

**SUNSET EMPIRE TRANSPORTATION DISTRICT  
2018-2019 BUDGET**

**TABLE OF CONTENTS**

<b>Budget Meeting Agenda</b>	<b>1</b>
<b>Budget Meeting Minutes</b>	<b>2</b>
<b>Budget Committee List</b>	<b>3</b>
<b>Organizational Chart</b>	<b>4</b>
<b>2017-2019 Strategic Plan</b>	<b>5</b>
<b>Budget Message</b>	<b>6</b>
<b>General Fund Budget</b>	<b>7</b>
<b>Special Transportation Fund</b>	<b>8</b>
<b>Capital Reserve Fund</b>	<b>9</b>
<b>RideCare Fund Budget</b>	<b>10</b>
<b>Background Data</b>	<b>11</b>
<b>Financial Policies</b>	<b>12</b>
<b>Cost Allocation Plan</b>	<b>13</b>
<b>Budget Glossary/Acronym List</b>	<b>14</b>
<b>Budget Process Calendar</b>	<b>15</b>

**SUNSET EMPIRE  
TRANSPORTATION  
DISTRICT**



**BUDGET COMMITTEE MEETING  
AGENDA  
May 18, 2018 9:00 AM**

1. CALL TO ORDER
2. PLEDGE OF ALLEGIENCE
3. ELECTION OF BUDGET COMMITTEE OFFICERS
4. APPROVAL OF 2017 BUDGET MEETING MINUTES
5. BUDGET OFFICER PRESENTATION
6. DISCUSSION OF FUND BUDGETS
  - i. General Fund
  - ii. STF Fund
  - iii. Capital Reserve Fund
  - iv. RideCare Fund
7. PUBLIC INPUT AND DISCUSSION
8. APPROVAL OF BUDGET
9. MEETING ADJOURNED



**2017-2018 BUDGET COMMITTEE MEETING  
MEETING MINUTES APPROVED  
May 11, 2017**

1. CALL TO ORDER-

2. PLEDGE OF ALLEGIANCE TO THE FLAG

3. ROLL CALL:

Present: Commissioner Kathy Kleczek, Commissioner Jim Servino, Commissioner Pamela Alegria, Commissioner Lylla Gaebel, Commissioner Tracy McDonald and Commissioner Carol Gearin arrived at 9:10 AM Commissioner Kevin Widener- Excused

Melinda Ward, John Lansing, Jeff Frane, Barbara Blue, Darlene Felkins, Tita Montero and Linda Moreland

Staff Present: Executive Director Jeff Hazen, Executive Assistant Mary Parker, Finance Officer Al Hernandez, Human Resources Tamil Carlson and Ridecare Manager Jason Jones

4. ELECTION OF OFFICERS-

Commissioner Kleczek asked all to state their name when they speak so that transcription can be accurate. Commissioner Kleczek asked for nominations for Budget Committee Chair

Barbara Blue nominated Lylla Gaebel as Budget Committee Chair

John Lansing seconded the motion

Discussion: None

Motion passed unanimously

Lylla stated that she is pro having a lay person be the chair of the Budget Committee but since there are so many changes going on she will accept the position but will encourage a lay person be chair next year.

John Lansing nominated Barbara Blue as Budget Committee Secretary

Commissioner Kleczek seconded the motion

Discussion- None

Motion passed unanimously

Introductions of all attending were made.

5. APPROVAL OF JUNE 10, 2016 BUDGET MEETING MINUTES-

Commissioner Kleczek moved to approve the June 10, 2016 Budget Meeting Minutes

Jeff Frane seconded the motion

Discussion: Commissioner Kleczek clarified the minutes being approved were for June 10, 2016.

Motion passed with Commissioner Alegria abstaining as she did not attend

6. BUDGET OFFICER PRESENTATION-

Budget Officer Jeff Hazen requested the minutes note that Commissioner Gearin had joined the meeting.

Jeff asked that the red numbers on the left bottom of the Budget Book be used to identify the location of reports. Jeff made a correction to his report on page 151 second paragraph stating it should read that all official action of the committee requires a majority vote (not quorum) of the membership which would be one half plus one which would be 8 of the total 14.

Jeff gave an overview of the Beginning Fund Balance stating that the transition from the previous Finance Officer to the new Finance Officer did not go smoothly and the Board directed staff to have our audit firm conduct a review of the transition with regards to QuickBooks and discrepancies found. The audit firm provided a list of corrections but could not make the changes because it would cause a conflict so a separate accounting firm was hired to make the changes. Jeff

said this took quite a bit of time so the audit was delayed but will be started on May 15<sup>th</sup>, so the beginning fund balances are based on the best available information at this time.

Property Taxes-Jeff reported that he budgeted \$900,000 for 2018 and the County is projecting \$931,000.

Personnel Costs- Jeff reported that the budget includes a 2.5% cost of living increase. The District is having a difficult time hiring drivers which is a problem nationwide. The District has eliminated the relief driver category so that drivers are either part time or full time and can receive benefits. Jeff is working on incentives and training programs to assist drivers in obtaining the required Commercial Driver's License. Commissioner Servino commented that the drivers also have to pass a drug screen. There was discussion in the differences between generations and work ethic.

General Fund- Jeff explained that this is the account which funds the operations of the District and records the expenditures of the operations of the District and that the 2018 General Fund Budget is \$3,993,251 which is a 3.6% increase from 2017. Jeff reported that some revenues from the state have gone down. The 5310 funding has gone down by 5% and funds preventive maintenance and Mobility management and the Special Transportation Funds (STF) have gone down as well. The 5311 which is the largest fund remains flat however ODOT bases there funding on ridership from 2014 which Jeff said he is arguing with them about. There is a decrease in the 5311 funding which has reduced funding for the intercity grant and the Intergovernmental Agreement for the Astoria to Rainer route which currently only makes 2 trips to Rainer a day. Jeff said the State is working on a transportation package where the joint committee has been meeting and there is proposed employee payroll tax of .39 a week to support public transit.

Ridecare Fund-Jeff clarified that Ridecare used to be named the Northwest Ride Center and this name is still in some of the older documents. He then reported that funding for Ridecare is received in advance from the Columbia Pacific Coordinated Care Organization (CPCCO) which is based on membership. Ridecare is paid \$9.90 per month per member. Membership had been at 29,000 however the CCO did an eligibility review this year and the membership was decreased to 21,000 which has resulted in a significant decrease in monthly revenue. Ridecare manager Jason Jones commented that there originally was a push to sign people up to the CCO but in review there were many members that were actually not qualified so the CCO is making things right. Commissioner Gearin asked what the qualifications were for receiving benefits. Jason said the standard Oregon Health Plan which DHS assists with. Commissioner Alegria asked for the financial structure or where the CCO receives there funding. Jason stated that Federal funds are sent to the Oregon Health Authority who divides it up between 16 separate CCO's across the state. Tita Montero explained that the CCO is managed care organization who receives federal and state funds which is called capitation and it is divided up to the different counties to pay for services given. Tita also said that there was a big push several years ago to sign people up and that has dropped off even though many people are qualified, but they are not signing up. Tita also said there are several assisters in the area and there will be more trained by the state to assist people in signing up for OHP. Commissioner Gearin questioned if there were going to be more benefits. Jeff said he was reading a bill that would require dental and mental health. Tita said the state has said that they will be cutting dental and mental health but no one reasonably believes they will. Jeff said he and Jason will be meeting with the CCO to renegotiate.

Jeff asked that everyone view the Total of All Funds table at the bottom of page 154.

Barbara Blue stated that it would be beneficial if Jeff broke out the other ending fund balance.

Commissioner Kleczek asked about the CCO's contract having a clause that would cover Ridecare costs if they needed more than what they were receiving. Jeff explained that if Ridecare expenses exceed revenues they will reimburse us at 50% and if Ridecare revenues are exceeding expense Ridecare will reimburse the CCO at 50%.

Jeff Hazen commented on the importance of the Strategic Plan as direction for the Team and the Budget. Commissioner Alegria noted that the Strategic plan lists Employee recruitment and retention as the second priority and we have heard that this is a major concern and asked how is this reflected in the budget? Jeff said this is a priority and that is why there is extra money in the personnel line. Commissioner Kleczek clarified that the Board had agreed that the priorities on the



Strategic plan were equal and that one and two were side by side in importance and have the need to be taken care of right now priority.

## 7. REVIEW AND REVISE BUDGET

Jeff Hazen presented the General Fund (pages 156 – 158), identifying the columns starting on far left beginning with the Second Preceding Year 2014-2015 and going right the First Proceeding Year 2015- 2016 which has not been audited but Jeff said that the numbers are good. The next column is the current Budget, the next column is the Account numbers, the next column is the name of Resource and the next column is the proposed Budget for 2017-2018. The next column will hold the Budget that the Budget Committee approves and the next column will hold the Budget that the Board Adopts at the Budget Hearing. Jeff Hazen reported the beginning fund balance is projected at \$1,285,131 which has backup information available on page 165.

Tita asked if the estimated fund balance would be corrected by the 2015-2016 Audit. Hazen said that once the Audit is complete they will close out the 2015-2016 year.

Jeff Frane asked about the General Funds beginning balance for 2017 of \$794,400 which does not match the amount on page 165. Barbara said that this was the estimated or projected beginning fund balance for 2017. Al said that what you are looking at is the ending fund balance from 2015 plus a year's activity for 2016 being rolled forward to the estimated beginning fund balance for 2017.

Previous Levied Taxes-Jeff said we receive a payment every month of previously levied taxes that are being paid late.

\*Barbara commented that it would be helpful if the monthly financials broke out the previously levied property taxes from the current years taxes that were received because there is no way that we have any ability to see how reasonable the \$22,000 estimate is. Al explained that he had taken the previous year collections and backed out of that the collections that are estimated for July and August and the net number was the \$22,000 estimated, but Al said Barbara's point was well taken and will see if the Board directs him to add another line for this in the future

State Mass Transit Payroll is a payment received from state based on the number of Sate employees in Clatsop County.

State Timber Revenue- Jeff Hazen reported that we receive a portion of the timber when harvested. Last year we predicted \$160,000 and have received \$200,000. Jeff said the District receives reports from state on predicted harvest however Al commented how volatile the prediction of timber revenue can be as he received notice that we would be receiving an increase of 17% then received notice that revenue would be down 2%. Linda asked if we have a surplus could the overage be used on is that a source of revenue that can be put into wages. Jeff Hazen said he would not recommend doing that as it is too unreliable to use for wages. Lylla said the county had budgeted for an amount based on a 7 year average and then put any extra funds into a reserve fund which was used for repairs. Barbara also said what the county did was take what the state said was the average of last 7 years and would put the entire amount received in revenue and would transfer the over budget into their general fund.

\*Tita suggested adding another column right next to the adopted budget that shows what the current performance to budget is. The Budget committee agreed that it was a good idea and by committee consensus requested that the column be added to the budget form.

Barbara asked Al what the basis of the \$170,000 for timber revenue was. Al explained he had looked at what the District had received in the last 14 years and looked at the lowest amounts received and added maybe 5 % to reach the estimate used. There was lengthy discussion about the necessity for an accumulative report on Timber Revenue that is prepared for the Budget committee that shows history and is used to determine the amount budgeted for and the need for a District plan or policy for transferring any Timber funds received over the budgeted amount into the Capital Fund.

\*Commissioner Kleczek said she appreciates this conversation because it gets us to a better understanding on how to handle this revenue but wants to go back to the point Barbara was trying to make, I would like to know as a budget committee member, would like to see the extrapolated numbers of the Timber Revenue fund used to determine the budget amount.

Barbara said the issue is if the timber revenue exceeds the \$170,000 budgeted and if you have not budgeted for that appropriation you are in violation of Budget Law.

Tita said we saw the methodology what she is hearing is that we want to see the methodology for the estimate for the timber and like to see what Linda was asking for what's our history.

Jeff Hazen asked if this was the consensus of the committee and asked for a show of hands.

\*Commissioner Kleczek clarified that we are asking for the extrapolated numbers and asking for the overage to be booked into a reserve fund? Executive Hazen said I understand you want to see the extrapolated numbers but it might take a policy or line item. So do we need to create that? Barbara said yes we would have to do that but she was willing to wait until she has seen the extrapolated numbers.

Budget Chair Lylla asked Al to go back 10 years for the Timber reports.

Interest: The District receives interest from our local government investment pool which is gaining interest.

Rentals: Include parking spaces, Electric Charging Station and Billboard

Fares: Cruise ships, Bus Fares, Medicaid Rides, Paratransit and Ride Assist which is very busy.

Intergovernmental Agreements- Tongue Point, Cannon Beach and the Job Corp. Jeff Hazen said he is currently working with Clatsop College as well.

ODOT-STF Funds- No current funds

Preventative Maintenance- Less than last year due to 2 busses that are no longer in service.

Operations- Exactly half of the grant

Bus and Bus Facilities- Will be purchasing 2 new buses next year

Mobility Management- Outreach, Paratransit Eligibility, Disabled and Elderly, Training and Ride Pal Wages are included in this grant.

Drive less Connect- Reduce the number of single occupancy cars being used and changing how people think about transportation. Wages are included in this grant.

Intercity Grant- We no longer have this grant

Feasibility Study- In progress to evaluate whether it would be of benefit SETD to expand service into Columbia County. Several options will be looked at.

Grants and Match- Timber revenue, property taxes and other sources except fares can be used.

Commissions and Proceeds-Greyhound, NW Point, pop and candy machine- tips given to drivers.

Jim Servino asked why there was a \$500,000 roll over from last year- Al said that there were several expenses that were budgeted for that did not get spent. Lylla also said we had budgeted for 2 buses that we did not get. Commissioner Kleczek said we also budgeted for a website that we did not use.

Property tax is estimated about the same as last year. Commissioner Kleczek asked if the possible urban renewal in Seaside will affect the taxes. Jeff Hazen said he did not think it would have effect on the taxes, as they will remain flat.

Barbara Blue stated that this resource page is not correct. Inter fund transfers are a resource and should be up above in the resources. Barbara requested that a worksheet be done showing how the property taxes were computed as when she used the worksheet she got a lesser amount. Jeff said that the worksheet done on page 164. Barbara pointed out that is

what they levy but not what you will collect which is usually at 94%. Jeff calculated 94% of the \$931,000 tax resulting in a tax of \$875.64. Barbara requested that during the lunch break that the worksheet be completed for property tax.

\*Chair Gaebel clarified that Al and Jeff would complete the property tax work sheet during lunch break

Jeff Hazen said there would be a transfer \$58,753 from STF to 1018 for the 101 B Route and a transfer of \$58,500 from the Capital Reserve for match for the purchase of buses in the next year. Barbara Blue said she had concerns about transfers into the general fund from special funds and asked if the auditor was consulted about the methodology of these transfers to make sure they are legal. Barbara said that typically you expend those funds but do not transfer funds. Barbara is especially concerned about the state tolerating these transfers. Jeff Hazen said no they had not checked with auditor.

Barbara also wanted to know why we are making a transfer from the capital fund to the general fund. This is a carryover grant because in the 2016-2017 budget there was no transfer into the capital reserve fund of the \$50,000 because it was going to be used to purchase buses. Barbara also said the general fund carrying over is \$58,000 higher than it would have been. Barbara recalls there was not going to be a transfer from the general fund to the capital reserve fund of \$50,000 because the \$50,000 was going to be used to purchase buses immediately. Barbara had concern that with the beginning fund balance being \$50,000 higher you are again proposing to transfer funds out of the Capital Fund. There was discussion about forgoing the transfer of the scheduled \$50,000 into the capital reserve fund last year so that this money could be used for the purchases of buses and the buses were not purchased. Barbara recommended making a motion at the Budget Committee level.

Barbara moved that the Interfund transfer of \$58,500 into the General Fund will be \$0 in the Approved by Budget Committee Column

Motion seconded by Commissioner Kleczek

Discussion- Linda commented that there will also be a line item for the bus expenditure of the \$58,500.

Motion passed unanimously

Barbara moved to make the transfer of \$58,500 from the Capital Fund there will be a \$0 in the Approved by Budget Committee column

Motion Seconded by Commissioner Kleczek

Discussion

Motion passed

\*There was discussion about making other corrections to the budget for the changes to the general fund, but Barbara recommended waiting until after the tax worksheet is completed and other possible changes.

Personnel Services-

Commissioner Kleczek asked for a report from the Human Resources person that would show what it would look like if drivers were brought up to \$15.00 now and a percentage raise across the board for other employees. There was discussion about the variables of making wage changes. Jeff said there was a wage study done last year that could be looked at. Barbara Blue said that last year the Budget committee decided to look at the budget in total for comparisons and asked if there were any reports prepared? Jeff said yes on page 154. Barbara said that report could not be used for comparison. Barbara passed out a comparison report she had prepared. Chair Gaebel said she would like to see a wage study of where we are at. Jeff said there was a wage study done last year that could be looked at.

\*Chair Gabel asked that Jeff also bring back the wage study to the committee after lunch. Barbara went over the comparison report she had prepared and there was further discussion of it being prepared for the Budget Committee every year. Chair Gaebel thanked Barbara for her work in preparing the report for the Budget Committee.

Chair Gaebel recessed the meeting for lunch until 1215.

Chair Gaebel called the meeting back to order at 1230

Jeff Hazen distributed the corrected budget forms. The first was the General Fund page 156, which shows that the STF fund has been zeroed out and then moved up and the Capital fund transfer has been zeroed out. The second

General fund Material and Services-

Al Hernandez reviewed accounts listed. Barbara Blue asked if the Audit was going to be complete and billed before the end of the year and if the auditors would be billing for their services. Jeff Hazen reported that the audit would not be completed before the end of the year.

Al noted an increase in the Computer technology Services due to contracting with Mind Shift for tech support. Commissioner Kleczek asked about the funds needed for web development and the \$80,000 that was budgeted for web development last year. Jeff said that the new web was not going to cost anything. Commissioner Kleczek said that the June 10<sup>th</sup> Budget Minutes show that the District will pay \$50,000 as their share of the NWOTA shared Web site development.

\*Jeff will look into where these funds are and get back to the Budget Committee.

Drug and Alcohol and Background Screening amount was discussed as not enough to cover all of the job openings and it was determined that the amount budgeted should be increased.

Barbara Blue moved to increase the Drug/Alcohol testing to \$5000

Commissioner Gearin seconded

Motion passed unanimously

Dues Subscriptions and Fees- Al explained what fees and subscriptions were included. Barbara Blue said that the budget is less this year and wondered why.

\*Chair Gaebel requested that Dues and Subscriptions are corrected for the General Fund and Ridecare.

Durable Small Equipment and Tools- Is being increased due to the purchase and implementation of the E-fare ticketing system.

Education and Outreach- Mary explained that outreach costs include some shared mobility costs. There will be outreach costs when E-fare is implemented. Also the cost and need of schedules is increasing. Education and Outreach is currently under budget by \$24,000. Mary offered to reduce her budget for next year to \$40,000 which would be an 11,500 savings. Tita Montero moved to reduce the Education and Outreach budget to \$40,000

Pamela seconded the motion

Motion passed unanimously

Chair Gaebel thanked Mary for offering the reduction.

Employee Recognition- Jeff said that this will help with plans to improve employee retention.

Fuel- Al explained how quickly costs can change to assure that there is enough to cover. Chair Gaebel said she could remember a time when there was not enough budgeted. Commissioner Kleczek said she would support a small trim.

\*Barbara Blue suggested revisiting this at the end of the Budget process.

Newspaper Ads- Discussion of why ads are separated for HR and other needs. Outreach ads are separate and included in the Outreach budget. This Budget Committee agreed by consensus to change the name of this line to Advertising.

Tita moved to put all newspaper ads under Account # 8006 for both Ridecare and General Fund

Barbara seconded the motion

Motion passed unanimously

Printing- This includes any printed materials utilized by the District

\*Mary check Outreach budget to make sure all printing has been included in this line item

\*Barbara Blue said that she believes that any classification changes made currently must be made in past budget documents so that they can be followed.

Professional Services- Jeff Hazen said this fund will include the security people that will be used for a period of time when the new safety ordinance is put into place. There was discussion of the serious problems that continue to happen in and outside of the Transit Center and the danger this places employees in.

Uniforms- Jeff Hazen said he is trying to eliminate anyone wearing old uniforms and make sure that employees receive new uniforms as needed. He will include Ridecare employees.

Barbara Blue moved to eliminate the purchase of new financial software at this time

Commissioner Kleczek seconded the motion

Discussion- Tita asked if this will prohibit the new Financial Officer from purchasing new financial software. Barbara Blue explained a new financial officer should not be purchasing new software but getting to know the system and accounts and should use a consultant to purchase new software.

Motion passed unanimously

Prior Period Adjustment – Al said that in the 2015-2016 column the -8,891 should be changed to 8,891 which changes the total below to \$ 1,050,208.

Debt Service Principle- Supported by the schedule on pages 167

Debt Service Interest- Supported by schedule on page 168

Operating Contingency- \$200,000

Unappropriated Ending Fund Balance \$599,610

Commissioner Kleczek commented that the Operating Contingency Unallocated gives us some room to adjust the categories we want to adjust.

Barbara Blue said for the benefit of the committee Operating Contingency is a budget account. You put appropriations in there not allocated to anything else. If you need to increase a personal service you can move it but never spend directly out of the Operating contingency.

It kind of brings Operating Contingency and the Unappropriated ending fund balance together.

There was further discussion about adding to the Contingency fund this year.

Tita asked how much of either one of the contingency funds have we used? Jeff said none.

Barbara stated that another thing to tie in here is do we want to transfer from the General fund to the Capital Reserve fund this year. If so how much.

Chair Gaebel explained historically we had no reserve so the Budget committee strongly recommended to the Board that we start putting \$50,000 a year into that contingency and we did last year so I think it reasonable to say that \$50,000 should be moved this year. We don't have to do that now we can do this during the Capital Reserve fund.

Barbara said we have not brought the General fund budget or the RideCare budget forms into full compliance with the state Forms and as such we are missing some total lines and we are also missing FTE lines under personal services, because the State wants FTE across the second preceding year, first preceding year, adopted and proposed budget.

Chair Gaebel said Barbara has asked for this at least 2 years so that we are in compliance.

Barbara said this could just be an informational sheet but her focus is more; could people please read 100% of the forms and instructions and follow them.



Special Transportation Fund page 159- Jeff Hazen said he would refer to this fund STF. Jeff explained that this is a new fund that was formed to be in compliance with ODOT rules. Each biennium we are awarded STF funds for this area. We are the STF agency that manages the funds. Jeff pointed out that there was \$15,708 transferred in from other fund which is from the current biennium that we are in. The Senior and Disabled Transportation Advisory Board recommended this \$15,708 go to Clatsop Care Health District to help offset the cost of purchasing a new vehicle. Instead the Health District entered into an IGA with SETD to provide their transportation. So the Senior and Disabled Committee and the Board recommended that it be put into the STF fund for a ticket bank.

Barbara said if you transfer into a fund you must transfer out of another fund and this conflicts with tab 13 page 165. Barbara asked when the funds came in before or after the establishment of the fund? Jeff said technically we have received the funds for this.

Barbara recommended bouncing this off of your auditor. Based on how you've presented it here, you told me on page 165 that you were reporting this \$15,000 as revenue into STF funds, in which case if it is reported by you and your auditor as in this fund then it is a beginning fund balance.  
\*Jeff said he would follow up on that. it with the auditor.

Also on page 159 Jeff reported under Other Resources ODOT STF Revenues of \$93,241 which is the allocation for the biennium and a reduction from the previous year. The next line is the ODOT Agreement for new transit vans which had funding for salaries of drivers of \$77,788.  
Page 160- Al said that this is \$95,000 for the salaries of the 2 drivers from the STF grant. These drivers have not been hired. Al said the next line is for Material and Services \$28,708 not allocated for bus fares for outreach. Then the Astoria Senior Center, \$4,250. That would be the total requirement for STF \$186,737.  
Barbara asked since there is \$100,000 in this fund why is there no interest income being allocated to these funds? Al said it was an oversight.  
\*Chair Gaebel stated that the interest be added for 2017-18. We will see the interest.

Jeff said it is time to discuss the \$50,000. There was discussion about the need for the fund as well as the goals and the current situation that the District is in. Commissioner Kleczek proposed putting in \$30,000 instead of \$50,000. Linda commented that we skipped over wages completely in General fund because we wanted to save that until the end to see if we could increase it and so we could address the critical needs. Commissioner Kleczek said that is why she is offering a more conservative addition. Barbara blue suggested tabling this at the moment but keeping the \$30,000 in mind. I have looked at the Ridecare fund and I think there are several issues that need to be weighed in with this.

Chair Gaebel announced at this time we are going to table this unless I hear a bunch of no.

Commissioner Kleczek said she thought we need to plan for a full day meeting on May 18<sup>th</sup> due to all of the changes, wage increase discussion, Contingency fund, Capital Reserve Fund and all that we have asked staff to come back with and get final budget resolved in a good way.

#### RIDECARE

Jeff Hazen said there were a couple of corrections to make first. Page 163 second column from the left under requirements should say 2015-2016. The other change is under Materials and Services (DMAP) Annual Adjustment, CCO Share Fund -\$190,000 should be moved up to Provider Services Reimbursement. Al confirmed this with the Auditors. Barbara Blue said you cannot have a negative number in Requirements.  
Jeff said that will change Account 4500 from \$2,715,727 to \$2,905,727. The new total will increase the total resources to \$3,463,591.

Al moved on to Personnel Services with wages of \$395,377 which includes a cost of living increase of 2% and an increase of salary base from \$13.25 to \$14.00. Payable taxes and Workman's Comp are \$49,858 and also includes an increase of about \$1100 to \$1200 per year per member for healthcare costs. Commissioner Kleczek asked Jason what kind of changes are being done for the increase of \$45,000? Jason said an increase of 1.5 FTE.

Jim Servino asked if the services are down. Jeff said the income is not what we budgeted for.

Barbara Blue said she thought it might be appropriate to discuss the total aspect of this fund before the specifics. She said as she looked at it this fund as proposed, it is not very prudent, because we have revenues that are \$144,000 less than the Personnel Services and Materials and Services listed. And if you look at page 163, as you go down, we have \$50,000 Operating Contingency, we have a prior period adjustment of \$198,000 but then we have an ending fund balance of only \$19,000 as this fund is proposed. The big issue to start with is the agency still owes the State \$72,686 for all the past problems. So we need at least \$72,686 ending fund balance. So it's the Board's discretion. What is your desire? Barbara added that the Board needs to make some decisions about what programs they're going to run.

Al said to answer your first question we have \$203,000 of allocated expenses from the General fund coming into Ridecare.

Barbara Blue said the reason I worry about direct cost versus indirect is, if we're going to enter into a contract that's going to pay us x dollars, if it's going to cost us more than x directly to run it, why are we getting into it. So what we have identified is there's \$203,000 of expenses that are General fund expenses that have been allocated indirectly to this fund. Barbara continued that if none of those costs were directed to this fund, this fund would be surviving. But then the General fund would not be in good shape.

Al said this goes back to the principle that Jeff had talked about when we started that Ridecare went from 29,000 members at \$9.13 per month to 22,000 members at \$9.90 per member per month. Tita asked if there as any way we could go back to the CCO and renegotiate the cap. Jeff said he has talked with the CCO and they are willing but they need to wait until the legislature is done because of those outstanding bills.

There was a lengthy discussion with Jason about Ridecare service, service areas and costs. Tita Montero suggested that there might be an opportunity to provide transportation to Clatsop Behavioral Health as they are part of the CCO and receives transportation monies.

Barbara Blue said on page 163 there is a prior period adjustment which is a requirement of \$198,033. I believe based on prior year's presentation that this amount should be in the Materials and Services appropriation. Because if you look at account 9655 in 2015-16, there's an \$81,000 expense item in Materials and Services.

Barbara said we have some language and account issues here. We're mixing apples and oranges on the same line. The \$198,000 was described to me as a bill that has come in from the agency or will be coming in from the agenc that we may have to repay. Barbara also said based on the presentation in the 2015-16 actual activity, there was an \$81,000 adjustment paid back to the CCO. So I'm saying this adjustment of \$198,033 proposed is the same type of item and therefore belongs in Materials and Services.

Pamela said she did not understand I thought this was a debt.

Jeff Hazen said it is a bill that is coming due. Jeff explained how the state used to pay brokerages upfront money knowing there was going to be expenditures however then the state does a review of the actual riders given and if they have overpaid the agency, the agency has to pay the money back. So this \$198.00 is what we have told the State we feel we owe for 2014-2015.

Jeff said we need to circle back with Barbara about the ending fund balance. Chair Gaebel asked if Jeff could come back with some options concerning this.

Linda Moreland asked for the same type of options for wage, salaries and benefits discussed at the beginning of the meeting so we do not get into the weeds trying to micromanage that payroll budget. Maybe we need an ABC choice where we can pick and choose priorities?

Commissioner Gearin asked for salary information from other districts.

Chair Gaebel recessed the Budget Meeting until May 18<sup>th</sup> at 9 AM.

