



**LANE TRANSIT DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING
Wednesday, January 16, 2019
5:30 p.m.**

3500 E. 17th Avenue, Eugene
(Off Glenwood Blvd. in Glenwood)

AGENDA

TIME	ITEM	PAGE
5:30 p.m.	I. CALL TO ORDER	
5:31 p.m.	II. ROLL CALL <input type="checkbox"/> Yeh <input type="checkbox"/> Vargas <input type="checkbox"/> Secord <input type="checkbox"/> Skov <input type="checkbox"/> Reid <input type="checkbox"/> Yett <input type="checkbox"/> Nordin	
5:32 p.m.	III. PRELIMINARY REMARKS BY BOARD PRESIDENT	
5:34 p.m.	IV. COMMENTS FROM THE GENERAL MANAGER <i>This agenda item provides an opportunity for the general manager to formally communicate with the Board on any current topics or items that may need consideration.</i>	
5:36 p.m.	V. ANNOUNCEMENTS AND ADDITIONS TO AGENDA <i>This agenda item provides a formal opportunity for the Board president to announce additions to the agenda, and also for Board members to make announcements.</i>	
5:38 p.m.	VI. BOARD CALENDAR <i>Board members are asked to coordinate the Board Activity Calendars with their personal calendars for discussion at each Board meeting. Board members are also asked to contact the Clerk of the Board with any changes in availability for LTD-related meetings and events, and to provide their vacation dates.</i>	
5:40 p.m.	VII. EMPLOYEE OF THE MONTH - FEBRUARY	5
5:45 p.m.	VIII. AUDIENCE PARTICIPATION ♦ <i>Public Comment Note: This part of the agenda is reserved for members of the public to address the Board on any issue. The person speaking is requested to sign-in on the Audience Participation form for submittal to the Board President. When your name is called, please step up to the podium and state your name and address for the audio record. If you are unable to utilize the podium, you may address the Board from your seat.</i> ♦ <i>Community member's testimony is limited to 3 minutes.</i>	

IX. ITEMS FOR ACTION AT THIS MEETING

- 5:50 p.m. A. CONSENT CALENDAR 6
Action Needed: Approval
1. Minutes from the December 19, 2018, Regular Board Meeting
 2. Delegated Authority Report – DECEMBER
 3. Grant applications to fund out-of-District services – 5311 and 5311(f) funds
 4. Committee Member Appointment – Statewide Transportation Improvement Fund (STIF) Advisory Committee
- 5:55 p.m. B. FISCAL YEAR 2017-2018 INDEPENDENT AUDIT REPORT AND COMPREHENSIVE ANNUAL FINANCIAL REPORT 21
[Christina Shew]
Action Needed: Approval
- A presentation regarding the Districts FY 17-18 CAFR and independent audit will be provided by Moss Adams, LLC.*
- 6:20 p.m. C. MERGING OF THE ACCESSIBLE TRANSPORTATION COMMITTEE AND SERVICE COMMITTEE 137
[President Yeh]
Action Needed: Discussion and Approval
- The Board will discuss the possible merging of the Accessible Transportation Committee and the Service Committee.*
- 6:30 p.m. D. BOARD MEMBER COMMITTEE ASSIGNMENTS 140
[President Yeh]
Action Needed: Discussion and Approval
- The Board President will make the Board's annual committee assignments.*
- X. ITEMS FOR INFORMATION AT THIS MEETING
- 6:35 p.m. A. BOARD TRAVEL AND REIMBURSEMENT POLICY 142
[Aurora Jackson]
Action Needed: Discussion
- A draft Board travel and reimbursement policy will be provided for the Board's review and discussion.*
- 6:45 p.m. B. SAFETY-CONSCIOUS RESOLUTION NO. 2016-012 ANNUAL UPDATE 146
[Aurora Jackson]
Action Needed: Information Only
- Staff will provide the annual update regarding the Districts' safety resolution.*

- 6:55 p.m. XI. BOARD MEMBER REPORTS 158
[Aurora Jackson]
Action Needed: Information Only
Each month, Board members provide an activity report regarding committees they attend as LTD District representatives.
- 7:05 p.m. XII. FINANCIAL REPORT 161
[Christina Shew]
Action Needed: Information Only
Attached is the Year-to-Date Financial Report. Financial reports are considered a draft until the conclusion of the fiscal year and completion of the Comprehensive Annual Financial Report.
- 7:00 p.m. XIII. MONTHLY CASH DISBURSEMENTS – DECEMBER 165
(RESPOND IF QUESTIONS)
[Christina Shew]
Action Needed: Information Only
This agenda item is being provided in response to the Board’s request to implement financial practices consistent with other public entities. This report provides a complete listing of all non-payroll disbursements for the current month.
- 7:10 p.m. XIV. MONTHLY PERFORMANCE REPORTS – NOVEMBER/ DECEMBER 169
(RESPOND IF QUESTIONS)
[Aurora Jackson]
Action Needed: Information Only
Monthly performance reports will be provided to the Board in response to their request for regular reporting on the District’s performance in several areas. On a quarterly basis, staff will present a review of key metrics that are trending in the performance report.
- 7:15 p.m. XV. MONTHLY DEPARTMENT REPORTS – DECEMBER 173
(RESPOND IF QUESTIONS)
[Aurora Jackson]
Action Needed: Information Only
Monthly department activity reports, and reports throughout the District, are provided for the Board’s information.
- 7:20 p.m. XVI. ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING
Attached is a calendar of Action or Information items that will be included on the agenda for future Board meetings.
- 7:25 p.m. XVII. ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING – 176
REQUESTED BY THE BOARD
Action or Information items the Board has requested to be included on future Board meeting agendas are listed below.

7:30 p.m. XVIII. ADJOURNMENT

The facility used for this meeting is wheelchair accessible. To request a reasonable accommodation or interpreter, including alternative formats of printed materials, please contact LTD’s Administration office no later than 48 hours prior to the meeting at (541)682-5555 (voice) or 7-1-1 (TTY through Oregon Relay).

AGENDA ITEM SUMMARY

DATE OF MEETING: January 16, 2019
ITEM TITLE: FEBRUARY EMPLOYEE OF THE MONTH
PREPARED BY: Christina Shew, Director of Finance

BACKGROUND:

Accounts Payable Accounting Technician Cassie Mostert has been selected to receive the February 2019 Employee of the Month award. Cassie joined the District in June 2015 as an Accounting Assistant. She was promoted to Accounting Technician I in July 2018. During this time, Cassie has received 3 Monthly Value Awards for taking the initiative. This is her first time receiving the Employee of the Month Award.

She was nominated for taking the initiative to learn the payroll role well enough to cover while the Payroll Technician was on vacation and for going above and beyond to ensure that all employees were paid on time when the Payroll Technician fell unexpectedly ill. This entailed performing her role and the Payroll Technician's role, traveling to a payroll conference, as well as working extra hours before and after the conference.

When asked to comment on Cassie's selection as Employee of the Month, Director of Finance, Christina Shew said:

Cassie is an exemplary employee who has strong initiative, is a quick learner and has a "can do" attitude. She is very deserving of the LTD Employee of the Month Award.

Upon learning of Cassie's selection as Employee of the Month, her colleagues commented:

"Rarely, have I witnessed a newer employee demonstrate such admirable daily commitment to her work and responsibilities, enthusiasm to learn, and willingness to do whatever she can to help our team and company succeed. Her youthful, positive, and professional attitude are a breath of fresh air, an example, and inspiration to us all! Cassie is smart and invested. A pleasure to work with every day!"

"Cassie is a quick learner and responsible employee. She is a great asset to our team!"

"Cassie is a great addition to the Finance Department. Jeff raves about the great job she does to help with payroll. She's very organized and gets the bills paid on time. She is well deserving of this award."

AWARD:

Cassie will attend the January 16, 2019, meeting to be introduced to the Board and to receive her award.

AGENDA ITEM SUMMARY

DATE OF MEETING: January 16, 2019
ITEM TITLE: CONSENT CALENDAR
PREPARED BY: Camille Gandolfi, Clerk of the Board
ACTION REQUESTED: Approve

BACKGROUND:

Issues that can be explained clearly in the written materials for each meeting, and that are not expected to draw public testimony or controversy, are included in the Consent Calendar for approval as a group. Board members can remove any item from the Consent Calendar for discussion before the Consent Calendar is approved each month.

The Consent Calendar for January 16, 2019, consists of:

- Approval of the Minutes of the December 19, 2018, Regular Board Meeting
- Approval of the Delegated Authority Report – DECEMBER
- Approval of the Grant applications to fund out-of-District services – 5311 and 5311(f) funds
- Approval of the Committee Member Appointment – Statewide Transportation Improvement Fund (STIF) Advisory Committee

ATTACHMENT:

- 1) Minutes of the December 19, 2018, Regular Board Meeting
- 2) Delegated Authority Report – DECEMBER
- 3) Grant applications to fund out-of-District services – 5311 and 5311(f) funds
- 4) Committee Member Appointment – Statewide Transportation Improvement Fund (STIF) Advisory Committee

PROPOSED MOTION:

I move adoption of LTD Resolution No. 2019-01-16-001; It is hereby resolved that the Consent Calendar for January 16, 2019, is approved as presented [amended].

MINUTES OF DIRECTORS MEETING

LANE TRANSIT DISTRICT

REGULAR BOARD MEETING

Wednesday, December 19, 2018

Pursuant to notice given to *The Register-Guard* for publication on December 12, 2018, and distributed to persons on the mailing list of the District, the Board of Directors of the Lane Transit District held a regular Board meeting on Wednesday, December 19, 2018, beginning at 5:30 p.m., at the LTD Board Room, 3500 E. 17th Avenue, Eugene, Oregon.

Present: Gary Wildish, President
Carl Yeh, Vice President
Kate Reid, Secretary
Don Nordin, Treasurer
Steven Yett
Joshua Skov
Aurora Jackson, General Manager
Dwight Purdy, General Counsel
Camille Gandolfi, Clerk of the Board

CALL TO ORDER/ROLL CALL — Mr. Wildish convened the meeting and called the roll.

PRELIMINARY REMARKS BY BOARD PRESIDENT — Mr. Wildish announced that this would be his last Board meeting, and introduced Emily Secord (District 6) and Caitlin Vargas (District 4) who would be joining the Board at the next meeting. He thanked staff and the Board for all of their help and let everyone know that he had a wonderful experience. He noted that committees with community participation should consider where people outside the Board had knowledge they may not. He added that the Service Committee had not been very active, but many thought it was important, and suggested they consider combining it with the Accessible Transportation Committee (ATC).

COMMENTS FROM THE GENERAL MANAGER — Ms. Jackson stated that there would be a State Transportation Fund (STF) Committee meeting on January 8 and January 15. She said they were working with the City of Eugene to schedule a joint meeting for February.

ANNOUNCEMENTS AND ADDITIONS TO THE AGENDA — Mr. Nordin asked if they could revisit the reimbursement conversation.

Mr. Wildish replied that it would be deliberated at the January meeting.

Mr. Nordin said they were launching Mobility on Demand in Cottage Grove. He said there was an opportunity to acquire a facility in Cottage Grove where people could have a lounge to wait for transit to come. He said although multiple entities in Cottage Grove did not want to take on the project, it seemed like a good opportunity for Mobility on Demand. He asked that this be a topic for a future meeting.

BOARD CALENDAR — Ms. Jackson said the Metropolitan Policy Committee (MPC) meeting was scheduled for January.

EMPLOYEE OF THE MONTH – JANUARY — The Board recognized Bus Operator Gary Bennett as the January 2019 Employee of the Month. Mr. Bennett was nominated after spending time between trips in September to read a book to a child on his bus. The child’s mother was so touched, she filmed it and posted it to Facebook.

AUDIENCE PARTICIPATION — Mr. Wildish explained the procedures for providing public testimony.

Rob Zako, Eugene, representing Better Eugene-Springfield Transportation (BEST), stated that his organization supported West Eugene EmX 2012 project, which was controversial at the time. He said his organization took their job very seriously and would take what they thought was in the best interest of the community and present it to the Board. He cautioned that he did not know if BEST or the community had the capacity to handle all the changes that were happening in quick succession.

Bill Bradley, Journey Tire Specialist, LTD Fleet Services, thanked Mr. Wildish and Mr. Necker for their service. He highlighted that the operators represented by the union were professionals, and said he would bring that perspective to the Board. He added that he was available to meet if anyone from the Board was interested.

ITEMS FOR ACTION AT THIS MEETING

MOTION **Consent Calendar** — Ms. Reid moved that the Board approve the Consent Calendar for December 19, 2018, as presented. Mr. Yeh provided the second. The Consent Calendar consisted of the Minutes of the November 15, 2018, Special Board Meeting; Delegated Authority Report - October; Strategic Planning Committee Bylaws.

VOTE The motion was approved as follows:
AYES: Skov, Nordin, Reid, Wildish, Yeh, Yett (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Contract Amendment — Contract #: 2018-04 Pivot Architecture — Mr. McCormack said the new roadway alignment on Franklin involved removing a station built in 2007. He said they were asking the Board to authorize the general manager to amend the contract for design services to replace that station. He said this would include extending the time to complete through February 2020 and \$15,625 in additional contract value.

Mr. Yett asked who gave the initial designs to the City of Springfield and if the city built what they asked it to build.

Mr. McCormack replied that they reviewed the design, modeled it, and tested it. He said that the changes were minor, but would deal with real-world conditions. He clarified that this amendment cost was just for the architect.

Mr. Yeh said this contract was discussed in the Finance Committee, but he wanted to bring it to the Board in case they were upgrading a station they may not want in the future.

Ms. Reid asked why they would not have a station there.

Mr. Wildish replied that they were operating without it for a while. He reminded everyone that the total cost of the construction included the architectural cost.

Ms. Reid asked if the absence of the station had negatively affected people's rides.

Mr. McCormack said they received questions and phone requests about the station. He added that there would be additional impact for riders when there was construction on the Lexington station.

MOTION Mr. Yeh moved the following resolution: the LTD Board of Directors, acting as the LTD Contract Review Board, adopts Resolution No. 2018-12-19-45; It is hereby resolved that the amendment to contract 2018-04 with PIVOT Architecture is approved as presented. Ms. Reid provided the second.

Mr. Purdy asked to make an oral modification that this amendment would occur after the contract expired. He asked also that the amendment result in cost savings since they had been using the same architect, that it protect the integrity of the public contracting process and the public nature of the procurement process, and that it resulted in the contract remaining in the scope of the original form.

Mr. Wildish asked for the Board to vote on the resolution subject to the three provisions presented by Mr. Purdy. Mr. Yeh moved to approve the amended resolution, and Ms. Reid provided the second.

VOTE The resolution was approved as follows:
AYES: Skov, Nordin, Reid, Wildish, Yeh, Yett (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

ODOT Transit Asset Management (TAM) Plan — Ms. Munkus gave a presentation regarding the newly required TAM plan and requested Board adoption. She stated that TAM was a strategic and systematic practice of procuring, operating, inspecting, maintaining, rehabilitating, and replacing transit capital assets to manage their performance, risks, and costs over their life cycles for the purpose of providing safe, cost-effective, and reliable public transportation. She highlighted that it was a business model that uses condition assessments for prioritization of funding and decision making to maintain a State of Good Repair for capital assets. She said the reporting requirements for asset management were incorporated into the National Transit Database annual report and would be reviewed by the FTA during the Triennial Comprehensive Review. Lane Transit District (LTD) was granted Tier II agency status, which means that the District operates fewer than 100 vehicles in revenue service in any one mode during peak regular service. She clarified that as a Tier II agency, LTD qualified to participate in the Group TAM Plan with the state-sponsoring agency, Oregon Department of Transportation (ODOT). Ms. Munkus said that Mark Johnson would be the accountable executive and would need to have authority over LTD staff to be responsible for safety management. She stated they had already met their initial timelines, and would continue to update the module every October. October of 2022 was the next anticipated date of the new TAM plan.

Ms. Reid asked if there was a timeframe to address marginally rated assets.

Ms. Munkus replied the information she was looking at was slightly outdated, and the overall targets for LTD were more favorable.

Mr. Nordin asked how many buses LTD had out.

Mr. Munkus said there were eighty-three buses.

MOTION Mr. Yeh moved adoption of LTD Resolution No. 2018-12-19-46: It is hereby resolved that the ODOT Tier II TAM Group Plan is approved as presented. Mr. Nordin provided the second.

VOTE The resolution was adopted as follows:
AYES: Skov, Nordin, Reid, Wildish, Yeh, Yett (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

BOARD OFFICER ELECTION — Mr. Wildish opened the floor to nominate a Board President for 2019.

Mr. Nordin nominated Mr. Yeh for President.

There were no other nominations.

VOTE The nomination for Mr. Yeh to serve as President for 2019 was approved as follows:
AYES: Skov, Nordin, Reid, Wildish, Yeh, Yett (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Mr. Wildish opened the floor to nominate a Board Vice President for 2019.

Mr. Yeh nominated Ms. Reid for Vice President.

There were no other nominations.

VOTE The nomination for Ms. Reid to serve as Vice President for 2019 was approved as follows:
AYES: Skov, Nordin, Reid, Wildish, Yeh, Yett (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

Mr. Wildish opened the floor to nominate a Secretary for 2019.

Ms. Reid nominated Mr. Skov for Secretary.

There were no other nominations.

VOTE The nomination for Mr. Skov to serve as Secretary for 2019 was approved as follows:
AYES: Skov, Nordin, Reid, Wildish, Yeh, Yett (6)
NAYS: None
ABSTENTIONS: None

EXCUSED: None

Mr. Wildish opened the floor to nominate a Treasurer for 2019.

Mr. Yett nominated Mr. Nordin for Treasurer.

There were no other nominations.

VOTE The nomination for Mr. Yeh to serve as Treasurer for 2019 was approved as follows:
AYES: Skov, Nordin, Reid, Wildish, Yeh, Yett (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

BOARD COMMITTEE ASSIGNMENTS — Mr. Wildish noted that either Mr. Yeh or Ms. Reid would be able to serve on the MPC Committee and attend the upcoming meeting in January. Mr. Wildish appointed Ms. Secord and Mr. Skov to serve on the Finance Committee.

APPLICANT APPROVAL OF STIF APPLICATIONS — Mr. Schwetz asked the Board to approve the submittal of LTD applications into LCOG's process for STIF Formula Program funding. He said the STIF Advisory Committee recommendations would be provided to the Board for its review at the February 20 Board of Directors' meeting. He added that the Board would then be asked, as the Qualified Entity for Lane County, to conduct a public hearing on the applications.

Ms. Reid asked about the status of the Mobility on Demand vehicles purchased in year two.

Mr. Schwetz replied that they purchased the vehicles in year two so they would have enough for year three when they anticipated needing to expand service.

Mr. Skov said it would be helpful to prepare information about how the addition of vehicles changed operating costs.

MOTION Mr. Yeh moved adoption of LTD Resolution No. 2018-12-19-47; It is hereby resolved that the LTD Board of Directors, acting as a Public Transportation Provider eligible to submit projects for the Lane County STIF in-district funding, approves the authorization of the LTD general manager to submit applications seeking funding by STIF for the list of projects presented. Mr. Skov provided the second.

VOTE The resolution was adopted as follows:
AYES: Skov, Nordin, Reid, Wildish, Yeh, Yett (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

ITEMS FOR INFORMATION AT THIS MEETING

Department of Homeland Security Commendation: Operator Anthony Price — Guests from the Department of Homeland Security presented an accommodation to Bus Operator Anthony Price and Public Safety & System Security Manager, Mr. Wilson for Mr. Price's actions regarding a suspicious-items incident on November 16.

Santa Clara Transit Station Design Update — Mr. Imlach provided an update regarding the Santa Clara Transit Station design. Using draft transit station designs, staff engaged the Santa Clara communities and key stakeholders in a series of one-on-one meetings. Additionally, staff presented at two community meetings to gather input on the draft designs and to address questions prior to proceeding further with the project. Mr. Imlach said the project schedule had LTD submitting an application to the City of Eugene for a tentative, Planned Unit Development (PUD) in the beginning of February 2019, solely for the portion of the property to be used as a transit station. He noted that prior to the submission, LTD staff and Rowell Brokaw Architects, PC would provide an update to the Board of Directors regarding the design process, including an overview of comments received from public engagement. He said the community had voiced concern that adding a station would increase congestion and the transient population in the area, as well as how LTD was coordinating with other projects happening in the area.

Mr. Nordin asked if there was a restroom for the public at the station.

Mr. Imlach replied that currently there was just a restroom available for drivers.

Mr. Wildish added that most people would be coming directly from their homes.

Mr. Skov asked about the Transit Tomorrow timeline and what it would mean if they pursued advanced transit in that corridor.

Ms. Jackson replied that the committee had asked about that as well. She clarified that this project was meant to address the loss of the River Road Station and meant to be finished quickly. She added that it would be built with the opportunity to be multi-modal.

Mr. Yett asked if LTD had approached the city to see if they could bring over the SDC credits from the old station.

Mr. Imlach responded that they had asked the city, but because the property was residing north in the future development, they had initially said no.

Mr. Yett asked if they envisioned what could or could not be built on that property.

Mr. Imlach clarified that it would be a Board decision.

Mr. Wildish shared a concern that the station was oversized for how many stops it would have, and wondered how many buses would be in an out of the station.

Ms. Jackson highlighted that the space needed for the bus to turn had created an odd station shape, and the designers were looking for a way to use the extra space.

Mr. Skov asked if they could have the capacity calculations provided to help them better understand the design.

Fare Collection — Ms. Rees said they would move the Fare Collection presentation to January as they were running late, and it was not time-sensitive. She wanted the Board to know that they were in an open procurement process, and cautioned that if someone was approached by a vendor, they should not talk with them.

Mobility on Demand — Ms. Rees provided an update regarding the status of launching a Mobility on Demand pilot program. She let the Board know that for the past several months, LTD staff had been evaluating a service delivery model called Mobility on Demand (MOD). She stated that MOD was a user-focused ridesharing program utilizing technology and data exchange. She said that staff were preparing to launch a 12-month pilot program in mid-January within the Cottage Grove city limits, which would operate until early February 2019. She highlighted that individuals would be able to access the ridesharing service through a website, a mobile app, or by calling a dispatcher to request a trip. She highlighted that if this service was successful, they could replicate it somewhere else. She noted that the goals of the program were to increase mobility and equity and enhance service overall.

Ms. Reid asked how many vehicles would be employed.

Ms. Rees replied that they had one vehicle and one back-up vehicle.

Ms. Reid asked what the projected delay was between when someone requested a ride and the ride arrived.

Ms. Rees responded their goal was 30 minutes or less.

Mr. Yett asked if the driver would be a union driver.

Ms. Rees replied they would not be a union driver as it was a contracted driver.

Ms. Jackson added that they were engaging the union in these conversations.

Ms. Reid asked if kids would ride for free.

Ms. Rees replied that they would.

Ms. Reid asked what the marketing outreach looked like.

Ms. Rees replied that they were currently doing general marketing to let people know that the change was coming.

Mr. Skov cautioned against using the term “ride share” to prevent customer confusion about what the service was. He asked if she believed that Cottage Grove was a good community for this type of service.

Ms. Rees replied that she thought it was because this service tended to do well in periphery areas.

Mr. Skov asked if they had considered using the term micro-transit.

Ms. Rees responded that they decided the term was confusing and would be calling it the LTD Connector to the public.

Ms. Reid said she was interested in the outcomes of this pilot that they might be able to use it to inform bringing this type of service to the metro area.

BOARD MEMBER REPORTS — There were no questions or comments about the Board Member Reports.

FINANCIAL REPORT — Ms. Shew gave a brief overview of the three reports they provided to the Board. Each month, they provided the disbursements and an overview of a financial information. On a quarterly basis, they provided information about grants. She added that the Board was also given a summary of the five major funds: General Fund, Medicaid Fund, Accessible Services Fund, P2P Fund, and Capital Projects Fund.

ITEMS FOR ACTION AT A FUTURE MEETING — There were no items.

ITEMS FOR ACTION/INFORMATION AT A FUTURE MEETING - REQUESTED BY THE BOARD — There were no requests.

Mr. Wildish announced a brief recess at 8:00 p.m.

EXECUTIVE (NON-PUBLIC) SESSION PURSUANT TO “ORS 192.660(2)(E), TO CONDUCT DELIBERATIONS WITH PERSONS DESIGNATED BY THE GOVERNING BODY TO NEGOTIATE REAL PROPERTY TRANSACTIONS .

MOTION Mr. Yeh moved that the Board meet in Executive (Non-Public) Session pursuant to “ORS 192.660(2)(e), to conduct deliberations with persons designated by the governing body to negotiate real property transactions.” Mr. Nordin provided the second.

VOTE The motion was adopted as follows:
AYES: Skov, Nordin, Reid, Wildish, Yeh, Yett (6)
NAYS: None
ABSTENTIONS: None
EXCUSED: None

ADJOURNMENT — Mr. Wildish adjourned the public meeting at 8:30 p.m.

LANE TRANSIT DISTRICT:

ATTEST:

Joshua Skov
Board Secretary

Camille Gandolfi
Clerk of the Board

Date Approved: _____

**LANE TRANSIT DISTRICT
DELEGATED AUTHORITY REPORT
December 2018**

DATE EXECUTED	CONTRACTOR	DESCRIPTION	CONTRACT TYPE	CONTRACT TERM	FREQUENCY	CONTRACT VALUE	SIGNER	NOTES
12/05/2018	Oregon Department of Transportation	Grant Agreement 30139, Amendment 05 - Franklin Blvd. Phase 1 Transit Stations	Amendment	Oct. 15, 2014 - Dec. 31, 2019	NA	\$ 935,000.00	A. Jackson	To revise milestone dates, add ADA language, and update the ODOT contact
12/06/2018	Springfield Public Schools	Change Notice #4 to LTD Contract 2011-57 - Springfield Public Schools Group Pass Agreement	Change Notice	Oct. 1, 2011 - ongoing	NA		A. Jackson	To update contact Springfield School District contract information
12/10/2018	Willamalane Park and Recreation District	Friday Van Transportation Service Reimbursement	Memorandum of Understanding	July 1, 2016 - ongoing	NA	\$6,200.00/year	A. Jackson	
12/14/2018	JLA Public Involvement, Inc.	Amendment One to Contract 2017-56 - Alternatives Analysis of the MovingAhead Project	Amendment	Jan. 2, 2018 - Dec. 31, 2019	na	\$ 326,761.00	A. Jackson	Amendment to extend the date; no dollar amount change.
12/13/2018	Lynx Group, Inc.	Rider's Digest Printing	Firm, Fixed-Price	Dec. 1, 2018 - Nov. 30, 2019	1-year base + two 24-month options	\$ 54,244.00	A. Jackson	
12/13/2018	Lane Community College	Group Pass	Group Pass	Sept. 1, 2018 - ongoing	NA		A. Jackson	
12/18/2018	Good Company	Greenhouse Gas Inventory & Technical Assistance	Firm, Fixed-Price	Dec. 15, 2018 - Dec. 14, 2019	NA	\$ 7,439.00	A. Jackson	
12/17/2018	Oregon Department of Transportation	Amendment 2 to Grant Agreement 32359 - Transportation Options Liaison Toolkit	Amendment	Oct. 12, 2017 - June 30, 2019	NA	\$30,124 grant award \$ 4,559 match	A. Jackson	Amendment to extend the date; no dollar amount change.
12/21/2018	Lynx Group, Inc.	Amendment One to Contract 2018-88 - Rider's Digest Printing Services	Amendment	Dec. 1, 2018 - Nov. 30, 2019	1-year base + two 24-month options	\$ 54,186.00	A. Jackson	Amendment to adjust quantities and price
12/04/2018	Med-Tech Resource, LLC	First Aid Supplies	Firm, Fixed-Price	Dec. 10, 2018 - Dec. 9, 2020	2-year base + three 1-year options	\$ 4,000.00	A. Jackson	

AGENDA ITEM SUMMARY

DATE OF MEETING: January 16, 2019

ITEM TITLE: GRANT APPLICATIONS TO FUND OUT-OF-DISTRICT SERVICES – 5311 AND 5311(f) FUNDS

PREPARED BY: John Ahlen, Accessible Services Specialist

ACTION REQUESTED: Approval

APPROVAL:

This agenda item is to request Board approval to apply for competitive and formula grants to fund out-of-district services for the cities of Oakridge and Florence.

BACKGROUND:

In addition to its in-district transportation service, Lane Transit District (LTD) operates out-of-district services that are fully funded using Oregon Department of Transportation (ODOT) funds, farebox revenues and funds from the local municipalities. The services operated are: the Diamond Express that operates from the city of Oakridge to Eugene; and the Rhody Express that operates only within the city of Florence.

On February 1, 2019, LTD will submit an application for a 5311(f) competitive grant that is part of a federal funding program with a focus on longer distance, non-commute transit service, connecting communities with infrequent stops and, where possible, with meaningful connections to the larger transit network. LTD will apply for \$187,723 from ODOT to fund the Diamond Express services for the upcoming biennium. This amount is approximately half of the funds used to cover the costs of these services.

On February 8, 2019, LTD will submit an application for a 5311 formula grant that provide access and mobility for people in population areas of fewer than 50,000. LTD will apply for \$176,062 from ODOT to fund the Rhody Express services for the upcoming biennium. This amount is approximately half of the funds used to cover the costs of these services.

RECOMMENDATION:

It is recommended that the LTD Board of Directors approve this agenda item to apply for funding for out-of-district transit services.

ATTACHMENTS: None

PROPOSED MOTION: I move adoption of LTD Resolution No. 2019-01-16-002: It is hereby resolved that the Lane Transit District Board of Directors authorizes the general manager, or designee, to apply for grants to fund out-of-district transit services.

RESOLUTION NO. 2019-01-16-002

A RESOLUTION AUTHORIZING GRANT APPLICATIONS TO SUPPORT OUT-OF-DISTRICT SERVICES FOR THE DIAMOND EXPRESS AND RHODY EXPRESS

WHEREAS, Lane Transit District (LTD) operates out-of-district transit services for the cities of Oakridge and Florence;

WHEREAS, the services provide for the city of Oakridge are known as the Diamond Express;

WHEREAS, the services provide for the city of Florence are known as the Rhody Express;

WHEREAS, LTD has historically used §5311(f) and §5311 funds to support both out-of-district services;

WHEREAS, LTD will apply for \$187,723 of a §5311(f) grant to fund the Diamond Express;

WHEREAS, LTD will apply for \$176,062 of a §5311 grant to fund the Rhody Express; and,

WHEREAS, grant funds are allocated on a biennial cycle and must be renewed to continue services in Florence and Oakridge;

NOW, THEREFORE, BE IT RESOLVED that the Lane Transit District Board of Directors passes a Resolution as follows:

The Lane Transit District Board of Directors authorizes the general manager or designee to apply for §5311 and §5311(f) grants to fund out-of-district transit services.

ADOPTED BY THE LANE TRANSIT DISTRICT ON THIS ____ DAY OF _____, 2019.

PRESIDENT, Carl Yeh

ATTEST:

AGENDA ITEM SUMMARY

DATE OF MEETING: January 16, 2019

ITEM TITLE: COMMITTEE MEMBER APPOINTMENT–STATEWIDE
TRANSPORTATION IMPROVEMENT FUND (STIF) ADVISORY
COMMITTEE

PREPARED BY: Aurora Jackson, General Manager

ACTION REQUESTED: Approval

BACKGROUND

At the August 2018 Board meeting, the Board adopted Resolution No. 2018-08-15-27, establishing a STIF Advisory Committee and appointing committee members pursuant to the Oregon Administrative Rule ("OAR") 732-040-0030 and 732-040-0035(3). The committee is composed of 14 members with eight (8) members representing in-district communities, two (2) members representing out-of-district communities, and three (3) ex-officio (non-voting) members.

A recent vacancy of an in-district committee member provides an opening for the Board to appoint an out-of-district member who has expressed interest in serving on the STIF Advisory Committee.

ATTACHMENT: 1) Resolution No. 2019-01-16-003
2) STIF Application (hand out)

PROPOSED MOTION: I move adoption of LTD Resolution No. 2019-01-16-003:

It is hereby resolved that the membership for the STIF Advisory Committee be updated to reflect the replacement of a vacancy with the out-of-district applicant.



Lane Transit District
P. O. Box 7070
Springfield, Oregon 97401

(541) 682-6100
Fax: (541) 682-6111

LTD RESOLUTION NO. 2019-01-16-003

A RESOLUTION UPDATING THE STATE TRANSPORTATION IMPROVEMENT FUND
(STIF) ADVISORY COMMITTEE MEMBERSHIP

WHEREAS, OAR 732-040-0030 requires LTD ('District') to appoint a State Transportation Improvement Fund (STIF) Advisory Committee;

WHEREAS, the purpose of the Advisory Committee is to advise and assist the District in carrying out the purposes of the State Transportation Improvement Fund and prioritizing Projects to be funded by STIF moneys received by the District;

WHEREAS, The rules in chapter 732, divisions 40, 42, and 44 establish the procedures and requirements of the Public Transit Division for the administration of the State Transportation Improvement Funds;

WHEREAS, the Advisory Committee members are required to meet one of the following criteria:

- a. local governments, including land use planners;
- b. public transportation service providers;
- c. non-profit entities which provide public transportation services;
- d. neighboring public transportation service providers;
- e. employers;
- f. public health, social and human service providers;
- g. transit users;
- h. transit users who depend on transit for accomplishing daily activities;
- i. individuals age 65 or older;
- j. people with disabilities;
- k. low-income individuals;
- l. social equity advocates;
- m. environmental advocates;
- n. bicycle and pedestrian advocates;
- o. people with limited English proficiency;
- p. educational institutions; or,
- q. major destinations for users of public transit.

The Committee must also include at least one member who is a member of or represents each of the following three groups:

- a. low-income individuals;
- b. individuals age 65 or older or people with disabilities; and
- c. Public Transportation Service Providers or non-profit entities which provide public transportation services.

The Committee must also include members from both within and outside LTD's boundaries.

NOW, THEREFORE, BE IT RESOLVED that the LTD Board of Directors passes a Resolution:

Updating the STIF Advisory Committee membership with the following individuals who meet the qualifications set forth by OAR 732-040-0030 to the State Transportation Improvement Fund (STIF) Advisory Committee:

	Name	a.	b.	c.	e.	f.	g.	h.	i.	j.	k.	l.	m.	n.	p.
Current SPC Members	Sheri Moore	x							x			x			x
	Mike Eyster								x			x			x
	Amy Cubbage			x		x					x				
	Ruth Linoz		x	x	x										
Out of District	David Davini				x										
	Susy Lacer								x	x	x				
	Josh Haring				x										
	Eugene Organ					x	x	x	x	x		x			
	Phil Farrington	x					x							x	
	Sarah Mazze													x	x
	Phil Barnhart (ex-officio to 12/31/18)								x			x	x		
Ex-Officio (Non-Voting)	Frannie Brindle	x													
	Kate Reid		x												
	Carl Yeh		x												

_____ Date

_____ Carl Yeh, President
LTD Board of Directors

AGENDA ITEM SUMMARY

DATE OF MEETING: January 16, 2019

ITEM TITLE: FISCAL YEAR 2017-2018 INDEPENDENT AUDIT REPORT AND COMPREHENSIVE ANNUAL FINANCIAL REPORT

PREPARED BY: Christina Shew, Director of Finance

ACTION REQUESTED: Board approval

BACKGROUND:

At the conclusion of each fiscal year, an independent audit of Lane Transit District's financial statements and internal controls are performed. The results of the independent audit, including the independent auditor's reports, are incorporated into the District's Comprehensive Annual Financial Report and Single Audit.

Julie Desimone and Kevin Mullerleile of Moss Adams, LLP will attend the January 16, 2019, Board meeting to make a presentation and answer any questions Board members may have about the audit process or results.

ATTACHMENTS:

- 1) Comprehensive Annual Financial Report inclusive of the LTD Single Audit Report
- 2) Resolution No. 2019-01-16-004

PROPOSED MOTION: I move adoption of LTD Resolution No. 2019-01-16-004:

It is hereby resolved that the LTD Board of Directors received the independent audit for Fiscal Year 2017-2018, and accepts the independent auditor's reports contained in the Comprehensive Annual Financial Report and Single Audit for the fiscal year ending June 30, 2018.

RESOLUTION NO. 2019-01-16-004

A RESOLUTION ACCEPTING THE INDEPENDENT AUDITOR'S REPORTS CONTAINED IN THE COMPREHENSIVE ANNUAL FINANCIAL REPORT AND SINGLE AUDIT FOR THE FISCAL YEAR ENDING JUNE 30, 2018

WHEREAS, Lane Transit District (LTD) is subject to Oregon's Municipal Audit Law (ORS 279.405-297.555), which requires an annual independent audit of LTD's financial statements and internal controls;

WHEREAS, LTD contracted the services of Moss Adams, LLP to perform the required annual independent audit on the Comprehensive Annual Financial Report for the period ending June 30, 2018;

WHEREAS, Moss Adams, LLP also performed a two-year review of LTD's Salaried Employee's Retirement Plan Trust Fund for the period ending June 30, 2017 and 2018, and the Amalgamated Transit Union Local No 757 Pension Trust Fund for the period ending December 31, 2016 and 2017;

WHEREAS, the independent audit provides reasonable assurance that the financial statements of the District are free of material misstatements and is designed to meet the special needs of federal grantor agencies as provided for in the Federal Single Audit act and the Office of Management and Budget's Uniform Guidance; and,

WHEREAS, the Board of Directors finds the independent auditors' report and the financial statements are reasonable and appropriate.

NOW, THEREFORE, BE IT RESOLVED that the Lane Transit District Board of Directors passes a Resolution

- Accepting and authorizing the release of the independent auditors' report on the Comprehensive Annual Financial Report; and, the two-year review of LTD's Salaried Employee's Retirement Plan Trust Fund and the Amalgamated Transit Union Local No 757 Pension Trust Fund.

ADOPTED BY THE LANE TRANSIT DISTRICT ON THIS _____ DAY OF _____, 2019.

PRESIDENT, Carl Yeh

ATTEST:



LANE TRANSIT DISTRICT EUGENE, OREGON

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Years Ended June 30, 2018 and 2017
(including Audit Comments and Disclosures Required by State Regulations)



Lane Transit District

2017-2018 Comprehensive Annual Financial Report

Lane Transit District
Eugene, Oregon

For Fiscal Years Ended June 30, 2018 and 2017

Prepared by the Finance Department
Christina Shew, Director of Finance

LANE TRANSIT DISTRICT
Comprehensive Annual Financial Report
June 30, 2018 and 2017

Table of Contents

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i-iv
Board of Directors	v
Organizational Chart.....	vi
Certificate of Achievement for Excellence Award.....	vii
 FINANCIAL SECTION	
Independent Auditor’s Report.....	1-3
Management’s Discussion and Analysis	4-11
Basic Financial Statements	
Financial Statements:	
Statements of Net Position	12-13
Statements of Revenues, Expenses, and Changes in Net Position.....	14
Statements of Cash Flows.....	15
Statements of Fiduciary Net Position.....	16
Statements of Changes in Fiduciary Net Position.....	16
Notes to Basic Financial Statements	17-47
Required Supplementary Information	
Schedule of Changes in the Net Pension Liability and Related Ratios - LTD Salaried Employees' Retirement Plan	48
Schedule of Employer Contributions – LTD Salaried Employees' Retirement Plan.....	49
Schedule of Changes in the Net Pension Liability and Related Ratios - LTD and ATU Pension Trust.....	50
Schedule of Employer Contributions – LTD and ATU Pension Trust	51
Schedule of Total OPEB Liability	52
Schedule of Changes in Total OPEB Liability	53
 Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual on a Non-GAAP Budget Basis:	
General Fund	54
Point2point Fund	55
Accessible Services Fund	56

Table of Contents, Continued

Page

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual on a Non-GAAP Budget Basis (continued):

- Medicaid Fund 57
- Capital Projects Fund..... 58

Reconciliation of Excess (Deficiency) of Revenues Over
Expenditures on a Budgetary Basis to Changes in Net
Position on a GAAP Basis 59

Statements of Fiduciary Net Position..... 60

Statements of Changes in Fiduciary Net Position 61

STATISTICAL SECTION

Financial Trend Information

- Comparative Statements of Net Position 63
- Changes in Net Position..... 64

Demographic and Economic Information

- Principal Employers of Lane County 65
- Demographic and Economic Statistics..... 66
- Lane County Covered Payroll 67
- Inflation Adjusted Annual Average Wages 68
- Eugene-Springfield Metropolitan Statistical Area Economic Data Sheet 69

Operating Information

- Expenditures and FTEs by Organizational Units..... 70
- Capital Asset Statistics..... 71
- Operating Revenue and Cost Maintenance 72
- Ridership, Service, and Productivity..... 73
- Ridership, Fare, Service, and Productivity 74
- Ridership, Service, and Service Area Population..... 75
- Ridership Trends by Month 76
- Passenger Boardings and Passenger Revenues..... 77
- Passenger Revenues and Operating Costs..... 78
- Transportation Revenues by Category 79
- Annual Monthly Pass Sales 80
- Passenger Revenues..... 81
- Fare Structure 82
- Comparative Payroll Tax Information..... 83

Table of Contents. Continued

Page

**DISCLOSURES AND COMMENTS REQUIRED BY
STATE MINIMUM STANDARDS**

Report of Independent Auditors on Compliance and on Internal Control
Over Financial Reporting Based on an Audit of Financial Statements
Performed in Accordance with *Oregon Municipal Audit Standards* 84-85

FEDERAL GRANT PROGRAMS

Report of Independent Auditors on Compliance and on Internal Control
Over Financial Reporting and on Compliance with Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards* 86-87

Report of Independent Auditors on Compliance and for Each Major
Over Financial Reporting and on Compliance with Other Matters
Federal Program and Report on Internal Control over Compliance
Required by Uniform Guidance 88-89

Schedule of Expenditures of Federal Awards 90

Notes to Schedule of Expenditures of Federal Awards 91

Schedule of Findings and Questioned Costs 92

Summary Schedule of Prior Audit Findings 93



December 20, 2018

Board of Directors
Lane Transit District
3500 East 17th Avenue
Eugene, OR 97403

It is our pleasure to submit to you the “Comprehensive Annual Financial Report” (CAFR) of the Lane Transit District for the fiscal year ended June 30, 2018.

