committee was a good idea but he is not too excited about outside people being involved because the original request was to give the Board a way to be better informed about individual line items. There was further discussion about the usefulness of the committee answering some of the bigger questions. Commissioner Fenske said the answer to my questions is generally in the exceptions report and I like the way we are doing things. Commissioner Smith said his comments last month had to do with the individual Board members going to the finance officer or staff with individual questions which could be interruptive. Executive Director Bartolotta said it does get overwhelming for the staff. Commissioner Gearin asked Diane if she is overwhelmed by staff, she said no and that she thinks what Diana is making sure of is that the pace continues to be the same as it has been going forward. Commissioner Fenske asked if the rest of the staff is being bombarded. Staff said no. Chair Lewicki said these are unplanned interruptions. Chair Lewick said I think that some of the questions could be structured in an email with an answer in a couple of days and then if not resolved we can have a more structured way of asking. Diana said what my role is if my role is not to manage staff. Others can answer questions but my job is to make sure we are spending appropriately and running correctly. Commissioner Fenske asked how often a Board member actually goes to the staff. Scott Earls said he has worked for many managers and all of them have said it is not the Boards job to get involved in daily management and that they have said they would come to him if they needed information. Commissioner Gearin said I would like to hear from staff if they are getting calls. I remember going to Lis with a customer service issue and I saw her right here. Commissioner Gearin said she wanted this on record; this whole thing started because I feel that the Board treasurer should have direct access to the finance person if there are questions raised. I do not believe I come in and tell Scott or Lis or Tami or anyone that they are doing their job wrong, that is not my job to do and I hope I have the intelligence enough to realize that. But I do feel that if I have a question on anything to do with the finances that I do not have to go to the director, that I can go to you or to the financial person directly. I made a deal when I was elected treasurer that whenever I was in town I would stop in and say do you need me. What does that take 10 seconds of Diane's time and it is either yes or no. Executive Director Bartolotta Diana said I think the treasurer has a special roll and it is especially important that the treasurer be able to access the finance officer but if the Board can go directly to staff and do whatever they want what is my job. Chair Lewicki said he wanted to put a cap on this as we may not resolve this today. Chair Lewicki said the Board cannot be blocked at what they want to look at and it would be nice to maintain the working relationship between board and staff. Chair Lewicki said again he liked the email approach. Executive Director

Bartolotta said that SDAO training says specifically that Board members should not direct staff and if a Board members can go directly to staff than what is my job because I thought my job was to manage operations. Chair Lewicki noted that this would be at the will of the Board. Chair Lewicki said that we are all sensitive to what you are saying Diana, but if something comes up that one of us feels needs to be addressed, in a remarkable way in a short time period it is our charge to do that. Executive Director Bartolotta said you just need to follow the rules. Chair Lewicki said, tell me what rules say that a Board member cannot do that, because you will not find it. SDAO does not tell us that if we see an urgent situation that we cannot take steps necessary. The whole crux here is that we do not want to agree with an arrangement that is finally going to close the door against our ability to do what we were elected to do. Diana said I just ask you to have rules and follow them. Chair Lewicki said I think if we develop a system to communicate that works for as we can work through this. Commissioner Smith asked if there was a bulletin board type communication like a forum. John can probably set this up and will look into this.

- d. Proposed Antique Sale- Moved to item 7 earlier in the meeting.
- e. Special Transportation Funds (STF) A & B Proposals

The Senior and Disabled Committee has approved the proposals being presented below.

- a. Dial a Ride Service Re-Opening – Commissioner Goforth passed out information about the RSVP route and proposed Dial a Ride. This included a new rate sheet for the proposed Dial a Ride service. There was discussion on why the RSVP route had not been successful. There were several reasons from it not being what people wanted and too restrictive in use. Marketing was difficult due to scheduling and limited destinations. Tami reported that we have tried the RSVP for three months and it has not been working as it was too restrictive. Tami said that she is recommending we bring back Dial a Ride to the same areas that were served with the RSVP route and will be able to use the current driver. Tami said that the schedule provides service to different areas on specific days. This is open to the public with no restrictions but we will not be doing this intercity. We are trying to build a fair structure that will fit in with other services. John prepared a fair report which shows the costs. Most fairs will be increased about \$2 higher for the 10 miles and \$4 for 5 miles.
- b. Bus Shelter Renovation, Maintenance and Signage- Scott Earls detailed how the \$31,520 was going to be utilized. He said there is a great need for refurbishing shelters. He will be purchasing 2 new shelters. One will be installed at Fred Meyer and one will be used to replace a shelter in Seaside. The old shelter will then be refurbished and once finished this will be installed and another shelter refurbished and this process will continue. Scott also said he will be purchasing display holders that are made to go into the shelters that is large and is locked. Commissioner Kleczek asked if we are looking for weather proof schedule holders. There was discussion of the risks of riders wasting the schedules. Scott also there will be maintenance said he is looking at contracting to do shelter cleaning once a week or once a month is also planned.

Commissioner Smith moved to accept the recommendation of the Committee.
Motion passed by unanimous aye vote.

Commissioner Smith amended his motion to accept the recommendation of the Senior and Disabled Committee with regards to the STF proposal A and B.
The amended Motion passed by unanimous aye vote

Commissioner Goforth made a motion to accept the new rates for the Dial a Ride service as recommended by the Senior and Disabled Committee.
Motion passed by unanimous aye vote.

- f. Senior and Disabled Committee- Appointment of new members completed during Board member presentations

- g. Intergovernmental Agreements (IGA's)- Executive Director Bartolotta reported on the following agreements.
 - i. IGA with the City of Cannon Beach- Contract was the same as the last contract, dates have been updated. Compensation on Exhibit B, B.2.A and B.2.B are new. Executive Director Bartolotta said that Jeaneyse Snow has reviewed this and she is happy with it. Scott explained that during the summer when the Trolley is running we do not charge but we keep the money in the fare box. There was discussion about possibly making changes to the agreement next year.

Commissioner Widener moved to approve the IGA with the City of Cannon Beach for the Cannon Beach Shuttle

Commissioner Smith seconded the motion

Motion passed by unanimous Aye vote.

- ii. IGA with Columbia County- Columbia County is using the Trolley again for the Fair and we charge a\$1. Scott said we have done this for 3 years. Commissioner Widener said there are two typos so the motion needs to be amended. Jeaneyse added a personnel and insurance section. Scott said they have always maintained and returned the trolley in good condition.

Commissioner Goforth made a motion to approve the IGA with Columbia County to use the Trolley for the weekend as corrected.

Commissioner Kleczek seconded the motion

Motion passed by unanimous Aye vote.

h.

NAME AND BRANDING UPDATE: Executive Director Bartolotta said she had asked Jeaneyse Snow to look into our changing our name and about the DBA. Commissioner Gearin said we have always been going to keep Sunset Empire Transportation District because it is our legal name and it is on all of our legal papers. There was discussion about the need for filing a DBA. Commissioner Gearin said she did not want to change it. Chair Lewicki said the intention was to update our name and conversation respecting those people who come from out of town to use our bus and they don't understand the Empire part. With our renewed good public opinion and appreciation we wanted to have a new look. The new logo is an evolution of the old logo and more relevant because at the time we talked about going from a bus company to a multi modal transportation center. My take and what I voted for was to keep the legal name but all other representations would be with this new image. My recommendation would be from this point we hold off and have Mary come back with some recommendations until we develop a plan to use a brand name.

Executive Director Bartolotta proposed that the Board approve the name change for RideCare. She said Jeaneyse is ready to file this for us and needs authority by the Board to adopt the trade name RideCare for our non emergent medical department. Chair Lewicki said if the Wave is not a DBA, then whatever it is, is what we were after. Executive Director Bartolotta asked for a motion to approve the changing the Northwest Ride Center name to RideCare.

Commissioner Kleczek made a motion that we apply for the DBA for RideCare for the non emergent medical transportation.

Commissioner Widener seconded the motion

Motion did not pass by unanimous vote.

Roll call vote.

Commissioner Smith Aye

Commissioner Goforth Nay

Commissioner Lewicki Nay

Commissioner Widener Nay

Commissioner Gearin Nay

Commissioner Kleczek Aye

Aye 2 Nay 4

Motion failed

Executive Director Bartolotta asked for guidance because we have a DBA filed under Northwest Ride Center incorrectly by Jay. She asked do you want us to use Northwest Ride Center or how would you like us to refer to Jason's department? Chair

Lewicki said I thought we decided to use RideCare? Executive Director Bartolotta said no DBA but we like the name, I just wanted to get that clarification. Chair Lewicki said as long as we are going for clarification, it's the Northwest Ride Center like we are SETD but we want to call it RideCare, just like Tillamook calls themselves the WAVE so let's find out about that name that Tillamook is using. If it is a DBA then it looks like we should go that way but if there is some other way to do what we want I think we should go that way. Executive Director Bartolotta said so to summarize we like the name Ridecare, we did not pass the DBA, but we would like further research to find out what Tillamook is doing with the WAVE and we want to do whatever they are doing? Chair Lewicki said once we find out what they are doing and it makes sense, but Diana we do not want that paperwork for that organization to remain inaccurate, and I am aware my name is on there and it should not be. Chair Lewicki said that needs to be corrected regardless and if it was Northwest Ride Center and we don't have the where with all to go ahead with RideCare than at least put it back to where it was. Executive Director Bartolotta said ok I just need direction from you on what you want to do, so is the Board saying that they want to use the Northwest Ride Center. It seems like you just decided to use RideCare and you want me to fix the paperwork so you no longer have your name on there. Commissioner Gearin said it is my understanding that the Northwest Ride Center is like SETD and is a legal name and we would keep our legal name and we were just rebranding. Executive Director Bartolotta said the Northwest Ride Center paperwork was filed incorrectly, I can fix it but I need you to tell me what you want and I would suggest a motion. Commissioner Gearin said I want to ask Paul to explain this to me. It was Northwest Ride Center, and it is was staying Northwest Ride Center and we are just doing a DBA with RideCare? Chair Lewicki said his understanding is that when Jay took over mine and Jay's name mistakenly went on the renewal so it looks like we own the Northwest Ride Center business. But our discussion was that we were not going to change our legal names just change branding names for our departments, to give some brand identity to our users. Commissioner Gearin said that is what she understood and she requested that she wanted to change her pervious yes vote to a no. Commissioner Kleczek asked if the Northwest Ride Center is a DBA. Executive Director Bartolotta said no it is an assumed business name with Jay as owner and Paul as representative. Commissioner Kleczek said if we are going to correct it we should correct it to what we are using it as. Executive Director Bartolotta said yes we are using it as Ridecare but when Jason writes a contract it will say SETD /DBA Northwest Ride Center but all marketing materials will say Ridecare. Commissioner Kleczek said I want to make sure that everyone understands that there is already paperwork in existence for an assumed business name for that entity of the organization and do we want it be Ridecare or Northwest Ride Center. Chair Lewicki said his suggestion is that we correct the paperwork as Northwest Ride Center. Commissioner Kleczek said the Wave is probably an assumed business name. Commissioner Gearin said she wanted to change her vote to a no because I think what Paul says makes sense. What I understand is if we cut off from SETD NWRC we are making 2 different entities and I think it is confusing so until this is a little less confusing I want to change my vote to a no. Commissioner Goforth said I think the Board has made a decision. Chair Lewicki said we can go around and around on this but I would like to ask is that you Diana do your due diligence to figure out what it takes to get us where we want to be and if it is legal and viable or if it is not viable for us and have a report for the next meeting. Executive Director Bartolotta asked you want me to get the NWRC equivalent to the wave in Tillamook? Executive Director Bartolotta asked what do you want me to do I am not clear. I think we need a motion. Chair Lewicki said a motion for what? Executive Director Bartolotta said a motion to fix the filing for the Northwest Ride Center. Commissioner Gearin said if you need a motion I will make the motion.