The Budget Meeting was recessed at 2:45 PM

Mary Parker, Recording Secretary

\_\_\_\_\_  
Budget Committee Secretary Barbara Blue

Date \_\_\_\_\_

*Mission Statement*

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



**BOARD OF COMMISSIONERS  
BUDGET MEETING # 2 MINUTES  
MAY 18, 2017**

1. CALL TO ORDER- Chair Lylla Gaebel called the meeting to order at 9:00 AM

2. PLEDGE OF ALLEGIANCE TO THE FLAG-

3. ROLL CALL:

Present: Commissioner Kathy Kleczek,(arrived 9:50 am) Commissioner Kevin Widener, Commissioner Jim Servino, Commissioner Tracy MacDonald (left at 10:10 am), Commissioner Carol Gearin, Commissioner Lylla Gaebel and Commissioner Pamela Alegria

Committee Present: John Lansing, Barbara Blue, Darlene Felkins, Tita Montero, Linda Morland, Melinda Ward

Staff Present- Executive Director Jeff Hazen, Finance Officer Al Hernandez, Human Resources Tami Carlson, Executive Assistant Mary Parker

4. CHANGES TO AGENDA- None

5. PUBLIC COMMENTS- None

6. APPROVAL OF MAY 11, 2017 BUDGET MEETING MINUTES-

Commissioner Gearin move to approve the May 11<sup>th</sup> Budget Meeting Minutes

Commissioner MacDonald seconded the motion

Discussion- Commissioner Widener said his first name was spelled incorrectly. Commissioner Alegria said there was a number floating that made no sense and needed to be removed and a comma was needed after \$198 on page 6.

Commissioner Alegria also asked what the asterisks indicated in the minutes. Mary said that they indicated items that needed action or research to be completed by staff.

Commissioner Gearin amended the motion to approve the May Budget Minutes as corrected

Commissioner MacDonald seconded the amended motion

Motion passed by unanimous aye vote Kevin Widener abstained due to not attending

7. COLUMBIA PACIFIC COORDINATED CARE ORGANIZATION PRESENTATION (CPCCO)- Sun Senowen gave a presentation about CPCCO. Sun is based in the Portland, Astoria and Medford areas and assists in building relationships and partnerships between the Non-Emergent Medical transportation brokerage. Sun said the Oregon Health Authority (OHA) had transferred over coordination of care for non emergent medical transportation for the Medicaid population to the Coordinated Care Organizations. At first the CCO did not quite understand what the full nature of the program was and there are several other factors including Obamacare and a very big influx of enrollment however the OHA has committed to keep that expansion even with the threat of the American Health Care Act. The expansion included auto-enrollment which will need to be re-determined and members re-enrolled to help members get the exact healthcare they need. The need for housing and transportation is great and the CCO is dedicated to preserving, building and supporting both. The Oregon Health Authority handed down a per member per month rate for transportation which the CCO is committed to increase to support the partnership with RideCare including incentive and quality metrics, so the better RideCare serves our members the more money we're going to provide to support those costs. Executive Director Hazen said that each quarter we review the financials with the CCO, if our expenses exceed our revenue from the CCO they will reimburse us 50 percent of the loss and if our income exceeds our expenses we will send them 50 percent of our losses. In the first couple of years it was really back and forth, but in the last three quarters, we saw a nose dive where they are sending us money which means we are operating in the deficit. Financial Officer Al Hernandez explained that we were originally looking at a \$190,000 potential reimbursement from the CCO for the upcoming year. We have moved this into a sub account of CCO reimbursement so it would be in resources as revenue to us as a sub account of the main capitalization that they give us going forward. Al said given the information that it showed that we were going to have a loss in RideCare. After a few adjustments he took half that loss and the determination was about \$190,000 that for the 50 percent reimbursement from the CCO. Al said he moved that number up into resources, revenue as a sub of the main reimbursement so it could be tracked.

8. RIDE CARE BUDGET-Executive Director Hazen explained that he had prepared 4 budget options for RideCare. In all options he added \$325,000 to the provider services reimbursement because of an increase in membership and then added \$265,000 to provider payments under requirement because with increased membership additional money is also going out at about 81 percent. All options were discussed and with a strong consensus that the CPCCO should cover all costs needed for RideCare to continue to provide the services needed and that termination of the contract should be consideration. Linda Moreland said she wanted to be on record that when you are looking at the contract in terms of it, the 50 percent reimbursement for deficit needs to change. Because if we're really talking about a fare-based care we have to get 100 percent reimbursed in the deficit funding. Tita Montero added that they are asking us to share their risk and we can't share risk if we have no control over risk. Commissioner Kleczek read from the CPCCO contract that either party may immediately terminate this agreement upon delivery of written notice of the other party, or at such later date as may be set forth in the agreement in the written notice if SETD fails to receive funding, appropriations, limitations, allotments of other expenditure authority sufficient to allow SETD, in the exercise of its reasonable discretion, to continue to provide services under this agreement. Kathy added that she was an integral part of writing the original contract and there were specific limitations put in it because we were concerned about the feasibility of continuing operations if it turned out to not be affordable. There was further discussion.

Commissioner Klecaek moved to combine the intent of the last sentence in Option 2, a recommendation for the board to explore the discontinuation of the contract if negotiations are not financially viable and combine that with Option 3, which reduces the FTE, reduces ads, reduces travel, reduces professional services adds uniforms without the reduction of allocated debt services and without any inter-fund transfers from the general fund.

Commissioner Gearin seconded the motion

Discussion- Executive Director Hazen requested that you increase reimbursements by \$325,000 or add \$265,000 to provider payment. Barbara Blue said she didn't know if we wanted to do this as separate, but she wanted to see the ending fund balance in this fund be \$157,232. Lylla asked to have a vote on the motion on the floor and to do a separate one after the numbers are applied to the budget for the other requests.

Motion passed by unanimous aye vote

Budget Chair Lylla Gaebel called for a lunch recess from 11:30 am to 12:00 noon.

12:00 NOON-

Chair Gaebel called the meeting back to order.

Commissioner Servino moved to approve RideCare Budget

Linda Moreland seconded the motion

Discussion- There was discussion about returning \$3000 to the RideCare budget for the afterhours answering service. Executive Director Hazen proposed that the original RideCare motion be amended or restated to include \$3000 for professional fees for Commercial Communications to provide after hour call service be added to the Ridecare budget.

Commissioner Servino amended the original motion to include taking the approximately \$3000 t professional out of contingency and put into 8139 Professional services

Linda Moreland seconded the motion

Motion passed by unanimous aye vote

Finance officer Al Hernandez presented the committee with a revised RideCare fund that included the changes recommended

Barbara Blue moved to approve the revised RideCare fund whose resources total \$3,788,591

Commissioner Alegria seconded the motion

Motion passed by unanimous aye vote



9. SPECIAL TRANSPORTATION FUND-

Commissioner Servino moved to approve the Special Transportation Fund Budget  
Linda Moreland seconded the motion  
Discussion- None  
Motion passed unanimously

10. GENERAL FUND-

Commissioner Servino moved to approve the General Fund  
Commissioner Kleczek seconded the motion  
Discussion-None  
Motion passed unanimously

11. TIMBER REVENUE POLICY

Barbara Blue made a motion that the SETD Board make a policy about Timber Revenue  
Commissioner Widener seconded the motion  
Discussion- None  
Motion passed unanimously

12. CAPITAL RESERVE FUND- Executive Director Hazen made several changes and recommended that on line 7 we add \$331,500 ODOT 5339 bus and bus facilities grant that was previously in the General Fund. Also transfer in from line 6 of the General Fund of \$88,500. Also add under line 17 the purchase of two Category B busses in the amount of \$390,000 and under line 30 an increase of \$30,000 so that line is now \$130,000. Hazen added that the interest on line 5 will be \$346 and will carry into the appropriated ending fund balance. There was discussion about the amount of interest calculated on the \$100,000 on line 30.

Barbara Blue proposed we enter \$1000 on line 5 for the Capital Reserve Fund  
Commissioner Kleczek seconded the motion  
Discussion- Commissioner Servino asked if this will affect the other budgets allocations and Al Hernandez said it could have a limited impact.  
Motion passed by unanimous aye vote

Tita Montero moved to approve the Capital Reserve Fund Budget of \$521,000  
Executive Director Hazen seconded the motion  
Discussion-None  
Motion passed by unanimous aye vote

13. APPROVE BUDGET-

Tita Montero moved that the Budget Committee of Sunset Empire Transportation District approve the budget for 2017-2018 fiscal year in the amount of \$7,394,741  
Jim Servino seconded the motion  
Discussion-None  
Motion passed by unanimous aye vote

Tita Montero moved that the Budget Committee of the Sunset Empire Transportation District approve and recommend that the SETD Board of Commissioners adopt property taxes for the 2017-2018 fiscal year at the rate of 0.1620 per \$1000 of assessed value for the permanent tax levy.

Commissioner Widener seconded the motion

Discussion- None

Motion passed by unanimous aye vote

14. PUBLIC COMMENT- NONE

15. COMMENTS- Chair Gaebel- Said she would just like to say to all the Budget Committee members how much I appreciate the time that you have committed to this committee. I know that we have had some late starts and a whole bunch of delays. I think that the fact that you guys have been willing to give your time for this and I truly appreciate your input that you provided during this time all of you. That has been very, very helpful to all. I think I am speaking for the whole board, that all of us appreciated that input.

Meeting was adjourned at 3:40 PM

Mary Parker, Recording Secretary

\_\_\_\_\_ Date \_\_\_\_\_  
Budget Secretary

*Mission Statement*

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

**budget2017-2nd-meeting-5-18-17**



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**budget2017-2nd-meeting-5-18-17**

[Start of recorded material]

Female Voice: [Unintelligible].

Female Voice: [Unintelligible].

Male Voice: [Yeah, I know].

Female Voice: [Unintelligible].

Female Voice: Mm-hmm. I'm sorry.

Male Voice: Yeah, [unintelligible].

Female Voice: No?

Female Voice: [Unintelligible].

Female Voice: There's some half-and-half, but no milk.

Male Voice: I'd love to [unintelligible].

Female Voice: Good morning, everybody.

Female Voice: Good morning everybody.

Male Voice: And then what I [unintelligible].

Female Voice: Welcome back.

Male Voice: Eventually.

Female Voice: Right, yeah.

Female Voice: All right, that's good.

Female Voice: It should be.

Female Voice: They're back.

[Crosstalk]

Female Voice: I see.

Female Voice: No?

Male Voice: [Unintelligible].

Female Voice: But I've got some pineapple, I've got some [Sprite]. I could probably do something.

Male Voice: Where am I at for that?



Female Voice:       Wherever you want to be.

Male Voice:         I want your [table], though.

Female Voice:       [Unintelligible].

Female Voice:       Well, I'm going to have to sit up here.

Male Voice:         Once you know your transcriber --

Female Voice:       I don't want to sit up here actually.

Male Voice:         -- is a pro, [isn't she]?

[Crosstalk]

Female Voice:       [Unintelligible].

Female Voice:       No, probably not, but --

Male Voice:         [Unintelligible].

Female Voice:       The past two days I've been giving my [unintelligible].

Female Voice:       Oh, I bet you're so excited.

Female Voice:       So a few days and [unintelligible].

Female Voice: Yes.

Female Voice: [Unintelligible].

Female Voice: Okay. All right. Oh, that sounds fabulous.

[Crosstalk]

Male Voice: Do you have copies of the [unintelligible]?

Female Voice: Yes, the transcript tapes.

Male Voice: Now, how will you know?

Female Voice: Just the plain agenda?

[Crosstalk]

Female Voice: You got it? You got what you need?

Female Voice: Yeah.

[Crosstalk]

Female Voice: And I think everybody got a copy of the minutes.

Male Voice: I got [them] [unintelligible].

Female Voice: Which I mailed to you at 8 o'clock last night.

Male Voice: [Unintelligible].

Male Voice: Oh, yeah.

Male Voice: So --

Female Voice: I don't. But there may be one person.

Male Voice: Well, you could simply --

Female Voice: What?

Female Voice: I was just thinking [crosstalk].

Female Voice: Yeah, yeah.

Male Voice: I saved it for you.

Male Voice: What?

Male Voice: No, I was going to save it.

Male Voice: [Unintelligible].

Female Voice: Okay. It looks like everybody's here.

Female Voice: [Carol], [Bob] [unintelligible].

Female Voice: And then again, maybe not [unintelligible]. [Kathy] will be back in a little bit.

Female Voice: [Unintelligible], not, that's -- okay, so I'm going to call it to order. [Pamela and Dan], I'd like to say that I'm going to give everybody the next 15 minutes to go over the handouts you just received. So.

[Crosstalk]

Female Voice: Are these the same as the [front]?

Male Voice: Are we doing number two?

Female Voice: Are we doing number two?

Male Voice: [Unintelligible].

Female Voice: Oh, yes. Yes. [Unintelligible]. Thank you. [Unintelligible].

Female Voice: I pledge allegiance to the flag of the United States of America. And to the republic for which it stands, one nation under God, indivisible with liberty and justice for all.

Female Voice: And I just want to make a comment that everybody did a really good job of saying their name and their place, with a couple of exceptions. I won't name any, [John].

So I noticed that on the long thing, so --

Male Voice: [My guess didn't work].

Male Voice: Whatever.

Female Voice: So anyway this is [Violet]. And we're going to have a special person [unintelligible]. Tell me your name again.

[Sun Senowen]: [Sun Senowen].

Female Voice: Sun Senowen. And she's the head of the CCO, so she's like -- right?

Male Voice: She's not the head.

Sun Senowen: Yes. I work under the CBO of the CCO.

Lylla Gaebel: Okay. So Jeff brought her here today, and that shouldn't be a [unintelligible].

Tracy MacDonald: And I would like to speak. This is Tracy. I have just an hour. I'm sorry. [My wife].



Lylla Gaebel: Okay. Well, we'll do the best we can [unintelligible].

Female Voice: I have a question. Are these the same papers that we printed out yesterday? Or are they new?

Male Voice: No, this is new. We found an error.

Female Voice: Okay. Thank you. [Unintelligible].

Lylla Gaebel: Okay, so now this is Violet. Let's just [unintelligible].

Male Voice: So, again, we're just going to review these --

Lylla Gaebel: Yes.

Male Voice: -- for a few minutes?

Female Voice: [Unintelligible].

[Extended period of silence]

Female Voice: The reserve fund based on the requirements replaces page 161 if anybody's [playing] pages on [unintelligible].

[Extended period of silence]

Female Voice: [Unintelligible].

[Extended period of silence]

Lylla Gaebel: Yes, yes.

Male Voice: So as you stated, 161, page 8?

Lylla Gaebel: Mm-hmm, yes.

Male Voice: [Thirty]?

Lylla Gaebel: Yes. This is [unintelligible] requirements [unintelligible], page 158.  
Actually it's 157, then 158, 157 [unintelligible].

[Extended period of silence]

Lylla Gaebel: And [unintelligible] all your outstanding questions [unintelligible].

[Extended period of silence]

Female Voice: Mm-hmm. It's 157.

Female Voice: I think the rest of them [unintelligible].

Female Voice: [That's great]. [Unintelligible].

[Extended period of silence]

Female Voice: [Unintelligible].

Female Voice: [Owe you that].

Lylla Gaebel: [What's that?] Question?

Female Voice: Oh, she printed. This is a special [transcription]. We need some stuff [unintelligible]. Mm-hmm, and then -- [is that enough]?  
[Unintelligible].

Female Voice: John, is this page 4 for the [unintelligible] one? I didn't, either.

John: No, there is no new page 4.

Female Voice: So there's not a new page 4.

John: Well, we sent out yesterday -- this is backward, on the right here.

Female Voice: But what's this [beginning] [printed out]?

John: Okay.

Female Voice: And I don't -- I do printouts on your memo. I did [unintelligible] and stuff.

Female Voice: [Unintelligible].

Male Voice: You need a copy of --

Female Voice: Yeah. Thank you. Thank you. But she's already got the sheet.

Male Voice: You're talking about the [unintelligible] minutes?

Female Voice: No. No. [Unintelligible].

Male Voice: Okay. I'll do [unintelligible] some of the spreadsheets.

Female Voice: Yeah, okay, that would be [unintelligible].

Female Voice: Yeah, that'd be --

Female Voice: Yes. And then there'll be [unintelligible].

Female Voice: So there are [many] ones that work good in order to print it out here [unintelligible].

Female Voice: Yeah.

Female Voice: Yeah, so that -- I can't find it in the paper [unintelligible].

John: It's very minor.

Female Voice: Are they [mine]?

John: Yeah, on the -- just so you know, on the capital reserve fund.

Female Voice: So can we rate some of the [fall] --

John: Oh, okay.

Female Voice: -- on the [censure]? Thank you. Otherwise, we tend to [unintelligible].

Female Voice: Yeah.

[Extended period of silence]

Male Voice: [Unintelligible].

[Extended period of silence]

Female Voice: Um, what she was [saying], yeah.

Male Voice: [Unintelligible], no.

Female Voice: [Print] some of those, [hard] to find. [So much].

Female Voice: Well, let's see. I've got some 7-Up in there. Do you want some Sprite [unintelligible]? I'm sorry, [Carol], would you like some Sprite? Something bubbly like that?

Carol: I don't know.

Female Voice: Yeah, that's --

Female Voice: Okay.

Female Voice: -- yeah, I may [unintelligible]. Let me try -- let me grab [unintelligible]. Yeah, [I'll do the] milk. [Unintelligible].

Male Voice: [Unintelligible].

Female Voice: It's too [unintelligible] if we want, yeah. And what we found in the [time we have] this morning and [unintelligible].

Male Voice: That's the [wind] that she [unintelligible].

[Extended period of silence]

Female Voice: Well, we insisted on -- it's up to [unintelligible] now?

Male Voice: Yeah.

Female Voice: In terms of [unintelligible]. Yeah. It's going to be a nice day for a drive for you.

Female Voice: Mm-hmm.

Female Voice: You've got that [all from me].

Female Voice: No, it's been very pleasant today.

Lylla Gaebel: [Unintelligible] as soon as Jack gets back with coffee, we're ready to start. Actually why don't -- this is [Lylla]. Why don't we go ahead and start with at least the minutes so we can get -- if you want to start [keeping] [unintelligible].

Has everybody had a chance to read Mary's minutes?

Female Voice: I used them. Do we accept the minutes as presented with some [unintelligible]?

Tracy MacDonald: I would second that.

Female Voice: [Unintelligible].

Male Voice: [Person].

Female Voice: Okay, you mean sort of accept it? It was seconded by Tracy. The motion was made by [Carol].

Kevin Widener: Okay. This is Kevin. I would like my first name spelled correctly [unintelligible].

Female Voice: Got that. Thank you.

Kevin Widener: K-E-V-I-N.

Female Voice: I think that's probably on the tape.

Female Voice: I think that --

Male Voice: Yeah, that's the date [unintelligible].

Female Voice: [Unintelligible]. Wanted to spell my last name quickly. But more importantly, when I read it this morning, there was a -- somewhere - - and see if you can do it in the [find] that there was a number that was just floating --

Female Voice: Okay.

Female Voice: -- like seven days? You know, it didn't make sense.

Female Voice: Okay.

Female Voice: Do you remember what that was, [Kevin]?



Female Voice: I'll find it.

[Crosstalk]

Female Voice: I think you do a search of it.

[Crosstalk]

Female Voice: I think like six maybe, page 6.

Female Voice: Okay.

[Crosstalk]

Female Voice: So Mary will find it and remove it. Okay, all those in favor, signify by saying aye.

Female Voice: Aye.

Male Voice: Aye.

Female Voice: Opposed? [Let's see] [unintelligible].

Male Voice: There's one abstention [host here].

Female Voice: Do you have a copy? Or I can skip that part.

Female Voice: Okay, thank you. Thank you very much.

Female Voice: I found it. While we're talking about minutes, I don't know if anybody's read the --

Female Voice: Thank you. That's really great.

Female Voice: -- transcribing.

[Crosstalk]

Lylla Gaebel: Remember we are happy to repeat things [right]. So when you do little side comments, we're getting transcribed. So you might be careful of little sidebar conversations or comments, because we've asked for an accurate transcription. And like I say, there are some things that probably people would prefer not to [be] in there, that were just sidebar comments.

Female Voice: Okay. Thank you.

Lylla Gaebel: So.

Female Voice: Thank you so much. Yeah.

Lylla Gaebel: Yeah, let's go ahead and do a roll call. I'm Lylla. I'm the budget [unintelligible].

[Margie Waters]: I'm [Margie Waters], citizen member.

Tracy MacDonald: Tracy MacDonald, commissioner.

[Jeff Hazen]: [Jeff Hazen], citizen member.

Kevin Widener: Kevin Widener, commissioner.

Carol [Gearin]: Carol [Gearin].

Linda [Marlin]: Linda [Marlin], citizen member.

Barbara Blue: Barbara Blue, citizen member.

Jim Servino: Jim Servino, [commissioner].

Pamela Alegria: Pamela Alegria, commissioner.

John [Lansing]: John [Lansing], member.

[Caroline Tolkinson]: [Caroline Tolkinson], citizen member.

Lylla Gaebel: And Kathy Kleczek will be returning. She's on the board chair. And

--

Tami Carlson: Tami Carlson, [unintelligible] HR.

Sun Senowen: Excuse me, sorry. Sun Senowen, care [unintelligible], CCO.

Lylla Gaebel: Thank you. And Mary, we'll let you get yours.

Mary Parker: Oh, Mary. Mary Parker, admin assistant.

Lylla Gaebel: Okay, thank you.

Female Voice: [Unintelligible].

Female Voice: We get the minutes.

Female Voice: Oh, I'm sorry, guys. You can [unintelligible] budget.

Female Voice: Okay, so that's what's there. Thank you.

Female Voice: Oh.

Female Voice: All right.

Lylla Gaebel: Pamela?

Female Voice: Commissioner Alegria, on page 9 of the minutes, it says \$198 is what we were told the state -- do we feel [unintelligible]?

Pamela Alegria: It needs to be a comma.

Female Voice: Okay. And so --

Pamela Alegria: Yes, yes, I got that, too. Thank you.

Female Voice: -- okay.

Pamela Alegria: Yes, sorry. That's a big difference right there.

Female Voice: All right. Mary, I have to give you [unintelligible] in getting the minutes done yesterday.

Mary Parker: Yeah.

Female Voice: It's [terrible].

Pamela Alegria: It's five hours. No, yeah, you'll have to listen to it.

Female Voice: [Unintelligible].

Pamela Alegria: And a lot of technical. You know, it's really -- this is so technical. And that's what I tried to put in here was not just conversation, was what people said they wanted or the points they were making that need to go down in history. So, please, if there's any other changes that you see that you want, especially the wording of perhaps information that you were giving, glad to change it. I want it to be accurate.

Female Voice: Pamela?

Female Voice: Commissioner Alegria, just the minutes, the asterisks mean nothing?

Pamela Alegria: No they do. They were comments that kind of were action basically, that something needed to be looked at or something was going to be done. I don't think that there was some conversation that perhaps I didn't get all of the action items. But I put an asterisk where it was more kind of a point that needed to be taken or an action that needed to be taken.

Female Voice: Could that be a footnote, that people would use to kind of understand what that means?

Pamela Alegria: Yes, I would do that. Thank you. Yes.

Lylla Gaebel: This is Lylla. But, Pamela, I would think that they'd be able to refer to the transcript so they would -- if they wanted additional --

Pamela Alegria: Well, I think I'll just do what that means. I can do what it means, because --

Lylla Gaebel: Okay. So just that [unintelligible].

Pamela Alegria: -- it was intentional. I did it intentionally so that it brought attention to the statement or the action that was going to take place,

something that you requested or -- okay, something that took an action. So we can look -- that would be okay.

Lylla Gaebel: Okay. Thank you [unintelligible].

Pamela Alegria: Yeah.

Female Voice: Okay, so I'm not seeing -- I think it's time for sipping coffee. Okay, so I'm going to recess until Jeff gets back.

Female Voice: Yes.

Female Voice: It's 9:27. Correct? I probably want to get back.

Female Voice: Oh, I'm not in any hurry.

Female Voice: Okay, that's good. [Unintelligible].

Male Voice: Okay, that should be out front [unintelligible]?

Female Voice: No, I've got it. All right.

Pamela Alegria: Well, I determine the interest.

Female Voice: Yeah.

Pamela Alegria: [Unintelligible].

Female Voice: [Unintelligible] just more than one, I get meetings. And then when I went back --

Male Voice: Then they're even more [decisive].

Male Voice: [Unintelligible].

Female Voice: We weren't do anything else, because that was my interpretation.

[Crosstalk]

Female Voice: [Unintelligible] to see what Jeff says. And I just [unintelligible].

Female Voice: Not the late evening.

Female Voice: [Unintelligible].

Female Voice: Okay.

Female Voice: So I don't know if you want this?

Female Voice: Yes, I do.

Female Voice: I'm not sure I got through it all the way.

Female Voice: Okay. I take that as an [unintelligible]. That means --



Female Voice: Okay.

Female Voice: -- you need to be corrected, it's where you sign it, the person signing [anyway]. I've got two other ones that need to be signed as well.

Female Voice: Okay.

Female Voice: Yeah, [of course].

Female Voice: Yeah, like we didn't, that when we leave here, we're done here. You know, I need to bring those to you and have you sign them.

Female Voice: Now do just --

Female Voice: Yeah, yeah, yeah. I will do that. And then [crosstalk].

Female Voice: Okay. I don't know if I [unintelligible].

Female Voice: The closest one was just --

Pamela Alegria: Yeah. No, I'll read through them again. I've got -- thank you.

Female Voice: Yeah.

Pamela Alegria: Most of all, I want to make sure that I got what you said correctly.

Female Voice: They [unintelligible] got all [unintelligible].

Pamela Alegria: Oh, okay. All right. One's crunching.

[Extended period of silence]

Female Voice: [Unintelligible]

Male Voice: [Unintelligible].

Female Voice: I wouldn't.

[Extended period of silence]

Male Voice: It's supposed to be very [cheap].

Female Voice: It is. Oh, I'm sorry.

Male Voice: Maybe I read it early this morning, so who knows what I saw?

Female Voice: Oh, no. [Unintelligible].

Female Voice: I'll help you do a search, though, like an [unintelligible] get something. And there's something -- I'll think of it, it's supposed to [unintelligible] or something. Okay?

Male Voice: I'm sorry.

Female Voice: [Unintelligible].

Pamela Alegria: Okay, thank you. I'll write it down.

Male Voice: [Unintelligible].

[Crosstalk]

Female Voice: So if you draw it out and think.

Male Voice: Oh, it's the John guy.

[Crosstalk]

Female Voice: [Unintelligible].

Male Voice: [Unintelligible].

Female Voice: [Unintelligible], 176. So.

[Extended period of silence]

[Crosstalk]

Male Voice: Oh, yeah. Just make you [unintelligible], oh, [unintelligible].

Female Voice: [Unintelligible].

Female Voice: No.

Female Voice: I'm simply [unintelligible].

Female Voice: Yeah.

Female Voice: Otherwise you could be [crosstalk].

[Crosstalk]

Pamela Alegria: I love it. Beside -- okay, stop. Where's pause? Pause? Yeah.

Female Voice: A number of IMs that Jeff and [Allen] and Jason all put together. But what we're going to do first is, because right here was our [biggest] thing last Friday is we're going to have, Sun -- do you just go by Sun?

Sun Senowen: Yeah.

Female Voice: Oh, good. We're going to have Sun give us an overview and a fair connection to us and everything as far as the CCO is concerned. So the floor is yours.

Sun Senowen: Great. I'm going to stand up so I can --

Male Voice: Yeah, [unintelligible] if you want to sit down right here, right in between Mary and [Darlene].

Sun Senowen: -- I can move.

Female Voice: Or bring a chair up, yeah.

Male Voice: Oh, that's John's -- that's John's chair.

Sun Senowen: No, I'm just sitting here [in theory].

Female Voice: [Unintelligible] Jeff, but Jeff is going to be in the front. Sit, sit.

Female Voice: Where's Kathy?

Male Voice: She'll be back.

[Sun Senowen]: Yeah, so my name is [Sun Senowen] and I work for CareOregon in Columbia Pacific CCO. I'm based in Portland, Oregon as well, but I also serve Jackson CareConnect, so I go back and forth between Portland, Astoria and Medford to serve for the relationship-building and partnership with our non-emergent medical transportation brokerages, like Jason and as well as down in Medford, So I just wanted to give you a background of the nature of my work as related to the CCO.

And I kind of wanted to talk about a couple big things that are happening at the State that are determining a lot of the finances and budgets for the CCOs as well. I think that when OHA, the Oregon Health Authority, had transferred over coordination of care and services for the Medicaid populations to the CCOs, we didn't quite understand, to be very honest, what the full nature of non-emergent medical transportation was.

So as we're going through new experiences, building the relationship and partnerships with our non-emergent medical transportation brokerages, there are several factors coming in.

One is the ACA expansion, as you all know, as the Obamacare. And so we had a really big influx of enrollment and membership, which means also an influx of revenue to provide those services. One thing that the Oregon Health Authority has committed to was to keep that expansion, rather than, even with the threat of the American Health Care Act, I think it's the AHCA?

Male Voice: [Unintelligible] ACA.

Sun Senowen: There we go. Yes, OHA has committed to keeping the expansion existing as it does now. However, in that expansion, we had auto-enrollment, so we had a lot of folks who were automatically enrolled based on income levels, need. And as the auto-enrollment has reached its kind of time limit, we see a lot of need for

redetermination, so that is re-enrolling those folks as they come off of it to just get them back on with healthcare.

And so there are several bills in place that CareOregon and Columbia Pacific is signing onto to make that easier for CCOs to assist, which is in helping members, our lowest-income populations in the state, re-enroll and get the healthcare services that they really need.

And one thing about the non-emergent medical transportation is that we're discovering that transportation is an issue across the state, across the U.S. as much as housing is. And so the two things that CareOregon and Columbia Pacific are really dedicated to preserving and building and supporting the communities that we serve, is both housing and transportation.