Oregon Statutes require that Lane Transit District publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed, certified public accountants.

The accuracy of the District’s financial statements and the completeness and fairness of their presentation is the responsibility of District management. The District maintains a system of internal accounting controls designed to provide a reasonable assurance that assets are safeguarded against loss or unauthorized use and that financial records can be relied upon to produce financial statements in accordance with GAAP. The concept of reasonable assurance recognizes that the cost of maintaining the system of internal accounting controls should not exceed benefits likely to be derived.

The District’s financial statements were audited by Moss Adams, LLP, a firm of licensed, certified public accountants. The goal of this independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2018, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District’s basic financial statements for the fiscal year ended June 30, 2018, are fairly presented in all material respects in conformity with GAAP. The independent auditor’s report is presented in the Financial Section of this report.

In addition to meeting the requirements set forth above, the independent audit also was designed to meet the special needs of federal grantor agencies as provided for in the Federal Single Audit Act and the Office of Management and Budget’s (OMB) Uniform Guidance. These standards require the independent auditor to report not only on the fair presentation of the basic financial statements but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards.

Management’s Discussion and Analysis (MD&A) is located in the Financial Section immediately following the independent auditor’s report and precedes the basic financial statements. The MD&A provides a narrative introduction, overview, and analysis of the basic financial statements.

This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A.

District Overview

Lane Transit District (LTD) was established in 1970 under the laws of the State of Oregon that allowed the formation of transit districts as special taxing entities. The District began operating in the Eugene-Springfield area in 1970. LTD serves a population base of approximately 311,000 with a fleet of 105 buses in revenue service that travel more than 3.9 million miles annually. Passenger boardings were approximately 10.2 million for FY18. In FY18, LTD provided more than 295,000 revenue hours of fixed-route service.

The boundaries of Lane Transit District fall entirely within Lane County, encompassing approximately 482 square miles. LTD serves the Eugene-Springfield metropolitan area; the incorporated cities of Coburg, Creswell, Cottage Grove, Lowell, Veneta, and Junction City; and the unincorporated area along Highway 126 between Springfield and the McKenzie Bridge Ranger Station.

LTD is governed by a Board of Directors composed of seven members, each appointed by the governor of Oregon and confirmed by the Oregon State Senate. Each Board member represents a subdistrict of LTD's service area. The Board is responsible for development of District policies and hires and directs the activities of the general manager. The general manager, in turn, directs the daily activities of the District and is responsible for the overall management of the District and its employees.

The District is committed to the successful implementation of total fixed-route accessibility and the successful operation of a demand-response/paratransit service for persons unable to use the fixed-route system. All of LTD's fixed-route buses are equipped with wheelchair lifts or ramps. The District also provides comparable demand-response services for those persons who are unable to use the fixed-route system. In addition to the fixed-route and demand-response services, LTD also offers the Point2point transportation options program and serves as the county's Medicaid non-emergency medical transportation brokerage.

The District was empowered by the state legislature, under Oregon Revised Statutes 267, to impose an excise tax on every employer on the wages paid with respect to employment of individuals. The same authority permits the District to levy an equal tax on self-employed individuals. The allowable rate has been gradually increased by amendment to the statute and the authority of the District's Board of Directors. Per LTD Ordinances 50 and 51, the payroll and self-employment taxes for calendar year 2017 were seventy-two one hundredths of one percent (.72%) and for calendar year 2018 were seventy-three one hundredths of one percent (.73%).

In 2017, the state legislature passed House Bill 2017 (HB 2017). Section 122 of HB 2017 known as "Keep Oregon Moving" empowers the District to impose an employee state payroll tax of one-tenth of one percent effective July 1, 2018. The funds collected provide a dedicated source of funding to expand public transportation services through the Statewide Transportation Improvement Fund (STIF).

For financial planning and control, the District prepares and adopts an annual budget in accordance with Oregon Revised Statutes Chapters 294.305 through 294.565. The legally adopted budget is at the fund/program level for current expenditures, with separate appropriations established for capital outlay, debt service, interfund transfers, and contingencies. Budgetary

control is internally administered at a more restrictive level. Budget-to-actual comparisons for each individual fund for which an appropriated annual budget has been adopted are provided as supplementary information in this report.

Factors Affecting Financial Condition

Local Economy

LTD serves the Eugene-Springfield metropolitan area. Lane Transit District's boundaries fall entirely within Lane County and encompasses 482 square miles serving a population base of approximately 311,000. In June 2018, total nonfarm employment in Lane County was 162,500 compared to 158,500 in June 2017, representing an increase of 4,000 jobs in the last year.

	<u>June</u> 2014	<u>June</u> 2015	<u>June</u> 2016	<u>June</u> 2017	<u>June</u> 2018
Civilian labor force	168,414	172,343	178,823	181,846	183,914
Unemployment	11,565	10,328	9,807	8,285	7,673
Unemployment rate	6.9%	6.0%	5.5%	4.6%	4.2%
Total employment	156,849	162,015	169,016	173,561	176,241
Total nonfarm employment	147,800	152,300	156,100	158,500	162,500
Percent annual change	2.7%	3.0%	2.5%	1.5%	2.5%

Source: Oregon Employment Department

The unemployment rate has stayed steady at 4.2 percent as of June 2018. This is slightly higher than the comparable rate of 4 percent for both the State of Oregon and the United States as a whole. The June 2018 unemployment rate was 1 percentage point lower than for June 2017.

Relevant Financial Policies

Relevant financial policies are addressed in Note 1 to the financial statements. In the current year no one policy produced a significant impact on the financial statements.

Long-Range Financial Plan

The rolling ten-year Long-Range Financial Plan is currently under revision pending completion of the strategic plan, which will be developed as part of the Transit Tomorrow community engagement process and is targeted to finish late Spring 2019. The plan reviews, in detail, operating revenue and expenditure and capital outlay projections.

Major Initiatives

The District has a number of major initiatives that will impact current and future budgets:

- The District has engaged in a cooperative effort, known as MovingAhead, with the City of Eugene, regional partners, and community members to determine what improvements are needed on some of the area's most important transportation corridors. Decision on

a locally preferred alternative for the project is expected in FY19. The District is constructing a new station near River Road in the Santa Clara community near Hunsaker Lane, including a Park & Ride. The new facility will accommodate both 40- and 60-foot buses, reducing operational delays and improving the customer experience.

- The District is using results from the Pedestrian Network Analysis to assess and develop potential safety and amenity improvements along the Frequent Transit Network.
- The District is conducting a detailed study of our transit system to identify existing strengths, areas for improvement and options to improve and increase usage utilizing a long-term view
- The District's local plan is in the process of being reviewed by the STIF advisory committee. This plan includes projects that invest in operating and capital improvement for low-income household. The projects include additional bus service, replacement of aging buses, mobility as a service, and low-income and student subsidies.
- Transit vehicles have a lifespan of approximately 12 years. In its effort to be fiscally responsible, LTD has maintained many of its vehicles beyond 12 years. However, as vehicles age, maintenance costs increase; this increase eventually offsets any savings generated by delaying the purchase of new vehicles. Many of LTD's vehicles are at the appropriate point in their lifespan to be replaced. LTD will be replacing these aging buses over the course of the next three to five years with diesel, diesel hybrid, and all electric vehicles
- Demand response vehicles have a lifespan of approximately five to eight years. Many of LTD's demand-response vehicles have exceeded their lifespan. With the increase in demand response services, replacement and expansion of these vehicles have become a priority to continue to provide paratransit services.

GFOA Certificate of Achievement for Excellence in Financial Reporting

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report for the years ended June 30, 2016 and 2017. In order to be awarded a Certificate of Achievement, the District published an easily readable and efficiently organized Comprehensive Annual Financial Report that conforms to program standards. The report satisfies both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement is valid for a period of only one year. We believe we have met the GFOA's standards for financial reporting for the year ended June 30, 2018, and therefore, the District will again be submitting its current Comprehensive Annual Financial Report to that body for consideration for a Certificate of Achievement. To that end, we will advise the Board of the results of the GFOA's review of our report.

Acknowledgments

The preparation of the "Comprehensive Annual Financial Report" was made possible by the efforts of the entire Finance Department and other support from the Planning Department. The Finance Department appreciates and thanks all staff who assisted and contributed to the report's

presentation. Staff also thank the members of the LTD Board of Directors for their interest and support in managing the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'AJ', written in a cursive style.

Aurora Jackson
General Manager

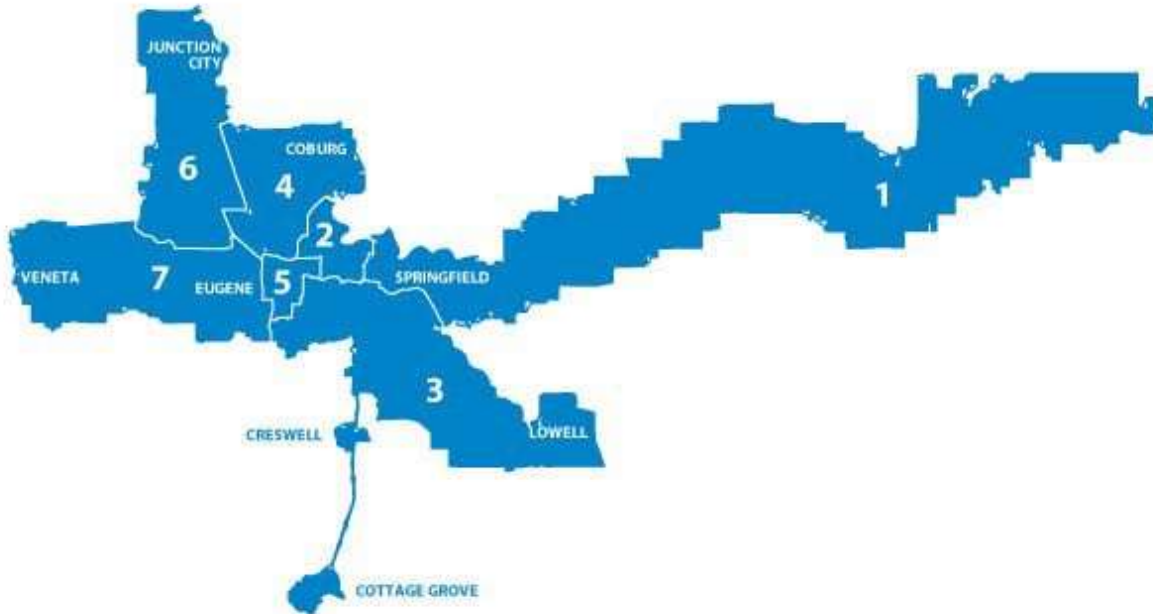
A handwritten signature in black ink, appearing to be 'Christina Shew', written in a cursive style.

Christina Shew, CPA
Director of Finance

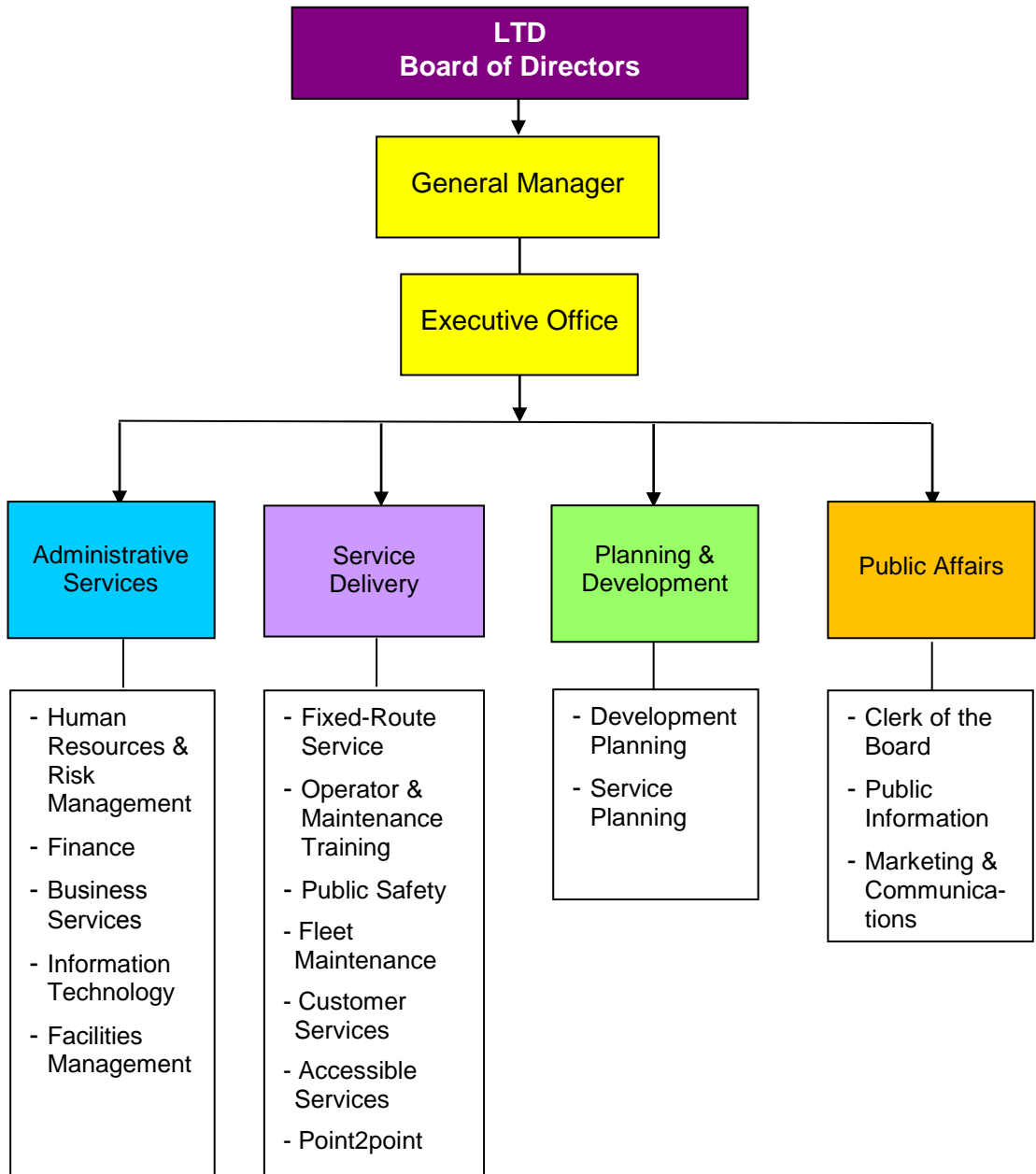
LTD Board of Directors

(Four-year Terms)

	<u>Sub-District</u>	<u>Term Expiration</u>
Steven Yett	1	12/31/21
Carl Yeh	2	12/31/20
Don Nordin, Treasurer	3	12/31/18
Ed Necker, Secretary	4	12/31/17
Vacant	5	N/A
Gary Wildish, President	6	12/31/18
Kate Reid	7	12/31/20



LTD Organizational Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Lane Transit District
Oregon**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

Report of Independent Auditors

The Board of Directors
Lane Transit District, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of Lane Transit District, Oregon (the District) and the Lane Transit District Salaried Employee's Retirement Plan Trust Fund as of and for the year ended June 30, 2018 and 2017, and the Amalgamated Transit Union, Local No. 757 Pension Trust Fund as of and for the year ended December 31, 2017 and 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District, and the Lane Transit District Salaried Employee's Retirement Plan Trust Fund as of June 30, 2018 and 2017, and the Amalgamated Transit Union, Local No. 757 Pension Trust Fund as of December 31, 2017 and 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

In the year ended June 30, 2018, the District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which modified the presentation of the financial statements by establishing standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to other postemployment benefits (OPEB) provided through a defined benefit OPEB plan. In addition, GASB Statement 75 requires disclosure of information related to OPEB. As discussed in Note 4e to the financial statements, the adoption of GASB Statement 75 resulted in the restatement of beginning net position. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-11, the schedules of changes in the net pension liability and related ratios on pages 48 and 50, employer contributions on pages 49 and 51, total OPEB liability on page 52, and changes in total OPEB liability on page 53 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of expenditures of federal awards and related notes on pages 90 through 91, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the other supplementary information on pages 54 through 61; each as listed in the table of contents (collectively, the supplementary information), are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section and statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory section and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.


Reports of Other Legal and Regulatory Requirements

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report under separate cover dated December 20, 2018 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Other Reporting Required by Minimum Standards for Audits of Oregon Municipal Corporations

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 20, 2018, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Julie Desimone, Partner
for Moss Adams LLP
Portland, Oregon
December 20, 2018

**LANE TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

The following management's discussion and analysis (MD&A) provides an overview of the Lane Transit District (LTD or the District) financial performance for the fiscal years ended June 30, 2018 and 2017. It is designed to assist the reader in focusing on significant financial issues, providing an overview of the District's financial activity, and identifying changes in the District's financial position.

This MD&A is based on currently known facts, decisions, and conditions that existed as of the date of the independent auditor's report. As with other sections of the financial report, the information contained within the MD&A should be considered only as part of a greater whole. The reader of this MD&A should take time to read and evaluate all sections of this report, including the notes to financial statements and other supplementary information that is provided in addition to this MD&A. Additional information outside the scope of this analysis can be found in the Letter of Transmittal.

Overview of the Financial Statements

The District's financial statements consist of statements of net position; statements of revenues, expenses, and changes in net position; and statements of cash flows. These statements offer short- and long-term financial information about all the District's activities. The notes to the financial statements contain more detail on some of the information presented in the financial statements. Over time, increases or decreases in net position, as reported on the statements of net position, may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The District's financial statements have been prepared using the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America (GAAP). Under this basis of accounting, revenues are recognized in the period in which they are earned, and expenses are recognized in the period in which they are incurred, regardless of the timing of related cash flows.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided within the financial statements. The notes to the financial statements are found on pages 17-47 in this report.

**LANE TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Financial Summary

Net Position

	District Total			Increase (decrease) 2018-2017	Percentage Change 2018-2017	Increase (decrease) 2017-2016	Percentage Change 2017-2016
	2018	2017	2016				
Assets							
Current assets	\$ 39,716,401	\$ 33,622,720	\$ 53,537,564	\$ 6,093,681	18.1%	\$ (19,914,844)	-37.2%
Capital assets, net of depreciation	176,573,417	182,179,014	160,464,160	(5,605,597)	-3.1%	21,714,854	13.5%
Total assets	216,289,818	215,801,734	214,001,724	488,084	0.2%	1,800,010	0.8%
Deferred Outflows of Resources	3,425,274	5,235,429	6,267,714	(1,810,155)	-34.6%	(1,032,285)	-16.5%
Total assets and deferred outflows of resources	219,715,092	221,037,163	220,269,438	(1,322,071)	-0.6%	767,725	0.3%
Liabilities							
Current liabilities	8,629,463	9,017,767	17,233,166	(388,304)	-4.3%	(8,215,399)	-47.7%
Noncurrent liabilities	30,342,493	28,793,940	29,591,803	1,548,553	5.4%	(797,863)	-2.7%
Total liabilities	38,971,956	37,811,707	46,824,969	1,160,249	3.1%	(9,013,262)	-19.2%
Deferred Inflows of Resources	2,236,492	696,930	351,796	1,539,562	220.9%	345,134	98.1%
Net Position							
Investment in capital assets	176,573,417	182,179,014	160,464,158	(5,605,597)	-3.1%	21,714,856	13.5%
Restricted for Accessible Services, Point2point and Medicaid programs	1,792,304	38,863	2,775,776	1,753,441	4511.9%	(2,736,913)	-98.6%
Unrestricted	140,923	310,649	9,852,739	(169,726)	-54.6%	(9,542,090)	-96.8%
Total net position	178,506,644	182,528,526	173,092,673	(4,021,882)	-2.2%	9,435,853	5.5%
Total liabilities, deferred inflows of resources and net position	\$219,715,092	\$221,037,163	\$220,269,438	\$ (1,322,071)	-0.6%	\$ 767,725	0.3%

FY18

The District's total assets stayed relatively flat at \$216 million. Current assets increased \$6.1 million, predominately from increases to grants receivable and accounts receivable. Grants receivable increased as a result of drawdown timing. Significant grants receivables outstanding in FY18 were for the Glenwood facility building and bus lot, EmX West, and the Willow Creek Terminus. Accounts receivable was up due to large outstanding payments due to the District by Trillium at year-end as a result of claims submittal delays, which resulted from software transition challenges as a result of the NOVUS RideSource management software implementation. Offsetting the increase in current assets is a decrease in the net book value of capital assets, which decreased \$5.6 million. This decrease was the result of asset depreciation partially offset by increases in land specifically acquired as part of the EmX West bus rapid transit (BRT) line. The reduction in FY18 construction-in-progress is primarily due to the EmX West BRT line being placed into service in September 2017. The District's total liabilities increased \$1.2 million (3.1 percent) in FY18 from \$37.8 million to \$39 million. This is largely attributable to changes in noncurrent liabilities. The total OPEB liability increased \$4.7 million but was partially offset by the net pension liability for the ATU pension trust. The increase in the OPEB obligation is the result of the implementation of GASB Statement No. 75. The net pension liability for the ATU pension trust decreased as a result of an increase in net investment income, increasing the Plan's fiduciary net position. Total current liabilities decreased \$.382 million due to a reduction in accounts payable, specifically for the EmX West project.

**LANE TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

The net position of the District decreased \$4 million (2.2 percent) in FY18, from \$182.5 million to \$178.5 million. Of the \$178.5 million, \$.141 million was unrestricted, a decrease of \$.170 million from the prior year. The remaining portion of net position is invested in capital assets or restricted for use in Accessible Services, Medicaid, and Point2point programs.

FY17

The District's total assets increased \$1.8 million (0.8 percent) in FY17, from \$214 million to \$215.8 million. Current assets decreased \$19.9 million, predominately from decreases to cash. Cash decreases were the result of increased personnel and associated benefit costs, increased materials and service costs, and a decrease in the employer payroll tax collected. The net book value of capital assets increased \$21.7 million with the addition of \$27.2 million in construction-in-process assets, primarily related to the EmX West. The District's total liabilities decreased \$9 million (19.2 percent) in FY17 from \$46.8 million to \$37.8 million. This is largely attributable to formerly unearned revenue from the State of Oregon lottery bonds being recognized as revenue, as a significant portion of the EmX West grant conditions were met in FY17. The net position of the District increased \$9.4 million (5.5 percent) in FY17, from \$173.1 million to \$182.5 million. Of the \$182.5 million, \$.311 million was unrestricted, a decrease of \$9.5 million from the prior year. The remaining portion of net position is invested in capital assets or restricted for use in Accessible Services and Medicaid programs.

Changes in Net Position

	District Total			Increase (decrease) 2018-2017	Percentage Change 2018-2017	Increase (decrease) 2017-2016	Percentage Change 2017-2016
	2018	2017	2016				
Operating Revenues							
Passenger fares	\$ 6,839,353	\$ 7,319,892	\$ 7,119,850	\$ (480,539)	-6.56%	\$ 200,042	2.81%
Special services	229,062	154,541	243,928	74,521	48.22%	(89,387)	-36.64%
Accessible Services, Point2point, and Medicaid	14,115,229	12,572,295	14,115,352	1,542,934	12.27%	(1,543,057)	-10.93%
Advertising	270,000	447,000	443,887	(177,000)	-39.60%	3,113	0.70%
Nonoperating Revenues							
Employer payroll tax	35,797,722	32,827,455	34,394,558	2,970,267	9.05%	(1,567,103)	-4.56%
Self-employment tax	2,072,662	1,983,365	1,902,866	89,297	4.50%	80,499	4.23%
State payroll assessment	439,600	411,860	400,795	27,740	6.74%	11,065	2.76%
Grant revenue	2,825,907	115,475	5,052,775	2,710,432	2347.20%	(4,937,300)	-97.71%
Interest	167,305	201,295	99,207	(33,990)	-16.89%	102,088	102.90%
Facility rental and other nonoperating revenues	166,934	349,986	238,853	(183,052)	-52.30%	111,133	46.53%
Gain (loss) on disposal of capital assets	(1,066,785)	37,721	6,644	(1,104,506)	-2928.09%	31,077	467.75%
Total operating and nonoperating revenues	61,856,989	56,420,885	64,018,715	5,436,104	9.63%	(7,597,830)	-11.87%
Operating Expenses							
Personnel services	35,926,313	35,491,687	31,268,707	434,626	1.22%	4,222,980	13.51%
Materials and services	8,862,305	11,527,120	9,178,422	(2,664,815)	-23.12%	2,348,698	25.59%
Insurance	1,055,130	985,149	880,893	69,981	7.10%	104,256	11.84%
Accessible Services, Point2point, and Medicaid	17,118,488	15,482,280	16,768,307	1,636,208	10.57%	(1,286,027)	-7.67%
Depreciation	15,613,426	11,331,319	11,129,702	4,282,107	37.79%	201,617	1.81%
Total operating expenses	78,575,662	74,817,555	69,226,031	3,758,107	5.02%	5,591,524	8.08%
Gain (loss) before contributions	(16,718,673)	(18,396,670)	(5,207,316)	1,677,997	-9.12%	(13,189,354)	253.29%
Capital contributions	17,681,023	27,832,523	40,998,913	(10,151,500)	-36.47%	(13,166,390)	-32.11%
Changes in net position	962,350	9,435,853	35,791,597	(8,473,503)	-89.80%	(26,355,744)	-73.64%
Total net position - beginning of period	182,528,526	173,092,673	137,301,076	9,435,853	5.45%	35,791,597	26.07%
Restatement - Note 4(e)	(4,984,232)	-	-	-	-	-	-
Total net position - restated	177,544,294	173,092,673	137,301,076	9,435,853			
Total net position - end of period	\$178,506,644	\$182,528,526	\$173,092,673	\$ 962,350	-2.20%	\$ 9,435,853	5.45%

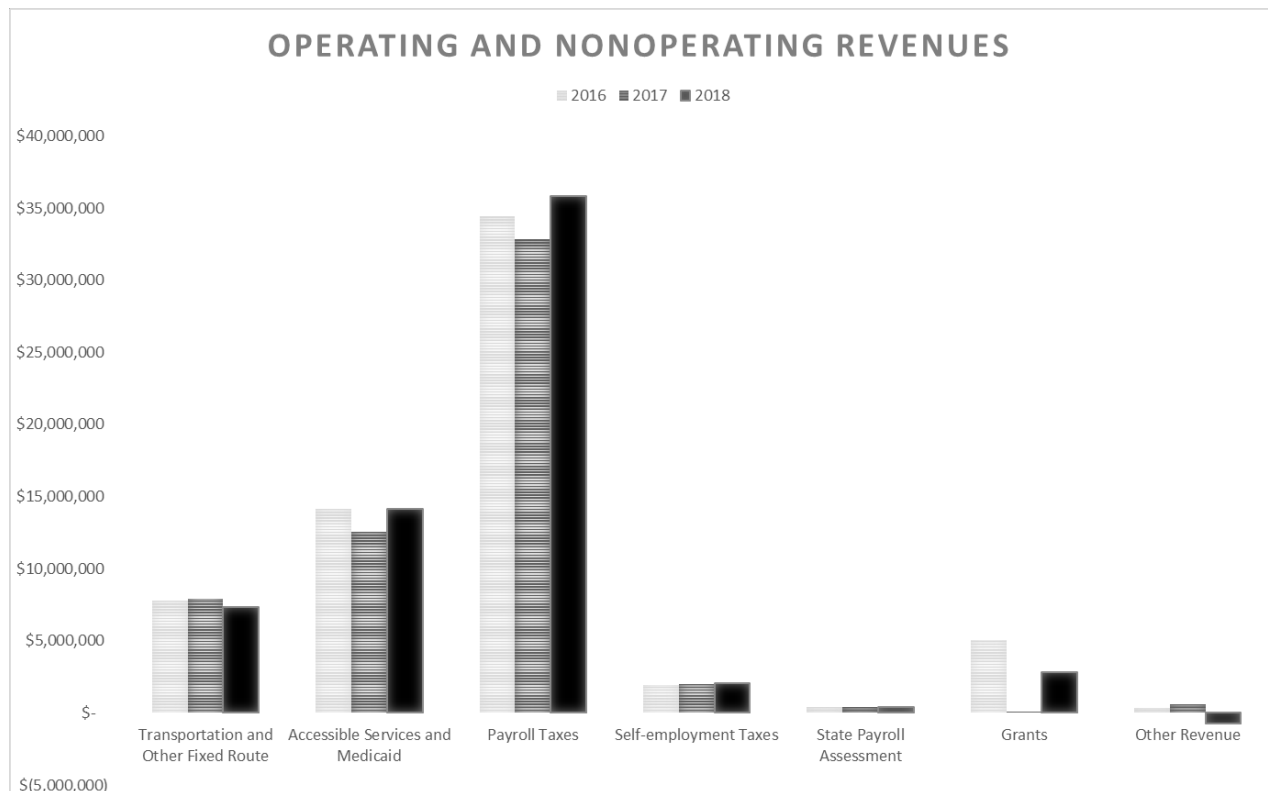
**LANE TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FY18

The District's net position decreased \$4 million in FY18 to \$178.5 million. Total revenues were up \$5.4 million (9.6 percent), accompanied by an increase in total expenses of \$3.7 million (5.0 percent). A decrease in capital contributions, increases in depreciation expense, and losses on disposal of capital assets are the primary reasons for the unfavorable change in net position. The increase depreciation is the result of EmX West assets placed into service in September 2017. The loss on disposal of capital assets is the result of pedestrian bridges transferred to the city of Eugene upon their completion.

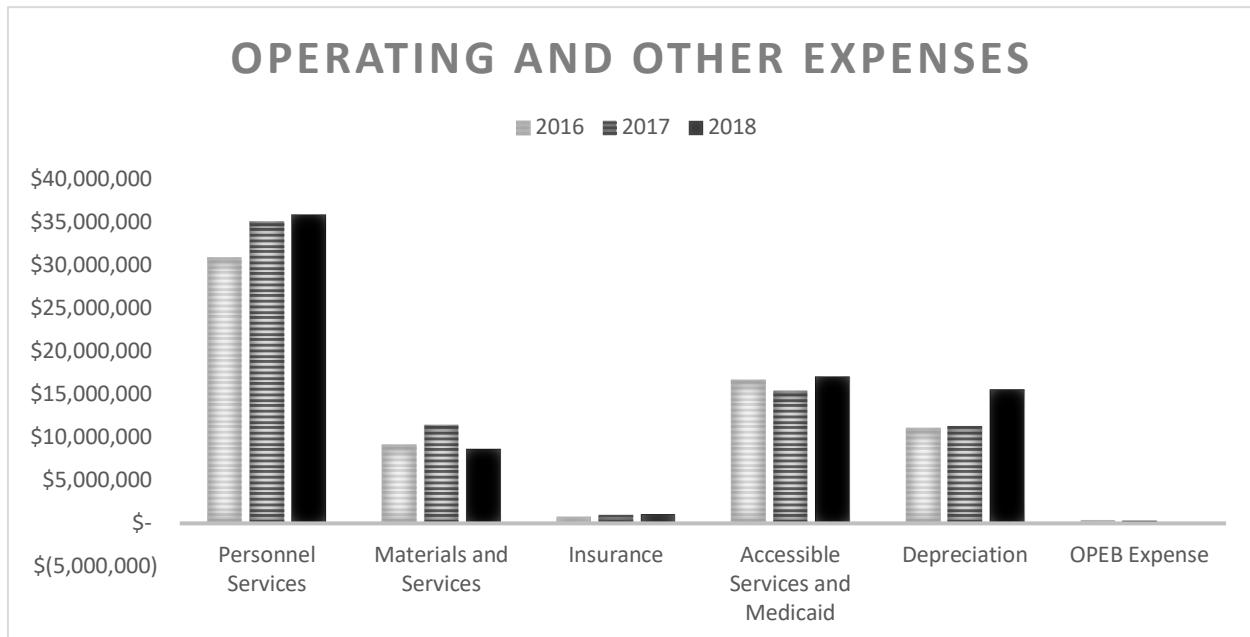
Operating revenues of \$21.5 million reflect an increase of 4.7 percent in FY18. Most of this increase was due to increased utilization of the Accessible Service, Medicaid, and Point2point programs. This increase was partially offset by decreased advertising and fixed-route service passenger fares. Passenger fare decline is due to promotional passes in the first half of FY18 for the EmX launch, as well as an increase in transfers. Advertising was down \$.177 million (39.6 percent) as the University of Oregon EmX advertising contract expired in June 2017, and no advertising replaced this space.

Nonoperating revenues of \$40.4 million were up 12.5 percent in FY18. The increase in nonoperating revenues was due to increases in payroll tax receipts and the reinstatement of federal assistance used for operations in FY18. Compared to FY17, payroll tax receipts are higher by \$3 million. Favorability of \$2 million is due to a taxpayer amended return adversely impacting FY17 with the remaining increase the result of an increase in the tax rate in January 2018 and slowed but continued economic growth.



**LANE TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Operating expenses of \$78.6 million were up 5.0 percent in FY18. The largest increase is for depreciation, which is up \$4.3 million (37.8 percent) as EmX West assets were placed into service in September 2017. Increases in Accessible Services, Point2point, and Medicaid of 10.6 percent was driven by an increase in demand for those programs. Personnel services were up 1.2 percent (\$.435 million) as a result of medical insurance premium increases of 10 percent and 9.1 percent January 2017 and 2018, respectively. Materials and services decreased \$2.7 million or 23.1 percent as a result of austerity measures put in place. The most significant materials and services decreases were for fuel, contracted services, and maintenance and repair.



Capital contributions reflect funds received from federal, state, and local sources for use in capital projects. This component of the change in net position can vary significantly from year to year depending on the number and type of capital projects undertaken. The decrease in capital contributions by \$10.2 million in FY18 is primarily related to EmX West, which was launched in September 2017. Details of capital spending can be found below in the capital assets portion of this analysis.

FY17

The District's net position increased \$9.4 million in FY17 to \$182.5 million. Total revenues were down \$7.6 million (11.9 percent), accompanied by an increase in total expenses of \$5.6 million (8.1 percent). Federal and state assistance were the primary contributors to the favorable change in net position. Operating revenues of \$20.5 million reflect a decrease of 6.5 percent in FY17. Most of this decrease was attributable to a reduction in utilization of the Accessible Services and Medicaid programs partially offset by increases in fixed-route service passenger fares. Nonoperating revenues of \$35.9 million were down 14.7 percent in FY17. The decrease in nonoperating revenues was due to federal assistance used for operations in FY16, but not in FY17, and lower payroll tax receipts. Payroll tax receipts were lower in FY17 because of \$2 million in taxpayer amended returns for overpayment of their payroll taxes in FY15 and FY16. The decrease in capital contributions is related to the EmX West winding down as it prepared for launch in September 2017.

**LANE TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Operating expenses of \$74.8 million were up 8.1 percent in FY17. Personnel services were up 13.5 percent (\$4.3 million). Personnel cost increases were primarily for bus operators and public safety. Bus operators were added in preparation for the EmX West. Public safety increases were the result of insourcing of this formerly outsourced service. Personnel service benefit cost increases were a result of a one-time \$1 million payment to reduce the unfunded pension liability, an increase in the number of personnel, and a 10 percent increase in medical premium costs in January 2017. Decreases in Accessible Services and Medicaid of 7.7 percent were driven by a decline in demand for those programs. Materials and services increased \$2.3 million or 25.6 percent primarily for fuel, parts, and contracted services. The charge for depreciation stayed relatively flat, increasing \$.2 million.

Capital contributions reflect funds received from federal, state, and local sources for use in capital projects. This component of the change in net position can vary significantly from year to year depending on the number and type of capital projects undertaken. Details of capital spending can be found below in the capital assets portion of this analysis.

Capital Assets

At June 30, 2018, the District had invested \$177 million, net of accumulated depreciation, in a variety of capital assets.

Capital Assets, net of depreciation As of June 30							
	District Totals			Increase (decrease) 2018-2017	Percentage Change 2018-2017	Increase (decrease) 2017-2016	Percentage Change 2017-2016
	2018	2017	2016				
Land	\$ 17,612,178	\$ 12,105,276	\$ 12,057,496	\$ 5,506,902	45.7%	\$ 47,780	0.4%
Freestanding public art	366,917	366,917	366,917	(0)	0.0%	0	0.0%
Construction in progress	142,858	88,711,001	61,519,546	(88,568,143)	-144.0%	27,191,455	44.2%
Busways	103,046,925	27,449,945	29,742,702	75,596,980	254.2%	(2,292,757)	-7.7%
Rolling stock and related equipment	21,469,723	25,731,739	26,489,253	(4,262,017)	-16.1%	(757,513)	-2.9%
Stations, shelters, and bus signs	10,861,490	6,884,493	8,178,975	3,976,997	48.6%	(1,294,482)	-15.8%
Buildings and improvements	19,832,479	17,477,399	18,627,551	2,355,080	12.6%	(1,150,152)	-6.2%
Accessible Services vehicles	717,216	763,020	1,329,807	(45,805)	-3.4%	(566,786)	-42.6%
Other equipment and support vehicles	2,523,632	2,689,223	2,151,912	(165,591)	-7.7%	537,311	25.0%
	<u>\$ 176,573,417</u>	<u>\$ 182,179,014</u>	<u>\$ 160,464,160</u>	<u>\$ (5,605,597)</u>	-3.5%	<u>\$ 21,714,855</u>	13.5%

FY18

In FY18, the District spent \$11.1 million for capital acquisition and construction, approximately 79 percent of which was reimbursed by federal and state governments. The reimbursement percentage is down from 81 percent, primarily due to the use of *ConnectOregon* grants in FY17, but not FY18, and some projects funded solely by the General Fund. Of the \$11.1 million spent, \$6.7 million was spent for construction activities related to the EmX West. Other expenditures included \$3.4 million spent for construction activities related to the facilities management building and bus parking lot. Overall, the District's net position in capital assets decreased by \$5.6 million after the charge for depreciation.

**LANE TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FY17

In FY17, the District spent \$33 million for capital acquisition and construction, approximately 81 percent of which was reimbursed by federal and state governments. Of this amount, \$27.6 million was spent for construction activities related to the EmX West. Other expenditures included \$3.4 million for acquisition of accessible services vehicles and buses. Overall, the District's net position in capital assets increased by \$21.7 million after the charge for depreciation.

Note 3(d) (page 28) contains additional detail information about capital assets activity.

Economic Factors and Related Budget Impact

During the preparation of the budget for the ensuing fiscal year, the long-term impacts of the local economy were examined in conjunction with business decisions made by the District. The District's Board of Directors adopted the FY19 budget on May 16, 2018. The total adopted budget for FY19 is \$97.9 million, which includes \$56.4 million in total appropriations, a 9.5 percent decrease from the FY18 budget. The FY19 adopted budget can be found under "Financials" and "Annual Budget" at: <https://www.ltd.org/financials/>. Budget highlights are listed below:

- Although payroll and self-employment taxes increased \$1.2 million to \$37.9 million in FY18, it was below the FY18 budget amount by \$2.1 million due to a \$2.8 million taxpayer amended return in FY17 for overpayment of their payroll taxes in FY15, FY16, and early FY17. Growth was approximately 3.1 percent after adjusting for the impact of the amended return. At the time of the FY18 budget adoption, which was prior to the taxpayer amended return, payroll and self-employment taxes were projected to increase to \$40 million. The FY18 growth of 3.1 percent is inclusive of the scheduled January 2018 payroll tax rate increase of one one-hundredth of one percent (.001%). The FY19 payroll and self-employment taxes are projected to be \$38.8 million (2.4 percent increase), which is reflective of a slowing economic growth in the District.
- Operating revenues, including passenger fares, monthly passes, Group Pass Program, advertising, and special services, are forecast to increase 11.4 percent to \$7.1 million from the prior-year budget. Reductions are predicted in passenger fares and group pass revenues due to lower University of Oregon and Lane Community College enrollment, as well as an increase in the use of transfers.
- The FY19 budget incorporates \$2.5 million related to the State of Oregon House Bill 2017 that passed in July 2017. This bill includes a statewide employee payroll tax of one-tenth of one percent (.1%) on eligible gross taxable employee wages and is expected to raise approximately \$13.4 million over three years.
- In April 2018, the staff belonging to the Amalgamated Transit Union Local 757 ratified a four-year contract, which increased wages 3 percent in FY19. Additionally, the FY18 budgeted staff was 373 but was held to an average of 362 in FY18. The plan is to reduce the FTEs through attrition by the end of FY19 to 351. Headcount savings due to FTE attrition is partially offset by increases in the cost of health insurance, which is projected to increase 8 percent in FY19. The combination of these factors results in a 7.2 percent reduction to \$36.1 million in the personnel service budget for FY19 from FY18.
- Fuels and lubricants, the District's single largest material expenditure line item, is budgeted to decrease to \$2.3 million from the FY18 budget as fuel prices remain low, economists predict stability in diesel markets in FY19, and service efficiencies will reduce consumption.

