Supplemental Agenda Packet

BOARD MEETING MEMO

Agenda Item I.3

To: Board of Directors

From: Kathleen Smidt, Accountant
Paula Dixon, Director of Administration

Thru: Allan Pollock, General Manager

Date: December 14, 2017

Subject: FY2018 First Quarter Finance Report

ISSUE

Shall the Board receive the first quarter Finance Report for FY2017-18?

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, Special Transportation Fund, and Capital Project Fund. The Finance Report also contains a statement of budget to actual on a non-GAAP basis that shows by fund the legal appropriations by category with actual amounts and variances.

Overall *Passenger Fares* are just under one fourth of the amount anticipated that would be received. The District received 1 percent of the projected *Property Taxes* in the first quarter of the year. This is to be expected as most of the property taxes are received in November when tax payers take advantage of the 3 percent discount offered to those who pay the full amount at the first due date. On a positive note, Interest on Investments is performing above the anticipated earning level, at 39% of the annual budget.

The General Fund is over budget in most appropriation levels. Under *Transportation Development* the expenses exceed one-fourth of the annual budget. A portion of the excess is due to payment of an invoice in the amount of $34,562.50 for a project budgeted in last year's budget but not paid until this fiscal year.

Also, there were certain once yearly expenses that were paid in the first quarter, such as membership dues and insurance. Under *Operations* the West Salem Connector was budgeted for only six months. At the end of the first quarter, the operation of the Connector used 37 percent of the amount budgeted for six months. In the Special Transportation

Fund, most programs are in line with spending one fourth of the annual budgeted amount.

Overall the Capital Project Fund spent two percent of the approved budget. Most of the capital projects are in the procurement stage. Project expenses will increase as the year progresses.

RECOMMENDATION
Receive and file.

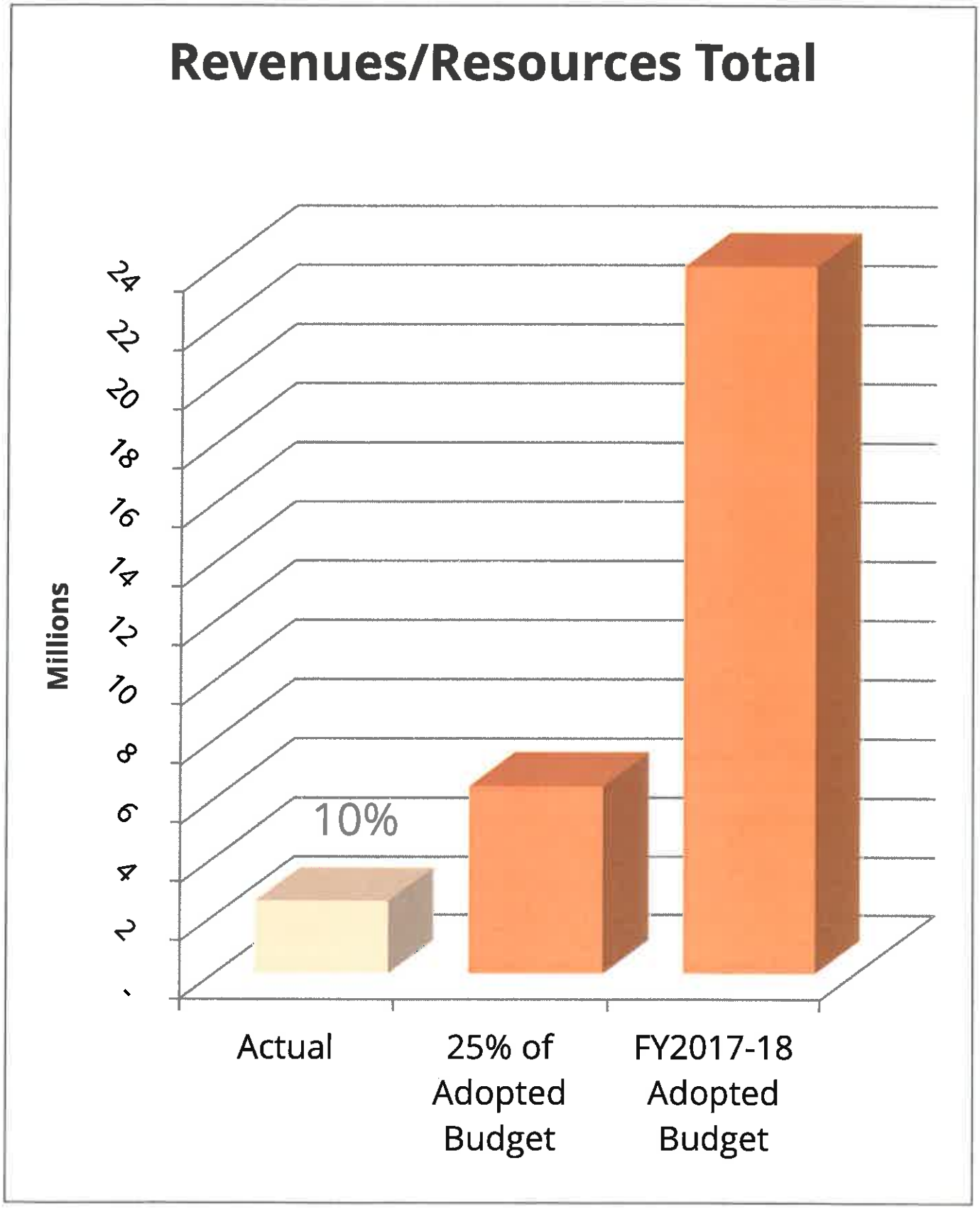
PROPOSED MOTION
None

Salem Area Mass Transit District
Fiscal Year 2017-18 First Quarter Financial Report

General Fund Revenues/Resources and Expenses/Requirements Resolution Summary	Actual	25% of Adopted Budget	FY2017-18 Adopted Budget	% of Budget	
Operating Revenues/Resources					
Passenger Fares	667,569	753,999	3,015,996	*22%*	
Other Fixed Route Services	73,423	65,001	260,004	*28%*	
Planning Grant	-	28,509	114,036	*0%*	
Federal JARC	-	-	-		
Federal New Freedom	-	-	-		
Federal 5307	-	1,144,623	4,578,492	*0%*	
Federal 5311 Funds		-	-		
Rideshare Grant	-	-	-		
DMAP Reimbursement	10,779	15,501	62,004	*17%*	
Advertising	-	-	-		
Miscellaneous	41,654	39,750	159,000	*26%*	
Property Taxes	162,467	2,936,142	11,744,568	*1%*	
Oregon State In-Lieu	1,488,357	1,402,500	5,610,000	*27%*	
Interest on Investments	65,282	42,174	168,696	*39%*	[1]
Operating Revenues/Resources Total	2,509,531	6,428,199	25,712,796	*10%*	
Operating Expenses/Requirements					
General Manager/Board of Directors	152,363	153,843	615,372	*25%*	
Administration	488,639	450,261	1,801,044	*27%*	
Communication	373,622	401,952	1,607,808	*23%*	
Transportation Development	629,022	512,286	2,049,144	*31%*	[2]
Operations	4,818,241	4,452,081	17,808,324	*27%*	
Unallocated General Administration	206,376	269,241	1,076,964	*19%*	
Operating Expenses/Requirements Total	6,668,263	6,239,664	24,958,656	*27%*	

[1] Higher than expected Interest on Investments due to actual interest received.