So we're looking at investing more dollars to provide temporary and long-term housing for low-income populations as well as the transportation. There are studies out there that say if we can transport our members to medical appointments, we save millions of dollars in healthcare services and spending. And that's where RIDE CARE really comes in to assist this community in the Tri-County coastal area of the limited resources that you all have to support the low-income populations to get to and from places.

So that's one thing I just wanted to preface any kind of commitment that the CCO has in the partnership with RIDE CARE and Sunset

Empire Transit District. So we're looking at the strategic planning. We've invested into some consultants to do ridership analysis, rate analysis, because we get handed down from Oregon Health Authority a rate per-member per-month to pay for transportation.

And where some rates decline, but the CCO is committed to, regardless of the rates handed down to us, to increase the funding that we can provide and support the partnership with RIDECARE. And that's through just the per-member per-month, but that's also through incentive and quality metrics. So the better that RIDECARE serves our members, the more money that we're going to provide to support the different costs.

So that's going to be coming into our new contract negotiations in the next year, very soon.

And there was one other thing that I wanted to cover, too, but I think that's kind of all I wanted to preface first. And entertain any questions?

Carol: Carol. I just have a question, one of two questions. From what I read today, it seems like we are getting less money than the CCO on a per-member per-month basis. If it costs the district money, I don't see how we can continue to go along with this, because we can't be taking -- we can't be [riding in a negative]. That's one question.



So I don't know if the CCO has an answer to a question like that? And the other question is after working 40 years as a nurse and working with Medicare and Medicaid and paying for the insurance, sometimes -- is there any chance the CCO, if people buy into something, trying to save [unintelligible]. People buy into something, they're more invested in it. If they don't buy in and [fine] into it, it's given to them, they feel that it is something that's [unintelligible].

And so would the CCO, if they're looking at some monthly monetary arrangement with the people, with their members of the CCO, that would make them more invested in it? Does that sound?

Sun Senowen:

I understand what you're asking. Unfortunately we're not able to, due to federal and state regulations, charge or ask members to pay for anything for Medicaid. However, what we do have in place to incentivize members are incentive programs.

So with that, we provide, if they meet certain metrics, they get their vaccinations, they do proactive healthcare and interact and engage with the proactive healthcare services, like yearly check-ups, diabetic education, pain management education.

We're going to provide incentives for them to receive additional services, whether it's rides to grocery stores, rides to -- what other -- community centers, gyms. We'll provide incentives for them to

participate more positively with their healthcare and with us as the CCO.

And so we're not really allowed to penalize them from the CCO perspective. The state can and the federal government can, but we cannot.

Female Voice: I just want to make a comment about this penalize. I don't see that as penalizing someone. If they are into the insurance program, even if it's a couple dollars a month, I don't see that as a penalize. And I would like that to be on the record.

Jim Servino: Jim Servino. Just in your explanation, you talked about the philosophy and policy coverage from your level. And is its review being fully funded from wherever you get your resources to match that philosophy?

Sun Senowen: Yes. So we have -- and I wasn't able to meet with our finance person to give you some of the deeper details that I would have rather liked to provide for you all. But through the Medicaid and Medicare programs that we provide, we get certain dollar amounts.

I'm not sure if you know how that works, where Oregon Health Authority only gives CCOs about 85 percent of their approved budget. And if we meet our metrics, we're given the full funding, and then we get more. So if we make 95 percent of our metrics, then we get 95 percent of our funding and 5 percent more and 5

percent more of that. So we actually get more than 100 percent if we do really well.

But we're both financially and philosophically incentivized to be as proactive and to serve our members as best as possible. And so far, Columbia Pacific and Jackson CareConnect and CareOregon has done very well in our metrics in performing to the state and the federal government the services that we provide.

Does that answer your question?

Jim Servino: It does. And as a follow-up, if we weren't providing these services, who would you turn to?

Sun Senowen: That's a great question. Unfortunately we don't have an answer to that. We value the relationship with Sunset and RIDE CARE immensely, just so much, because we use our relationship with you all, since we have four different brokerages that we work with for the four different CCOs that CareOregon is associated with. And this is by far the one that we use as an example to what the quality and the quantity of services that RIDE CARE provides for our members.

The above and beyonds means that Jason and his team goes to provide the quality services to support our members to get to medical appointments and non-medical appointments. And the alternative would be a pretty long arduous process for everyone

involved. We would have to put bids out or invite bids to come in. And most likely, if [ride share] was no longer able to provide the services, we might have to go with a private, for-profit organization, transportation brokerage as some of the other CCOs have had to do.

And there are challenges with those engagements with the private, for-profit companies. For example, Portland metro area, they go with Access2Care and RIDE CARE. And their headquarters are based in Idaho and Florida. And so that presents a pretty big barrier to our members in terms of getting access to the brokerage, the services, and there's a lot of even more bureaucracy involved.

Jim Servino: And just one more follow-up as it [unintelligible] you know. So in those cases where you have private firms doing that, do you -- does the CCO wind up having to pay more for the private services?

Sun Senowen: For the most part, yes.

Jim Servino: So there is some negotiation room?

Sun Senowen: Mm-hmm.

Jim Servino: The services we provide them?

Sun Senowen: For the most part, in our contract negotiations, that's between both Jeff and [Mimi], our CEO.

[Linda Marlin]: Linda? This is Linda Marlin. My question has to do with timing. It's the dilemma that we realize when we're in here, as Jeff mentioned, that there is some ability to do [comfort] negotiations. But we're being asked to prove basically [unintelligible] budget here with the promise or potential for revenue.

So I don't understand why the timing of the contract negotiations can't be aligned with the budgeting process, because we should know, at the time we're approving the budget, whether we're going to have the revenue to cover the services. If we knew that, we wouldn't be having this dilemma right now. The problem is we don't know that, and so we're trying to exercise our fiduciary responsibility here with a big question mark surrounding the revenue.

And is there any way to adjust the timing of when these contract negotiations occur so that next year we won't be having the same conversation? We would actually know what the approved funding was for the next fiscal year. And it would either be adequate or inadequate, and we could reasonably answer that question.

Sun Senowen: And your fiscal year is July, right?

Linda Marlin: Yeah.

Sun Senowen: I think I asked that. I don't think that right now our contract negotiations' timelines are not amenable to that concern. So I'm not

sure, moving forward for at least your next budget cycle, I mean, it's much too last-minute for this -- for your cycle. But I believe we start contract negotiations well before, but I think ours is in January, or at least when the contract --

Male Voice: [When we rate-post the fact.]

Sun Senowen: -- so --

Male Voice: I think we could have that conversation with Mimi.

Sun Senowen: -- mm-hmm.

Male Voice: That [unintelligible].

Sun Senowen: I think that Mimi would be very amenable to that. Our fiscal year is different, but we don't necessarily have to slow down the contract negotiations, and starting a conversation and perhaps even changing the date when the contract needs to go live.

Linda Marlin: Right. Because that's the [bigger] issue, is that the contract negotiations are [lightening] the budget approval process there.

[Tita Montero]: Tita. This is Tita. So I want to be clear. We're on a contract now. When does that expire?

Jeff Hazen: December 31st.

Tita Montero: Okay. So we have not yet started negotiations --

Jeff Hazen: Not yet.

Tita Montero: -- for the -- and right now we're getting [\$9.90] PMPM.

Jeff Hazen: Correct.

Tita Montero: Okay. So you talked about metrics. And you talked about the possibility of the CCO getting more revenue budget. When that happens, does some of that, more than your budget, filter down to your contractors? So --

Sun Senowen: Do you mean the brokerage like RIDE CARE?

Tita Montero: The brokerage, yeah.

Sun Senowen: Yeah. Well, it would go directly. So in our contracts, what we do is a risk-share agreement, so if there's anything above or below, we share that gain or loss each quarter.

But the quality metrics that I'm speaking about, we would set in place in the contract, and that would go directly to RIDE CARE. Those dollars associated with those metrics would be up to the discretion of RIDE CARE, where to put it and how to operationalize it within their budget.

Jeff Hazen: But that's separate from the PMPM?

Sun Senowen: Yeah. This would be in addition to the PMPM.

Tita Montero: So do we have those kinds of arrangements in place in our current contract? And what kind of metrics might we be looking at?

Sun Senowen: We do not have them in the current contract. As I said, with the CCOs -- the CCOs are healthcare health systems. And so it took us a few years to learn more about transportation and the needs. And the tension that we have with brokerages, right? This is just across the board with all CCOs. Brokerages are often very admin-heavy because of the call centers and dispatch. And healthcare, we're regulated by state and federal governments to keep a very, very low admin. I think our admin is required to be under 15 percent, and all other costs are supposed to go into medical costs.

So that created a tension that we didn't quite understand fully, but we've got a much more understanding in this past year, which is what we're hoping to be better prepared in the contract negotiations with administrative caps in the contract negotiations and the ratios. Because I think, in our first understanding, it was like, why are your admin costs so high, your capital expenditures? And now we have a better understanding, and those questions aren't going to be nearly as rigorous than the expectations.



Jeff Hazen: Yeah, I think the financial reviews each quarter get done quicker, because they have gained that -- I'm Jeff -- have gained that [better] understanding.

Pamela Alegria: Pamela. One, I can understand metrics. And, two, if we approved a deficit, can that be negotiated in the next contract and make up for the deficit [unintelligible] approach?

Sun Senowen: I wouldn't be able to guarantee anything about a deficit that we could cover, because I'm not the finance person necessarily of the CCO or the CEO. But what I do know is that with our contract negotiations that we're a little ahead of for RIDE CARE is with Medford and Jackson. We're just discussing the same, how their admin costs are not -- they're looking at possibly the same situation. And so that went into account in our contract negotiations, and making adjustments to the percentage increases that we allow.

And so we're proactively trying to manage that with our new contracts. And so I know that that would be the case for this contract with RIDE CARE, is that we would proactively anticipate what those concerns of the deficits from the previous year.

But I'm not actually able to answer the current deficit question. But I can go back to our finance committee to answer that.

And then I do know that I didn't answer the question about the metrics. So the metrics, what we would look at are things that

RIDECARE already provides. So we would look at member no-shows, provider no-shows, grievances, denials, customer satisfaction, member and provider satisfaction. And I think there are a few other ones that we talked about.

So based on what -- we would do customer-satisfaction surveys to see what the satisfaction rate was and if it was really above a certain percentage. We haven't talked about this in depth, so these are just hypotheticals. We would talk about how much dollars would be associated with meeting those metrics above a certain percentage or ratings and so forth. And we would put dollar amounts with those. And that's how our metrics would work.

Tracy MacDonald: Commissioner Tracy MacDonald. So my comment, I'm just -- the concern, all the [faces] here is, can we do this? I work directly with some clients. One particular [gentleman] and not covered by the brokerage, covered by [unintelligible] transport. I transported him previous times in and out of [Tillamook] County when he was not cognizant, sitting in a wheelchair.

I came back recently, and I took him -- and the address seems similar to the same location to where he was in resident care. He actually went across the street, because he was able to get transport, because he was able to see the right doctors at the right time. He came up, walked up to the van, threw his knapsack inside, got in and said, "Let's go."

[Unintelligible] if it's hard, if we can't do this, what [program] are we going to be able to do? What's going to happen to people like that particular gentleman?

So I understand negative. I understand it's really hard. But the RIDE CARE center provides that for [performance] from members. If we can do it, let's do it.

Female Voice: Thank you, Tracy, for that, for that part [unintelligible]. Carol, I think you're [up].

Carol [Gearin]: I guess I had another -- when you were talking about caps on the admin, and you're giving X money in that, are you aware of how many calls per day our call-takers take? Because if not, I'd like Jason to put it into record.

Sun Senowen: I don't know off the top of my head, but I would like to --

Jason Jones: This is Jason. We take anywhere between 450 to 600 calls per day. And that results in anywhere between 400 to 500 actual transportations based off those calls.

Carol Gearin: I just wanted you -- I'm Carol -- just wanted you to be aware of how many calls are coming from the call-takers. And some of them are not always pleasant.

Tita Montero: Tita. Given that, I would imagine there should be some metrics based on that kind of thing, too. You talked about risk-sharing.

Sun Senowen: Mm-hmm.

Tita Montero: Can you tell us a little bit more about that? You said it's settled up quarterly. How does that work for us?

Sun Senowen: For the most part --

Jeff Hazen: You want me to jump in?

Sun Senowen: -- yeah, go ahead.

Jeff Hazen: Okay, because I helped negotiate it. So each quarter we were --

Female Voice: Jeff.

Jeff Hazen: -- I'm sorry, thank you, I'm Jeff. Each quarter we review the financials with the CCO. And if our income exceeds our [revenue] -  
- let me back [up]. If our expenses exceed our revenue from the CCO, they will reimburse us 50 percent of that loss. Conversely if our income exceeds our expenses, we will send them 50 percent of our losses.

In the first couple years of the contract, it was really back and forth. But it wasn't till the last three quarters, that we saw the nose-dive to

where we were having to send -- or they were sending us money, which means that we were operating in the deficit.

Tita Montero: So at the \$9.90 per member per month -- this is Tita again -- \$9.90 per member per month, at the end of the quarter, you're spending \$11 per member per month, let's say. We're going to get 50 percent of that. Does that show back into our budget on the revenue side? Or where do you put that in the budget so that we know, we have the historical data on the revenue?

Jeff Hazen: [Al], you can address that better.

Al: For the current --

Tita Montero: Al?

Al: -- this is Al. For the current budget, we are classifying -- we were originally showing \$190,000 as a potential reimbursement from the CCO for the upcoming year. So what we've done is we've moved it up into a sub account of CCO reimbursement, so it would be showing up as resources, as revenue, to us as a sub account of the main capitalization that they give us going forward.

In the prior years, as Jeff mentioned, it was like we would pay them, they would reimburse us, so we're kind of going back and forth. And the difference was very, very small. And generally we

ended up paying them a little bit. So it was a line that was called DMAP [of settlement].

Male Voice: DMAP/CCO.

Al: Slash CCO, yes.

Tita Montero: Okay, this is Tita. I'm confused on that, because it's not real clear. So you are estimating a resource in excess of the \$9.90 PM so that you don't have to book the balancing up at every quarter? Am I getting it?

Al: No, what I did, I set up [a find] on the first task of the budget, given the information that we had, we showed that we were going to have a loss in RIDE CARE. So then I took that loss and said, what would be half of that loss after making the numbers and a couple of adjustments for it? And the determination was that it would be about \$190,000 that the CCO would reimburse us for the 50 percent. So that was showing up as a line item.

And what we've done since then is move that number up into resources, revenue as a sub of the main reimbursement, the main capitalization that they give us. So we can always track it.

Jeff Hazen: And this is Jeff. That's what we discussed last week.

Tita Montero: Okay.

Al: Yeah.

Female Voice: Pamela?

Pamela Alegria: This is Commissioner Alegria. Have you discussed, or what would be the outcome if you just kept the revenue instead of reimbursing them if you go over a certain amount that could cushion loss? In other words, this back and forth, I don't know if that's been tried, whether it would make any difference. Do you understand what I'm saying?

Jeff Hazen: Yeah. This is Jeff again. I think it was originally set up because it was an unknown, when the state got carved up into the 16 different CCOs, what that piece of the healthcare was going to cost everybody. And so that's why it was set up that way to be quarterly reimbursements.

As we go into negotiations, from my standpoint, everything's going to be on the table. So there may be other options we could discuss with the CCO.

Tracy MacDonald: [Unintelligible]. I have a question for Jason since I'm not going to be here.

Female Voice: Tracy.

Tracy MacDonald: Jason, in Columbia County, do we have volunteer driver programs set up? And are they [active] as much as the [unintelligible]?

Jason Jones: Yeah, this is Jason. Thank you, Tracy. We actually have the largest concentration of volunteer drivers in [Clinica].

Tracy MacDonald: Okay.

Jason Jones: Yeah.

Tracy MacDonald: Okay.

Jason Jones: [Back-ups].

Tracy MacDonald: Thank you.

Sun Senowen: And just related to that, I wanted to also talk about different strategies that the CCO is supporting, with and working in conjunction and partnership with Jason, are looking at, what can the CCO do more to support RIDE CARE in its current program?

So one thing that I've been in discussion with several co-workers in the Portland area, but who also support the Columbia Pacific CCO, is, how do we help recruit volunteers and increase that volunteer base so that we're not just relying on DHS volunteers, but tapping into our large networks as well?



And then looking at other partnership workloads, how do we assist in the call center? Supporting the staff in various ways through trainings, looking at different methods to support their call centers to deal with some of those difficult members. I know we deal with a lot of them, too. So whether they're difficult to deal with or they're so complex in needs. And they have really high levels of needs.

So those are some of the things that we're working on as well.

Lylla Gaebel: Tita?

Tita Montero: This is Tita. So given that we're looking at our budget that starts July 1st, and we're looking at the possibility of this being a loss budget, what are the chances of being able to create, negotiate, whatever, some sort of amendment to our current budget that takes us through the rest of this year?

[Jeff Hazen]: The rest of the current year we're in?

Tita Montero: Well, the rest of the calendar year, which is their budget year.

Jeff Hazen: Oh. Oh, okay.

Tita Montero: But the first half of our fiscal year, July through December.

Jeff Hazen: This is Jeff. That would be a discussion with maybe their [CPO], but we can help.

Tita Montero: Okay.

Tracy MacDonald: Commissioner MacDonald, [unintelligible] meeting.

Lylla Gaebel: About 10:10. Carol?

Carol Gearin: I just have another question. Is the reason or [unintelligible] -- the reason that membership is soft is because X number of people don't want [unintelligible]? It's been known that younger people don't feel like they need that kind of insurance, so they don't get it. Is that a possibility?

Sun Senowen: Actually, it's interesting, because the younger that our membership is, the less that they utilize. So they are healthier, generally speaking, and we provide healthcare to them, but they don't utilize it. So they actually help revenue go up and keep utilization down.

So actually having younger folks on our membership actually helps us in terms of a financial standpoint. But in terms of the fluctuating enrollment, that actually has more to do with the fact that folks are auto-enrolled, didn't realize that they had to go through a redetermination process to verify their eligibility.

And that is a state thing that is not anything to do with the CCOs. And that's why we're presenting legislation as well to help the CCOs assist members to get re-enrolled and to reapply to keep that

healthcare or the plans in place for those younger folks that the Medicaid expansion covered. Because right now we're not actually legally allowed to.

Lylla Gaebel: Jeff?

Jeff Hazen: Yeah, this is Jeff. I just wanted to -- she just shared that. It really interested me learning some time ago that the CCO was not allowed to help people sign up for their healthcare. They have to rely on clinics and collective community action, those type of things.

So I think this bill is terrific, because if they could provide assisters, that would definitely help increase their membership.

Sun Senowen: Yeah, and we found ways around it by contracting with assisters or non-profits that provide that service and just placing them in our communities. But if we don't have to contract with anyone and just have our social workers, our nurses, who are already doing the interactions with that member and care coordination, to sit down with them and explain what the health plan that's covering them and what the CCO means to their healthcare, that would actually be more financially and stable for our membership.

Lylla Gaebel: Tita?

Tita Montero: This is Tita. Is the state doing any sort of outreach to those members that they have "lost" or who have not re-enrolled?

Because I know about the assister program and that type of thing, but if it's a young person who's not getting care, they are definitely - - I mean, they're what's balancing out the high-risk pool. And they're the ones you want to reach out to and get enrolled.

Sun Senowen: Yes. Can you restate the question part of that, though?

Tita Montero: Does the state have an outreach program of some sort?

Sun Senowen: Oh, yes. Okay.

Tita Montero: And do they -- if they don't [know] who to outreach to in [Clatsop] County, do they get some of the assisters around [or] some place? I don't know.

Sun Senowen: Yeah. Well, so OHA is responsible for that, and they should be. They have struggled, due to several different things that actually happened prior to the Medicaid expansion, or happened simultaneously, is which Oregon Health Authority was partially managed by the Department of Health and Human Services. And then in the CCO, the emergence of CCOs and Medicaid expansion, they started carving out responsibilities that used to be held by DHS to help with the things like enrollment assisters, eligibility assisters, education, verification of eligibility.

And that kind of fractured the system. And that fractured OHA's ability to assist people in a timely manner when those

redeterminations were coming. So that presented a pretty big struggle. That's actually partially why this bill is being introduced to the legislation, because they're still going through a restructuring, and they're actually going back to the old structure. So they're pulling it back into DHS or they're pulling it back into more of a collaborative and doing less carve-out. Right? Which the carve-outs had caused more siloes. And the ability for the state to manage everything Medicaid with the CCOs.

So I don't want to place all the blame on OHA, but there is a significant amount, because the CCOs were not legally allowed to assist or to have assisters. But rather, we had to contract out.

Lylla Gaebel: This is Lylla. Are there any further questions? Comments? Jeff, did you have a comment?

Jeff Hazen: Yeah. I just want to thank you for coming down. We've certainly enjoyed our relationship with the CCO. And it is a numbers thing, but it's also a people thing, as Tracy so eloquently talked about, or passionately talked about. And that's the juggling act that's on my shoulders.

As we go into the negotiations, I have to deal with both sides. You know? And it's just like the bus service that we pay for. Our contribution to bus service is very small. We're very heavily subsidized by the federal and the state government. We would not be able to have a transportation district without those subsidies.

So that's the burden that's on my shoulders to work with the CCO to make sure that we're being made whole in what we do. So as we go through this process, that's going to be my biggest challenge.

Kathy Kleczek: I'm Kathy Kleczek. I would just say that from hearing all of your input -- and thank you for coming and sharing your side of things with us and how things work from that end of things. I guess, to me, one of the big takeaway messages that I would say would be a good message to bring back to your board would be that if contracting with a private agency is going to cost a significant amount more than contracting with us, and we're experiencing a deficit, it perhaps behooves us, your board, to look at not just a penny's increase in the per-member per-month, but a more substantial increase so that less often than not, we are paying you potentially more money back in the risk-sharing pool, rather than the other way around.

Because basically, the way things are going, is the way things are going to be set up in this, as far as contract negotiations is concerned, we are not going to be able to exist and provide those services, because we are not a private company. We don't have a way of suddenly increasing our fees to make up that deficit. We are a government entity that doesn't have another [way]. There's no other pocket to reach into.

So that per-member per-month amount is going to have to go up in order for us to be able to continue our relationship.

Lylla Gaebel: Are there any other questions?

Male Voice: Well, I'll add the next comment. I'm [unintelligible]. Columbia as well. And, yes, you are not getting back what [you gave back] or [unintelligible]. And I will also [unintelligible] Tracy, this is a personal issue for me. I am [unintelligible] funding [unintelligible] as well. I have not had cause to use the RIDE CARE, because I have other options. But for some people, it is their only option. And there really is no place to turn.

Lylla Gaebel: This is Lylla. And I just want to say again what other people have already said. Thank you so much for attending and being so open to questions. We really appreciate your time.

And for our transcriber, it's been Lylla that's been calling on people. It has been Sun, who has been doing our presentation. And I want to note also that Kathy Kleczek joined us at 9:50. And Tracy MacDonald left us at 10:10.

Sun Senowen: Thank you for having me.

Lylla Gaebel: Thank you.

Pamela Alegria: Thank you for coming.

Lylla Gaebel: So we'll take five minutes so that she can --

[Crosstalk]

Lylla Gaebel: Now, I think that you're always [unintelligible].

Jeff Hazen: Where are we at, as far as the agenda goes? Did we approve the minutes?

Lylla Gaebel: We approved the minutes while we were --

Jeff Hazen: Okay.

Lylla Gaebel: -- while you were having breakfast and making coffee. We did introductions. We did everything we possibly could. Everybody's reviewed the stuff that they had beforehand. And now we're at -- let's review and revise the budget [RIDECARE] funding [and talk].

Jeff Hazen: Okay. So let's start off with RIDECARE and the packet that I handed out to you today, this morning. I'll just go over my memo and then discussion can start as far as what direction the budget committee wants to do.

So we came up with these four options that you see here. We did make a little bit of adjustment, because we got our payment the other day from the CCO. And we realized -- not realized -- we did see that the membership had gone up. We had previously based the



budget on a 21,000-member basis. And for the past two months, both April and May, they've showed a membership of 25,000.

So we went back and reworked the last four months, the average, and that average is 24,500?

Al: Yes, 24,500, this is out.

Jeff Hazen: Okay. And so that's why an option, actually in all the options, I'm talking -- I put in there to add \$325,000 to the provider services reimbursement and then add \$265,000 to provider payments under requirement, because with that increased membership, that means additional money is not only coming in, but it's going out. Not the whole thing, 81 percent?

Al: Yeah. This is Al again. Yeah, roughly 81 percent. Historically that's what we've had to pay out of the revenue that we get in from CCO.

Jeff Hazen: So that's why you see that recommendation to add that. And in the updated funds -- this is just a general overall comment -- we haven't done any of the assumptions or changed anything, unless you guys made a motion, so just be aware of that.

So if you do want to take that option and add that in there, that would be great, but we just need that to be a motion.

So really, you know, at this time, we need to determine what the committee would like to do. If they want to take one of these options, if they want to do a hybrid and combine some of these things, I'd be interested in hearing your input on it.

Lylla Gaebel: Tita.

Tita Montero: This is Tita. I've got a couple of questions.

Jeff Hazen: Okay.

Tita Montero: [Unintelligible] for myself. Option 1 simply adds the resources and the expenses. Option 3, what you're suggesting there is that our general fund subsidize RIDE CARE. Am I correct in saying it that way?

Jeff Hazen: That's correct.

Tita Montero: Okay. And this is kind of question to both of you and probably Barbara. I guess I have a little bit of a concern of leaving an ending fund balance in that account, because, to me, it's money that you cannot spend at all that you have to then put into the following year's budget. And it seems to me with a program like this, that should self-fund every year, that your ending fund balance should be zero.

Barbara, am I going according to bookkeeping or accounting policy?

Barbara: Yeah, I'm Barbara. This is Barbara. Normally I would come close to that. But number one, we need to always have an ending fund balance to pay those early bills.

Tita Montero: Okay. Got that. So that's that.

Barbara: So that's number one. But number two, more importantly at this point for this district, they owe the state \$72,686 from the prior year's issues. That is a debt-service requirement that we have had, and the carryover fund balance has always been there to fund that. So --

Tita Montero: Okay. I didn't know about that.

Barbara: -- we have to keep that in good conscience. Otherwise, we have spent a lot of district [unintelligible].

Tita Montero: Thank you, Barbara. So this is Tita. On ending fund balance then, we would logically then need that \$72,000 plus what we would anticipate would be maybe the first month of bills in the next fiscal year?

Barbara: This is Barbara. In terms of how many months you need, part of it's contingent on the cash flow. And I'm not familiar enough with the

contract. I know about property [unintelligible] has to be [minus],  
but contract [closing] [unintelligible].

Jeff Hazen: Yeah, this is Jeff. RIDE CARE isn't dependent necessarily on that property tax, because the property tax goes into the general fund, so that's what we always think about with general fund, is making sure that we've got that -- and that your beginning fund balance is going to get us from July 1 to November.

But with the CCO operations with RIDE CARE, we get paid. They send us the money generally by the 11th of each month. So we get that income each month by the 11th.

Tita Montero: This is Tita. Then I'd like us to think about what is the lowest ending fund balance we could put there. And when you say the property tax going into the general fund, and then I see moving money from the general fund to subsidize RIDE CARE, basically what we're saying is the property taxpayers of Clatsop County are going to subsidize the coordinated-care patients of Columbia and Tillamook counties, too.

Do we get any money from Columbia or Tillamook County for anything like this?

Jeff Hazen: No.

Tita Montero: Okay.

Jeff Hazen: No, and this is Jeff. I think that's a very, very good point. Very good point.

Lylla Gaebel: Pamela, I believe you had a question?

Pamela Alegria: What happened to the -- this is Pamela -- the \$40,000 that you had offered to cut from education and outreach? Where did that go?

Mary Parker: It wasn't 40. It was 11. It was 11.5, I think.

Pamela Alegria: Oh, 11.5?

Mary Parker: Yeah.

Pamela Alegria: Maybe -- but --

Mary Parker: But I think it --

Lylla Gaebel: Mary.

Mary Parker: -- oh, sorry.

Jeff Hazen: And this is Jeff. That's in the general fund, not the regular fund.

Mary Parker: Yeah.

Pamela Alegria: So that can't be used?

Mary Parker: Yeah. No, we're in the [unintelligible].

Jeff Hazen: That's a separate fund.

Mary Parker: We're in the [unintelligible] separate fund.

Lylla Gaebel: Jim?

Jim Servino: Jim Servino. So this is more of an overview question for Jeff. So we're in this year's budget cycle, our budget cycle, and CCO's is December. So we're looking at the budget cycle for us to kick in July, and it covers the second term of the CCO's budget cycle.

Jeff Hazen: Correct.

Jim Servino: So what are our contract obligations? And I guess what I mean by that, it seems there's a volatility in the numbers from the CCO, based on not necessarily their decisions all the time, but regulations that are handed down to them by the state. So there's some volatility there. Are we contractually obligated to fulfill those requirements to the end of what's currently the end of December for each year?

So as you go into the new negotiations, you're looking at a contract from January 2018 through December 2018. So we're obligated to provide that service regardless of any changes?

Jeff Hazen: We have outs.

Jim Servino: Okay. Such as?

Jeff Hazen: I'd have to go back and look at the exact contract language. But there is, with sufficient numbers, but I'd have to go back and look at those details.

Lylla Gaebel: Okay. Kathy.