**LANE TRANSIT DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

- Parts, general maintenance, and repair are budgeted to increase over FY18 by \$.2 million as the District's aging fleet requires major component replacements.
- Costs associated with facility management, as a result of doubling the EmX infrastructure through EmX West, have tapered off. FY19 budget for facilities management is only a \$.96 million increase (3 percent).
- \$6.6 million of grant funding is allocated to purchase eight buses. Another \$1.3 million is appropriated to replace accessible service vehicles. All bus purchases will replace vehicles that have reached the end of their useful life.
- \$1.2 million of grant funding and local match is allocated for EmX development and construction, including completion of property acquisitions and the Franklin EmX transit station.
- \$1 million is allocated to planning projects including Main Street McVay, MovingAhead, and the River Road Transit Community Implementation Plan.
- \$10.3 million of grant funding and local match is being used to construct a new station near Hunsaker Lane and River Road in Eugene. For FY19, \$1 million is budgeted to be spent. This new station will accommodate both regular and EmX vehicles, reducing operational delays and improving the customer experience.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the following:

Finance Department
Lane Transit District
P.O. Box 7070
Springfield, OR 97475-0470

Basic Financial Statements

**Lane Transit District
Statements of Net Position
June 30, 2018 and 2017**

	2018	2017
Assets		
Current assets		
Cash and investments		
Unrestricted	\$ 7,878,024	\$ 14,686,242
Restricted	2,923,676	3,272,217
Accounts receivable	4,576,550	1,879,675
Taxes receivable	8,801,585	8,614,940
Grants receivable	14,103,997	3,278,273
Due from other governments	110,297	105,699
Inventory of parts and supplies	1,111,267	931,733
Prepaid expense	191,005	793,941
Deposits	20,000	60,000
Total current assets	39,716,401	33,622,720
Capital assets		
Land	17,612,178	12,105,276
Freestanding public art	366,917	366,917
Construction in progress	30,552,357	88,711,001
Other capital assets (net of depreciation)	128,041,965	80,995,820
Net capital assets	176,573,417	182,179,014
Total assets	216,289,818	215,801,734
Deferred outflows of resources		
Deferred outflows - LTD ATU Pension Trust	2,408,443	4,024,659
Deferred outflows - LTD Salaried Employees' Plan	526,150	1,210,770
Deferred outflows - OPEB	490,681	-
Total deferred outflows of resources	3,425,274	5,235,429
Total assets and deferred outflows of resources	\$ 219,715,092	\$ 221,037,163

The notes to basic financial statements are an integral part of this statement.

**Lane Transit District
Statements of Net Position (Continued)
June 30, 2018 and 2017**

	2018	2017
Liabilities		
Accounts payable	\$ 5,412,014	\$ 6,484,806
Accrued payroll	876,569	722,774
Payroll withholdings and taxes	59,142	54,891
Accrued pension	151,718	134,309
Accrued vacation and sick leave	1,002,831	939,216
Unearned revenue	970,456	654,217
Other current liabilities	156,733	27,554
Total current liabilities	8,629,463	9,017,767
Noncurrent liabilities		
Accrued vacation and sick leave	1,872,076	1,865,918
Total OPEB liability	9,605,874	4,869,347
Net pension liability - LTD ATU Pension Trust	10,135,573	13,359,305
Net pension liability - LTD Salaried Employees' Plan	8,728,970	8,699,370
Total noncurrent liabilities	30,342,493	28,793,940
Total liabilities	38,971,956	37,811,707
Deferred inflows of resources		
Deferred inflows - LTD ATU Pension Trust	1,414,508	696,930
Deferred inflows - LTD Salaried Employees' Plan	103,213	-
Deferred inflows - OPEB	718,771	-
Total deferred outflows of resources	2,236,492	696,930
Net position		
Investment in capital assets	176,573,417	182,179,014
Restricted	1,792,304	38,863
Unrestricted	140,923	310,649
Total net position	178,506,644	182,528,526
Total liabilities, deferred inflows of resources and net position	\$ 219,715,092	\$ 221,037,163

The notes to basic financial statements are an integral part of this statement.

Lane Transit District
Statements of Revenues, Expenses, and Changes in Net Position
For the fiscal years ended June 30, 2018 and 2017

	2018	2017
Operating revenues		
Passenger fares	\$ 6,839,353	\$ 7,319,892
Special services	229,062	154,541
Accessible Services, Medicaid and Point2point	14,115,229	12,572,295
Advertising	270,000	447,000
Total operating revenues	21,453,644	20,493,728
Operating Expenses		
Personnel services	35,926,313	35,491,687
Materials and services	8,862,305	11,527,120
Insurance	1,055,130	985,149
Accessible Services, Medicaid and Point2point	17,118,488	15,482,280
Depreciation	15,613,426	11,331,319
Total operating expenses	78,575,662	74,817,555
Operating loss	(57,122,018)	(54,323,827)
Nonoperating Revenues (Expenses)		
Employer payroll tax, net of state administrative fees (2018, \$551,892; 2017, \$391,988)	35,797,722	32,827,455
Self-employment tax, net of state administrative fees (2018, \$85,161; 2017, \$83,907)	2,072,662	1,983,365
State payroll assessment	439,600	411,860
Grant revenue	2,825,907	115,475
Interest	167,305	201,295
Facility rental and other nonoperating revenues	166,934	349,986
(Loss)/gain on disposal of capital assets	(1,066,785)	37,721
Total nonoperating revenues	40,403,345	35,927,157
Loss before capital contributions	(16,718,673)	(18,396,670)
Capital contributions		
Federal and state grants for capital acquisition	17,681,023	27,832,523
Changes in net position	962,350	9,435,853
Total net position - beginning	182,528,526	173,092,673
Restatement - Note 4(e)	(4,984,232)	-
Total net position - restated	177,544,294	173,092,673
Total net position - ending	\$ 178,506,644	\$ 182,528,526

The notes to basic financial statements are an integral part of this statement.

**Lane Transit District
Statements of Cash Flows
For the fiscal years ended June 30, 2018 and 2017**

	2018	2017
Cash flows from operating activities		
Cash received from customers	\$ 18,756,041	\$ 20,189,567
Cash paid to suppliers for goods and services	(26,965,785)	(28,388,508)
Cash paid to employees for services	(36,314,995)	(34,382,625)
Net cash used for operating activities	<u>(44,524,739)</u>	<u>(42,581,566)</u>
Cash flows from noncapital financing activities		
Employer payroll tax	35,797,722	32,827,455
Self-employment tax	2,068,949	1,995,574
State payroll assessment	256,668	545,768
Federal operating grant	1,813,107	-
State operating grant	1,012,800	-
Local operating grant	-	115,475
Facility rental and other nonoperating revenues	166,934	349,986
Net cash provided by noncapital financing activities	<u>41,116,180</u>	<u>35,834,258</u>
Cash flows from capital and related financing activities		
Contribution from federal and state agencies	7,171,538	24,200,528
Proceeds from disposal of capital assets	8,559	37,721
Acquisition and construction of capital assets	(11,095,602)	(33,046,173)
Net cash used for capital and related financing activities	<u>(3,915,505)</u>	<u>(8,807,924)</u>
Cash flows from investing activities		
Interest receipts	<u>167,305</u>	<u>201,295</u>
Net change in cash and cash equivalents	<u>(7,156,759)</u>	<u>(15,353,937)</u>
Cash and cash equivalents, beginning of the year	17,958,459	33,312,396
Cash and cash equivalents, end of the year	<u>\$ 10,801,700</u>	<u>\$ 17,958,459</u>
Reconciliation of operating loss to net cash used for operating activities:		
Operating loss	(57,122,018)	(54,323,827)
Adjustments to reconcile operating loss to net cash used for operating activities		
Depreciation	15,613,426	11,331,319
Change in net pension liability and related deferred inflows and outflows	(72,505)	(121,744)
Change in net OPEB liability and related deferred inflows and outflows	(19,615)	353,155
Change in accounts receivable	(2,697,603)	(304,161)
Change in inventory of parts and supplies	(179,534)	1,077,584
Change in prepaid expenses	602,936	(497,172)
Change in deposits	40,000	-
Change in accounts payable	(1,072,792)	598,095
Change in accrued payroll and related liabilities	245,228	877,651
Change in other current liabilities	129,179	(1,572,466)
	<u>\$ (44,533,298)</u>	<u>\$ (42,581,566)</u>

The District disposed of capital assets with a net book value of \$1,079,214 and \$0 in the fiscal years ending June 30, 2018 and 2017 respectively. The 2018 disposal was for bridges transferred to the City of Eugene. Cash and cash equivalents consist of unrestricted and restricted amounts.

The notes to basic financial statements are an integral part of this statement.

**Lane Transit District
Statements of Fiduciary Net Position**

	Pension Trust Funds As of June 30, 2018	Pension Trust Funds As of June 30, 2017
Assets		
Cash		
Cash and cash equivalents	\$ 1,204,326	\$ 977,709
Investments		
Shares of registered investment companies	47,334,524	41,671,467
Total Assets	<u>48,538,850</u>	<u>42,649,176</u>
Liabilities		
Accrued expenses	11,697	49,382
Fiduciary Net Position - Restricted for Pensions	<u>\$ 48,527,153</u>	<u>\$ 42,599,794</u>

Statements of Changes in Fiduciary Net Position

	Pension Trust Funds For the Year Ended June 30, 2018	Pension Trust Funds For the Year Ended June 30, 2017
Additions		
Employer contributions	\$ 4,231,412	\$ 4,932,274
Net change in fair value of investments	4,779,995	2,827,564
Interest, dividends and other income	907,376	767,923
Investment expenses	(160,934)	(144,849)
Net investment income	<u>5,526,437</u>	<u>3,450,638</u>
Total Additions	<u>9,757,849</u>	<u>8,382,912</u>
Deductions		
Benefits paid to participants	3,724,045	3,616,792
Administrative expenses	106,445	129,125
Total deductions	<u>3,830,490</u>	<u>3,745,917</u>
Net increase in fiduciary net position	5,927,359	4,636,995
Fiduciary Net Position - Restricted for Pensions Beginning of the year	<u>42,599,794</u>	<u>37,962,799</u>
Fiduciary Net Position - Restricted for Pensions End of the year	<u>\$ 48,527,153</u>	<u>\$ 42,599,794</u>

LANE TRANSIT DISTRICT

Notes to Basic Financial Statements

Years Ended June 30, 2018 and 2017

1. Organization and Summary of Significant Accounting Policies

Lane Transit District, Oregon (“LTD” or “the District”) was organized under the provisions of Oregon Revised Statutes (ORS) Chapter 267 to provide mass transit services to the Eugene-Springfield area. Formation of the District was effective November 23, 1970, with the assumption of the operations of a privately-owned bus system. Under ORS 267, the District is authorized to levy taxes and charge fares to pay for the operations of the District. The District also is authorized to issue general obligation bonds and revenue bonds. The District is governed by a seven-member Board of Directors appointed by the Governor of the State of Oregon. Board members represent and must live in certain geographical subdistricts. The Board of Directors set District policy, levy taxes, appropriate funds, adopt budgets, serve as contract board, and perform other duties required by state and federal law. The District uses one budgetary fund to account for its operating activities: General Fund. The General Fund accounts for the financial resources associated with operating the District. Principle sources of revenue in the General Fund are passenger fares, employer payroll and self-employment taxes, State of Oregon payroll assessments (“in lieu”), federal grants, and interest. Primary expenditures in the General Fund are personal services, materials and services, and principal and interest on debt secured by General Fund revenues. The District has the following four other funds: Point2point Fund, Accessible Services Fund, Medicaid Fund, and Capital Projects Fund. The District also has fiduciary responsibility for two pension plan trust funds: The Lane Transit District Salaried Employee’s Retirement Plan Trust Fund covering nonunion employees, and the Amalgamated Transit Union, Local No. 757 Pension Trust Fund covering union employees. The investment, pension funding and benefit payment activity are reported in these two LTD fiduciary pension trust funds.

(a) Financial Reporting Entity

Accounting principles generally accepted in the United States of America require that the reporting entity include the primary government, all organizations for which the primary government is financially accountable and other organizations that, by the nature and significance of their relationship with the primary government, would cause the financial statements to be incomplete or misleading if excluded. Based on these criteria, LTD is considered a primary government and does not have any component unit relationships. Conversely, LTD is not considered a component unit of any primary government.

(b) Basis of Accounting and Revenue Recognition

The District’s financial statements are presented as a single proprietary fund. Proprietary funds are used to account for operations and activities that are similar to those found in the private sector. The measurement focus is on the determination of net income.

The financial statements have been prepared using the economic resources measurement focus and accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America. Under this basis, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, depreciation of assets is recognized as an expense in the Statements of Revenues, Expenses, and Changes in Net Position, and all assets and liabilities associated with the operation of the District are included in the Statements of Net Position.

1. Summary of Significant Accounting Policies (Continued)

Operating revenues consist primarily of passenger fares. The District also recognizes contracted service revenue and transit advertising revenue as operating revenue. Operating expenses are the costs of operating the District, including depreciation on capital assets. Capital contributions include grant revenue and other contributions related to capital asset acquisitions or construction. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The District has no allowance for doubtful accounts. Past experience has shown that uncollectible amounts are likely to be insignificant.

(c) Tax Revenues

Funding of day-to-day operations is primarily provided by the payroll tax imposed by the District pursuant to ORS 267.380 and the self-employment tax imposed by the District pursuant to ORS 267.385. The payroll tax is imposed on employers with respect to wages earned within the District service area. An employer is not permitted to deduct any portion of the tax from the wages of an employee. The self-employment tax is imposed on self-employed individuals with respect to their net earnings generated within the District service area. The District currently imposes these taxes at a rate of 0.73 percent of the wages paid to individuals (for payroll tax) and net earnings from self-employed individuals (for self-employment tax). The taxes are collected on the District's behalf by the Department of Revenue of the State of Oregon under an agreement entered into pursuant to ORS 305.620. Imposed tax revenues are recorded as assets and revenues in the period that the obligation is incurred by the employers and the self-employed individuals. Amounts paid are based on actual cash receipts from employers and are true-up following the tax return filings of employers. Future cash distributions are adjusted for true-ups identified during the filing of employer tax returns.

(d) Restricted Assets

Restricted assets are assets set aside to meet externally-imposed legal and contractual obligations. Restricted assets are used in accordance with their requirements. Where both restricted and unrestricted resources are available for use, restricted resources are used first, and then unrestricted resources are used as they are needed. Restricted assets are current assets restricted for use in Accessible Services, Point2point and Medicaid programs.

(e) Cash and Investments

Cash and cash equivalents include deposits in the State of Oregon Local Government Investment Pool and financial institutions.

ORS Chapter 294 authorizes the District to invest in obligations of the U.S. Treasury and U.S. Government agencies and instrumentalities, certain bankers' acceptances and corporate indebtedness, repurchase agreements, and the State of Oregon Local Government Investment Pool.

Investments are accounted for at fair value in accordance with GASB Statement No. 72.

1. Summary of Significant Accounting Policies (Continued)

For purposes of the Statement of Cash Flows, the District considers pooled cash, investments and deposits in financial institutions (including deposited cash) having an original maturity of three months or less to be cash and cash equivalents.

(f) Grant Receivables

Grant receivables are recorded in accordance with the nonexchange guidance. Accordingly, receivables are recorded when all eligibility criteria have been met.

(g) Inventories and Prepaid Expenses

Inventories of fuel, lubricants, parts, and supplies are valued at cost, which approximates market, using the average-cost method.

Payments to vendors reflecting costs applicable to future accounting periods are recorded as prepaid expenses.

(h) Capital Assets and Depreciation

Capital assets are stated at cost, except for donated capital assets, donated works of art and similar items and capital assets received in a service concession arrangement, which are stated at the acquisition value on the date of donation. Expenditures for additions and improvements with a value in excess of \$5,000 and a useful life of more than one year are capitalized. Expenditures for maintenance, repairs, and minor improvements are charged to operations as incurred. Upon disposal of capital assets, the accounts are relieved of the related costs and accumulated depreciation, and the resulting gains or losses are reflected in the Statement of Revenues, Expenses, and Changes in Net Position as other revenue.

Capital assets, excluding land, freestanding public art, and construction in progress, are depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation is an accounting process to allocate the cost of capital assets to expense in a systematic and rational manner to those periods expected to benefit from the use of capital assets. Depreciation is not intended to represent an estimate in the decline of fair market value, nor are capital assets, net of accumulated depreciation, intended to represent an estimate of the current condition of the assets or the maintenance requirements needed to maintain the assets at their current level of condition.

Revenue rolling stock is depreciated using a twelve-year life as suggested by the U.S. Government Federal Transit Administration (FTA). Shelters, stations, and buildings have estimated useful lives of ten to forty years. Accessible services vehicles have estimated useful lives of five to eight years. Useful lives for furniture and other equipment range from three to twenty years.

(i) Deferred Inflows and Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

1. Summary of Significant Accounting Policies (Continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until then.

(j) Compensated Absences

The liability for vested or accumulated leave pay is recorded as the benefits accrue to employees. Vacation pay is payable upon termination, retirement, or death for both union and nonunion employees. Sick leave is recorded at approximately 50 percent of total accumulated benefits based on the estimated total benefits to be paid to employees prior to or at retirement or separation from service.

(k) Unearned Revenue

Income from pass sales that relates to succeeding months is recognized when earned. Receipts in excess of related Medicaid program expenditures are recognized as revenues or refunded when program review is completed by the Oregon Department of Human Services. Manufacturers' rebates are recognized as revenue when grant-related conditions for application are met. Pass-through proceeds from the sale of State of Oregon Lottery bonds are recognized as revenues when grant-related conditions are met.

(l) Net position

Net investment in capital assets consists of all capital assets reduced by amounts of accumulated depreciation and amounts related to issued debt that are attributable to the acquisition, construction, and improvement of those assets. Restricted net position consists of net position for which constraints are placed thereon by external parties, such as lenders, grantors, contributors, laws, regulations, and enabling legislation, including self-imposed legal mandates. Unrestricted net position consists of all other net position not included in the above categories.

(m) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect reporting amounts of certain assets, liabilities, revenues, and expenses. Actual results may differ from such estimates.

1. Summary of Significant Accounting Policies (Continued)

(n) New Accounting Pronouncements

GASB Statement No. 75 – Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. This statement establishes new accounting and financial reporting requirements for other postemployment benefits (OPEB) plans, providing guidance for accounting for OPEB liabilities, deferred outflows, and deferred inflows of resources. The District adopted this new pronouncement in the current year. See note 4(b) for additional information.

GASB Statement No. 85 – Omnibus 2017. The purpose of this statement is to address a variety of issues identified by GASB regarding the blending of component units, reporting of goodwill, fair value measurement and application, and OPEB. Portions of this standard were applicable to the District but did not have a significant impact on the District's accounting and reporting practices.

GASB Statement No. 86 – Certain Debt Extinguishment Issues, Including Debt Borrowings and Direct Placements. This statement is intended to improve the information that is disclosed in the notes to governmental financial statements related to debt. It also clarifies which liabilities governments should include when disclosing information related to debt. This statement is not currently applicable to the District.

2. Stewardship, Compliance, and Accountability

(a) Budgets and Appropriations

The District uses the following budgetary funds to account for its activities:

- **General Fund:** This fund accounts for the financial resources of the District that are not accounted for in any other fund. Principal sources of revenue are passenger fares, advertising and special services, employer payroll and self-employment taxes, State of Oregon payroll assessments, federal operating assistance, and interest. Primary expenditures are for personnel services, materials and services, insurance, and interfund transfers to support accessible services, Medicaid, Point2point, and capital acquisition programs.
- **Point2point Fund:** This fund accounts for federal, state, and local resources to provide transportation options projects and programs for the District and Lane Metropolitan Planning Organization. Resources include both one-time and ongoing financial resources.
- **Accessible Services Fund:** This fund is used to account for the financial resources received primarily from federal and state grants restricted to use for accessible services programs, primarily for seniors and persons with disabilities, which complement regular fixed-route service. Primary revenue sources include State of Oregon Special Transportation Fund (STF) dollars, federal grants, and interfund transfers from the General Fund. Primary expenditures are for contract services, program administration, and interfund transfers of local match funds for program capital asset acquisitions.

2. Stewardship, Compliance, and Accountability (Continued)

- **Medicaid Fund:** This fund is used to account for the financial resources received from federal and state Medicaid programs restricted to use for these programs. The Medicaid program provides transportation services to individuals who qualify for Oregon Health Plan (OHP) Plus medical coverage. With the opening of the RideSource Call Center on May 19, 2008, the District became the countywide broker for all Medicaid nonemergency medical transportation (NEMT) trips. Trips are provided door-to-door in most cases. Primary revenue sources are reimbursements for services provided; federal, state, and local grants; and interfund transfers from the General Fund. Primary expenditures are for contract services and program administration.
- **Capital Projects Fund:** This fund is primarily used to account for financial resources to be used for the acquisition or construction of capital assets. The primary revenue sources are federal and state grants and transfers from the General Fund and Accessible Services Fund.

The structure of the funds outlined above is in conformity with Oregon Local Budget Law (Oregon Revised Statutes 294.305 to 294.595). Budgetary basis revenues and expenditures are recognized on the modified accrual basis. The treatment of capital expenditures, pension expenses, and other post-employment benefits is the principal difference between the budgetary basis and the accrual basis. Capital expenditures on a budgetary basis are recorded as current expenditures.

The General Manager submits proposed operating and capital budgets to the Budget Committee in a sufficient length of time in advance to allow adoption of the budget prior to July 1. The operating and capital projects budgets includes proposed expenditures and the means to finance them. Public hearings are conducted to obtain citizen comments.

The District legally adopts its annual budget prior to July 1 through passage of a resolution. The resolution authorizes appropriations by fund and at broad classification levels for personnel services, materials and services, capital outlay, and contingency. Expenditures cannot legally exceed appropriations at these control levels. Appropriations that have not been spent at year-end expire.

The Board of Directors, by resolution, may amend the budget as originally adopted. In November 2017, the Board adopted an amendment to the budget necessitated by a carryover of resources in the Capital Projects Fund and to recognize additional federal, state, and local resources available to that fund.

(b) Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and commitments for the expenditure of monies are recorded to restrict a portion of the appropriation, is employed for administrative control purposes during the year. Encumbrances lapse at year-end and do not constitute expenses or liabilities.

3. Detail Notes

(a) Cash and Investments

Cash and investments at June 30 are comprised of the following:

	<u>2018</u>	% of <u>portfolio</u>	<u>2017</u>	% of <u>portfolio</u>
<u>Cash and investments</u>				
Cash on hand	\$ 4,550	0.0%	\$ 4,550	0.0%
Demand deposits with financial institutions	3,423,464	31.7%	4,847,342	27.0%
Oregon local government investment pool	<u>7,373,686</u>	68.3%	<u>13,106,567</u>	73.0%
Total cash and investments	<u>\$ 10,801,700</u>		<u>\$ 17,958,459</u>	

Cash and investments are reflected in the Statements of net position as follows:

Cash and cash equivalents		
Unrestricted	\$ 7,878,024	\$ 14,686,242
Restricted	<u>2,923,676</u>	<u>3,272,217</u>
Total cash and cash equivalents	<u>\$ 10,801,700</u>	<u>\$ 17,958,459</u>

Cash and Cash Equivalents

Cash includes cash on hand and demand deposits. Demand deposits are covered by the Federal Deposit Insurance Corporation ("FDIC") or by collateral held by the State of Oregon.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 - Unadjusted quoted prices for identical instruments in active markets.

Level 2 - Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable.

Level 3 - Valuations derived from valuation techniques in which significant inputs are unobservable.

3. Detail Notes (Continued)

The Local Government Investment Pool (LGIP) is administered by the Oregon State Treasury. The LGIP is an open-ended, no-load, diversified portfolio offered to any agency, political subdivision, or public corporation of the State who by law is made the custodian of, or has control of, any fund. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short-Term Fund Board, which is not registered with the U.S. Securities and Exchange Commission as an investment company. The purpose of the Board is to advise the Oregon State Treasury in the management and investment of the LGIP. The Oregon Audits Division of the Secretary of State's Office audits the LGIP annually. The Division's most recent audit report on the LGIP was unmodified. The fair value of pool shares is equal to Lane Transit District's proportionate position in the pool. The LGIP includes investments in external investment pools and does not meet the requirements for "leveling" disclosures as established in GASB Statement No. 72. Therefore, fair value of the LGIP is determined by the pool's underlying portfolio.

Investments

Oregon Revised Statutes Chapter 294 authorizes the District to invest in obligations of the U.S. Treasury and U.S. government agencies and instrumentalities, certain bankers' acceptances, and corporate indebtedness, repurchase agreements, the State of Oregon Local Government Investment Pool, time certificates of deposits, and various interest-bearing bonds of Oregon municipalities. The District's investment objectives, as stated in the District's Investment Policy, are as follows:

- Preservation of capital and the protection of investment principal
- Conformance with all federal and state statutes
- Maintenance of sufficient liquidity to meet operating requirements
- Diversification to avoid unreasonable risks
- Attainment of an investment return appropriate for the portfolio, using the State of Oregon Local Government Investment Pool (LGIP) as the performance yardstick

The District's position in the LGIP at June 30, 2018 and 2017, is reported at fair value, which approximates cost and its share value.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's investments held in the LGIP have an interest rate risk based on the average maturity of the LGIP's investments. The LGIP manages this risk by limiting the period of the reset date (reset) or maturity of the investments held by the Pool. The LGIP rules require that at least 50 percent of the LGIP portfolio mature or reset within 93 days; not more than 25 percent of the LGIP portfolio may mature or reset in over a year; and no investments are reset more than three years from settlement date.

3. Detail Notes (Continued)

Credit Risk

Generally, credit risk is the risk that a issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The LGIP's policies provide for a composite minimum weighted average credit quality rating for the fund's holdings to be the equivalent of a AA Standard and Poor's (S&P) rating. This composite is calculated based on the median rating if three agencies rate the security, the lower rating if two ratings are available, or the single rating if only one rating is available. On June 30, 2018, the LGIP fund's composite weighted average rating was equivalent to S&P's AA.

Concentration of Credit Risk

The District's investment policy requires that at least \$1 million be held outside of the LGIP and in accordance with State of Oregon statutes.

Custodial Credit Risk – Deposits and Investments

For deposits, custodial credit risk is the risk of loss of funds due to the event of a bank failure. In order to minimize this risk, ORS Chapter 295 governs the collateralization of certain Oregon public funds, including requiring that banks holding public funds become members of the Public Funds Collateralization Program (PFCP), a multiple financial institution collateral pool created by the Office of the State Treasurer. All banks holding funds in the District's name were properly included on the list of qualified depositories maintained by the Oregon State Treasurer.

For an investment, custodial credit risk is the risk that, in the event of a failure of the counterparty, the District will not be able to recover the value of its investments or collateralized securities that are in the possession of an outside party. The District's investment policy limits the types of investments that may be held, requires all investments purchased to be held in the District's name, and does not allow securities to be held by the counterparty.

(b) Receivables

Accounts - Unrestricted accounts receivable at June 30 consisted of the following:

	<u>2018</u>	<u>2017</u>
Passenger fares	\$ 210,151	\$ 528,569
Medicaid reimbursement	3,385,676	514,001
Medicaid nonmedical reimbursement	240,632	187,620
Medicaid developmental disability reimbursement	686,882	637,685
Miscellaneous	53,209	11,800
Net total accounts receivable	<u>\$ 4,576,550</u>	<u>\$ 1,879,675</u>

3. Detail Notes (Continued)

Taxes - Unrestricted taxes receivable at June 30 consisted of the following:

	<u>2018</u>	<u>2017</u>
Employer payroll taxes	\$ 8,739,859	\$ 8,556,927
Self-employment taxes	61,726	58,013
Total unrestricted	<u>\$ 8,801,585</u>	<u>\$ 8,614,940</u>

Grants - Grants receivable at June 30 consisted of the following:

	<u>2018</u>	<u>2017</u>
Unrestricted federal grants	\$ 11,101,671	\$ 2,519,917
Unrestricted state grants	1,200,318	357,991
Total unrestricted grants	12,301,989	2,877,908
Grants restricted for Accessible Services, Medicaid, and Point2point	1,802,008	400,365
Total grants receivable	<u>\$ 14,103,997</u>	<u>\$ 3,278,273</u>

(c) Restricted Assets

Restricted assets consist of current assets that are restricted for Accessible Services, Point2point and Medicaid programs.

The components of the restricted assets, liabilities payable from restricted assets, and restricted net positions as of June 30, 2018, were as follows:

	Accessible Services, Medicaid and Point2point	Capital Projects	General Fund	Total
Restricted assets				
Cash and investments	\$ 1,171,131	\$ 1,732,545	\$ 20,000	\$ 2,923,676
Accounts receivable	2,635,106	-	-	2,635,106
Federal and state grants receivable	64,895	1,737,113	-	1,802,008
Total restricted assets	<u>3,871,132</u>	<u>3,469,658</u>	<u>20,000</u>	<u>7,360,790</u>
Liabilities payable from restricted assets				
Accounts payable	\$ (3,000,257)	\$ (1,737,113)	\$ -	\$ (4,737,370)
Deposits	-	-	(20,000)	(20,000)
Unearned revenue	(183,994)	(627,122)	-	(811,116)
Total liabilities payable from restricted assets	<u>(3,184,251)</u>	<u>(2,364,235)</u>	<u>(20,000)</u>	<u>(5,568,486)</u>
Total net restricted assets	<u>\$ 686,881</u>	<u>\$ 1,105,423</u>	<u>\$ -</u>	<u>\$ 1,792,304</u>

3. Detail Notes (Continued)

The components of the restricted assets, liabilities payable from restricted assets, and restricted net positions as of June 30, 2017, were as follows:

	Accessible Services and Medicaid	Capital Projects	General Fund	Total
Restricted assets				
Cash and investments	\$ -	\$ 3,272,217	\$ -	\$ 3,272,217
Accounts receivable	1,339,306	-	-	1,339,306
Federal and state grants receivable	400,365	-	-	400,365
Total restricted assets	<u>1,739,671</u>	<u>3,272,217</u>	<u>-</u>	<u>5,011,888</u>
Liabilities payable from restricted assets				
Accounts payable	\$ (1,419,127)	\$ (3,055,642)	\$ -	\$ (4,474,769)
Unearned revenue	<u>(281,681)</u>	<u>(216,575)</u>	<u>-</u>	<u>(498,256)</u>
Total liabilities payable from restricted assets	<u>(1,700,808)</u>	<u>(3,272,217)</u>	<u>-</u>	<u>(4,973,025)</u>
Total net restricted assets	<u>\$ 38,863</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 38,863</u>

3. Detail Notes (Continued)

(d) Capital Assets

Major classes of capital assets and accumulated depreciation as of June 30, 2018 and 2017:

	Balance				Balance
	June 30, 2017	Additions	Deletions	Transfers	June 30, 2018
Capital assets not being depreciated:					
Land	\$ 12,105,276	\$ 592,804	\$ -	\$ 4,914,098	\$ 17,612,178
Public art	366,917	-	-	-	366,917
Construction in progress	88,711,001	89,244	(1,079,214)	(57,168,674)	30,552,357
Total capital assets not being depreciated	101,183,194	682,048	(1,079,214)	(52,254,576)	48,531,452
Capital assets being depreciated:					
Busways	47,026,958	4,590,770	-	47,375,494	98,993,222
Rolling stock and related equipment	64,905,520	-	-	-	64,905,520
Stations, shelters, and bus signs	20,734,681	1,382,452	-	4,285,351	26,402,484
Buildings and improvements	43,125,878	3,960,128	-	87,930	47,173,936
Accessible Services vehicles	5,447,125	-	(181,274)	-	5,265,851
Other equipment and support vehicles	14,667,211	471,645	(83,837)	505,801	15,560,820
Total capital assets being depreciated	195,907,373	10,404,995	(265,111)	52,254,576	258,301,833
Less accumulated depreciation for:					
Busways	19,577,013	6,543,470	-	-	26,120,483
Rolling stock and related equipment	39,173,781	4,262,017	-	-	43,435,798
Stations, shelters, and bus signs	13,850,187	1,669,796	-	-	15,519,983
Buildings and improvements	25,648,479	1,944,589	-	-	27,593,068
Accessible Services vehicles	4,684,105	37,248	(181,274)	-	4,540,079
Other equipment and support vehicles	11,977,988	1,156,306	(83,837)	-	13,050,457
Total accumulated depreciation	114,911,553	15,613,426	(265,111)	-	130,259,868
Total capital assets being depreciated, net	80,995,820	(5,208,431)	-	52,254,576	128,041,965
Total capital assets, net	\$ 182,179,014	\$ (4,526,383)	\$ (1,079,214)	\$ -	\$ 176,573,417

3. Detail Notes (Continued)

	Balance				Balance
	June 30, 2016	Additions	Deletions	Transfers	June 30, 2017
Capital assets not being depreciated:					
Land	\$ 12,057,496	\$ 47,780	\$ -	\$ -	\$ 12,105,276
Public art	366,917	-	-	-	366,917
Construction in progress	61,519,546	27,608,210	-	(416,755)	88,711,001
Total capital assets not being depreciated	<u>73,943,959</u>	<u>27,655,990</u>	<u>-</u>	<u>(416,755)</u>	<u>101,183,194</u>
Capital assets being depreciated:					
Busways	46,970,779	56,179	-	-	47,026,958
Rolling stock and related equipment	61,504,195	3,401,325	-	-	64,905,520
Stations, shelters, and bus signs	20,707,017	27,664	-	-	20,734,681
Buildings and improvements	42,652,548	56,575	-	416,755	43,125,878
Accessible Services vehicles	5,829,260	-	(382,135)	-	5,447,125
Other equipment and support vehicles	12,918,802	1,848,440	(100,031)	-	14,667,211
Total capital assets being depreciated	<u>190,582,601</u>	<u>5,390,183</u>	<u>(482,166)</u>	<u>416,755</u>	<u>195,907,373</u>
Less accumulated depreciation for:					
Busways	17,228,077	2,348,936	-	-	19,577,013
Rolling stock and related equipment	35,014,943	4,158,838	-	-	39,173,781
Stations, shelters, and bus signs	12,528,041	1,322,146	-	-	13,850,187
Buildings and improvements	24,024,997	1,623,482	-	-	25,648,479
Accessible Services vehicles	4,499,452	566,788	(382,135)	-	4,684,105
Other equipment and support vehicles	10,766,890	1,311,129	(100,031)	-	11,977,988
Total accumulated depreciation	<u>104,062,400</u>	<u>11,331,319</u>	<u>(482,166)</u>	<u>-</u>	<u>114,911,553</u>
Total capital assets being depreciated, net	<u>86,520,201</u>	<u>(5,941,136)</u>	<u>-</u>	<u>416,755</u>	<u>80,995,820</u>
Total capital assets, net	<u>\$ 160,464,160</u>	<u>\$ 21,714,854</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 182,179,014</u>

Depreciation expense was \$15,613,426 and \$11,331,319, for fiscal years ended June 30, 2018 and 2017, respectively.

The federal government retains a reversionary interest in property and equipment to the extent that capital grants provided for their purchase. Upon disposal of property and equipment, a prorated share of proceeds, if any, is returned to the federal government. There is no property and equipment under capital lease.

3. Detail Notes (Continued)

(e) Accrued Vacation and Sick Leave Liabilities

Accrued vacation and sick leave payable at June 30 consisted of the following:

	<u>2018</u>	<u>2017</u>
Accrued vacation and sick leave payable at beginning of period	\$ 2,805,134	\$ 2,088,642
Total vacation accrued for period	1,561,728	1,847,174
Total sick leave accrued for period	568,326	870,454
Total vacation taken for period	(1,510,913)	(1,458,933)
Total sick leave taken for period	(486,763)	(509,989)
Total sick leave lost for period	<u>(62,605)</u>	<u>(32,214)</u>
Accrued vacation and sick leave payable at end of period	<u>\$ 2,874,907</u>	<u>\$ 2,805,134</u>
Vacation time - union-represented employees	\$ 1,062,008	\$ 1,068,939
Combined annual leave - nonunion employees	731,699	673,953
Sick leave - union-represented employees	582,124	597,596
Extended illness bank - nonunion employees	<u>499,076</u>	<u>464,646</u>
Total accrued vacation and sick leave	<u>\$ 2,874,907</u>	<u>\$ 2,805,134</u>
Current portion vacation and sick leave	\$ 1,002,831	\$ 939,216
Noncurrent vacation and sick leave	<u>1,872,076</u>	<u>1,865,918</u>
Total	<u>\$ 2,874,907</u>	<u>\$ 2,805,134</u>

4. Other Information

(a) Pension Benefits

The District contributes to two single-employer public employee retirement plans. The Lane Transit District Salaried Employee's Retirement Plan Trust Fund (LTDSP) covers all nonunion employees hired before January 1, 2012. Amalgamated Transit Union, Local No. 757 Pension Trust Fund (LTD ATU Pension Trust) covers all union employees.

Each plan's assets are held in trust, independent of the District, and solely for the purpose of paying each plan's benefits and administrative expenses. The plans are included in the reporting entity of the District as fiduciary pension trust funds. The assets are invested in a variety of stocks, bonds, and other securities. Neither plan includes in its assets any District securities nor securities of any related parties. No loans have been granted to the District from plan funds.

Audited financial information for both plans is included below.

4. Other Information (Continued)

Lane Transit District Salaried Employee's Retirement Plan Trust Fund (plan entrants prior to January 1, 2012)

Plan Description

LTDSP combines a defined benefit plan (Part 1) and a defined contribution plan (Part 2) for all participants who entered the plan prior to January 1, 2012. Part 1 and Part 2 of the LTDSP are now closed to new participants.

The LTDSP is contained in a plan document that was originally adopted effective July 1, 1975, was amended on several subsequent occasions, was last restated effective July 1, 2011, and was last amended on April 12, 2013.

The plan is administered by three appointed trustees, including a member of the Lane Transit District Board of Directors, and the general manager and the director of finance of LTD.

The LTDSP Part 1 provides retirement, disability, and death benefits to participants and beneficiaries and covers all District nonunion employees hired before January 1, 2012.

Benefits Provided

Plan members are eligible to receive a full monthly benefit, payable for life, once they reach 62 years of age and have earned five years of vesting credit, or at any age with 30 years of vesting credit. Reduced benefits are available to plan members who retire at or after age 55 but before age 62 with five years of vesting credit, or at age 62 with less than five years of vesting credit.

Annual benefits are calculated as the higher of the following:

1. The number of years of benefit credit times average annual salary (determined for the 36 consecutive calendar months of employment that produce the highest average annual salary) times 1.67 percent; or
2. The number of years of benefit credit (not exceeding 25) times average annual salary times 3 percent, less the plan member's Primary Social Security Benefit; or
3. The benefit calculated under this plan in effect as of June 30, 1989, and determined as of that date, if applicable.

Unused sick leave is included as a component of compensation, which increases the annual retirement benefit. Ad hoc cost-of-living adjustments (most recently in 1998) have been provided to members and beneficiaries at the discretion of the District's Board of Directors.

Under LTDSP Part 2, the District contributes to an account, invested at the plan member's direction, 6 percent of a member's compensation for each payroll period that begins after six calendar months of employment. For the years ended June 30, 2018 and 2017, employer contributions to this plan recognized as expense were \$237,288 and \$264,755, respectively.

Members are immediately vested in their LTDSP Part 2 employer-contribution accounts.

4. Other Information (Continued)

Employees Covered by Benefit Terms

These employees were covered by benefit terms as of the most recent actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	75
Inactive employees entitled to but not yet receiving benefits	42
Active employees	43
	160

Summary of Accounting Policies

The LTDSP financial statements are prepared using the accrual basis of accounting. LTD contributions are recognized in the period in which the contributions are earned. Benefits are recognized when due and payable in accordance with the terms of the plan.

Investment Policy and Method to Value Investments

The LTDSP investment policy allows the plan to utilize multiple professional investment management firms to implement the investment program. The long-term performance objective of the plan is an optimized return on plan funds achieved through a prudent mix of income production and asset growth, utilizing a diversified portfolio of asset classes. Eligible investments include the following: equity investments, fixed-income investments, short-term investments, and alternative investments.

Plan investments are reported at fair value. The LTDSP categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value of securities is determined by the plan asset managers at quoted market price, where available, except for securities which are not actively traded, which are valued at net asset value by the asset manager. The LTDSP has the following fair value measurements by fair value level at June 30, 2018:

	Balance at June 30, 2018	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Measured at Fair Value Level:				
Mutual Funds - Fixed income	\$ 9,412,921	\$ -	\$ 9,412,921	\$ -
Mutual Funds - Equities	3,668,318	-	3,668,318	-
Mutual Funds - Balanced	5,497,947	-	5,497,947	-
Total Fair Value of Investments	\$ 18,579,186.0	\$ -	\$ 18,579,186.0	\$ -

Of the \$17,197,541 in LTDSP Pension Trust investments at June 30, 2017, a significant portion was also invested in Level 2 mutual funds.

4. Other Information (Continued)

Net Pension Liability

The District's net pension liability for the LTDSP Part 1 at June 30, 2018, was measured as of that date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017.