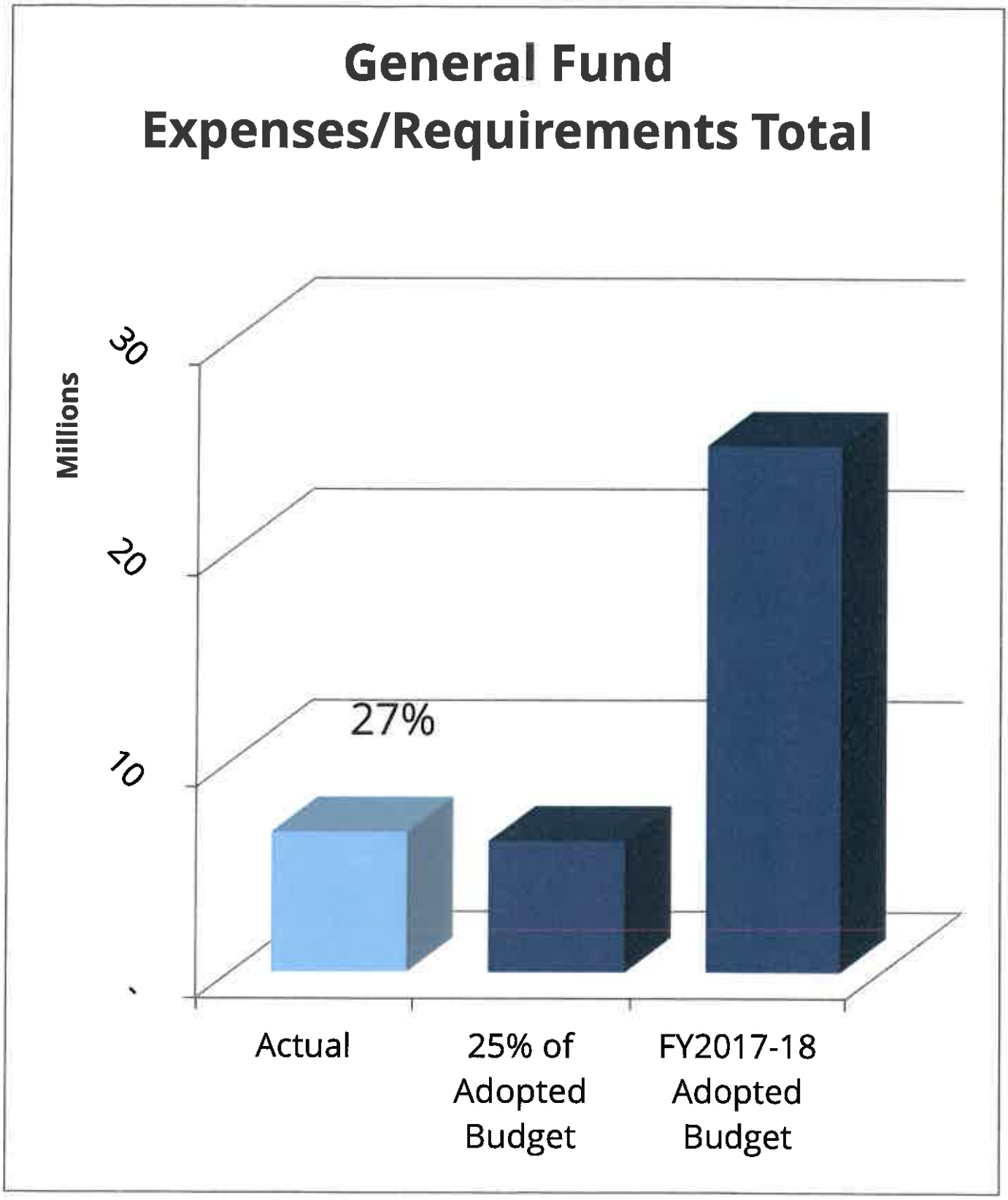
[2] More costs incurred in 1st quarter on KTC project, should level out during remainder of project.

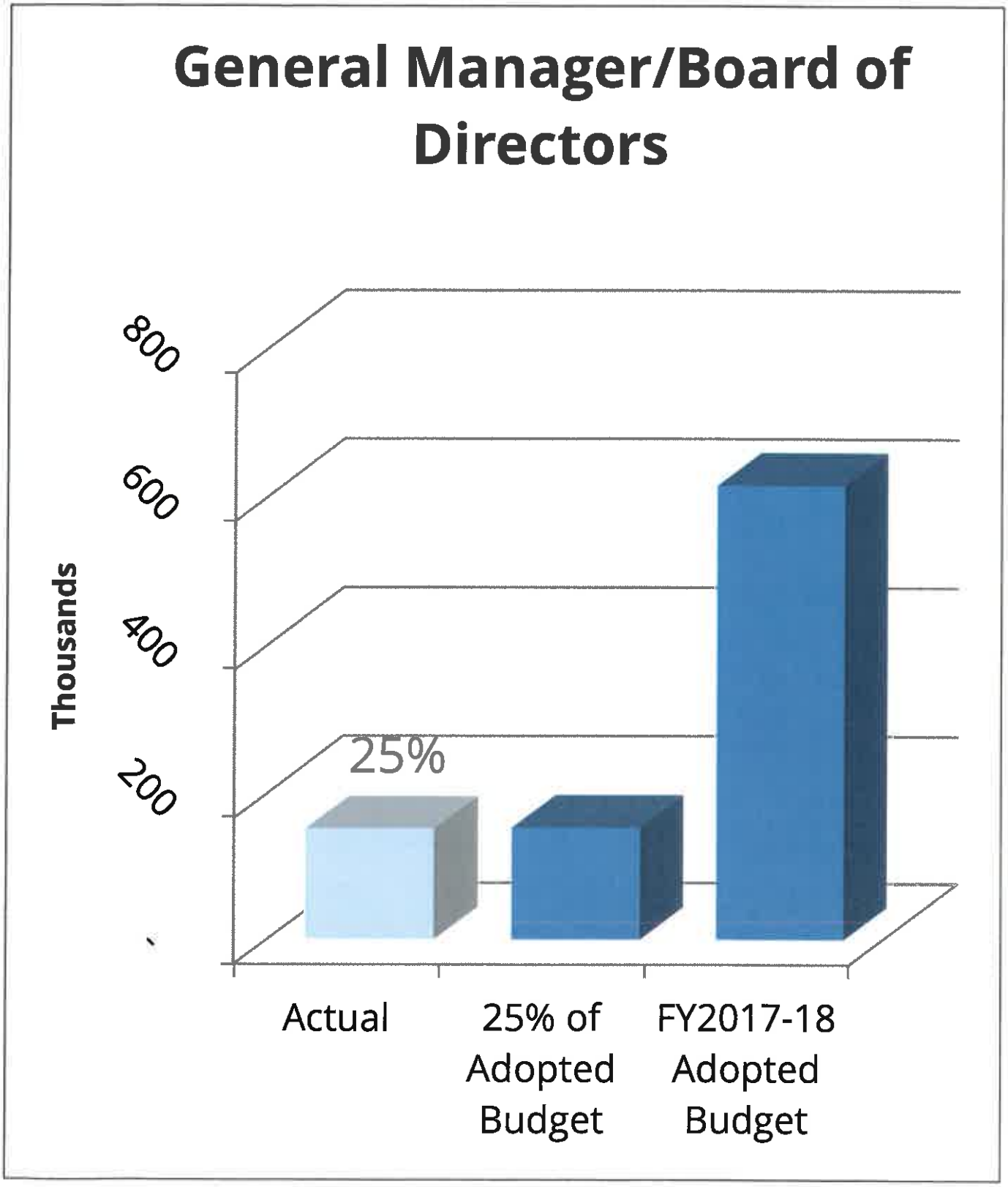

Revenues/Resources Total
Millions
24
22
20
18
16
14
12
10
8
6
4
2
-
10%
Actual
25% of Adopted Budget
FY2017-18 Adopted Budget