Commissioner Gearin made a motion to fix the Northwest Ride Center so that Jay and Paul's name is off as co-owners and that it goes back to the original Sunset Empire Transportation District – Northwest Ride Center and then look at changing Ridecare to an assumed business name.

Commissioner Smith seconded the motion

Commissioner Smith	Aye
Commissioner Goforth	Aye
Commissioner Lewicki	Aye
Commissioner Widener	Aye
Commissioner Gearin	Aye
Commissioner Kleczek	Nay

Aye 5 Nay 1
Motion Passed

12. CORRESPONDENCE- There was none.

13. NEW BUSINESS- None

14. OTHER ITEMS- Commissioner Gearin said she would like to set the date for Special Board meeting. Chair Lewicki asked Mary to send out a Doodle poll to set up the next special meeting.

Meeting was adjourned at 12 Noon

Mary Parker, Recording Secretary

Commissioner Carol Gearin, Secretary/Treasurer

Date_____

Mission Statement

Provide safe, reliable, relevant and sustainable transportation services to Clatsop County with professionalism, integrity and courtesy.



SUNSET EMPIRE TRANSPORTATION DISTRICT

**BOARD OF COMMISSIONERS
SPECIAL BOARD MEETING MINUTES
THURSDAY JULY 10, 2014**

1. CALL TO ORDER- Chair Paul Lewicki called the meeting to order at 8:30 AM.

2. ROLL CALL:

Present: Chair Paul Lewicki, Commissioner Rae Goforth, Commissioner Marcia Fenske, Commissioner Carol Gearin, Commissioner Kevin Widener and Commissioner Kathy Kleczek. Excused- Commissioner Neal Smith.

Jeanyse Snow, Attorney/Legal Counsel for Sunset Empire Transportation District

Staff Present: Executive Director Diana Bartolotta, Financial Officer Diane Moody, Executive Assistant Mary Parker, HR Officer Lori Karl, NWRC Manager Jason Jones, IS John Layton, Operations Manager Scott Earls, Operations Assistant Tami Carlson and Mobility Management Lis Pietila

3. Discuss the Employment of the Executive Director-

Chair Lewicki thanked those attending for rearranging their schedules to attend the meeting. He explained how the meeting was going to go saying he would be making comments by way of an overview of the situation and make some recommendations. Chair Lewicki said we will then hear comments from Board members and we will invite Diana to make a statement if she would like. Chair Lewicki said that our attorney is going to give us advice as to options under the contract and employment agreement, there may be further discussion by the Board and finally if there is a motion we will take action.

Chair Lewicki then read the following statement: *On June 11th members of the SETD staff approached Commissioner Gearin to report employees being bullied and treated in a unprofessional manner by the Executive Director. Commissioner Gearin interviewed a number of employees and learned the nature and breadth of the intimidation. On June 14th those concerns were brought to the attention of the Board Chair by Commissioner Gearin. On June 15th and June 16th the Chair conducted interviews of those employees to confirm the reports first hand. Employees reported being yelled at, intimidated, demeaned in front of peers and disregarded during business meetings. Each indicated he or she was fearful of reprisal for speaking up about the problems. Each also shared their serious thoughts of resigning due to the pressure and humiliation they felt from the Executive Director. On June 17th in an attempt to curb this behavior, Commissioner Goforth and I met with the Executive Director. We presented the complaints and explained the Board expected this treatment to the employees to cease, that the Board expected the employees would be treated with respect, coached and mentored where necessary to bring employees up to the expectations of management in a way that fostered trust, professional growth and productivity. The Executive Director explained that the problems were the fault of the employees and that she had been fooled into believing what the employees had told her and that is why she treated the employees the way she was treating them.*

Monitoring the situation of the ensuing days I did not notice any improvement and sarcasm increased. It had been reported that employees were talked to about the conduct of other employees. Board members were talked to about other Board members in front of staff and employees reported being very uncomfortable about this practice, hearing information that they thought they should not have been privy to. On June 24th during a regular Board Meeting an Executive Session was held for the Board to discuss the complaints and to discuss the employment of the Executive Director. In that session the Executive Director requested that the proceedings be held in open session in a public meeting. This meeting is the result of that request. Subsequent to that Board meeting I was told by a representative from the Oregon Department of Transportation, who had met with the Executive Director the day following the Board meeting, some disturbing information about the way the

Executive Director had treated one of her (SETD) employees during the ODOT representatives visit and in front of the ODOT representative.

The Executive Director also volunteered that she, the Executive Director, was going to be fired in the next couple of weeks and what did the ODOT representative think the Executive Director's job was. The Executive Director indicated that she could do a better job if she had a different Board.

On June 26th I was told by John Angblim, a professional developer for employees and leaders that was hired by the previous Executive Director to help our management team develop better working relations and overcome silos and develop trust with each other, that there were serious problems with the current leadership at Sunset Empire. That the Executive Director was leading with fear and that a feeling of fear was unanimous across the staff and John characterized it as a "big red flag" to have this broad concern among the staff so early in the Executive Directors tenure. John has scheduled at least one meeting with the Executive Director to discuss the problems that the staff was having with the Executive Director but the Executive Director is reported to have cancelled the meeting or meetings before they occurred.

Chair Lewicki said that after much thought and consternation I must say that I feel that this just isn't working out and further it is my recommendation that the Board terminate Miss Bartolotta's employment without cause. Chair Lewicki said that this concluded his comments and he would like to open it up to the Board for discussion.

Commissioner Fenske asked for John's last name. Chair Lewicki clarified John Anglim. Commissioner Gofroth said he had come to a Board meeting. Commissioner Gearin said he is the one that Jay hired to come in and help the Board and staff. Commissioner Kleczek asked attorney Jeanyese Snow, "Having held this meeting and having read all of the report that Paul just read are we as a Board in a legal standing to terminate without cause and we're having a meeting without cause"? Jeanyese answered that you are entitled to terminate her employment without cause. Jeanyese said your prerogatives here at this meeting are to do nothing or to take action. You have defined that have the ability to terminate without cause. You have some possible suggested motions in front of you that would cover that possibility. That would include a 15 day written notice at which point she would be paid for that period and you would probably want to put her on administrative leave. She would get compensation for any vacation and holidays and so forth and offer of 3 months compensation with benefits. You can have a motion to terminate with cause. That entails some further action. You would probably want to place her on administrative leave and direct the chair to arrange for an independent contractor to investigate and prepare a report. Another investigation might be warranted so that you would have an actual presentation to the Board. And you can do a discipline. The contract in Section 8 discusses the types of discipline available. Section 9(a) notes that misconduct by the Executive Director in most cases should result in counseling or discharge. An intermediate disciplinary action would be rare. Those appear to be the courses of conduct available to you. Commissioner Kleczek asked if these are in compliance with the Bureau of Labor and Industry laws. Jeanyese said yes she is governed by the contract here. Commissioner Widener said that this answered his questions. Jeanyese asked if she could go through a couple of other things. Chair Lewicki said yes. Jeanyese said she thought that the Board had gotten a copy of an email sent by Miss Bartolotta yesterday. Jeanyese said she was out of town but she did receive this, indicating that she had some concerns that this meeting is not proper. The basic one is that there was not adequate notice. Notice was given to Miss Bartolotta on Tuesday July 8, 2014. Jeanyese asked Mary Parker what public notice she prepared and gave on Tuesday? Mary said that she had posted a public announcement at the Transit Center which is the normal process she would follow for any meeting. Mary said that John Layton had posted the meeting announcement at 9:37 AM on the SETD website and Facebook. Mary said that she had emailed public notification to radio station KMUN and to Tom Freel at KAST and she also sent notification to Elleda Wilson at the Daily Astorian and that meeting notice was published in the paper yesterday. Chair Lewicki said that if he could correct himself, he had given the meeting notice to Miss Bartolotta on Monday July 7th.

Jeanyese Snow said that Miss Bartolotta has also requested various rights; to have her attorney, that this be public, a list of accusations, the right to respond, the right to call witnesses. Basically these are rights that she does not have but the Board has discretion to give her some of those things if you wish, but the statute ORS 192.660 (b) has been interpreted by the Attorney General of Oregon, that requesting an open session as she did during an Executive Session is absolutely her right, but the open hearing referred to does not constitute an adversarial hearing it is only an open session and that is what we are doing. The affected person need not be present, has no right to postpone for an attorney to attend or to have a formal hearing unless some other law or contracted collective bargaining agreement provides this right. None of those are happening here. So Miss Bartolotta can be present, she can have an attorney present if she wishes, but we do not need to postpone it if her attorney is not available to be present. Jeanyese said she would also like to add to the record that she did not respond to Miss Bartolotta yesterday because she was out of town yesterday and because she had indicated that she had contacted a lawyer and does have a lawyer and once she has done that the Oregon Board of Ethics forbids me to contact her directly, so I can

only contact her attorney. Her attorney could give me permission should I request to speak to her directly. So we are free to proceed.

Commissioner Kleczek said I do not know what kind of details, time frame and number of occurrences what level this pertains to, a lot of this information is the first time I have heard of it. So to fully understand the scope and severity of this, I would appreciate some more details.

Commissioner Widener concurred and Commissioner Fenske agreed that this was the first time she had heard about this. Commissioner Widener said that he was not involved in the investigative procedures and all he got was what he received in the emails.

Commissioner Goforth said that she and Chair Lewicki had spent about 2 hours with Diana in her office. We discussed the individual situations and actually her response was rather void. She spent most of the time telling us how incapable certain people were that were on the staff and they had to go. That there were lies that had been told to her and that some of the staff had told her things about Board members and about other staff members that I could not even believe they had been said, let alone that there was any truth there. I had the feeling that she was not hearing what we were saying to her. I had the feeling that she was just thinking her own thoughts and coming out with her own responses. Then after spending 3 hours listening how bad the employees were and how they would never be successful, we get a glowing report on the management report. I have not been in college since 1951 but the first paragraph of her management report was right out of *Psyche 101*. It was just a glowing report about these very people that she had said were incompetent and had to be let go. I found it very typical of what the Indian chiefs in Alaska say, woman speaks with forked tongue.

Commissioner Widener asked if there have been incidents subsequent to that then.

Chair Lewicki said that is what disturbs me. Certainly this is not the path that any of us would prefer or to be caught up in but I personally did not see the kind of improvement I would expect in respect for the employees deference to the wishes of the Board and subsequent to Rae and I attempting to be clear about what was wrong with the situation and I would ask Jeaneyse to correct me if I am off base with what I am about to say but, I appreciate that you would like additional details and I should say that if this body elects to commence proceedings to terminate with cause that those details would be forthcoming, there would be a report of all the incidents and all the actions would be made available to the Board. If the Board should feel that termination without cause is the way to go, which is my recommendation, then in effect we are not making any accusations and we are responding to a situation that is just not working out for the Board. Chair Lewicki said there is a bit too much drama, a bit too much unsettling input from outside our body to leave me with the belief that we can't be as effective as we should be going forward. So unless Jeaneyse has advice to the contrary probably it is a bit premature for those details.