Kathy Kleczek: Kathy Kleczek. I have some concerns that may be founded or unfounded, but based on past issues that we've had with mixing RIDE CARE and general fund monies. It concerns me that we are setting a precedent to basically do that again by saying we are going to not -- we're going to combine things, and we're not going to allocate funds properly, and we're going to reduce the allocated debt service, which is a huge red flag to me.

So that is what got us in deep water before I jumped on board. And I don't want to see us go down that road again. So if somebody can alleviate those concerns somehow, that would be great. But I don't want to get us in hot water with the residents of the county, with the federal and the state government, with our debt.

Jeff Hazen: Sure. So let's look at Option 3 -- this is Jeff -- if we could. And let's talk about that, because I think, if I were to make a

recommendation, I would want it to be a hybrid and maybe look at Option 3, but change some of it up.

So, let's say, those first five things where I say reduce the [FTE] to [H], let's say the \$71,000, reduce ads, that's \$1,900, reduce travel, \$6,000, cut out some professional services that we put in there as a just-in-case. And then based on our conversation last week, adding \$1,000. But not do that reduce debt service. That saves us, what, \$92,000 minus \$15,000 -- [\$92,500] minus \$17,000 or, excuse me - - what's that -- minus \$15,000. So that would add \$77,500 alone to the ending fund balance.

And then I would -- well, we would also, because we are seeing a consistent membership of 25,000, where we added the \$325,000 to reimbursements and then \$265,000 to provider payments, that's an extra \$60,000. So that would give you \$137,500 to add to the initial budget that we put out that had an ending fund balance of \$19,000 plus -- so ballpark, your ending fund balance would be \$156,000.

Tita, you made a very interesting comment about thinking that this fund should have a zero balance. And I never thought of it that way. I've always kind of aligned myself with the general fund of having that money to carry over. But if we're getting paid early in the month, that prepayment, that money is coming in on a regular basis, there could be an argument for that.



Lylla Gaebel: This is Lylla. When the state budget is going to set, things could change quickly and we might not get that money [moving] on in the month. It could be things could be delayed.

Jeff Hazen: Um, go ahead.

Barbara Blue: Barbara, this is Barbara. There is the ability for the general fund to loan the RIDE CARE [funding]. That could provide you the cash [unintelligible], because, yes, once you [unintelligible] to make a transfer fund to general fund to RIDE CARE fund, you can't send it back.

Lylla Gaebel: No, you can't.

Barbara Blue: Right, the general fund could make the [unintelligible] --

Jeff Hazen: If necessary.

Barbara Blue: -- to the RIDE CARE fund if necessary. But you would still have to -- your revenues budgeted would have to [before] your budgeted expenditures.

Jeff Hazen: Right. Right. And --

Carol Gearin: Carol.

Jeff Hazen: Go ahead.

Carol Gearin: Okay. I just wanted to make sure I'm understanding this. When you say reduced FTEs, [is it] full-time employment?

Jeff Hazen: Pardon?

Carol Gearin: Full-time employment?

Female Voice: Yes.

Jeff Hazen: Full-time employees, yes.

Carol Gearin: Okay, so that means -- and we're talking only about RIDE CARE in this Option 3. We're not talking about taking from the general fund?

Jeff Hazen: That was part of Option 3 down at the bottom. I say include an inter-fund transfer from general fund to RIDE CARE of \$130,000. But I'm hearing that's probably not a direction that the committee wants to go. And so let's take that off the table.

Carol Gearin: Okay. Because I don't have [unintelligible].

Jeff Hazen: Yeah. Sure.

Carol Gearin: It's taking money from the general fund, which are the taxpayers of Clatsop County, and subsidizing. But Barbara's, I do [unintelligible]

if it's wonderful. And then again, [unintelligible] it's corrected by the [unintelligible] things.

Jeff Hazen: If it's worker [bull] or necessary.

Tita Montero: Tita. A couple of things. Clarification. I didn't hear the answer to Carol's question. Reducing the FTEs from 9.5 to 8, are those FTEs that are just RIDE CARE FTEs, or they are just RIDE CARE?

Jeff Hazen: Yes. Yes.

Tita Montero: Okay. And then the other thing about loaning the money, cities do it all the time. City of Seaside loans from one department to another department. And they have to pay them back with interest. So it's definitely a doable thing. And I would endorse that.

Jeff Hazen: That's why Mark has so many drawers in the desk.

Tita Montero: Kevin, I mean, Jeff.

Jim Servino: Thank you, Kevin. This is Jim Servino. And I just wanted to throw a thought out to particularly fellow commissioners here. But we might -- they might want to think about putting a district [unintelligible] in better position, better financial position as he goes into negotiations with them.

What I have in mind is, for example, what if the commissioners decided that we don't want to use general fund dollars, period, for RIDE CARE? That gives him a better position to take with him for any changes.

So I think there are other options that we can be thinking about, again, to strengthen the position that we want to RIDE CARE to stand on its own instead of [unintelligible].

Lylla Gaebel: And Kathy?

Kathy Kleczek: This is Kathy. Jim, I completely agree, and I think that we really need to come from a strong position of the general fund is not here to make RIDE CARE work. RIDE CARE is a standalone under the umbrella of part of this operation. And so the general fund isn't in a position, a) to subsidize RIDE CARE, and we've been told shouldn't be subsidizing RIDE CARE.

The other question that I have is from 9.5 to 8 and the call volume going up, is that a doable thing? I mean, things are stressful over there already when you were short two people just a short while ago. And now we're talking about writing that in as part of how we're going to sustain operations. Is that doable, Jason?

Jason Jones: This is Jason. And so in the exercise that I worked with Jeff and Al on, I looked at the worst-case scenario of what we could survive on. And we could survive on that. It would be very hard, very difficult

to cut that, and it wouldn't mean as high a customer service that we currently have, but as we've always done, we'd [fight to it]. And so [unintelligible].

Kathy Kleczek: And so it's doable -- this is Kathy again. So it's doable but not sustainable?

Jason Jones: We'd be in the red line for a time.

Lylla Gaebel: And Jeff?

Jeff Hazen: Yeah, and just so the group understands, eight is tight. If we have sick calls, it gets really tight, but we do have a couple of employees within the district that are trained over there that can step in, and they have stepped in when needed.

Lylla Gaebel: Barbara, did you still have something? Okay, was there somebody else out there then? Okay.

Carol Gearin: I have a question for Barbara. This is Carol.

Lylla Gaebel: Sure.

Carol Gearin: When I did budget in a hospital situation for a department, we went from zero base. Is this something that could be done from a zero base? So we wouldn't go in with even \$19,000. But you'd look at

your budget and say this is what I need for the next year. And that's what you would work under.

Barbara Blue: This is Barbara. You can do that as long as you're only dismissing the current contract and the cost of that [contract].

Carol Gearin: So it's the contract that is presenting?

Barbara Blue: Right.

Carol Gearin: Okay. Well, fine. Well then I have to agree with whoever came up with the idea that we had [unintelligible]. The general fund should not be subsidizing. Kevin?

Kevin Widener: Okay, I'll add my voice. [Unintelligible] your negotiation from a position of strength, because you are saying it has to be self-sustaining. We're not going to --

Lylla Gaebel: Jeff.

Jeff Hazen: And I think that it was good that Sun was here today, because I think that based on the conversation and questions, I think she's going to take back a strong message that we really need to look at RIDCARE at Sunset Empire and make sure we can continue that relationship. I think you guys helped [phase up] my hand for negotiations today.

Tita Montero: Tita. I think an important thing we learned, too, had to do with the for-profit brokerages. And they're getting more money. So we need to use that information, because their alternative would be to go to a for-profit. And the for-profits don't have the customer service. They don't have the interest, et cetera, et cetera. So that was a really good piece of information we got.

Lylla Gaebel: Well, this is Lylla. On Option #2, it does talk about a recommendation to discontinue the contract. So that's certainly something that could be looked at as a possibility, which gives as a possibility, so it could be brought into a hybrid-type thing.

Jeff Hazen: Yeah, and I added a word in here, recommendation of board to explore the discontinuation. And I think it was important to have that word "explore" to keep the options open.

Lylla Gaebel: Kathy.

Kathy Kleczek: This is Kathy. I just want to ask for clarification then on Option 2.

Jeff Hazen: Okay.

Kathy Kleczek: Is that indeed supposed to be explore discontinuation of the contract with the CCO effective June 30th, 2018 or '17?

Jeff Hazen: No, I put it for 2018.

- Kathy Kleczek: It doesn't seem to me like that is a due-diligent, time-sensitive timeframe, because we can't afford to go for a whole [nother] year under this contract, the way that the contract is among [them].
- Jeff Hazen: Okay.
- Tita Montero: Tita, this is Tita. Kathy's going exactly where I was going. And I would change that to effective December 31st, 2017 and adjust -- now, Barbara, I don't know all the rules on this -- can we do this budget so it only reflects through December 31st and amend it if the contract gets extended? I don't know the technicalities.
- Barbara Blue: This is Barbara. You're better off, because we have the existing contract -- and I'm not sure long-term -- we're going to budget for the whole fiscal year. And then if we cancel that contract, then more possibility to reduce -- got to have appropriations.
- Tita Montero: Okay.
- Jeff Hazen: Right.
- Tita Montero: All right.
- Kathy Kleczek: So then that's another reason to have that ending fund balance as low as possible. Jim?



Barbara Blue: This is Barbara. We want to have that ending fund balance, the minimum of \$72,000 --

Kathy Kleczek: Right.

Barbara Blue: -- since [\$86,000] to cover our investments.

Kathy Kleczek: Right. Jim?

Jim Servino: This is Jim Servino. Just a question about going back to the employees and everything. The system we use now for being able to provide the services to handle the 400-plus calls [unintelligible], how does our system compare with other technologies that might be out there to accomplish the same thing? [We're spending] that the amount we're spending in person. Are there other systems out there that can reduce the employee number?

Jason Jones: Thank you, Jim. This is Jason. We are on average with all of the other brokerages in the state of Oregon, how we discharge our services through the variety of technical means. So if you were to go into our call center right now, you'd see relatively the same style of work being done at other brokerages, some with maybe better technology, different technology. But the reality is they're doing the same thing.

We are looking into creating further development of existing software, for [tagging on] our existing software. Not only is it --

Male Voice: Bad.

Jason Jones: -- breaking down and bad, but it was poorly constructed. It's constructed for the brokerage in Portland a long time ago. So it's just archaic and it doesn't work. So we're currently in the exploration of -- actually a little further than that.

Male Voice: We're developing.

Jason Jones: Yeah. And the development from peers, allowing people like myself and other people like myself to be able to create this from the ground up to get as much efficiencies as we can built into it.

For example, like one little example is to be able to utilize online [forming], you know, rather than making calls. If we could reduce the calls by 150, because of online [forming], then I could shift my staff around a little bit more and make it a little bit more efficient. Those are things that we're working on.

Jim Servino: Oh, this is Jim again. Are there out-of-the-box software packages that you can customize? Or is it all --

Jason Jones: I think I'm going to let [Jeff] answer that.

Jeff Hazen: Oh, God, no. And I say that, you know, like Jason alluded to -- this is Jeff -- we are developing, in conjunction with Rogue Valley

Transportation, Central Oregon Intergovernmental Council and Cascade West out of Albany, new software for our four brokerages to utilize. We got a STF grant to do that. And Rogue Valley just recently hired a software engineer that has started the process.

So we're going to be integrating that new software here for however long it takes to build it, but it's certainly going to be much more reliable, it's going to be better for our employees to use. But we also, our group, we have a vision down the road, like you said, enhancing the abilities of the clients to be able to go in and get on their computer or smartphone or whatever and be able to [bust] a ride. You know?

Or even better, at some point being able to look on their smartphone and see where their ride is. Instead of calling, "Where's my ride?" So, yes, we are actively looking at building that platform so we can enhance it to make it more efficient for us.

Lylla Gaebel: Carol?

Carol Gearin: I think it's a new definition. Jason, you said "online farming"?

Jason Jones: What it means -- so if anybody's ever -- this is Jason -- gone online and filled out a form in [VF] [PF] PDF format. So, for example, the CCO themselves actually, through their website, can allow a member to set up certain appointments through a website. They don't have to talk to anybody. And they just fill out the form. It's

called [forming], that PDF forming [with] business. Submit the request through there and then it comes to the CCO. I mean, somebody has to [open and] putting it into the system, but it's a lot easier than taking four or five calls sometimes to handle just one [record].

Carol Gearin: I have a second question. We're talking about low-income people and we're talking about smartphones and we're talking about new computers and et cetera. Are we maybe talking just a little bit too high?

Jason Jones: No. No, and this is Jason. No. No. The vast majority. I'm not going to say there's everyone. But the vast majority of them have access to either a smartphone or to a computer. And they're already being shown -- well, it's already been shown through the CCO that there's plenty of people within the membership that are accessing emails.

Lylla Gaebel: John?

John [Lansing]: John [Lansing]. So not to be flip, but is this potentially like a medical Uber?

Jeff Hazen: Uh, yeah, it would be.

John Lansing: And so I think that an awful lot of people, even given their demographics, fiscal, almost everybody has some kind of a handheld communication. And so Uber seems to get an awful lot of

play in most metropolitan areas. I would think that implementing this same kind of simplicity, the simplified ability to ask for transportation from my house to Columbia Memorial or some other medical provider would certainly expedite time and reduce costs.

Jeff Hazen: Yeah. This is Jeff. I will put a caveat. It's not exactly like Uber or ride-hailing, because you still have to set these rides up ahead of time. And if it's a sedan ride where we contract with a provider to go pick up the person at their house, we also try to maximize and do shared rides to help reduce costs. So that would have to come into play.

Right now it is an urgent need, I would say beyond critical need to get this new software in place, because we are hanging on by a couple strands of spider string with this old brokerage software system that we're using now. I mean, it is scary. It is scary how fragile it is.

Lylla Gaebel: Well, this is Lylla. Now that software is already paid for, correct?

Jeff Hazen: Yes.

Lylla Gaebel: The new stuff?

Jeff Hazen: Oh, yeah.

Lylla Gaebel: You already have that in-house and --

Jeff Hazen: We've got the graph and it -- yeah, it's [soon] to be paid for.

Lylla Gaebel: -- okay. So we don't have to worry about that in the budget?

Jeff Hazen: No.

Lylla Gaebel: And that could actually help us if we're recommending reducing FTE.

Jeff Hazen: A little caveat with that. There is some money in the budget for support for the existing software in case something goes south before the new software's lined up. We do have money in there to account for that. It think it's \$25,000. Just in case.

Lylla Gaebel: But like I said, that also would help us on reduction of the FTE, because the new software would --

Jeff Hazen: Eventually. If we go to a separate platform. Initially it's just going to give us a stable platform for the employees to use.

Lylla Gaebel: -- okay.

Jeff Hazen: That's step number one. And then we'll look at, down the road, how we're going to enhance that and utilize technology to make it more efficient so the brokerage can be more efficient.

Lylla Gaebel: Pamela?

Pamela Alegria: This is Pamela. For the [unintelligible] right now, I'm not quite understanding that. It's still at Columbia and Clatsop County.

Female Voice: Clatsop.

Pamela Alegria: And that Clatsop County is paying for all three counties? Is that what it -- no?

Jeff Hazen: The CCO covers the three counties.

Pamela Alegria: Oh, it covers the three counties.

Jeff Hazen: Yes.

Lylla Gaebel: But this is Lylla. But the CCO, we don't get enough money to cover our expenses. And when you are doing contracts, my question is, do you then also work with Tillamook and Columbia County to say, "Hey, you guys are going to have to pay part of this [over gap]" in order for us to be doing it?

Jeff Hazen: No.

Lylla Gaebel: And is there any reason why you can't do that?

Tita Montero: This is Tita, if I could answer that. Just like we don't want our general fund paying or subsidizing RIDE CARE, we don't want our taxpayers subsidizing RIDE CARE, Tillamook and Columbia would have the same feeling. Their taxpayers shouldn't [pay it].

The CCO, the money that comes from the feds and the state through CCO should pay for this in full.

Jeff Hazen: Correct.

Tita Montero: And we get all their money. We get the money for all the people in the three counties, because there should be the economy of scale, because then you don't have three places who are putting together [this]. And that's where, just over time as I can see it, things have gotten more expensive, they have not kept up with that, et cetera, et cetera. So that's where we do have to have Jeff be in a very strong position. And I think that Sun really heard it today and will take it back that we're definitely considering the possibility -- well, that we can't subsidize us. Nor should we.

Lylla Gaebel: Linda.

Linda: Linda. I just want to be on the record that I think when you're looking at the contract in terms of it, the 50 percent reimbursement for deficit, that needs to change. Because if we're really talking about a fare-based [unintelligible] care, we have to get 100 percent reimbursed in the deficit funding.



Tita Montero: Tita.

Lylla Gaebel: Yes.

Tita Montero: And to reinforce that, what they're doing is they are asking us to share their risk. The only way that we have any way to effect that risk is if we have control of what's called utilization management in healthcare. And that's people who are asking for rides too often or doing things inappropriately.

Yeah, I come from a healthcare administration background. Are these people, are they getting what's called pre-authorizations, et cetera? We can't share risk if we have no control over risk.

Lylla Gaebel: Kathy, [unintelligible] first.

Kathy Kleczek: Okay. So this is Kathy. I just have been reviewing our contract so that we would know what our moves are. And one of our immediate causes for termination? Either party may immediately terminate this agreement upon delivery of written notice to the other party, or at such later date as may be set forth in the agreement, in the written notice if -- and one of the things is if SETD fails to receive funding, appropriations, limitations, allotments or other expenditure authority sufficient to allow SETD, in the exercise of its reasonable discretion, to continue to provide services under this agreement.

Female Voice: Wow.

Kathy Kleczek: So there's no 30 days. There's no 90 days. It's we can't afford this anymore. Here's your notice.

Female Voice: Wow.

Kathy Kleczek: So we were really particular when we did this contract. I was a very integral part of it when it was originally written. And there were some specific limitations put on it because we were concerned about the feasibility of continuing operations, and for how long we'd be obligated to do that if it was not turning out to be affordable.

And so there, under 17.4-.7, under Term and Termination, there it is.

Jeff Hazen: Okay. Thank you.

Kathy Kleczek: No 30 days.

Lylla Gaebel: Carol.

Carol Gearin: Okay. The only thing I wanted to add is that we can't make decisions about it. They're going too much or whatever. I think, Jason, doesn't RIDE CARE call and make sure that there is a doctor's appointment?

Jason Jones: Yeah, this is Jason. Yeah, we do a verification process. That's mostly on long-distance trips. But they all do have to call in prior so we can determine whether or not the services that they are going to are appropriate. However, though, what Tita was saying, it's very plausible, but currently right now it's not allowed. We're not allowed to put a cap on any individual. They call us. We send it.

But when our encounter data goes to the CCO, they see the repetition. They see the utilization. And it's up to them to make the determination.

Carol Gearin: Well, Carol again, what I wanted to get to is, but we cannot tell someone you're going to the doctor too much. Are you [unintelligible] -- you're saying you're making the medical decision --

Tita Montero: Exactly.

Carol Gearin: -- that you're not getting [unintelligible].

Tita Montero: And this is Tita. And I'm not saying that we should do that. What I'm saying is we're taking the risk. We're sharing the risk for that. It's like having responsibility with no authority. I'm not saying we should have the authority. What I am saying is we shouldn't have the risk financially.

Carol Gearin: No, and I agree with you. This is Carol.

Lylla Gaebel: Jim was next?

Jim Servino: Okay. I just wanted to -- and I'll defer to other questions.

Lylla Gaebel: It's Jim and Barbara and then John.

Jim Servino: But I was going to try to bring all this back to our purpose here today as far as the budget. And just so I understand it completely, if I go to this document without any of the options thrown in, okay, we're proposing in this budget, second page, [unintelligible] column, is that our expenditures and resources and endowment [self]? And that appears to be no beginning -- we're not budgeting for beginning fund balance.

[Crosstalk]

Lylla Gaebel: Go up a little bit.

Jeff Hazen: You want to look at the ending fund balance.

Jim Servino: [Already] fund balance, that's it. So they're \$19,000.

Jeff Hazen: Correct.

Jim Servino: Okay. So we were at, let's see, we were at -- this cycle we were at a beginning fund of a million. Proposed for this cycle, half a million. And [unintelligible] to come out of that is \$19,000. And to follow the [unintelligible].

Jeff Hazen: That was our initial budget, yes.

Jim Servino: Okay. So, I mean, that's very concerning. And so I'll defer to the other two questions.

Lylla Gaebel: Okay, Barbara.

Barbara Blue: This is Barbara. My comment with regard to [funding our] expenses, these expenses are [unintelligible] direct costs and indirect costs. And that could be an issue in discussions and negotiations with the CCO, because our indirect cost, as Al pointed out the last meeting, was \$203,000.

If we allocated zero indirect cost to this, the contract services would be covered by the revenue, because we're around \$144,000 now, the [corporate] our contract, so if there were no indirect cost, but a), one, there's always indirect cost. So you need to have some, but you need to be in a strong position in negotiating both direct cost and indirect cost.

Because the second side is if the RIDE CARE fund cannot have any indirect costs or cannot have \$203,000 in indirect costs, its costs go back to the general fund. So that's [bad].

Jeff Hazen: Yeah. And along with that -- you bring up a great point -- because if it all went to the general fund, we wouldn't be able to take those monies and apply it to the grants that we get from the state, because ODOT would push back and say, "No, you can't do that. Just because you cut off allocating stuff, expenses to RIDE CARE, we're not going to pick that up." So it would actually have to come out of local funds, which could potentially be problematic down the road.

Lylla Gaebel: John.

John Lansing: Before I became associated with this organization, I had no idea what a RIDE CARE was or which way to aim one. Today's presentation was very eye-opening in terms of daily phone interests, the kind of things that this program brings to the community. And also I really endorse the idea of cutting ties with CCO as a bargaining a tool that Jeff could take to the table.

But if we were to implement not associating with the RIDE CARE and [unintelligible], does the community really know how much of a benefit this is to this area, both Columbia and Tillamook County? Does the community really know how much is being provided by particularly Jeff's organization? And if we were to sever it, how would that play a political basis since nobody really -- I don't know

how aware the community is about the benefits of this organization, that if we cease to provide these kinds of services, what kind of blowback [would be]?

Lylla Gaebel: Jeff.

Jeff Hazen: I'm going to be a little bit of a political wonk here. I think there could potentially be some, because not everybody knows about it. And I'm going to compare this with the Clatsop Care Health District, which I sit on the board.

And there was some blowback when we started talking and eventually did hire a private management firm to step in and run the district, because the care center itself was bleeding money profusely. And so we needed the expertise to come in to turn that around. In the end, will it work? We don't know yet. We're optimistic that it will.

But it was the first time that we ever had people start coming to our board meetings. If you look here at the district, not everybody in the county uses our bus system. A very small portion of them do. But when there was the downfall when things happened several years ago, all of a sudden people were at the meetings. They started paying attention.

So, yeah, do people know about RIDE CARE? No, they don't.

Female Voice: Unless they need it.

Jeff Hazen: Unless they need it. Unless they're on OHP, they don't know it.  
They don't know about it.

Female Voice: And we don't market it, because we don't [unintelligible].

Carol Gearin: Carol. [Unintelligible]. I think, though, that -- I don't think that we  
can allow general funds [unintelligible] involved.

Jeff Hazen: Yeah, [unintelligible].

Carol Gearin: Because I think if you take a -- people are tired of taxes. And you  
can't go back and say we want to do this nice thing, but we need  
more money from you. Look what happened to the [life flight]. The  
life flight thing went down. [Unintelligible] is looking at more gas  
taxes to get [bar] transportation in roads.

So I think personally that our best option is Option 2. And I agree  
with Tita that it should be as a [12-31] is our contract. I know that  
may put us in the middle of that [unintelligible], and maybe it  
should be before, since according to what Kathy says, we don't need  
any timeframe [unintelligible] timeframe in there.

But maybe it should be November or October. I think we should  
give them at least a couple months to sit down.



Lylla Gaebel: Tita.

Tita Moreno: I acknowledge John's question about the political blowback, and we do have to think about that. One of the differences is when the transit district went into problems, it was the general rider. If RIDE CARE gets into problems here, it's going to be your low-income, the people who are on the CCO, that are on managed Medicaid basically. And they may not come out of the woodwork as much as the regular passengers would.

But I would say that very early on we need to start apprising [Miss Johnson] of this issue and this problem so that we've got her in our corner. And I think getting her politically [binds], too.

Lylla Gaebel: But I want to make one statement on this. I get to make one. This is Lylla.

I think that politically we should be getting together with Columbia and Tillamook County, telling them where we're at, that we're talking about stopping this, because that's a huge service for them also. And maybe with the political power of all three counties, I agree with [Betsy], too, we could then push forward and bring in our own county representatives and such. So that's my [unintelligible].

Jim, I believe you were first?

Jim Servino: Quick question. We have 25,000 membership in the CCO?

Jeff Hazen: Correct.

Jim Servino: Of that, about how many are Clatsop County? I don't need an exact number, but just --

[Crosstalk]

Jeff Hazen: I don't know that we have that number. We see it as a total. We can break down where we provide the rides from.

Jim Servino: Okay. Now let me ask this one. [Gut feel] what you've done in Clatsop County?

Male Voice: Excuse me?

Jim Servino: What is the percentage for Clatsop County, gut feeling, not based on data?

Male Voice: Oh, okay, feeling.

Lylla Gaebel: Approximate.

Male Voice: We're the second largest of the three counties. Okay, that's what I can tell you right now.

Jim Servino: And the other thing's more of a perception. Correct me if I'm wrong in this. This isn't our service. This is the state's service. The state has asked us to administer for the CCO.

Male Voice: Actually more accurately, the state has asked the CCO to administer [unintelligible] contract with us. Yeah.

Jim Servino: Okay.

Male Voice: Yeah.

Lylla Gaebel: Kathy.

Kathy Kleczek: This is Kathy. I just want to kind of -- this boils down, to me, to a couple different things. If we go with Option 2, we're kind of asking Jeff to administer a bet. We're gambling that the CCO will come back with a better answer for us. I just want to make sure that we're not bluffing, asking him to bluff into a situation where we will then be uncomfortable with not being the contracted provider.

And I want to clarify from what I understand from Sun was that we are one of the contracted providers that the CCO works with. And if we pull out, that doesn't mean that the people that need those rides won't be getting them. It will be somebody else that's providing them.

Lylla Gaebel: Jeff.

Jeff Hazen: If we give them sufficient notice, they could get somebody on hand. If we were to play hardball and say, okay, here's your written notice, we're done next week, there would be an issue.

Lylla Gaebel: Kevin.

Kevin Widener: Commissioner Widener. Yeah, they would find somebody else, I guarantee. Whether they would be in any better shape, I couldn't tell you.

Regarding the political backlash, yes, there will be. And you made the comment about people coming forward. I came forward.

Female Voice: I know.

Lylla Gaebel: Barbara.

Barbara Blue: I have -- I'm at A on the political one that I think there would be some, even if the customers themselves don't, I think there would be blowback from a lot of the agencies in the county, in all three counties.

Male Voice: Medical providers also.

Barbara Blue: Yes. So that is something to look at. I guess my perspective would be, yes, numbers are important. But I don't want to be in a position

to make them -- Jeff or anybody else -- play hardball in that short of a timeframe. I think you put everyone on notice, and there are some [severe] [unintelligible] with the RIDE CARE fund.

I think -- and I appreciate Jason pointing out the 1.5 [FGDP], that's quite significant. I would say let us give management the opportunity to go through with this [unintelligible] budget [essentially] and work with the CCO and see what can happen. But everybody needs to watch the dollars very closely.

Jeff Hazen: Jeff. If I could, I appreciate that, Barbara, but I would still like to do these reductions that I outlined. So we're showing good faith that we are trimming expenses, that the committee recognizes that we need to do that. So we're doing our due diligence.

I think the committee let the CCO know today they're on notice.

Lylla Gaebel: John.

John Lansing: Lansing. I've been coming for, what, a budget committee from a different organization that was kind of in the crosshairs of some citizen focus. What seemed to come out of that was a better opportunity to tell the story of the organization. Is there some value to you sitting down with the daily, a) during this budget process and just explaining how far you've come, what kinds of things that you have done to provide this organization the stability and the integrity from whence it came?

And then, oh, by the way, there's this thing called RIDE CARE that we are providing for this community from the state of Oregon. But we're finding ourselves in a position that our fiduciary responsibility to our taxpaying citizens might put the budget in a situation where it would not be feasible for us to continue the plot from this program.

Jeff Hazen: This is Jeff. I think that would be a huge gamble. I've appreciated the fact that we haven't been in the paper very much. The less we're in the paper, I think, the better.

Lylla Gaebel: Hey, this is Lylla. I think we've gone through this. I want to point out that as far as, just continuing, breaking contracts and steps, that's going to be up to the board. This committee can certainly make a recommendation, but at this point we need to concentrate more on maybe reductions and how we get there.

Kathy.

Kathy Kleczek: On that note -- this is Kathy -- I would like to propose that we combine the last half of the sentence in Option 2 with the recommendation for the board to explore the discontinuation of the contract with the CCO, effective December 2017.

Two, Option 3, that we take out -- in Option 3 the reduced allocated debt services that also [aim] combination of the general fund money

into RIDE CARE. So where the [unintelligible] in the last section of Option 3 and adding that last part of the sentence in Option 2 to that. So we're accepting the recommendations of the reduction of the full-time FTE, the reduction of ads, the reduction of travel, the reduction of professional services, adding uniforms and taking out the reduced allocated debt services.

