

MEMO TO: BOARD OF DIRECTORS

FROM: WENDY FETH, ACCOUNTANT
PAULA DIXON, DIRECTOR OF ADMINISTRATION

THRU: ALLAN POLLOCK, GENERAL MANAGER

SUBJECT: FY2016 FIRST QUARTER FINANCE REPORT

Issue

A Finance Report is prepared for each quarter of the fiscal year to provide the Board with timely information about the District's financial performance.

Background and Findings

The Board adopts a Budget for the District on an annual basis. The Budget is a plan that contains District resources and requirements.

The quarterly Finance Report provides information about how that plan is being implemented and includes statements for the General Fund, Transportation Programs Fund, and Capital Project Fund. The statements compare the budget amounts to actual amounts by the legal appropriations category. Reflective of the new organizational structure, the Communication division budget has been added to the quarterly reports.

The District's primary sources of revenue are Federal and State Grant funds and property taxes. Grants are generally reimbursed on a quarterly basis. The first quarter ends in September and reimbursements are received in subsequent months. Property taxes generally are paid and received in November. Because a large portion of our revenues are not received in the 1st quarter, General Fund revenue is under budget in all primary sources.

General Fund expenses are under budget in all appropriation levels. In reviewing expenses by department, unallocated General Expenses are at forty-eight percent of the budgeted amount. Unallocated General Expenses refer to the portion of the annual budget that does not belong to any one division. The primary reason for the high percentage of budget already expended is because 50 percent of the general liability insurance (approximately \$200,000) was recorded in the 1st quarter and most of the dues/subscriptions are paid in the 1st quarter.

The Transportation Programs Fund revenue is at 16 percent of budget primarily due to the reimbursement nature of the federal grants, as discussed earlier. In the Transportation

Programs Fund, all three divisions are close or under budget. All programs are in line with spending 25 percent of the annual budgeted amounts.

Overall, the Capital Project Fund has spent 1 percent of the approved budget at the end of the first quarter. The capital projects are broken out by division and further if there are multiple projects in that division. Many of the capital projects are in the planning or procurement stages. Many of the projects have been carried forward from last year's budget.

Recommendation

Receive and file.

Proposed Motion

None

Salem Area Mass Transit District
 Fiscal Year 2016-17 First Quarter Financial Report

General Fund Revenues/Resources and Expenses/Requirements Resolution Summary	Actual	25% of Adopted Budget	FY2016-17 Adopted Budget	% of Budget
Operating Revenues/Resources				
Passenger Fares	502,408	764,750	3,059,000	16%
Other Fixed Route Services	43,870	72,500	290,000	15%
Planning Grant	-	30,375	121,500	0%
Federal 5307	-	993,800	3,975,200	0%
DMAP Reimbursement	13,547	17,000	68,000	20%
Miscellaneous	47,077	29,150	116,600	40% ①
Property Taxes	165,204	2,828,175	11,312,700	1%
Oregon State In-Lieu	-	1,375,000	5,500,000	0%
Interest on Investments	12,715	20,000	80,000	16%
Energy Tax Credit	177,506	-	-	
Operating Revenues/Resources Total	962,327	6,130,750	24,523,000	4%
Operating Expenses/Requirements				
General Manager/Board of Directors	108,459	150,975	603,900	18%
Administration	379,050	453,350	1,813,400	21%
Communication	296,664	395,675	1,582,700	19%
Transportation Development	481,275	497,875	1,991,500	24%
Operations	3,879,643	4,299,200	17,196,800	23%
Unallocated General Administration	558,087	288,350	1,153,400	48% ②
Operating Expenses/Requirements Total	5,703,178	6,085,425	24,341,700	23%

① Higher than expected miscellaneous revenue from reimbursement of salary for employee working for the union.

② 50% of general liability insurance was recorded in 1st quarter (approximately \$200,000) and most of the dues/subscriptions are paid in the 1st quarter.

Salem Area Mass Transit District
 Fiscal Year 2016-17 First Quarter Financial Report

General Fund Department Expenses/Requirements Summary	Actual	25% of Adopted Budget	FY2016-17 Adopted Budget	% of Budget
General Manager/Board of Directors				
General Manager	104,855	138,600	554,400	19%
Board of Directors	3,604	12,375	49,500	7%
Total	108,459	150,975	603,900	18%
Administration				
Human Resources	140,819	152,925	611,700	23%
Human Resources Safety	38,338	45,875	183,500	21%
Finance	199,893	254,550	1,018,200	20%
Total	379,050	453,350	1,813,400	21%
Communication				
Marketing and Communications	174,272	262,225	1,048,900	17%
Customer Service	122,392	133,450	533,800	23%
Total	296,664	395,675	1,582,700	19%
Transportation Development				
Transportation Development Administration	125,239	198,175	792,700	16%
Information Technology	287,721	237,200	948,800	30% ^③
Vanpool Lease	68,315	187,500	250,000	27%
Total	481,275	622,875	1,991,500	24%
Operations				
Operations Administration	121,552	123,000	492,000	25%
Vehicle Maintenance	909,964	1,078,775	4,315,100	21%
Facility Maintenance	187,945	195,600	782,400	24%
Security	121,403	136,925	547,700	22%
Cherriots Fixed Route Service	2,483,147	203,275	10,810,800	23%
West Salem Connector Operations	48,308	50,025	200,100	24%
West Salem Connector Vehicle Maintenance	7,324	12,175	48,700	15%
Total	3,879,643	1,799,775	17,196,800	23%
Unallocated				
General Administration	558,087	288,350	1,153,400	48% ^②

③ Software licenses paid in 1st quarter.