Commissioner Kleczek said she is not talking about details as far as specifics, as far as who said what to who, when and where, but I mean was there 1 occurrence were there 5 occurrences was it over a day, was it over 2 weeks? Commissioner Fenske asked is it a small scope or is it a lot of employees? Chair Lewicki asked Commissioner Gearin if she had some input on this. Commissioner Gearin said she had received a call from someone who was crying, sobbing, and told me this had been going on for quite a while and that there was a number of employees that this had happened with. I was given the names of some of the other employees that were going to speak to a Board member and I am a firm believer that there is a chain of command but if the problem is at the top I believe that the employee has a right to come to the Board. I will tell you that I do not feel I did anything wrong. I was given these names. I was going out of town for 2 days and told the person that called me that I would look into this. I could not promise anything but I would do what I could to find out what was going on because I did not want to take just one persons word. So over the next two days I did call several 4 other people. Everyone told me the same thing. It had been going on for quite a while. Some of them it happened to them and some of them it had not happen to them but they had seen it happen and it was embarrassing. One person said that they were so embarrassed they wanted to get up and walk out of the meeting. It apparently had been going on so that is the reason why there was a time difference between the time I was first called on June 17th and when Paul was notified because again I was out of town and I did make the calls and did not want to come to Paul unless I was sure and that was not getting only one persons opinion and this was an ongoing problem. Commissioner Gearin said she agrees with Chair Lewicki, that this is just a situation that is not working out for the Board and I do believe without cause is the best way to do it. Commissioner Kleczek said after the initial phone calls and contacts and meetings what is the scope of the reoccurrence? Was it one person? Was it once? Commissioner Fenske asked was anything improved. Chair Lewicki said he would admit of not being down here during that time but he did to the best of his ability monitor what was going on and it was his observation that the problem continued not necessarily on a instance by instance but more on a pervasive attitude throughout the office that made the employees uncomfortable, fearful of reprisal for doing the wrong thing. I do not know how many of you have been in the office here in the last few weeks but the feeling of discomfort is palatable. I think that we all can remember how things have been here the last year or so, it is not

that way anymore. So to answer your question it is my feeling that this is more of a continuum and not necessarily an event by event unfortunately may be a style of working with people that is contrary to what the Board would like to see.

Commissioner Kleczek asked Chair Lewicki if in the meeting that he and Commissioner Goforth had with Miss Bartolotta, did you ask for any specific changes or recommend any specific course of action for improvement.

Commissioner Goforth said yes and Chair Lewicki particularly did. That was one of the things that I felt Chair Lewicki was very good about suggesting because of the attitude and feelings that the employees and staff had expressed to both of us.

Commissioner Goforth said I just had the feeling that it was not sinking in, that is was not registering; that this is the way I do things, this is the way I am going to continue to do things. Commissioner Goforth said I had one incident at the RideCare committee meeting discussing putting Dial a Ride back in and I had said to the committee I will get some of this information from Tami so I can take it to the Board. I was told afterwards by Diana that I was not to talk to the staff and that Tami was scared of me and that I should not go to her, that she was terrified that I was going to go to her and talk to her. Commissioner Goforth said she had known Tami for 13 years and never known her to be scared of me. So when we had the Board meeting I said to Tami are you scared of me and she said of course not. Commissioner Goforth said but Diana said don't talk to Tami because she is scared of you but I have never had a problem talking to Tami. Commissioner Goforth said that there is that feeling of fear, fear. We are told not to talk to any of the staff and if we do we are to copy Diana. So I do but I have never had responses back from her.

Commissioner Kleczek asked Chair Lewicki in what ways did you specifically address and ask things to change and then in what way did you consider that they weren't changed or is specific a different interpretation between what I am saying. Chair Lewicki said the intent of the meeting was to address the reported problem quickly, promptly and directly so as not to let it fester and to not have the employees be subject to that type of treatment any longer than necessary. It was not per say a official meeting. I did take notes but I do not have them with me today and I hope the reasons are obvious. Chair Lewicki said to answer your question, the specific points that were talked about were number one, the intensity of Miss Bartolotta's approach toward the employees and how it was having a negative effect, so we suggested that she tone it down, that she back off on trying to do so much so quickly. Chair Lewicki said that we talked about the complaints of verbal abuse, intimidation and she denied those things and each and every one was denied. Chair Lewicki said I think we left the meeting making clear the expectations that any behavior that was not constructive or in a positive direction was something the Board did not want to see and yet I understand that it continued past that meeting. In fact I understand that after that meeting, Diana reached out to at least one other Board member secretly saying, would you come down here and let's talk about this. So to raise the point that it didn't appear to sink in, seems to be borne out by that. Not since that meeting has Diana come to me as the Chair or as far as I know to any other Board members with any conciliatory attitude, any apparent and genuine desire to switch gears and get in sync with the approach that the Board would like to see taken toward operation of this District. Commissioner Kleczek asked if that was asked for or indicated that was desired. Chair Lewicki asked to be conciliatory? Commissioner Kleczek said to reach out to the Board or the Board chair? Chair Lewicki said references were made of the roles of the Board responsibility is to make policy. Chair Lewicki said he did not want to say something that he does not recollect clearly right now.

Commissioner Kleczek said you understand I am coming from a position of not knowing anything and I am trying to put as many of the pieces in place in my own mind so that I can know where I am coming from. Chair Lewicki asked to interject one thought in here briefly, I tried to keep the Board members as well apprised of the situation as I could, but as the situation developed, it was made clear to me, as I had indicated in an email, that we need to be very careful about our communications outside of the open meeting law and more so in the last few weeks than we might have felt to be compelled to be before that, because of the nature of what we are doing here. So I have to tell you that because of the way the law is written it was difficult for me to give you details outside of an open meeting or an Executive Session and even now I am hesitant to go too much further because my recommendation is termination without cause.

Commissioner Fenske said she agrees it is not our roll to manage and I think that is something we see a lot of time in public entities like the Port, is that the Board micro-manages, but in this instance I don't think this has anything to do with managing the staff. I know we are supposed to be policy makers but we are also the boss of the Executive Director and we need to make sure that things are working well and that the Executive Director and the staff have a good working relationship or the District can't function, it can't deliver it's services, it just doesn't work. We have seen in the past what happens when the Executive Director and the staff are at heads and I do not want to repeat that. I feel kind of blindsided not knowing exactly what was going on. Part of me thinks that we need to do a corrective action with a 3 month timeline but that was my thought initially, but having heard that Chair Lewicki and Commissioner Goforth had sat down with the Executive Director and expressed concerns. Because at our last Board meeting it seemed that Miss Bartolotta was unaware of what the issue at hand was and obviously a week before, she had been approached and was aware there was an issue. So I think she has been given a

chance and granted it hasn't been weeks and weeks to turn things around, it does seem like it is in one ear and out the other, so I guess I would go along with the termination without cause.

Commissioner Kleczek said I apologize if I am the one talking and asking the questions all the time, but not having been in the room I feel that I may have a different perspective perhaps of the meeting because there is no reading of expressions, there is no reading people when all you are getting is the voice on the phone. I, in a similar way, I feel like this came out of the blue. Having known that it was on the agenda but not really knowing the details and scope of what was happening I feel that it is important to say these things out-loud here in the public meeting because then it is there. I knew that Chair Lewicki and Commissioner Goforth were having a meeting with Diana and I did not know any of the outcomes of it and I have to say that based on the reactions and what I heard on the phone that day I feel like there are a lot of mixed messages going on. So if Miss Bartolotta was told there was nothing to worry about and everything was ok, that was the impression that I got on the phone that was the message she was given as far as the meeting was concerned. Then out of the blue to see her job under the microscope, that's what it seemed like over the phone was going on so that indicates to me on some level there are mixed messages. So, I would have to say to go from we've talked about and discussed this and we are going to watch what happens to now we are going to discuss termination seems like a big jump. So to me I could not go along with termination without cause because I do not know enough. I would say that maybe something you all decide differently. Personally I do not know enough details to go along with that. I would say that a specific scope of action, if we lay it out as a disciplinary action and a measurable outcome in a specific amount of time determined by the board that is measurable would be something I could agree with because it really feels like we are skipping stuff.

Commissioner Goforth said actually I thought it was made very, very clear. I thought that Paul made it very, very clear. That the actions of the past that had been reported by the staff to Paul and Carol had to stop, it had to cease and that she had to back off. The management skills were not there, they were not being successful. Unfortunately a lot of that did not get out to you but you know to continue this on could be disastrous. It could be disastrous. I too like Marsha went through a lot of this and I didn't think we would ever have to do it again, but quick and easy is the way to go. Let's not destroy the district.

Commissioner Widener said I am kind of torn here because I wasn't present for the meeting that you two had and I do not know the details. Frankly I want to respect the employees confidentiality as well but it is very difficult for me I understand we are not in a legal proceeding but I am hearing a lot of hearsay. I trust the opinion of the Board but I also saw a lot of edginess at the last Board meeting, There was going back and forth between you guys. I don't know if that put an end to it or not.

Commissioner Fenske asked about the option for a paid leave and an investigation by an objective party.

Commissioner Gearin said that would be for cause and I would like to respect the confidentiality of the staff and they would all have to be interviewed. This is just personal observation, but Diana and I did have a disagreement. I reached out to her I said I would like to discuss this so both of us could not feel threatened. I was going to talk on the phone, come to the office, and take her to lunch or whatever. I sent her an email and then after the second budget meeting I went up to her office and said I know you are busy with the budget but I will leave it in your ball park whenever you have time. I never heard from her. I know this does not have too much to do with what we are discussing now, but I did reach out to her and did not get any response. When you have 5 different staff members virtually telling you the same story and they are all fearful of their jobs. I was a nurse for 40 years. And I have seen a couple times when people are emotionally beaten down and you reach a point where you don't believe you are worth anything. I am afraid that is what I see happening. It may be a management style but I do not believe it is a style I would like to see happen here. I think everyone is aware that I had originally voted no, but I did feel after talking with Diana that it was going to work and I am wrong.

Chair Lewicki said he would like to offer Diana an opportunity to make a statement if she would like to.

Diana Bartolotta said I made some notes and then there are some specific comments that people brought up that I want to address. I did request a public hearing and this is still not a public hearing. Paul cited the incorrect statute and when he fixed it he cited the Executive Session so it is still not a public notice. I am represented by an attorney and Jeaneyse is right we cannot talk because I am represented by an attorney. My attorney could not be present. There are 2 reasons why I could not have an attorney present. One is nobody in Astoria does labor and employment law so I had to get one from Portland who has a meeting today. The second is all of the government lawyers are conflicted out because they all have represented the Bus before. So I do not think this is wise for me to speak on my own behalf, because this is emotional.

Like many of you this did come from nowhere. I feel if I represent myself I will be emotional and I won't make objective arguments and won't stick to the facts so it is really hard to defend myself without representation. I have asked the staff to be here. Many of you have said this is hearsay and I agree this is hearsay. So I think I can address particular concerns

particular items if you would like. I would like to turn my time over to the staff and allow them to say whatever they need to say. I think that is what is the most important because what is going on here is the Board is speaking to the staff and a few staff members are speaking to the staff and if they're comfortable anyone who wants to speak because they have asked me repeatedly, when do I get a chance to say what I think and also with the Board members who called them there were leading questions and my words were twisted. There were specific questions that were asked and not answered. Kathy you asked if there were specific things that Rae and Paul asked me to do that I did not do. No. It was a 3 hour attack where I listened and at the end of it I said; how do we move forward, how do we do this better, how do we work together? I have asked Paul this numerous times. His answer has been do what I tell you to do, do what Mary tells you to do. My belief is that this is politically motivated. Paul does not like me. He wants to get rid of me. He is terminating me without cause because there is no cause. He is using this witch hunt to increase fear so he can terminate me without cause. That's what's going on here. I am not the only person in this room who has had this happen. There are numerous other staff members in this room who have been attacked in the same way being told; you're the next Cindy Howe, this place is full of fear. The fear existed before me. I think it is not smart for me to make arguments on my behalf. The reason I wanted a public hearing is because I wanted the public to be able to be here, which notice was not sufficient to do that. I wanted to have legal counsel. I wanted to know the accusations. The accusations were given to me verbally by Paul and Rae but never in writing. I received them in writing last night for the first time. How can I address things if they are not being told. The approach has not been resolution the approach has been attack and conquer. Paul has given me specific directives. I am not allowed to talk to the lawyer without his approval. I am not allowed to read the Board Policies. I am not allowed to question Mary. I am not allowed to read the law. I am not allowed to speak in Board meetings. In response to Carol saying she reached out to me, you absolutely did. I did not reach out to you because Paul told me that I am not supposed to talk to Board members directly. He needs to be there or he needs to be aware of it or he needs to be present. I was terrified to talk with all of you. I wish I had. You can talk with George Dunkel about this, when I was signing my contract I said I would like to meet with each Board member individually, learn more about them, and understand why they became Board members because they are all very different. George said great idea. I said I want to start with Carol because I felt that I had not answered her questions in the interview very well, so let's start there and improve our working relationship. George said great. I contacted Paul and Paul said no. He said, I manage the Board and you manage the staff, you don't want me talking to the staff any more than I want you talking to the Board, he said this is a system that Jay and I had developed and I do not want you to disrupt it. Kathy I believe you are aware of this because you and I have spoken about it. It is a brilliant political move to get rid of me. I think I need to be represented by counsel. I think you in order to make a decision need to hear it directly from staff. In terms as protecting staff who may feel uncomfortable no one has to speak if they do not want to but anyone who wants to speak should be able to speak. That is the best way to get your primary information. So I think I need to have an attorney present because I am going to get emotional and I feel this is politically motivated by my refusal to take direct orders from Paul and that is where this is coming from. So this is why I asked for a public meeting. I would like the staff to have an opportunity to speak. Is that ok with you?

