

MEMO TO: BOARD OF DIRECTORS

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

THRU: ALLAN POLLOCK, GENERAL MANAGER

SUBJECT: FY2017 SECOND QUARTER FINANCE REPORT

Issue

Shall the Board receive the FY2017 second quarter finance report?

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.

The District's primary sources of revenue are Federal and State Grant funds and property taxes. Grants are generally reimbursed on a quarterly basis. Most of the property taxes have been received. Therefore, for the 2nd quarter, General Fund revenue is at sixty-one percent of the annual budget.

General Fund expenses are under budget in most appropriation levels. Communication - Customer Service is at fifty-four percent of the annual budget as a long-time employee retired with final payouts and temporary help expenses as a result of the staffing vacancy. Transportation Development - Information Technology is at fifty-four percent of the annual budget as many annual software licenses were paid in the first half of the fiscal year.

The Transportation Programs Fund revenue is at thirty-eight percent of budget primarily due to the reimbursement nature of the federal grants. In the Transportation Programs Fund, all three divisions are close or under budget.

The Transportation Development – Special Transportation Coordination program is at fifty-two percent of the annual budget. A grant to fund a new bus purchase for Legacy Health (\$83,582) was obtained after the budget was adopted. A budget amendment will be brought to the Board later to increase budget appropriations for this grant.

Overall, the Capital Project Fund has spent one percent of the approved budget at the end of the second quarter. 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.

Financial Impact

None

Recommendation

Receive and file

Proposed Motion

None

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

General Fund Revenues/Resources and Expenses/Requirements Resolution Summary	Actual	50% of Adopted Budget	FY2016-17 Adopted Budget	% of Budget
Operating Revenues/Resources				
Passenger Fares	1,651,030	1,529,500	3,059,000	54%
Other Fixed Route Services	93,460	145,000	290,000	32%
Planning Grant	30,656	60,750	121,500	25%
Federal 5307	597,018	1,987,600	3,975,200	15%
DMAP Reimbursement	26,925	34,000	68,000	40%
Miscellaneous	186,716	58,300	116,600	160% ^①
Property Taxes	10,866,785	5,656,350	11,312,700	96%
Oregon State In-Lieu	1,382,759	2,750,000	5,500,000	25%
Interest on Investments	67,547	40,000	80,000	84%
Energy Tax Credit	177,506	-	-	
Operating Revenues/Resources Total	15,080,402	12,261,500	24,523,000	61%
Operating Expenses/Requirements				
General Manager/Board of Directors	236,509	301,950	603,900	39%
Administration	849,868	906,700	1,813,400	47%
Communication	709,216	791,350	1,582,700	45%
Transportation Development	905,954	993,890	1,987,780	46%
Operations	8,329,617	8,598,400	17,196,800	48%
Unallocated General Administration	502,553	576,700	1,153,400	44%
Operating Expenses/Requirements Total	11,533,717	12,168,990	24,337,980	47%

① Higher than expected miscellaneous revenue from reimbursement of salary for employee working for union and \$74,623 SAIF dividend.

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

General Fund Department Expenses/Requirements Summary	Actual	50% of Adopted Budget	FY2016-17 Adopted Budget	% of Budget
General Manager/Board of Directors				
General Manager	230,692	277,200	554,400	42%
Board of Directors	5,817	24,750	49,500	12%
Total	236,509	301,950	603,900	39%
Administration				
Human Resources	286,379	305,850	611,700	47%
Human Resources Safety	91,217	91,750	183,500	50%
Finance	472,272	509,100	1,018,200	46%
Total	849,868	906,700	1,813,400	47%
Communication				
Marketing and Communications	422,428	524,450	1,048,900	40%
Customer Service	286,788	266,900	533,800	54% ②
Total	709,216	791,350	1,582,700	45%
Transportation Development				
Transportation Development Administration	277,004	394,490	788,980	35%
Information Technology	508,670	474,400	948,800	54% ③
Vanpool Lease	120,280	125,000	250,000	48%
Total	905,954	993,890	1,987,780	46%
Operations				
Operations Administration	269,550	246,000	492,000	55%
Vehicle Maintenance	1,936,494	2,157,550	4,315,100	45%
Facility Maintenance	397,145	391,200	782,400	51%
Security	243,408	273,850	547,700	44%
Cherriots Fixed Route Service	5,374,126	5,405,400	10,810,800	50%
West Salem Connector Operations	94,995	100,050	200,100	47%
West Salem Connector Vehicle Maintenance	13,899	24,350	48,700	29%
Total	8,329,617	8,598,400	17,196,800	48%
Unallocated				
General Administration	502,553	576,700	1,153,400	44%

② Payout expense to long-time employee retiring and cost associated with temporary help to fill vacancy.