Actuarial Methods and Assumptions

The total pension liability in the July 1, 2017, actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation Rate	2.50%
Salary increases	Age based, with ultimate rate of 2.75% at ages 50+
Investment rate of return, net	6.25%
Mortality	RP-2014 Mortality Tables with White Collar adjustment with generational projection using MP-2017 mortality improvement projection scales starting at the 2006 base year.
Actuarial cost method	Entry Age Normal as level % of pay

The LTDSP Part 1 does not provide for automatic, post-retirement benefit increases. However, the District's Board of Directors has adopted ad hoc increases from time to time (most recently in 1998). The long-term expected rate of return on pension plan investments was selected based on the plan's target asset allocation as of the valuation date combined with capital market assumptions from several sources, including published studies summarizing the expectations of various investment experts. Following are the target asset allocation percentages set by policy and expected arithmetic real rates of return:

Asset Class	Target Allocation
Full Market Equity	20.0%
Domestic Large Cap Equity	8.0%
International Equity	22.0%
Fixed Income	20.0%
Real Return (all asset strategies)	10.0%
Global Tactical Asset Allocation (GTAA)	20.0%
Total	100.0%

Discount Rate

The discount rate used to measure the total pension liability was 6.25 percent as of June 30, 2018 and 6.50 percent as of June 30, 2017. The projection of cash flows used to determine the discount rate were based on the District's funding policy. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

4. Other Information (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at 6/30/17	\$ 26,388,657	\$ 17,689,287	\$ 8,699,370
Changes for the year:			
Service cost	445,756	-	445,756
Interest	1,698,307	-	1,698,307
Differences between expected and actual experience	(206,425)	-	(206,425)
Changes of assumptions	942,158	-	942,158
Employer contributions	-	1,577,474	(1,577,474)
Net investment income	-	1,357,720	(1,357,720)
Benefit payments	(1,413,238)	(1,413,238)	-
Administrative expense	-	(84,998)	84,998
Net changes	<u>1,466,558</u>	<u>1,436,958</u>	<u>29,600</u>
Balances at 6/30/18	<u>\$ 27,855,215</u>	<u>\$ 19,126,245</u>	<u>\$ 8,728,970</u>

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at 6/30/16	\$ 25,583,028	\$ 15,339,512	\$ 10,243,516
Changes for the year:			
Service cost	486,472	-	486,472
Interest	1,651,225	-	1,651,225
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Employer contributions	-	1,842,970	(1,842,970)
Net investment income	-	1,893,124	(1,893,124)
Benefit payments	(1,332,068)	(1,332,068)	-
Administrative expense	-	(54,251)	54,251
Net changes	<u>805,629</u>	<u>2,349,775</u>	<u>(1,544,146)</u>
Balances at 6/30/17	<u>\$ 26,388,657</u>	<u>\$ 17,689,287</u>	<u>\$ 8,699,370</u>

Contributions

The funding policy for the LTDSP Part 1 is established and may be amended by the District's Board of Directors. Contributions to the plan are made biweekly according to an actuarially determined rate recommended by an independent actuary. This rate is intended to finance the cost of current benefits earned, plus an amount to finance the unfunded accrued liability. This rate, expressed as a percentage of covered payroll, was 14.8 percent and 14.4 percent for the years ended June 30, 2018 and 2017 respectively. The District makes an additional level dollar contribution to further reduce the unfunded accrued liability. For the years ended June 30, 2018 and 2017, that amount was \$1,056,619 and \$919,927, respectively.

4. Other Information (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the District, calculated using a discount rate of 6.25 percent for 2018, down from a discount rate of 6.50 percent for 2017, as well as what the District's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the rate used:

	Net Pension Liability	
2018		
1% decrease (5.25%)	\$	11,868,349
Current discount rate (6.25%)		8,728,970
1% increase (7.25%)		6,077,405
2017		
1% decrease (5.50%)	\$	11,671,811
Current discount rate (6.50%)		8,699,370
1% increase (7.50%)		6,176,448

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the years ended June 30, 2018 and 2017, the District recognized pension expense of \$2,394,907 and \$2,476,923, respectively. The District reported deferred outflows of resources and deferred inflows of resources from the following sources at June 30 (note that because the measurement date and the report date are the same, there is no deferred outflows of resources for contributions made after the measurement date):

	Deferred Outflows of Resources	Deferred Inflows of Resources
2018		
Differences between expected and actual experience	\$ -	\$ (103,213)
Changes in assumptions or inputs	471,079	-
Net difference between projected and actual earnings	55,071	-
Total	\$ 526,150	\$ (103,213)
2017		
Differences between expected and actual experience	\$ 28,413	\$ -
Changes in assumptions or inputs	843,548	-
Net difference between projected and actual earnings	338,809	-
Total	\$ 1,210,770	\$ -

4. Other Information (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,		
2019	\$	624,171
2020		74,873
2021		(226,176)
2022		(49,931)
2023		-
Thereafter		-
	\$	<u>422,937</u>

Lane Transit District Salaried Employee's Defined Contribution Program

Plan Description

The Lane Transit District Salaried Employee's Defined Contribution Program became effective on January 1, 2012. All nonunion employees hired after December 31, 2011, are eligible to participate.

Benefits Provided

This program provides contributions to a discretionary account and the opportunity to receive contributions to a matching account. The discretionary contribution made by the District is currently between 4.5 percent and 9 percent, depending on the number of years of vesting service completed. The matching contribution percentage is currently set at 50 percent of a participant's elective contribution (to a Section 457 deferred compensation account) up to a maximum of 3 percent of their base pay. For the years ended June 30, 2018 and 2017, employer contributions recognized as expense were \$286,117 and \$220,978, respectively.

Participants are immediately vested in their own contributions. They become vested in the discretionary and matching contributions according to a graduated schedule over 7 years.

Nonvested contributions are forfeited upon termination of employment and are used to offset future contributions, thereby reducing expense recognized by the District.

Amalgamated Transit Union, Local No. 757 Pension Trust Fund

Plan Description

The LTD ATU Pension Trust provides retirement, disability, and death benefits to plan members and beneficiaries and covers all District union employees. The plan was created effective March 1, 1972, by collective bargaining agreement, was amended on several subsequent occasions, and was last amended on January 1, 2015.

The plan is administered by six appointed trustees, including a member of the Lane Transit District Board of Directors; the general manager of LTD; the director of finance; the president (or designee) of the ATU, Local No. 757; an ATU, Local No. 757 member; and an executive board officer of ATU, Local No. 757.

4. Other Information (Continued)

Benefits Provided

Participation begins after six months of employment. Benefits are 100 percent vested when the plan member earns five years of credited service or is an employee while age 60 or older. Vested plan members who retire at or after age 60, and plan members who terminate employment after June 30, 2000, with 30 years of credited service, are entitled to a monthly retirement benefit for life, with a minimum of 36 monthly payments made to the plan member or the member's beneficiary. The retirement benefit for plan members terminating employment on or after July 1, 2014, is \$65.50 per month per year of credited service. This multiplier is scheduled to increase in annual increments, eventually reaching \$70 per month per year of credited service for members terminating employment on or after January 1, 2017. Increases to the multiplier after December 31, 2015, only apply to service in future years. Plan members with ten years of credited service may also retire with a reduced benefit as early as age 55. One year of credited service is earned for the first 1,600 hours in a calendar year. Hours are hours worked before June 30, 1994, and compensated hours after June 30, 1994.

Partial credit of 0.25 of a year of credited service is earned for every 400 hours, up to 1,600 hours, in a calendar year. Unused sick leave does not increase the monthly retirement benefit or convert to any other pension benefit.

An Employee Participation Account is kept for each participant. After December 31, 2000, the Employee Participation Account is credited with \$.10 per compensated hour. The value of the Employee Participation Account is adjusted once a plan year by an investment rate of return chosen by the trustees. The Employee Participation Account is paid to a plan member who terminates employment before age 60 with at least three, but less than five, years of credited service and is paid as a preretirement death benefit to the beneficiary of a married plan member who dies with at least three, but less than five, years of credited service or to the beneficiary of an unmarried plan member who dies with at least three years of credited service.

Employees Covered by Benefit Terms

The following employees were covered by the benefit terms as of the most recent actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	234
Inactive employees entitled to but not yet receiving benefits	37
Active employees	<u>262</u>
	<u><u>533</u></u>

4. Other Information (Continued)

The District's net pension liability for the LTD ATU Pension Trust at June 30, 2018, was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016.

Summary of Accounting Policies

The LTD ATU Pension Trust financial statements are prepared using the accrual basis of accounting. LTD contributions are recognized in the period in which the contributions are earned. Benefits are recognized when due and payable in accordance with the terms of the plan.

Investment Policy and Method to Value Investments

The LTD ATU Pension Trust investment policy allows the plan to utilize multiple professional investment management firms to implement the investment program. The long-term performance objective of the plan is an optimized return on plan funds achieved through a prudent mix of income production and asset growth, utilizing a diversified portfolio of asset classes. Eligible investments include the following: equity investments, fixed-income investments, short-term investments, and alternative investments.

Plan investments are reported at fair value. The LTD ATU Pension Trust categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value of securities is determined by the plan asset managers at quoted market price, where available, except for securities which are not actively traded, which are valued at net asset value by the asset manager. The LTD ATU Pension Trust has the following fair value measurements by fair value level at December 31, 2017:

	Balance at December 31, 2017	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Measured at Fair Value Level:				
Mutual Funds - Fixed income	\$ 4,733,843	\$ -	\$ 4,733,843	\$ -
Mutual Funds - Equities	15,141,380	-	15,141,380	-
Mutual Funds - Balanced	8,354,960	-	8,354,960	-
Miscellaneous	525,155	-	525,155	-
	<u>\$ 28,755,338</u>	<u>\$ -</u>	<u>\$ 28,755,338</u>	<u>\$ -</u>

Of the \$24,473,926 in LTD ATU Pension Trust investments at December 31, 2016, a significant portion was also invested in Level 2 mutual funds.

4. Other Information (Continued)

Actuarial Methods and Assumptions

The total pension liability in the January 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation Rate	2.75%
Salary increases	3.00%
Future benefit rate increases	3.00%
Investment rate of return, net	6.75%
Mortality	RP-2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, projected to 2015 using Scale AA

The long-term expected rate of return on pension plan investments was selected based on the plan's target asset allocation as of the valuation date, combined with capital market assumptions from several sources, including published studies summarizing the expectations of various investment experts. Following is the target asset allocation percentage set by policy and expected real rates of return:

Asset Class	Target Allocation
Full Market Equity	20.0%
Domestic Large Cap Equity	8.0%
International Equity	22.0%
Fixed Income	20.0%
Real Return (all asset strategies)	10.0%
Global Tactical Asset Allocation (GTAA)	20.0%
Total	<u>100.0%</u>

Discount Rate

The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate were based on the District's funding policy. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefit payments to determine the total pension liability.

4. Other Information (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2016	\$ 38,319,194	\$ 24,959,889	\$ 13,359,305
Changes for the year:			
Service cost	991,371	-	991,371
Interest	2,574,590	-	2,574,590
Employer contributions	-	2,653,938	(2,653,938)
Net investment income	-	4,247,805	(4,247,805)
Benefit payments	(2,336,977)	(2,336,977)	-
Administrative expense	-	(112,050)	112,050
Effect of economic/demographic (gains) or losses	-	-	-
Effect of assumptions changes or inputs	-	-	-
Net changes	<u>1,228,984</u>	<u>4,452,716</u>	<u>(3,223,732)</u>
Balances at December 31, 2017	<u>\$ 39,548,178</u>	<u>\$ 29,412,605</u>	<u>\$ 10,135,573</u>

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2015	\$ 35,937,609	\$ 22,623,287	\$ 13,314,322
Changes for the year:			
Service cost	817,980	-	817,980
Interest	2,586,906	-	2,586,906
Employer contributions	-	3,089,304	(3,089,304)
Net investment income	-	1,506,119	(1,506,119)
Benefit payments	(2,148,257)	(2,148,257)	-
Administrative expense	-	(110,564)	110,564
Effect of economic/demographic (gains) or losses	(627,827)	-	(627,827)
Effect of assumptions changes or inputs	1,752,783	-	1,752,783
Net changes	<u>2,381,585</u>	<u>2,336,602</u>	<u>44,983</u>
Balances at December 31, 2016	<u>\$ 38,319,194</u>	<u>\$ 24,959,889</u>	<u>\$ 13,359,305</u>

Contributions

The funding policy of the LTD ATU Pension Trust is established and may be amended by the District's Board of Directors in compliance with the terms of the current Working and Wage Agreement between the ATU and the District.

Contributions are made according to an actuarially determined rate recommended by an independent actuary that is intended to finance the cost of current benefits earned, plus an amount to finance the unfunded accrued liability. This rate, expressed as an amount per compensable hour, was \$5.31 and \$5.21 for the years ended December 31, 2016 and 2015, respectively. No employee contributions are required or permitted.

4. Other Information (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the District, calculated using a discount rate of 6.75 percent as well as what the District's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the rate used:

	Net Pension Liability	
	2018	2017
1% decrease (5.75%)	\$ 14,056,623	\$ 17,158,506
Current discount rate (6.75%)	10,135,573	13,359,305
1% increase (7.75%)	6,751,552	10,080,445

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the years ended December 31, 2018 and 2017, the District recognized pension expense of \$1,923,379 and \$2,408,644, respectively. The District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources at December 31:

	Deferred Outflows of Resources	Deferred Inflows of Resources
2018		
Differences between expected and actual experience	\$ -	\$ (413,597)
Changes in assumptions or inputs	990,703	-
Net difference between projected and actual earnings	-	(1,000,911)
Total (prior to post-measurement date contributions)	990,703	(1,414,508)
Contributions made subsequent to the measurement date	1,417,740	
Total	<u>\$ 2,408,443</u>	<u>\$ (1,414,508)</u>
2017		
Differences between expected and actual experience	\$ -	\$ (696,930)
Changes in assumptions or inputs	1,371,743	-
Net difference between projected and actual earnings	1,394,555	-
Total (prior to post-measurement date contributions)	2,766,298	(696,930)
Contributions made subsequent to the measurement date	1,258,361	
Total	<u>\$ 4,024,659</u>	<u>\$ (696,930)</u>

4. Other Information (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	
2019	\$ 249,024
2020	193,081
2021	(354,689)
2022	(511,221)
2023	-
Thereafter	-
	<u>\$ (423,805)</u>

Lane Transit District and Amalgamated Transit Union, Local No. 757, Defined Contribution Program

Plan Description

Lane Transit District and Amalgamated Transit Union, Local No. 757, Defined Contribution Program became effective on July 6, 2014. All union employees who are eligible for the defined benefit program above are eligible to participate in this program.

Benefits Provided

This program provides employer contributions to a matching account based on a participant's elective contribution to a Section 457 deferred compensation account. The matching contribution is currently set at 50 percent of the participant's elective contribution, up to a maximum of 3 percent of their base pay. For the years ended June 30, 2018 and 2017, employer contributions recognized as expense were \$317,364 and \$289,617, respectively.

Participants are immediately vested in their matching account. Forfeitures of contributions, arising from the inability to locate a valid beneficiary, are used to offset future contributions, thereby reducing expense recognized by the District.

4. Other Information (Continued)

(b) Other Post-Employment Benefits

Plan Description

The District administers a single-employer defined benefit healthcare plan per the requirements of collective bargaining agreements, which are applied uniformly to all employees. The plan provides an explicit employer-paid benefit, according to the option chosen by the retiree, as follows:

- Up to \$275 per month per pre-Medicare retiree until the retiree becomes eligible for Medicare, typically age 65. Once they become Medicare-eligible the benefit reduces to \$125 per month; or
- \$425 per month until the retiree becomes Medicare eligible, at which time the benefit reduces to zero.

This benefit can be used towards post-retirement healthcare insurance premiums or other healthcare costs of the retiree, their spouse, domestic partner, or eligible dependents. Retirees are allowed to continue District-sponsored insurance coverage or use their benefit to obtain coverage from a carrier of their choice.

The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulates that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims costs (which because of the effect of age is generally higher in comparison to all plan members) and the amount of retiree healthcare premiums represents the District's implicit employer contribution, which is a liability in addition to the employer-paid benefit described above.

The District has not established a trust fund to supplement the costs for the net other post-employment benefit (OPEB) obligation. No stand-alone financial report is generated for the plan.

Funding Policy

The District has elected not to prefund the actuarially determined future cost, choosing instead to finance the plan on a pay-as-you-go basis. The District contributes all benefits listed above to individual VEBA accounts from which the retiree is responsible for paying eligible premiums and costs.

Employees covered by benefit terms at the January 1, 2018 valuation date:

Active Employees	351
Eligible Retirees	158
Spouses of Ineligible Retirees	<u>2</u>
Total Participants	<u>511</u>

The District's total OPEB liability as of June 30, 2018 was \$9,605,874.

4. Other Information (Continued)

Actuarial assumptions and other inputs: The total OPEB liability was determined by an actuarial valuation, as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date.

The discount rate was based on a 20-year general obligation bond yield published by The Bond Buyer.

Changes in Total OPEB Liability:

	Total OPEB Liability
Balance, June 30, 2017	<u>\$9,853,579</u>
Changes for the year:	
Service cost	792,964
Interest on total OPEB liability	296,401
Changes in assumptions or other inputs	(840,597)
Benefit payments	<u>(496,473)</u>
Net changes	<u>(247,705)</u>
Balance, June 30, 2018	<u>\$9,605,874</u>

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 10,791,978	\$ 9,605,874	\$ 8,614,580

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates:

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care trend rates:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 9,399,229	\$ 9,605,874	\$ 9,847,321

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended June 30, 2018, the District recognized an OPEB

4. Other Information (Continued)

expense of \$967,539. At June 30, 2018, the District reported deferred inflows of resources related to OPEB from the following source:

	Outflows of Resources	Inflows of Resources
Changes of assumptions or inputs	\$ -	\$ (718,771)
Benefit payments	490,681	-
	<u>\$ 490,681</u>	<u>\$ (718,771)</u>

The amount \$490,681 reported as deferred outflows of resources related to OPEB resulting from District benefit payments subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	Annual Recognition:
2019	\$ (121,826)
2020	(121,826)
2021	(121,826)
2022	(121,826)
2023	(121,826)
Thereafter	<u>(109,641)</u>
	<u>\$ (718,771)</u>

Actuarial Methods & Assumptions – The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial methods and assumptions:

Discount rate	3.58%
Valuation Date	January 1, 2018
Measurement Date	June 30, 2017
Inflation	2.50%
Salary Increases	3.00%
Health Cost Trend	4.25% in the first year (January 1, 2019 premiums compared with January 1, 2018 premiums), 7.25% in the second year, 5.00% in the third year, 6.50% in the fourth year, 6.00% in the fifth through eleventh years, grading down to 4.25% after the 55th year

4. Other Information (Continued)

Mortality Rates	For healthy ATU members and dependents: RP-2014 Mortality Tables with Blue Collar adjustment, generational projection using MP-2017 mortality improvement projection scales starting at the 2006 base year, and a one-year set-forward. For Administration members and dependents: RP-2014 Mortality Tables with White Collar adjustment with generational projection using MP-2017 mortality improvement projection scales starting at the 2006 base year. For disabled retirees: RP-2014 Disabled Mortality Tables and generational projection using MP-2017 mortality improvement projection scales starting at the 2006 base year. Mortality assumptions include a margin for the expectation of future decreases in mortality rates.
Election Rates	100% for District-paid explicit benefits; 50% for District-sponsored coverage prior to age 65; 40% spouse coverage for District-sponsored coverage
Actuarial cost method	Entry Age Normal; Level Percent of Pay

(c) Risk Management

Risk is managed through a combination of purchased commercial insurance coverage and self-insurance with risk reserves. There has been no significant reduction in insurance coverage during the year. The limits are consistent with coverage carried by other public entities of the District's size and type in Oregon.

Oregon tort liability law generally limits claims for one incident to \$1,925,500. Additional coverage is for federal claims, out-of-state claims, or contractual liability. This coverage is tabulated as follows:

Description	Retention Level (Deductible)	Limits of Coverage
Vehicle liability / uninsured motorist	\$ 100,000	\$ 10,000,000
Property and contents	25,000	29,762,949
General and tort liability	25,000	10,000,000
Bus - physical damage	50,000	Stated value
Earthquake / flood	Greater of \$5,000 or 2% of covered loss	15,000,000
Pollution liability (fuel storage tanks)	10,000	1,000,000
Public employee blanket	1,000	250,000
Workers' compensation	N/A	500,000

The greatest risk exposure for the District is in vehicle liability. The District self-insures up to \$100,000 per accident. The level of risk reserving is set by Board policy considering both the history of payments and the potential exposure to risk. The reserve level is evaluated and the reserve amount is budgeted during the annual budget process. Current Board policy sets this amount at \$1,000,000. In the last three fiscal years, no settlements have exceeded the limits of insurance coverage.

4. Other Information (Continued)

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss reasonably can be estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are set by an independent firm.

These liabilities are calculated considering the effects of inflation, recent claim settlement trends (including frequency and amount of payouts), and other economic and social factors.

Changes in the balances of claims liabilities during the past three years are as follows:

	Automobile/Bus Liability		
	2018	2017	2016
Unpaid claims and claim adjustment expenses, beginning of the year	\$ 22,455	\$ 22,455	\$ 78,600
Incurred claims (including IBNRs)	172,107	-	31,487
Claim payments	(22,455)	-	(87,632)
Total unpaid claims and claim adjustment expenses, end of the year	<u>\$ 172,107</u>	<u>\$ 22,455</u>	<u>\$ 22,455</u>

Unpaid claims are carried at estimated gross settlement value.

(d) Commitments and Contingencies

Under the terms of federal and state grants, periodic audits are required and costs may be questioned as not being appropriate under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. District management believes disallowance, if any, will be immaterial.

As of June 30, 2018, the District had commitments of approximately \$3.4 million for the purchase of five all electric buses, \$2.2 million for the purchase of bus engines, \$2.6 million over a 5-year period for hybrid bus components, and \$1 million for design services for the Santa Clara Transit Center.

(e) Net Position and Budgetary Fund Balance Restatement

During the fiscal year ended June 30, 2018, the District implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Adoption of this statement requires the District to restate amounts of affected balances within the government-wide financial statements as of June 30, 2017. The District restated net position as of July 1, 2018 by (\$4,984,232) for the implementation of GASB Statement No. 75. The prior year was not restated as the information to do so was not available.

During the fiscal year ended June 30, 2018, the District discovered that several receivables and related revenue were recorded in the incorrect budgetary fund. Entries have been made to correct those errors. The net impact to budgetary fund balance is zero.

*Required Supplementary
Information*

LANE TRANSIT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2018
Schedule of Changes in the Net Pension Liability and Related Ratios
LTD Salaried Employee's Retirement Plan Trust Fund
Last 10 Fiscal Years ¹

	2018 ²	2017	2016 ²	2015	2014 ²	2013	2012
Total pension liability							
Service cost	\$ 445,756	\$ 486,472	\$ 521,040	\$ 545,340	\$ 538,088	\$ 527,537	\$ -
Interest	1,698,307	1,651,225	1,564,487	1,504,888	1,426,182	1,343,938	-
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	(206,425)	-	99,443	-	354,334	-	-
Changes of assumptions	942,158	-	2,952,420	-	506,129	-	-
Benefit payments	(1,413,238)	(1,332,068)	(1,224,898)	(1,182,843)	(939,485)	(690,418)	-
Net change in total pension liability	1,466,558	805,629	3,912,492	867,385	1,885,248	1,181,057	-
Total pension liability - beginning	<u>26,388,657</u>	<u>25,583,028</u>	<u>21,670,536</u>	<u>20,803,151</u>	<u>18,917,903</u>	<u>17,736,846</u>	<u>-</u>
Total pension liability - ending	<u>\$ 27,855,215</u>	<u>\$ 26,388,657</u>	<u>\$ 25,583,028</u>	<u>\$ 21,670,536</u>	<u>\$ 20,803,151</u>	<u>\$ 18,917,903</u>	<u>\$ 17,736,846</u>
Plan fiduciary net position							
Employer contributions	\$ 1,577,474	\$ 1,842,970	\$ 1,174,309	\$ 1,333,241	\$ 1,161,609	\$ 1,165,565	\$ -
Net investment income	1,357,720	1,893,124	(361,265)	222,900	2,081,971	1,298,746	-
Benefit payments	(1,413,238)	(1,332,068)	(1,224,898)	(1,182,843)	(939,485)	(690,418)	-
Administrative expense	(84,998)	(54,251)	(105,822)	(55,910)	(87,860)	(92,282)	-
Other	-	-	-	-	-	-	-
Net change in plan fiduciary net position	1,436,958	2,349,775	(517,676)	317,388	2,216,235	1,681,611	-
Plan fiduciary net position - beginning	<u>17,689,287</u>	<u>15,339,512</u>	<u>15,857,188</u>	<u>15,539,800</u>	<u>13,323,565</u>	<u>11,641,954</u>	<u>-</u>
Plan fiduciary net position - ending	<u>\$ 19,126,245</u>	<u>\$ 17,689,287</u>	<u>\$ 15,339,512</u>	<u>\$ 15,857,188</u>	<u>\$ 15,539,800</u>	<u>\$ 13,323,565</u>	<u>\$ 11,641,954</u>
District's net pension liability - ending	<u>\$ 8,728,970</u>	<u>\$ 8,699,370</u>	<u>\$ 10,243,516</u>	<u>\$ 5,813,348</u>	<u>\$ 5,263,351</u>	<u>\$ 5,594,338</u>	<u>\$ 6,094,892</u>
Plan fiduciary net position as a percentage of the total pension liability	68.66%	67.03%	59.96%	73.17%	74.70%	70.43%	65.64%
Covered payroll	\$ 3,717,503	\$ 3,330,562	\$ 4,263,366	\$ 5,226,297	\$ 5,214,746	\$ 5,092,690	\$ 5,187,894
District's net pension liability as a percentage of covered payroll	234.81%	261.20%	240.27%	111.23%	100.93%	109.85%	117.48%

Notes to Schedule:

1. This schedule is intended to show a 10-year trend of changes in the net pension liability. However, until a full 10-year trend is compiled, information will only be presented for those years in which it is available.
2. Assumed discount rate was lowered to reflect more conservative asset allocations given closure to new entrants.

**LANE TRANSIT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2018
Schedule of Employer Contributions
LTD Salaried Employee's Retirement Plan Trust Fund
Last 10 Fiscal Years**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially determined contribution	\$ 1,400,000	\$ 1,400,000	\$ 1,455,247	\$ 1,175,000	\$ 1,205,400	\$ 1,157,450	\$ 1,156,122	\$ 931,962	\$ 949,385	\$ 918,391
Contribution in relation to the actuarially determined contribution	<u>1,577,474</u>	<u>1,842,970</u>	<u>1,842,970</u>	<u>1,174,309</u>	<u>1,333,241</u>	<u>1,161,609</u>	<u>1,156,127</u>	<u>1,026,587</u>	<u>949,698</u>	<u>918,391</u>
Contribution deficiency (excess)	<u>\$ (177,474)</u>	<u>\$ (442,970)</u>	<u>\$ (387,723)</u>	<u>\$ 691</u>	<u>\$ (127,841)</u>	<u>\$ (4,159)</u>	<u>\$ (5)</u>	<u>\$ (94,625)</u>	<u>\$ (313)</u>	<u>\$ -</u>
Covered payroll	4,027,695	3,717,503	3,330,562	4,263,366	5,226,297	5,214,746	5,092,690	5,187,894	5,463,292	5,463,589
Contributions as a percentage of covered payroll	39.17%	49.58%	55.34%	27.54%	25.51%	22.28%	22.70%	19.79%	17.38%	16.81%

Notes to Schedule:

Valuation date	7/1/2017	7/1/2015	7/1/2013	7/1/2013	7/1/2011	7/1/2011	7/1/2009	7/1/2009	7/1/2007	7/1/2007
Investment rate of return assumption	6.25%	6.50%	7.25%	7.25%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Individual entry age normal, level percentage of pay
Amortization method	Effective July 1, 2011: Closed 20-year amortization, level dollar Effective July 1, 2007: Layered 20-year amortization, level percentage of pay Effective July 1, 2005: Open 20-year amortization, level percentage of pay
Asset valuation method	Market value gains and losses smoothed over three years, with result not less than 80% or greater than 120% of market value
Healthy mortality	Effective July 1, 2015: RP-2014 Mortality Tables with White Collar adjustments with fully generational mortality protection starting 2006 using mortality improvement Scale MP-2017 Effective July 1, 2015: RP-2014 Mortality Tables with White Collar adjustments Effective July 1, 2011: RP-2000 Combined Health Mortality Table projected using Scale AA to 2018 for retirees and 2026 for others Effective July 1, 2003: RP-2000 Combined Health Mortality Table
Inflation	Effective January 1, 2016: 2.75% per year Through January 1, 2014: 3.00% per year
Salary increases	Effective July 1, 2015: Age-based, with an ultimate rate of 3.0% per year at ages 50+ Effective July 1, 2011: Age-based, with an ultimate rate of 3.5% per year at ages 50+ Effective July 1, 2005: Generally 5% per year

LANE TRANSIT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2018
Schedule of Changes in the Net Pension Liability and Related Ratios
Amalgamated Transit Union, Local No. 757 Pension Trust Fund
Last 10 Fiscal Years ¹

	2018	2017	2016	2015	2014	2013
Total pension liability						
Service cost	\$ 991,371	\$ 817,980	\$ 794,155	\$ 853,018	\$ 828,173	\$ -
Interest	2,574,590	2,586,906	2,495,722	2,424,057	2,326,828	-
Changes of benefit terms			-	356,341 ²	-	-
Differences between expected and actual experience	-	(627,827)	-	(646,134)	-	-
Changes of assumptions	-	1,752,783	-	-	-	-
Benefit payments	(2,336,977)	(2,148,257)	(1,963,737)	(1,916,128)	(1,761,397)	-
Net change in total pension liability	1,228,984	2,381,585	1,326,140	1,071,154	1,393,604	-
Total pension liability - beginning	38,319,194	35,937,609	34,611,469	33,540,315	32,146,711	-
Total pension liability - ending	<u>\$ 39,548,178</u>	<u>\$ 38,319,194</u>	<u>\$ 35,937,609</u>	<u>\$ 34,611,469</u>	<u>\$ 33,540,315</u>	<u>\$ 32,146,711</u>
Plan fiduciary net position						
Employer contributions	\$ 2,653,938	\$ 3,089,304	\$ 2,309,003	\$ 2,222,585	\$ 2,248,159	\$ -
Net investment income	4,247,805	1,506,119	(577,624)	1,008,693	2,498,570	-
Benefit payments	(2,336,977)	(2,148,257)	(1,963,737)	(1,916,128)	(1,761,397)	-
Administrative expense	(112,050)	(110,564)	(70,779)	(115,303)	(82,478)	-
Other	-	-	-	-	-	-
Net change in plan fiduciary net position	4,452,716	2,336,602	(303,137)	1,199,847	2,902,854	-
Plan fiduciary net position - beginning	24,959,889	22,623,287	22,926,424	21,726,577	18,823,723	-
Plan fiduciary net position - ending	<u>\$ 29,412,605</u>	<u>\$ 24,959,889</u>	<u>\$ 22,623,287</u>	<u>\$ 22,926,424</u>	<u>\$ 21,726,577</u>	<u>\$ 18,823,723</u>
District's net pension liability - ending	<u>\$ 10,135,573</u>	<u>\$ 13,359,305</u>	<u>\$ 13,314,322</u>	<u>\$ 11,685,045</u>	<u>\$ 11,813,738</u>	<u>\$ 13,322,988</u>
Plan fiduciary net position as a percentage of the total pension liability	74.37%	65.14%	62.95%	66.24%	64.78%	58.56%
Covered payroll	\$ 11,848,383	\$ 11,344,340	\$ 10,802,019	\$ 10,625,261	\$ 10,629,043	\$ 10,288,538
District's net pension liability as a percentage of covered payroll	85.54%	117.76%	123.26%	109.97%	111.15%	129.49%

Notes to Schedule:

1. This schedule is intended to show a 10-year trend of changes in the net pension liability. However, until a full 10-year trend is compiled, information will only be presented for those years in which it is available.
2. A new collective bargaining agreement increased the benefit multiplier.

**LANE TRANSIT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2018
Schedule of Employer Contributions
Amalgamated Transit Union, Local No. 757 Pension Trust Fund
Last 10 Fiscal Years**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Actuarially determined contribution	\$ 2,671,000	\$ 2,490,859	\$ 2,324,000	\$ 2,265,346	\$ 2,129,522	\$ 2,130,945	\$ 1,981,455	\$ 2,034,036	\$ 1,926,992	\$ 1,939,870
Contribution in relation to the actuarially determined contribution	<u>2,653,938</u>	<u>3,089,304</u>	<u>2,295,380</u>	<u>2,265,346</u>	<u>2,234,627</u>	<u>2,228,856</u>	<u>2,193,790</u>	<u>2,034,037</u>	<u>1,926,992</u>	<u>2,414,870</u>
Contribution deficiency (excess)	<u>\$ 17,062</u>	<u>\$ (598,445)</u>	<u>\$ 28,620</u>	<u>\$ -</u>	<u>\$ (105,105)</u>	<u>\$ (97,911)</u>	<u>\$ (212,335)</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ (475,000)</u>
Covered payroll	12,747,582	11,848,383	11,344,340	10,802,019	10,625,261	10,629,043	10,288,538	10,998,431	11,724,870	11,171,828
Contributions as a percentage of covered payroll	20.82%	26.07%	20.23%	20.97%	21.03%	20.97%	21.32%	18.49%	16.44%	21.62%

Notes to Schedule:

Valuation date	1/1/2016	1/1/2016	1/1/2014	1/1/2014	1/1/2012	1/1/2012	1/1/2010	1/1/2010	1/1/2008	1/1/2008
Investment rate of return assumption	6.75%	6.75%	7.25%	7.25%	7.25%	7.25%	7.50%	7.50%	7.50%	7.50%

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Effective January 1, 2014: Individual entry age normal, level percentage of pay Through January 1, 2012: Individual entry age normal
Amortization method	Effective January 1, 2014: Layered 20-year amortization, level percentage of pay Effective January 1, 2006: Layered 20-year amortization, level dollar Effective January 1, 2004: Closed 24-year amortization, level dollar
Asset valuation method	Market value gains and losses are smoothed over three years, with result not less than 80% or greater than 120% of market value
Mortality	Effective January 1, 2012: RP-2000 Combined Health Mortality Table with Blue Collar Adjustment, projected using Scale AA to 2015 Effective January 1, 2010: RP-2000 Combined Health Mortality Table with Blue Collar Adjustment, projected using Scale AA to 2010 Through January 1, 2008: 1994 Uninsured Pensioner Mortality
Inflation	Effective January 1, 2016: 2.75% per year Through January 1, 2014: 3.00% per year
Salary increases	Effective January 1, 2014: 3% per year Through January 1, 2012: N/A
Future benefit rate increases	Effective January 1, 2014: 3% per year Through January 1, 2012: N/A

**LANE TRANSIT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2018
Schedule of Total OPEB Liability (TOL)
Last 10 Fiscal Years ¹**

Fiscal Year Ended	Total OPEB Liability	Covered Payroll	TOL as a percent of covered payroll
6/30/2018	\$ 9,605,874	\$ 16,623,000	57.79%
6/30/2017	9,853,579	15,565,886	63.30%

Notes to Schedule:

1. This schedule is intended to show a 10-year trend of changes in the total OPEB liability. However, until a full 10-year trend is compiled, information will only be presented for those years in which it is available.

LANE TRANSIT DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2018
Schedule of Changes in Total OPEB Liability (TOL)
Last 10 Fiscal Years ¹

<u>Fiscal Year Ended</u>	<u>TOL Beginning Balance</u>	<u>Service Costs</u>	<u>Interest on the TOL</u>	<u>Benefit Payments</u>	<u>Changes of Assumptions</u>	<u>TOL Ending Balance</u>
6/30/2018	\$ 9,853,579	\$ 792,964	\$ 296,401	\$ (496,473)	\$ (840,597)	\$ 9,605,874

Notes to Schedule:

1. This schedule is intended to show a 10-year trend of changes in the total OPEB liability. However, until a full 10-year trend is compiled, information will only be presented for those years in which it is available.