Chair Lewicki said actually it is not.

Diana said what a surprise.

Chair Lewicki said this offer to have a public statement was a courtesy extended to you.

Diana said I am allowed to have a public hearing. A public hearing involves public comment. Public comment is limited to 3 minutes per person.

Chair Lewicki said that public comment is not something we have to allow in this body. We have to allow public observation and public presence, but we do not have to allow public comment.

Diana said I think that the fact that you are unwilling to have the staff speak for themselves says a lot.

Chair Lewicki said he appreciated Diana's statement.

Diana said that she wished she had the right to have an attorney present.

Commissioner Kleczek said she had a question. We as a Board decided that said that we were going to have public comment on all of our agendas either at the beginning or at the end and therefore I would actually like you to follow the procedure we sat up.

Commissioner Widener said you make a motion and I will second it.

Commissioner Kleczek said she would like to offer the opportunity to correct the agenda first.

Chair Lewicki said it was my judgment because this is a special meeting that we would not have public comment for this very reason. But certainly if it is the Boards will, unless we have contrary advice of counsel I can't stand in the way of it, I can advise against it.

Commissioner Kleczek said public comment as what it is, is public comment and not a discussion between the Board and the public. I think making clear that distinction and following our agenda as we as a Board decided to have them I think is a good idea.

Chair Lewicki said bear in mind the staff is on the clock and should be doing there assignments and not sitting as public in the meeting. Still I will go with the will of the Board.

Commissioner Gearin said she would like to make a comment. I understand where you are coming from, however I see 2 possibilities here. One, if Diana is not dismissed, those people who have failed to speak up in her defense could have reprisal, and two are the people who are speaking up doing so for fear of losing their job because that was mentioned from 3 out of the 5 people that I talked with.

Diana Bartolotta said that if this is still my comments they were actually afraid of reprisal from their coworkers.

Chair Lewicki said we are not going to get into this kind of discussion.

Diana Bartolotta said that she just wanted the facts.

Commissioner Kleczek asked if Chair Lewicki was going to take action or should she make a motion

Chair Lewicki said if you want to take action make a motion.

Commissioner Kleczek moved to add public comments to the agenda like it has been on every other meeting agenda that we have.

Commissioner Widener seconded the motion

Discussion:

Chair Lewicki asked who in the public you would like to hear.

Commissioner Kleczek said anyone from the public who wants to speak according to our public comment rules.

Chair Lewicki asked you are including staff at this point? Commissioner Kleczek said yes.

Commissioner Fenske said I have a discussion thing I have to leave at 9:30 AM no matter what.

Chair Lewicki asked for a verbal vote which was not unanimous

Chair Lewicki requested a roll call vote

Roll Call Vote was taken:

Commissioner Kleczek	Aye
Commissioner Goforth	Nay
Chair Lewicki	Nay
Commissioner Widener	Aye
Commissioner Gearin	Nay
Commissioner Fenske	Nay

Motion failed 2 Aye and 4 Nay

Commissioner Fenske said she would like to hear but she had to leave at 9:30.

Miss Bartolotta interrupted with comments

Chair Lewicki said excuse me but let's keep the meeting focused here.

Chair Lewicki asked if there was any other discussion. With no further discussion Chair Lewicki asked if there was a motion.

Commissioner Goforth moved that Sunset Empire Transportation District terminate the employment of Executive Director Diana Bartolotta without cause pursuant to Section IX, C (1) of her employment contract. This includes: (a) 15 days written notice during which period Diana Bartolotta will be put on administrative leave with pay and (b) will be compensated for any earned but unused vacation, accrued holiday and personal time, subject to the general guidelines of the District and (c) an offer of 3 month compensation and benefits less all amounts required to be withheld and deducted.

Commissioner Gearin seconded the motion.

Discussion:

Commissioner Kleczek said that she has to say again that she feels like this is premature; we haven't followed any sort of timeline. I feel contrary to our attorney's recommendation that we are putting ourselves in jeopardy with the bureau of labor and industry laws and I don't feel like this is a good action for us to take right now.

Commissioner Goforth said that I believe that this had been discussed with Ron Downs our attorney at SDAO.

Commissioner Fenske said she had a comment along the lines of Kathy. I don't have time, granted there is a bias there, but rather than that I would prefer to do a motion to discipline with a short time.

Chair Lewicki said there is a motion on the table.

Commissioner Gearin said according to the statutes, if you do something because someone tells you to do it that way that has knowledge, you cannot be held libel.

Commissioner Kleczek said our attorney is not a Bureau of labor and industry attorney.

Commissioner Gearin said she is an attorney in this state.

Commissioner Fenske said she is our attorney.

Jeaneyse Snow said this is an at will employee contract.

Commissioner Kleczek said this is my feeling, my sentiment.

Commissioner Lewicki asked for a verbal vote which was not unanimous

Chair Lewicki requested a Roll Call Vote

Commissioner Kleczek	Nay
Commissioner Goforth	Aye
Chair Lewicki	Aye
Commissioner Widener	Nay
Commissioner Gearin	Aye
Commissioner Fenske	Nay

Motion was defeated 3 Aye and 3 Nay

Commissioner Fenske moved that Sunset Empire Transportation District discipline Executive Director Diana Bartolotta based on the evidence of repeated discourteous treatment of employees. Said discipline be a performance improvement or a corrective action plan developed and administered by the Board and with a timeline of less than 3 months.

Commissioner Widener seconded the motion.

Chair Lewicki asked for a verbal vote which was not unanimous.

Chair Lewicki requested a Roll Call Vote

Commissioner Kleczek	Aye
Commissioner Goforth	Nay
Chair Lewicki	Nay
Commissioner Widener	Aye
Commissioner Gearin	Nay
Commissioner Fenske	Aye

Motion was defeated 3 Aye 3 Nay

Chair Lewicki said that we are done with our agenda and the Board has taken no action, are there any closing remarks?

Commissioner Kleczek moved that we as a board based on the complaints made ask Diana to find and take some management classes where she can get some assistance in changing her management style based on the desires of the board.

There was no second to this motion.

Commissioner Fenske said we cannot leave this unaddressed.

Commissioner Fenske said she is uncomfortable terminating without further information so how about we terminate with cause so we put her on leave and do an investigation.

Commissioner Fenske moved that the Sunset Empire Transportation District Board commence proceedings to terminate Executive Director Diana Bartolotta for cause. Diana Bartolotta will immediately be put on paid administrative leave. Chair Lewicki will arrange for an independent contractor to investigate and prepare a report on the conduct of Miss Bartolotta as well as any other investigation the Chair deems advisable.

Diana Bartolotta interrupted with comments.

Chair Lewicki said excuse me there is a motion on the table
The motion was not seconded.

Commissioner Kleczek moved that we end the meeting.
The motion was not seconded.

Commissioner Fenske had to leave the meeting and was excused at 9:30 am.

Commissioner Goforth said this has got to be resolved or we are asking for more trouble.

Chair Lewicki moved to put Executive Director Diana Bartolotta on administrative leave with pay at the present time until the Board has an opportunity to determine its actions going forward.

Commissioner Gearin seconded the motion.

Chair Lewicki asked for a verbal vote and it was not unanimous.

Chair Lewicki asked for a Roll Call vote

Commissioner Kleczek	Nay
Commissioner Goforth	Aye
Chair Lewicki	Aye
Commissioner Widener	Aye
Commissioner Gearin	Aye

Motion passed 4 Aye votes and 1 Nay vote

Chair Lewicki said he would instruct Diana to relinquish her keys, her SETD cell phone, her laptop and any other equipment that has been issued. I would like one of the commissioners to accompany me to escort Miss Bartolotta. Commissioner Gearin said she would.

Chair Lewicki adjourned the meeting at 10:00 AM.

Meeting was adjourned

Mary Parker, Recording Secretary

Commissioner Carol Gearin, Secretary/Treasurer

Date_____

Mission Statement

Provide safe, reliable, relevant and sustainable transportation services to Clatsop County with professionalism, integrity and courtesy.

Sunset Empire Transportation District
JUNE FINANCIAL EXCEPTIONS REPORT
For the JULY 2014 Board of Commissioner's Meeting

NOTE on Reviewing Financials: 12 Months = 100% of Fiscal Year Budget*

For period ending June 2014

General Fund Profit and Loss

The District's General Fund ended the year in good position. It exceeded total income budgeted by 4% and is under budget for both ordinary and other expenses. The result is a Net Income of just over 259,700, which is 178% over budget.

Revenue

- 4450 Rental Income: \$9757.20 is from parking spaces and \$1,254.71 is from the electric car charger and billboard rentals.

Expense

- 8010 Bank Chgs/Fees: This expense remained over budget throughout the year because of merchant credit card processing fees.
- 8175 Newspaper Ads: The overage is due to the unplanned Executive Director hiring placements. (Same explanation as last month.)
- 8250 Telecommunications: This expense will continue to be over budget for the remainder of the year. (Same explanation as last month.)
- 8460 Utilities: This expense is over budget for the year. There will be one year-end adjustment for a \$500 credit expected from Pacific Power.
- 8550 Drug/Alcohol Screening: This will continue to be over budget. Includes background checks and fingerprint charges. (Same explanations as last month.)
- 8780 Meeting Expense: This expense is slightly over budget due to the unplanned Executive Director recruitment.

***Disclaimer:** The percentage of the year's budget cited above is just to be used as a basic benchmark for the fiscal year. Individual budget line items will vary based on expenditure time cycles. Items such as Fuel, Wages, & Bldg Grounds and Maintenance are more consistent on a monthly basis and can be used to gage against the percentage. However, other items such as Insurance and Legal Counsel have irregular payment cycles and therefore are not as good to judge against the percentage.

Sunset Empire Transportation District
JUNE FINANCIAL EXCEPTIONS REPORT
For the JULY 2014 Board of Commissioner's Meeting

Ride Care Fund Profit and Loss

Ride Care Ordinary Income ended the year slightly over budget at \$2,012,290 (rnd) with overall expenses to budget proportionate to income. The result is a Net Loss of \$29,622 (rnd), which is \$8,252.35 (39%) over budget.