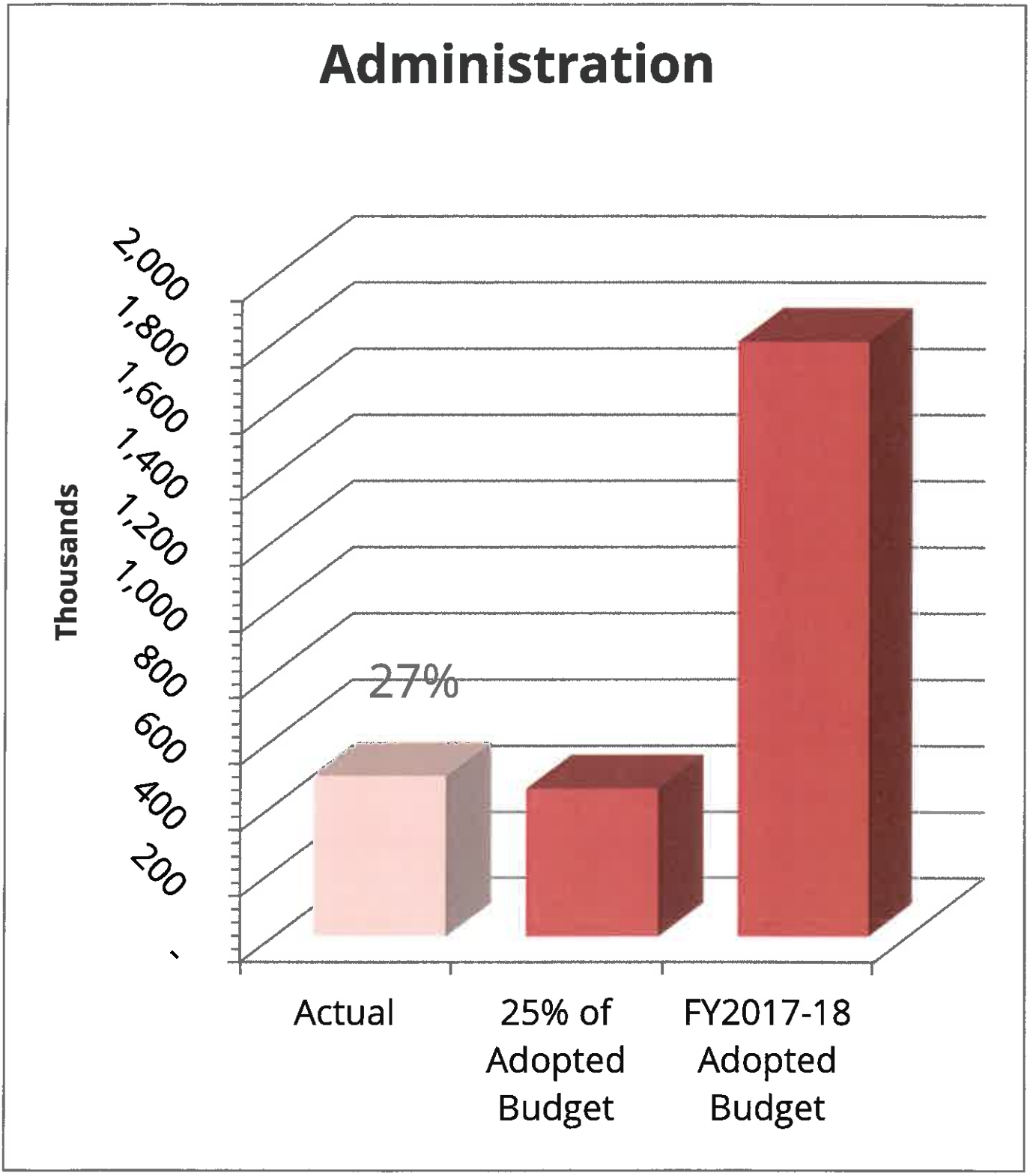
Salem Area Mass Transit District
Fiscal Year 2017-18 First Quarter Financial Report

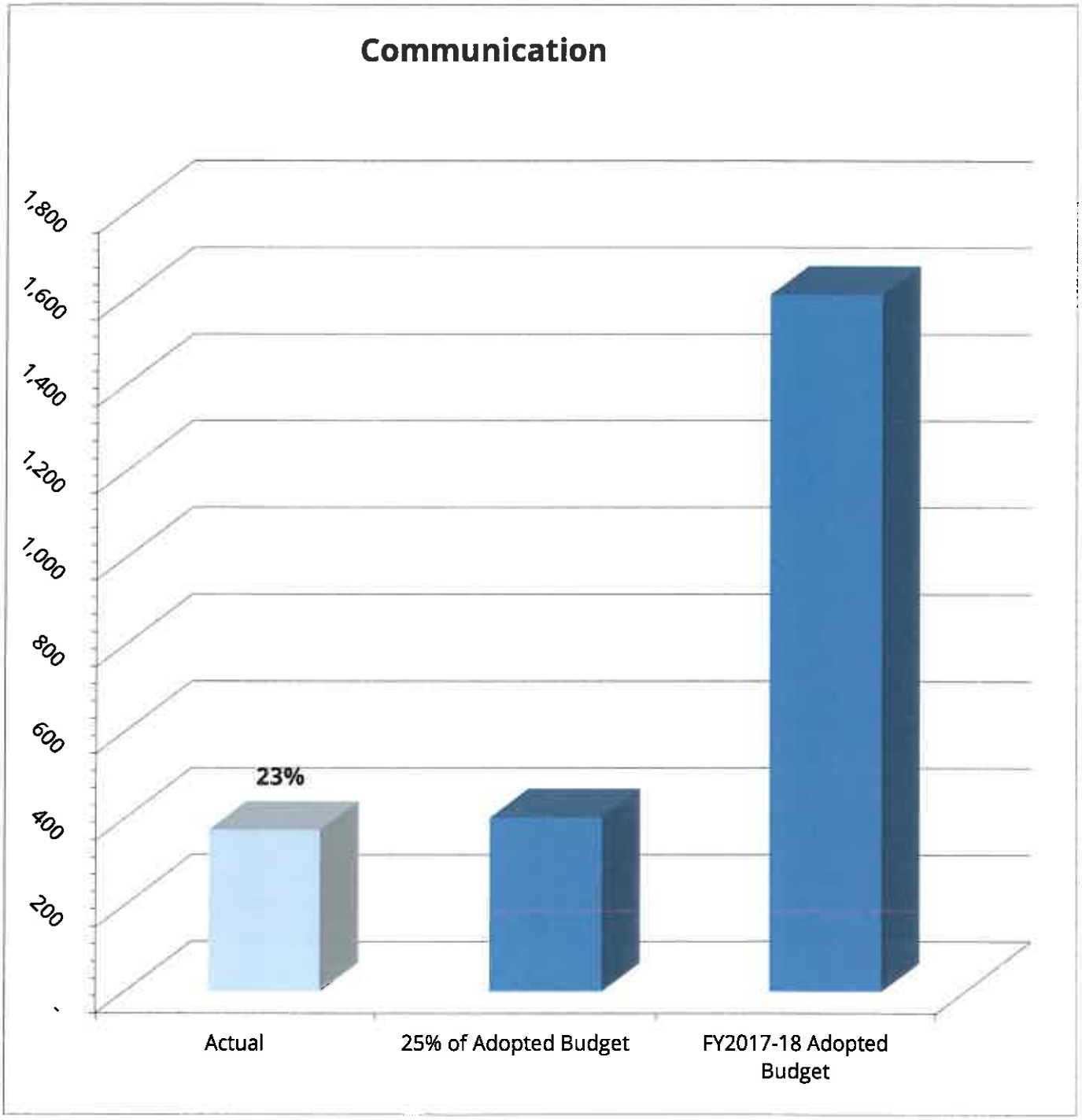
General Fund Department Expenses/Requirements Summary	Actual	25% of Adopted Budget	FY2017-18 Adopted Budget	% of Budget	
General Manager/Board of Directors					
General Manager	126,267	142,722	570,888	*22%*	
Board of Directors	26,096	11,121	44,484	*59%*	[3]
Total	152,363	153,843	615,372	*25%*	
Administration					
Human Resources	175,007	175,086	700,344	*25%*	
Human Resources Safety	91,629	47,376	189,504	*48%*	[4]
Finance (includes Procurement Budget)	222,003	227,799	911,196	*24%*	
Total	488,639	450,261	1,801,044	*27%*	
Communication					
Marketing and Communications	215,323	253,890	1,015,560	*21%*	
Customer Service	158,299	148,062	592,248	*27%*	
Total	373,622	401,952	1,607,808	*23%*	
Transportation Development					
Transportation Development Administration	247,929	191,301	765,204	*32%*	[5]
Information Technology	338,338	258,486	1,033,944	*33%*	[6]
Vanpool Lease	42,755	62,499	249,996	*17%*	
Total	629,022	512,286	2,049,144	*31%*	
Operations					
Operations Administration	162,930	143,706	574,824	*28%*	[7]
Vehicle Maintenance	1,116,305	1,051,278	4,205,112	*27%*	
Facility Maintenance	224,492	219,297	877,188	*26%*	
Security	113,305	154,212	616,848	*18%*	
Cherriots Fixed Route Service	3,153,569	2,852,073	11,408,292	*28%*	
West Salem Connector Operations	38,004	25,488	101,952	*37%*	[8]
West Salem Connector Vehicle Maintenance	9,636	6,027	24,108	*40%*	[9]
Total	4,818,241	4,452,081	17,808,324	*27%*	
Unallocated					
General Administration	206,376	269,241	1,076,964	*19%*	