Does that make sense to everybody?

Jim Servino: Yeah. Jim.

Lylla Gaebel: All right. Jim?

Jim Servino: Oh. Another thing I want to question about that is the contract is over June 30th, isn't it?

Male Voice: No, it's not.

Jim Servino: Or is it over in December?

Male Voice: [December].

Jim Servino: Sorry? The contract is over in December. So we're not discontinuing the contract. It's ending.

Female Voice: True enough.

Jim Servino: They have the opportunity to negotiate a better [contract] for a new contract, which could come in. But I'm just saying we really have to make that statement that the contract's ending.

Lylla Gaebel: Okay. Ending the contract in December?

[Crosstalk]

Male Voice: It's not ending.

Female Voice: Right.

Female Voice: Possibly not having a date there at all.

Female Voice: Right.

Female Voice: Just explore the discontinuation of the contract, period.

Lylla Gaebel: Tita?

Male Voice: If negotiations are not successful.

Jim Servino: Yeah.

Lylla Gaebel: Is everybody okay with that?

[Crosstalk]



Lylla Gaebel: Carol, I believe you had something.

Carol Gearin: Well, I was just looking for where we were taking that travel, because I'm not seeing it. If I understand, we're taking everything out of [travel] through the [micro fund]. And I'm not seeing travel.

Jeff Hazen: Conferences, travel and air training and travel, [8035].

Carol Gearin: Okay. Thank you.

Tita Moreno: And this is Tita. Just a clarification. When you say, "If the contract negotiations are not successful", I think maybe a little further clarification. If the contract negotiations do not produce --

Jeff Hazen: Sufficient revenue.

Tita Moreno: -- sufficient funding, revenue to make the program whole or something like that.

Lylla Gaebel: Okay, this is Lylla. Kathy, would you like to restate the [unintelligible] way you want to have it?

Kathy Kleczek: I would like to move that we combine the last -- the intent of the last sentence from Option 2, a recommendation to the board to explore the discontinuation of the contract if negotiations are not financially viable. And combine that with Option 3, which reduces

the FTE, reduces ads, reduces travel, reduces professional services, adds uniforms without the reduction of allocated debt services and without any inter-fund transfers from the general fund.

Lylla Gaebel: Is there any second?

Carol Gearin: Second.

Lylla Gaebel: Carol?

Carol Gearin: Carol has seconded.

Lylla Gaebel: Is there any further discussion? Jeff.

Jeff Hazen: Actually we would still recommend that you increase the reimbursements by \$325,000 and reduce -- or add \$265,000 to provider payments based on the [included] --

Kathy Kleczek: Instead of add it to Option 3 with the things that are --

Jeff Hazen: -- okay. Okay.

Kathy Kleczek: Does that make sense?

Jeff Hazen: Yeah, okay.

Lylla Gaebel: Barbara. That was Kathy.

Barbara Blue: Yeah, this is Barbara. I don't know if we want to do it this [unintelligible] or as a separate, but what I would like to see in our - - all the adjustments is that our ending fund balance in this fund be \$72,686. And if necessary, that means reducing [unintelligible] to make that happen when they get through the [unintelligible] fund.

Jeff Hazen: I believe that most of it was just made -- it'll land in somewhere in the neighborhood of \$156,000.

Linda Marlins: Any -- [John], how can you ask [crosstalk].

Lylla Gaebel: The crosstalking.

Linda Marlins: This is Linda. So the things that Kathy proposed in promotions, I second it, would result, just with those adjustments in an ending fund balance of \$147,032.

Female Voice: [Unintelligible].

Linda Marlins: That was \$157,232.

Tita Moreno: This is Tita. Whatever would result, I want to endorse what Barbara's saying. And that is the ending fund balance is no more than \$72,686. And if there is an excess of that, it just goes into the operating [continuancy]. Just make the numbers work.

Lylla Gaebel: Okay. This is Lylla. Let's have us a vote on the motions on the floor, and we can do that one separately so that we're all on the same page at the same time.

So all those in favor?

Female Voice: Aye.

Male Voice: Aye.

Lylla Gaebel: Is there anyone opposed? Motion carries unanimously.

Okay, now, did someone want to make a motion on this? Or do we want to just revisit it at the end so we make sure the ending fund balance is the \$72,686?

Jeff Hazen: We can do a new thing with the new numbers in there to show you what it would be. Can I run it, coming [in now]?

Lylla Gaebel: Okay, Jeff is saying that --

Jeff Hazen: I'm sorry.

Lylla Gaebel: -- what I'm hearing from Jeff, just talking to one person, is that he's going to be doing a new sheet with the new numbers in it, and it will come back to us after lunch. Correct?

Jeff Hazen: Yes.

Lylla Gaebel: Because we are going to complete this today. And we've got an [unintelligible].

Jeff Hazen: And we would be -- this is Jeff -- we would like to do that so the budget committee could actually see it.

Lylla Gaebel: Yes. Thank you for that. Okay, moving on.

Female Voice: So are we at a stopping point?

Male Voice: They're only [unintelligible].

Female Voice: Pardon?

Male Voice: No. They're only [unintelligible].

Lylla Gaebel: But are we at a stopping point? Does everybody feel we're at a stopping point?

Jeff Hazen: And lunch is here, so I think it's probably --

Lylla Gaebel: And lunch is here.

Jeff Hazen: -- a good time.

Lylla Gaebel: Okay, so this is Lylla. At this time, we are going to recess. It's 11:30. We will be back at 11:50 -- I mean, 12:50.

[Crosstalk]

Lylla Gaebel: And what you want to do is you want to look inside your tires and see if there is a mark.

Male Voice: Yes, inside.

[Crosstalk]

Female Voice: No, I haven't gotten a ticket [unintelligible]. And they have just rehired somebody.

Female Voice: Okay. I just never worried about [crosstalk].

[Crosstalk]

Female Voice: I got a ticket for parking out here once, many years ago. City had said, "Oh, if you park over there, you don't get a ticket."

[Crosstalk]

Male Voice: She had an in.

Female Voice: She had a quota that she needed.

[Crosstalk]

Female Voice: Kathy, I have one question. What was it -- what types of services were included in the \$5,000 for professional fees that we had originally had budgeted?

Jeff Hazen: We had a placeholder, but Al and I did have a discussion about that, and there was something that probably actually should be in there, but because we made a motion to cut that out, we cut it out.

In the after hours, we do have a call service, medics that answer the phones, and we've been paying out of that.

Jason, do -- I'm sorry?

Female Voice: Commercial?

Jeff Hazen: Commercial communications, a division of [medic].

Female Voice: Okay. And so not having a budget there at all, what amount was needed to be in there?

Jeff Hazen: The amount would be approximately \$3,000.

Female Voice: And that's a necessary service that, if we're going to run RIDE CARE, we should have a budgeted amount for?

Jeff Hazen: [Yeah]. Otherwise, it would operate in a deficit for this next year.

Lylla Gaebel: So this is Lylla. Is there any reason why we can't take it out of the operating contingency now and make that adjustment?

Jeff Hazen: That would be fine.

Lylla Gaebel: So we add -- it's \$3,000?

Jeff Hazen: Approximately, yeah.

Lylla Gaebel: \$3,000, okay, so I'm going to need an amendment to the original motion that talks -- adds that change here.

Jim Servino: It's Jim Servino. I'd like to wait until all the demands are met.

Lylla Gaebel: Okay. I think Kathy was next.

Kathy Kleczek: I just wanted to make sure that we asked our finance officer and our budget officer if there are any other things that we should be noticing that maybe we wanted to have an allocated amount budgeted for?

Jeff Hazen: No, we're comfortable. That was the only one we discussed.

Lylla Gaebel: Now Carol.



Carol Gearin: I guess my question is since these are non-emergency calls, why do we need someone to answer the phone after hours?

Jeff Hazen: Jason, would you like to address that?

Jason Jones: Thank you. This is Jason. Yeah, after-hour services require the CCO. We're technically supposed to be in service 365 days a year, 24/7.

Carol Gearin: Okay. Thank you.

Jeff Hazen: There could be a discharge from a hospital in the middle of the night. So.

Carol Gearin: Thank you, Jeff.

Jeff Hazen: Jeff.

Lylla Gaebel: Okay. So, Jim, are you prepared to --

Jim Servino: If there are no other questions, [maybe] one I'd be happy to amend my original motion to include taking the approximate \$3,000 to cover those services out of contingency and, from what I'm hearing, create a special line item to cover that. So --

Jeff Hazen: The line item's already here.

Jim Servino: -- [unintelligible] [breather].

Jeff Hazen: Just putting it --

Jim Servino: Just getting it back in.

Female Voice: [And put] professional services with Kathy.

Lylla Gaebel: So it would be taken from operating contingency unallocated, the \$134,546 would reduce to \$131,546, and add into line item 8139 professional services, which now would become \$3,000.

Jeff?

Jeff Hazen: And this is Jeff. And would make the materials and services total \$2,918,107.

Lylla Gaebel: I'm writing up [frequent guess]. Now, are you okay with that on the second, Linda?

Linda Marlins: Linda seconds the amended motion.

Lylla Gaebel: Okay, is there any more discussion?

Pamela Alegria: I just have --

Lylla Gaebel: Pamela.

Pamela Alegria: -- does two -- will \$200 cover my job advertisement?

Jeff Hazen: Yeah, this is Jeff. Yes, we talked about this last week, and we feel it will be sufficient.

Lylla Gaebel: And this is Lylla. Just to throw in, if during the year, things need to come up, where we need additional advertising or something, the board can [reply] on that contingency. So we have that.

So now all those in favor, signify by saying aye.

Female Voice: Aye.

Male Voice: Aye.

Lylla Gaebel: Opposed? Motion carried unanimously. Jeff?

Jeff Hazen: And this is Jeff. With that, I'm going to excuse Jason so he can go back to his vacation.

[Crosstalk]

Jeff Hazen: Thank you for coming in, Jason.

[Crosstalk]

[Applause]

Jason Jones: Thank you.

Kathy Kleczek: Before Jason leaves the room -- this is Kathy -- I just want to thank Jason for being here on his vacation, because he has very few and very short vacations. This is actually a very much a large contribution for us to have you here. So I really wanted to make that clear to everybody. So thank you.

Jason Jones: Thank you all. Take care.

[Crosstalk]

Jeff Hazen: Have a good day, Jason.

Lylla Gaebel: Work is waiting.

Pamela Alegria: Take an extra day.

[Crosstalk]

Lylla Gaebel: Okay. So now we're through with RIDE CARE.

Jeff Hazen: Yes.

Lylla Gaebel: So let's [begin] those [unintelligible].

Tita Moreno: And just a question. Do you want to [unintelligible]?

Lylla Gaebel: Can you speak loud enough for the --

Tita Moreno: I'm just curious if --

Lylla Gaebel: -- Tita [unintelligible].

Tita Moreno: -- this is Tita -- if maybe since we're doing the smaller budget parts, do capital reserve before we can do general. I don't know. It's probably six and one half of the other.

Lylla Gaebel: Barbara.

Barbara Blue: This is Barbara. I don't see that we can do the capital reserve until we get to the bottom of the general fund to determine whether we can do a transfer from general fund. So, yeah.

Lylla Gaebel: Okay. So we're not -- [we're doing] general fund.

Jeff Hazen: Okay.

Lylla Gaebel: And [unintelligible] I want to comment before we go into it that we need to, since the [audit] is not going to be complete and filled by

June 30, we need to make that adjustment from this so that --  
because we're going to have two audits in our '17-'18 budget.

Jeff Hazen: In my recommendation, page 2 at the top --

Lylla Gaebel: Okay.

Jeff Hazen: -- I thought I'd run through that first. This is Jeff. Some of the  
questions that came up so I could address things.

[Crosstalk]

Male Voice: We're going.

Female Voice: Okay. It wasn't on [unintelligible].

Male Voice: We're recording.

Female Voice: Yeah.

Male Voice: Either one of them works with a [heavy] one.

Female Voice: We turn them off?

Male Voice: I don't know. Jim knows.

[Crosstalk]

Male Voice: We just approved the general fund.

Female Voice: Okay, there's a lot of sideboard conversation going on here. Jeff, I'd just like to tell you what it's about.

Male Voice: [Unintelligible].

Female Voice: There has been a lot of people that have been affected by --

Female Voice: I had it turned off. I flipped it on.

Female Voice: -- [unintelligible] on electrical wires [unintelligible].

Female Voice: I never turned that off.

Female Voice: So Carol's having a difficult time [briefing]. And Mindy has also been affected by it. So we're not sure, but it smells like heat is on.

Jim Servino: The system's turned on.

[Crosstalk]

Male Voice: There's still something going on [up there] [unintelligible].

Female Voice: I can hear it.

[Crosstalk]

Female Voice: Open the doors.

Male Voice: No, it's correctly [doing it].

Male Voice: Let me go up and shut the [unintelligible].

Lylla Gaebel: Okay, we're taking another short break until we figure out what's going on so we don't suddenly have to evacuate [unintelligible] ambulance.

[Crosstalk]

Female Voice: Strike that. Strike that.

[Crosstalk]

Male Voice: Once we fix that, we're going to [know]. I told [unintelligible] and my kids.

[Crosstalk]

Male Voice: What was that?

Female Voice: I did not catch it.



Female Voice: Because I said something.

[Crosstalk]

Female Voice: I know I turned it on after lunch. [Crosstalk] And this goes for hours. And I never turn it off, because it's my backup just in case. Oh, well. I don't know. Maybe it -- I don't know.

[Crosstalk]

Female Voice: Oh, well, I don't think we missed too much.

Pamela Alegria: If there's notes on that, go with that.

Female Voice: Yeah.

Male Voice: [Unintelligible].

Female Voice: You moved. Got to second it. Unanimous.

[Crosstalk]

Male Voice: Well done, James.

Female Voice: What did --

Jim Servino: It's done.

Female Voice: -- oh, general fund.

Jim Servino: Yeah.

Female Voice: Oh. Oh, wow, that's big.

Female Voice: No discussion?

Jim Servino: I'm sure they will. Let's go record it, because we're just --

[Crosstalk]

Female Voice: Yeah, it appears that it's turned off.

Pamela Alegria: Yeah.

[Crosstalk]

Female Voice: Oh, that feels good.

Female Voice: We could open that one behind you.

Female Voice: Open, so we got some circulation going.

Female Voice: Yeah, it [smell].

Female Voice: Does it? There is a smell in that hallway, I know.

[Crosstalk]

Male Voice: Which fund?

Female Voice: The RIDE CARE fund.

[Crosstalk]

Lylla Gaebel: Jeff, you want to move forward with the [FTF] or do you want to wait for AI?

Jeff Hazen: No, I think we can probably move forward on the [unintelligible] here.

[Crosstalk]

Lylla Gaebel: I'm going to just say to all the [lay] members of the budget committee how much I appreciate the time you guys have committed to this committee. I know that we've had some late starts, we've had a whole bunch of delays, and I know this. If we could put this part on the record, Mary, I would appreciate it.

I think that the fact that you guys have been willing to give your time for this, and I truly appreciate the input that you provided during this time, all of you. That has been very, very helpful to all. I

think I'm speaking for the whole board, that all of us appreciated that input. Oh, I'm [unintelligible] my board.

Female Voice: I know it's not very [unintelligible]. Yeah.

Male Voice: We've got it [started]. [Unintelligible] go ahead. Okay?

Lylla Gaebel: Okay. Al is passing out another round of [unintelligible].

Pamela Alegria: Is that revised?

Al: There's places on that I just gave about you two, three minutes ago, so cross the other one out.

Male Voice: Yeah, so this one is the [unintelligible].

Pamela Alegria: This one, the one that's a paper clip, is [nil]?

Male Voice: This one.

[Crosstalk]

Lylla Gaebel: Okay, are you ready, Jeff?

Jeff Hazen: Yeah, so the one that Al just passed out, we adjust for the RIDE CARE. We added in that \$3,000 to the professional services and also the allocated amount for the audit and the computer,

information technology services. We kept the ending fund balance the same and took those increases out of the contingency fund.

Lylla Gaebel: Barbara?

Barbara Blue: This is Barbara. I move that we adopt the --

Lylla Gaebel: Adopt?

Barbara Blue: -- or approve the revised RIDE CARE fund, whose resources total \$3,788,591.

Female Voice: I'll second.

Lylla Gaebel: It's been -- so far Barbara seconds it by [unintelligible].

Female Voice: She does?

Lylla Gaebel: Yeah. To affirm the RIDE CARE fund as presented, \$3788,591. Is there any discussion? Jeff, you and Al, are you okay with this?

Jeff Hazen: We're good with it.

Lylla Gaebel: I mean, there was some sidebar going on between the two of you, so I was getting concerned that you were going to give us another copy.

Al: No, we're trying to stay a step ahead. We're looking at the [STF] fund.

Lylla Gaebel: Oh, okay. So all those in favor, signify by saying aye.

Female Voice: Aye.

Male Voice: Aye.

Lylla Gaebel: Opposed? Motion carries unanimously. Kathy was out of the room. [I'll carry it.] Great.

Jeff Hazen: So STF?

Lylla Gaebel: STF is the next thing on the agenda.

Jeff Hazen: That got passed out [unintelligible] today, wasn't it?

[Crosstalk]

Lylla Gaebel: Earlier today?

Al: Because I shuffled so many papers today, can I just look at one real quick [unintelligible] shoulder, Jeff?

[Crosstalk]

Male Voice: [Unintelligible]?

Female Voice: It's the [unintelligible].

[Crosstalk]

Female Voice: Because the auditor said no. [Unintelligible] I think it was.

Al: Oh, from the original budget, we can pretend it never [unintelligible].

Lylla Gaebel: Right. Right.

Jeff Hazen: Right? So we'll --

Jim Servino: I'll make a motion to approve the Special Transportation Fund budget --

Jeff Hazen: -- STF is fine.

Jim Servino: -- for a total of \$186,737.

Linda Marlins: Second on the bill.

Lylla Gaebel: Yeah, it's been moved by Jim Servino and seconded by Linda that we approved the STF fund as presented at \$186,737. Any discussion. All those in favor?

Female Voice: Aye.

Male Voice: Aye.

Lylla Gaebel: Opposed? Carried. [Unintelligible]. Okay, now we have the Capital Reserve Fund.

Jeff Hazen: Okay, so this one is going to change. We need to -- I'm going to recommend on line 7 that we -- I'm going to recommend on line 7 that we do ODOT 5339 bus and bus facilities grant in the amount of \$331,500. That was previously in the general fund. And then also a transfer in from line 6 from the general fund of the \$88,500.

Is that correct, Barbara?

Barbara Blue: Correct.

Jeff Hazen: Okay. And then in requirements, didn't we already zero out last week that first line, the transferred al--

Female Voice: We did.

Jeff Hazen: -- yes, we did. Okay, it didn't print up on mine, so, okay. But we're going to put the purchase of two Cat B busses.

Lylla Gaebel: Say that again. We're putting the purchase what?



Jeff Hazen: The purchase of two Category B busses in the amount of -- quick math here -- \$390,000.

Female Voice: And where does that go?

Jeff Hazen: Under requirements, let's see, line 17, purchase of two Category B busses with \$390,000.

And then we're going to increase line 30, the unappropriated ending fund balance by \$30,000, so that line would be \$130,000.

Lylla Gaebel: Barbara?

Barbara Blue: This is Barbara. Two items, one on the bus purchase for \$390,000, the organizational unit and programming activity would be not allocated, and the [unintelligible] classification will be capital outlay.

The second issue is if we have a fund that's got \$100,000, it should be earning interest. Okay?

Jeff Hazen: That's the other part, thank you.

Male Voice: And that -- at what rate?

[Crosstalk]

Male Voice: 0.001?

Female Voice: Yeah.

Female Voice: But, see the pool has apparently [been taking] [unintelligible].

Jeff Hazen: So the interest, line 5, is \$346.

Female Voice: \$246?

Jeff Hazen: \$346. And so that \$346 is also going to carry into the unappropriated ending fund balance.

Barbara Blue: This is Barbara. I have a question. What is the interest rate we're using?

Jeff Hazen: Al based it on the current cash that's in the account and the allocated between what's in there for general fund and what's in there for this fund.

Male Voice: But what did he say?

Jeff Hazen: 1.03.

Male Voice: That wouldn't make sense, that \$346.

Jeff Hazen: Let me get Al's expert --

Female Voice: It makes sense for \$100,000.

Jeff Hazen: -- huh?

Female Voice: [Unintelligible] dollars at 1 percent makes \$1,300 or something like that. Three thousand?

Pamela Alegria: Well, 1 percent is stopped for [unintelligible].

Jeff Hazen: Did he get a baseline allocation? Let me get Al to -- Mary, would you get Al, please?

Mary Parker: Mm-hmm.

Male Voice: It's [unintelligible].

[Extended period of silence]

Male Voice: Have we done [unintelligible]? What is she going to say?

Male Voice: Tsunami.

Female Voice: Interest?

Jeff Hazen: Yes. So, Barbara, you want to restate your concern?

Barbara Blue: This is Barbara. I was asking how the interest is being calculated? Because if it's investing in local government investment pool, which I would think it could be in the long term, that 1 percent back there really [unintelligible].

Al: I based it on what we've had in the past, where we've been receiving about \$500 per month. It's in dollars per month, because [unintelligible] using some of those funds throughout the year.

Barbara Blue: Very helpful [unintelligible].

Al: But if we --

Female Voice: But if this is a Capital Reserve Fund --

Al: -- okay, you're talking about the \$100,000.

Female Voice: -- yeah.

Al: Okay. Okay. I thought you were talking about overall. The \$100,000 was based on I took the fund balance that we would have were \$1 million in the general fund and \$100,000 in RIDE CARE. I'm sorry, not RIDE CARE, I mean the Capital Reserve Fund. Then did it for a percentage with -- amongst those two, such that I think the general fund was about 95 percent of it.

But if -- but we can know an actual, though, because we're getting 1.03?

Jeff Hazen: Something like that, yeah.

Al: So \$100,000, that'd be \$1,000. So we're shortening it some.

Female Voice: Okay, this is like, are we getting 1.03? [Crosstalk]. You keep throwing these, well, somewhere around that.

Al: It's either 1.00 or 1.03.

Jeff Hazen: Yeah.

Barbara Blue: Barbara. This is Barbara. To clarify, the local government [decimal pull] rate does change from [unintelligible]. That's why we're just choosing 1 percent, based on the [unintelligible] long-term financials.

Female Voice: So that would be this -- the [unintelligible].

Jeff Hazen: So while we change that to the actual -- what it should be then.

Lylla Gaebel: Well, this Lylla. As Barbara said, it fluctuates, and so her recommendation was to make it 1 percent so it stays consistent at the 1 percent. And that takes care of, Al, it's all about that.

Barbara?

Barbara Blue: I propose we enter \$1,000 as interest for the Capital Reserve Fund.

Lylla Gaebel: On line 5?

Barbara Blue: On line 5.

Lylla Gaebel: Okay.

Female Voice: Is that a motion?

Kathy Kleczek: Second.

Female Voice: Second. Okay.

Kathy Kleczek: This is Kathy. Second.

Lylla Gaebel: Stand proposed and seconded that we enter \$1,000 interest in line 5 of the requirements line, uh, requirements section --

Female Voice: Resources.

Lylla Gaebel: -- resources of the Capital Reserve Fund.

Jeff Hazen: Okay. What I'm --

Lylla Gaebel: Discussion, we have Jim.

Jeff Hazen: -- oh, I'm sorry.

Jim Servino: Sure. Does that mean it's going to affect the other budgets to allocated?

Jeff Hazen: Yes, it will.

Lylla Gaebel: Yeah. Barbara?

Al: It could have a limited impact.

Barbara Blue: I would --

Jeff Hazen: I don't say it's material, though.

Barbara Blue: -- this is Barbara -- [unintelligible].

Jeff Hazen: Thank you.

Lylla Gaebel: Okay, so we don't have to worry about that [unintelligible]. Okay, so all those in favor?

Male Voice: Aye.

Female Voice: Aye.

Lylla Gaebel: Opposed? I don't know what the final line is.

Jeff Hazen: That's what I'd like to run that. [Crosstalk]. We just did the \$1,000.  
Now I'm going to review the numbers.

[Crosstalk]

Jeff Hazen: Okay, so to recap, on line 5, there's \$1,000 in there now. One line 6, transferred in from other funds, there's a dollar amount of \$88,500. On line 7, that's the ODOT 5339 grant of \$331,500. When you add all of those together, plus the beginning fund balance of \$100,000, your total resources are \$521,000.

Then on to line 16, under requirements, okay, that, we already know is a zero. Line 17 is going to be the organizational unit of not allocated, object classification capital outlay, detail is two Category B busses for a dollar amount of \$390,000.

And then in line 30, we'll have an unappropriated ending fund balance of \$131,000. And \$390,000 plus \$131,000 equals \$521,000.

Female Voice: So where's the 541? I'm sorry.

Female Voice: That's our [unintelligible].

Lylla Gaebel: Okay, so we're bought at 30 bottom lines [unintelligible].



Jeff Hazen: Total requirements is \$521,000 and total resources is \$521,000.

Tita Moreno: So this is Tita. I make a motion to approve the Capital Reserve Fund budget of \$521,000.

Female Voice: Second.

Jeff Hazen: Second.

Lylla Gaebel: It's been moved by Tita and seconded by Jeffrey to approve the Capital Reserve Fund of \$521,000. Is there any discussion? Hearing one, all those in favor?

Female Voice: Aye.

Male Voice: Aye.

Lylla Gaebel: Opposed? Motion carried, it's unanimous. Jeff

Jeff Hazen: Madam Chair, can you give me two minutes?

Lylla Gaebel: To come back with our verbiage?

Jeff Hazen: To add everything up here.

Lylla Gaebel: And make sure that it's absolutely correct. So we have two minutes.  
Jim, we're going to get you out of here by 3:30.

Jim Servino: I'd consider that now, but this is [unintelligible] minutes I'd  
[unintelligible].

Lylla Gaebel: Yes.

[Crosstalk]

Male Voice: [Unintelligible] included.

Jeff Hazen: I need the dollar amount.

Male Voice: Go ahead, finish that.

[Crosstalk]

Male Voice: Okay, [requested from].

Female Voice: I've never seen that on an invoice that's coming.

[Crosstalk]

Male Voice: So have you looked at those, I've counted it and [unintelligible]. But  
I anticipate [unintelligible].

[Crosstalk]

Male Voice: That would be an [implausible].

[Crosstalk]

Jeff Hazen: I wonder if this is at no cost, their benefit.

Female Voice: If they turn it into a benefit, maybe the [unintelligible]. I can't use my [unintelligible] to get my discount, has the same way [have to be] a club member. It's unethical, this [unintelligible].

Male Voice: Gentlemen, this is where it gets confusing, but it's [unintelligible].

[Crosstalk]

Female Voice: We can't invest in anything from anybody. It gives us an [unintelligible].

[Crosstalk]

Female Voice: I worked with the county for years in healthcare. And [unintelligible] any cookies, any candy, no [perks] from any [unintelligible]. [Crosstalk]. We couldn't get anything like that. [Unintelligible], so I'm saying I think when we talk about ethics, it's [unintelligible].

Male Voice: Okay, never mind. I don't think that's punitive.

Jeff Hazen: But that may not be [unintelligible].

Female Voice: But, yeah.

Male Voice: This [world].

Female Voice: It's pretty scary when you would actually get them, how many times you take it all for granted.

[Crosstalk]

Female Voice: So terminology of the board will tell you if you have to think about it, don't do it.

Male Voice: Okay. So you fixed [crosstalk].

[Crosstalk]

Female Voice: [Unintelligible] scraping by, just scraping by to get how would we like to give out, do the services that we like to do. And, of course, one of the members, you know, [unintelligible] things like that. We can't even begin to give it out here. We can't. [Crosstalk]. Even if a sales rep came in [unintelligible] \$100,000, we're not [unintelligible]. Nothing free. No.

[Crosstalk]

Lylla Gaebel: Sorry there, Jeff, I'm promised Jim he was out of here by --

Female Voice: And then you go to the other side.

Lylla Gaebel: -- 3:30.

Jeff Hazen: We have a discrepancy we're trying to solve.

[Crosstalk]

Lylla Gaebel: Okay, [then] solve it.

Female Voice: At clinics, and they're going to lunch.

Lylla Gaebel: Better right than in a hurry.

Female Voice: They're doing, yes, they're going. You know?

[Crosstalk]

Female Voice: They're getting treated like gold, some of these sales reps.

[Crosstalk]

Female Voice: It is really sad.

[Crosstalk]

Female Voice: And they have a supreme service. They have to have a supreme service.

Jeff Hazen: And?

Female Voice: Supreme.

[Crosstalk]

Female Voice: Jim's getting ready to depart.

[Crosstalk]

Lylla Gaebel: Okay, Jim. There's four minutes. [Crosstalk].

Male Voice: Cleaning up my notes here.

Lylla Gaebel: Okay, okay.

[Crosstalk]

Male Voice: My mama raised me well.

[Crosstalk]

Female Voice: My niece has something called Snapchat. [Crosstalk].

Male Voice: I know [unintelligible] did as well.

[Crosstalk]

Male Voice: So that's a caveat. We want to make sure that you're not working so that you can be on welfare.

Lylla Gaebel: I've got a sign-in sheet coming around that --

Male Voice: So we can give away some money, but, no, we're going to penalize you --

Lylla Gaebel: -- we can get it from you today. We'll [unintelligible].