Expense

- 8160 Professional Services: This will remain over budget due to the allocated costs for the Internal Control procedural manual being created by Boldt. (Same explanation as last month.)
- 8175 Newspaper Ads: Same as the General Fund, the cause of this overage is due to the ad placements for the unplanned Executive Director position. (Same explanation as last month.)
- 8300 Building Grounds: The increase is due to implementation of the District's new Cost Allocation Plan. (Same explanation as last month.)
- 8350 Insurance: Property and general liability insurance have been allocated to Ride Care during the year, which was not forecasted in the budget. (Same explanation as last month.)
- 8400 Bus Passes: Ride Care is encouraging more of its ambulatory riders to use bus passes. (Same explanation as last month.)
- 8560 Dues/Subscriptions/Fees: Three annual dues were paid last quarter. (Same explanation as last month.)
- 8750 Conference/Training Travel: The travel required for the CCO Brokerage negotiations will most likely cause the RC to surpass budget expectations. (Same explanation as last month.)

***Disclaimer:** The percentage of the year's budget cited above is just to be used as a basic benchmark for the fiscal year. Individual budget line items will vary based on expenditure time cycles. Items such as Fuel, Wages, & Bldg Grounds and Maintenance are more consistent on a monthly basis and can be used to gage against the percentage. However, other items such as Insurance and Legal Counsel have irregular payment cycles and therefore are not as good to judge against the percentage.

**SUNSET EMPIRE TRANSPORTATION
GENERAL FUND
Profit & Loss Budget Performance
June 2014**

YTD Actual to Budget Target: 100%

	Month Actual	Month Budget	YTD Actual	Annual Budget	YTD Actual to Annual Budget	
					\$ (Under)	
					\$ Over	%
Ordinary Income/Expense						
Income						
4000 · FARES	29,572.01	18,750.00	258,675.80	225,000.00	33,675.80	115%
4100 · CONTRACTED SERVICES - IGA	9,300.49	4,490.75	56,358.47	53,889.00	2,469.47	105%
4200 · TAXES	38,422.78	66,529.75	842,000.38	798,357.00	43,643.38	105%
4250 · TIMBER REVENUES	0.00	12,574.08	113,040.71	150,889.00	(37,848.29)	75%
4300 · MASS TRANSIT ASSESSMENT	0.00	5,000.00	58,014.33	60,000.00	(1,985.67)	97%
4301 · STATE APD NON-MEDICAL PROGRAM	0.00	525.00	0.00	6,300.00	(6,300.00)	0%
4305 · INTEREST	347.89	100.00	3,237.93	1,200.00	2,037.93	270%
4310 · MISC INCOME	26.00		47.39		47.39	
4450 · RENTAL INCOME	736.80	868.33	11,011.91	10,420.00	591.91	106%
5001 · GRANTS	520,729.00	121,126.14	1,449,576.08	1,376,514.00	73,062.08	105%
Total Income	599,134.97	229,964.05	2,791,963.00	2,682,569.00	109,394.00	104%
Gross Profit	599,134.97	229,964.05	2,791,963.00	2,682,569.00	109,394.00	104%
Expense						
6000 · PAYROLL WAGES	65,804.32	71,654.16	838,908.39	859,850.00	(20,941.61)	98%
6200 · PAYROLL TAXES & W/C - EMPLOYER	12,892.65	11,298.66	124,255.32	135,584.00	(11,328.68)	92%
6300 · BENEFITS	19,292.44	22,234.16	186,562.57	266,810.00	(80,247.43)	70%
6560 · PAYROLL EXP (OUTSOURCED FEES)	70.62		760.71		760.71	
6605 · REIMBURSED EXPENSES - p/r acct	0.00		919.00		919.00	
7750 · DMAP TRIP REIMBURSEMENTS	0.00		0.00		0.00	
8010 · BANK CHGS/FEES	324.75	100.00	3,303.27	1,200.00	2,103.27	275% *
8055 · AUDIT	0.00	1,833.33	15,498.44	22,000.00	(6,501.56)	70%
8100 · BAD DEBT	0.00		1,036.00		1,036.00	
8155 · LEGAL ADS	344.28	125.00	519.69	1,500.00	(980.31)	35%
8160 · PROFESSIONAL SERVICES	0.00	3,000.00	17,650.37	52,000.00	(34,349.63)	34%
8165 · PLANNING/CONSULTING	0.00		0.00	0.00	0.00	

**SUNSET EMPIRE TRANSPORTATION
GENERAL FUND
Profit & Loss Budget Performance
June 2014**

	Month	Month	YTD		YTD Actual to	
8167 · LEGAL COUNSEL	0.00	291.66	1,986.18	3,500.00	(1,513.82)	57%
8170 · MARKETING / ADVERTISING	5,052.14	3,333.33	25,343.82	40,000.00	(14,656.18)	63%
8174 · CONNECTOR ALLIANCE	5,000.00	834.00	6,638.15	10,000.00	(3,361.85)	66%
8175 · NEWSPAPER ADS	50.76	100.00	2,251.84	1,200.00	1,051.84	188% *
8180 · OFFICE SUPPLIES	1,865.11	1,083.33	12,847.46	13,000.00	(152.54)	99%
8185 · POSTAGE	101.85	83.33	923.08	1,000.00	(76.92)	92%
8190 · PRINTING	4,341.80	666.66	8,064.97	8,000.00	64.97	101%
8195 · SUBGRANT PASS-THROUGH	1,236.56	334.00	2,438.98	4,011.00	(1,572.02)	61%
8205 · TAXES/LICENSE	313.50	62.50	850.50	750.00	100.50	113%
8250 · TELECOMMUNICATIONS	711.19	791.66	17,106.84	9,500.00	7,606.84	180% *
8300 · BLDG GROUNDS & MAINT	1,261.30	2,333.33	16,916.69	28,000.00	(11,083.31)	60%
8350 · INSURANCE	10,769.64	3,750.00	45,691.85	45,000.00	691.85	102%
8360 · FUEL	28,739.22	16,187.50	164,389.01	194,195.00	(29,805.99)	85%
8460 · UTILITIES	2,235.69	1,500.00	20,442.43	18,000.00	2,442.43	114% *
8465 · JANITORIAL SERV & SUPPLIES	311.36	666.66	4,817.08	8,000.00	(3,182.92)	60%
8480 · UNIFORMS	3,638.46	500.00	5,628.18	6,000.00	(371.82)	94%
8500 · DONATIONS/GIFTS/CONTRIB	45.00	416.66	4,460.68	5,000.00	(539.32)	89%
8501 · DONATIONS CLEARING	-45.00		-3,875.62			
8550 · DRUG/ALCOHOL SCREENING	89.00	125.00	2,144.00	1,500.00	644.00	143% *
8560 · DUES/SUBSCRIPTIONS/FEES	22.69	433.33	3,322.12	5,200.00	(1,877.88)	64%
8570 · ELECTION FEES	0.00		-62.00	0.00	(62.00)	
8575 · EMPLOYEE RECOGNITION	0.00	291.66	3,327.15	3,500.00	(172.85)	95%
8605 · VEHICLE MAINT & REPAIR	15,084.70	8,000.00	84,690.16	96,000.00	(11,309.84)	88%
8650 · COMPUTER MAINT/REPAIR/SOFTWARE	1,345.93	3,541.66	41,905.76	42,500.00	(594.24)	99%
8660 · SHELTER CLEANING/REPAIR	0.00	208.33	565.88	2,500.00	(1,934.12)	23%
8705 · SMALL TOOLS/MINOR EQUIPMENT	0.00	166.66	1,638.40	2,000.00	(361.60)	82%
8725 · MISCELLANEOUS	0.00		48.44		48.44	
8750 · CONFERENCES/TRAINING/TRAVEL	795.31	1,583.33	18,492.94	19,000.00	(507.06)	97%
8780 · MEETING EXPENSE	201.40	83.33	1,146.63	1,000.00	146.63	115% *
Total Expense	181,896.67	157,613.23	1,683,555.36	1,907,300.00	(223,744.64)	88%

**SUNSET EMPIRE TRANSPORTATION
GENERAL FUND
Profit & Loss Budget Performance
June 2014**

	Month	Month	YTD		YTD Actual to	
Net Ordinary Income	417,238.30	72,350.82	1,108,407.64	775,269.00	333,138.64	143%
Other Income/Expense						
Other Income						
9150 · TRANSFERS IN	0.00	5,000.00	54,584.06	60,000.00	(5,415.94)	91%
Total Other Income	0.00	5,000.00	54,584.06	60,000.00	(5,415.94)	91%
Other Expense						
9600 · DEBT SERVICE & INTEREST-FEES	6,573.50	22,000.00	255,057.00	264,000.00	(8,943.00)	97%
9700 · CAPITAL EXPENSE	374,842.44	42,600.00	502,200.88	511,200.00	(8,999.12)	98%
9800 · CONTINGENCY	0.00	20,630.83	0.00	247,570.00	(247,570.00)	0%
9850 · TRANSFERS OUT	36,970.25	12,167.00	146,000.00	146,000.00	0.00	100%
Total Other Expense	418,386.19	97,397.83	903,257.88	1,168,770.00	(265,512.12)	77%
Net Other Income	-418,386.19	-92,397.83	-848,673.82	-1,108,770.00	260,096.18	77%
Net Income	-1,147.89	-20,047.01	259,733.82	-333,501.00	593,234.82	178%*

**SUNSET EMPIRE TRANSPORTATION
RIDE CARE FUND
Profit & Loss Budget Performance
June 2014**

YTD Actual to Budget Target: 100%

	Month Actual	Month Budget	YTD Actual	Annual Budget	YTD Actual to Annual Budget	
					\$ (Under)	%
					\$ Over	%
Ordinary Income/Expense						
Income						
4305 · INTEREST	0.00		15.08		15.08	
4400 · PROVIDER PAYMENTS	117,117.00	178,343.25	2,012,274.00	1,990,119.00	22,155.00	101%
Total Income	117,117.00	178,343.25	2,012,289.08	1,990,119.00	22,170.08	101%
Gross Profit	117,117.00	178,343.25	2,012,289.08	1,990,119.00	22,170.08	101%
Expense						
6000 · PAYROLL WAGES	19,617.54	20,370.66	244,332.98	244,448.00	(115.02)	100%
6200 · PAYROLL TAXES & W/C - EMPLOYER	3,945.65	2,615.75	28,047.92	31,389.00	(3,341.08)	89%
6300 · BENEFITS	5,749.25	7,149.33	64,028.02	85,792.00	(21,763.98)	75%
6560 · PAYROLL EXP (OUTSOURCED FEES)	14.88		180.44		180.44	
7750 · DMAP TRIP REIMBURSEMENTS	107,870.51	137,041.66	1,454,781.98	1,413,000.00	41,781.98	103%
8010 · BANK CHGS/FEES	0.00	41.66	56.00	500.00	(444.00)	11%
8055 · AUDIT	0.00	750.00	8,258.00	9,000.00	(742.00)	92%
8155 · LEGAL ADS	108.72	41.66	143.45	500.00	(356.55)	29%
8160 · PROFESSIONAL SERVICES	935.00	208.33	8,287.27	2,500.00	5,787.27	331% *
8167 · LEGAL COUNSEL	0.00	166.66	414.12	2,000.00	(1,585.88)	21%
8170 · MARKETING / ADVERTISING	0.00		77.40		77.40	
8175 · NEWSPAPER ADS	15.21	41.66	637.38	500.00	137.38	127% *
8180 · OFFICE SUPPLIES	106.43	416.66	1,907.78	5,000.00	(3,092.22)	38%
8185 · POSTAGE	0.00	41.66	178.70	500.00	(321.30)	36%
8190 · PRINTING	0.00	62.50	38.60	750.00	(711.40)	5%
8250 · TELECOMMUNICATIONS	716.63	750.00	9,303.60	9,000.00	303.60	103%
8300 · BLDG GROUNDS & MAINT	424.28	250.00	5,375.09	3,000.00	2,375.09	179% *
8350 · INSURANCE	1,314.36	208.33	8,539.32	2,500.00	6,039.32	342% *
8400 · BUS PASSES	130.00	308.33	7,860.00	3,700.00	4,160.00	212% *
8460 · UTILITIES	703.81	666.66	5,540.42	8,000.00	(2,459.58)	69%
8465 · JANITORIAL SERV & SUPPLIES	60.48	166.66	1,257.47	2,000.00	(742.53)	63%
8480 · UNIFORMS	0.00	83.33	0.00	1,000.00	(1,000.00)	0%
8550 · DRUG/ALCOHOL SCREENING	0.00	125.00	723.50	1,500.00	(776.50)	48%