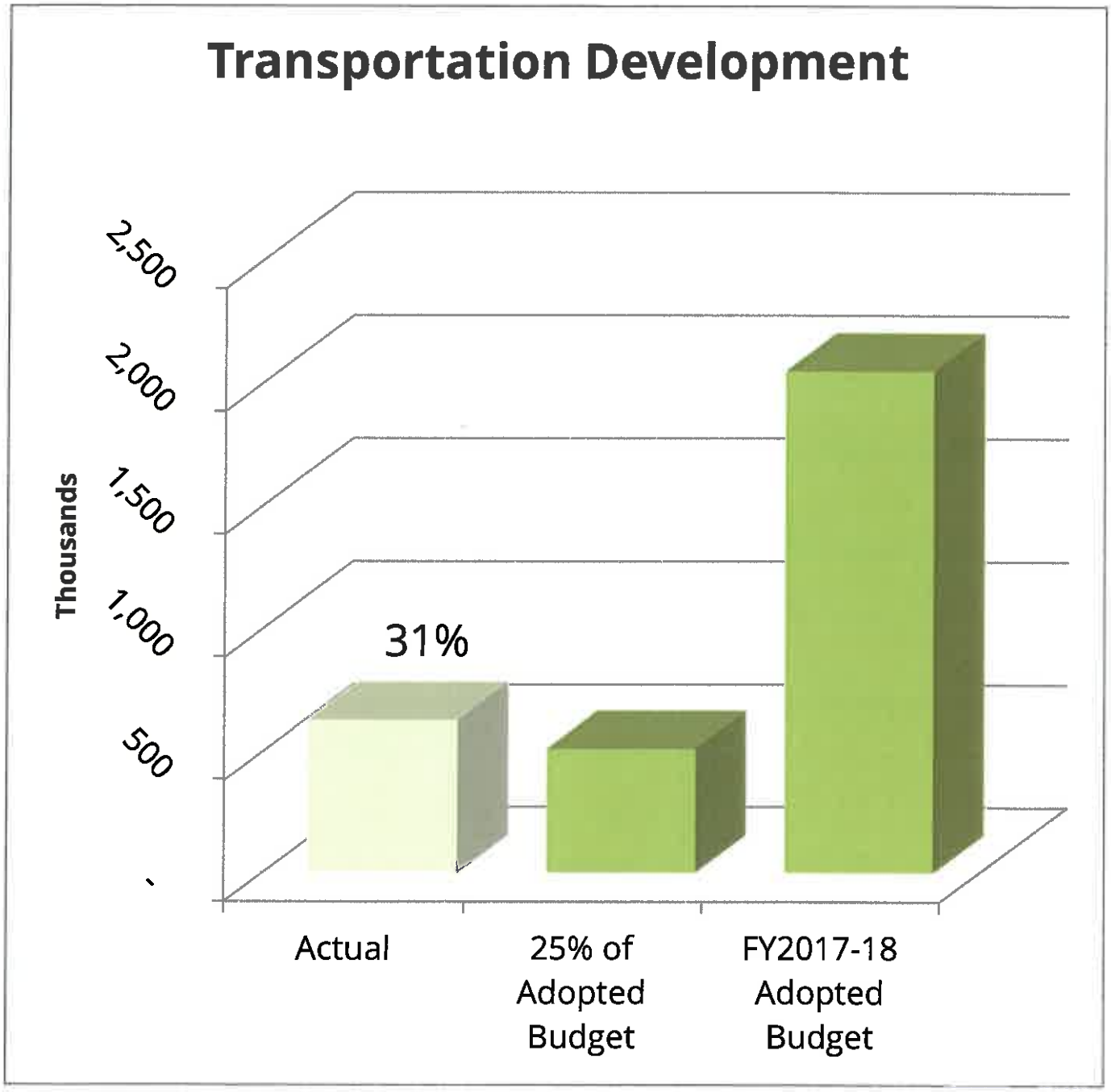
[3] Marion County reimbursement for May 2017 election of board members $10,943, CFM Strategic Communications $12,100, a combined total of $23,043 or 52% of Budget.
[4] Payouts for settlements was $45,940 or 25% of Budget.
[5] Lockwood Research was paid $34,562.50 (5% of budget) for expenses of $25,000 FY2017 Budget.
[6] Over 50% of software licensing fees were paid in the 1st quarter.
[7] Annual Memberships of $16,327 (2.8% of Budget) were paid in the 1st quarter.
[8] MV Invoices (purchase transport) paid for July & August total $32,228 or 32% of Budget.
[9] Overage of 14% include the following: Replacement Parts $2,327.39; Fuel-Diesel $706; and Shipping $321.