*Other Supplementary
Information*

Lane Transit District
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual on a Non-GAAP Budget Basis
For the fiscal year ended June 30, 2018

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Passenger fares	\$ 7,332,194	\$ 7,332,194	\$ 6,839,353	\$ (492,841)
Special services	264,744	264,744	229,062	(35,682)
Advertising	447,087	447,087	270,000	(177,087)
Employer payroll tax	37,870,000	37,870,000	35,797,722	(2,072,278)
Self-employment tax	2,102,457	2,102,457	2,072,662	(29,795)
State payroll assessment	382,000	382,000	439,600	57,600
Federal assistance	2,601,719	2,601,719	2,822,457	220,738
State assistance	-	-	-	-
Local assistance	-	-	3,450	3,450
Miscellaneous	294,400	294,400	166,934	(127,466)
Interest	102,000	102,000	167,305	65,305
Sale of assets	-	-	12,429	12,429
Total revenues	51,396,601	51,396,601	48,820,974	(2,575,627)
Expenditures				
Personnel services	38,910,736	38,910,736	35,977,281	2,933,455
Materials and services	12,377,992	12,377,992	8,682,385	3,695,607
Insurance	1,151,765	1,151,765	1,055,130	96,635
Other uses				
Transfer to Accessible Services Fund	2,879,338	2,879,338	2,879,338	-
Transfer to Medicaid Fund	394,160	394,160	394,160	-
Transfer to Point2point Fund	192,000	192,000	192,000	-
Transfer to Capital Projects Fund	5,273,562	5,273,562	5,273,562	-
Contra charge out of General Fund	(922,529)	(922,529)	-	-
Operating contingency	1,000,000	1,000,000	-	1,000,000
Working capital contingency	8,926,357	8,926,357	-	8,926,357
Self-insurance contingency	1,000,000	1,000,000	-	1,000,000
Total expenditures and other uses	71,183,381	71,183,381	54,453,856	16,729,525
Excess (deficiency) of revenues over expenditures	(19,786,780)	(19,786,780)	(5,632,882)	14,153,898
Fund balance, beginning of year	19,786,780	19,786,780	18,565,536	(1,221,244)
Restatement - Note 4(e)	-	-	(118,622)	(118,622)
Fund balance, beginning of year, restated	19,786,780	19,786,780	18,446,914	(1,339,866)
Fund balance, end of year	\$ -	\$ -	\$ 12,814,032	\$ 12,814,032

**Lane Transit District
Point2point Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual on a Non-GAAP Budget Basis
For the fiscal year ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Federal assistance	\$ 529,000	\$ 529,000	\$ 989,179	\$ 460,179
State assistance	392,717	392,717	43,082	(349,635)
Local assistance	36,000	36,000	32,893	(3,107)
Other sources				
Transfer from General Fund	192,000	192,000	192,000	-
Total revenues	1,149,717	1,149,717	1,257,154	107,437
Expenditures				
Point2point Administration	-	-	257,431	(257,431)
Business Commute Challenge	19,100	19,100	55,916	(36,816)
Emergency Home Ride	2,000	2,000	914	1,086
Employer Transportation Coordinators	7,250	7,250	38,817	(31,567)
Safe Routes to School	433,000	433,000	242,674	190,326
Vanpool	187,004	187,004	116,414	70,590
Projects:				
Carshare	4,000	4,000	20	3,980
Safe Routes to School Mapping	10,000	10,000	1,067	8,933
Driveless Connection	41,410	41,410	38,473	2,937
SmartTrips Main Street 3	229,000	229,000	137,536	91,464
Transportation Coordinator Pilot	30,724	30,724	10,819	19,905
Be Safe Be Seen Rural Safety	3,600	3,600	5,092	(1,492)
Total Expenditures	967,088	967,088	905,173	61,915
Other uses				
Operating contingency	182,629	182,629	-	182,629
Total expenditures and other uses	1,149,717	1,149,717	905,173	244,544
Excess (deficiency) of revenues over expenditures	-	-	351,981	351,981
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ -	\$ 351,981	\$ 351,981

Lane Transit District
Accessible Services Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual on a Non-GAAP Budget Basis
For the fiscal year ended June 30, 2018

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Passenger fares	\$ 385,925	\$ 385,925	\$ 307,808	\$ (78,117)
Federal assistance	2,575,430	2,575,430	2,419,408	(156,022)
State assistance	1,430,957	1,430,957	849,384	(581,573)
Local assistance	123,550	123,550	115,504	(8,046)
Miscellaneous	-	-	200	200
Other sources				
Transfer from General Fund	2,879,338	2,879,338	2,879,338	-
Total revenues	<u>7,395,200</u>	<u>7,395,200</u>	<u>6,571,642</u>	<u>(823,558)</u>
Expenditures				
Eugene-Springfield services				
ADA RideSource	5,743,696	5,743,696	5,247,670	496,026
Transit training and hosts	154,038	154,038	118,583	35,455
Special transportation	98,350	98,350	90,823	7,527
LTD staff time	15,700	15,700	-	15,700
Total Eugene-Springfield services	<u>6,011,784</u>	<u>6,011,784</u>	<u>5,457,076</u>	<u>554,708</u>
Rural Lane County services				
South Lane	102,495	102,495	137,893	(35,398)
Florence	230,943	230,943	197,316	33,627
Oakridge	186,698	186,698	233,367	(46,669)
Florence/Yachats	290,110	290,110	573	289,537
Volunteer coordinator	116,000	116,000	64,552	51,448
Service animal program	86,500	86,500	2,318	84,182
Total rural Lane County services	<u>1,012,746</u>	<u>1,012,746</u>	<u>636,019</u>	<u>376,727</u>
Other services				
Mobility management	165,670	165,670	98,563	67,107
Crucial connections	5,000	5,000	3,645	1,355
Veterans transportation	10,000	10,000	9,459	541
Lane County coordination	60,000	60,000	34,019	25,981
Total other services	<u>240,670</u>	<u>240,670</u>	<u>145,686</u>	<u>94,984</u>
Other uses				
Operating contingency	130,000	130,000	-	130,000
Total expenditures and other uses	<u>7,395,200</u>	<u>7,395,200</u>	<u>6,238,781</u>	<u>1,156,419</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>332,861</u>	<u>332,861</u>
Fund balance, beginning of year				
Fund balance, beginning of year	-	-	162,623	162,623
Restatement - Note 4(e)	-	-	(348,840)	(348,840)
Fund balance, beginning of year, restated	<u>-</u>	<u>-</u>	<u>(186,217)</u>	<u>(186,217)</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 146,644</u>	<u>\$ 146,644</u>

Lane Transit District
Medicaid Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual on a Non-GAAP Budget Basis
For the fiscal year ended June 30, 2018

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Medicaid nonemergency medical transportation (NEMT)	\$ 8,927,525	\$ 8,927,525	\$ 8,721,161	\$ (206,364)
Medicaid waived transportation	784,390	784,390	636,610	(147,780)
Other sources				
Transfer from General Fund	394,160	394,160	394,160	-
Total revenues and other sources	10,106,075	10,106,075	9,751,931	(354,144)
Expenditures				
Medicaid nonemergency medical transportation (NEMT)				
Services	6,888,000	6,888,000	6,990,471	(102,471)
Mobility management	88,500	88,500	88,921	(421)
Program administration	1,951,025	1,951,025	1,823,520	127,505
Total Medicaid NEMT	8,927,525	8,927,525	8,902,912	24,613
Medicaid waived transportation				
Services	756,000	756,000	822,547	(66,547)
Mobility management	34,100	34,100	38,140	(4,040)
Program administration	6,450	6,450	128	6,322
Grant program match requirements	250,000	250,000	210,807	39,193
Total Medicaid waived transportation	1,046,550	1,046,550	1,071,622	(25,072)
Other uses				
Operating contingency	132,000	132,000	-	132,000
Total expenditures and other uses	10,106,075	10,106,075	9,974,534	131,541
Excess (deficiency) of revenues over expenditures	-	-	(222,603)	(222,603)
Fund balance, beginning of year	-	-	(146,556)	(146,556)
Fund balance, end of year	\$ -	\$ -	\$ (369,159)	\$ (369,159)

**Lane Transit District
Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual on a Non-GAAP Budget Basis
For the fiscal year ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Federal assistance	\$ 12,724,138	\$ 13,092,086	\$ 12,721,447	\$ (370,639)
State assistance	2,750,000	5,332,215	4,745,108	(587,107)
Local assistance	-	159,348	214,468	55,120
Other sources				
Transfer from General Fund	5,273,562	5,273,562	5,273,562	-
Total revenues and other sources	20,747,700	23,857,211	22,954,585	(902,626)
Expenditures				
Frequent transit network				
West Eugene EmX extension	4,600,000	9,463,000	5,055,893	4,407,107
Commerce Street Connect Bridge	-	1,072,400	1,072,341	59
Main Street/McVay transit study	-	167,168	6,960	160,208
Santa Clara Community Transit Center	-	1,100,000	31,511	1,068,489
18th & Oak Patch traffic signal	-	225,000	-	225,000
Franklin Blvd. Phase 1 Transit Station	500,000	250,000	44,588	205,412
NW Eugene/LLC Transit Study	1,500,000	-	-	-
Willow Creek Station	1,400,000	768,600	698,044	70,556
MovingAhead	-	1,000,000	507,632	492,368
River Road Transit Community Implementation Plan	-	294,000	-	294,000
Total frequent transit network	8,000,000	14,340,168	7,416,969	6,923,199
Other capital outlay				
Revenue vehicles - fixed route	4,200,000	4,200,000	61,989	4,138,011
Revenue vehicles - accessible services	1,549,508	1,720,411	-	1,720,411
Support vehicles	200,000	27,252	726	26,526
Spare parts for vehicles	-	345,000	46,245	298,755
Replacement parts	-	625,000	189,015	435,985
Fleet & FM Building-Glenwood (Bus Parking Lot)	-	3,485,175	3,424,126	61,049
Passenger boarding improvements	-	50,000	1,890	48,110
Miscellaneous improvements	-	50,000	28,970	21,030
Stations, shelters and facilities	3,877,795	-	-	-
Computer hardware and software	260,000	243,270	64,635	178,635
Intelligent transportation systems	197,397	-	-	-
Transit security projects	225,000	-	-	-
Miscellaneous equipment	1,238,000	100,000	1,160	98,840
Comprehensive operations analysis	-	250,000	2,617	247,383
Total other capital outlay	11,747,700	11,096,108	3,821,373	7,027,352
Total expenditures	19,747,700	25,436,276	11,238,342	13,950,551
Other uses				
Operating contingency	-	1,000,000	-	1,000,000
Reserve for future expenditure	1,000,000	3,855,264	-	3,855,264
Total other uses	1,000,000	4,855,264	-	4,855,264
Total expenditures and other uses	20,747,700	30,291,540	11,238,342	18,805,815
Excess (deficiency) of revenues over expenditures	-	(6,434,329)	11,716,243	18,150,572
Fund balance, beginning of year				
Restatement - Note 4(e)	-	6,434,329	6,962,566	528,237
Fund balance, beginning of year, restated	-	-	467,462	467,462
Fund balance, beginning of year, restated	-	6,434,329	7,430,028	995,699
Fund balance, end of year	\$ -	\$ -	\$ 19,146,271	\$ 19,146,271

Lane Transit District
Reconciliation of Excess (Deficiency) of Revenues
Over Expenditures on a Budgetary Basis to
Changes in Net Position on a GAAP Basis
For the fiscal year ended June 30, 2018

Excess (deficiency) of revenues over expenditures	
General Fund	\$ (5,632,882)
Point2point Fund	351,981
Accessible Services Fund	332,861
Medicaid Fund	(222,603)
Capital Projects Fund	<u>11,716,243</u>
Total excess (deficiency) of revenues over expenditures	<u>6,545,600</u>
Reconciling items:	
Depreciation	(15,613,426)
Acquisition of capital assets	11,087,343
OPEB expense	19,615
Pension expense in excess of pension contribution	72,505
Compensated absences accrual	(70,073)
Loss on disposal of assets	(1,066,785)
Proceeds from disposal of assets	<u>(12,429)</u>
Total reconciling items	<u>(5,583,250)</u>
Change in net position on a GAAP basis	<u><u>\$ 962,350</u></u>

Lane Transit District
Reconciliation of Budgetary Fund Balances to
Net Position on a GAAP Basis
June 30, 2018

Budgetary fund balances:	
General Fund	\$ 12,814,032
Point2point Fund	351,981
Accessible Services Fund	146,644
Medicaid Fund	(369,159)
Capital Projects Fund	<u>19,146,271</u>
Total budgetary fund balances	<u>32,089,769</u>
Reconciling items:	
Capital assets	176,573,417
Deferred outflows of resources	3,425,274
Compensated absences	(2,874,907)
Total OPEB liability	(9,605,874)
Net pension liability	(18,864,543)
Deferred inflows of resources	<u>(2,236,492)</u>
Total reconciling items	<u>146,416,875</u>
Net position on a GAAP basis	<u><u>\$ 178,506,644</u></u>

**Lane Transit District
Statements of Fiduciary Net Position**

	Amalgamated Transit Union, Local No. 757 Pension Trust Fund As of December 31, 2017	Lane Transit District Salaried Employee's Retirement Plan Trust Fund As of June 30, 2018	Total June 30, 2018
Assets			
Cash			
Cash and cash equivalents	\$ 657,267	\$ 547,059	\$ 1,204,326
Investments			
Shares of registered investment companies	28,755,338	18,579,186	47,334,524
Total Assets	29,412,605	19,126,245	48,538,850
Liabilities			
Accrued expenses	5,778	5,919	11,697
Fiduciary Net Position - Restricted for Pensions	\$ 29,406,827	\$ 19,120,326	\$ 48,527,153

	Amalgamated Transit Union, Local No. 757 Pension Trust Fund As of December 31, 2016	Lane Transit District Salaried Employee's Retirement Plan Trust Fund As of June 30, 2017	Total June 30, 2017
Assets			
Cash			
Cash and cash equivalents	\$ 485,963	\$ 491,746	\$ 977,709
Investments			
Shares of registered investment companies	24,473,926	17,197,541	41,671,467
Total Assets	24,959,889	17,689,287	42,649,176
Liabilities			
Accrued expenses	28,893	20,489	49,382
Fiduciary Net Position - Restricted for Pensions	\$ 24,930,996	\$ 17,668,798	\$ 42,599,794

Lane Transit District
Statements of Changes in Fiduciary Net Position

	Amalgamated Transit Union, Local No. 757 Pension Trust Fund	Lane Transit District Salaried Employee's Retirement Plan Trust Fund	Total
	For the Year Ended December 31, 2017	For the Year Ended June 30, 2018	For the Year Ended June 30, 2018
Additions			
Employer contributions	\$ 2,653,938	\$ 1,577,474	\$ 4,231,412
Investment income			
Net change in fair value of investments	3,758,691	1,021,304	4,779,995
Interest, dividends and other income	536,990	370,386	907,376
Investment expenses	(103,085)	(57,849)	(160,934)
Net investment income	<u>4,192,596</u>	<u>1,333,841</u>	<u>5,526,437</u>
Total Additions	<u>6,846,534</u>	<u>2,911,315</u>	<u>9,757,849</u>
Deductions			
Benefits paid to participants	2,317,093	1,406,952	3,724,045
Administrative expenses	53,610	52,835	106,445
Total deductions	<u>2,370,703</u>	<u>1,459,787</u>	<u>3,830,490</u>
Net increase in fiduciary net position	4,475,831	1,451,528	5,927,359
Fiduciary Net Position - Restricted for Pensions			
Beginning of the year	<u>24,930,996</u>	<u>17,668,798</u>	<u>42,599,794</u>
Fiduciary Net Position - Restricted for Pensions			
End of the year	<u>\$ 29,406,827</u>	<u>\$ 19,120,326</u>	<u>\$ 48,527,153</u>

	Amalgamated Transit Union, Local No. 757 Pension Trust Fund	Lane Transit District Salaried Employee's Retirement Plan Trust Fund	Total
	For the Year Ended December 31, 2016	For the Year Ended June 30, 2017	For the Year Ended June 30, 2017
Additions			
Employer contributions	\$ 3,089,304	\$ 1,842,970	\$ 4,932,274
Investment income			
Net change in fair value of investments	1,103,413	1,724,151	2,827,564
Interest, dividends and other income	466,560	301,363	767,923
Investment expenses	(85,574)	(59,275)	(144,849)
Net investment income	<u>1,484,399</u>	<u>1,966,239</u>	<u>3,450,638</u>
Total Additions	<u>4,573,703</u>	<u>3,809,209</u>	<u>8,382,912</u>
Deductions			
Benefits paid to participants	2,172,794	1,443,998	3,616,792
Administrative expenses	93,200	35,925	129,125
Total deductions	<u>2,265,994</u>	<u>1,479,923</u>	<u>3,745,917</u>
Net increase in fiduciary net position	2,307,709	2,329,286	4,636,995
Fiduciary Net Position - Restricted for Pensions			
Beginning of the year	<u>22,623,287</u>	<u>15,339,512</u>	<u>37,962,799</u>
Fiduciary Net Position - Restricted for Pensions			
End of the year	<u>\$ 24,930,996</u>	<u>\$ 17,668,798</u>	<u>\$ 42,599,794</u>

Statistical Section

This part of the Lane Transit District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the District's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Financial Trend Information

**Comparative Statements of Net Position
Last Ten Years At June 30**

	2018	2017	2016	2015	Restated 2014	2013	2012	Restated 2011	2010	2009	2008	2007
Assets												
Current assets	\$ 39,716,401	\$ 33,622,720	\$ 53,537,565	\$ 56,639,732	\$ 41,747,999	\$ 37,774,109	\$ 30,346,275	\$ 28,380,179	\$ 25,404,558	\$ 26,310,655	\$ 27,312,219	\$ 26,585,090
Capital assets, net of accumulated depreciation	176,573,417	182,179,014	160,464,158	125,447,247	113,337,904	114,242,299	122,613,663	113,197,851	110,201,071	92,451,905	87,082,507	81,869,746
Other assets	-	-	-	-	-	1,068,705	1,006,960	700,000	-	2,083	8,333	14,583
Total assets	\$ 216,289,818	215,801,734	214,001,723	182,086,979	155,085,903	153,085,113	153,966,898	142,278,030	135,605,629	118,764,643	114,403,059	108,469,419
Deferred outflows of resources	3,425,274	5,235,429	6,267,714	1,540,509	1,693,168	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 219,715,092	\$ 221,037,163	\$ 220,269,437	\$ 183,627,488	\$ 156,779,071	\$ 153,085,113	\$ 153,966,898	\$ 142,278,030	\$ 135,605,629	\$ 118,764,643	\$ 114,403,059	\$ 108,469,419
Liabilities												
Current liabilities	\$ 8,635,621	\$ 9,017,767	\$ 17,233,164	\$ 22,159,541	\$ 10,036,528	\$ 9,926,804	\$ 8,224,324	\$ 6,160,791	\$ 8,273,281	\$ 7,597,959	\$ 8,614,294	\$ 4,187,540
Noncurrent liabilities	30,336,335	28,793,940	29,591,803	23,454,799	22,635,145	4,167,895	3,505,481	2,991,988	2,394,610	1,753,891	1,044,793	3,978,388
Total liabilities	38,971,956	37,811,707	46,824,967	45,614,340	32,671,673	14,094,699	11,729,805	9,152,779	10,667,891	9,351,850	9,659,087	8,165,928
Deferred outflows of resources	2,236,492	696,930	351,796	712,072	1,784,272	-	-	-	-	-	-	-
Net position												
Investment in capital assets	176,573,417	182,179,014	160,464,158	125,447,247	113,337,904	114,242,299	122,613,660	113,197,851	110,201,071	92,451,905	84,082,507	78,869,746
Restricted for Accessible Services, Point2point and Medicaid programs	1,792,304	38,863	2,775,776	440,273	398,255	436,632	491,306	456,115	449,066	302,918	529,014	80,911
Unrestricted	140,923	310,649	9,852,739	11,413,556	8,586,967	24,311,483	19,132,127	19,471,285	14,287,601	16,657,970	20,132,451	21,352,834
Total net position	178,506,644	182,528,526	173,092,673	137,301,076	122,323,126	138,990,414	142,237,093	133,125,251	124,937,738	109,412,793	104,743,972	100,303,491
Total liabilities, deferred inflows of resources and net position	\$ 219,715,092	\$ 221,037,163	\$ 220,269,437	\$ 183,627,488	\$ 156,779,071	\$ 153,085,113	\$ 153,966,898	\$ 142,278,030	\$ 135,605,629	\$ 118,764,643	\$ 114,403,059	\$ 108,469,419

**Changes in Net Position
Last Ten Years Ended June 30**

	2018	2017	2016	2015	Restated 2014	2013	2012	Restated 2011	2010	2009	2008
Operations											
Fixed route											
Revenue	\$ 7,338,415	\$ 7,921,433	\$ 7,807,665	\$ 7,893,869	\$ 7,733,140	\$ 7,640,918	\$ 7,608,840	\$ 8,150,969	\$ 7,933,611	\$ 7,723,787	\$ 7,320,990
Expense	(45,931,894)	(47,650,802)	(40,932,868)	(38,541,017)	(36,660,628)	(35,813,713)	(34,411,349)	(33,880,028)	(34,792,955)	(33,118,646)	(31,952,517)
Total fixed route	(38,593,479)	(39,729,369)	(33,125,203)	(30,647,148)	(28,927,488)	(28,172,795)	(26,802,509)	(25,729,059)	(26,859,344)	(25,394,859)	(24,631,527)
Accessible Services, Point2point and Medicaid											
Revenue	14,115,229	12,572,295	14,115,352	13,173,252	9,857,780	9,394,430	8,069,191	8,172,584	7,859,572	6,120,502	3,408,944
Expense	(17,118,488)	(15,482,280)	(16,768,307)	(14,617,685)	(12,314,118)	(10,841,746)	(9,965,985)	(9,561,690)	(8,571,459)	(8,465,040)	(5,052,516)
Total Accessible Services, Point2point and Medicaid	(3,003,259)	(2,909,985)	(2,652,955)	(1,444,433)	(2,456,338)	(1,447,316)	(1,896,794)	(1,389,106)	(711,887)	(2,344,538)	(1,643,572)
Loss from operations	(41,596,738)	(42,639,354)	(35,778,158)	(32,091,581)	(31,383,826)	(29,620,111)	(28,699,303)	(27,118,165)	(27,571,231)	(27,739,397)	(26,275,099)
Nonoperating revenues											
Employer payroll tax	35,797,722	32,827,455	34,394,558	30,981,560	25,374,737	24,891,777	23,047,471	22,197,770	21,424,079	22,169,137	23,303,571
Self-employment tax	2,072,662	1,983,365	1,902,866	1,683,987	1,647,329	1,576,826	1,507,575	1,440,902	1,381,109	1,444,342	1,618,655
State payroll assessment	439,600	411,860	400,795	609,978	1,914,665	1,941,063	1,869,854	1,740,509	1,755,311	1,490,098	1,432,590
Federal assistance	2,825,907	-	4,736,708	6,001,519	5,993,929	6,563,936	5,431,231	4,008,381	6,567,015	572,074	639,972
State assistance	-	115,475	154,426	29,688	723,888	-	1,992	350	-	-	-
Interest	167,305	201,295	99,207	52,359	85,619	77,171	62,653	60,462	56,200	293,980	686,566
Other revenues	166,934	349,986	400,494	433,787	366,327	325,339	276,975	497,739	343,208	306,755	118,835
Total nonoperating revenues	41,470,130	35,889,436	42,089,054	39,792,878	36,106,494	35,376,112	32,197,751	29,946,113	31,526,922	26,276,386	27,800,189
Income (loss) before capital contributions	(126,608)	(6,749,918)	6,310,896	7,701,297	4,722,668	5,756,001	3,498,448	2,827,948	3,955,691	(1,463,011)	1,525,090
Capital contributions											
Federal and state grants for capital acquisition	17,530,013	27,832,523	40,998,913	18,893,678	8,564,456	2,165,876	16,366,583	14,887,318	22,568,387	13,542,263	9,713,840
Changes in net position before depreciation, OPEB expense, and gain (loss) on sale of assets	17,403,405	21,082,606	47,309,808	26,594,975	13,287,124	7,921,877	19,865,031	17,715,266	26,524,078	12,079,252	11,238,930
Depreciation	(15,613,426)	(11,331,319)	(11,129,702)	(11,152,433)	(10,519,936)	(10,561,286)	(10,169,031)	(9,557,098)	(7,313,600)	(6,781,286)	(6,805,823)
OPEB expense	247,705	(353,155)	(395,154)	(461,715)	(555,778)	(614,905)	(586,592)	(641,742)	(624,953)	(635,353)	-
Gain (loss) on disposal of capital assets	(1,075,334)	37,721	6,644	(2,877)	13,052	7,635	2,434	(28,913)	(3,060,580)	6,208	7,374
Changes in net position	\$ 962,350	\$ 9,435,853	\$ 35,791,596	\$ 14,977,950	\$ 2,224,462	\$ (3,246,679)	\$ 9,111,842	\$ 7,487,513	\$ 15,524,945	\$ 4,668,821	\$ 4,440,481

Source: Lane Transit District Financial Statements

*Demographic and Economic
Information*

**Principal Employers of Lane County
Current Year and Nine Years Ago**

Employer	2018			2009		
	Employees	Rank	Percentage of Lane County Employment	Employees	Rank	Percentage of Lane County Employment
PeaceHealth Corp	6,257	1	3.9%	4,893	1	3.0%
University of Oregon	5,417	2	3.4%	4,038	2	2.5%
Eugene 4J School District	2,515	3	1.6%	2,794	3	1.7%
City of Eugene	1,828	4	1.1%	1,547	8	1.0%
State of Oregon	1,769	5	1.1%	2,000	6	1.2%
Lane Community College	1,632	6	1.0%	1,118	10	0.7%
Lane County	1,616	7	1.0%	2,000	5	1.2%
Springfield School District	1,379	8	0.9%	1,500	9	0.9%
Mckenzie-Willamette Med Ctr ²	988	9	0.6%			
Royal Carribean	800	10	0.5%			
Monaco Coach Corporation				2,400	4	1.5%
U.S. Government				1,800	7	1.1%
	<u>24,201</u>		<u>15.1%</u>	<u>19,890</u>		<u>12.3%</u>
Total Employees	<u>160,500</u> ¹			<u>161,255</u> ¹		

¹Per Bureau of Labor Statistics, total covered employment (January)

Source: Eugene Chamber of Commerce, Oregon Employment Department

² Per McKenzie-Willamette Human Resources

**Demographic and Economic Statistics
Last Ten Years**

Fiscal Year	Lane Transit District Population (a)	Lane County, Oregon			
		Population (c)	Personal Income (,000) (c)	Per Capita Income (c)	Unemployment Rate (d)
2008	289,300	348,176	11,893,365	34,159	5.8%
2009	291,600	350,850	11,626,054	33,137	12.7%
2010	296,243	351,848	11,710,885	33,284	11.0%
2011	296,300	353,495	12,261,473	34,686	9.6%
2012	297,500	354,506	12,784,129	36,062	8.8%
2013	298,300	356,212	13,047,961	36,630	8.1%
2014	300,000	358,805	13,575,594	37,867	7.0%
2015	302,200	362,600	14,597,955	40,259	6.1%
2016	305,350	369,519	15,160,278	41,027	5.5%
2017	311,395	374,748	16,275,162	43,430	4.0%

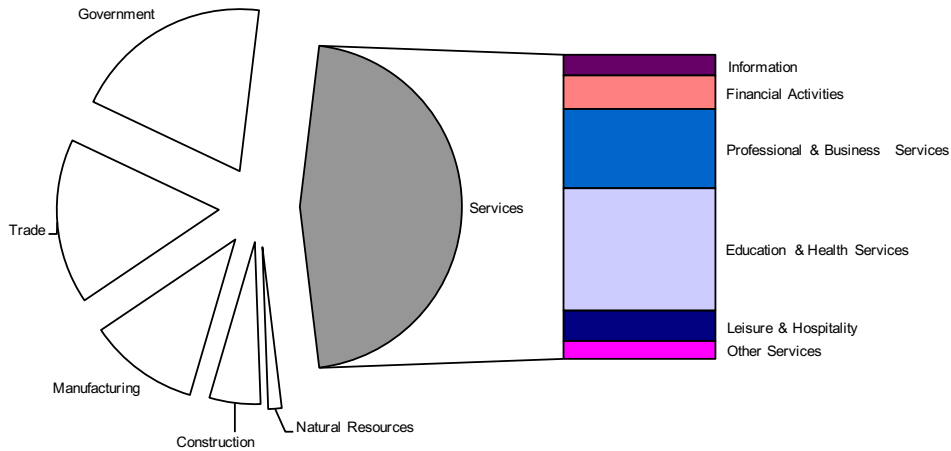
Notes

- a. District population in census years determined by Lane Council of Governments from U.S. Census Bureau census tract information. Intervening years are an estimate using information from the Census and the annual population estimates published by the Population Research Center at Portland State University.
- b. Reported population of communities within District boundaries of Eugene, Springfield, Cottage Grove, Creswell, Veneta, Junction City, and Lowell.

Source

- c. Bureau of Economic Analysis, U.S. Department of Commerce.
- d. Bureau of Labor Statistics, U.S. Department of Labor. Rates presented are annualized for the calendar year.

Lane County 2017 Covered Payroll



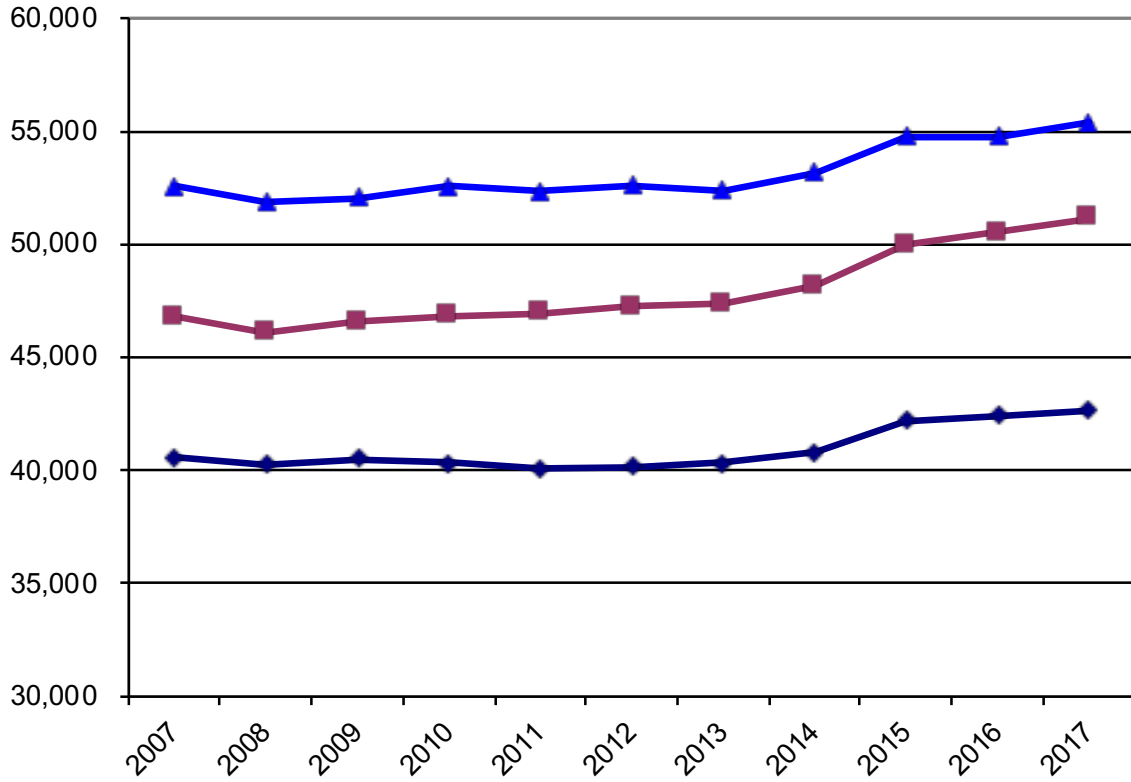
2017 Covered Employment and Wages Summary Report for Lane County

	Units	Covered Employment		Covered Payroll		Average Pay
		Count	Percent	Total in Millions	Percent	
Natural Resources	273	2,283	1.5%	\$ 95	1.4%	\$ 41,415
Construction	976	6,882	4.5%	\$ 354	5.4%	\$ 51,456
Manufacturing	567	13,805	8.9%	\$ 729	11.1%	\$ 52,828
Trade	2,059	29,989	19.4%	\$ 1,075	16.3%	\$ 35,831
Service			0.0%		0.0%	
Information	212	2,704	1.7%	\$ 187	2.8%	\$ 69,034
Financial Activities	1,087	6,144	4.0%	\$ 352	5.3%	\$ 57,314
Professional & Business Services	1,732	17,947	11.6%	\$ 779	11.8%	\$ 43,421
Education & Health Services	1,404	25,344	16.4%	\$ 1,235	18.7%	\$ 48,733
Leisure & Hospitality	1,162	17,256	11.2%	\$ 305	4.6%	\$ 17,679
Other Services	2,106	6,597	4.3%	\$ 180	2.7%	\$ 27,233
Total Service	7,703	75,992	49.1%	\$ 3,038	46.1%	\$ 39,977
Unclassified/other	50	52				
Government	407	25,619	16.6%	\$ 1,301	19.7%	\$ 50,800
Total 2018 Covered Employment	12,035	154,622	100%	\$ 6,594	100.0%	\$ 42,644

Source: Oregon Employment Department

Lane Transit District

Inflation Adjusted Annual Average Wages
(2017 Dollars)



Source: Oregon Employment Department

LANE TRANSIT DISTRICT
Eugene-Springfield Metropolitan Statistical Area (Lane County) Economic Data Sheet

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2007 - 2017	
												Change:	% Change
Total population	345,726	348,804	350,952	352,010	353,155	354,200	356,125	358,805	362,150	365,940	370,600	24,874	7.3%
Births minus Deaths												n/av	n/av
Net Migration												n/av	n/av
Civilian labor force	181,463	183,901	183,890	178,304	177,473	172,255	167,211	169,238	172,546	178,622	182,399	936	0.5%
Unemployment	9,403	12,403	22,635	19,648	17,158	15,349	13,423	11,715	10,041	9,048	8,118	(1,285)	-13.7%
Unemployment rate	5.2%	6.7%	12.3%	11.0%	9.7%	8.9%	8.0%	6.9%	5.8%	4.8%	4.5%	(0.0)	-14.1%
Total employment	172,060	171,498	161,255	158,656	160,315	156,906	153,788	157,523	162,505	169,574	174,281	2,221	1.3%
Total nonfarm employment	157,200	155,000	142,600	141,400	141,700	142,400	144,400	148,000	152,100	156,500	159,200	2,000	1.3%
Labor-management disputants	0	0	0	0	0	0	0	0	0	0	0	0	0%
Percent annual change	1.8%	-1.4%	-8.0%	-0.8%	0.2%	0.5%	1.4%	2.5%	2.8%	2.8%			
Total personal income (millions)	\$11,542.6	\$11,951.9	\$11,590.9	\$11,739.8	\$12,175.7	\$12,696.9	\$12,760.1	\$13,575.6	\$14,598.0	\$15,160.3	NA	NA	NA
Percent annual change	2.5%	3.5%	-3.0%	1.3%	3.7%	4.3%	0.5%	6.4%	7.5%	3.9%	NA	NA	NA
Per capita personal income - Lane County	\$33,472	\$34,327	\$33,037	\$33,355	\$34,430	\$35,805	\$35,878	\$37,867	\$40,259	\$41,027	\$43,430	NA	NA
Per capita personal income - Oregon	\$35,858	\$37,149	\$35,409	\$35,692	\$37,387	\$39,105	\$39,498	\$41,690	\$44,424	\$45,482	\$46,361	10,503	29.3%
Per capita personal income - U.S.	\$39,821	\$41,082	\$39,376	\$40,277	\$42,453	\$44,267	\$44,462	\$46,414	\$48,112	\$49,204	\$50,392	10,571	26.5%
As percent of Oregon	93%	92%	93%	93%	92%	92%	91%	91%	91%	90%	94%		
As percent of U.S.	84%	84%	84%	83%	81%	81%	81%	82%	84%	83%	86%		
Total covered payroll (millions)	\$5,185.8	\$5,225.4	\$4,814.6	\$4,829.6	\$4,987.2	\$5,148.4	\$5,319.4	\$5,597.4	\$5,993.0	\$6,291.5	\$6,593.7	1,408	27.1%
Percent annual change	4.8%	0.8%	-7.9%	0.3%	3.3%	3.2%	3.3%	5.2%	7.1%	\$0.1	4.8%	0.0	0.0%
Average annual wage - Lane County	\$34,324	\$35,363	\$35,475	\$35,889	\$36,778	\$37,619	\$38,353	\$39,383	\$40,824	\$41,523	\$42,644	8,280	24.9%
Average annual wage - Oregon	\$39,562	\$40,486	\$40,742	\$41,668	\$43,077	\$44,230	\$45,008	\$46,515	\$48,322	\$49,467	\$51,117	11,555	29.2%
Average annual wage - U.S.	\$44,458	\$45,563	\$45,559	\$46,751	\$48,043	\$49,289	\$49,808	\$51,296	\$52,942	\$53,621	\$55,390	10,932	24.6%
As percent of Oregon	87%	87%	87%	86%	85%	85%	85%	85%	84%	84%	83%	(0.03)	NA
As percent of U.S.	77%	78%	78%	77%	77%	76%	77%	77%	77%	77%	77%	(0.01)	NA
Inflation adjusted wages and income (2007 Dollars)													
CPI-U; U.S. city average	207.342	215.303	214.537	218.056	224.939	229.594	232.957	236.736	237.017	240.007	245.12		
Blow-up factor; 2002 = 100	1.1822	1.1385	1.1426	1.1241	1.0897	1.0676	1.0522	1.0354	1.0342	1.0231	1.0000		
Inflation adjusted total covered payroll (millions)	\$6,000.0	\$5,820.0	\$5,390.0	\$5,320.0	\$5,320.0	\$5,840.0	\$5,480.0	\$5,670.0	\$6,070.0	\$6,420.0	\$6,590.0	460	7.5%
Percent annual change	1.9%	-3.0%	-7.4%	-1.3%	0.0%	9.8%	-6.2%	3.5%	7.1%	3.5%	2.6%		
Inflation adjusted average annual wage - Lane County	\$39,730	-\$1,060	-\$2,630	-\$470	\$0	\$3,690	-\$2,380	\$1,380	\$2,900	\$42,420	\$42,640	2,060	5.1%
Inflation adjusted average annual wage - Oregon	\$45,790	-\$1,210	-\$3,010	-\$540	\$0	\$4,330	-\$2,790	\$1,630	\$3,430	\$50,520	\$51,120	4,350	9.3%
Inflation adjusted average annual wage - U.S.	\$51,460	-\$1,370	-\$3,370	-\$610	\$0	\$4,830	-\$3,090	\$1,800	\$3,760	\$54,760	\$55,390	2,830	5.4%
Inflation adjusted total personal income (millions)	13645.618	13607.187	13243.758	13196.66	13267.87	13555.214	13426.139	14056.17	1036.458	15678.57	NA	NA	NA
Inflation adjusted per capita personal income - Lane County	\$38,750	-\$1,030	-\$2,440	-\$430	\$0	\$3,510	-\$2,220	\$1,330	\$2,860	\$41,900	NA	NA	NA
Inflation adjusted per capita personal income - Oregon	\$41,510	-\$1,110	-\$2,620	-\$460	\$0	\$3,830	-\$2,450	\$1,460	\$3,150	\$46,450	\$46,360	NA	NA
Inflation adjusted per capita personal income - U.S.	\$46,090	-\$1,230	-\$2,910	-\$520	\$0	\$4,340	-\$2,760	\$1,620	\$3,420	\$50,250	\$50,390	NA	NA

Operating Information

**Expenditures and Full-Time Equivalent Employees (FTEs) by Organizational Units
Budgetary Basis
Last Ten Fiscal Years Ended June 30**

	2018	2017	2016	2015	2014	2013	2012	Restated 2011	2010	2009
Operations										
Transportation	\$23,511,724	\$23,470,868	\$ 21,227,434	\$ 19,006,723	\$ 17,775,567	\$ 17,278,362	\$ 16,942,573	\$ 16,670,775	\$ 17,382,338	\$ 17,136,681
Percent of total operations	37.4%	39.5%	37.4%	36.7%	36.3%	37.6%	38.3%	39.1%	41.7%	41.6%
FTEs at end of period	234.5	255.5	203.6	203.6	202.0	202.0	196.0	192.0	218.0	220.0
Maintenance	\$11,314,355	\$10,047,340	9,976,217	9,893,756	9,712,732	9,472,080	9,720,961	9,120,608	8,273,970	8,294,280
Percent of total operations	18.0%	16.9%	17.6%	19.1%	19.8%	20.6%	22.0%	21.4%	19.9%	20.1%
FTEs at end of period	54.0	54.0	52.5	52.5	51.1	51.3	51.3	50.3	52.3	52.3
Customer Service, Marketing, and Planning	\$4,117,783	\$4,194,396	3,645,111	3,284,172	3,733,361	3,150,530	2,314,056	2,086,436	2,095,936	2,120,225
Percent of total operations	6.6%	7.1%	6.4%	6.3%	7.6%	6.9%	5.2%	4.9%	5.0%	5.1%
FTEs at end of period	33.2	33.2	27.9	27.9	22.2	22.3	20.9	18.2	19.2	19.2
Administration	\$6,643,695	\$5,186,966	4,146,877	3,835,509	4,406,890	4,002,512	4,249,252	4,190,798	4,193,529	4,068,295
Percent of total operations	10.6%	8.7%	7.3%	7.4%	9.0%	8.7%	9.6%	9.8%	10.1%	9.9%
FTEs at end of period	30.7	31.7	25.8	25.8	35.0	31.0	31.5	32.0	34.0	34.0
Insurance and Risk	\$1,061,645	\$993,952	941,876	1,092,057	1,084,682	1,224,832	1,083,175	1,054,273	1,140,688	1,110,076
Percent of total operations	1.7%	1.7%	1.7%	2.1%	2.2%	2.7%	2.4%	2.5%	2.7%	2.7%
FTEs at end of period	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accessible Services & Medicaid	16,213,315	15,482,279	16,768,307	14,617,685	12,314,118	10,841,746	9,965,985	9,561,690	8,571,459	8,465,040
Percent of total operations	25.8%	26.1%	29.6%	28.3%	25.1%	23.6%	22.5%	22.4%	20.6%	20.5%
FTEs at end of period	2.6	2.6	2.6	2.6	3.0	3.0	3.4	3.0	3.0	3.0
Total operations	62,862,517	59,375,801	56,705,822	51,729,902	49,027,350	45,970,062	44,276,002	42,684,580	41,657,920	41,194,597
Total FTEs at end of period	355.0	377.0	312.4	312.4	313.3	309.5	303.0	295.5	326.5	328.5
Capital transfers from General Fund	8,739,050	18,487,923	1,667,600	3,351,100	1,792,700	1,600,000	3,031,900	-	-	1,752,000
Capital transfers from Accessible Services Fund	-	-	-	-	-	7,236	25,062	4,769	33,899	-
Total operations and capital transfers	\$ 71,601,567	\$ 77,863,724	\$ 58,373,422	\$ 55,081,002	\$ 50,820,050	\$ 47,577,298	\$ 47,332,964	\$ 42,689,349	\$ 41,691,819	\$ 42,946,597

**Capital Asset Statistics
Last Ten Years Ended June 30**

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Miles of busway	13.99	13.99	8.45	8.45	8.45	8.45	8.45	8.45	2.34	2.34
Rolling stock										
40-foot buses	77	78	73	75	79	79	113	89	97	97
60-foot buses	18	18	18	24	15	15	15	15	12	15
< 40-foot buses	0	0	0	3	6	6	6	6	7	7
EmX vehicles	18	18	18	11	11	11	11	11	11	6
Total rolling stock	113	114	109	113	111	111	145	121	127	125
Accessible Services vehicles	71	73	88	79	82	82	95	83	80	67
Primary stations	2	2	2	2	2	2	2	2	2	2
EmX station platforms	59	59	31	31	31	31	31	31	10	10
Other stations	9	9	6	9	9	9	9	9	9	9
Shelters	184	183	181	183	193	193	193	193	193	193
Signed stops	1137	1147	1,250	1,233	1,218	1,217	1,217	1,343	1,517	1,511
Maintenance facility	1	1	1	1	1	1	1	1	1	1
Administration facility	1	1	1	1	1	1	1	1	1	1
Brokerage/paratransit facility	1	1	1	1	1	1	1	1	1	1

Operating Revenue & Cost Measurements - Fixed-Route System Last Ten Fiscal Years

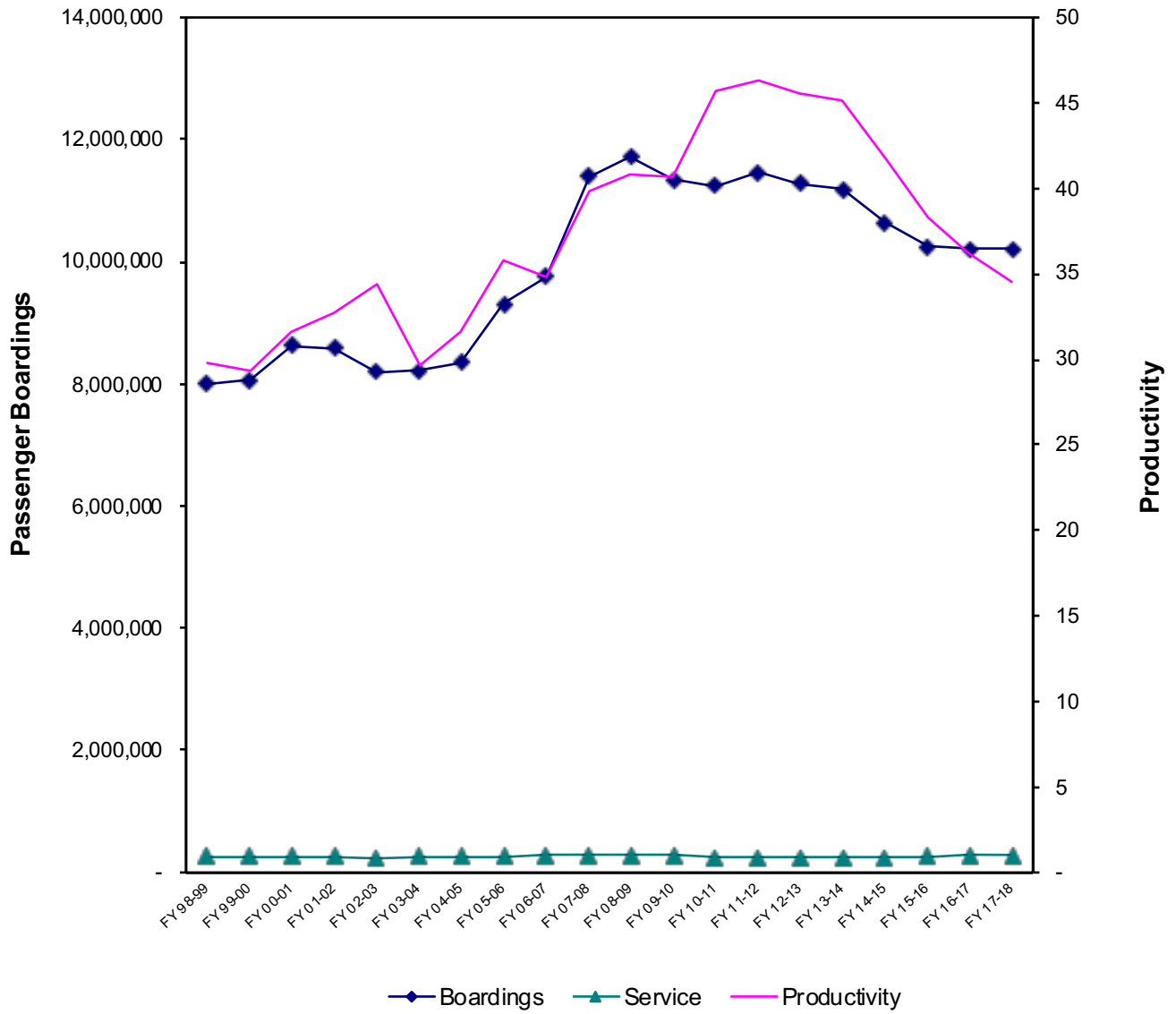
Fiscal Year	Operating* Revenues	Operating* Expenses	Revenue Margin	Revenue Hours	Percent Change	Operating Revenue / Service Hour	Percent Change	Operating Expenses / Revenue Hour	Percent Change
2017-18	\$ 7,338,415	\$ 45,740,984	16.0%	295,103	4.9%	\$24.87	-11.7%	\$155.00	-8.5%
2016-17	\$ 7,921,433	\$ 47,650,801	16.6%	281,280	5.0%	28.16	-3.3%	169.41	10.9%
2015-16	7,807,665	40,932,868	19.1%	268,010	5.2%	29.13	-6.0%	152.73	1.0%
2014-15	7,893,869	38,541,017	20.5%	254,779	3.0%	30.98	-0.9%	151.27	2.0%
2013-14	7,733,140	36,660,628	21.1%	247,286	0.0%	31.27	1.2%	148.25	2.4%
2012-13	7,640,918	35,813,713	21.3%	247,303	-0.1%	30.90	0.5%	144.82	4.1%
2011-12	7,608,840	34,411,349	22.1%	247,480	0.4%	30.75	-7.0%	139.05	1.2%
2010-11	8,150,969	33,880,028	24.1%	246,556	-11.7%	33.06	16.4%	137.41	10.3%
2009-10	7,933,611	34,792,955	22.8%	279,241	-2.6%	28.41	5.4%	124.60	7.8%
2008-09	7,723,787	33,118,646	23.3%	286,654	0.1%	26.94	5.3%	115.54	3.5%