**SUNSET EMPIRE TRANSPORTATION
RIDE CARE FUND
Profit & Loss Budget Performance
June 2014**

	<u>Month</u> <u>Actual</u>	<u>Month</u> <u>Budget</u>	<u>YTD</u> <u>Actual</u>	<u>Annual Budget</u>	<u>YTD Actual to</u> <u>Annual Budget</u>	
8560 · DUES/SUBSCRIPTIONS/FEES	0.00	66.66	879.27	800.00	79.27	110% *
8575 · EMPLOYEE RECOGNITION	0.00	62.50	720.44	750.00	(29.56)	96%
8650 · COMPUTER MAINT/REPAIR/SOFTWARE	274.27	2,258.33	24,865.22	27,100.00	(2,234.78)	92%
8725 · MISCELLANEOUS	0.00		15,128.00		15,128.00	
8750 · CONFERENCES/TRAINING/TRAVEL	277.25	208.33	3,831.85	2,500.00	1,331.85	153% *
8780 · MEETING EXPENSE	51.78	66.66	260.47	800.00	(539.53)	33%
Total Expense	<u>142,316.05</u>	<u>174,168.98</u>	<u>1,895,654.69</u>	<u>1,858,529.00</u>	<u>37,125.69</u>	102%
Net Ordinary Income	-25,199.05	4,174.27	116,634.39	131,590.00	(14,955.61)	89%
Other Income/Expense						
Other Income						
9150 · TRANSFERS IN	36,970.25	12,166.67	146,000.00	146,000.00	0.00	100%
Total Other Income	<u>36,970.25</u>	<u>12,166.67</u>	<u>146,000.00</u>	<u>146,000.00</u>	<u>0.00</u>	100%
Other Expense						
9600 · DEBT SERVICE & INTEREST-FEES	90,000.00	12,166.66	231,819.31	236,000.00	(4,180.69)	98%
9700 · CAPITAL EXPENSE	0.00	200.00	2,299.68	2,400.00	(100.32)	96%
9800 · CONTINGENCY	0.00	560.00	0.00	560.00	(560.00)	0%
9850 · TRANSFERS OUT	0.00	5,000.00	58,137.75	60,000.00	(1,862.25)	97%
Total Other Expense	<u>90,000.00</u>	<u>17,926.66</u>	<u>292,256.74</u>	<u>298,960.00</u>	<u>(6,703.26)</u>	98%
Net Other Income	<u>-53,029.75</u>	<u>-5,759.99</u>	<u>-146,256.74</u>	<u>-152,960.00</u>	<u>6,703.26</u>	96%
Net Income	<u><u>-78,228.80</u></u>	<u><u>-1,585.72</u></u>	<u><u>-29,622.35</u></u>	<u><u>-21,370.00</u></u>	<u>8,252.35</u>	139% *

SUNSET EMPIRE TRANSPORTATION
Balance Sheet
As of June 30, 2014

	<u>Jun 30, 14</u>		<u>Jun 30, 14</u>
ASSETS		LIABILITIES & EQUITY	
Current Assets		Liabilities	
Checking/Savings		Current Liabilities	
1000 - SETD		Accounts Payable	
1005 - BUS FUND - CCB 02240	47,194.40	2010 - Accounts Payable	
1010 - ON-LINE PURCHASE CCB (7498)	1,780.54	2010A - SETD - A/P	438,294.95
1020 - CASH - FISCAL AGENT (HRA)- SETD	1,520.08	2010B - NWRC - A/P	994.08
1025 - LGIP 4992 (Operations)	751,932.05	Total 2010 - Accounts Payable	<u>439,289.03</u>
1030 - PAYROLL - CCB (3950)	2,638.20	Total Accounts Payable	439,289.03
1035 - CCB LOAN RES ACCT-CCB (2455)	75,153.95	Other Current Liabilities	
1040 - GENERAL FUND - CCB (3943)	215,503.04	2100 - PAYROLL LIABILITIES	13,487.32
1045 - EMPLOYEES FUND - CCB (3935)	1,722.34	2260 - DEFERRED REVENUE	69,489.55
Total 1000 - SETD	<u>1,097,444.60</u>	Total Other Current Liabilities	<u>82,976.87</u>
1050 - NORTHWEST RIDE CENTER		Total Current Liabilities	522,265.90
1065 - CASH - FISCAL AGENT(HRA) - NWRC	579.92	Long Term Liabilities	
1080 - NWRC Reimb - CCB (3976)	261,331.21	2800 - INTERCOMPANY TRANSACTION	
Total 1050 - NORTHWEST RIDE CENTER	<u>261,911.13</u>	2805A - NWRC - OWES/RECEIVES	-85,356.16
Total Checking/Savings	1,359,355.73	2805B - SETD - RECEIVES/OWES	85,356.16
Accounts Receivable		2810A - INTERFUND RECV - NWRC	-48,600.28
1200 - ACCOUNTS RECEIVABLE		2810B - INTERFUND PAYABLE -SETD	48,600.28
1200A - SETD - A/R	537,397.06	2820 - INTERCOMPANY RECEIVABLE	
Total 1200 - ACCOUNTS RECEIVABLE	<u>537,397.06</u>	2820B - SETD	-125,849.19
Total Accounts Receivable	537,397.06	2820 - INTERCOMPANY RECEIVABLE - Other	<u>578,632.40</u>
Other Current Assets	80,384.45	Total 2820 - INTERCOMPANY RECEIVABLE	452,783.21
Total Current Assets	<u>1,977,137.24</u>	2830 - INTERCOMPANY PAYABLE	
TOTAL ASSETS	<u><u>1,977,137.24</u></u>	2830A - NWRC	125,849.19
		2830 - INTERCOMPANY PAYABLE - Other	-578,632.40
		Total 2830 - INTERCOMPANY PAYABLE	<u>-452,783.21</u>
		Total 2800 - INTERCOMPANY TRANSACTION	<u>0.00</u>
		Total Long Term Liabilities	<u>0.00</u>
		Total Liabilities	522,265.90
		Equity	
		3800 - FUND BALANCE SETD	199,216.55
		3850 - FUND BALANCE NWRC	1,025,543.32
		Net Income	230,111.47
		Total Equity	<u>1,454,871.34</u>
		TOTAL LIABILITIES & EQUITY	<u><u>1,977,137.24</u></u>

**SUNSET EMPIRE TRANSPORTATION
GENERAL FUND
A/R Aging Summary
As of June 30, 2014**

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
ASTORIA SENIOR CTR	98.50	0.00	0.00	0.00	0.00	98.50
BARTON, ERIC/AR	54.00	0.00	0.00	0.00	0.00	54.00
CCC	0.00	60.00	0.00	0.00	0.00	60.00
CITY OF CANNON BEACH - A/R	4,951.49	0.00	0.00	0.00	0.00	4,951.49
CLATSOP BEHAVIORAL HEALTHCARE	870.00	0.00	0.00	0.00	0.00	870.00
CLATSOP COUNTY CIRCUIT COURT	0.00	0.00	0.00	0.00	-340.00	-340.00
DHS - ASTORIA - SSP/0401	216.00	0.00	0.00	0.00	0.00	216.00
ISN	0.00	270.00	0.00	0.00	0.00	270.00
NW REGIONAL EDUCATION SERVICE DISTRICT	0.00	0.00	0.00	0.00	-3,290.00	-3,290.00
NWRC-PASSES	0.00	921.00	0.00	0.00	0.00	921.00
NWRC.	5,604.00	2,935.00	0.00	0.00	1,343.77	9,882.77
ODOT	517,729.00	0.00	0.00	0.00	0.00	517,729.00
P-ALLSTATE INSURANCE AGENCY	142.50	0.00	0.00	0.00	0.00	142.50
P-ANDI WARREN INSURANCE AGENCY	47.50	47.50	0.00	0.00	0.00	95.00
P-BITS N BYTES COMPUTER SERVICE	47.50	0.00	0.00	0.00	0.00	47.50
P-BRACHMANN, CAROL	47.50	0.00	0.00	0.00	0.00	47.50
P-CELLAR ON 10TH, THE	95.00	0.00	0.00	0.00	0.00	95.00
P-FARMHOUSE FUNK	95.00	95.00	0.00	0.00	0.00	190.00
P-H&R Block	71.80	0.00	0.00	0.00	0.00	71.80
P-HIPFISH-PARKING	47.50	95.00	0.00	0.00	0.00	142.50
P-HOMESPUN QUILTS	95.00	0.00	0.00	0.00	0.00	95.00
P-SOMETHING BEAUTIFUL	47.50	0.00	0.00	0.00	0.00	47.50
SDAO-GRANT	3,000.00	0.00	0.00	0.00	0.00	3,000.00
TPJCC	2,000.00	0.00	0.00	0.00	0.00	2,000.00
TOTAL	<u>535,259.79</u>	<u>4,423.50</u>	<u>0.00</u>	<u>0.00</u>	<u>-2,286.23</u>	<u>537,397.06</u>

SUNSET EMPIRE TRANSPORTATION
A/P Aging Summary
As of June 30, 2014

GENERAL FUND

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
ABECO	27.44	0.00	0.00	0.00	0.00	27.44
ALSCO	31.05	29.03	0.00	0.00	0.00	60.08
ANCHOR GRAPHICS	0.00	4,100.00	0.00	0.00	0.00	4,100.00
ASTORIA SENIOR CENTER	1,236.56	0.00	0.00	0.00	0.00	1,236.56
ASTORIA, CITY OF	517.42	0.00	0.00	0.00	0.00	517.42
CLATSOP ELECTRIC	0.00	214.60	0.00	0.00	0.00	214.60
COASTAL ENTERPRISES, LLC	0.00	100.50	0.00	0.00	0.00	100.50
CRS	277.67	0.00	0.00	0.00	0.00	277.67
ENGLUND MARINE SUPPLY CO, INC	0.00	76.48	0.00	0.00	0.00	76.48
EO MEDIA GROUP	0.00	262.68	0.00	0.00	0.00	262.68
GILLESPIE GRAPHICS	2,860.20	0.00	0.00	0.00	0.00	2,860.20
GREYHOUND	140.00	367.90	0.00	0.00	0.00	507.90
iFOCUS CONSULTING	0.00	52.50	0.00	0.00	0.00	52.50
INDUSTRIAL DIESEL POWER, INC	0.00	557.69	0.00	0.00	0.00	557.69
JACKSON & SON OIL, INC.	7,868.73	0.00	0.00	0.00	0.00	7,868.73
LAZERQUICK	0.00	0.00	-40.00	0.00	0.00	-40.00
MCCALL TIRE CENTER - Warrenton	0.00	2,257.44	0.00	0.00	0.00	2,257.44
MTR WESTERN BUS	2,114.30	0.00	0.00	0.00	0.00	2,114.30
NORTHSIDE TRUCK & EQUIPMENT	837.52	0.00	0.00	0.00	0.00	837.52
NW NATURAL	4.70	0.00	0.00	0.00	0.00	4.70
O'REILLY AUTO PARTS	175.87	0.00	0.00	0.00	0.00	175.87
OFFICE MAX / BOISE CO.	0.00	485.76	0.00	0.00	0.00	485.76
OHANA MEDIA GROUP	316.00	0.00	0.00	0.00	0.00	316.00
Oregon DMV	313.50	0.00	0.00	0.00	0.00	313.50
PACIFIC POWER	664.60	0.00	0.00	0.00	0.00	664.60
PACIFCSOURCE ADMINISTRATORS	0.00	450.00	0.00	0.00	0.00	450.00
PARKER, MARY	157.61	0.00	0.00	0.00	0.00	157.61
RECOLOGY WESTERN OREGON	57.12	0.00	0.00	0.00	0.00	57.12
ROD'S AUTO & MARINE ELECTRIC	0.00	2,487.71	0.00	0.00	0.00	2,487.71
SAFEKEEPING STORAGE CENTERS	274.00	0.00	0.00	0.00	0.00	274.00
SDIS	19,702.58	0.00	0.00	0.00	0.00	19,702.58