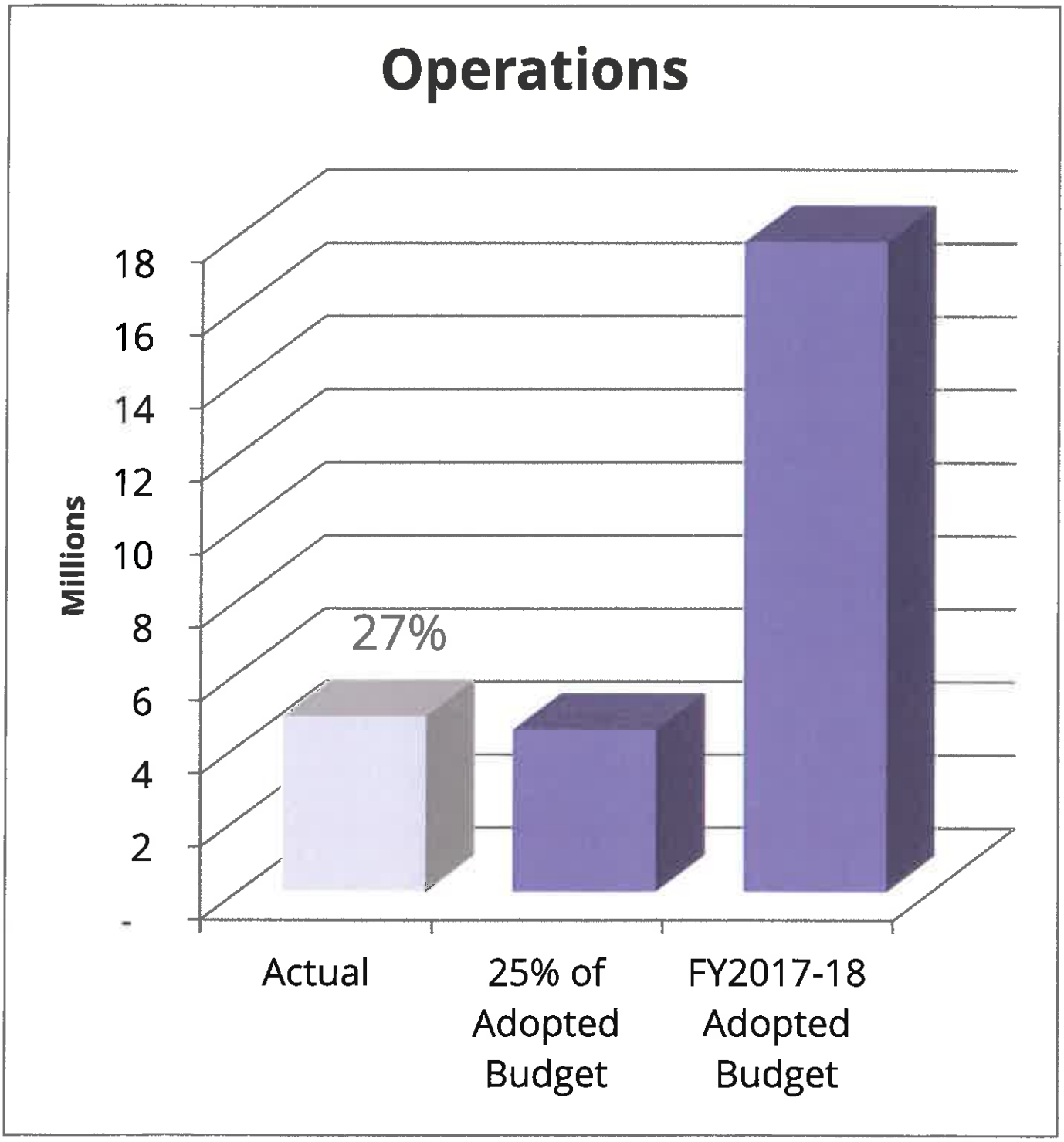

General Fund
Expenses/Requirements Total
Millions
30
20
10
27%
Actual
25% of Adopted Budget
FY2017-18 Adopted Budget

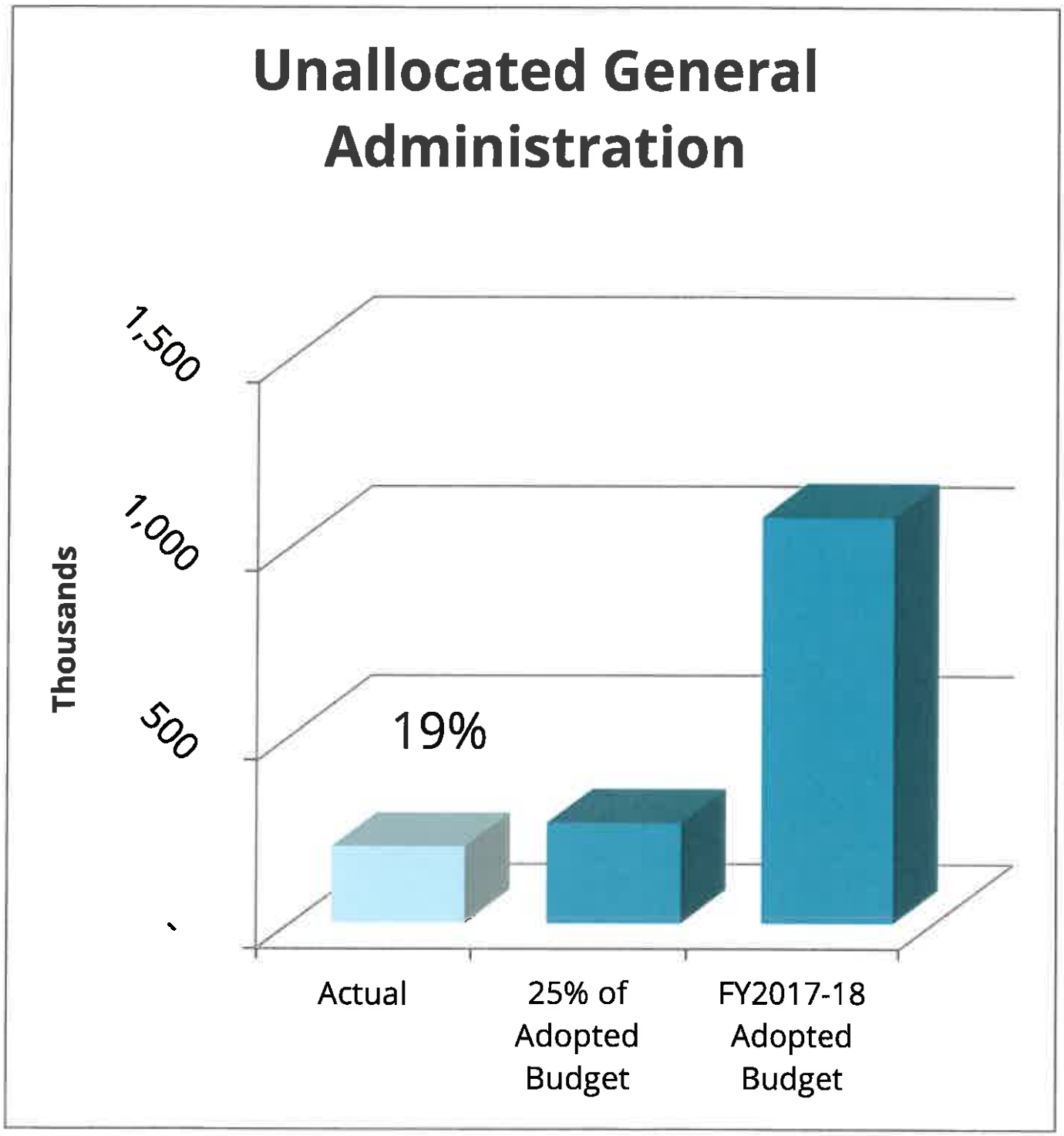

General Manager/Board of Directors
Thousands
800
600
400
200
25%
Actual
25% of Adopted Budget
FY2017-18 Adopted Budget


Administration
Thousands
2,000
1,800
1,600
1,400
1,200
1,000
800
600
400
200
-
27%
Actual
25% of Adopted Budget
FY2017-18 Adopted Budget


Communication
1,800
1,600
1,400
1,200
1,000
800
600
400
200
-
23%
Actual
25% of Adopted Budget
FY2017-18 Adopted Budget


Transportation Development
Thousands
2,500
2,000
1,500
1,000
500
-
31%
Actual
25% of Adopted Budget
FY2017-18 Adopted Budget