Fiscal Year	Employees	Revenue Hours / Employees	Percent Change	Passenger Fares	Passenger Boardings	Passenger Fares / Boarding	Operating Expenses / Boarding	Percent Change	Revenue Hours / Trip
2017-18	355	831.28	1.1%	\$ 6,740,382	10,146,391	0.66	4.51	-3.5%	0.029
2016-17	342	822.46	-3.0%	\$ 7,242,637	10,203,700	0.71	4.67	16.9%	0.028
2015-16	316	848.13	3.9%	7,141,779	10,250,227	0.70	3.99	10.3%	0.026
2014-15	312	816.60	3.4%	7,200,332	10,644,718	0.68	3.62	10.5%	0.024
2013-14	313	790.05	-1.0%	6,948,609	11,192,854	0.62	3.28	3.1%	0.022
2012-13	310	797.75	-2.3%	6,914,308	11,276,282	0.61	3.18	5.8%	0.022
2011-12	303	816.77	-1.3%	6,738,397	11,463,124	0.59	3.00	-0.3%	0.022
2010-11	298	827.37	-7.0%	7,393,034	11,253,628	0.66	3.01	-1.8%	0.022
2009-10	314	889.30	4.2%	7,032,027	11,349,579	0.62	3.07	8.5%	0.025
2008-09	336	853.14	1.9%	6,602,497	11,718,189	0.56	2.83	0.9%	0.024

Fiscal Year	Miles	Operating Expenses / Mile	Percent Change	Fleet Maintenance Costs	Fleet Maintenance Cost / Mile	Percent Change	Fuel Cost	Fuel Cost / Mile	Percent Change
2017-18	3,688,939	12.399	2.3%	\$ 6,308,199	1.710	8.8%	\$ 2,249,024	0.610	-1.9%
2016-17	3,930,595	12.123	11.1%	\$ 6,175,683	1.571	3.7%	\$ 2,441,661	0.621	11.6%
2015-16	3,750,517	10.914	0.7%	5,683,792	1.515	-6.2%	2,086,824	0.556	-2.6%
2014-15	3,554,759	10.842	4.5%	5,740,550	1.615	10.1%	2,030,066	0.571	-21.8%
2013-14	3,534,864	10.371	1.7%	5,186,756	1.467	3.0%	2,580,822	0.730	-1.4%
2012-13	3,512,473	10.196	5.2%	5,002,973	1.424	-1.5%	2,601,015	0.741	-7.8%
2011-12	3,549,802	9.694	2.6%	5,134,802	1.447	3.0%	2,850,255	0.803	15.1%
2010-11	3,587,553	9.444	10.1%	5,040,041	1.405	11.7%	2,502,026	0.697	45.7%
2009-10	4,054,883	8.581	6.2%	5,100,175	1.258	6.5%	1,941,476	0.479	-9.3%
2008-09	4,097,838	8.082	3.1%	4,837,587	1.181	3.7%	2,162,213	0.528	-22.6%

*Excludes Accessible Services, depreciation, and OPEB expense

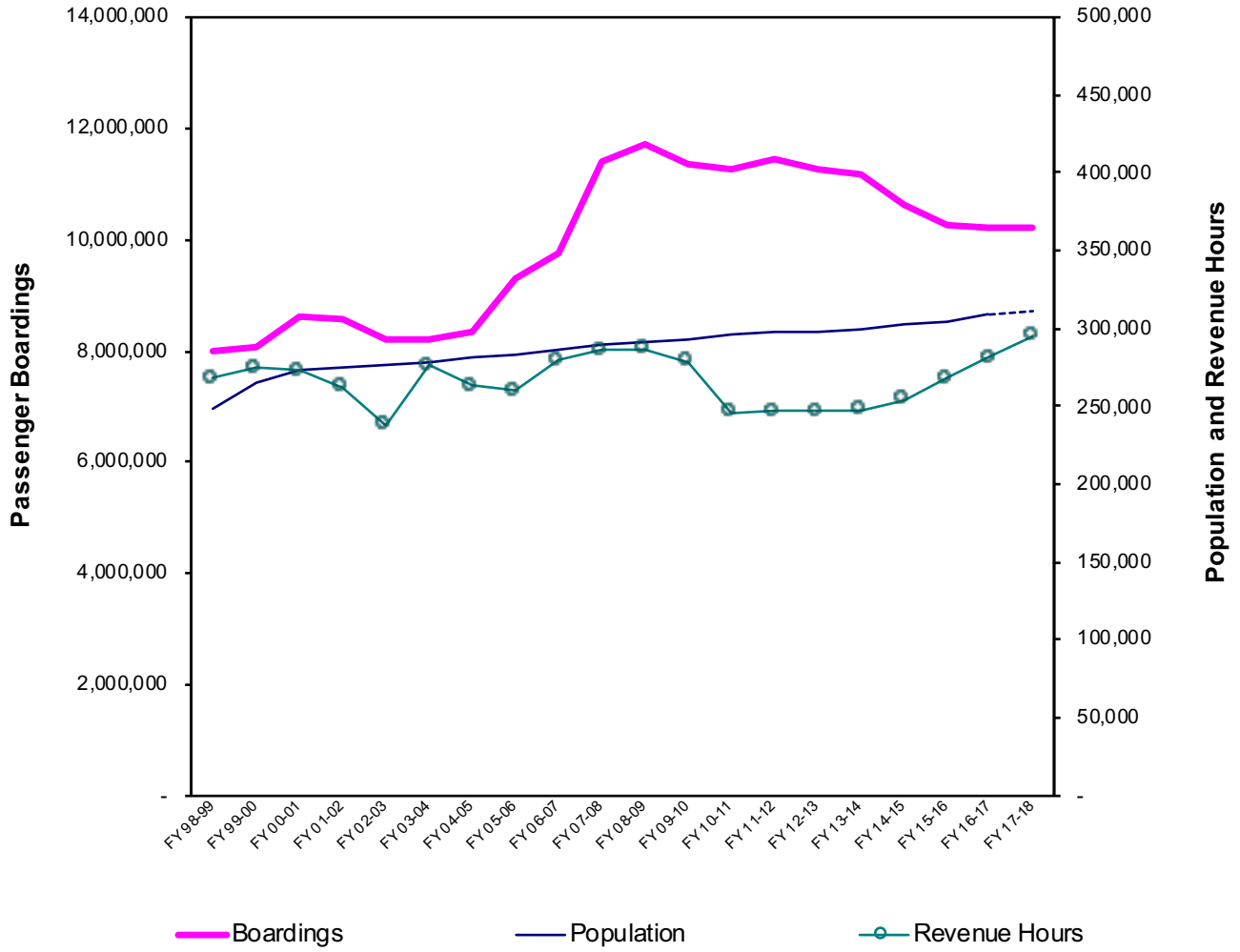
LANE TRANSIT DISTRICT Ridership, Service, and Productivity Last Twenty Years



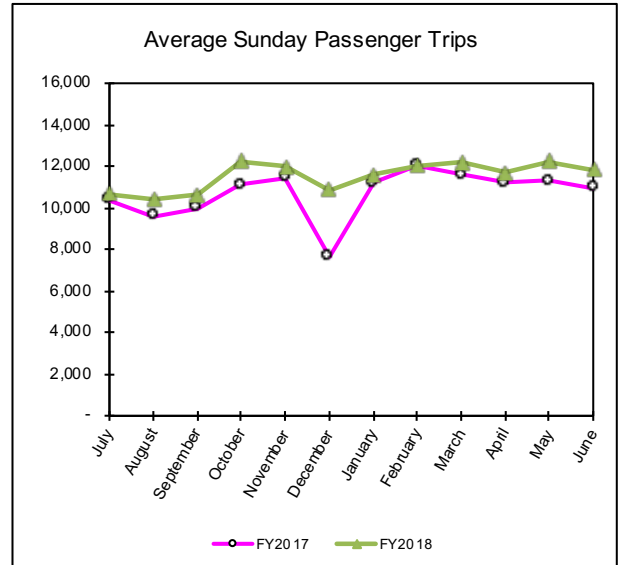
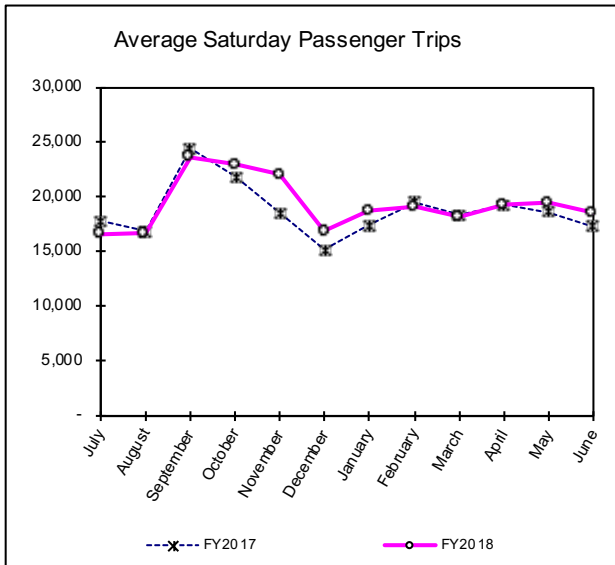
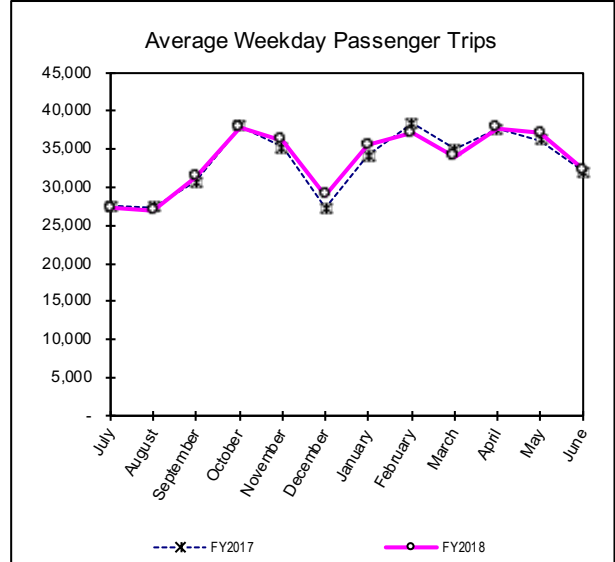
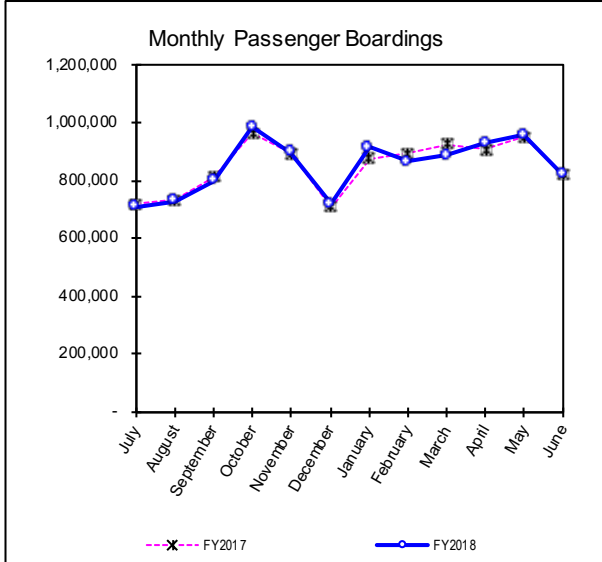
**Ridership, Fare, Service, and Productivity
Last Twenty Two Years**

Fiscal Year	Revenue Hours	Percent Change	Passenger Boardings	Percent Change	System Productivity	Percent Change	Base Cash Fare
2017-18	295,103	10.1%	10,211,323	-0.4%	34.603	-9.53%	\$ 1.75
2016-17	281,280	10.4%	10,203,700	-4.1%	36.276	-13.17%	1.75
2015-16	268,010	5.2%	10,250,227	-3.7%	38.246	-8.46%	1.75
2014-15	254,779	2.7%	10,644,718	-4.9%	41.780	-7.36%	1.75
2013-14	248,172	0.4%	11,192,854	-0.7%	45.101	-1.09%	1.75
2012-13	247,303	-0.1%	11,276,282	-1.6%	45.597	-1.56%	1.75
2011-12	247,480	0.4%	11,463,124	1.9%	46.319	1.48%	1.50
2010-11	246,556	-11.7%	11,253,628	-0.8%	45.643	12.30%	1.50
2009-10	279,241	-2.6%	11,349,579	-3.1%	40.644	-0.57%	1.50
2008-09	286,654	0.1%	11,718,189	2.7%	40.879	2.58%	1.50
2007-08	286,226	2.3%	11,406,316	16.9%	39.851	14.22%	1.25
2006-07	279,688	7.6%	9,757,984	4.8%	34.889	-2.57%	1.25
2005-06	259,985	-1.3%	9,309,528	11.5%	35.808	13.04%	1.25
2004-05	263,537	-4.6%	8,348,313	1.7%	31.678	6.60%	1.25
2003-04	276,207	16.1%	8,207,818	0.2%	29.716	-13.67%	1.25
2002-03	237,949	-9.3%	8,190,436	-4.6%	34.421	5.18%	1.25
2001-02	262,242	-4.0%	8,582,138	-0.5%	32.726	3.64%	1.25
2000-01	273,102	-0.7%	8,623,496	6.9%	31.576	7.63%	1.00
1999-00	274,939	2.6%	8,066,108	0.8%	29.338	-1.70%	1.00
1998-99	267,986	2.2%	7,998,370	4.7%	29.846	2.49%	1.00
1997-98	262,223	1.7%	7,635,934	-0.8%	29.120	-2.42%	1.00
1996-97	257,821	3.8%	7,693,820	1.7%	29.842	-2.06%	0.80

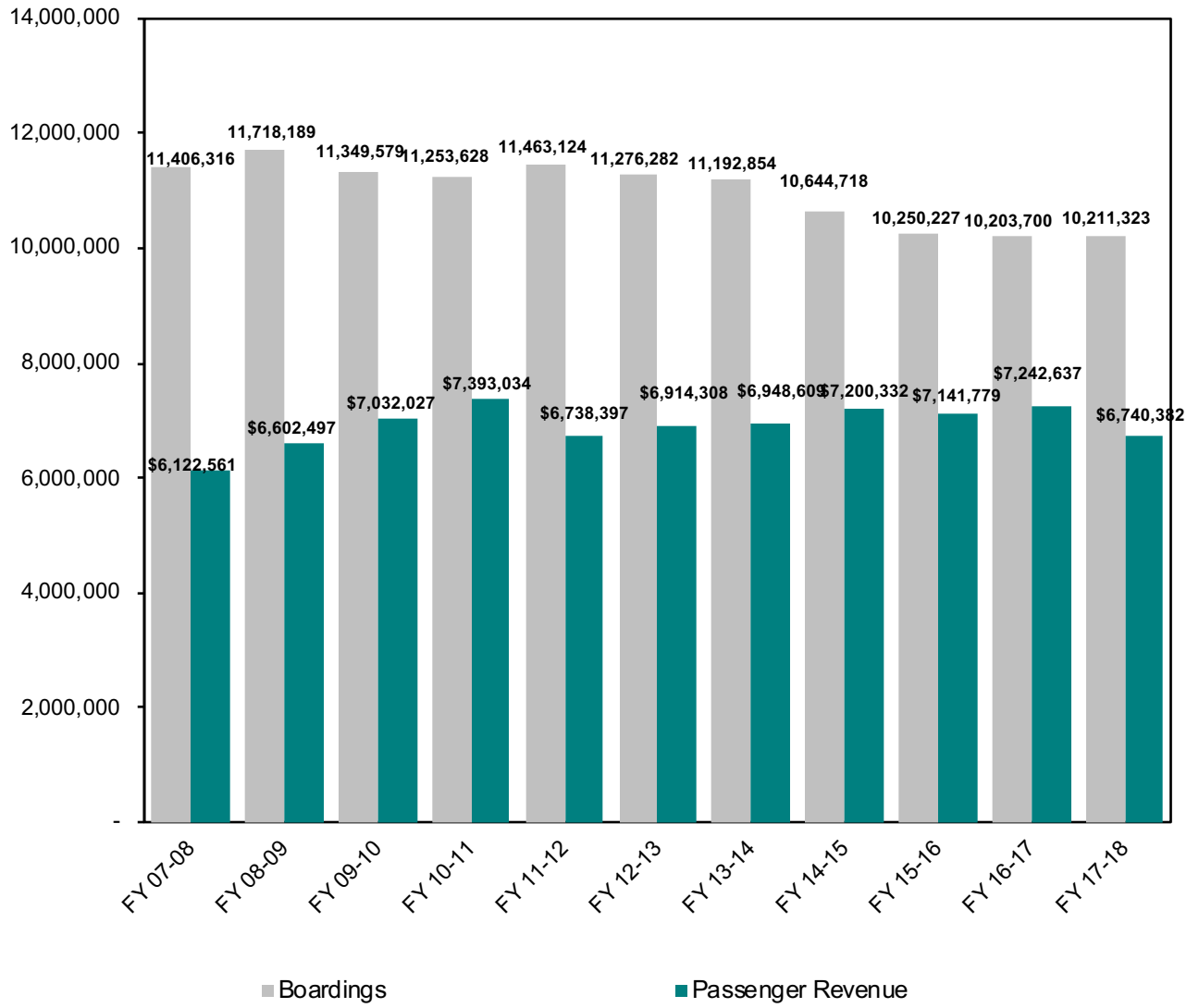
**LANE TRANSIT DISTRICT
Ridership, Service, and Service Area Population
Last Twenty Years**



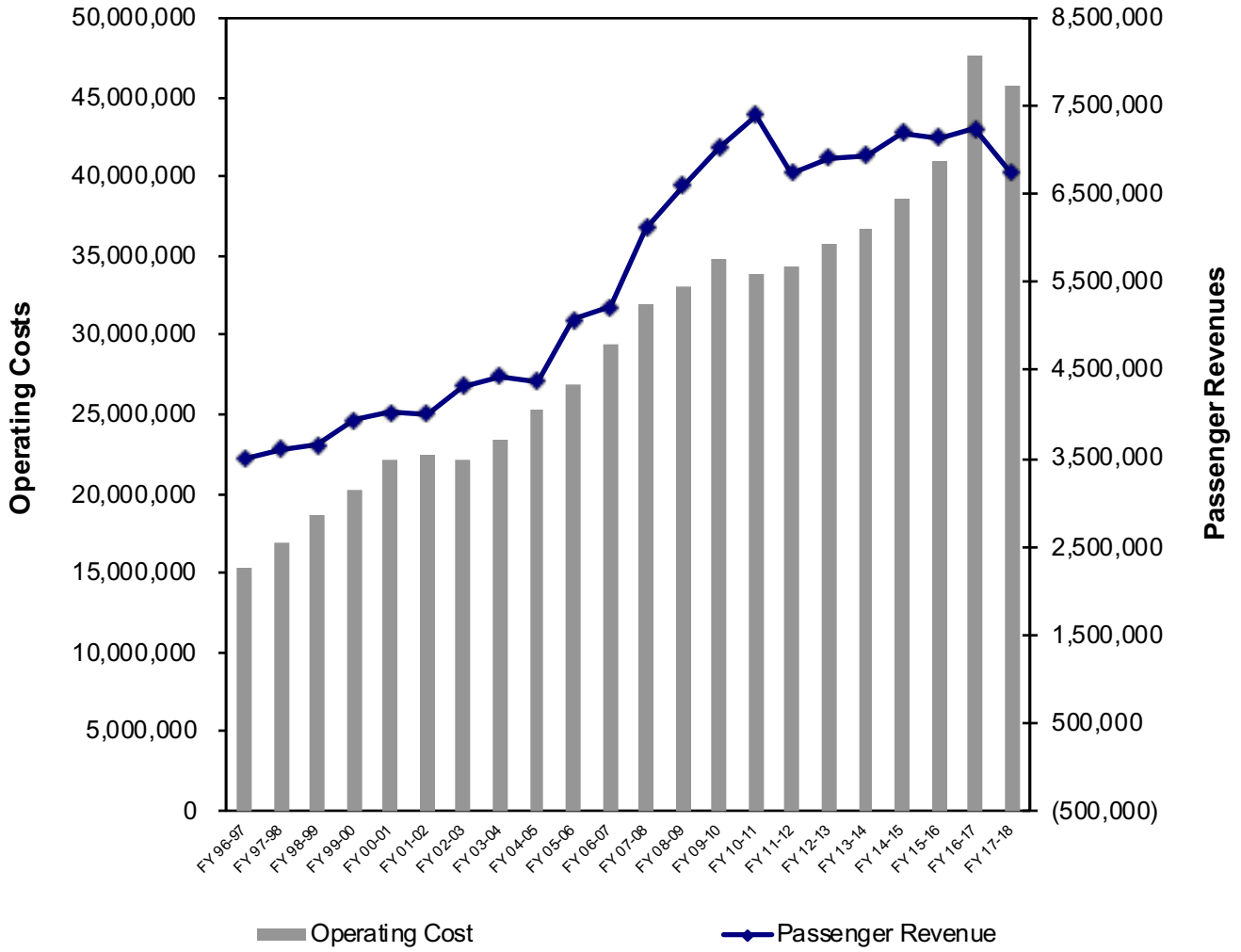
LANE TRANSIT DISTRICT Ridership Trends by Month For the fiscal years ended June 30, 2018 and 2017



LANE TRANSIT DISTRICT
Passenger Boardings and Passenger Revenues
Last Ten Years



LANE TRANSIT DISTRICT
Passenger Revenues and Operating Costs
Last Twenty Two Years

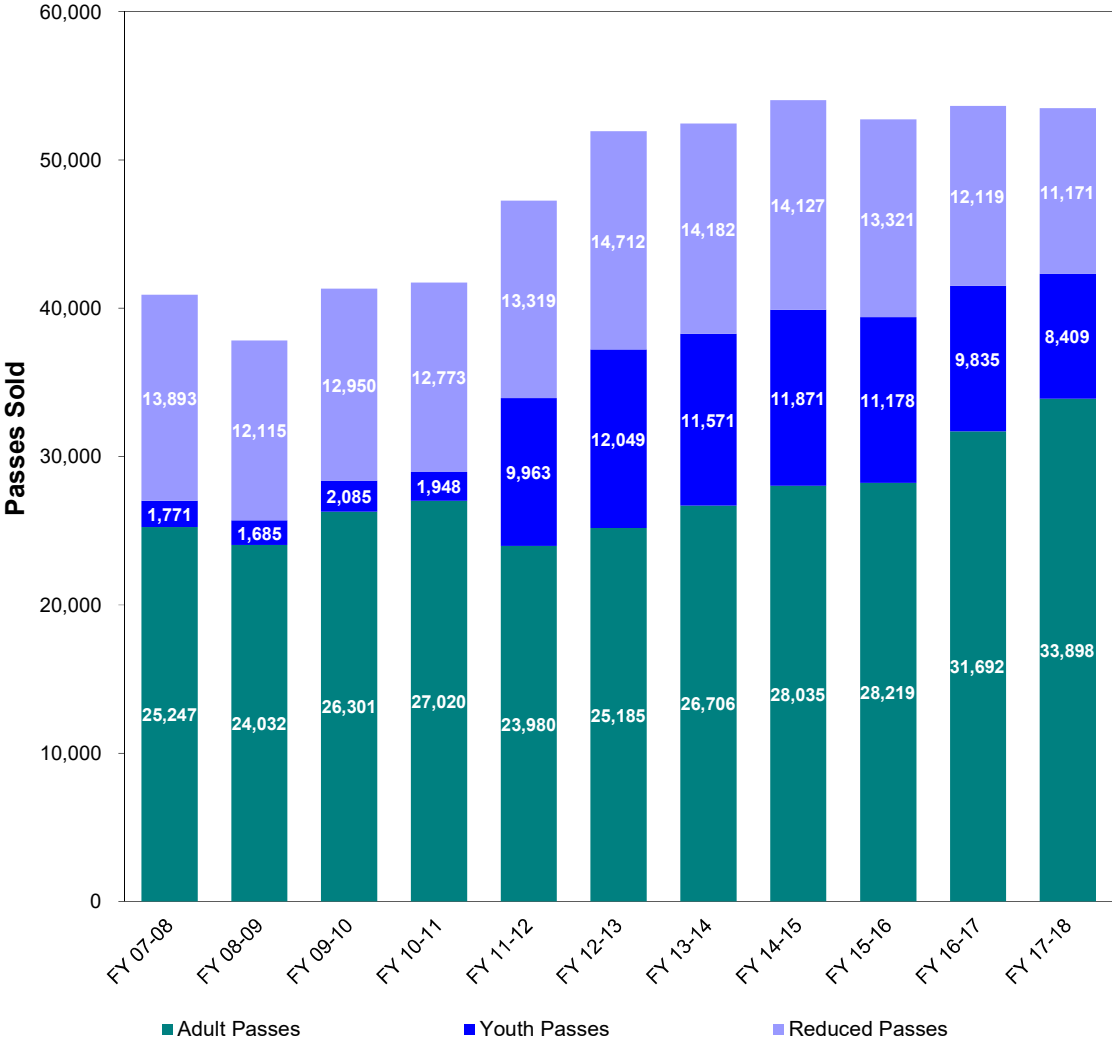


LANE TRANSIT DISTRICT
Transportation Revenues by Category
Last Ten Years

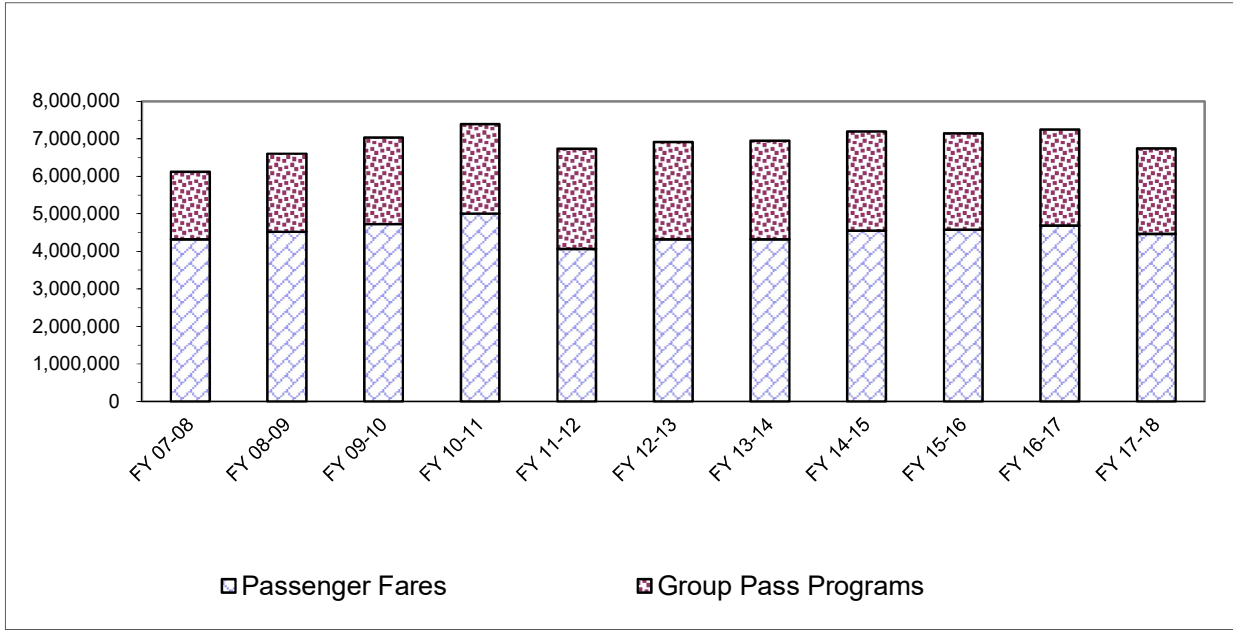
Fiscal Year	Fare Box Cash	Percentage Change	Ten-Ride Ticket Books and Agency Day Passes	Percentage Change	Tokens	Percentage Change	Monthly Passes	Percentage Change
2017-18	\$ 1,763,975	-13.7%	\$ 356,350	-1.5%	\$ -	-	\$ 2,344,198	-18.0%
2016-17	1,923,688	-5.2%	378,690	39.4%	\$ -	-	2,385,603	5.7%
2015-16	2,043,958	0.7%	361,792	33.2%	-	-	2,858,164	26.7%
2014-15	2,029,943	1.1%	271,712	3.7%	-	-	2,256,492	10.1%
2013-14	2,007,169	-3.6%	262,028	15.3%	-	-	2,049,093	2.0%
2012-13	2,081,984	0.5%	227,321	46.1%	-	-	2,008,581	9.1%
2011-12	2,072,448	12.3%	155,643	34.1%	-	-	1,841,167	4.0%
2010-11	1,845,360	-2.6%	116,097	-	-	-100.0%	1,770,098	12.2%
2009-10	1,894,748	7.0%	-	-	55	-99.9%	1,578,238	5.3%
2008-09	1,770,345	13.9%	-	-	96,410	-64.9%	1,499,146	12.2%

Fiscal Year	Student Transit Pass Program	Percentage Change	Group Pass	Percentage Change	Special Service	Percentage Change	Total Transportation Revenues	Percentage Change
2017-18	\$ -		\$ 2,275,859	-10.9%	\$ 328,033	41.5%	\$ 7,068,415	-5.4%
2016-17	-		2,554,656	-0.4%	231,795	-5.0%	7,474,433	1.2%
2015-16	-	-	2,565,681	-2.9%	243,928	-4.6%	7,385,707	-0.9%
2014-15	-	-	2,642,185	0.5%	255,587	-21.2%	7,455,919	2.5%
2013-14	-	-	2,630,319	1.3%	324,531	-26.1%	7,273,140	-1.1%
2012-13	-	-	2,596,422	-2.7%	439,110	-25.4%	7,353,418	0.4%
2011-12	-	-100.0%	2,669,139	12.1%	588,943	22.1%	7,327,340	-7.0%
2010-11	1,281,331	1.9%	2,380,148	3.4%	482,435	-23.9%	7,875,469	2.7%
2009-10	1,257,585	8.9%	2,301,401	10.6%	634,084	-17.7%	7,666,111	4.0%
2008-09	1,155,335	0.3%	2,081,261	15.3%	769,994	-11.2%	7,372,491	5.5%

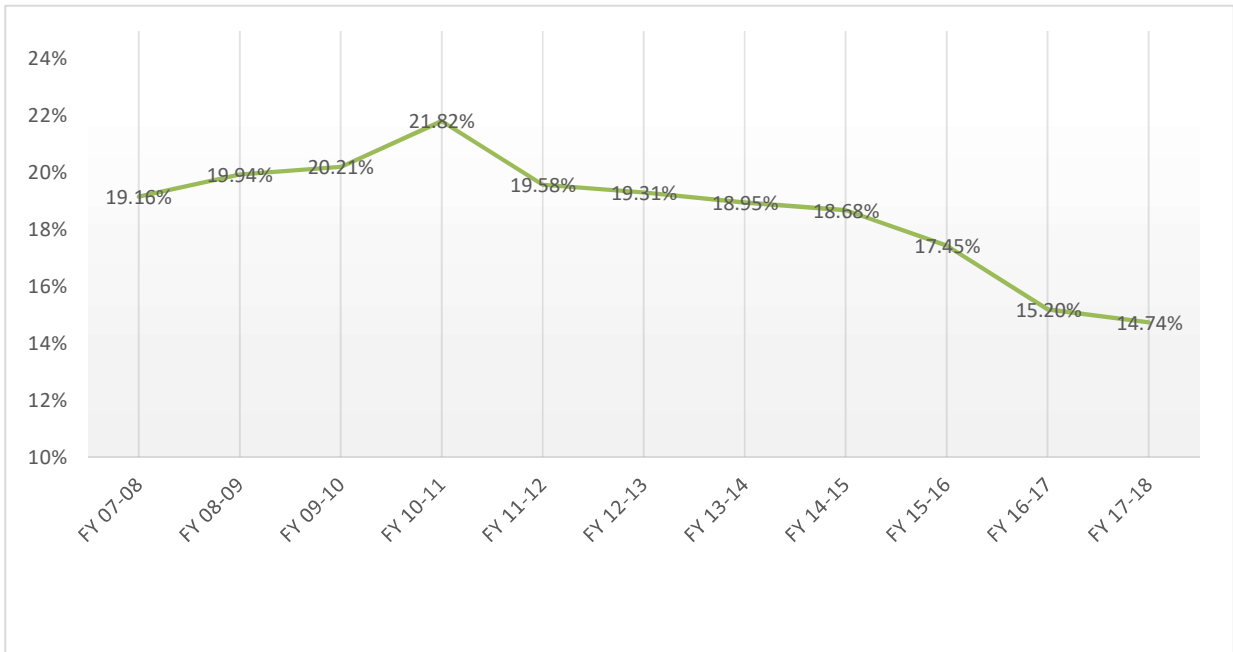
**LANE TRANSIT DISTRICT
Annual Monthly Pass Sales
Last Ten Years**



LANE TRANSIT DISTRICT Passenger Revenues



Farebox Recovery Ratio



Fare Structure Last Ten Years

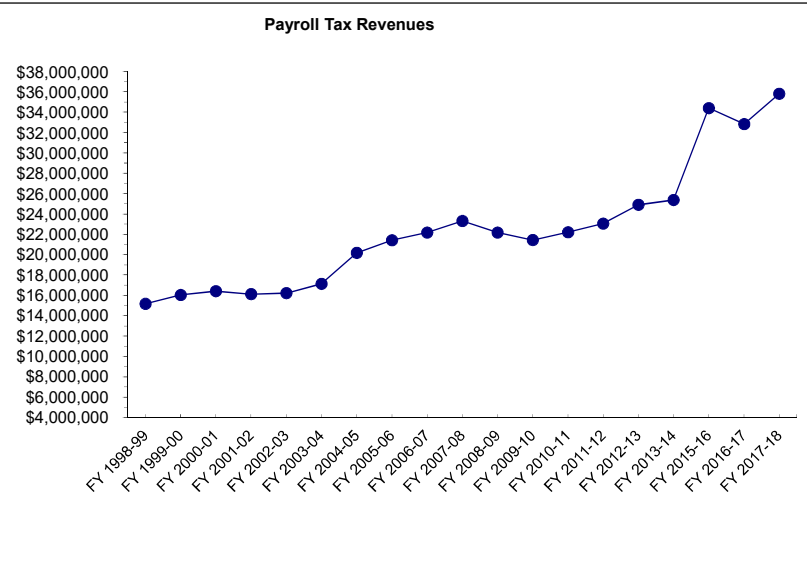
June 30	Cash Fare Adult	Age - Adult	Cash Fare Youth	Age - Youth	Cash Fare Senior	Age - Senior	Cash Fare Reduced	Age - Reduced
2018	1.75	19-64	0.85	6-18	\$ free	65 +	\$ 0.85	NA
2017	1.75	19-64	0.85	6-18	\$ free	65 +	\$ 0.85	NA
2016	1.75	19-64	0.85	6-18	\$ free	65 +	\$ 0.85	NA
2015	1.75	19-64	0.85	6-18	free	65 +	0.85	NA
2014	1.75	19-64	0.85	6-18	free	65 +	0.85	NA
2013	1.75	19-64	0.85	6-18	free	65 +	0.85	NA
2012	1.50	19-64	0.75	6-18	free	65 +	0.75	NA
2011	1.50	19-64	0.75	6-18	free	65 +	0.75	NA
2010	1.50	19-64	0.75	6-18	free	65 +	0.75	NA
2009	1.50	19-64	0.75	6-18	free	65 +	0.75	NA

June 30	One-Month Adult Pass	One-Month Youth Pass	One-Month Senior Pass	One-Month Reduced Pass	Three-Month Adult Pass	Three-Month Youth Pass	Three-Month Senior Pass	Three-Month Reduced Pass
2018	\$ 50.00	\$ 25.00	\$ free	\$ 25.00	\$ 135.00	\$ 67.50	\$ free	\$ 67.50
2017	\$ 50.00	\$ 25.00	\$ free	\$ 25.00	\$ 135.00	\$ 67.50	\$ free	\$ 67.50
2016	\$ 50.00	\$ 25.00	\$ free	\$ 25.00	\$ 135.00	\$ 67.50	\$ free	\$ 67.50
2015	50.00	25.00	\$ free	25.00	135.00	67.50	\$ free	67.50
2014	48.00	24.00	free	24.00	130.00	65.00	free	65.00
2013	48.00	24.00	free	24.00	130.00	65.00	free	65.00
2012	48.00	24.00	free	24.00	130.00	65.00	free	65.00
2011	48.00	24.00	free	24.00	130.00	65.00	free	65.00
2010	45.00	22.50	free	22.50	130.00	65.00	free	65.00
2009	45.00	22.50	free	22.50	122.00	61.00	free	61.00

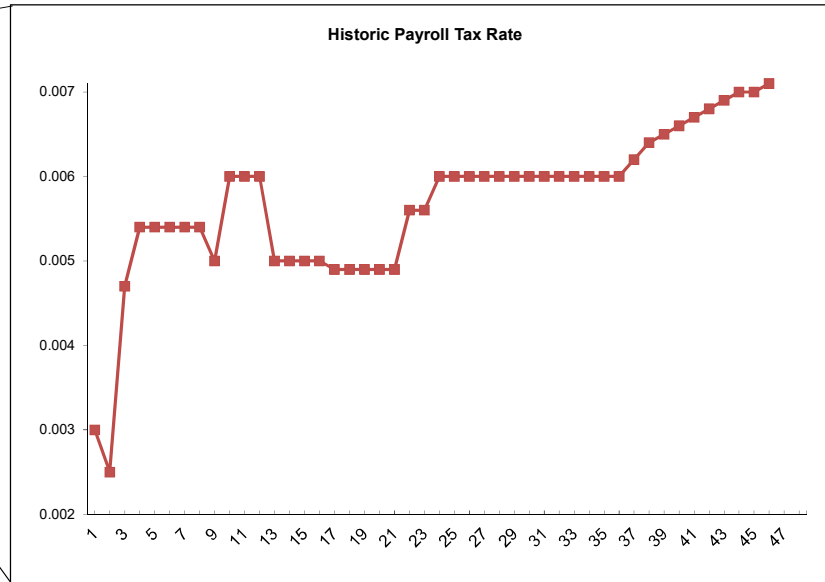
June 30	RideSource Regular Fare	RideSource Escort Fare	RideSource Shopper Fare (Roundtrip)	RideSource Ten-Ride Ticket Book	Tokens Package of 5 Adult	Ten-Ride Ticket Book Adult	Ten-Ride Ticket Book Reduced
2018	\$ 3.50	\$ 3.50	\$ 2.00	\$ 35.00	\$ discontinued	\$ 16.00	\$ 8.00
2017	\$ 3.50	\$ 3.50	\$ 2.00	\$ 35.00	\$ discontinued	\$ 16.00	\$ 8.00
2016	\$ 3.50	\$ 3.50	\$ 2.00	\$ 35.00	\$ discontinued	\$ 16.00	\$ 8.00
2015	3.50	3.50	2.00	35.00	discontinued	16.00	8.00
2014	3.00	3.00	2.00	30.00	discontinued	16.00	8.00
2013	3.00	3.00	2.00	30.00	discontinued	16.00	8.00
2012	3.00	3.00	2.00	30.00	discontinued	NA	NA
2011	3.00	3.00	2.00	30.00	discontinued	NA	NA
2010	3.00	3.00	2.00	30.00	discontinued	NA	NA
2009	3.00	3.00	2.00	30.00	discontinued	NA	NA

LANE TRANSIT DISTRICT Comparative Payroll Tax Information Last Twenty Years

PAYROLL TAX REVENUE	
Fiscal Year	Amount
FY 1996-97	12,938,315
FY 1997-98	14,187,312
FY 1998-99	15,178,987
FY 1999-00	16,040,086
FY 2000-01	16,409,144
FY 2001-02	16,121,110
FY 2002-03	16,214,994
FY 2003-04	17,138,342
FY 2004-05	20,168,976
FY 2005-06	21,416,021
FY 2006-07	22,162,590
FY 2007-08	23,303,571
FY 2008-09	22,169,136
FY 2009-10	21,424,079
FY 2010-11	22,197,770
FY 2011-12	23,047,471
FY 2012-13	24,891,777
FY 2013-14	25,374,737
FY 2014-15	30,996,836
FY 2015-16	34,394,558
FY 2016-17	32,827,455
FY 2017-18	35,797,722



HISTORIC PAYROLL TAX RATE	
Date Implemented	Rate
January, 1 2018	0.73%
January, 1 2017	0.72%
January, 1 2016	0.71%
January 1, 2014	0.70%
January 1, 2013	0.69%
January 1, 2012	0.68%
January 1, 2011	0.67%
January 1, 2010	0.66%
January 1, 2009	0.65%
January 1, 2008	0.64%
January 1, 2007	0.62%
October 1, 1994	0.60%
January 1, 1992	0.56%
July 1, 1987	0.49%
October 1, 1983	0.50%
January 1, 1980	0.60%
January 1, 1979	0.50%
July 1, 1974	0.54%
July 1, 1973	0.47%
April 1, 1972	0.25%
April 1, 1971	0.30%



DISCLOSURES AND COMMENTS REQUIRED BY STATE MINIMUM STANDARDS

Oregon Administrative Rules 162-10-050 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments, and disclosures required in audit reports. The required financial statements and schedules are set forth in preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth following.