**SUNSET EMPIRE TRANSPORTATION
A/P Aging Summary**

As of June 30, 2014

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
SIGN-ONE SIGNCRAFTERS	0.00	3,494.29	0.00	0.00	0.00	3,494.29
TERRY'S PLUMBING	0.00	276.00	0.00	0.00	0.00	276.00
TILLAMOOK COUNTY DISTRICT	0.00	5,000.00	0.00	0.00	0.00	5,000.00
VERIZON WIRELESS	40.01	536.87	0.00	0.00	0.00	576.88
VILLAGE PROFILE	0.00	600.00	0.00	0.00	0.00	600.00
WESTERN BUS SALES, INC.	0.00	372,585.00	0.00	0.00	0.00	372,585.00
WILCOX & FLEGEL	6,783.62	0.00	0.00	0.00	0.00	6,783.62
TOTAL	<u>44,400.50</u>	<u>393,934.45</u>	<u>-40.00</u>	<u>0.00</u>	<u>0.00</u>	<u>438,294.95</u>

RIDE CARE FUND

	<u>Current</u>	<u>1 - 30</u>	<u>31 - 60</u>	<u>61 - 90</u>	<u>> 90</u>	<u>TOTAL</u>
INTEGRA TELECOM	0.00	80.08	0.00	0.00	0.00	80.08
NWRC-COLUMBIA COUNTY RIDER	0.00	130.00	0.00	0.00	0.00	130.00
NWRC-MEDIX ANSWERING SERVICE, INC/2	784.00	0.00	0.00	0.00	0.00	784.00
NWRC-TILLAMOOK COUNTY TRANSPORTATION	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	<u>784.00</u>	<u>210.08</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>994.08</u>

**SUNSET EMPIRE TRANSPORTATION
GENERAL FUND & RIDE CARE FUND
CHECKS \$5,000+
June 2014**

<u>Type</u>	<u>Num</u>	<u>Date</u>	<u>Name</u>	<u>Account</u>	<u>Paid Amount</u>
Check	EFT 6-14	06/24/2014	CLATSOP COMMUNITY BANK	1040 · GENERAL FUND - CCB (3943)	-6,573.50
Bill Pmt -Check	2545	06/09/2014	NWRC-MEDIX AMBULANCE	1080 · NWRC Reimb - CCB (3976)	-6,633.50
Bill Pmt -Check	2548	06/09/2014	NWRC-TILLAMOOK COUNTY TRANSPORTATION	1080 · NWRC Reimb - CCB (3976)	-6,324.50
Bill Pmt -Check	2550	06/09/2014	NWRC-WAPATO SHORES, INC	1080 · NWRC Reimb - CCB (3976)	-7,885.38
Bill Pmt -Check	2559	06/16/2014	NWRC-MEDIX AMBULANCE	1080 · NWRC Reimb - CCB (3976)	-6,379.25
Bill Pmt -Check	2562	06/16/2014	NWRC-WAPATO SHORES, INC	1080 · NWRC Reimb - CCB (3976)	-9,122.56
Check	2564	06/16/2014	DEPT OF HUMAN SERVICES	1080 · NWRC Reimb - CCB (3976)	-90,000.00
Bill Pmt -Check	2571	06/20/2014	NWRC-WAPATO SHORES, INC	1080 · NWRC Reimb - CCB (3976)	-9,428.30
Bill Pmt -Check	2578	06/30/2014	NWRC-MEDIX AMBULANCE	1080 · NWRC Reimb - CCB (3976)	-13,884.50
Bill Pmt -Check	2583	06/30/2014	NWRC-TILLAMOOK COUNTY TRANSPORTATION	1080 · NWRC Reimb - CCB (3976)	-6,775.25
Bill Pmt -Check	2584	06/30/2014	NWRC-WAPATO SHORES, INC	1080 · NWRC Reimb - CCB (3976)	-9,461.60
Bill Pmt -Check	14408	06/09/2014	WILCOX & FLEGEL	1040 · GENERAL FUND - CCB (3943)	-7,277.48
Bill Pmt -Check	14414	06/20/2014	JACKSON & SON OIL, INC.	1040 · GENERAL FUND - CCB (3943)	-6,809.39

Bill

SUNSET EMPIRE TRANSPORTATION
 900 MARINE DRIVE
 ASTORIA OR 97103

Date	Ref. No.
06/16/2014	5-9- TO 6-9 0188

Vendor
CARD SERVICE CENTER PO BOX 569100 DALLAS TX 75356-9100

PAID

Bill Due 07/02/2014
Terms
Memo

Expenses

Account	Memo	Amount	Customer:Job	Class
	JONES 0261			
OFFICE SUPPLIES	CHARGER CABLE-FRED MEYER	19.99	NWRC.	NWRC
MEETING EXPENSE	SAFETY MTG SUPPLIES-FRED MEYER	51.78	NWRC.	NWRC
CONFERENCES/TRAINING /TRAVEL	MEALS-CCO MTG IN SALEM	18.69	NWRC.	NWRC
CONFERENCES/TRAINING /TRAVEL	PARKING-CCO MTG IN SALEM	6.00	NWRC.	NWRC
CONFERENCES/TRAINING /TRAVEL	2 RT TICKETS-NW POINT FOR CCO MTG IN PDX	72.00	NWRC.	NWRC
	PARKER 0204			
MEETING EXPENSE	BRD MTG SUPPLIES-SAFEWAY	33.79		Admin
PRINTING	TROLLEY SCHEDULE AND SIGNS-LAZERQUICK	241.80		OPER - 5311
MEETING EXPENSE	BRD MTG SUPPLIES-LINDSTROMS	10.00		Admin
	MOODY 0469			
POSTAGE	POSTAGE FOR FINANCE DEPT-USPS	98.00		Admin
POSTAGE	POSTAGE-TRANS OPT	3.85		TRANS-OP 29191
	LAYTON 0253			
COMPUTER MAINT/REPAIR/SOFTWARE	MONTHLY SUBSCRIPTION-ADOBE	39.98		Admin

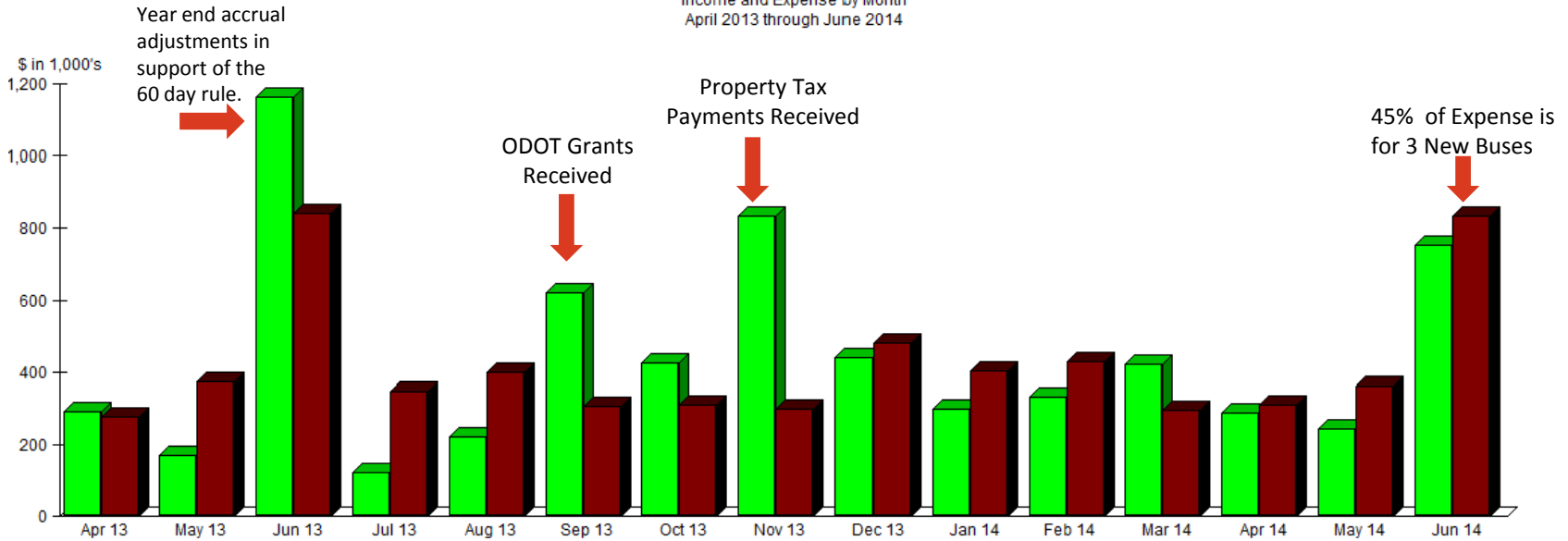
Expense Total : 595.88

Bill Total : \$595.88

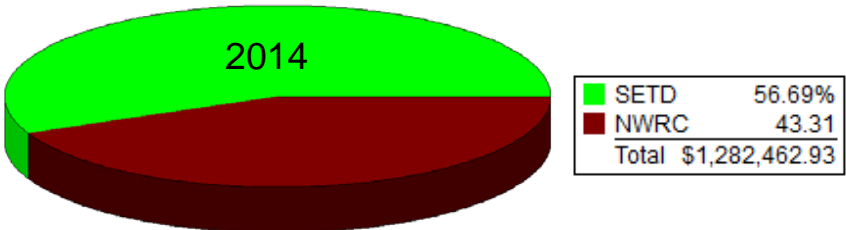
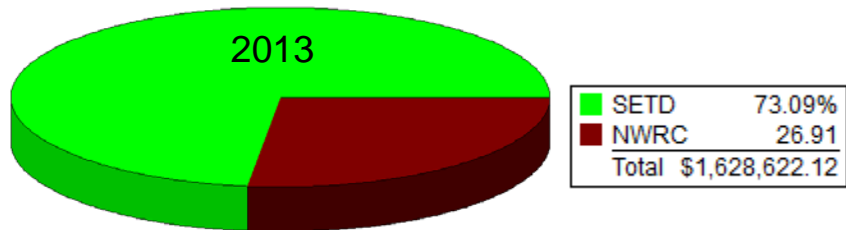
Sunset Empire Transportation District Company Wide Quarterly Report Q4 2013 to 2014

Income and Expense by Month
April 2013 through June 2014

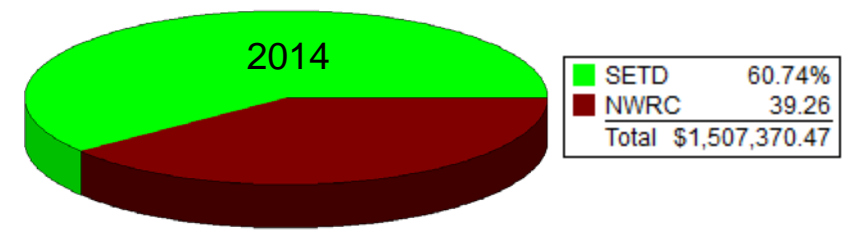
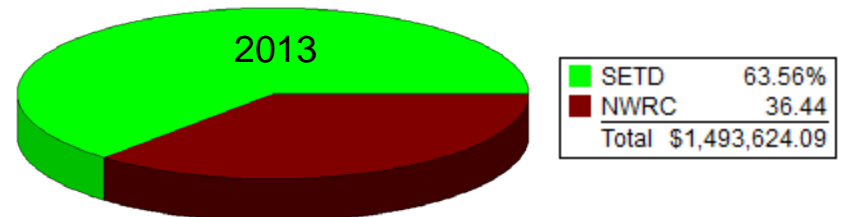
Income
Expense



Q4 Income Summary



Q4 Expense Summary



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200 Calapooia Street SW Albany Oregon 97321 | P 541.928.3354 | F 541.967.7668
408 N Third Avenue Stayton Oregon 97383 | P 503.769.2186 | F 503.769.4312

www.bcsllc.com

June 12, 2014

To the Officers and Members of the Governing Body and the Executive Director

We are pleased to confirm our understanding of the services we are to provide Sunset Empire Transportation District for the year ended 2014. We will audit the financial statements of the governmental activities and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements, of Sunset Empire Transportation District as of and for the year ended June 30, 2014. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Sunset Empire Transportation District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Sunset Empire Transportation District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.