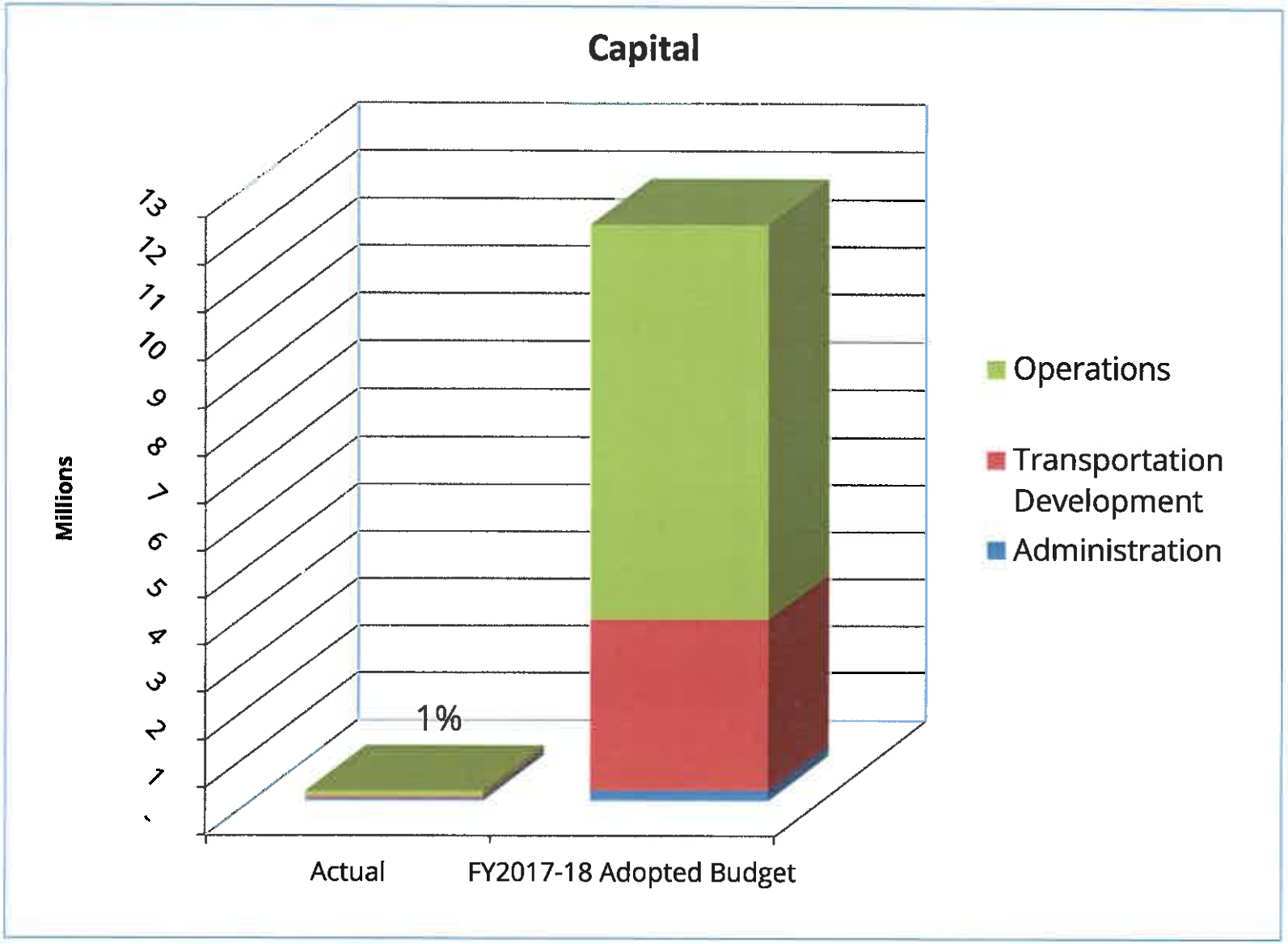

Operations
Millions
18
16
14
12
10
8
6
4
2
-
27%
Actual
25% of Adopted Budget
FY2017-18 Adopted Budget


Unallocated General Administration
Thousands
1,500
1,000
500
-
19%
Actual
25% of Adopted Budget
FY2017-18 Adopted Budget

Salem Area Mass Transit District
Fiscal Year 2017-18 First Quarter Financial Report

Capital Project Fund Revenues/Resources and Expenses/Requirements Resolution Summary	Actual	FY2017-18 Adopted Budget	% of Budget
Capital Revenues/Resources			
Federal JARC	-	-	
Federal STP Funds	-	1,955,112	0%
Federal New Freedom	-		
Federal 5310 Funds Through State	1,524	639,660	0%
Federal Flex Funds	-	324,888	0%
FTA 5339 Funds	-	1,943,532	0%
Federal 5307	-	2,005,692	0%
FEDERAL DMAP	-	209,520	0%
Federal STP Funds	-	122,304	0%
Federal 5309 Funds	-	1,387,440	0%
Connect Oregon Funds	-	999,996	0%
State STF Funds	-	277,632	0%
Capital Revenues/Resources Total	1,524	9,865,776	0%
Capital Expenses/Requirements			
Administration	50,024	216,780	23%
Transportation Development			
Capital Project Administration	-	50,808	0%
Keizer Transit Center	23,857	1,200,000	2%
South Salem Transit Center	-	1,389,084	0%
Bus Stops & Shelters	-	499,788	0%
Call Center Phones	-	-	
Technology Equipment	30,104	370,008	8%
CH2 Improvements	-	100,008	0%
CH2 Lease Space Improvements	-	-	
Operations			
Del Webb Improvements	-	222,228	0%
Shop Equipment	1,005	135,996	1%
Ops Technology Equipment	-	75,000	
ADA Assessment Center	563	-	
Cherriots Revenue Vehicles	98,496	6,032,340	2%
CherryLift Revenue Vehicles	-	1,116,204	0%
CARTS Revenue Vehicles	-	751,260	0%
Capital Expenses/Requirements Total	204,049	12,159,504	2%
Capital Expenses/Requirements Total			
Administration	50,024	216,780	23%
Transportation Development	53,961	3,609,696	1%
Operations	100,064	8,333,028	1%

Capital Fund Budget and Actual on a Non-GAAP Budget Basis (unaudited)