Male Voice: -- if you report.

Lylla Gaebel: And it's supposed to be passing out.

[Crosstalk]

Lylla Gaebel: Maybe give it to Jim real fast.

Female Voice: Yeah, we don't have to sign in on that.

Female Voice: We don't?

Lylla Gaebel: Oh, we don't?

[Crosstalk]

Lylla Gaebel: I see. The sign-in sheet is for public, not for us? So --

Female Voice: No, just for public.

Lylla Gaebel: -- just for public?

Female Voice: Yes.

Female Voice: Just for public.

Lylla Gaebel: Is it San or Sun?

Female Voice: San.

Female Voice: Sun.

Female Voice: Sun [unintelligible].

Lylla Gaebel: Sun? It says San. Sun?



Male Voice: There's so many [pause], ugly designed [unintelligible] should be incentivizing people to [unintelligible].

[Crosstalk]

Lylla Gaebel: Okay. Are we back? Jeff? Are you back?

Jeff Hazen: Sure. Yes.

Lylla Gaebel: [Essentially].

Female Voice: He looks around to see [crosstalk].

Jeff Hazen: Am I here?

Lylla Gaebel: So it's 3:35. Thank you for staying, Jeff. You said there was an error on the RIDE CARE that you needed to correct?

Jeff Hazen: No, there was not an error in RIDE CARE.

Lylla Gaebel: So now you're saying it's not?

Jeff Hazen: No, it was my --

Lylla Gaebel: Oh, was there another break?

Jeff Hazen: Barbara, help me with my calculations.

Barbara Blue: Okay.

Lylla Gaebel: Thank you, Barbara.

Barbara Blue: Okay, at this time I believe I'm going to hand this to Tita and ask for [unintelligible].

Tita Moreno: I make a motion that the budget committee of Sunset Empire Transportation District approve the budget for the 2017-2018 fiscal year in the amount of \$7,394,741.

Jim Servino: Second.

Lylla Gaebel: Second [unintelligible].

Jim Servino: Jim Servino.

Lylla Gaebel: Then moved by Tita and seconded by Jim. Is there any discussion? Hearing none, all those in favor.

Female Voice: Aye.

Male Voice: Aye.

Lylla Gaebel: Opposed?

Male Voice: No.

Lylla Gaebel: Carries.

[Crosstalk]

Lylla Gaebel: John?

John Lansing: Just kidding.

[Crosstalk]

John Lansing: I just had to have a negative vote there.

Lylla Gaebel: John?

Male Voice: Yeah, another motion.

Lylla Gaebel: John, I just want to confirm on this particular one. John, I just want to confirm that it really was [a yes].

John Lansing: I voted yes.

Lylla Gaebel: Okay.

Male Voice: That's [unintelligible].

Lylla Gaebel: So that budget is carried. Tita?

Tita Moreno: I make a motion that the budget committee of Sunset Empire Transportation District approve and recommend that the SETD board of commissioners about property taxes for the 2017-2018 fiscal year at the rate of 0.1620 per \$1,000 on assessed value for the permanent tax rate levy.

Kevin Widener: Kevin will second that one.

Lylla Gaebel: Okay, it's been moved by Tita, seconded by Kevin that the budget be approved and recommended to the board for adoption with the state and tax rate. Any discussion? All those in favor?

Female Voice: Aye.

Male Voice: Aye.

Lylla Gaebel: Opposed? Motion carries. Thank you so much, [Jim]. At this time, is there any public input? I was supposed to ask that before. We can -- since we have no public, I just want to say thank you one more time to everyone. Go out and enjoy the rest of the sunshine.

Jeff Hazen: Yeah, thanks, you, too.

Lylla Gaebel: The meeting is adjourned at 3:40.

Female Voice: Thank you, everybody.

Male Voice: Thanks, guys.

[Crosstalk]

Female Voice: We will be back here next year before you know it.

Lylla Gaebel: Jeff, are we --

Female Voice: Thank you.

Lylla Gaebel: -- oh, yeah.

[Crosstalk]

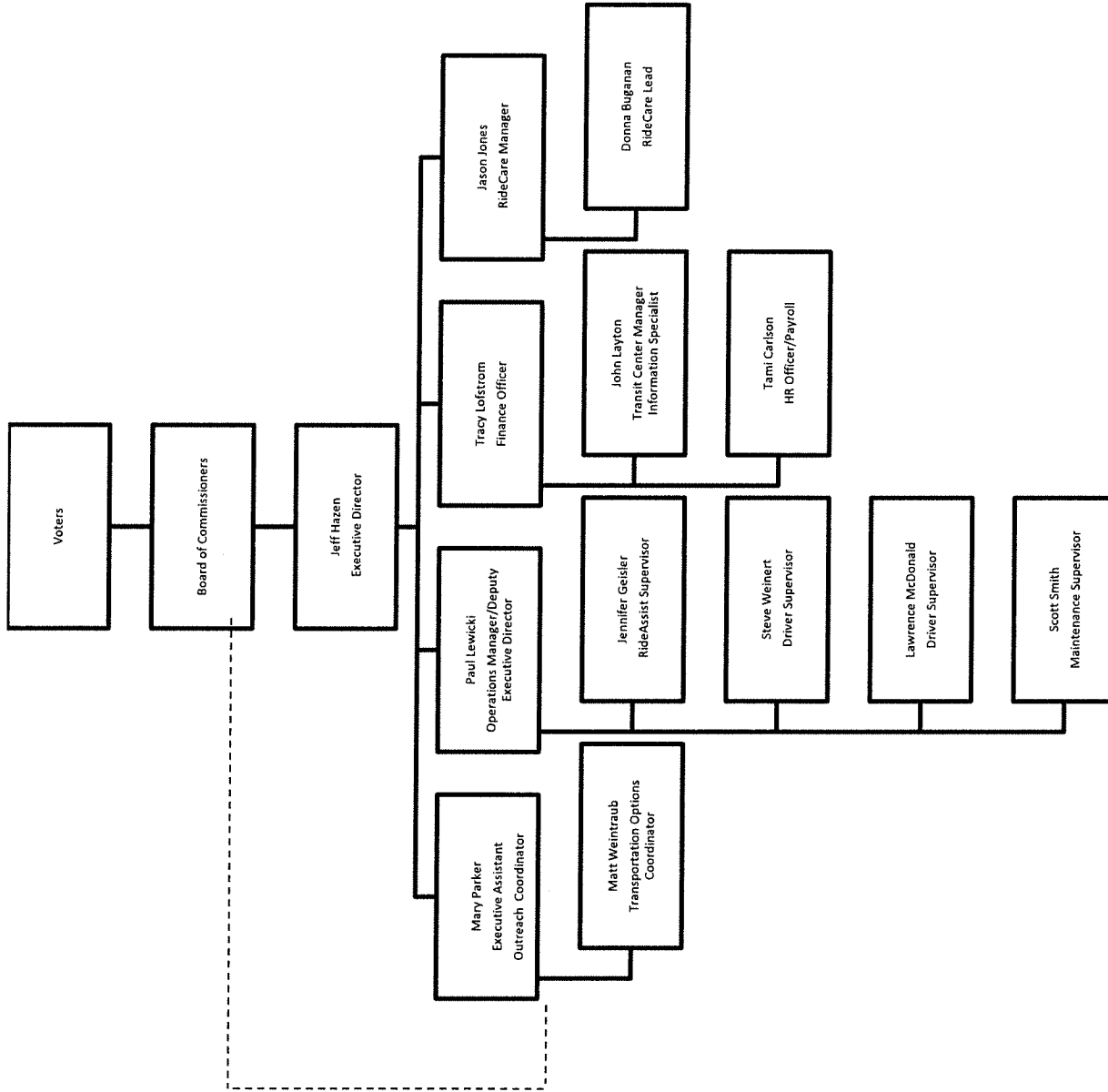
Lylla Gaebel: So if you don't want to take your budget books home, I'll take them.  
If you want to take them home, collect them for the next year.

[Crosstalk]

Female Voice: Budget meeting is adjourned at 3:40, May 18, 2017.

[End of recorded material]

<b>SUNSET EMPIRE TRANSPORTATION DISTRICT BUDGET COMMITTEE FY 2019</b>					
<b>Position</b>	<b>Name</b>	<b>Title</b>	<b>Phone</b>	<b>Fiscal Years</b>	
1.	Melinda Ward	Citizen Member		2017-2019	
2.	Tita Montero	Citizen Member		2017-2019	
3.	Jeff Frane	Citizen Member		2017-2019	
4.	John Lansing	Citizen Member		2017-2019	
5.	Christine Lolich	Citizen Member		2019-2021	
6.	Mary Ann Brandon	Citizen Member		2019-2021	
7.					
	<b>SETD BOARD</b>				
1.	Kathy Kleczek, Chair	SETD Board Chair			
2.	Tracy MacDonald	SETD Board Member			
3.	Lylla Gaebel	SETD Board Secretary Treasurer			
4.	Carol Gearin	SETD Board Vice Chair			
5.	Pamela Alegria	SETD Board Member			
6.	Kevin Widener	SETD Board Member			
7.	Bryan Kidder	SETD Board Member			
	Jeff Hazen <a href="mailto:jeff@ridethebus.org">jeff@ridethebus.org</a>	Executive Director Budget Officer			
	Mary Parker <a href="mailto:mary@ridethebus.org">mary@ridethebus.org</a>	Executive Assistant			
	Tracy Lofstrom <a href="mailto:tracyl@ridethebus.org">tracyl@ridethebus.org</a>	Finance Officer			



January 5, 2017

## Sunset Empire Transportation District Mission Statement

*“Sunset Empire Transportation District is dedicated to providing safe, reliable, relevant and sustainable transportation services to Clatsop County with professionalism, integrity and courtesy.”*

The Board conducted an informal 1-10 rating on the components of the mission statement with the following results:

- Safety 5-7
- Reliability 6-7
- Sustainability 9
- Relevancy 3-6
- Professional Development 7

## 2017-2019 SETD Strategic Plan

### Priority One

- Benchmark Services
  - Ridership increases & Decreases
  - On-time Performance
  - Fleet reliability
  - Employee Retention statistic
  
- Develop a SETD specific emergency plan.
  - SETD operational specific emergency operation plan
    - Medical emergencies
    - Accidents
    - Behavioral emergencies at facilities and on buses
    - Emergency contact and reporting requirements
  - Strategic county wide transportation plan that integrates into Clatsop County Emergency Plan.



### **Priority One (cont.)**

- Complete a feasibility study including associated cost to include
  - Adding Columbia County services into SETD
  - Increasing services
    - Fixed routes
    - Para-transit
    - Dial-a-ride
    - Ridecare
  - Improving System
    - Improved lighting at bus shelters
    - Route on-time performances
    - Amenities
  - Technologies
    - Real-time bus tracking
    - Website
    - Mobile apps
    - E-fare
    - Credit cards
    - Electronic charging stations
    - On-board wi-fi
  - Improve Appearance
    - Buses
    - Shelters
    - Facilities
    - Employees

### **Priority Two**

- Increase employee recruitment and retention
  - Develop SETD succession plan
  - Identify on-going training opportunities at all levels
  - Update job descriptions
  - Develop employee incentive programs
  - Conduct market compensation reviews
  - Employee rewards
    - Hats
    - Pins
    - Shirts

## **Priority Two (cont.)**

- Increase District Relevancy
  - Greater awareness of the District Services
    - Who
    - What
    - When
    - Where
  - Accessibility
  - Information about all things SETD services
  - Create a positive culture
    - Define Sunset Empire Transportation District
    - Establish expectation
    - Raise the bar

## **Priority Three**

- Develop capital replacement Plan
  - Fleet
  - Technology
  - Facilities
- Identify new funding opportunities
  - Review fares
  - Seek public/private partnerships
  - Volunteers
  - Analyze current non-emergency medical transportation services for potential increased or new revenue
  - Continue to explore new Federal/State/Local grant opportunities
- Implement current budget process



**SUNSET EMPIRE TRANSPORTATION DISTRICT**  
900 Marine Drive Astoria, Oregon 97103

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May 10, 2018

Dear Sunset Empire Transportation District Board of Commissioners, Citizen Budget Committee Members and Citizens of Clatsop County:

Enclosed is the proposed budget for the Sunset Empire Transportation District (SETD) Fiscal Year (FY) 2018-2019.

The purpose of the Budget Message and other information included in the budget document, is to provide sufficient information to the Budget Committee, the Board of Commissioners and citizens so that an understanding of the proposed budget for the coming fiscal year may be gained in a transparent and easy to read format.

The proposed budget was developed pursuant to state statute, SETD Financial Policy and other District policies. The information contained in the proposed budget represents the District's staff best estimates of resources and expenditures. These were obtained through the use of professional judgement, existing policies, budget history and generally accepted accounting practices.

This budget message is presented in six sections: Introduction, Budget Committee, Budget Officer, Budget Format and Conclusion.

**INTRODUCTION**

The District provides transportation services in Clatsop County. This includes fixed route service with five (5) weekday routes, four (4) weekend routes, three (3) seasonal routes, complementary paratransit service and limited Dial-A-Ride service.

The District also operates the non-emergent medical transportation (NEMT) brokerage, RideCare, for the tri county area of Columbia, Clatsop, and Tillamook counties. This service will be ending on July 31, 2018. More explanation below.

The budget includes a listing of anticipated revenues and proposed expenditures for the next fiscal year that begins July 1, 2018 and ends on June 30, 2019.

A large part of funding for the General Fund is through transportation grants that are distributed by the State of Oregon and funded by both the State and the Federal government. The State budget is on a biennium cycle and Fiscal 2019 is the second year of the current biennium.

## **BUDGET COMMITTEE**

The SETD Budget Committee consists of the Board of Commissioners and an equal number of eligible residents appointed by the Commission for a total of fourteen (14) committee members. An appointed committee member must be registered to vote within the District. Neither the Budget Officer or any member of district staff is eligible to serve as an appointed member of the budget committee. Appointed committee members serve on the committee for three year terms. Reappointments for additional three year terms are permitted. Appointments to the committee are staggered in order to keep continuity to the committee.

All members of the committee have the same degree of authority and responsibility. The Budget Committee announces the time for its meeting(s), receives and deliberates on the proposed budget document, hears the Budget Message and most importantly, receives public input. Minutes of the meetings are kept by the Executive Assistant and are available to anyone upon request. The Budget Committee may request information from the Budget Officer that may require expansion on, or revision of, the budget document. All official action of the Budget Committee requires a quorum (8) of the membership, and a majority vote (one-half plus one) of the membership present at the time of the vote.

In its deliberations, the Budget Committee reviews and if necessary, revises the proposed budget from the Budget Officer. The Budget Committee generally studies the budget by using previous year data, current budget data and the figures proposed by the Budget Officer. The Budget Committee is required to seek and receive citizen input from the public. The committee has the authority to set up rules for receiving citizen input, as well as rules under which the committee will function. The budget Committee reviews each fund within the budget and can make changes as required.

The Budget Committee formally approves the entire budget as proposed or modified and sets the tax levy amount or rate for the District. The Board of Commissioners has the final responsibility for allocating the resources of the budget through the adoption process.

## **BUDGET OFFICER**

The Board of Commissioners has designated the Executive Director as the Budget Officer for this budget cycle. Although the District's policies do not specifically describe the duties of the Budget Officer, historical practice has included the following responsibilities to one degree or another:

### Coordination of the Budgetary Process

This typically includes preparation of revenue projections and compilation of the expenditures from each of the District's departments. After a final proposed budget is prepared, it is presented to the District's Budget Committee. Following review and possible modification, the committee

approves a motion to forward an approved budget to the District's Board of Commissioners with a recommendation to adopt the budget. The Commission then reviews the approved budget as presented, conducts a public hearing, makes any desired modifications allowed with in Oregon Local Budget Law, and then passes a resolution to create an adopted budget. The budget must be adopted on or prior to June 30, 2018.

Monitoring Budgetary Performance throughout the Budget Year

This includes overseeing SETD's Finance Department, which is responsible for the tracking of actual revenues in relation to projections, and the monitoring of expenditures and encumbrances in relation to appropriations.

**BUDGET FORMAT**

Following is a brief description of how the budget document is organized. Please refer to the Table of Contents for locating each of the items.

Located in the first portion of the budget document are pages showing the Budget Meeting Agenda, the Budget Committee List, the SETD Organizational Chart and the 2017-2019 Strategic Plan. Next are the Financial Policies and Cost Allocation Plan. These are followed by the Minutes from last year's Budget Meetings. The next sections will show Budget message followed by the different Fund Budgets. Located at the end of the document is the background data, a Budget Glossary and the Budget Process Calendar.

**SUMMARY**

**Property Tax**

The District's permanent tax rate is \$.1620 per \$1,000 of assessed property valuation. Fiscal year 2018 has shown revenues of \$918,230 YTD. The budgeted amount for the whole year is \$870,000. As you will see in the background data section, the County is projecting \$962,857 in property tax revenue for the current year and with a 3% increase in assessed value, that would be a projection of \$991,743 for FY 2019. We will remain conservative in our projection and only budget \$940,000.

**Personnel Cost**

The proposed budget includes a 2.5% cost of living wage increase on July 1, 2018. This budget was also written with the sufficient funding to switch to a step increase program from our current process. This will give employees increases every 6 months if they receive a satisfactory performance evaluation.

We will be adding one position for this budget. The position will be responsible for payroll duties and accounts payable processing. This will free up our HR officer to focus more on employee recruiting, retention, and development.

**General Fund**

The General Fund is the account in which the District's operations are funded and it records the expenditures necessary for the operation of the District. FY 2019's General Fund budget is \$4,294,218, a 20.3% increase over FY 2018's budget. The increase is largely due to successfully being awarded grant funding for four buses. We will also be purchasing new accounting software to be ready for implementation beginning in FY 2020. This purchase stems from our compliance review and will give us the ability to track grants much more closely and easily. With the closure of the RideCare department, this budget sufficiently covers the costs that would have been allocated to the RideCare fund.

The general fund will be transferring \$73,582 to the Capital Reserve fund to assist with the purchasing of the buses and software. This will be partially generated from an increase in the Timber Harvest revenue. In FY 2018, we will receive over \$330,000 in Timber revenue. This amount is well over the \$160,000 budgeted this year. In the FY 2019 budget, \$220,000 is being budgeted. This is a conservative number based on the State's \$246,400 projection. These projections from the State were put out on May 3, 2018. They have taken a very conservative approach on the update. Based on current market conditions, they expect the forecasted revenues for FY 2019 to remain stable or only slightly lower over the coming year.

**RideCare Fund**

We have terminated our contract with Columbia Pacific Coordination Care Organization (CCO) and have agreed to continue operating the non-emergent medical transportation (NEMT) through July 31, 2018 to give the CCO time to procure a new brokerage to contract with. They are now reimbursing us 100% of our costs of NEMT for their clients. The budget for FY 2019 reflects full operations for the month of July and shutdown time for the month of August. The termination of the contract was due to the lack of sufficient revenue from the CCO to cover our costs. Our reserves have declined to a point where we are unable to cover the losses incurred.

**Capital Reserve Fund**

We will be transferring \$205,582 from the Capital Reserve Fund to the General Fund to provide match funds for the four new buses and funding for the new accounting software.

**Special Transportation Fund (STF)**

Projects funded by this fund are the ticket bank to provide tickets to organizations needing to assist their clients with transportation needs, continued funding for peak service on Route 101, funding for route 15, and funding for the enhanced veteran's transportation program.

**CONCLUSION**

This budget was written to align with our Strategic Plan that was developed for the biennium and for this budget that you are considering. In last year's budget message, I shared our optimism that the legislature would pass a transportation in their 2017 session. We are pleased that a robust plan was passed, and we will be seeing additional funding for transit. The new funds won't be available to us until at least April of 2019. That funding is not included in this budget because we have not developed our plan for it yet and it is unknown how much we will be receiving. A supplemental budget process will occur if we do receive the funds prior to the end of FY 2019.

District staff welcomes the opportunity to review this proposed budget with you and to take a collaborative approach in developing those funding decisions that will affect the future of the District.

Respectfully submitted,



Jeff Hazen  
Executive Director/Budget Officer

**RESOURCES**  
General Fund

Sunset Empire Transportation District

	Historical Data			Adopted Budget This Year Year 2017-2018	RESOURCE DESCRIPTION	Budget for Next Year 2018-2019		
	Actual					Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
	Second Preceding Year 2015-2016	First Preceding Year 2016-2017						
1	\$739,742	\$1,138,432	\$1,290,131	\$1,129,179	1	Available cash on hand* (cash basis) or		
2	\$37,346	\$3,743	\$22,000	\$22,000	2	Previously levied taxes estimated to be received		
3	\$4,581	\$5,869	\$4,800	\$8,000	3	Interest		
4	\$0	\$0	\$58,753	\$205,582	4	Transferred IN, from other funds		
5					5	<b>OTHER RESOURCES</b>		
6	\$93,170	\$73,909	\$67,000	\$70,000	6	State Mass Transit Payroll Distribution		
7	\$251,603	\$168,596	\$160,000	\$220,000	7	State Timber Revenue		
8	\$9,940	\$10,109	\$10,520	\$10,500	8	Rentals		
9	\$257,327	\$319,280	\$273,000	\$280,000	9	Fares		
10	\$148,145	\$89,637	\$123,900	\$130,000	10	IGA Contracted Service		
11	\$113,744	\$113,740	\$0	\$0	11	ODOT (STF) State Funds		
12	\$105,515	\$110,928	\$61,473	\$88,750	12	ODOT - \$5310 Preventative Maintenance/MM		
13	\$469,009	\$451,303	\$455,656	\$455,657	13	ODOT - \$5311 Operations		
14	\$0	\$0	\$0	\$174,250	14	ODOT - \$5339 Bus & Bus Facilities		
15	\$68,618	\$274,819	\$75,133	\$0	15	Capital Purchases Grants		
16	\$80,165	\$63,224	\$58,985	\$86,577	16	ODOT - Transportation Options		
17	\$0	\$3,000	\$24,000	\$0	17	ODOT - \$5305 Feasibility Study		
18	\$0	\$0	\$0	\$457,623	18	ODOT - Special Transportation Program (STP)		
19	\$1,570	\$3,891	\$12,900	\$16,100	19	Commissions/Proceeds		
20					20			
21		\$1,017,014			21			
22					22			
23					23			
24					24			
25					25			
26					26			
27					27			
28					28			
29	\$2,380,475	\$3,847,494	\$2,698,251	\$3,354,218	29	Total resources, except taxes to be levied	\$0	\$0
30			\$870,000	\$940,000	30	Taxes estimated to be received		
31	\$925,600	\$932,677			31	Taxes collected in year levied		
32	\$3,306,075	\$4,780,171	\$3,568,251	\$4,294,218	32	<b>TOTAL RESOURCES</b>	\$0	\$0

\*The balance of cash, cash equivalents and investments in the fund at the beginning of the budget year



**REQUIREMENTS SUMMARY**

**FORM LB-30**

General Fund

Line Item	Historical Data			REQUIREMENTS FOR: Public Transportation Services	Budget For Next Year 2018-2019		
	Actual		Adopted Budget		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
	Second Preceding Year 2015-2016	First Preceding Year 2016-2017	This Year 2017-2018				
1							1
2	\$1,156,517	\$1,120,746	\$1,221,315	Wages	\$1,236,000		2
3	\$134,582	\$146,057	\$145,195	Payroll Taxes/Worker's Comp	\$123,500		3
4	\$267,927	\$259,858	\$358,025	Benefits	\$321,100		4
5							5
6							6
7							7
8	\$1,559,026	\$1,526,661	\$1,724,535	<b>TOTAL PERSONNEL SERVICES</b>	\$1,680,600	\$0	8
9	31.5	37.3	35.0	<b>Total Full-Time Equivalent (FTE)</b>	34.2		9
10				<b>MATERIALS AND SERVICES</b>			10
11	\$723	\$5,747	\$2,200	Provider Services	\$0		11
12	\$22,922	\$17,776	\$28,652	Audit	\$30,000		12
13	\$0	\$3,787	\$4,200	Advertising	\$3,500		13
14	\$3,027	\$3,221	\$3,341	Bank Fees	\$2,000		14
15	\$31,264	\$33,304	\$31,878	Building Grounds and Maintenance	\$39,500		15
16	\$0	\$0	\$0	Building Lease	\$36,000		16
17	\$12,053	\$39,586	\$78,172	Computer Information Technology Services	\$79,000		17
18	\$24,619	\$14,523	\$24,084	Conferences, Training, and Travel	\$24,000		18
19	\$1,428	\$1,652	\$5,000	Drug and Alcohol Testing/Background Checks	\$2,500		19
20	\$18,584	\$27,268	\$19,143	Dues/Subscriptions/Fees	\$23,500		20
21	\$17,953	\$11,589	\$64,400	Small Equipment/Tools	\$15,000		21
22	\$5,451	\$5,652	\$5,500	Equipment Lease	\$3,000		22
23	\$11,204	\$8,499	\$40,000	Education/Outreach	\$10,000		23
24	\$6,002	\$6,964	\$9,880	Employee Recognition	\$10,000		24
25	\$0	\$6,908	\$0	Election Fees	\$4,500		25
26	\$97,112	\$120,594	\$252,472	Fuel	\$212,442		26
27	\$30,265	\$70,851	\$61,479	Insurance (Property/Vehicle/Liability/Cyber)	\$85,000		27
28	\$804	\$791	\$800	Legal Ads	\$800		28
29	\$861	\$2,216	\$6,400	Legal Counsel	\$2,000		29
30	\$108	\$2,063	\$1,760	Meeting Expense	\$2,000		30
31	\$948	\$0	\$0	Advertising	\$0		31
32	\$15,168	\$12,296	\$17,352	Office Supplies	\$15,000		32
33	\$1,855	\$1,719	\$2,128	Payroll Processing Fee	\$2,000		33
34	\$12,132	\$0	\$0	Pass Through STP	\$0		34
35	\$15,765	\$10,345	\$33,800	Printing	\$15,000		35
36	\$7,577	\$28,049	\$42,240	Professional Services	\$10,000		36
37	\$230	\$283	\$330	Taxes/Licenses	\$4,000		37

**REQUIREMENTS SUMMARY**

**FORM  
LB-30**

General Fund

	Historical Data			Adopted Budget This Year 2017-2018	REQUIREMENTS FOR: <u>Public Transportation Services</u>	Budget For Next Year 2018-2019		
	Actual		First Preceding Year 2016-2017			Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
	Second Preceding Year 2015-2016							
38	\$27,669	\$23,111	\$30,702	38	Telecommunications/Internet	\$54,000		38
39	\$2,776	\$3,306	\$10,924	39	Uniforms	\$5,000		39
40	\$18,377	\$19,518	\$20,796	40	Utilities	\$20,000		40
41	\$128,986	\$103,225	\$120,000	41	Vehicle Maintenance and Repair	\$140,000		41
<b>42</b>	<b>\$515,647</b>	<b>\$584,843</b>	<b>\$917,633</b>	<b>42</b>	<b>Total Materials and Services</b>	<b>\$849,742</b>	<b>\$0</b>	<b>\$0</b>

150-504-030 (Rev 10-16)

**REQUIREMENTS SUMMARY**  
**NOT ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM**  
 General Fund

**FORM LB-30**

Line Item	Historical Data			REQUIREMENTS DESCRIPTION	Budget For Next Year 2018-2019			
	Actual		Adopted Budget		Proposed By	Approved By	Adopted By	
	Second Preceding Year 2015-2016	First Preceding Year 2016-2017	This Year 2017-2018					Budget Officer
10				10 CAPITAL OUTLAY NOT ALLOCATED				10
11	\$0	\$346,650	\$28,000	11 CAPITAL OUTLAY	\$837,455			11
12				12				12
13	\$0	\$346,650	\$28,000	13 TOTAL CAPITAL OUTLAY	\$837,455		\$0	13
14				14 DEBT SERVICE				14
15	\$95,853	\$104,421	\$112,317	15 Debt Service Principal	\$120,158			15
16	\$26,451	\$20,574	\$15,406	16 Debt Service Interest	\$7,506			16
17				17 Debt Service Fee	\$175			17
18	\$122,304	\$124,995	\$127,723	18 TOTAL DEBT SERVICE	\$127,839		\$0	18
19				19 Prior Period Adjustment				19
20	\$8,891	\$0	\$0	20 Prior Period Adjustment				20
21				21				21
22	\$8,891	\$0	\$0	22 TOTAL PRIOR PERIOD ADJUSTMENTS	\$0		\$0	22
23				23 INTERFUND TRANSFERS				23
24	\$50,000	\$0	\$88,500	24 To Capital Reserve Fund	\$73,582			24
25			\$15,708	25 To Special Transportation Fund (STF)	\$0			25
26				26				26
27				27				27
28				28				28
29	\$50,000	\$0	\$104,208	29 TOTAL INTERFUND TRANSFERS	\$73,582		\$0	29
30			\$200,000	30 OPERATING CONTINGENCY	\$175,000			30
31	\$181,195	\$471,645	\$459,931	31 Total Requirements NOT ALLOCATED	\$1,213,876		\$0	31
32	\$2,074,673	\$2,111,504	\$2,642,168	32 Total Requirements for ALL Org. Units/Programs within fund	\$2,530,342		\$0	32
33			\$0	33 Reserved for future expenditure	\$0			33
34	\$1,050,208			34 Ending balance (prior years)				34
35			\$466,152	35 UNAPPROPRIATED ENDING FUND BALANCE	\$550,000			35
36	\$3,306,076	\$2,583,149	\$3,568,251	36 TOTAL REQUIREMENTS	\$4,294,218		\$0	36

**RESOURCES**  
**Special Transportation Fund (STF)**

Sunset Empire Transportation District

	Historical Data			Adopted Budget This Year Year 2017-2018	RESOURCE DESCRIPTION	Budget for Next Year 2018-2019		
	Actual		Proposed By Budget Officer			Approved By Budget Committee	Adopted By Governing Body	
	Second Preceding Year 2015-2016	First Preceding Year 2016-2017						
1			\$0	\$66,664	1	Available cash on hand* (cash basis) or		
2					2	Net working capital (accrual basis)		
3					3	Previously levied taxes estimated to be received		
4					4	Interest		
5			\$15,708		5	Transferred IN, from other funds		
6					6	<b>OTHER RESOURCES</b>		
7			\$93,241		7	ODOT-STF Formula Grant	\$93,241	
8			\$77,788		8	ODOT-STF Discretionary Grant	\$0	
9					9			
10					10			
11					11			
12					12			
13					13			
14					14			
15					15			
16					16			
17					17			
18					18			
19					19			
20					20			
21					21			
22					22			
23					23			
24					24			
25					25			
26					26			
27					27			
28					28			
29	\$0	\$0	\$186,737	\$159,905	29	Total resources, except taxes to be levied	\$159,905	\$0
30			\$0		30	Taxes estimated to be received	\$0	\$0
31					31	Taxes collected in year levied		
32	\$0	\$0	\$186,737	\$159,905	32	<b>TOTAL RESOURCES</b>	<b>\$159,905</b>	<b>\$0</b>

\*The balance of cash, cash equivalents and investments in the fund at the beginning of the budget year

**REQUIREMENTS SUMMARY**  
**NOT ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM**  
 Special Transportation Fund (STF)

	Historical Data			REQUIREMENTS DESCRIPTION	Budget For Next Year 2018-2019		
	Actual	Adopted Budget			Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
		Second Preceding Year 2015-2016	First Preceding Year 2016-2017				
1				PERSONNEL SERVICES NOT ALLOCATED			
2			\$68,421	Wages	\$69,205		
3			\$26,605	Taxes and Benefits	\$24,000		
4	\$0	\$0	\$95,026	<b>TOTAL PERSONNEL SERVICES</b>	\$93,205	\$0	\$0
5			2.0	Total Full-Time Equivalent (FTE)	2.2		
6				MATERIALS AND SERVICES NOT ALLOCATED			
7			\$28,708	Provider Payments/Bus Fares/Outreach	\$14,500		
8			\$4,250	Routes 15 & 101B Fuel/Maintenance	\$45,000		
9	\$0	\$0	\$32,958	Astoria Senior Center	\$0		
10				<b>TOTAL MATERIALS AND SERVICES</b>	\$59,500	\$0	\$0
11			\$0	CAPITAL OUTLAY NOT ALLOCATED			
12			\$0				
13	\$0	\$0	\$0	<b>TOTAL CAPITAL OUTLAY</b>	\$0	\$0	\$0
14				DEBT SERVICE			
15			\$0				
16							
17	\$0	\$0	\$0	<b>TOTAL DEBT SERVICE</b>	\$0	\$0	\$0
18				SPECIAL PAYMENTS			
19			\$0				
20							
21	\$0	\$0	\$0	<b>TOTAL SPECIAL PAYMENTS</b>	\$0	\$0	\$0
22				INTERFUND TRANSFERS			
23			\$58,753	Contribution for 101B Operational Cost			
24							
25							
26							
27							
28	\$0	\$0	\$58,753	<b>TOTAL INTERFUND TRANSFERS</b>	\$0	\$0	\$0
29				OPERATING CONTINGENCY	\$0		
30	\$0	\$0	\$186,737	<b>Total Requirements NOT ALLOCATED</b>	\$152,705	\$0	\$0
31				Total Requirements for All Org./Units/Programs within fund			
32				Reserved for future expenditure			
33				Ending balance (prior years)			
34			\$0	<b>UNAPPROPRIATED ENDING FUND BALANCE</b>	\$7,200		
35	\$0	\$0	\$186,737	<b>TOTAL REQUIREMENTS</b>	\$159,905	\$0	\$0

**FORM  
LB-11**

This fund is authorized and established by resolution / ordinance number  
2016-2 on June 30, 2016 for the following specified purpose: Bldg&Equip

**RESERVE FUND  
RESOURCES AND REQUIREMENTS**

Year this reserve fund will be reviewed to be continued or abolished.  
Date can not be more than 10 years after establishment.