Report of Independent Auditors on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Oregon Municipal Audit Standards*

Board of Directors
Lane Transit District, Oregon

We have audited the basic financial statements of Lane Transit District, Oregon (District), as of and for the year ended June 30, 2018, and have issued our report thereon dated December 20, 2018. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, grants, including provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules OAR 162-10-0000 to 162-10-0330, as set forth below, noncompliance with which could have a direct and material effect on the determination of financial statement amounts:

- The accounting records and related internal control structure.
- The use of various depositories to secure the deposit of public funds.
- The requirements relating to the preparation, adoption, and execution of the annual budgets for fiscal years 2019 and 2018.
- The requirements relating to insurance and fidelity bond coverage.
- The appropriate laws, rules and regulations pertaining to programs funded wholly or partially by other governmental agencies.
- The statutory requirements pertaining to the investment of public funds.
- The requirements pertaining to the awarding of public contracts and the construction of public improvements.

However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Oregon Secretary of State.

Internal Control over Financial Reporting

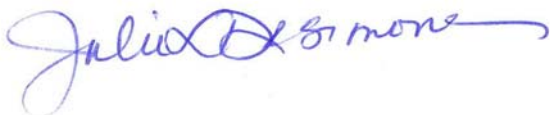
In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of the Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Julie Desimone, Partner
for Moss Adams LLP
Portland, Oregon
December 20, 2018

Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Directors
Lane Transit District, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Lane Transit District, Oregon (the District), and the Lane Transit District Salaried Employee's Retirement Plan, as of and for the year ended June 30, 2018, and the Lane Transit District and Amalgamated Transit Union, Local No. 757 Pension Trust as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 20, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Moss Adams LLP". The signature is written in a cursive, flowing style.

Portland, Oregon
December 20, 2018

Report of Independent Auditors on Compliance for the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

The Board of Directors
Lane Transit District, Oregon

Report on Compliance for the Major Federal Program

We have audited Lane Transit District, Oregon's (the District) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major federal program for the year ended June 30, 2018. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on the Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2018.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Portland, Oregon
December 20, 2018

**Schedule of Expenditures of Federal Awards
For the fiscal year ended June 30, 2018**

	Pass Through Identifying Number	CFDA #	Federal Award	2017-2018 Expenditures
U.S. Department of Transportation				
<i>Federal Transit Cluster</i>				
Capital Improvement Grants				
OR-03-0122 - 5309		20.500	\$ 29,597,040	\$ -
OR-03-0127 - 5309		20.500	51,397,774	4,806,315
OR-03-0128 - 5309		20.500	1,546,565	61,471
OR-04-0038 - 5309		20.500	5,500,000	25,607
OR-04-0041 - 5309		20.500	1,088,000	5,630
OR-04-0049 - 5309		20.500	1,064,145	0
OR-2017-019-00 - MAP 21 (5309)		20.500	450,000	0
Capital and Operating Assistance Formula Grants				
OR-90-X179 - 5307		20.507	13,457,460	0
OR-90-X030 - 5307		20.507	2,190,000	29,682
OR-90-X035 - 5307		20.507	971,101	0
OR-90-X055 - 5307		20.507	5,649,011	211
OR-2017-024-00 - 5307		20.507	439,695	180,073
Passed through Oregon Department of Transportation				
Capital Improvement Grants				
31455 ODOT - 5309, 5339	31455	20.500/20.526	169,069	0
<i>Subtotal Federal Transit Cluster</i>				<u>5,108,989</u>
<i>Transit Services Program Cluster</i>				
Capital and Operating Assistance Formula Grants				
OR-37-X024 - 5316		20.516	171,819	10,165
OR-57-X014 - 5317		20.521	78,524	0
OR-16-X045 - 5310		20.513	474,358	0
OR-2017-026-00 - 5310		20.513	232,854	0
Passed through Oregon Department of Transportation				
32197 ODOT - 5310	32197	20.513	2,029,738	825,068
<i>Subtotal Transit Services Program Cluster</i>				<u>835,233</u>
<i>Highway Planning and Construction Cluster</i>				
Passed through Oregon Department of Transportation				
30840 ODOT - STP	30840	20.205	115,410	38,562
32306 ODOT - STP-U	32306	20.205	394,571	394,571
32359 ODOT - STP	32359	20.205	30,724	9,708
ODOT Be Safe Be Seen		20.205	3,200	3,200
ODOT HU-17-10-09 Springfield SRTS - Federal		20.205	132,652	46,117
<i>Subtotal Highway Planning and Construction Cluster</i>				<u>492,158</u>
<i>Capital Improvement Grants</i>				
OR-39-0007 - 5339		20.522	750,000	0
OR-39-0008 - 5339		20.522	16,834,000	0
OR-2016-020 - 5339		20.522	582,947	0
OR-2017-016 - 5337		20.525	331,113	0
OR-2017-015 - 5339		20.526	943,814	94
Passed through Oregon Department of Transportation				
31675 ODOT - 5311	31675	20.509	89,730	0
31923 ODOT - 5311	31923	20.509	160,056	77,168
31971 ODOT - 5311	31971	20.509	582,947	93,865
				<u>171,127</u>
Total U.S. Department of Transportation				<u>6,607,507</u>
U.S. Department of Health and Human Services				
Passed through Lane Council of Governments				
LCOG OAA Volunteer Escort		93.044		10,200
Total Federal Awards				<u><u>\$ 6,617,707</u></u>

**LANE TRANSIT DISTRICT, OREGON
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of Lane Transit District, Oregon (the District) under programs of the federal government for the year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the District it is not intended to and does not present the net position, changes in net position, and cash flows of the District.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenses are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where applicable.

The District has not elected to use the 10 percent de minimus indirect cost rate as allowed under Uniform Guidance.

**LANE TRANSIT DISTRICT, OREGON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2018**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over the major federal program:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of Major Federal Programs and Type of Auditor's Report Issued on Compliance for Major Federal Programs:

<i>CFDA Numbers</i>	<i>Name of Federal Program or Cluster</i>	<i>Type of Auditor's Report Issued on Compliance for Major Federal Programs</i>
20.500, 20.507	Federal Transit Cluster	<i>Unmodified</i>

Dollar threshold used to distinguish between type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? Yes No

Section II - Financial Statement Findings

None reported.

Section III - Federal Award Findings and Questioned Costs

None reported.

**LANE TRANSIT DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2018**

Follow up finding reported June 30, 2017

Financial Statement Finding

FINDING 2017-001 – Financial Close and Reporting (Material Weakness in Internal Controls)

Condition: The District maintains the day-to-day transaction accounting in the general ledger on the budgetary basis of accounting. We found that while the District has an understanding of financial close and reporting elements necessary to adjust its budgetary basis general ledger balances to full accrual basis of accounting, they lacked an adequate plan or system designed specifically to allow the statements to be completed in a timely and accurate manner.

Cash fiscal year-end reconciling items – our testing of bank transfers identified a \$3 million transfer between the general operating bank account and the Oregon local government investment pool. Rather than reporting this as a transfer within the cash and investment balance at fiscal year-end, a \$3 million accounts receivable balance was erroneously recorded. An audit adjustment was recorded to reclassify the accounts receivable back to cash and investments.

Journal entries – evidence of journal entry review was inconsistent, and in some instances there was no evidence of review, including instances where the preparer and reviewer were the same individual.

OPEB obligation adjustment – in our financial statement review, we noted the reported OPEB obligation was unadjusted since the prior year, and no current year OPEB expense was recorded. This resulted in an audit adjustment of \$353,155.

Reconciliations – account balances require reconciliations during the financial close and reporting process throughout the year. We observed evidence of who prepared and reviewed various account balance reconciliations was inconsistent. We also noted a number of accounts were not reconciled timely throughout the year, however, noted improvement toward the end of the year. Finally, we identified the budgetary basis fund balances had an ongoing reconciling difference with the full accrual basis net position balances for a number of years.

Recommendation: We recommend the District revise its policies and procedures to continue to improve its ability to prepare financial statements and complete the audit by the State of Oregon's six-month filing deadline. Elements to the policies and procedures could include:

- Identification of information necessary to complete each step of the financial reporting process,
- the individual responsible for each step,
- an estimate of time required to prepare the information,
- scheduling the work assigned to each person for the step, and
- due to using external assistance for grants reporting, monitoring to ensure grants reporting is completed timely.

In addition, we encourage the District to reconcile account balances on a regular basis during the year, which should reduce the amount of time and effort in the financial close and reporting process.

Status of Finding: Resolved

AGENDA ITEM SUMMARY

DATE OF MEETING: January 16, 2019

ITEM TITLE: MERGING OF THE ACCESSIBLE TRANSPORTATION COMMITTEE AND SERVICE COMMITTEE

PREPARED BY: Aurora Jackson, General Manager

ACTION REQUESTED: Approval

BACKGROUND:

The Board of Directors may form advisory committees comprised of Board members and community stakeholders, and subcommittees comprised of no more than three Board members to gather information and advice on areas of significance. In the last 12 months, the Board of Directors have adopted bylaws for several of these committees and re-chartered others to make them more productive.

The Service Subcommittee has been on hold pending further discussion about how to improve this committee's purpose. In the past, the technical aspect needed to provide advice to the full Board has posed a challenge. Potential solutions would be to convert the subcommittee into a newly formed advisory stakeholder committee, or to join with an existing one. Currently, the following committees have been formed:

Subcommittees are as follows:

- Service Subcommittee
- Human Resource (HR) Subcommittee
- Finance Subcommittee

Community Advisory Committees are as follows:

- Strategic Planning Committee (SPC)
- Budget Committee (state required)
- Statewide Transportation Improvement Fund (STIF) Advisory Committee (state required)
- Special Transportation Fund (STF) (state required)
- Accessible Transportation Committee (ATC)

RECOMMENDATION:

It is recommended that the Board merge the Service Subcommittee and the Accessible Transportation Committee (ATC) and appoint no more than three (3) Board members to a newly combined committee, the Comprehensive and Accessible Transportation Committee, for the following reason:

1. The Board has expressed a desire to take a more comprehensive approach to service changes that considers impacts on individuals who are transit dependent, especially those who are older adults or people with disabilities.
2. ATC provides advice to the Board on matters related to accessibility for seniors (older adults) and people with disabilities.
3. ATC is comprised of stakeholders who represent bus riders and nonprofit organizations.

4. The Service Committee's purpose is to deliberate and provide advice on matters related to transit service issues.
5. Having up to three (3) Board members on the combined committee will improve Board member insight on matters related to bus routes and accessibility issues.

ATTACHMENT: 1) Resolution No. 2019-01-16-005

PROPOSED MOTION: I move adoption of LTD Resolution No. 2019-01-16-005:

Be it resolved that the LTD Board of Directors approves the merger of the Accessible Transportation Committee and the Service Subcommittee to create the Comprehensive and Accessible Transportation Committee.

RESOLUTION NO. 2019-01-16-005

A RESOLUTION MERGING THE ACCESSIBLE TRANSPORTATION COMMITTEE AND SERVICE SUBCOMMITTEE TO CREATE THE COMPREHENSIVE AND ACCESSIBLE TRANSPORTATION COMMITTEE

WHEREAS, the Board of Directors complies with Oregon's Public Meetings Law, Public Records Law, and all governance procedures and meeting requirements set forth in the LTD Ordinance Providing Rules for Meetings of the Lane Transit District Board of Directors;

WHEREAS, the Board of Directors may form advisory committees comprised of Board members and community stakeholders, and subcommittees comprised of no more than three Board members to gather information and advice on areas of significance;

WHEREAS, the Service Subcommittee is comprised of no more than three Board member;

WHEREAS, the Service Subcommittee's purpose is to deliberate and provide advice on matters related to transit service issues;

WHEREAS, the Accessible Transportation Committee is comprised of stakeholders who represent bus riders and nonprofit organizations;

WHEREAS, the Accessible Transportation Committee's purpose is to provide advice on matters related to accessibility for seniors (older adults) and people with disabilities; and,

WHEREAS, the Board of Directors expressed a desire to take a more comprehensive approach to service changes that considers impacts on individuals who are transit dependent, especially those who are older adults or people with disabilities.

NOW, THEREFORE, BE IT RESOLVED that the Lane Transit District Board of Directors passes a Resolution:

1. Merging the Accessible Transportation Committee and the Service Subcommittee;
2. Renaming the merged committee to the Comprehensive and Accessible Transportation Committee;
3. Appointing no more than three (3) Board members to the merged committee; and,
4. Directing the general manager to assist the new committee in drafting bylaws for approval by the Board of Directors.

ADOPTED BY THE LANE TRANSIT DISTRICT ON THIS _____ DAY OF _____, 2019.

PRESIDENT, Carl Yeh

ATTEST:

AGENDA ITEM SUMMARY

DATE OF MEETING: January 16, 2019

ITEM TITLE: BOARD MEMBER COMMITTEE ASSIGNMENTS

PREPARED BY: Carl Yeh, Board President

ACTION REQUESTED: Board member committee assignments

BACKGROUND:

The Board president, or the Directors by resolution, may appoint committees to make investigations, to study problems, and to make recommendations to the LTD Board of Directors. Advisory committees may include persons who are not Directors. Each year Board members review their current committee assignments, and committee assignments may be revised depending on Board members' preferences.

ATTACHMENT: 1) LTD Board of Directors Committees and Special Assignments

PROPOSED MOTION: None.

Q:\Reference\Board Packet\2015\8\August Board Meeting\BD Committee Assignmts AIS.docx

LTD BOARD OF DIRECTORS COMMITTEES AND SPECIAL ASSIGNMENTS

Updated January 5, 2019

*Denotes Current Committee Chair

BOARD OFFICERS
(Terms expire 12/30/2019)
President – Carl Yeh
Vice President – Kate Reid
Secretary – Joshua Skov
Treasurer – Don Nordin

METROPOLITAN POLICY COMMITTEE (MPC)
(meets 1st Thursday of the month)
Carl Yeh
Kate Reid
Alternate: Steven Yett
Ex officio: Aurora Jackson

HUMAN RESOURCES COMMITTEE
(meets 2nd Thursday of the month as needed)
*Carl Yeh
Caitlin Vargas
Steven Yett

**LANE COUNCIL OF GOVERNMENTS BOARD
OF DIRECTORS (LCOG)**
(meets every other month on 4th Thursday)
Don Nordin
Alternate: Caitlin Vargas

SERVICE COMMITTEE
(meetings scheduled as needed)
Vacant
Vacant
Vacant

**ACCESSIBLE TRANSPORTATION COMMITTEE
(ATC)**
(meets on the 3rd Tuesday of each month)
Carl Yeh
Don Nordin
Caitlin Vargas

FINANCE COMMITTEE
(meetings scheduled as needed)
Emily Secord
Carl Yeh
Joshua Skov

**LANE AREA COMMISSION ON TRANSPORTATION
(LANEACT)**
(meets on the 2nd Wednesday of each month)
Don Nordin
Alternate: Aurora Jackson

STRATEGIC PLANNING COMMITTEE (SPC)
(meets every other month on 1st Tuesday)
Carl Yeh
Kate Reid

VISION ZERO TASK FORCE
(Meetings scheduled as needed)
Joshua Skov
Alternate: Aurora Jackson

PENSION TRUSTS
(generally meets quarterly)
Steven Yett

MOVINGAHEAD OVERSIGHT COMMITTEE
(Meetings scheduled as needed)
Don Nordin
Carl Yeh

**MAIN STREET-MCVAY GOVERNANCE
COMMITTEE**
(Meetings scheduled as needed)
Steven Yett
Kate Reid

BUDGET COMMITTEE
(Meetings scheduled as needed)
All Board members

**OREGON METROPOLITAN
PLANNING ORGANIZATION CONSORTIUM
(OMPOC)**
(Meetings scheduled as needed)
Kate Reid

**STATE TRANSPORTATION IMPROVEMENT FUND
(STIF) ADVISORY COMMITTEE**
(Meets a minimum of twice per year)
Ex officio: Kate Reid
Ex officio: Carl Yeh

AD HOC FARE POLICY COMMITTEE
Kate Reid
Carl Yeh

**SPECIAL TRANSPORTATION FUND (STF)
ADVISORY COMMITTEE**
(Meets a minimum of twice per year)
Ex officio: Vacant

AGENDA ITEM SUMMARY

DATE OF MEETING: January 16, 2019

ITEM TITLE: BOARD TRAVEL AND REIMBURSEMENT POLICY

PREPARED BY: Aurora Jackson, General Manager

ACTION REQUESTED: Discussion

BACKGROUND:

At the November 2018 Board of Directors meeting, the Board directed the general manager to draft a policy addressing Board travel and reimbursement for expenses incurred. The Board also requested that counsel review the draft policy before presenting the document to the Board for comment.

A draft policy will has been provided in the meeting materials for the purpose of gathering feedback. A final draft policy will be placed on the agenda of a future Board meeting for adoption.

ATTACHMENT: 1) Board Travel and Reimbursement Policy

PROPOSED MOTION: None

Q:\Reference\Board Packet\2015\8\August Board Meeting\BD Committee Assignmts AIS.docx



Board Travel, Meetings and Miscellaneous Expense Reimbursement

101. PURPOSE

The purpose of this policy is to establish procedures relative to travel, meeting and miscellaneous expenses incurred by the members of the Board of Directors Lane Transit District in the performance of their duties; to define authorizations required to incur such expenses; to ensure uniform and fair payment of expenses; and to establish procedures for securing reimbursement.

The General Manager shall prepare and implement a separate administrative regulation establishing appropriate travel and meeting expense reimbursement guidelines for employees of the District.

102. APPLICABILITY

This policy applies to members of the Board of Directors only.

103. DEFINITIONS

“Directors” shall mean the members of the Board of Directors of Lane Transit District.

“District Business” shall mean activities that are directly related to the necessary and required functions of the District.

“Board Meeting” shall mean any official meeting of the Lane Transit Board of Directors, or any committee meeting of the Board of Directors.

“Meeting” shall mean any conference, seminar, committee meeting or gathering related to the duties of Lane Transit District authorized by the Board other than a “Board Meeting” as defined above.

“Personal Business” shall mean the conduct of business for personal financial gain at a conference or meeting which is not specifically related to District business.

“Incidental Expense” shall be any fee or tip given to porters, baggage carriers, bellhops, hotel maids, or taxi cab drivers.

“Travel Documentation” shall mean any written communication related to an expense provided in electronic mail, fax, digital or hand written formats that provides a record.

104. TRAVEL AUTHORIZATION AND APPROVAL

Out-of-District Travel. All out-of-district travel for Directors to attend a meeting related to District business and at District expense, subject to the limitations in this policy, shall be approved by action of the Board of Directors prior to incurring expenses. In unusual or emergency circumstances, if prior Board approval is not possible, the Board President may approve out-of-district travel for Directors. In such emergency situations, the travel authorization shall be presented to the Board of Directors for ratification at its next scheduled Board meeting. For frequent non-overnight trips out-of-District (i.e., once every other month or more often), it is recommended that the Clerk of the Board keep authorizations on file. Director’s pre-approval for out-of-District travel is required for either overnight or non-overnight travel for internal control purposes.

In-District Travel. Each Director is authorized to travel at the District expense within the District when in his/her judgment such travel is required in connection with a meeting related to the District business subject to the limitations in this policy. Personal expenses, meal per diem, and lodging are non-reimbursable for in-district travel. Except as otherwise provided by law, Directors are entitled to receive reimbursement for actual and necessary expenses incurred in the performance of official District duties (e.g. personal vehicle mileage reimbursement).

105. PERSONAL EXPENSES

The District shall not be responsible for any travel associated with personal business. If a Director attends a meeting for which reimbursement is claimed that also includes personal business, the Director or Officer shall only seek reimbursement for the expenses associated with the conduct of District business.

106. MEALS

Meal Per Diem. The District's out-of-district maximum full day meal and incidental expenses rate shall be equal to the maximum federal per diem and incidental expenses rate established by the Internal Revenue Service (IRS) and the U.S. General Services Administration (GSA) for travel within the continental United States (CONUS), outside the continental United States (OCONUS), and foreign rates as published by the United States Government, or \$50 per day if the rate is unpublished. Per diem rates can be found at www.gsa.gov/perdiem.

Per diem for the first and last day of actual out-of-district travel to and from a meeting will be based on the Meals and Incidental Expenses (M&IE) Breakdown published on the GSA website at the rate published for the First and Last Day of Travel for the corresponding M&IE total. Per Diem will be allowed in full only when:

Except as otherwise provided by law, Directors are entitled to receive reimbursement for actual and necessary meal expenses incurred in the performance of official District duties. Gratuities are permissible if reasonable and not excessive and need to be documented on the receipt. If Director is reimbursed using the meal per diem allowance in lieu of actual expenses, gratuities are not separately reimbursed.

107. LODGING

Commercial Lodging Expenses. Except as otherwise provided by law, Directors are entitled to receive reimbursement for actual and necessary out-of-district lodging expenses incurred in the performance of official District duties. All efforts should be made to obtain the lowest available lodging rate as appropriate for the nature of the business travel.

108. TRANSPORTATION

Airfare. Airfare and reasonable baggage fees based on the length of the trip for foreign and domestic flights shall be reimbursed based on the value of the applicable round trip coach airfare to the proposed destination. All efforts should be made to obtain the lowest available fare by making reservations well in advance of departure.

Use of Rented Vehicle. Except as otherwise provided by law, Directors are entitled to receive reimbursement for actual and necessary out-of-district rented vehicle expenses incurred in the performance of official District duties.

Private Vehicle Mileage Reimbursement. Except as otherwise provided by law, Directors are entitled to receive reimbursement for actual and necessary private vehicle mileage reimbursement (in-district or out-of-district) incurred in the performance of official District duties.

109. TRAVEL DOCUMENTATION

Record of Expenses and Revenues. The District is to maintain a record all travel expenses paid by the District in its financial records including receipt and written communication related to an expense provided in electronic mail, fax, digital or handwritten formats.

AGENDA ITEM SUMMARY

DATE OF MEETING: January 16, 2019

ITEM TITLE: UPDATE - SAFETY-CONSCIOUS RESOLUTION NO. 2016-012

PREPARED BY: Aurora Jackson, General Manager

ACTION REQUESTED: None.

BACKGROUND

In April 2016, the LTD Board of Directors adopted Resolution 2016-012 stating the District's commitment to reducing deaths and serious injuries from transportation related crashes. The District has been working to implement the provisions of the resolution and adopt safety-focused measures in current projects and operations.

LTD conducted extensive research into the best practices of transit agencies who have adopted safety-conscious efforts, commonly known as Vision Zero. The success of each transit agency's efforts appeared to be highly dependent on a few factors: the opportunity to collaborate with local and regional partners; development of well-planned transportation projects focused on safety elements; and, the transit agency's ability to improve its own internal safety environment. Some of the most impressive safety efforts were those in which the local jurisdictions lead the safety conversation with the support of the transit agency as a strong partner. With these elements in mind, LTD has been in a prime position with both metropolitan jurisdictions currently working on safety projects, ODOT is engaged in a local safety study, and Lane County made its safety pledge through the adoption of the Transportation Safety Action Plan (TSAP).

With over 90 percent of LTD's service concentrated in the metropolitan area, LTD has focused its last 2 years' safety efforts in support of Resolution 2016-012 within the cities of Eugene and Springfield. Future efforts, where possible, may be expanded to collaborate with rural partners as well.

District efforts to improve transportation safety have been focused in four areas:

1. Implementing safety focus on existing and future capital construction projects;
2. Initiating a Pedestrian Network Analysis (PNA);
3. Applying safety criteria to existing operations; improving safety operations;
4. Training.

RESOLUTION PROVISIONS:

- Adopts a vision of reducing deaths and serious injuries from transportation-related crashes to zero through maintaining safety and security as core values in all of its operational, planning, and strategic decisions.

- Support collaborations with urban and rural partners to determine which bus routes have the highest rate, number, and severity of transportation collisions with users of the road, especially for people who are walking, bicycling, and using mobility devices - our most vulnerable users.
- Support efforts by LTD and regional partner agencies to prioritize safety improvements for all users of the road, especially for people who are walking, bicycling, and using mobility devices - our most vulnerable users.
- Support efforts by LTD and regional partners to eliminate deaths and serious injuries on the transportation system, with an emphasis on the most vulnerable users.
- Direct the LTD General Manager to continually evaluate passenger safety and access along bus routes and maintain an annual report on the efforts made to improve safety.
- Direct the LTD General Manager to develop a work program for the implementation of the provisions of this resolution.

REGIONAL ACTION ON SAFETY

The City of Eugene adopted a comprehensive approach to their safety efforts by adopting a Vision Zero resolution in 2015. They appointed a Technical Advisory Committee to work with City staff to identify actions to be undertaken that will change policies, practices, and programs and further shift the culture around transportation safety. These efforts are underway as a new staff position dedicated to move these efforts forward has been added. A draft plan is in the process of being finalized and the City is planning a celebration event once the plan is adopted.

The City of Springfield took a different approach by adopting a safety conscious environment focused on action but absent of the formal Vision Zero branding. Nonetheless, their efforts have changed the way pedestrians, bicyclists, and mobility users interact with motorist along Main Street. The City made the corridor safer by adding pedestrian crossings, traffic signal, signage, and relocating bus stops. Additionally, the City is involved in a safety study funded by ODOT that will evaluate the feasibility of medians and intersection improvements along Main Street.

CAPITAL PROJECTS

The strong commitments to safety by both metropolitan cities creates a framework for LTD to successfully integrate a safety-focused approach to the planning stage of large projects. Planning projects currently underway are: MovingAhead; Main Street Transit Study; Santa Clara Community Transit Center; and, COA/Pedestrian Network Analysis (PNA). Consistent with Resolution No. 2016-12, LTD increased its coordinated efforts internally to gather safety information early in the planning stage to allow safety to be built into the costs and original design of the project. In the context of this work, LTD staff applied for MPO funding to provide 3 years of resources for implementing a Frequent Transit Network Safety and Amenity Program. This program will use the results of the PNA, as well as other operational data to address smaller scale safety and amenity needs on the FTN.

PEDESTRIAN NETWORK ANALYSIS

Under contract with Jarrett Walker + Associates, the District conducted a pilot Pedestrian Network Analysis (PNA) in the Eugene-Springfield region. This effort focused on identifying areas where pedestrian infrastructure improvements are most likely to be effective to:

- Address the needs of seniors, people with disabilities, the economically disadvantaged, and school children;
- Make existing transit customers' walking trips safer, more direct, and comfortable; improve pedestrian safety and comfort through design and operations;
- Attract new transit and walking trips;
- Leverage other public and private investments.

Because this effort was focused on access to transit service, areas identified were in reference to the locations of transit stops. Primary focus was given to stops where there is good reason to expect high transit demand, and where the pedestrian environment is unappealing, uncomfortable, or potentially unsafe.

EXISTING OPERATIONS

Core to ensuring the safety of customers and the community, is examining LTD's existing operations. A series of the following three criteria were used to evaluate LTD operations:

1. High volume of vehicles, pedestrians, bicyclist, and mobility users interacting with buses;
2. Possibility for the occurrence of a serious injury or death caused by unpredictable behavior;
3. Opportunity for LTD to collaborate.

For calendar year 2018, four locations were identified for further action. A fifth location was added in late 2018 because of the increased potential pedestrian activity related to additional student housing and the Knight Campus being constructed nearby.

1. West Eugene EmX project corridor
2. Eugene Station
3. EmX corridor between Hilyard and Walnut St
4. Springfield Station
5. EmX corridor – Dads' Gate

TRAINING

All new employees are required to participate in a New Employee Orientation and the Smith System Safe Driving certification program to set the framework for a safety-conscious workplace. Existing employees participate in Fall Training annually to obtain continuously training on safety, regulatory, or work-related training.

Additionally, bus operators receive extensive training on the safe operation of buses and defensive driving. Areas of continuous focus are techniques on how to adjust mirrors to minimize blind spots, how to 'rock and roll' in their seats to gain better sight lines, and bus operators are trained to drive with the expectation that someone will pull in front of their vehicle without notice. Bus operators receive annual training and undergo direct supervision from LTD Operations Supervisors who monitor for adherence to policy and safety practices.

ATTACHMENT: Resolution No. 2016-012
Safety Resolution Work Plan – January 2019

PROPOSED MOTION: None.

RESOLUTION NO. 2016-012

A RESOLUTION SETTING FORTH THE ADOPTION OF A SAFETY-CONSCIOUS ENVIRONMENT FOCUSED ON ELIMINATING FATALITIES AND SERIOUS INJURIES

WHEREAS, safety is Lane Transit District's highest priority;

WHEREAS, every person who rides the bus is a pedestrian;

WHEREAS, some of the people most vulnerable to transportation-related crashes - youth, seniors, low income, and disabled - are many of the same people who rely on public transit the most;

WHEREAS, Goal No. 4 of LTD's Long-Range Transit Plan calls for maintaining and enhancing safety and security of LTD's services;

WHEREAS, Policy 4.1 of LTD's Long-Range Transit Plan calls for maintaining safety and security as core values in all operational, planning, and strategic decisions;

WHEREAS, Strategy 4.1.B of LTD's Long-Range Transit Plan calls for implementation of LTD's Safety and Security Preparedness Plan during modification of the transit system using strategies that include the improved lighting of high-use pedestrian and bicycle areas and crossings, and utilization of safety controls;

WHEREAS, Strategy 4.1.C of LTD's Long-Range Transit Plan calls for coordination with agency partners to implement safety improvements for routes used by LTD;

WHEREAS, LTD is engaged with the City of Eugene and the City of Springfield, Lane County, and the Oregon Department of Transportation - the authorities of transportation facilities in their jurisdictions - in the identification and implementation of improvements along corridors where LTD operates;

WHEREAS, LTD provides oversight of the region's Transportation Options and Safe Routes to School programs, supporting safe, practical, and affordable transportation options;

WHEREAS, LTD is currently working with the City of Springfield to conduct a transit road safety audit along Main Street;

WHEREAS, fatalities and serious injuries continue to happen along corridors where LTD currently operates;

WHEREAS, LTD desires to uphold a safety-conscious environment focused on eliminating fatalities and serious injuries;

WHEREAS, in Lane County, 57 people were killed in transportation-related crashes in 2015, up from 45 in 2014, and up from the longer-term average in Lane County of 30 per year, and that several of these fatalities involved people crossing the street near bus stops; and

WHEREAS, the perceived safety of using transit affects the use of transit;

THEREFORE, BE IT RESOLVED that the Lane Transit District Board of Directors:

- 1) Adopts a vision of reducing deaths and serious injuries from transportation related crashes to zero through maintaining safety and security as core values in all of its operational, planning, and strategic decisions;
- 2) Supports collaboration with urban and rural partners to determine which bus routes have the highest rate, number, and severity of transportation collisions with users of the road--especially for people who are walking, bicycling, and using mobility devices - our most vulnerable users;
- 3) Supports efforts by LTD and regional partner agencies to prioritize safety improvements for all users of the road, especially for people who are walking, bicycling, and using mobility devices - our most vulnerable users;
- 4) Supports efforts by LTD and regional partners to eliminate deaths and serious injuries on our transportation system, with an emphasis on the most vulnerable users;
- 5) Directs the LTD General Manager to continually evaluate passenger safety and access along bus routes and maintain an annual report on the efforts made to improve safety; and
- 6) Directs the General Manager to develop a work program for the implementation of the provisions of this resolution.

Adopted by the Lane Transit District Board of Directors on the 20 day of April, 2016.


President, LTD Board of Directors

RESOLUTION NO. 2016-012
 Safety-Conscious Environment Focused on Eliminating Deaths and Serious Injuries
WORKPLAN – JANUARY 2019

I. Implementing safety focus on existing and future capital construction projects:			
	PROJECT	DESCRIPTION	STATUS
1.	MovingAhead	A multi-modal study of corridors identified as the busiest, to be evaluated for what level of transportation investments are needed.	In early 2019, investment packages will be shared with stakeholders, the community and decision makers to gather input. Safety concerns will continue to be a significant focus.
2.	Main Street Transit Study	A study to evaluate the most promising transit options for the Main Street-McVay Highway Corridor. Potential solutions to address are growing concerns about safety, congestion, and quality of life that could be improved through transportation improvements.	Coordination with the Main Street Safety Study. Additional public engagement will be gathered as both projects move forward toward a preferred transit solution. Timeline for next steps is being developed.
3.	Santa Clara Transit Station	The acquisition, design, and construction of a transit station along River Road and Green Lane in the Santa Clara community.	Currently in draft design and public outreach phase. Primary considerations for this project are safety, security, and traffic flow.
4.	EmX corridor – McVay Stations	These stations are located on Franklin, adjacent to the double roundabout in Glenwood. The District will design and construct improvements to the bus pullouts and station platforms.	Scheduled to put this project out for a competitive bid in February 2019.
II. Initiating a Pedestrian Network Analysis (PNA);			
	PROJECT	DESCRIPTION	STATUS
1.	Centennial Boulevard	Located in north Springfield, approximately 3.5 miles from downtown Eugene, and is served by Routes 13, 17, and the EmX. The focus area stretches	This area was initially selected as an extension of the area surrounding the EmX Centennial Station. This is an area where transit routes connect, many people get on and off the bus, and many

		from Aspen Street to the east, and 7th Street to the west.	<p>people nearby use Ridesource services. This area also features high traffic speeds, and recorded pedestrian crashes.</p> <ul style="list-style-type: none"> • Three key issues were identified • Two recommendations were provided • The District will work on these issues and provide periodic updates on progress
2.	5th Street	Focus area is located in north Springfield, approximately 3.5 miles from downtown Eugene, and is served by Route 17. The focus area stretches from Depue Street to the south, and U Street to the north.	<p>This area was initially selected due to high passenger volumes near the Fred Meyer at 5th & Q Streets, as well as high traffic speeds and recorded pedestrian crashes in the area.</p> <ul style="list-style-type: none"> • Five key issues were identified • Five recommendations were provided • The District will work on these issues and provide periodic updates on progress
3.	Main Street	Focus area is located in Springfield, approximately 5 miles from downtown Eugene, and is served by Route 11. The focus area stretches from 17th Street to the east, and 28th Street to the west.	<p>This area was initially selected due to high speeds on Main Street, recorded pedestrian crashes, and the inconsistent sidewalks on 21st Street, on either side of the Main & 21st intersection.</p> <ul style="list-style-type: none"> • Six key issues were identified • Six recommendations were provided • The District will work on these issues and provide periodic updates on progress

4.	Coburg Road	Focus area is located in North Eugene, approximately 2.5 miles from downtown Eugene, and is served by Routes 66 and 67. The focus area stretches Mallory Lane at the south end to Elysium Ave at the north end.	This area was initially selected due to high ridership, a wide variety of nearby commercial, social, and educational destinations, as well as heavy vehicle traffic, high speeds, and reported pedestrian crashes on Coburg Road. <ul style="list-style-type: none"> • Three key issues were identified • Three recommendations were provided • The District will work on these issues and provide periodic updates on progress
5,	Crescent Avenue	Focus area is located in North Eugene, approximately 3.5 miles from downtown Eugene, and is served by Routes 66, 67 and 96. The focus area stretches from Chuckanut Street to the east to Shadowview to the west	This area was initially selected due to high speeds and pedestrian crashes, as well as significant numbers of passengers getting on and off the bus at the intersection of Coburg Rd & Crescent Ave. <ul style="list-style-type: none"> • Four key issues were identified • Four recommendations were provided. • The District will work on these issues and provide periodic updates on progress.
6.	Echo Hollow Road	Focus area is located in Northwest Eugene, approximately 4.5 miles from downtown Eugene, and is served by Routes 40 and 41. The focus area stretches from Noah Street to the north to Concord Street to the south.	This area was initially selected due to high traffic speeds and pedestrian crashes on Echo Hollow Road, combined with the large number of nearby schools and shopping destinations <ul style="list-style-type: none"> • Two key issues were identified • Three recommendations were provided. • The District will work on these issues and provide periodic updates on progress.
7.	Barger Drive	Focus area is located in Northwest Eugene, approximately 5 miles from downtown Eugene, and is served by	This area was included as an extension of Site 5A (Echo Hollow Road), with known challenges to pedestrian conditions in the vicinity of the Randy Papé Beltline.

		Routes 40 and 41. The focus area stretches between Ruskin Street to the east and Dewey Street to the west.	<ul style="list-style-type: none"> • Five key issues were identified • Five recommendations were provided • The District will work on these issues and provide periodic updates on progress
8.	Highway 99	Focus area is located in Northwest Eugene, approximately 3 miles from downtown Eugene, and is served by Routes 40, 41 and 95. The focus area stretches from the Bethel Drive in the north to Roosevelt Boulevard in the south.	<p>This area was initially selected due to high traffic volumes and speeds, recorded pedestrian crashes, and long distances between signalized crossings. Some of the stops in this area also featured significant numbers of passengers getting on and off the bus.</p> <ul style="list-style-type: none"> • Three key issues were identified • Three recommendations were provided • The District will work on these issues and provide periodic updates on progress
9.	The Harlow Road	Focus area is located in North Springfield, approximately 3 miles from downtown Eugene, and is served by EmX bus rapid transit. The focus area stretches between Dornoch Street in the west and Pheasant Boulevard in the east.	<p>This area was initially selected as the area surrounding the EmX Guy Lee Station. The area features commercial destinations, affordable housing, and schools nearby. There are also high speeds and recorded pedestrian crashes in the vicinity.</p> <ul style="list-style-type: none"> • Three key issues were identified • Three recommendations were provided • The District will work on these issues and provide periodic updates on progress
10.	Gateway Street	Focus area is located in North Springfield, approximately 3.5 miles from downtown Eugene, and is served by Route 12 and EmX bus rapid transit. The focus area stretches from Kruse Way in the north to Harlow Road in the south.	<p>This area was initially selected as the vicinity of the EmX Gateway and Postal Way stations. This is an area where transit lines connect, many people get on and off the bus, and with schools and shopping nearby. In addition, there are</p>

			<p>high traffic speeds and recorded pedestrian crashes in the vicinity.</p> <ul style="list-style-type: none"> • Three key issues were identified • Three recommendations were provided. • The District will work on these issues and provide periodic updates on progress
11.	River Road (North)	<p>Focus area is located in northwest Eugene, approximately 4 miles from downtown Eugene, and is served by LTD Routes 51 and 52. The focus area stretches from the Randy Papé Beltline in the south to Myoak Drive in the north.</p>	<p>This area was initially selected due to high ridership, a wide variety of nearby commercial destinations, as well as heavy vehicle traffic, high speeds, and recorded pedestrian crashes on River Road.</p> <ul style="list-style-type: none"> • Two key issues were identified • Three recommendations were provided • The District will work on these issues and provide periodic updates on progress
12.	River Road (South)	<p>Focus area is located in northwest Eugene, approximately 4 miles from downtown Eugene, and is served by LTD Routes 51, 52. The focus area stretches from the Randy Papé Beltline in the north to Howard Avenue in the south.</p>	<p>This area was initially selected due to high ridership, a wide variety of nearby commercial destinations, as well as heavy vehicle traffic, high speeds, and recorded pedestrian crashes on River Road. This site is also very near North Eugene High School.</p> <ul style="list-style-type: none"> • Three key issues were identified • Four recommendations were provided • The District will work on these issues and provide periodic updates on progress
III. Applying safety criteria to existing operations; improving safety operations;			
	PROJECT	DESCRIPTION	STATUS
1.	West Eugene EmX (EmX West)	<p>Emx West was launched in September 2017. The project invested in safety enhancements by installing 5 miles of</p>	<p>Since the route’s launch, a number of other improvements have been made to enhance safety. More signage and</p>

		new and improved/wider sidewalks, 36 traffic signals to regulate traffic and provide safe crossing, two signalized pedestrian crosswalks, audible pedestrian signals for the visually impaired and three new bike/ped bridges.	restriping along Garfield have been added to address motorist behavior. Pedestrian railings will be added to provide enhanced safety at the Commerce St. crossing. This corridor will continue to be at the top of LTD's safety monitoring until the project is closed out, which is scheduled in June 2019.
2.	Eugene Station	This location is the single busiest location of LTD's transit system with buses from multiple routes boarding and alighting passengers. Pedestrians, bicyclists, skateboarders, and users of mobility devices travel in multiple directions within the transit station and along 10th Street, 11th Street, Olive St., and Willamette St.	The City of Eugene's smoking ban, increased personnel presence, and new amenities have significantly reduced loitering by individuals engaged in erratic behavior. LTD personnel have worked closely with the city to improve safety in this area.
3.	EmX corridor (Franklin Blvd)	The focus area is between Hilyard and Walnut St. This segment collectively has LTD's highest boarding concentration with an average daily boarding of over 100 boardings per hour.	Students travel outside of the established crosswalks and in front of motorists and buses. Tall shrubs make it difficult to see students dashing across the highway. LTD and the City of Eugene are evaluating this corridor for transit, pedestrian, and bike lane improvements. LTD has secured a state grant to partly fund these safety efforts.
4.	Springfield Station	This transit station with EmX, other high ridership routes, and Greyhound services.	Increased monitoring by supervisory and public safety personnel to monitor recent services such as EmX transfers and Greyhound relocation.
5.	EmX corridor – Dads' Gate Station	This station is located adjacent to the UO Dads' gate and is the EmX Station closest to a new student housing that	The District will continue to communicate with the City of Eugene regarding this topic.

		does not have a crosswalk or pedestrian amenities.	
IV. Training			
	PROJECT	DESCRIPTION	STATUS
1.	New Employee Orientation	In addition to on-the-job training, every new employee takes a one-week orientation of the District's business processes.	Continuous
2.	Smith System Safe Driving certification program	Prior to driving a District vehicle, every employee is required to take a defensive driving course that includes classroom, and scored written and driving tests.	Continuous
3.	Fall Training	Between September and November, all employees are required to take training on identified subjects.	Completed for 2018
4.	Follow Up Training	Employees who are involved in accidents or engage in unsafe practices are scheduled for follow up training.	Continuous

AGENDA ITEM SUMMARY

DATE OF MEETING: January 16, 2019
ITEM TITLE: BOARD MEMBER REPORTS
PREPARED BY: Camille Gandolfi, Clerk of the Board
ACTION REQUESTED: None. Information Only

BACKGROUND:

Board members have been appointed to Board committees and to the Metropolitan Policy Committee (MPC), the Lane Council of Governments (LCOG) Board of Directors, and, on occasion, to other local, regional, or national committees. Board members also present testimony at public hearings on specific issues as the need arises. After meetings, public hearings, or other activities attended by individual Board members on behalf of Lane Transit District (LTD), time will be scheduled on the next Board meeting agenda for an oral report by the Board member.