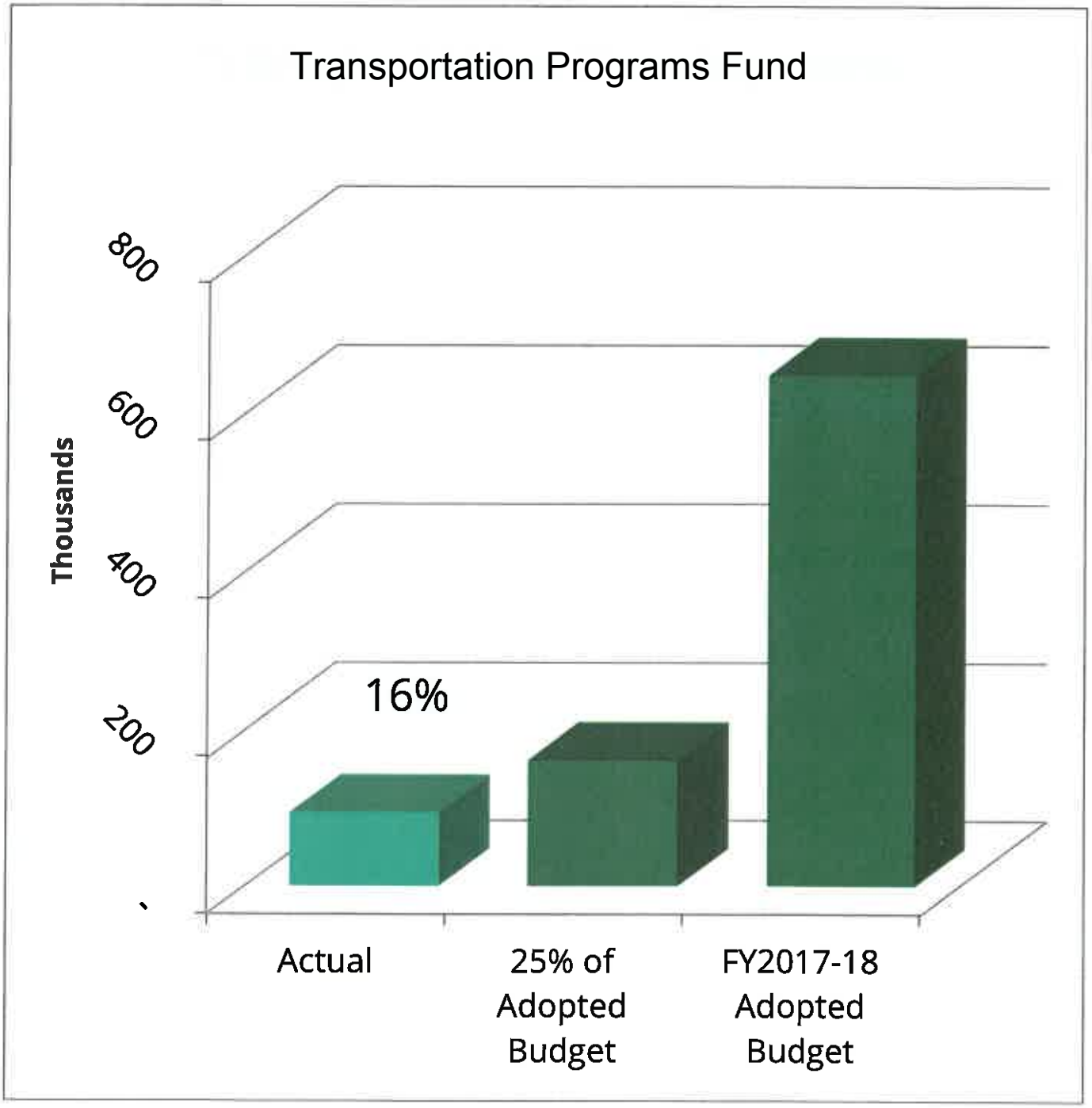
Salem Area Mass Transit District

Updated 12/11/17

Fiscal Year 2017-18 First Quarter Financial Report

Transportation Programs Fund Revenues/Resources and Expenses/Requirements Resolution Summary	Actual	25% of Adopted Budget	FY2017-18 Adopted Budget	% of Budget
Transportation Fund 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%
Transportation Fund Revenues/Resources Total	2,726,483	4,295,650	17,182,600	16%
Transportation Fund Expenses/Requirements				
Operations	4,252,454	4,465,968	17,863,872	24%
Communication	39,401	28,986	115,944	34%
Transportation Development	95,112	161,787	647,148	15%
Transportation Fund Expenses/Requirements To	4,386,967	4,656,741	18,626,964	24%