Review Year: 2021

Capital Reserve Fund

Sunset Empire Transportation District

		Historical Data			DESCRIPTION RESOURCES AND REQUIREMENTS	Budget for Next Year 2018 - 2019		
Actual		Adopted Budget Year 2017 - 2018				Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year 2015 - 2016	First Preceding Year 2016 - 2017							
1				1	RESOURCES			1
2	\$50,000	\$100,000	\$100,000	2	Cash on hand * (cash basis), or	\$131,000		2
3				3	Working Capital (accrual basis)			3
4				4	Previously levied taxes estimated to be received			4
5		\$1,000		5	Interest	\$1,000		5
6	\$50,000	\$0	\$88,500	6	Transferred IN, from other funds	\$73,582		6
7			\$331,500	7	ODOT-Grant 5339 Bus			7
8				8				8
9				9				9
10	\$100,000	\$100,000	\$521,000	10	Total Resources, except taxes to be levied	\$205,582	\$0	10
11				11	Taxes estimated to be received			11
12				12	Taxes collected in year levied			12
13	\$100,000	\$100,000	\$521,000	13	<b>TOTAL RESOURCES</b>	<b>\$205,582</b>	<b>\$0</b>	<b>13</b>
14				14	<b>REQUIREMENTS **</b>			<b>14</b>
15				15	Org. Unit or Prog. & Activity			15
16			\$390,000	16	Object Classification			16
17				17	Capital	\$0		17
18				18	Transfer	\$30,750		18
19				19	Transfer	\$52,377		19
20				20	Transfer	\$122,455		20
21				21	2 Cat B Buses			21
22				22	1 Cat B Bus Match @ 15% (5339)			22
23				23	3 Cat C Bus Match @ 10.27% (STP)			23
24				24	Fleet Net Accounting Software			24
25				25				25
26				26				26
27				27				27
28				28				28
29	\$100,000	\$100,000		29	Ending balance (prior years)			29
30			\$131,000	30	UNAPPROPRIATED ENDING FUND BALANCE	\$0		30
31	\$100,000	\$100,000	\$521,000	31	<b>TOTAL REQUIREMENTS</b>	<b>\$205,582</b>	<b>\$0</b>	<b>31</b>

\*The balance of cash, cash equivalents and investments in the fund at the beginning of the budget year

\*\*List requirements by organizational unit or program, activity, object classification, then expenditure detail. If the requirement is "not allocated", then list by object classification and expenditure detail.

**RESOURCES**  
RideCare Fund

Sunset Empire Transportation

		Historical Data			Budget for Next Year 2018-2019		
		Actual	Adopted Budget This Year Year 2017-2018	Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body	
		Second Preceding Year 2015-2016	First Preceding Year 2016-2017				
1		\$1,311,965	\$940,156	\$552,464	\$73,109		1
4		\$6,247	\$12,242	\$5,400	\$50		4
6							6
7		\$3,066,338	\$3,062,493	\$3,230,727	\$446,500		7
8			\$28	\$0			8
9							9
10							10
11							11
12							12
13							13
14							14
15							15
16							16
17							17
18							18
19							19
20							20
21							21
22							22
23							23
24							24
25							25
26							26
27							27
28							28
29		\$4,384,550	\$4,014,919	\$3,788,591	\$519,659	\$0	29
32		\$4,384,550	\$4,014,919	\$3,788,591	\$519,659	\$0	32

\*The balance of cash, cash equivalents and investments in the fund at the beginning of the budget year

REQUIREMENTS SUMMARY

ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM & ACTIVITY

RideCare

Historical Data		Adopted Budget This Year 2017-2018	REQUIREMENTS FOR:		Budget For Next Year 2018-2019		
Actual	First Preceding Year 2016-2017		Non Emergent Medical Transportation		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
1			1	PERSONNEL SERVICES			1
2	\$282,529	\$332,112	2	Wages	\$53,600		2
3	\$32,174	\$32,022	3	Payroll Taxes/Worker's Comp	\$5,000		3
4	\$61,031	\$62,683	4	Employee Benefits	\$3,500		4
8	\$375,734	\$426,817	8	TOTAL PERSONNEL SERVICES	\$62,100	\$0	8
9	7.0	9.0	8.0	Total Full-Time Equivalent (FTE)	7.0		9
10			10	MATERIALS AND SERVICES			10
11	\$2,573,365	\$2,768,437	11	Provider Payments	\$448,500		11
12	\$6,753	\$4,444	12	Audit	\$1,295		12
13	\$690	\$468	13	Ads	\$0		13
14	\$120	\$196	14	Bank Fees	\$0		14
15	\$5,628	\$6,422	15	Building Grounds and Maintenance	\$350		15
16	\$18,393	\$20,880	16	Bus Passes	\$3,500		16
17	\$2,491	\$9,920	17	Computer Information Technology Services	\$100		17
18	\$2,133	\$942	18	Conferences, Training, and Travel	\$0		18
19	\$1,952	\$2,810	19	Drug and Alcohol Testing/Background Checks	\$60		19
20	\$117	\$163	20	Dues/Subscriptions	\$0		20
21	\$81,109	\$26,215	21	DMAP annual Adjustment/CCO Share Fund	\$0		21
22	\$7,946	\$7,504	22	Small Equipment/Tools	\$0		22
23	\$30	\$0	23	Education/Outreach	\$100		23
24	\$288	\$27	24	Employee Recognition	\$0		24
25	\$0	\$0	25	Election Fees	\$0		25
26	\$5,595	\$8,396	26	Insurance (Property/Vehicle/Liability/Cyber)	\$1,200		26
27	\$0	\$0	27	Legal Ads	\$0		27
28	\$1,197	\$0	28	Legal Counsel	\$0		28
29	\$263	\$171	29	Meeting Expense	\$100		29
30	\$3,762	\$4,793	30	Office Supplies	\$200		30
31	\$463	\$430	31	Payroll Processing Fee	\$56		31
32	\$407	\$589	32	Printing	\$0		32
33	\$5,074	\$12,144	33	Professional Services	\$375		33
34	\$35,234	\$34,509	34	Telecommunications	\$850		34
35	\$0	\$0	35	Uniforms	\$0		35
36	\$8,233	\$8,331	36	Utilities	\$873		36
37	\$2,761,243	\$2,917,791	36	Total Materials and Services	\$457,559	\$0	36



**REQUIREMENTS SUMMARY**  
NOT ALLOCATED TO AN ORGANIZATIONAL UNIT OR PROGRAM  
RideCare Fund

Line	Historical Data			REQUIREMENTS DESCRIPTION	Budget For Next Year 2018-2019		
	Actual		Adopted Budget This Year 2017-2018		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
	Second Preceding Year 2015-2016	First Preceding Year 2016-2017					
10				CAPITAL OUTLAY NOT ALLOCATED			
11	\$32,053	\$0	\$0	Capital Outlay	\$0		
12							
13	\$32,053	\$0	\$0	TOTAL CAPITAL OUTLAY	\$0	\$0	\$0
14				DEBT SERVICE			
15	\$195,366	\$157,373	\$158,573	Debt Service Principal	\$0		
16	\$3,976	\$2,562	\$2,224	Debt Service Interest	\$0		
17	\$202,292	\$159,935	\$160,797	TOTAL DEBT SERVICE	\$0	\$0	\$0
18				PRIOR PERIOD ADJUSTMENT			
19	\$136,476	\$0	\$0	Prior Period Adjustment	\$0		
20							
21	\$136,476	\$0	\$0	TOTAL SPECIAL PAYMENTS	\$0	\$0	\$0
29			\$125,546	OPERATING CONTINGENCY	\$0		
30	\$370,821	\$159,935	\$286,343	Total Requirements NOT ALLOCATED	\$0	\$0	\$0
31	\$3,136,977	\$3,344,608	\$3,429,562	Total Requirements for ALL Org. Units/Programs within fund	\$519,659		
32			\$0	Reserved for future expenditure			
33	\$876,752	\$433,637		Ending balance (prior years)			
34			\$72,686	UNAPPROPRIATED ENDING FUND BALANCE			
35	\$4,384,550	\$3,938,180	\$3,788,591	TOTAL REQUIREMENTS	\$519,659	\$0	\$0

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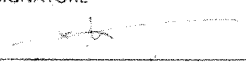
**TABLE 4a--DETAIL OF TAXING DISTRICT LEVIES**  
**Tax Year 2017-2018**

County: CLATSOP

1. Taxing District Code	40002975
2. Taxing District Name	Sunset Empire Transportation
3. Counties in which District lies	

4. Levy Approved Before/After 10/05/2001	PERMANENT		LOCAL OPTION		"GAP" BONDS or UR SPECIAL LEVY		BONDS		TOTAL
	inside M5	outside M5	inside M5	outside M5	inside M5	outside M5	inside M5	outside M5	
<b>Ad Valorem Tax Levies</b>									
5. Permanent Levy (if dollar amount)	0.00								0.00
6. Local Option Levy (if dollar amount)**			0.00						0.00
7. "GAP" Bond Levy					0.00				0.00
8. Urban Renewal Special Levy					0.00				0.00
9. Bond Levy*							0.00		0.00
10. TOTAL DOLLAR LEVY (add lines 5 thru 9)	0.00		0.00		0.00		0.00		0.00
<b>Adjustments</b>									
11. Amount Raised in Other Counties	0.00		0.00		0.00		0.00		0.00
12. NET DOLLAR LEVY FOR TAX RATE (line 10 minus 11)	0.00		0.00		0.00		0.00		0.00
<b>Taxable Property Value</b>									
13. Total Assessed Value									6,060,271,955.00
14. Add: Non-Profit Housing Value									0.00
15. Add: Fish and Wildlife Value									541,138.00
16. Subtract: Urban Renewal Excess (amt. used only)**									135,406,434.00
17. VALUE TO COMPUTE THE TAX RATE									5,925,406,659.00
<b>Tax Computations</b>									
18. Tax Rate (for dollar levies, line 12 divided by line 17)***	0.1620		0.0000		0.0000		0.0000		0.1620
19. Amount Tax Rate Will Raise (line 17 times line 18)	959,915.88		0.00		0.00		0.00		959,915.88
20. Truncation Loss (for dollar levies only) (line 19 - line 12)	0.00		0.00		0.00		0.00		0.00
21. Total Timber Offset Amount (County district only)	0.00								0.00
22. Timber Tax Rate (line 21 divided by line 17)	0.0000								0.00
23. Billing Rate (line 18 minus line 22)	0.1620		0.0000		0.0000		0.0000		0.1620
24. Total Extended for District (line 23 times line 17)	959,915.88		0.00		0.00		0.00		959,915.88
24a. Gain from UR Division of Tax Rate Truncation	66.27		0.00				0.00		66.27
24b. Gain (Loss) from Division of Tax from another county	0.00		0.00				0.00		0.00
24c. Net Tax for Extension (24+24a+24b)	959,982.15		0.00		0.00		0.00		959,982.15
25. Actual Tax Extended for district	959,981.56		0.00		0.00		0.00		959,981.56
26. District's Gain or Loss from Individual Extension (25-24c)	(0.59)		0.00		0.00		0.00		(0.59)
27. District's Comp. Loss(Enter as a negative number)****	(1,302.89)		0.00		0.00				(1,302.89)
28. DISTRICT TAXES IMPOSED (lines 24c + 26 + 27)	958,778.67		0.00		0.00		0.00		958,778.67
<b>Additional Taxes/Penalties</b>									
29. Farmland (ORS 308A.703)									557.49
30. Forestland (ORS 308A.703)									391.25
31. Western Oregon Small Tract Option (ORS 380A.703)									44.75
32. Open Space (ORS 308.770)									2,355.86
33. Single Family Residence (ORS 308.685)									0.00
34. Historic Property (ORS 308.525)									0.00
35. Other _____									0.00
36. Late Filing Fee County Only (ORS 308.302)									0.00
37. Roll Correction (ORS 311.206), incl. omitted property/other roll corrections, but excl. roll corrections under ORS 311.208									729.27
38. TOTAL ADDITIONAL Taxes/Penalties (line 29 thru 37)									4,078.62
39. TOTAL TO BE RECEIVED (line 28 plus line 38)	958,778.67		0.00		0.00		4,078.62		962,857.29
40. Percentage Schedule (ORS 311.390) [Optional See Instructions]									0.01204494

\* If district has multiple Local Option Levies or Bond levies, please show each levy on a separate 4a page.  
 \*\* For urban renewal special levies, enter zero on this line; excess value is not subtracted.  
 \*\*\* Line 12/line 17 computation applies ONLY to dollar levies; if district has a rate levy, enter the rate used.  
 \*\*\*\* Enter only the district or UR special levy compression loss. Urban renewal division of tax compression loss is reported on table 4e. See Instructions.

<b>SUNSET EMPIRE TRANSPORTATION DISTRICT</b>  <b>FINANCIAL POLICY</b> <b>AND PROCEDURES</b>	NUMBER	APPROVAL DATE <i>September 27, 2012</i>
	TOTAL PAGES	EFFECTIVE DATE <i>September 1, 2012</i>
Attachment A- Financial Procedures Attachment B- Allocation Plan	DIRECTOR SIGNATURE 	
REVIEWED	REVISED	

**PURPOSE**

Sunset Empire Transportation District (SETD) provides fixed route bus service and scheduled ADA Paratransit services within Clatsop County. The Northwest Ride Center (NWRC) provides brokerage services for non-emergent medical transportation through transportation services and private contractors. SETD is funded by various state and federal grants as well as local tax and timber revenues. The NWRC is funded through a fee for service system which includes service for Medicaid, Medicare and other services. SETD and the NWRC are managed by the SETD Executive Director. The purpose of this policy is to define the requirements and delineate the procedures for the financial management of SETD and the NWRC.

**POLICY**

The SETD Executive Director is responsible for the financial management of both SETD and the NWRC. The Executive Director will ensure that SETD and the NWRC comply with all Federal, State and local laws, regulations, requirements and Generally Accepted Accounting Principles. The Executive Director will manage all bank accounts and monthly reconciliation. The Executive Director will oversee the accurate Accounts Payable and Accounts Receivable processing and monthly reporting. The Executive Director will prepare monthly accounting reports that will be reviewed and approved by the SETD Board. The Executive Director will prepare the annual budget report and ensure compliance of the budget process for SETD and the NWRC. The Executive Director will ensure the completion on an annual financial audit of SETD and the NWRC. The Executive Director will designate staff to provide all necessary processes to ensure that the SETD Financial Policy is being implemented.

**ATTACHMENT A – FINANCIAL PROCEDURES**

**SUNSET EMPIRE TRANSPORTATION DISTRICT  
FINANCIAL POLICY  
ATTACHMENT A**

**FINANCIAL POLICY PROCEDURES**

**August 16, 2012**

**Bank Accounts-**

The opening and closing of any bank account for SETD or the NWRC requires the approval of the Executive Director and the SETD Board. The Executive Director and SETD Board members will register as signers on each bank account. The Executive director will review and approve all deposits, withdrawals, and account transfers. The Executive Director will immediately notify the SETD Board of any unresolved balance discrepancies.

**Loans-**

The Executive Director may determine that a bank loan is necessary for the purchase of equipment, electronics, property or other operational needs. The Executive Director will be required to present a detailed loan request and receive SETD Board approval prior to loan application. The loan request will include the purpose of loan, name of the lending institution, contact information, amount of loan, interest rate and general terms of loan. All loan applications will require the signature of one SETD Board member.

**Deposits-**

All checks and cash received by mail or other sources will be logged and totaled on a Daily Cash log by the Executive Assistant. The original cash log will be given to the Executive Director and a copy will be given to the Accounting Specialist with the cash received. The Accounting Specialist will prepare a detailed deposit slip and make deposit the same day as received or as soon as possible. Checks and cash will be deposited the same day as received or as soon as possible. The Accounting Specialist will make deposits and forward a copy of the deposit slip and deposit receipt to the Executive Director. The Accounting Specialist will attach the deposit receipt received from the bank to the Accounts Payable report.

**Bank Account Transfers-**

The Accounting Specialist will be given registered with bank and given authority to make intercompany and payroll transfers for SETD and NWRC bank accounts. An Account Transfer Request which details transfer amounts and bank accounts involved will be submitted to the Executive Director or Board Secretary/Treasurer for approval via email. The Executive Director will keep a separate electronic file of these requests.

### **Withdrawals-**

Any withdrawal from an SETD or NWRC bank account requires the signature of the Executive Director and the SETD Board Secretary Treasurer or in the absence of the Executive Director, 2 Board members must approve the withdrawal.

### **Check stock and processing-**

**Ordering-** SETD and NWRC printed check stock may be ordered from various vendors, but will be delivered directly to the Accounting Specialist or Executive Director's office. For security purposes only 500 checks shall be ordered at a time. The Accounting Specialist will specify and record the beginning check number of order. Checks for SETD and the NWRC will be ordered in two separate colors.

**Receiving-** Check stock shipments will only be opened and verified by the Executive Director or his designee which will not include the Accounting Specialist. The beginning and ending check numbers will be verified and recorded. The check stock log will include order dates and the beginning and ending check numbers.

**Storage-** All unused check stock will be kept in a secure locked location accessible by the Executive Director or his designee.

**Printing-** Check printing will be authorized by the Executive Director and documented on a check request form. Checks may only be printed by the Accounting Specialist or the Human Resource Officer. All checks require the signature of the Executive Director and the Board Secretary/Treasurer or two Board members. Once checks are printed, a check log will be printed, verified and filed in the corresponding account file.

**Lost Checks:** The Accounting Specialist will immediately notify the Executive Director if there are any discrepancies in the sequence of check stock numbers or if any printed and mailed checks cannot be accounted for. The Accounting Specialist or the Executive Director will notify the bank of any missing checks and a stop payment may be issued. The Executive Director will immediately notify the SETD Board Secretary Treasurer of any unresolved checking account discrepancies. A lost check receipt will be created and signed by the Executive Director.

### **Monthly Bank Account Reconciliation-**

All SETD and NWRC bank accounts will be balanced and reconciled once a month by either the Human Resources Officer or other staff as assigned by the Executive Director.

The Human Resources Officer will:

1. Verify that all beginning balances on statements match SETD accounts.
2. Enter any interest or fees from statement into SETD accounts.
3. Verify all debits, credits and check sequence from statements match SETD accounts.
4. Verify all ending balances on statements match SETD accounts.
5. The Human Resources Officer will discuss any balance discrepancies with Accounting Specialist.
6. The Human Resources Officer will notify the Accounting Specialist of any unusual fees or deposits on the bank statement.
7. If any discrepancies remain unresolved the Human Resources Officer will report problem to Executive Director.

**Mail-**

Mail for SETD and the NWRC is delivered daily to the SETD Transit Center in Astoria. Mail is to be opened and processed daily. All delivered mail will be opened and date stamped by the Executive Assistant and delivered to the Executive Director. The Executive Director will review and initial all payment notifications and checks. The Executive Assistant will distribute mail to appropriate departments. The Accounting Specialist will place incoming checks in a secure/locked location until processed and deposited.

**Purchase Orders-**

All SETD and NWRC non-contractual purchases including purchases with credit cards will be approved by the Executive Director. The employee requesting the purchase is required to complete a SETD Purchase Order (PO) form. The PO form is accessible on the C drive which requires basic purchasing A PO number is acquired from the monthly Purchase Order Log which is accessible on the SETD U drive or a number can be acquired from the Accounting Specialist. The PO form requires the vendor name, contact information, reason for purchase, department making purchase, item description and price. The PO Form will be signed by employee making purchase and sent to the Executive Director for approval. Once approved and the purchase is complete the PO form is given to the Accounting Specialist for vendor account set up and final processing.

**Vendor Accounts-**

SETD requires that any vendor, business or service requiring payment for products or services provided must submit an invoice, bill or request describing service or items purchased. The invoice must include vendor contact information, date of purchase or type of service requested and an SETD PO number.

**Accounts Payable-**

The Accounting Specialist will enter all SETD and NWRC invoices into the current SETD accounting program which tracks the name, the contact information, amount owed, date of purchase or service and invoice number. An Accounts Payable Report (APR) that lists status of all accounts, payments made and balance due will be prepared by the Accounting Specialist every week. The APR will be given to the Executive Director for selection of accounts that will be paid. The Accounting Specialist will process selected payments and have checks signed as required by the Executive Director and SETD Board member. The Accounting Specialist will mail or deliver payments within a reasonable amount of time. The Accounting Specialist will resolve any billing discrepancies with vendors as needed. The Accounting Specialist will notify the Executive Director with any unresolved accounts payable discrepancies.

Expenses that are billed to or are solely the responsibility of the NWRC (providers, gas vouchers, janitorial etc.) will be paid directly from the NWRC checking account. Any accounts payable bills that are solely the responsibility of SETD will be paid directly from the SETD checking account. Intermingled bills such as phone, electrical and insurance are paid from an SETD account. There is an inter-company payables/receivable account that is charged against the NWRC and paid on a monthly basis.

### **Accounts Receivable-**

Accounts Receivable (AR) will be carefully managed to ensure the collection of all debts owed to SETD or the NWRC. A Debt will be identified as any amount greater than zero owed to SETD or to the NWRC. A debtor is a business, organization or any other public or private entity that is liable for a debt or against whom there is a claim for debt. Each AR account will contain all debtor information including mail, phone and personal contact information. Each account will identify the amount and description of the service provided and the amount that is owed. AR will contain the initial debt and a detailed accounting of all transactions, payments and any invoices sent. The Accounting Specialist will routinely monitor all AR. A monthly billing invoice will be sent to all debtors. An aging report will be prepared and reviewed every month. Accounts with balances past 60 days will receive notification that the account is past due. Any account past 90 days will be sent a notification that the account is being put in collections if arrangements are not made or balance is not paid. The Account Specialist will make every effort to collect the outstanding debt. The Executive Director must approve accounts sent to collections. Accounts may be determined as uncollectable and will need to be written off. The following is a list of who will make the write off determination:

\$ 0 to \$20	Accounting Specialist
\$21 to \$200	Executive Director
\$201 and above	Board of Directors

### **Month End Reporting-**

The Accounting Specialist will balance all accounts and prepare a month end report which is submitted to the Executive Director for review.

### **Payroll-**

The Human Resources Officer will prepare SETD and the Northwest Ride Center payroll checks every two weeks. SETD will maintain a separate bank account designated for payroll transactions only. The balance on this account will be kept to a minimum. The Executive Director must give approval to the Accounting Specialist for any transfers into this account. Work hours will be turned into the Human Resources Officer no later than Monday on the week that checks are going to be issued. The Human Resources Officer will print time reports from the Time Clock for bus drivers, Operation employees and the Northwest Ride Center employees. Paper time sheets will be completed by Administrative and Transit Center employees. All employee time sheets will be signed by the employee and verified by employee's supervisor.

Human Resources Officer will:

1. Enter hours worked and deductions into employee's payroll account
2. Calculate time clock reports and send to payroll provider to be processed and printed.
3. Print manual pay checks.
4. Prepare direct payroll deposits.
5. Print payroll check register and verify check numbers are in correct sequence
6. Printed checks, check register and time sheets are given to Executive Director

Accounting Specialist will:



1. Calculate amount needed for account transfer and send written request to Executive Director.  
Executive Director will:

1. Verify time sheets and payroll calculations
2. Sign time sheets and payroll checks
3. Approve transfer of funds into payroll account from appropriate accounts (NWRC and SETD)
4. Verify that an SETD Board member is the second signer on all payroll checks.

**Cost Allocation Plan-** The Executive Director and several other administrative employees work for both SETD and NWRC. Costs for employees and other expenses must be separated. The Cost Allocation Plan (Attachment B) delineates how wages, benefits and other joint expenses are calculated and kept separate for budget and audit purposes. The cost allocation plan is a guideline for accounts payable, payroll and other expenses. The cost allocation plan will be updated each fiscal year and approved by ODOT, DMAP and local CCO.

**Ticket Sales/ Bus Vaults:**

Passengers may purchase tickets, passes or pay cash for SETD or Greyhound Bus services. All money received for bus fare, sold in the Transit Center or on busses will be counted and prepared for deposit by Operations or Transit Center employees.

**Bus Vaults-** All SETD busses will have locked vaults secured near the front of the bus for securing cash received from passengers for service, tickets and bus passes. Vaults will be secured by the Operations Manager or designated operations employee. Bus vaults will remain locked and stored in a locked compartment until they are opened, counted and a deposit slip is prepared by the Operation Manager and the operations assistant. A designated employee will also verify totals. The vault cash will be placed in a money bag with the deposit slip and placed in the Operations safe which is only accessible to the Operations Manager or other designated employee until delivered to the Accounting Specialist.