② 50% of general liability insurance was recorded in 1st quarter (approximately \$200,000) and most of the dues/subscriptions are paid in the 1st quarter.

Salem Area Mass Transit District
 Fiscal Year 2016-17 First Quarter Financial Report

Transportation Programs Fund Revenues/Resources and Expenses/Requirements Resolution Summary	Actual	25% of Adopted Budget	FY2016-17 Adopted Budget	% of Budget
Operating Revenues/Resources				
Passenger Fares	85,649	94,075	376,300	23%
Federal Direct 5310 Funds	-	56,000	224,000	0%
Federal 5311 Funds	-	80,725	322,900	0%
Federal New Freedom	-	21,425	85,700	0%
Federal 5310 Funds Through State	-	182,475	729,900	0%
Rideshare Grant	10,487	49,825	199,300	5%
TDM Grant	-	38,625	154,500	0%
DD53 Revenues	-	650,000	2,600,000	0%
Federal 5307	-	205,800	823,200	0%
DMAP Revenues	2,329,571	2,542,525	10,170,100	23%
STF Pass Through Funds	61,000	69,350	277,400	22%
State STF Funds	239,776	304,825	1,219,300	20%
Operating Revenues/Resources Total	2,726,483	4,295,650	17,182,600	16%
Operating Expenses/Requirements				
Operations	3,852,920	4,203,575	16,814,300	23%
Communication	50,079	58,325	233,300	21%
Transportation Development	128,074	165,425	661,700	19%
Operating Expenses/Requirements Total	4,031,073	4,427,325	17,709,300	23%

Salem Area Mass Transit District
 Fiscal Year 2016-17 First Quarter Financial Report

Transportation Programs Fund Program Expenses/Requirements Summary	Actual	25% of Adopted Budget	FY2016-17 Adopted Budget	% of Budget
Operations				
CherryLift	938,700	1,207,625	4,830,500	19%
RED Line	72,094	75,850	303,400	24%
CARTS	347,606	377,575	1,510,300	23%
DMAP/WVCH	2,494,520	2,542,525	10,170,100	25%
Trip Link Call Center **	-	-	-	
Operations Total	3,852,920	4,203,575	16,814,300	23%
Communication				
Mobility Management/Travel Trainer	50,079	58,325	233,300	21%
Transportation Development				
Special Transportation Coordination	71,667	76,975	307,900	23%
Trip Choice	56,407	88,450	353,800	16%
Transportation Development Total	128,074	165,425	661,700	19%
Transportation Programs Fund Total	4,031,073	4,427,325	17,709,300	23%

**The Trip Link Call Center is allocated to those programs that utilize the call center services.

Salem Area Mass Transit District
Fiscal Year 2016-17 First Quarter Financial Report

Capital Project Fund Revenues/Resources and Expenses/Requirements Resolution Summary	FY2016-17 Adopted		
	Actual	Budget	% of Budget
Capital Revenues/Resources			
Federal STP Funds	-	2,248,500	0%
Federal 5310 Funds Through State	-	224,300	0%
Federal Flex Funds	-	1,927,600	0%
FTA 5339 Funds	-	1,943,500	0%
Federal 5307	-	2,503,000	0%
Federal STP Funds	-	107,800	0%
Federal 5309 Funds	-	2,385,000	0%
Connect Oregon Funds	-	1,000,000	0%
State STF Funds	-	264,600	0%
Capital Revenues/Resources Total	-	12,604,300	0%
Capital Expenses/Requirements			
Administration	1,283	349,000	0%
Transportation Development			
Capital Project Administration	12,871	57,800	22%
Keizer Transit Center	278	1,679,800	0%
South Salem Transit Center	337	1,520,700	0%
Bus Stops & Shelters	36,388	1,720,999	2%
BI Project	-	125,000	0%
Technology Equipment	25,389	232,000	11%
CH2 Lease Space Improvements	5,000	50,000	10%
Operations			
Del Webb Improvements	-	330,500	0%
Shop Equipment	-	158,000	0%
Ops Technology Equipment	-	125,000	0%
Cherriots Revenue Vehicles	1,716	5,950,000	0%
CherryLift Revenue Vehicles	405	635,400	0%
CARTS Revenue Vehicles	405	488,900	0%
Capital Expenses/Requirements Total	84,072	13,423,099	1%