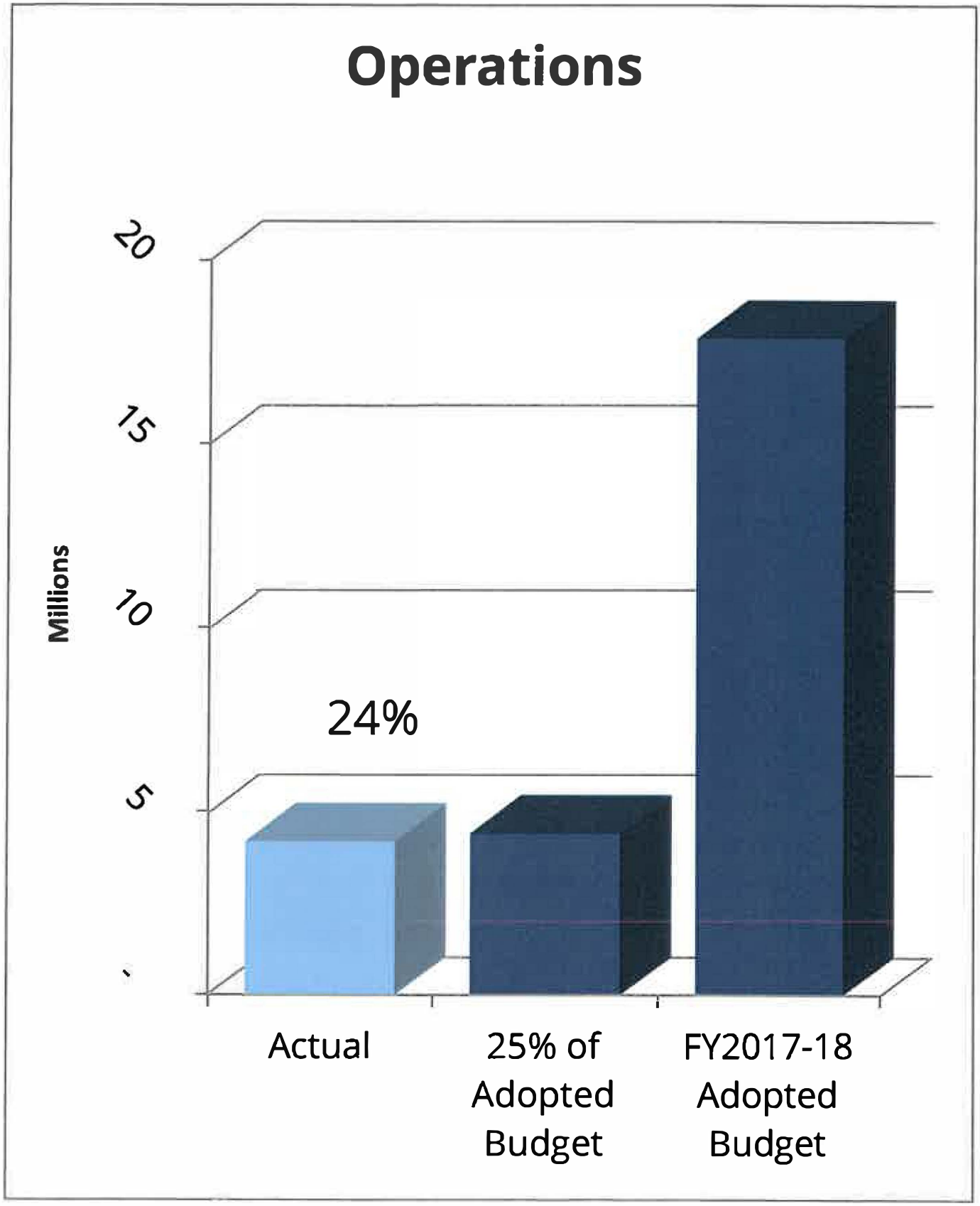
Transportation Revenues/Resources



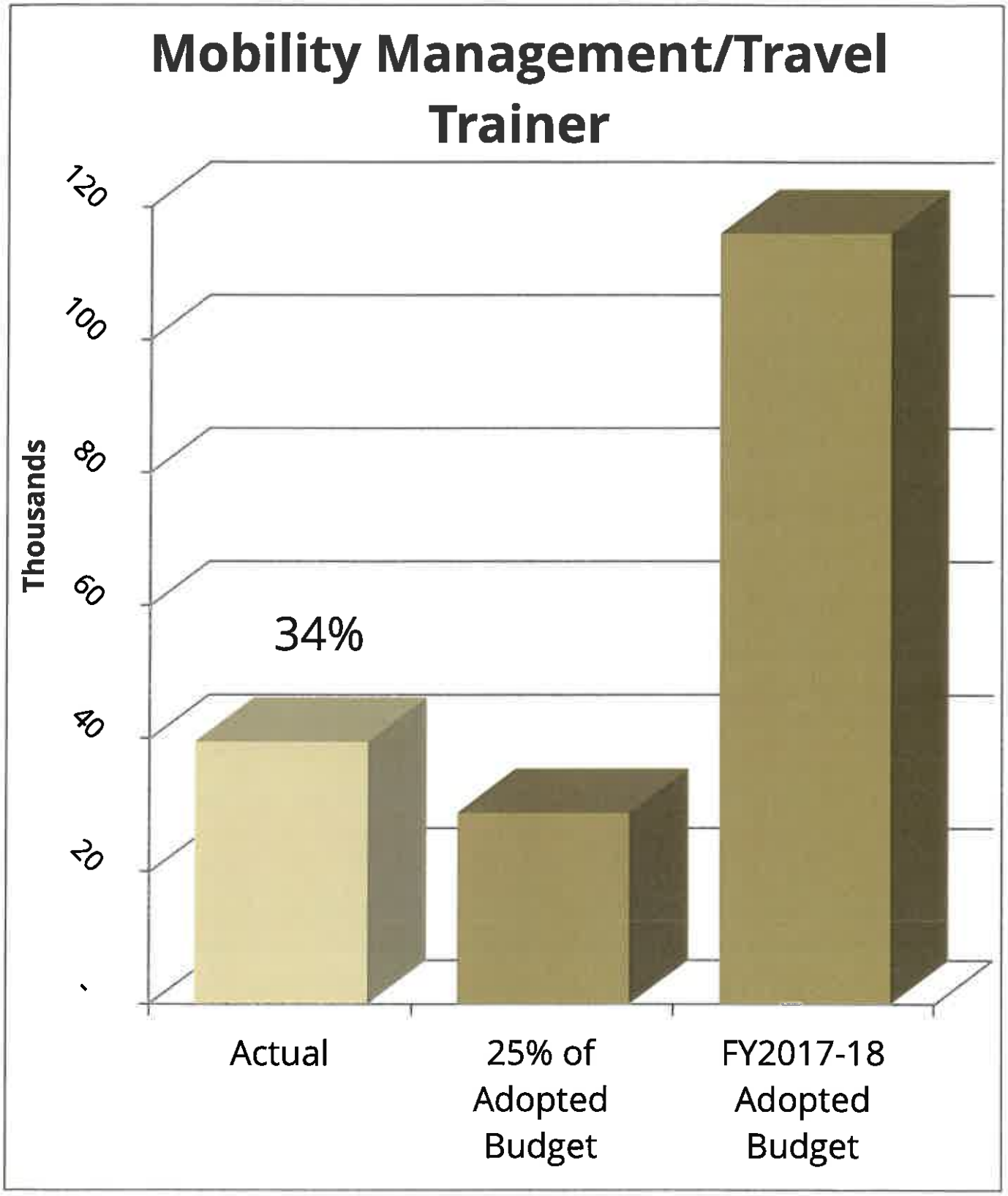
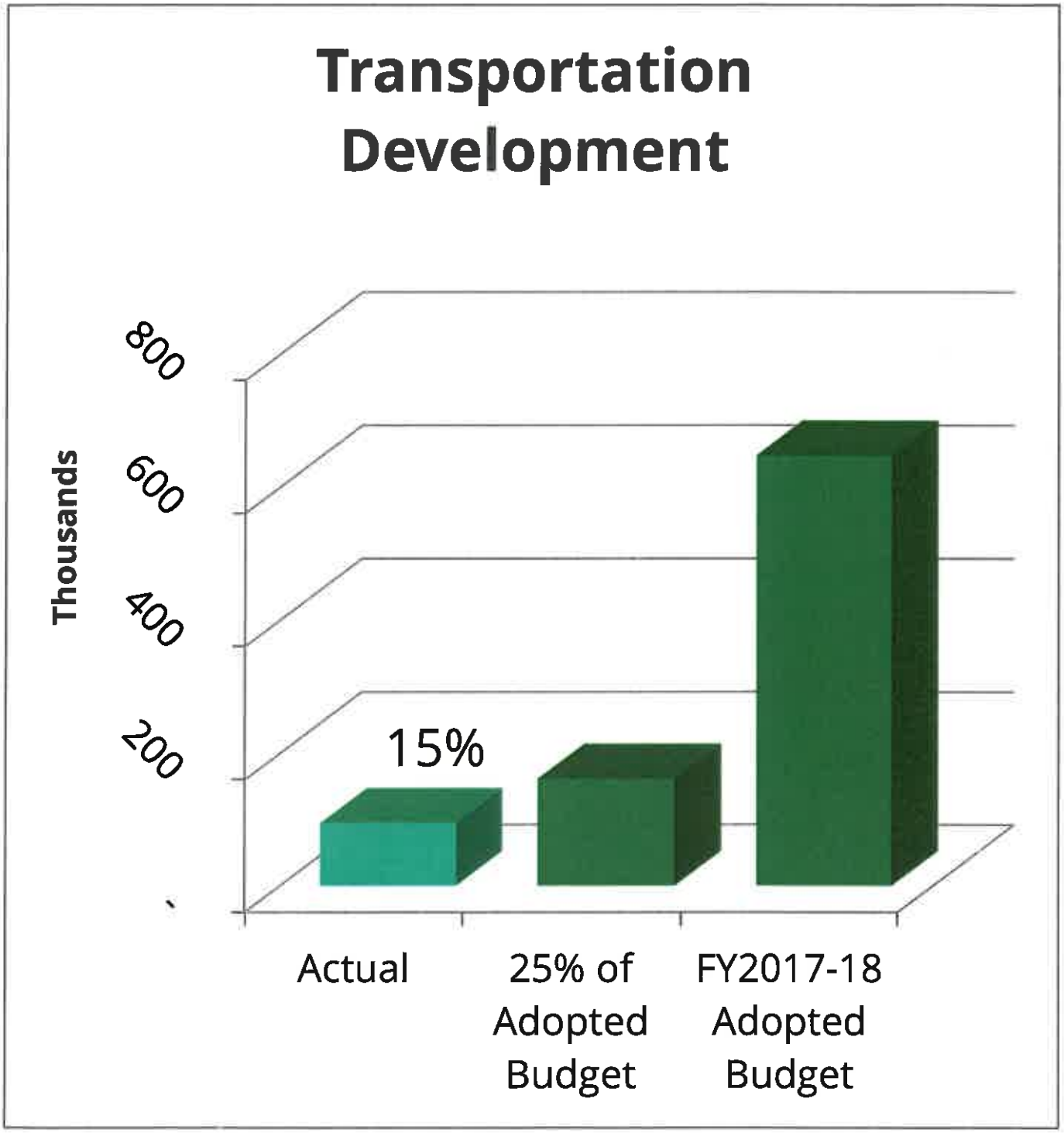
Salem Area Mass Transit District
Fiscal Year 2017-18 First Quarter Financial Report

Transportation Programs Fund Program Expenses/Requirements Summary	Actual	25% of Adopted Budget	FY2017-18 Adopted Budget	% of Budget
Operations				
CherryLift	1,256,134	1,243,347	4,973,388	*25%*
RED Line	78,204	78,873	315,492	*25%*
CARTS	347,408	362,520	1,450,080	*24%*
DMAP/WVCH	2,570,965	2,781,231	11,124,924	*23%*
Trip Link Call Center **	-	(3)	(12)	*0%*
Operations Total	4,252,711	4,465,968	17,863,872	*24%*
Mobility Management/Travel Trainer	39,636	28,986	115,944	*34%*
Transportation Development				
Special Transportation Coordination	799	67,146	268,584	*0%*
Trip Choice	94,313	94,641	378,564	*25%*
Transportation Development Total	95,112	161,787	647,148	*15%*
Transportation Programs Fund Total	4,387,459	4,656,741	18,626,964	*24%*

Transportation Expenses/Requirements Summary



Transportation Expenses/Requirements Summary



Transportation Expenses/Requirements Summary