**Transit Center-** The Transit Center has a sales counter that provides ticketing service for SETD, Greyhound/ North West Point bus service. The Transit Center will maintain 2 separate cash accounts for ticket sales. One account will be for Greyhound ticket sales and one will be for SETD bus ticket sales. Each account will have a separate cash drawer, separate daily sales log sheets and weekly cash balancing logs. Greyhound credit card transactions and SETD credit card transactions will also be recorded on daily sales log sheets. Receipts from all credit card transactions will be placed in the appropriate cash drawer. The starting balance each week will be \$100 in each cash drawer. All transactions will be logged with a running total recorded. Each cash drawer will be counted and recorded on a corresponding weekly cash balance log before opening in the morning and at closing in the evening. Staff will initial all log entries. A cash drop for deposit will be made by transit center staff every week and given to the Accounting Specialist along with a copy of the weekly log sheet and weekly print out from the SETD credit card machine. Cash drawers will be kept locked at all times. Access to cash drawers will be limited to only staff that has been authorized by the Executive Director. Any cash balance discrepancies

will be reported to the Accounting Specialist. If not resolved by Accounting Specialist the discrepancy will be reported to the Executive Director.

**Financial Reports:**

The Accounting Specialist will prepare financial reports as requested. The monthly financial reports (Cash Balance, Check Register, Aging Reports, Budget vs Actual, Balance Sheet, Credit Card Statement) will be submitted to the Executive Director and to the SETD Board. The SETD Board will be asked to approve all bills paid each month at the regularly scheduled Board meeting. The Executive Director will prepare a monthly financial exceptions report explaining and or highlighting notable items in the financial report.

**Budget Process:**

SETD and the NWRC are required to have a projected budget approved before July 15<sup>th</sup> each year. The Executive Director is responsible for this process including the preparation of all budget reports, approval by the Budget Committee, holding a public hearing for public input, approval by the SETD Board and the completion of all required documentation by July 15<sup>th</sup> each year. The SETD Budget Committee includes the SETD Board and an equal number of citizen volunteers who will be selected by the SETD Board.

**Journal Entries-**

SETD and the NWRC currently contract with a CPA firm to review accounts and make appropriate journal entries as necessary. All journal entries must be approved by the Executive Director before being made.

**Audit-**

SETD and the NWRC are required by Federal and State law to have an annual financial Audit. The Executive Director will contract with a licensed accounting firm that specializes in municipal audits. The auditors will present their finding to the SETD Board during a public meeting. The Executive Director will be responsible for correcting any negative findings.

**Petty Cash-**

SETD will keep a Petty Cash account with a balance of \$300 for small purchases and for providing incidental change for the Astoria Transit Center. The Accounting Specialist will keep an accounting of all requests and uses of the Petty Cash on the Petty Cash report. Employees needing to make purchases from Petty Cash will fill out a Petty Cash request form describing type of purchase and/or use and amount needed. The request will then be given to the Executive Director for approval. The employee requesting the petty cash will be required to verify purchase with a receipt that will be given to the Accounting Specialist.

**Records and Archiving-**

All SETD and NWRC Audit, Budget records and all financial records supporting these processes will be retained (OAR #166 Div.150) for a minimum of 10 years.

### SETD DAILY CASH LOG

DATE \_\_\_\_\_

CHECKS #	AMOUNT		
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
CASH			
TOTAL >>>>>			
		INTL _____	

**SETD  
CHECK STOCK LOG**

<b>DATE CHECKS ORDERED RECEIVED DISPERSED</b>	<b>NUMBER ORDERED</b>	<b>BEGINNING AND ENDING CHECK NUMBER</b>	<b>CHECK NUMBERS DISPERSED</b>	<b>INTLS</b>

### SETD DAILY CASH LOG

DATE \_\_\_\_\_

CHECKS #	AMOUNT		
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
CASH			
<b>TOTAL &gt;&gt;&gt;&gt;&gt;</b>			
		INTL _____	



**RESOLUTION NO. 2013-04**  
**BOARD OF COMMISSIONERS**  
**SUNSET EMPIRE**  
**TRANSPORTATION DISTRICT**

**A Resolution of the Board of Commissioners adopting public contracting rules and prescribing rules of procedure for public contracting.**

**WHEREAS**, the Sunset Empire Transportation District, hereinafter called "District" is an Oregon Special District which is subject to Oregon's public contracting rules; and

**WHEREAS**, in 2013 the Oregon Legislature revised the Oregon Public Contracting Code, and the revision took effect June 24, 2013;

**WHEREAS**, ORS 279a.065(5) provides that a local contracting agency may adopt its own rules of procedure for public contract that:

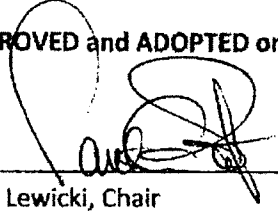
(A) Specifically state that the model rules adopted by the Attorney General do not apply to the contracting agency; and

(B) Prescribe the rules of procedure that the contracting agency will use for the public contracts, which may include portions of the model rules adopted by the Attorney General;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That, except as otherwise provided herein, the District hereby adopts the provisions of ORS 279A, 279B and 279C, and the Oregon Attorney General's Model Public Contracting Rules ("Model Rules") as the contracting rules for the District, as such Model Rules now exist or are later modified.
2. That the District affirmatively adopts the public contracting rules described in Exhibit A, which is attached to this Resolution and incorporated herein by reference. The Rules described in Exhibit A shall be in addition to, and shall supersede any conflicting provisions in, the Model Rules.
3. That the District shall regularly review changes in the Public Contracting Code and the Model Rules to ensure that the Rules adopted in Exhibit A are consistent with current law.

APPROVED and ADOPTED on September 26, 2013.



Paul Lewicki, Chair

Attest:



Carol Gearin, Secretary/Treasurer

VOTE:	YES	NO	ABSENT
Chair Paul Lewicki	X		
Vice-Chair Marcia Fenske			X
Secretary/Treasurer Carol Gearin	yes		
Commissioner GoForth	X		
Commissioner Widener	X		
Commissioner Smith	X		
Commissioner Klechek	X		





**SUNSET EMPIRE  
TRANSPORTATION  
DISTRICT**

**COST ALLOCATION PLAN**

JULY 2017 – JUNE 2018

**Contact:**

**Jeff Hazen, Executive Director**

**[jeff@ridethebus.org](mailto:jeff@ridethebus.org)**

**503-861-5399**

**900 Marine Drive, Astoria, OR 97103  
Phone (503)861-7433 Fax (503)861-4299  
[www.ridethebus.org](http://www.ridethebus.org)**

## Table of Contents

Introduction .....	2
Purpose.....	3
Cost Allocation Methodology.....	3
Cost Allocations.....	4
Certification.....	7

## Introduction

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Sunset Empire Transportation District (SETD) is located in Northwest Oregon where the mouth of the great Columbia River meets the Pacific Ocean. The boundaries of SETD comprise the entire County of Clatsop, including the incorporated cities of Astoria, Warrenton, Gearhart, Seaside, and Cannon Beach.

The mission of SETD is to:

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

This is accomplished via a fixed route bus transportation system with complementary ADA Paratransit services. District services are provided through a mixture of funding from local property taxes, timber taxes, state and federal grants, as well as local municipal partners.

Additionally, SETD manages a Non-Emergent Medical Transportation (NEMT) Brokerage called RideCare, which is funded primarily under contract with Columbia Pacific Coordinated Care Organization (CPCCO). RideCare operates under its own fund budget.

SETD provides administrative oversight and governance to RideCare and shares its facilities, operational systems and office supplies. Therefore, in order to properly allocate expenses across each fund, this cost allocation plan shows allowable cost distribution between SETD General Fund and RideCare Fund.

## **Purpose**

---

The purpose of this cost allocation plan is to summarize in writing the methods and procedures that SETD uses to allocate costs between SETD General Fund and RideCare Fund for the period from **July 1, 2017 to June 30, 2018**, unless superseded by a subsequent plan update.

This cost allocation plan was developed in accordance with federal reporting requirements of OMB Uniform Administrative Requirements (Super Circular) and complies with Generally Accepted Accounting Principles (GAAP).

## **General Cost Allocation Methodology**

---

### ***General Accounting Principles***

- Basis of Accounting is Modified Accrual
- Allocation Basis – Indirect cost are allocated through cost pools

### ***Basis of Accounting System***

Modified Accrual accounting recognizes revenues in the accounting period in which they become available and measurable and recognize expenditures in the period in which the liability is incurred except for long-term debt. Long-term debt is recognized when it is due.

### ***Direct Costs***

Direct Costs are expenses that can be identified specifically with an entity or program and therefore are charged to that entity/program. The accounting system records these costs as they are recognized within the series of accounts assigned for that purpose. Further distribution is not required for these types of costs.

### ***Indirect Costs***

Indirect costs are expenses incurred for common or joint objectives and therefore cannot be readily or specifically assigned to a particular entity or program. These types of costs are therefore to be distributed amongst those entities and programs that share in the direct benefits of those costs.

### ***Basis for Distribution***

SETD has a group of costs consisting of salaries, fringe benefits, rent, utilities, and other shared costs to be equitably distributed between SETD General Fund and RideCare. The accounts, defined above, will be allocated based on either employees' FTE and/or square footage usage. As of July 1, 2017, employees FTE is estimated to be 76% SETD and 24% RideCare and square footage usage is 76% SETD and 24% RideCare. The ratios will be set each year upon final Board adoption of the annual budget.

Within the General Fund, 76% of the allocated costs will be charged to Operations. The Operations cost will be allocated based on headcount between “TO” (Transportation Options) 4%, “MM” (Mobility Management) 4%. “IC (Inter City) and STF costs will be allocated based on mileage driven by their respective routes vs total fixed route miles.

**Methodology Changes**

The allocation methodology identified in this plan has been modified from previous years. The Board approved Cost Allocation Plan will be sent to the Oregon Department of Transportation for review within 30 (thirty) days of approval.

**Cost Allocations**

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*The following indirect costs are allocated based on FTE ratio between the SETD General Fund and the RideCare Fund.*

<b>Costs</b>
<p><b>1. Administrative Salaries and Fringe Benefits</b></p> <p>Administrative salaries and fringe benefits include Administrative staff that is responsible for District-wide:</p> <ul style="list-style-type: none"> <li>• Executive Directorship</li> <li>• Supporting Governance of the District</li> <li>• Accounting/Finance Management</li> <li>• Human Resources Management</li> <li>• Information Systems Management</li> <li>• Education and Outreach</li> </ul> <p>Fringe benefits for the employees mentioned above, including but not limited to health, dental, life &amp; disability insurance, vacation, holiday &amp; sick pay, FICA, SUTA and workers' compensation are also allocated in the same manner as staff salaries.</p>
<p><b>2. Computers and related Office Equipment and website</b></p> <p>The computer network system (such as email and file servers and related software), website and those internet, software subscription and computers &amp; peripherals used by Administrative staff.</p> <p>Computer maintenance services on the network and for hardware and software used by Administrative staff.</p>
<p><b>3. Election Fees</b></p>
<p><b>4. Employee Recognition</b></p>
<p><b>5. Insurance</b></p> <p>Property, auto, and general liability insurance.</p>
<p><b>6. Meeting Expense</b></p> <p>Meeting expenses related to District-wide organizational development, management, administration and governance.</p>

<b>Costs</b>
<p><b>7. Office Expenses &amp; Supplies</b> Office expenses and supplies purchase for administrative management functions serving the entire District. Expenses used for a specific program/entity will be charged to that program/entity. All purchases made are done through the Purchase Order system which tracks and includes an approval process for all items purchased.</p>
<p><b>8. Other Operating Costs (including dues, fees, licenses, newspaper ads, etc.)</b> All other operating expenses that are directly related to District-wide organizational development, management, administration, and governance.</p>
<p><b>9. Professional Services, Legal Counsel and Audit Costs</b> All professional service (such as consultants, accounting and auditing services) and audit costs related to District-wide activities.</p>
<p><b>10. Telephones</b> Phone services provided directly to and usage of the portion of the phone system used the Administrative staff. Expenses used for a specific program/entity will be charged to that program /entity (i.e. 800 line of phone system &amp; Record a Call).</p>
<p><b>11. Training, Conferences and Travel Costs</b>  All training, travel and conference cost for Board members and Administrative staff related to District-wide organizational development, management, administration and governance.</p>

**The following indirect costs will be allocated based on square footage.**

<b>Costs</b>
<b>1. Building Grounds, Maintenance and Janitorial Services and Supplies</b>
<b>2. Facilities Expenses</b>
<b>3. Insurance:</b> Property and automobile
<b>4. Utilities except for electricity at Warrenton where RC used only electricity for heating they will pay 50% of the Electric bill.</b>

**The following costs will be allocated based on direct usage of the items or the system**

1. Computer services, computer workstations and software on the workstations.
2. Fuel
3. Insurance-Liability
4. Telephones and telephone services

***Other Costs (including dues, fees, licenses, etc.)***

All other costs that are not described above will be allocated between the affected programs/entities based on their ratio of usage or expense versus the total usage or expense. *These unforeseen cost allocations must all be approved by the Executive Director prior to allocation distribution.*

***Unallowable Costs***

Costs that are unallowable in accordance with OMB Uniform Administrative Requirements (Super Circular) and federal agency program regulations and the terms of grant and sub-grant agreements are treated as direct costs and allocated to unrestricted non-federal funding streams.



## Certification

---

This is to certify that I have reviewed the cost allocation plan submitted herewith and to the best of my knowledge and belief:

- 1) Sunset Empire Transportation District Cost Allocation Plan was prepared in a manner consistent with the applicable cost principles set forth in OMB Uniform Administrative Requirements (Super Circular) and meets GAAP.
- 2) All costs included in this proposal to establish cost allocations for July 1, 2017, to June 30, 2018, are allowable in accordance with the requirements of OMB Uniform Administrative Requirements (Super Circular) and the Federal award(s) to which they apply. Unallowable costs have been addressed in this cost allocation plan.
- 3) All costs included in this proposal are properly allocable to Federal awards on the basis of a beneficial or causal relationship between expenses incurred and the awards to which they are allocated in accordance with applicable requirements. Further, the same costs that are treated as indirect have not been claimed as direct costs. Similar types of costs are accounted for consistently in accordance with generally accepted accounting principles. All federally unallowable costs are excluded from allocations.
- 4) An adequate accounting and statistical system exists to support claims that will be made under this cost allocation plan.
- 5) The information provided in support of the cost allocation plan is accurate.

I attest that the foregoing is true and correct to the best of my knowledge.

\_\_\_\_\_ Date \_\_\_\_\_

Jeff Hazen, Executive Director



## SUNSET EMPIRE TRANSPORTATION DISTRICT BUDGET GLOSSARY

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**Accrual Basis.** Method of accounting recognizing transactions when they occur without regard toward cash flow timing [ORS 294.311(1)]

**Adopted Budget.** Financial plan that forms the basis for appropriations. Adopted by the governing body. (ORS 294.435)

**Ad valorem tax.** A property tax computed as a percentage of the value of taxable property. See “Assessed Value.”

**Appropriation.** Authorization for spending a specific amount of money for a specific purpose during a fiscal year. It is based on the adopted budget, including supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body. [ORS 294.311(3)]

**Approved Budget.** The budget that has been approved by the budget committee. The data from the approved budget is published in the Financial Summary before the budget hearing (ORS 294.406)

**Assets.** Property owned by the government, which has monetary value.

**Assessed Value.** The value set on real and personal property as a basis for imposing taxes. It is the lesser of the property’s maximum assessed value or real market value.

**Assessment Date.** The date on which real market value of property is set- January 1.

**Audit .** The annual review and appraisal of a municipal corporation’s accounts and fiscal affairs conducted by an accountant under contract or the Secretary of State. (ORS 297.425)

**Audit Report.** A report in a form prescribed by the Secretary of State made by an auditor expressing an opinion about propriety of a local government’s financial statements and compliance with requirements, orders and regulations.

**Budget.** Written report showing the local government’s comprehensive financial plan for one year. It must include a balanced statement of actual revenues and expenditures during each of the last two years, and estimated revenues and expenditures for the current and upcoming year [ORS 294.311(4)]

**Budget Calendar.** Schedule of key dates or milestones followed by the Districts departments in the preparation, review and administration of the budget.

**Budget Committee.** Fiscal planning board of a local government, consisting of the governing body plus an equal number of legal voters appointed from the district (ORS 294.336).

**Budget Message.** Written explanation of the budget and the local government's financial priorities. It is prepared and presented by the executive officer or chairperson of the governing body (ORS 294.391).

**Budget Officer.** Person appointed by the governing body to assemble budget material and information and to physically prepare the proposed budget (ORS 294.331).

**Budgetary Control.** The control or management of a governmental unit or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitation of available revenues.

**Capital Assets.** Assets of significant value and having life of several years. Capital assets are called fixed assets.

**Capital Outlay.** Items which generally have a useful life of one or more years, such as machinery, land, furniture, equipment, or buildings [ORS 294.325(6)]

**Capital Program.** A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program or otherwise. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

**Chart of Accounts.** The classification system used by a governmental agency to organize the accounting for various funds.

**Contingency.** An appropriation of funds to cover unforeseen events and emergencies which occur during the fiscal year.

**Current Assets.** Assets which are available to finance current operations or to pay current liabilities.

**Delinquent Taxes.** Taxes remaining unpaid on and after the date which a penalty for nonpayment is attached. Even though the penalty may be subsequently waived and a portion of the taxes may be abated or canceled, the unpaid balances continue to be delinquent taxes until canceled or paid.

**Employee Benefits.** Benefits include social security, retirement, group health, dental, life insurance, worker' compensation and disability insurance.

**Equipment.** Tangible property if a more or less permanent nature (other than land, buildings, or improvements other than buildings) which is useful in carrying on operations. Examples are machinery, tools trucks, cars furniture and furnishings.

**Expenditures.** Total amount incurred if accounts are kept on an accrual basis; total amount paid if accounts are kept on a cash basis. [ORS 294.311(12)]

**Fiscal Year.** A 12-month period to which the annual operating budget applies. At the end of the period, a government determines its financial position and the results of its operations. It is July 1 through June 30 for local governments [ORS 294.311(13)]

**Fund.** A fiscal and accounting entity with self-balancing accounts to record cash and other financial resources, related liabilities, balances and changes, all segregated for specific, regulated activities and objectives.

**Fund balance.** The fund equity of government funds.

**Fund Type.** One of nine fund types: General, special revenue, debt service, capital projects, special assessment, enterprise, internal service, trust and agency, and reserve [OAR 150-294.352(1) and ORS 280.100].

**General Fund.** A fund used to account for most fiscal activities except for those activities required to be accounted for in another fund [150-294.352(1)].

**Goal.** A statement of board direction, purpose or intent: the purpose toward which endeavor is directed.

**Governing Body.** County court, board of commissioners, city council, school board, board of trustees, board of directors, or other managing board of a local government unit [ORS 294.311(15)].

**Grant.** A donation or contribution in cash by one governmental unit to another unit, which may be to support a specified purpose of function, or general, purpose [ORS 294.311(16)].

**Grant Fund.** A fund used to account for the revenues and expenditures as it relates to all grants received.

**Internal Control.** A plan of organization for purchasing, accounting and other financial activities which among other things provide:

1. The duties of employees are subdivided so that no single employee handles a financial action from beginning to end.
2. Proper authorization from specific responsible officials before transactions are completed.
3. Records and procedures are arranged appropriately to facilitate effective control.

**Liabilities.** Debt or other legal obligation arising from transactions in the past, which must be liquidated, renewed, or refunded at a future date; does not include encumbrances.

**Local Government.** Any city, county, port, school district, community college, public or quasi-public corporation (including a municipal utility or dock commission) operated by a separate board or commission; a municipal corporation or municipality [ORS 294.311(19)].

**Measure 5.** A constitutional limit on property tax rates passed by voters in the State of Oregon in November 1990. The new law sets a maximum \$10 tax rate on individual properties for the aggregate of all non-school taxing jurisdictions. Schools maximum rate is limited to \$5.

**Measure 47.** A constitutional limit on individual property tax collections approved by voters in November 1996. The limit applies to 1997/98 and all future fiscal years. The measure was a citizen initiative and limits property taxes to 1995/96 levels less 10%, requires majority voter turnout for tax elections, limits fees and charges and prioritizes Public Education and Public Safety in the allocation of lost revenues. The Measure never took affect due to its repeal by the voters in May 1997 with the passage of Measure 50.

**Measure 50.** Passed by voters in May 1997, the legislatively referred measure repealed Measure 47, but also significantly reduced future property taxes. The Measure rolls back assessed value on individual property to 1995/96 value, less 10%. It reduced 1997/98 District levy authority by an average of 18.9%, and then coverts it to a rate to be applied to assessed value in all future years. Assessed value growth is limited to 3% per year. The Measure reinstates Measure 47 limits on fees and charges and on majority turnout election requirements.

**Objective.** A statement of specific direction, purpose or intent based on the needs of the community and the goals established for a given program.

**Operating Budget.** A budget which applies to all outlays other than capital outlays.

**Operating Expenses.** Expenses for general governmental purposes.

**Operating Statement.** A statement summarizing the financial operations of governmental unit for an accounting period as contrasted with a balance sheet which shows financial position at a given moment in time.

**Ordinance.** A formal legislative enactment by the governing board of a municipality.

**Payroll Expenses.** Expenses related to the compensation of salaried employee, such as, health and accident insurance premiums, Social Security, and retirement contributions.

**Permanent Rate Limit.** The maximum rate of ad valorem property taxes that a local government can impose. Taxes generated from the permanent rate limit can be used for any purpose. No action of the local government can increase a permanent rate limit.

**Property Taxes.** Ad valorem tax certified to the county assessor by a local government unit.

**Proposed Budget.** Financial and operating plan prepared by the local officer. It is submitted to the public and the budget committee for review and approval.

**Publication.** Public notice given by publication in a newspaper of general circulation within the boundaries of the local government; mailing through the U.S. Postal Service by the first class mail

to each street address within the boundaries of the local government; and hand delivery to each street address within the boundaries to the local government.

**Resolution.** A formal order of a governing body; lower legal status than an ordinance.

**Resource.** Estimated beginning funds on hand plus anticipated receipts (ORS 294.361)

**Revenue.** The term designates an increase to a fund's assets which,

1. Does not increase a liability (e.g., proceeds from a loan),
2. Does not represent a repayment of an expenditure already made,
3. Does not represent a cancellation of certain liabilities

**Risk Management.** An organized attempt to protect a government's assets against accidental loss in the most economical manner.

**Tax Base.** In Oregon, a designated amount of property tax which can be levied for operating expenses without annual voter approval. The voters at a general or primary election must establish the original base.

**Taxes.** Compulsory charges levied by a governmental unit for the purpose of financing service performed for the common benefit. Note: The term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges as, for example, plans review fees.

**Tax Rates.** The amount of tax stated in terms of a unit of each \$1,000 of assessed value of taxable property.

**Tax year.** The fiscal year from July 1 through June 30.

**Unappropriated Ending Fund Balance.** Amount set aside in the budget to be used as a cash carryover the next year's budget. It provides the local government with cash until tax money is received from the county treasurer in November. This amount cannot be transferred by resolution or used through a supplemental budget, unless necessitated by a qualifying emergency (ORS 294.371.)

SUNSET EMPIRE TRANSPORTATION DISTRICT  
COMMONLY USED ACRONYM LIST  
APRIL 2018

AASHTO	AMERICAN ASSOCIATION OF STATE HIGHWAY AND TRANSPORTATION OFFICIALS
ACT	ACTUAL
ACCTS	ACCOUNTS
ADA	AMERICANS WITH DISABILITIES ACT
ADS	ADVERTISEMENTS
AP	ACCOUNTS PAYABLE
APTA	AMERICAN PUBLIC TRANSPORTATION ASSOCIATION
AR	ACCOUNTS RECEIVABLE
ASC	ASTORIA SENIOR CENTER
BG	BACKGROUND
BLDGING	BUILDING
BOC	BOARD OF COMMISSIONERS
BS	BALANCE SHEET
BUS REG FEE	BUS REGISTRATION FEE
CCC	CLATSOP COMMUNITY COLLEGE
CCCHD	CLATSOP CARE CENTER HEALTH DISTRICT
CCO	COORDINATED CARE ORGANIZATION
CK	CHECK
COMP	COMPUTER
CONF	CONFERENCE
CPCCO	COLUMBIA PACIFIC COORDINATED CARE ORGANIZATION
CRS	CLATSOP REHABILITATION SERVICES
CSR	CUSTOMER SERVICE REPRESENTATIVE
CTAA	COMMUNITY TRANSPORTATION ASSOCIATION OF AMERICA
CTE	CENTER FOR TRANSPORTATION AND THE ENVIRONMENT
DHS	DEPARTMENT OF HUMAN SERVICES
DIST	DISTRICT
DLSM	DRIVE LESS SAVE MORE
DMAP	DIVISION OF MEDICAL ASSISTANCE PROGRAM
DOJ	DEPARTMENT OF JUSTICE
DOT	DEPARTMENT OF TRANSPORTATION
EQUIP	EQUIPMENT
FHWA	FEDERAL HIGHWAY ADMINISTRATION
FTA	FEDERAL TRANSIT ADMINISTRATION
GF	GENERAL FUND
HR	HUMAN RESOURCES
IGA	INTERGOVERNMENTAL AGREEMENT
INFO	INFORMATION
INT	INTEREST
IS	INCOME STATEMENT
ISN	INTEGRATED NETWORK SYSTEM
IT	INFORMATION TECHNOLOGY
LGIP	LOCAL GOVERNMENT INVESTMENT POOL
LGPI	LOCAL GOVERNMENT PERSONNEL INSTITUTE

SUNSET EMPIRE TRANSPORTATION DISTRICT  
COMMONLY USED ACRONYM LIST  
APRIL 2018

LRCTP	LONG RANGE COMPREHENSIVE TRANSPORTATION PLAN
MAINT	MAINTENANCE
MISC	MISCELLANEOUS
MOS	MONTH
MOU	MEMORANDUM OF UNDERSTANDING
NADTC	NATIONAL AGING AND DISABILITY TRANSPORTATION CENTER
NEMT	NON-EMERGENT MEDICAL TRANSPORTATION
NRTAP	NATIONAL RURAL TRANSIT ASSISTANCE PROGRAM
NTI	NATIONAL TRANSIT INSTITUTE
NWACT	NORTHWEST AREA COMMISSION ON TRANSPORTATION
NWOTA	NORTHWEST OREGON TRANSIT ALLIANCE
NWRC	NORTHWEST RIDE CENTER (NOW KNOWN AS RIDE CARE)
ODOT	OREGON DEPARTMENT OF TRANSPORTATION
OHA	OREGON HEALTH AUTHORITY
OHP	OREGON HEALTH PLAN
OPTC	OREGON PUBLIC TRANSPORTATION CONFERENCE
OPTIS	OREGON PUBLIC TRANSIT INFORMATION SYSTEM
OR	OREGON
OTA	OREGON TRANSIT ASSOCIATION
OTC	OREGON TRANSPORTATION COMMISSION
P&L	PROFIT AND LOSS
PARA	PARA-TRANSIT
PTAC	PUBLIC TRANSPORTATION ADVISORY COMMITTEE
QTR	QUARTER
RC	RIDE CARE
REHAB	REHABILITATION
RFP	REQUEST FOR PROPOSALS
RFQ	REQUEST FOR QUOTES
RPTD	RAIL AND PUBLIC TRANSIT DIVISION
RAC	RULES ADVISORY COMMITTEE
RAC	RIDE CARE ADVISORY COMMITTEE
SDAC	SENIOR AND DISABLED ADVISORY COMMITTEE (ALSO KNOWN AS S&D)
SDAO	SPECIAL DISTRICTS ASSOCIATION OF OREGON
SDIS	SPECIAL DISTRICTS INSURANCE SERVICES
SETD	SUNSET EMPIRE TRANSPORTATION DISTRICT
SETD GF	SUNSET EMPIRE TRANSPORTATION DISTRICT GENERAL FUND
SETD GEN	SUNSET EMPIRE TRANSPORTATION DISTRICT GENERAL FUND
SIP	SERVICE IMPROVEMENT PROGRAM
SSP/0401	ACCOUNT FROM OREGON DEPARTMENT OF HUMAN SERVICES
STF	SPECIAL TRANSPORTATION FUND
STIF	SPECIAL TRANSPORTATION IMPROVEMENT FUND
STIP	SPECIAL TRANSPORTATION IMPROVEMENT PROGRAM
STP	SURFACE TRANSPORTATION PROGRAM
STS	SUNSET TRANSPORTATION SERVICES (NAME CHANGE THAT DIDN'T HAPPEN)

SUNSET EMPIRE TRANSPORTATION DISTRICT  
COMMONLY USED ACRONYM LIST

APRIL 2018

TAC	TECHNICAL ADVISORY COMMITTEE
TECH	TECHNOLOGY
TGM	TRANSPORTATION GRANTS MANAGEMENT
TO	TRANSPORTATION OPTIONS
TPAC	TRANSPORTATION PLAN ADVISORY COMMITTEE
TPJCC	TONGUE POINT JOB CORPS CENTER
TSP	TRANSPORTATION SYSTEMS PLAN
YTD	YEAR TO DATE
ZEP	ZERO EMISSION PROPULSION



**SUNSET EMPIRE  
TRANSPORTATION  
DISTRICT**



**BUDGET PROCESS CALENDAR**

**Fiscal Year 2019**

<b>Appoint Budget Officer/Approve Budget Committee</b>	<b>March 22, 2018</b>
<b>Budget Committee Training-Workshop</b>	<b>April 13, 2018 9:00 am</b>
<b>Budget Committee Meeting</b>	<b>May 18, 2018 9:00 am</b>
<b>Budget Committee Meeting (if needed)</b>	<b>May 31, 2018 9:00 am</b>
<b><i>Hold Budget Hearing/ Board Meeting</i></b>	<b>June 28, 2018 9:00 am</b>

Make Resolutions to:

- Adopt Budget
- Make appropriations
- Declare taxes
- Categorize taxes