We have also been engaged to report on supplementary information other than RSI that accompanies Sunset Empire Transportation District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements.

1) Schedule of expenditures of federal awards.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on:

- Internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the

scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The OMB Circular A-133 report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Officers and Members of the Governing Body and the Executive Director of Sunset Empire Transportation District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Management Responsibilities

Management is responsible for the financial statements, schedule of expenditures of federal awards, and all accompanying information as well as all representations contained therein. Management is also responsible for identifying all federal awards received and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with preparation of your financial statements, schedule of expenditures of federal awards, and related notes. These non-audit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, related notes, and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the non-audit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them. We provide the following non-audit services:

1) Drafting of Financial Statements

Management is responsible for (a) establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (b) following laws and regulations; (c) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (d) ensuring that management is reliable and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review on August 18, 2014.

You are responsible for preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to [include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with OMB Circular A-133; (2) you believe the schedule of expenditures of federal awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by OMB Circular A-133, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and OMB Circular A-133.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Sunset Empire Transportation District's compliance with provisions of

applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Sunset Empire Transportation District's major programs. The purpose of these procedures will be to express an opinion on Sunset Empire Transportation District's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

We will provide copies of our reports to the transportation district; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Boldt, Carlisle + Smith and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the applicable governmental regulatory agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Boldt, Carlisle + Smith personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the applicable governmental regulatory agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately September 2, 2014 and to issue our reports no later than December 8, 2014. Brad Bingenheimer is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$25,950. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 90 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the

audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to Sunset Empire Transportation District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Boldt Carlisle & Smith

Boldt Carlisle + Smith
Certified Public Accountants
Salem, Oregon

RESPONSE:

This letter correctly sets forth the understanding of Sunset Empire Transportation District.

Management Signature: _____
Title: _____
Date: _____

Governance Signature: _____
Title: _____
Date: _____



Coastal Living & Fishing

Revised / Utilizing Stock Photos
32' Vehicle
Driver, Passenger & Rear Views
7-10-14



Mountain To Sea

Revised / Utilizing Stock Photos
35' Vehicle
Driver, Passenger & Rear Views
7-10-14



RIDECARE

7/13/14

RIDECARE manager's report for June

Quick Hits:

- Attended CCO advisory committee 6/3
 - Held a meeting with M2 regarding OBSS enhancement software progress. 6/5
 - Hosted Ridecare Advisory Committee in Astoria. 6/6
 - Attended the local CHART meeting. 6/9
 - Attended CCO NEMT negotiation meeting in Portland. 6/23 and 6/24
 - Staffing changes. 6/30
 - New NEMT rules are now in effect permanently. 6/30 – 7/1.
 - Basic Stats – Month of June.
1. The Columbia Pacific Coordinated Care Organization held the quarterly advisory committee meeting on June 3rd. Of many issues spoken about transportation was described as important to community health. Our CCO and the advisory board are continually looking at funding and releasing opinions on how sustainable they are. At this time, things are looking good.
 2. Our scheduling software enhancement is in its final stages. M2 is working to have this project completed sometime in August.
 3. We held a Ridecare advisory committee meeting to continue work on re-freshening the by-laws. We had a productive meeting and we welcomed a new member Neal Smith.
 4. Jason attended the monthly CHART (Clatsop Health and Research Team) where transportation was discussed in regards to its relation to all local social and health services. This group works with Columbia Pacific CCO and Oregon Health and Sciences University in helping to execute work-site wellness plans as well as healthy family programs.
 5. Diana Bartolotta and I met with representatives from the Columbia Pacific CCO in Portland on June 24th. Items were discussed such as appropriate file transfers, processes, Ridecare office policies, HIPPA guidelines and even managed to secure the possibility that we will go live with them by October 1st pending completion of the contract which is still in draft form.
 6. Long time Ridecare team member Eric Barton accepted a position with the Astoria Transit Center and began work over there on June 30th. We wish Eric the best of luck. Ridecare will have an ad placement for the early part of July with interviews in the middle of the month and a hopeful hire before the end of July.
 7. The State of Oregon has implemented the long awaited rules changes for Non-Emergent Medical Transportation. Jason has been a part of the process that has led to this point and he is confident that we are in full compliance of these new rules.
 8. Basic Ridecare stats: Total rides June 2014 (4850), June 2013 (3766) Increase of 1,084 trips. **Gas Vouchers are 25% of all trips recorded (2nd most cost effective) Volunteers are #2 at 22% of all rides.** Our average cost per ride is: \$38.42. **Our service complaints were 3.** Phone calls: June 2014 (6,138), June 2013 (4,161) +1,977

June 2014 Operations Report.

- Attended SDAO training on accident investigation.
- Went to Western Bus to inspect new buses.
- Attended the Cannon Beach budget work session with Diana to present the new proposal for RT. 21 services.
- New buses have been delivered. We have met with and are working on the wraps with Tim Gillespie.
- Attended Clatsop County E-Prep committee meeting.
- Working with Angel-Trax on repairs and upgrades to our camera systems on our buses.

Mobility Management Update May/June

Compliance:

- STED Transit Bicycle waiver
- Title VI Plan due to ODOT
- New batch of ADA Paratransit applications
- Safety Committee working on ideas for SDAO safety grant

Outreach:

- Updating Schedule delivery list and creating a table format to include additional information about locations
- Transportation definition and acronym sheet
- Preparing for Back to School outreach at Clatsop Community and High Schools

Transit Center:

- Training new employee to the Mobility staff Eric Barton
- New child's table and bench arrived and looks fantastic!
- Planning redesign of information and brochure racks (baby changing station)
- Creating new information cards: western union, airport shuttle, computer access
- Transit Center redesigned work spaces
- Procedure for fire alarm test mode and elevator service test mode

Transportation Options:

- Revamping Drive less Connect Launch for September
- Preparing for the Drive Less Challenge in October
- Mary and Grace working on Drive Less Marketing Campaign
- Grace preparing Park & Ride brochure tri-county
- Grace completed Park & Ride inventory for 3 tri-county program
- Employee of the Quarter is Mobility's Grace Tanavasa!!!!
-

Sunset Empire Transportation District

Marketing/Outreach Report

June 2014

Mary Parker

June was a very busy month for marketing and outreach.

Trolley Marketing in Seaside was the focus for the first 2 weeks in June. I distributed Trolley schedules to the downtown businesses and hotels, campgrounds restaurants and marketing and visitors center offices. I received great feedback and ideas from business owner's downtown.

Student Summer Pass program started with a new look, new flyer and new ticket designs. A press release was printed in the Daily Astorian. An email blitz was sent to all service organizations linked to parents and students. Information was posted on our web and facebook and flyers were posted in our shelters between Cannon Beach and Astoria. Summer Pass flyers were posted at the pools, libraries and stores and ran a cute radio ad that was on the air for 5 days.

Fourth of July Service- Marketing and outreach for this started in mid June. Flyers were posted in most shelters between Cannon Beach and Astoria. Flyers were posted on the busses. Flyers were posed at visitors centers, chamber and businesses. A public announcement was sent to all radio stations and local papers and an ad was placed in the Daily Astorian.

Bus Schedule deliveries were made to the major businesses and Chambers /Visitors centers, hotels, museums and restaurants.

I attended the Seaside Downtown Development Association Meeting and talked Trolley.

I attended a Astoria Warrenton Chamber Breakfast and talked Summer Passes and Fourth of July service

Other projects:

- Bus Wrap design has been ongoing back and forth with proofs
- New exterior signage project for Transit Center and Operations ongoing
- Transportation Options- Met with Grace to begin planning the marketing and outreach for the upcoming Drive Less Connect Challenge in October. Looking forward to this fun event.

IS Report – June 2014

Phones and Computers

Admin

- Nothing New

Mobility

- Moved Eric's Computer and Phone to transit center.

NWRC

- Ordered New Laptop for Jason. It is an Apple computer which will be experiment to see if it will work in our environment. If it works, then we will have more option.
- Starting to work with CCO to figure out how to our systems to work with each other.

OPS

- Continuing to work with Angeltrax to get the bus tracking working. They sent a new crew of installers to "fix" the issues. As of now, only bus 75 and bus 78 are not working. The new buses should be ready in the system.

Maps, Schedules and Website

- Created Pacific Route Map
- Added Summer Routes to Website

Conferences and Training

- Nothing New

Other

- Nothing New

July 10, 2014 **Lori Karl, HR Report**
(June happenings☺)

On June 4th Jason Jantzi, Risk Management Consultant with SDAO, came and taught some two classes. The first one was for Accident investigations and the second was for Effective Safety Committees. He did a great job.

On June 6th I went to my monthly LCHRMA meeting on Building Trust, Teamwork and Accountability. It was a half day workshop and was very good.

June 25th was our regular monthly Safety Committee Meeting. We have 5 committee members, with two of the positions being up in July. One of the seats/positions we know is going to be filled. Diane Williams from the NWRC will be Eric's replacement from the NWRC department. No one volunteered to replace me, from Admin. Department so I will stay on for the time being.

June 27th Mary and I taught an AED, CPR and 1st Aid Training at the Transit Center.

Sunset Empire Transportation District

900 Marine Drive – Astoria, Oregon 97103
Phone: (503) 861-5385 – Fax: (503) 861-4299
Email: Tami@ridethebus.org

RIDE ASSIST

Tami Carlson
Paratransit Supervisor

Monthly Report: June 2014

- Tami made a proposal to the Executive Director to resurrect the dial-a-ride program replacing the current RSVP shuttle. This decision was made due to the non-success of the shopper shuttle which since implemented in April, ridership is zero. The proposal was passed at the June meetings by both the S&D Advisory Committee and the SETD Board. Dial-a-ride service is now a work in progress.
- In June Paratransit provided 613 rides; an average of 29.2 riders per day.
- 48% of the current Paratransit applicants used the service in June.
- This month 37 Veteran riders used the service; an increase of 12 riders from last month.
- There were 3 new ADA Paratransit applications received and 5 approved.
- The Paratransit drivers sold 23 ticket books totaling \$603.00.
- Fare collection was successful and increased by \$169.00 from last month.
- Medicaid fares increased by \$213.00 from last month.

Paratransit Fares Collected for June: \$5,774.00

- Para-transit Fares: \$519.00
- Tickets Collected: \$413.00
- Medicaid: \$4,842.00