③ Annual software licenses paid in 1st half of year.

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

Transportation Programs Fund Revenues/Resources and Expenses/Requirements Resolution Summary	Actual	50% of Adopted Budget	FY2016-17 Adopted Budget	% of Budget
Operating Revenues/Resources				
Passenger Fares	173,001	188,150	376,300	46%
Federal Direct 5310 Funds	32,328	112,000	224,000	14%
Federal 5311 Funds	73,403	161,450	322,900	23%
Federal New Freedom	15,959	42,850	85,700	19%
Federal 5310 Funds Through State	217,244	364,950	729,900	30%
Rideshare Grant	30,459	99,650	199,300	15%
TDM Grant	25,948	77,250	154,500	17%
DD53 Revenues	663,068	1,300,000	2,600,000	26%
Federal 5307	48,318	411,600	823,200	6%
DMAP Revenues	4,672,477	5,085,050	10,170,100	46%
STF Pass Through Funds	122,000	138,700	277,400	44%
State STF Funds	479,552	609,650	1,219,300	39%
Operating Revenues/Resources Total	6,553,757	8,591,300	17,182,600	38%
Operating Expenses/Requirements				
Operations	7,733,632	8,407,110	16,814,220	46%
Communication	104,545	116,650	233,300	45%
Transportation Development	315,974	330,850	661,700	48%
Operating Expenses/Requirements Total	8,154,151	8,854,610	17,709,220	46%

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

Transportation Programs Fund Program Expenses/Requirements Summary	Actual	50% of Adopted Budget	FY2016-17 Adopted Budget	% of Budget
Operations				
CherryLift	2,082,685	2,415,210	4,830,420	43%
RED Line	141,633	151,700	303,400	47%
CARTS	676,961	755,150	1,510,300	45%
DMAP/WVCH	4,832,353	5,085,050	10,170,100	48%
Operations Total	7,733,632	8,407,110	16,814,220	46%
Communication				
Mobility Management/Travel Trainer	104,545	116,650	233,300	45%
Transportation Development				
Special Transportation Coordination	159,219	153,950	307,900	52% ④
Trip Choice	156,755	176,900	353,800	44%
Transportation Development Total	315,974	330,850	661,700	48%
Transportation Programs Fund Total	8,154,151	8,854,610	17,709,220	46%

④ A grant to fund a new bus purchase for Legacy Health (\$83,582) was obtained after the budget was adopted. A budget amendment will be brought to increase this budget at the end of the year if needed.

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

Capital Project Fund Revenues/Resources and Expenses/Requirements Resolution Summary	Actual	FY2016-17 Adopted Budget	% of Budget
Capital Revenues/Resources			
Federal STP Funds	2,432	2,248,500	0%
Federal 5310 Funds Through State	363	224,300	0%
Federal Flex Funds	22,697	1,927,600	1%
FTA 5339 Funds	-	1,943,500	0%
Federal 5307	-	2,503,000	0%
Federal STP Funds	269	107,800	0%
Federal 5309 Funds	248	2,385,000	0%
Connect Oregon Funds	-	1,000,000	0%
State STF Funds	-	264,600	0%
Capital Revenues/Resources Total	26,009	12,604,300	0%
Capital Expenses/Requirements			
Administration	1,485	349,000	0%
Transportation Development			
Capital Project Administration	21,134	57,800	37%
Keizer Transit Center	653	1,679,800	0%
South Salem Transit Center	337	1,520,700	0%
Bus Stops & Shelters	47,343	1,720,999	3%
BI Project	-	125,000	0%
Technology Equipment	69,575	232,000	30%
CH2 Improvements	102		
CH2 Lease Space Improvements	5,000	50,000	10%
Operations			
Del Webb Improvements	7,950	330,500	2%
Shop Equipment	-	158,000	0%
Ops Technology Equipment	-	125,000	
Cherriots Revenue Vehicles	5,725	5,950,000	0%
CherryLift Revenue Vehicles	405	635,400	0%
CARTS Revenue Vehicles	405	488,900	0%
Capital Expenses/Requirements Total	160,114	13,423,099	1%