The following activities have occurred since the last Board meeting:

MEETINGS HELD:

Board members may take this opportunity to report briefly on any one-on-one meetings they have held with local officials or other meetings that they have attended on behalf of LTD.

1. **Special Transportation Fund (STF) Committee:** The Committee will meet a minimum of two times per year, or a sufficient number of times to advise and assist the Board in carrying out the purposes of the Special Transportation Fund for the elderly and people with disabilities Transportation Operating Grants Program. The committee is composed of local community member representatives in accordance with state law; the ex officio LTD Board member seat is currently vacant. At the January 8, January 11, and January 15 meetings, committee members held biennial grant interviews for STF fund applicants.
2. **State Transportation Improvement Fund (STIF) Committee:** The Committee is administered by LCOG. The Committee will meet a minimum of two times per year, or a sufficient number of times to advise the LTD Board of Directors regarding its review of project proposals and the STIF Plan. The committee, in accordance with state law, is composed of 14 members with eight (8) members representing in-district communities, two (2) members representing out-of-district communities, and three (3) ex-officio (non-voting) members; the ex officio LTD Board members are Kate Reid and Carl Yeh. The December 4 meeting was canceled. At the January 8 meeting, committee members received a project prioritization overview, and reviewed a project summary.
3. **Strategic Planning Committee (SPC):** This committee generally meets monthly and is composed of Board Members Carl Yeh and Kate Reid, members of local units of government, and community representatives. At the January 8 meeting, committee members received updates on the MovingAhead project, the Districts safety resolution, and the UO Sustainable Cities Year Program.
4. **Lane Area Commission on Transportation (LaneACT):** In 2009 the Oregon State Legislature directed Lane County to develop an Area Commission on Transportation (ACT). Commission membership includes representatives from Lane County, cities within the county, LCOG, and LTD, and meets on the second Wednesday of the month. Board Member Don Nordin serves as LTD's representative on the

LaneACT. At the January 9 meeting, committee members held discussion with Senator Beyer; received an Oregon Transportation Commission Debrief, an ODOT Americans with Disabilities Act (ADA) Progress Report; discussed Coastal Transit Implementation; received a Statewide Transportation Improvement Fund (STIF) Update, and a Critical Oregon Airport Relief – 2019 Committee Report.

5. **LTD Board Finance Committee:** The Board Finance Committee is composed of Board Members Carl Yeh, Emily Secord, and Joshua Skov. The committee meetings are scheduled for the second Monday of each month. At the January 14 meeting, committee members reviewed contracts scheduled to go before the Board of Directors for approval.
6. **Accessible Transportation Committee (ATC):** The 16-member ATC is composed of both consumers and providers who are interested in transportation services for people with disabilities, people with low incomes, and older adults. The Committee meets six to seven times per year on the third Tuesday of the month. The Board Member position representing the LTD Board on this committee is currently vacant. At the January 15 meeting, committee members received updates regarding service planning, and the Santa Clara Transit Station. Committee members were also provided a BYD bus tour.

NO MEETINGS HELD:

1. **Metropolitan Policy Committee (MPC):** Board Member Kate Reid is LTD's MPC representative; the second representative seat is currently vacant. MPC meetings are held on the first Thursday of each month. The January 3 meeting was canceled. The next meeting is scheduled for February 7.
2. **LTD Pension Trust Committee:** LTD's two pension plans (one for ATU-represented employees and one for administrative employees) are each governed by a board of trustees. The pension trustees generally meet three times a year, and Board Member Steven Yett serves as one of the trustees. The next meeting is scheduled for February 12.
3. **LCOG Board of Directors:** LTD Board Member Carl Yeh represents LTD on the LCOG Board of Directors as a non-voting member, with Board Member Don Nordin as alternate. The next meeting is scheduled for February 21.
4. **Oregon Metropolitan Planning Organization Consortium (OMPOC):** The Oregon Metropolitan Planning Organizations (MPO) Consortium was formed on May 25, 2005, as a forum for MPOs to work together on matters of mutual interest and statewide significance. LTD Board Member Kate Reid attends the committee meetings as LTD's representative. The next meeting is scheduled for January 30.
5. **LTD Board Human Resources Committee:** The Board Human Resources Committee meets on the second Thursday of the month on an as needed basis. The Committee is composed of Chair Carl Yeh and Board member Kate Reid; the third seat on this committee is currently vacant. The next meeting has not been scheduled.
6. **LTD Board Budget Committee:** The Budget Committee is composed of all seven Board members and seven citizen members. The Budget Committee meets multiple times a year to give guidance regarding LTD's annual budget. Each LTD Board member selects one citizen member to fill a term of 3 years. The next meeting has not been scheduled.
7. **MovingAhead Oversight Committee:** This committee is composed of representatives from the City of Eugene, LTD, and regional partners with the goal of a system-level approach to corridor improvements. LTD Board member's Don Nordin and Carl Yeh serve as LTD's representative on this committee. The next meeting has not been scheduled.

8. **Vision Zero Task Force**: The City of Eugene, as part of its Vision Zero implementation, has developed a Vision Zero Task Force. Board Member Carl Yeh has been appointed the LTD representative to the Task Force. The next meeting has not been scheduled.
9. **Main Street Projects Governance Team**: This committee was formed to provide informed direction and collaborative decision making to support the Main Street-McVay Transit Study and four other concurrent projects along Main Street in Springfield. Board Members Steven Yett and Kate Reid serve as LTD's representatives on this committee. The next meeting has not been scheduled.
10. **Ad Hoc Fare Policy Committee**: This is an ad hoc committee that has been created for the purpose of reviewing the District's fare system. The committee is composed of Board members Kate Reid, Carl Yeh, and community representatives. At the November 16 meeting, committee members discussed their final recommendation being given to the Board of Directors and future meeting needs.
11. **LTD Board Service Committee**: The Board Service Committee positions are currently vacant. Meetings are scheduled on an as-needed basis. The next meeting has not been scheduled.

DRAFT

Lane Transit District
Revenue and Expenditure by Fund

Fiscal Year: P5 2019 (November 30, 2018)

Year to date through: 11/30/2018

	Annual Budget	P5				
		YTD Budget	YTD Actuals	% of Budget	YTD B/(W) than Budget	
					(pts)	\$\$

GENERAL FUND

General Fund Resources	63,378,077	26,407,532	26,039,198	41%	-1 pts	(368,334)
General Fund Expenditures	63,378,077	26,407,532	23,197,325	37%	5 pts	3,210,207
General Fund Revenues higher/(lower) than expenditures	0	0	2,841,874			

Resources are lower than budget due to timing of grant assistance (\$2.8M), which is partially offset by payroll taxes (\$1.6M) and beginning working capital (\$1.2M). Grant assistance shortage of \$1.8M for preventative maintenance is timing related. Remaining grant assistance shortage of \$1M relates to HB 2017. Placeholder was put in the General Fund for HB 2017 dollars. Minimal HB 2017 spend and no revenue drawdown has taken place to date. Offsetting the shortages are payroll taxes, which are timing related. Through November, vs same time 1 year ago, FY19 payroll taxes are ~5.3% lower than FY18, but budget is a 2% growth. We are working with the Department of Revenue to determine whether the shortage is due to economic factors, payment timing, or a taxpayer overpayment/correction. Payroll taxes peak in August, November, February, and May. With the completion of the audit in December 2018, the beginning working capital was adjusted up to reflect actuals rather than a budget estimate. This increase is amortized over the year and reflects a \$1.2M beginning working capital as of November 2018 YTD.

Expenditures are favorable to budget by \$3.2M, inclusive of the operating reserve. Excluding this reserve, expenditures are ~\$260K lower than budget.

MEDICAID FUND

Medicaid Fund Resources	10,624,775	4,426,990	3,071,523	29%	-13 pts	(1,355,467)
Medicaid Fund Expenditures	10,624,775	4,426,990	3,400,676	32%	10 pts	1,026,313
Accessible Services Fund Revenues higher/(lower) than expenditures	0	0	(329,154)			

Expenditures exceed resources due to timing. There was typically a ~6 (~\$800K) week lag between expenditures and claims reimbursement, but that has been narrowing (currently at ~3 weeks).

DRAFT

Lane Transit District
Revenue and Expenditure by Fund

Fiscal Year: P5 2019 (November 30, 2018)

Year to date through: 11/30/2018

	Annual Budget	P5				
		YTD Budget	YTD Actuals	% of Budget	YTD B/(W) than Budget	
					(pts)	\$\$

ACCESSIBLE SERVICES FUND

Accessible Services Fund Resources	7,654,197	3,189,249	2,516,471	33%	-9 pts	(672,777)
Accessible Services Fund Expenditures	7,654,197	3,189,249	2,142,692	28%	14 pts	1,046,557
Accessible Services Fund Revenues higher/(lower) than expenditures	0	0	373,779			

Resources exceed expenditures by \$374K. Expenditures are slightly higher than the same time a year ago (~\$100K higher). Reimbursement percentage budgeted is 65%.

P2P FUND

P2P Fund Resources	1,411,098	587,958	250,595	18%	-24 pts	(337,363)
P2P Fund Expenditures	1,411,098	587,958	312,705	22%	20 pts	275,252
P2P Fund Revenues higher/(lower) than expenditures	0	0	(62,110)			

Expenditures exceed resources for the P2P Fund due to grant reimbursement timing. P2P is primarily funded by grants.

CAPITAL PROJECTS FUND

Capital Projects Fund Resources	14,783,763	6,159,901	9,203,345	62%	21 pts	3,043,444
Capital Projects Fund Expenditures	14,783,763	6,159,901	801,887	5%	36 pts	5,358,014
Capital Projects Fund Revenues higher/(lower) than expenditures	0	0	8,401,458			

Resource exceed expenditures due to beginning working capital and monthly General Fund transfers. Drawdowns have been keeping up with expenditures through November. Expenditures = \$802K, revenues = \$700K. Government shutdown may impact drawdown timing going forward.

FY19 Resources

	FY19 Adopted Budget <small>Budget Adopted by Resolution 2018-05-16-12 on May 16, 2018</small>	FY19 YTD Budget 30-Nov-18	FY19 Actuals as of: 30-Nov-18	Better/(Worse) than Budget	Description
GENERAL FUND					
Beginning Working Capital	\$ 9,918,411	\$ 4,132,671.25	\$ 5,339,180	\$ 1,206,509	Updated based on finalized, published CAFR
Operating Revenues					
Cash Fares & Passes	4,241,700	1,767,375	1,832,099	64,724	Roughly in line with budget
Group Passes	2,227,311	928,046	747,539	(180,507)	Group passes are lower in FY19 vs. FY18 as LCC had an add'l service fee last year and there is a significant reduction in Symantec employees. Compared to budget, July - Sept is summer with low enrollment and associated group pass revenues. The UofO group passes are included in "Special Services". Combining group passes and special services, we are roughly on target
Advertising	420,000	175,000	300,000	125,000	\$300K is the minimum annual guarantee for FY19
Special Services	238,000	99,167	340,799	241,632	See comment under "group passes"
Total Operating Revenues	\$ 7,127,011	\$ 2,969,588	\$ 3,220,437	\$ 250,849	
Nonoperating Revenues					
Payroll Taxes	36,490,588	15,204,412	16,776,897	1,572,485	Timing as peak is in August, Nov, Feb & May. Through November, vs same time 1 year ago, FY19 is ~5.3% lower than FY18, but budget is a 2% growth. We are working with the Department of Revenue to determine whether the shortage is due to economic factors, payment timing, or a taxpayer overpayment
Self-employment Taxes	2,307,567	961,486	262,591	(698,895)	Timing +. Budget is a 3% growth, however vs. same time a year ago we are short \$39K.. A similar trend seen with payroll taxes. We are working with the DOR to clarify
State-in-Lieu	433,000	180,417	195,730	15,313	
Grant Assistance	6,725,000	2,802,083	0	(2,802,083)	Timing. Preventative Maintenance (\$1.8M) and revenues for House Bill 2017 (\$1M). Once projects are approved, funds will be moved to appropriate funds via resolution
Miscellaneous	232,500	96,875	133,151	36,276	Roughly in line with budget. SAIF Year-end dividend of \$77K is the increase
Interest	144,000	60,000	111,212	51,212	Rising interest rates
Sale of Assets		0	0	-	
Total Non-operating	\$ 46,332,655	\$ 19,305,273	\$ 17,479,581	\$ (1,825,691)	
Total General Fund Resources	\$ 63,378,077	\$ 26,407,532	\$ 26,039,198	\$ (368,334)	
ACCESSIBLE SERVICES FUND					
Beginning Working Capital	292,623	121,926	61,102	(60,825)	Updated based on finalized, published CAFR
Operating Revenues	4,811,286	2,004,703	1,392,750	(611,953)	Roughly in line with expected reimbursement percentage of 65%
Transfer from the General Fund	2,550,288	1,062,620	1,062,620	-	As budgeted. Updated when CAFR published
Total Resources	\$ 7,654,197	\$ 7,654,197	\$ 2,516,471	\$ (5,137,726)	
MEDICAID FUND					
Beginning Working Capital	-	-	(153,816)	(153,816)	Updated based on finalized, published CAFR
Operating Revenues	10,218,275	4,257,615	3,055,964	(1,201,651)	As of 1/7/19, \$4.4M has been received. Includes collection on previously denied claims of \$220K (Trillium) and \$14K (OHA). Expenditure to claim payment has improved significantly from ~ 6 weeks to 3 - 4 weeks.
Transfer from the General Fund	406,500	169,375	169,375	-	As budgeted
Total Resources	\$ 10,624,775	\$ 10,624,775	\$ 3,071,523	\$ (7,553,252)	
POINT2POINT FUND					
Beginning Working Capital	-	-	-	-	Updated based on finalized, published CAFR
Operating Revenues	1,221,098	508,791	171,428	(337,363)	Reimbursement timing. Most of P2P is grant funded. Expenditures through November total \$313K
Transfer from the General Fund	190,000	79,167	79,167	-	As budgeted
Total Resources	\$ 1,411,098	\$ 1,411,098	\$ 250,595	\$ (1,160,503)	
CAPITAL PROJECTS FUND					
Beginning Working Capital	5,398,538	2,249,391	7,977,613	5,728,222	Updated based on finalized, published CAFR
Grants	3,971,057	1,654,607	699,829	(954,778)	Only \$802K of expenditures through October. Drawdowns are keeping up with expenditures
Transfer from the General Fund	5,414,168	2,255,903	525,903	(1,730,000)	As budgeted
Total Resources	\$ 14,783,763	\$ 14,783,763	\$ 9,203,345	\$ (5,580,418)	

FY19 Expenditures

	FY19 Adopted Budget <small>Budget Adopted by Resolution 2018-05-16-12 on May 16, 2018</small>	FY19 YTD Budget 30-Nov-18	FY19 Actuals as of: 30-Nov-18	Better/(Worse) than Budget	Description
GENERAL FUND - OPERATING BUDGET					
Transit Services	\$ 47,737,731	\$ 19,890,721.25	\$ 19,630,260	\$ 260,462	On Target
GENERAL FUND - NON-OPERATING					
Transfer to Accessible Services Fund	2,550,288	1,062,620	1,062,620		- As budgeted
Transfer to Medicaid Fund	406,500	169,375	169,375		- As budgeted
Transfer to Point2point Fund	190,000	79,167	79,167		- As budgeted
Transfer to Capital Projects Fund	5,414,168	2,255,903	2,255,903		- As budgeted
Operating Contingency	52,457	21,857	-	21,857	Contingency for FY19
Total Non-operating	<u>\$ 8,613,413</u>	<u>\$ 3,588,922</u>	<u>\$ 3,567,065</u>	<u>\$ 21,857</u>	
Operating Reserve	<u>\$ 7,026,933</u>	2,927,889	-	2,927,889	Not authorized to use in FY19
Total General Fund	<u>\$ 63,378,077</u>	<u>\$ 26,407,532</u>	<u>\$ 23,197,325</u>	<u>\$ 3,210,207</u>	
ACCESSIBLE SERVICES FUND					
Transit Services	7,361,574	3,067,323	2,142,692	924,630	Expenditures \$106K higher vs. same time in FY18, but in line with budget YTD
Operating Contingency	130,000	54,167	-	54,167	Contingency for FY19
Operating Reserve	162,623	-	-	-	Not authorized to use in FY19
Total Accessible Services Fund	<u>\$ 7,654,197</u>	<u>\$ 7,654,197</u>	<u>\$ 2,142,692</u>	<u>\$ 5,511,505</u>	
MEDICAID FUND					
Transit Services	10,492,775	4,371,990	3,400,676	971,313	Not all expenditures have been paid through Nov-end. Medicaid project team is projecting current expenditures to exceed budget by \$1.2M
Operating Contingency	132,000	55,000	-	55,000	Contingency for FY19
Total Medicaid Fund	<u>\$ 10,624,775</u>	<u>\$ 10,624,775</u>	<u>\$ 3,400,676</u>	<u>\$ 7,224,099</u>	
POINT2POINT FUND					
Transit Services	1,377,583	573,993	312,705	261,288	Payment & project timing
Operating Contingency	33,515	13,965	-	13,965	Contingency for FY19
Total Point2point Fund	<u>\$ 1,411,098</u>	<u>\$ 1,411,098</u>	<u>\$ 312,705</u>	<u>\$ 1,098,393</u>	
CAPITAL PROJECTS FUND					
Capital Outlay	13,240,489	5,516,870	801,887	4,714,983	Payment & project timing
Capital Reserve	1,543,274	643,031	-	643,031	Not authorized to use in FY19
Total Capital Projects Fund	<u>\$ 14,783,763</u>	<u>\$ 6,159,901</u>	<u>\$ 801,887</u>	<u>\$ 5,358,014</u>	



Check History Listing

Check #	Date	Vendor	Check Amount
99934	12/06/2018	ALTERNATIVE WORK CONCEPTS - <i>Travel/training/Host/assessments</i>	12,903.00
99935	12/06/2018	AMERICAN FAMILY LIFE	1,480.73
99936	12/06/2018	BARRETT BUSINESS SERVICES INC	253.50
99937	12/06/2018	BETHEL SCHOOL DISTRICT #52 - <i>SRTS</i>	6,365.42
99938	12/06/2018	CHAPTER 13 TRUSTEE	265.39
99939	12/06/2018	CINTAS CORPORATION	5,149.28
99940	12/06/2018	CITY OF EUGENE - <i>moving ahead - match</i>	33,441.00
99941	12/06/2018	COAST PROFESSIONAL INC	290.78
99942	12/06/2018	DISH NETWORK ✓	112.02
99943	12/06/2018	EUGENE SCHOOL DISTRICT 4J - <i>Park + Ride UO Football</i>	1,080.00
99944	12/06/2018	EUGENE WATER & ELECTRIC BOARD	226.96
99945	12/06/2018	KOKE NEW CENTURY, INC.	4,652.00
99946	12/06/2018	LANE COUNTY SCHOOL DISTRICT 4J - <i>SRTS - coordinator services</i>	28,314.99
99947	12/06/2018	LIFEMAP ASSURANCE COMPANY	1,640.93
99948	12/06/2018	CAROL K. MASSEY - <i>winter ART work on windows</i>	1,290.00
99949	12/06/2018	NORTHWEST NATURAL GAS	370.19
99950	12/06/2018	OREGON DEPARTMENT OF REVENUE	515.78
99951	12/06/2018	RG MEDIA COMPANY	65.00
99952	12/06/2018	RUCKER ENTERPRISES -	940.00
99953	12/06/2018	SANIPAC	332.35
99954	12/06/2018	SPRINGFIELD MOTORS, INC.	177.96
99955	12/06/2018	SPRINGFIELD PUBLIC SD 19 - <i>SRTS coordinator QTR 4 + 2018-19 QTR</i>	17,750.24
99956	12/06/2018	SPRINGFIELD UTILITY BOARD	1,061.62
99957	12/06/2018	SUTTELL & HAMMER, P.S.	565.24
99958	12/06/2018	WHA INSURANCE AGENCY, INC.	709.30
99959	12/06/2018	WYATT'S TIRE COMPANY	5,610.00
99960	12/06/2018	THE AFTERMARKET PARTS COMPANY LLC	5,776.95
99961	12/06/2018	CAIC PRIMARY	1,501.37
99962	12/06/2018	CUMMINS NORTHWEST, INC.	6,881.95
99963	12/06/2018	DEPARTMENT OF HUMAN SERVICES - <i>medicaid non-medical match</i>	22,843.83
99964	12/06/2018	GILLIG CORPORATION	12,498.67
99965	12/06/2018	JERRY'S HOME IMPROVEMENT CTR	138.43
99966	12/06/2018	KUHN INVESTMENTS, INC.	21,015.18
99967	12/06/2018	LTD & ATU PENSION TRUST	119,041.40
99968	12/06/2018	LTD EMPLOYEES FUND	188.00
99969	12/06/2018	LTD SALARIED EMP. PENSION PLAN	113,229.58
99970	12/06/2018	MODA HEALTH	8,510.40
99971	12/06/2018	MOSS ADAMS LLP - <i>audit services</i>	20,950.00
99972	12/06/2018	NEOPART TRANSIT LLC	257.60
99973	12/06/2018	PRE-PAID LEGAL SERVICES INC.	200.35
99974	12/06/2018	SEON DESIGN (USA) INC. - <i>monitor sun shades + shipping</i>	225.00
99975	12/06/2018	UNITED WAY OF LANE COUNTY	456.00
99976	12/13/2018	BARRETT BUSINESS SERVICES INC	556.10
99977	12/13/2018	BENTON-FRANKLIN PTBAA - <i>Registration for training - bus operator</i>	590.00
99978	12/13/2018	CENTURY LINK	2,946.67
99979	12/13/2018	CROCKETTS INTERSTATE TOWING	250.00
99980	12/13/2018	ELMS LANDSCAPE MAINTENANCE INC	10,104.00
99981	12/13/2018	EUGENE WATER & ELECTRIC BOARD	1,106.33
99982	12/13/2018	FASTENAL COMPANY	370.48
99983	12/13/2018	FORMFOX, INC.	50.00
99984	12/13/2018	LLC FUSSY'S @ VALLEY RIVER PLAZA	28.70
99985	12/13/2018	HARVEY & PRICE COMPANY	1,831.00
99986	12/13/2018	HEYMAN'S ENTERPRISES, LTD	16.25
99987	12/13/2018	INDUSTRIAL FINISHES	604.20



Check History Listing

Check #	Date	Vendor	Check Amount
99988	12/13/2018	LANE COUNTY FAIRBOARD - park + Ride - 1/2 of 0 Football	8,750.00
99989	12/13/2018	LANE COUNTY YOUTH SERVICES	2,462.16
99990	12/13/2018	LTD REIMBURSEMENT PLAN	7,230.31
99991	12/13/2018	MID-STATE INDUSTRIAL SERVICE	403.00
99992	12/13/2018	NORTHWEST NATURAL GAS	5,970.55
99993	12/13/2018	OFFICE DEPOT	300.89
99994	12/13/2018	PETERSON MACHINERY CO.	129.14
99995	12/13/2018	PETTY CASH - CASSIE MOSTERT	574.52
99996	12/13/2018	PIVOT ARCHITECTURE	2,577.84
99997	12/13/2018	POSTMASTER - Smart trips - permit # 141-001 - renew	936.33
99998	12/13/2018	PROTECTIVE SERVICE LLC	754.33
99999	12/13/2018	RG MEDIA COMPANY	6,205.34
100000	12/13/2018	SANIPAC	3,409.03
100001	12/13/2018	SPECIAL DISTRICTS INSURANCE SV	4,490.04
100002	12/13/2018	SPRINGFIELD MOTORS, INC.	168.17
100003	12/13/2018	SPRINGFIELD UTILITY BOARD	19,381.77
100004	12/13/2018	STRUCTURED COMM SYSTEMS INC. - Firemon renewal - SW Renewal	2,580.13
100005	12/13/2018	STUDENTS EXPERIENCE HISTORY INC - fare collection services - UO	6,900.00
100006	12/13/2018	SUNSHINE PLANT CARE	150.00
100007	12/13/2018	THERMO KING NORTHWEST, INC.	1,811.65
100008	12/13/2018	VERIZON WIRELESS	266.92
100009	12/13/2018	WHA INSURANCE AGENCY, INC.	200.00
100010	12/13/2018	WYATT'S TIRE COMPANY	5,066.50
100011	12/13/2018	THE AFTERMARKET PARTS COMPANY LLC	6,090.77
100012	12/13/2018	JEANETTE L. BAILOR - Procurement help	10,000.00
100013	12/13/2018	BEDFORD FALLS, LLC	526.50
100014	12/13/2018	BPA VEBA-HRA SERVICES	67.00
100015	12/13/2018	BUCK'S SANITARY SERVICE, INC. - part a potty service - Cottage Grove NW 18	89.00
100016	12/13/2018	CHAVES CONSULTING, INC.	1,370.20
100017	12/13/2018	CUMMINS NORTHWEST, INC.	0.00
100018	12/13/2018	CUMMINS NORTHWEST, INC.	7,247.99
100019	12/13/2018	E G GARDNER CO INC - Replace carpets @ Springfield Station	2,032.22
100020	12/13/2018	EUROFINS ANA LABORATORIES, INC	708.00
100021	12/13/2018	GLORIA, J GALLARDO	10,000.00
100022	12/13/2018	GILLIG CORPORATION	1,805.60
100023	12/13/2018	GRAINGER INC	0.00
100024	12/13/2018	GRAINGER INC	9,547.40
100025	12/13/2018	JERRY'S HOME IMPROVEMENT CTR	86.01
100026	12/13/2018	LANE COUNCIL OF GOVERNMENTS	1,723.08
100027	12/13/2018	MARGARET E. MERHOFF - procurement help	5,000.00
100028	12/13/2018	MODA HEALTH	5,768.05
100029	12/13/2018	MOTION & FLOW CONTROL PRD, INC	1,474.54
100030	12/13/2018	MUNCIE TRANSIT SUPPLY	28.40
100031	12/13/2018	MYRMO & SONS	299.04
100032	12/13/2018	NINFA'S ELITE CORPORATION	69,936.70
100033	12/13/2018	ONE CALL CONCEPTS, INC.	38.85
100034	12/13/2018	PACIFIC ARMORED INC.	2,470.00
100035	12/13/2018	PACIFIC POWER GROUP, LLC	217.80
100036	12/13/2018	PHOENIX BUSINESS SOLUTIONS LLC - TASK 2 Amendment 11/18 Helpdesk for IT	6,640.00
100037	12/13/2018	RICOH USA, INC.	2,296.42
100038	12/13/2018	SMITH DAWSON & ANDREWS, INC.	2,500.00
100039	12/13/2018	AKA: SENIOR WHEELS, INC. SOUTH LANE WHEELS	2,870.02
100040	12/13/2018	THORP, PURDY, JEWETT, URNESS,	9,638.90
100041	12/13/2018	TRAPEZE ITS USA, LLC - Midas support - 2019 - annual	44,670.00



Check History Listing

Check #	Date	Vendor	Check Amount
100042	12/13/2018	PHYLLIS L WALKER - procurement help	10,000.00
100043	12/13/2018	WANNAMAHER CONSULTING, INC.	9,045.45
100044	12/13/2018	WOODBURY ENERGY CO. INC.	93,306.20
100045	12/27/2018	ADVANCED SECURITY, INC.	1,232.00
100046	12/27/2018	AMAL TRANSIT UNION #757	15,860.87
100047	12/27/2018	BARRETT BUSINESS SERVICES INC	4,123.30
100048	12/27/2018	CHAPTER 13 TRUSTEE	265.39
100049	12/27/2018	CINTAS CORPORATION	3,673.24
100050	12/27/2018	CHARLES F. CLARKE - WSTA Dispatch training	159.50
100051	12/27/2018	COAST PROFESSIONAL INC	324.05
100052	12/27/2018	CUMMINS-ALLISON CORP	590.00
100053	12/27/2018	EUGENE WATER & ELECTRIC BOARD	0.00
100054	12/27/2018	EUGENE WATER & ELECTRIC BOARD	9,453.09
100055	12/27/2018	ZACHARY FISH - NTI training	429.00
100056	12/27/2018	LLC FUSSY'S @ VALLEY RIVER PLAZA	73.35
100057	12/27/2018	HANNAH MOTOR COMPANY	419.46
100058	12/27/2018	AURORA E. JACKSON - Bus coalition meeting - Nov January	699.90
100059	12/27/2018	AURORA E. JACKSON	193.00
100060	12/27/2018	KOCER CRANE & TRAINING, LLC	1,333.60
100061	12/27/2018	ANDREW G MARTIN - Translink mobility forum-	285.50
100062	12/27/2018	MCKENZIE SEW-ON	238.00
100063	12/27/2018	NEOPOST USA INC.	933.44
100064	12/27/2018	OFFICE DEPOT	219.78
100065	12/27/2018	OIL PRICE INFORMATION SERVICE	250.00
100066	12/27/2018	OREGON DEPARTMENT OF REVENUE	665.15
100067	12/27/2018	OREGON DEPARTMENT OF REVENUE	388.00
100068	12/27/2018	PACIFICSOURCE ADMINISTRATORS,	354.50
100069	12/27/2018	KELLY A PERRON - NTI Training	429.00
100070	12/27/2018	RECORDXPRESS OF CALIFORNIA,LLC	67.31
100071	12/27/2018	RG MEDIA COMPANY	52.50
100072	12/27/2018	ROWELL BROKAW ARCHITECTS,PC - SCTS Design phase	70,982.83
100073	12/27/2018	JAY RUSCHER - NTI Training	429.00
100074	12/27/2018	THOMAS B SCHWETZ - Translink mobility Forum	285.50
100075	12/27/2018	SHI INTERNATIONAL CORP	3,403.95
100076	12/27/2018	SIX ROBBLEES' INC	253.44
100077	12/27/2018	SPRINGFIELD MOTORS, INC.	240.23
100078	12/27/2018	SPRINGFIELD UTILITY BOARD	434.97
100079	12/27/2018	STANS AUTO UPHOLSTERY, INC. - upholstery repair	1,872.00
100080	12/27/2018	STAPLES BUSINESS ADVANTAGE	545.38
100081	12/27/2018	THOMSON REUTERS - WEST - provide portal access for background ✓	268.07
100082	12/27/2018	WYATT'S TIRE COMPANY	1,610.00
100083	12/27/2018	BEDFORD FALLS, LLC	2,713.50
100084	12/27/2018	C & K PETROLEUM EQUIPMENT CO,	109.00
100085	12/27/2018	GRAINGER INC	149.32
100086	12/27/2018	JERRY'S HOME IMPROVEMENT CTR	984.19
100087	12/27/2018	LTD & ATU PENSION TRUST	109,639.11
100088	12/27/2018	LTD SALARIED EMP. PENSION PLAN	18,886.38
100089	12/27/2018	MOHAVE AUTO PARTS, INC.	624.71
100090	12/27/2018	MOTION & FLOW CONTROL PRD, INC	309.77
100091	12/27/2018	NORTH COAST ELECTRIC	93.85
100092	12/27/2018	SPRAGUE PEST SOLUTIONS	115.00
100093	12/27/2018	TRANSLOC INC.	25,000.00
100094	12/27/2018	UNITED WAY OF LANE COUNTY	456.00
100095	12/27/2018	WANNAMAHER CONSULTING, INC.	880.00



Check History Listing

Check #	Date	Vendor	Check Amount
100096	12/27/2018	WILDISH BUILDING COMPANY	29,235.67
100097	12/27/2018	WSP USA INC.	49,371.03
91010119	12/31/2018	BENEFIT PLANS ADMIN SVCS, LLC	29,195.00
92010119	12/31/2018	BENEFIT PLANS ADMIN SVCS, LLC	1,056,936.00
93112918	12/03/2018	BENEFIT PLANS ADMIN SVCS, LLC	50,933.23
802277968	12/21/2018	OREGON DEPARTMENT OF REVENUE	50,401.16
802361973	12/07/2018	INTERNAL REVENUE SERVICE-EFTPS	196,775.95
802941323	12/07/2018	VALIC %CHASE BANK OF TEXAS	108,820.40
802958182	12/21/2018	VALIC %CHASE BANK OF TEXAS	78,478.80
806263552	12/08/2018	OREGON DEPARTMENT OF REVENUE	14.69
809313981	12/21/2018	MASS MUTUAL FINANCIAL GROUP	3,799.41
811580796	12/03/2018	BANK OF AMERICA	24.90
811580801	12/03/2018	BANK OF AMERICA	2,325.32
811580802	12/03/2018	BANK OF AMERICA	2,499.52
813425168	12/07/2018	MASS MUTUAL FINANCIAL GROUP	3,728.52
814862919	12/11/2018	INTERNAL REVENUE SERVICE-EFTPS	2,463.73
816480000	12/07/2018	OREGON DEPARTMENT OF REVENUE	52,484.77
818480128	12/14/2018	OREGON DEPARTMENT OF REVENUE	1,633.91
851329792	12/07/2018	OREGON DEPARTMENT OF JUSTICE	2,120.60
855993239	12/08/2018	INTERNAL REVENUE SERVICE-EFTPS	60.90
856807416	12/21/2018	OREGON DEPARTMENT OF JUSTICE	2,120.60
864591169	12/14/2018	INTERNAL REVENUE SERVICE-EFTPS	7,434.42
868475136	12/11/2018	OREGON DEPARTMENT OF REVENUE	596.59
882206947	12/28/2018	INTERNAL REVENUE SERVICE-EFTPS	7,774.17
892989277	12/21/2018	INTERNAL REVENUE SERVICE-EFTPS	187,374.24
893547264	12/28/2018	OREGON DEPARTMENT OF REVENUE	1,680.11
188 Checks			\$3,086,227.65

WEE Construction Contingency Release

LANE TRANSIT DISTRICT
November 2018 Performance Report
07-January-2019

Performance Measure	Current Month	Prior Year's Month	% Change	Current Y-T-D	Previous Y-T-D	% Change	Current 12 Month	Prior 12 Month	% Change
---------------------	---------------	--------------------	----------	---------------	----------------	----------	------------------	----------------	----------

Fixed Route Service

Passenger Boardings	875,406	896,514	- 2.4%	4,177,734	4,117,480	+ 1.5%	10,271,577	10,195,899	+ 0.7%
Mobility Assisted Riders	13,465	11,397	+ 18.1%	70,902	65,115	+ 8.9%	157,905	150,622	+ 4.8%

Average Passenger Boardings:

Weekday	36,510	36,196	+ 0.9%	32,808	31,920	+ 2.8%	33,918	33,368	+ 1.6%
Saturday	19,250	22,109	- 12.9%	18,859	20,403	- 7.6%	18,705	19,001	- 1.6%
Sunday	12,240	11,991	+ 2.1%	11,860	11,187	+ 6.0%	11,817	11,209	+ 5.4%
Monthly Revenue Hours	23,161	25,056	- 7.6%	122,427	122,927	- 0.4%	296,852	290,335	+ 2.2%
Boardings Per Revenue Hour	37.8	35.8	+ 5.6%	34.12	33.50	+ 1.9%	34.60	35.12	- 1.5%
Weekly Revenue Hours	5,591	6,048	- 7.6%	5,636	5,667	- 0.5%	5,740	5,586	+ 2.8%
Weekdays	20	21		107	107		255	260	
Saturdays	5	4		23	22		54	52	
Sundays	4	4		22	23		53	52	

Farebox Revenues & Sales*

Farebox Revenue	\$164,756	\$142,753	+ 15.4%	\$707,158	\$758,586	- 6.8%	\$1,616,107	\$1,753,911	- 7.9%
Adult Pass	3,205	2,981	+ 7.5%	14,754	12,792	+ 15.3%	35,860	32,780	+ 9.4%
Youth Pass	834	875	- 4.7%	3,018	2,886	+ 4.6%	8,541	8,953	- 4.6%
Reduced Fare Pass	906	994	- 8.9%	4,330	4,488	- 3.5%	35,860	32,780	+ 9.4%
Adult 3 Month Pass	95	100	- 5.0%	645	674	- 4.2%	1,590	1,744	- 8.8%
Youth 3 Month Pass	65	58	+ 12.1%	348	343	+ 1.5%	831	750	+ 10.8%
Reduced Fare 3 Month Pass	43	46	- 6.5%	263	252	+ 4.4%	589	639	- 7.8%
Adult 10-Ride Ticket Book	2,007	1,635	+ 22.8%	9,062	8,422	+ 7.6%	20,938	21,439	- 2.3%
Half-Fare 10-Ride Ticket Book	266	311	- 14.5%	1,913	1,882	+ 1.6%	3,960	4,405	- 10.1%
RideSource 10-Ride Ticket Book	396	311	+ 27.3%	2,041	1,931	+ 5.7%	4,823	4,693	+ 2.8%

*Group Pass Program revenues, which typically make up about 1/3 of all passenger revenues, are not included in this report. Finance reports total passenger revenues inclusive of Group Pass on a quarterly basis.

Fleet Services

Fleet Miles	318,548	342,551	- 7.0%	1,665,717	1,706,934	- 2.4%	4,078,566	4,039,495	+ 1.0%
Average Passenger Boardings/Mile	2.75	2.62	+ 5.0%	2.51	2.41	+ 4.0%	2.52	2.52	- 0.2%
Fuel Cost	\$190,415	\$183,329	+ 3.9%	\$1,047,100	\$861,288	+ 21.6%	\$2,444,715	\$1,940,209	+ 26.0%
Fuel Cost Per Mile	\$0.598	\$0.535	+ 11.7%	\$0.629	\$0.505	+ 24.6%	\$0.599	\$0.480	+ 24.8%
Repair Costs	\$327,734	\$290,629	+ 12.8%	\$1,390,327	\$1,355,085	+ 2.6%	\$3,709,083	\$3,379,940	+ 9.7%
Total Repair Cost Per Mile	\$1.029	\$0.848	+ 21.3%	\$0.835	\$0.794	+ 5.1%	\$0.909	\$0.837	+ 8.7%
Preventive Maintenance Costs	\$40,958	\$43,853	- 6.6%	\$186,444	\$176,684	+ 5.5%	\$459,026	\$424,596	+ 8.1%
Total PM Cost Per Mile	\$0.129	\$0.128	+ 0.4%	\$0.112	\$0.104	+ 8.1%	\$0.113	\$0.105	+ 7.1%
Mechanical Road Calls	34	38	- 10.5%	192	163	+ 17.8%	469	444	+ 5.6%
Miles/Mech. Road Call	9,369	9,015	+ 3.9%	8,676	10,472	- 17.2%	8,696	9,098	- 4.4%

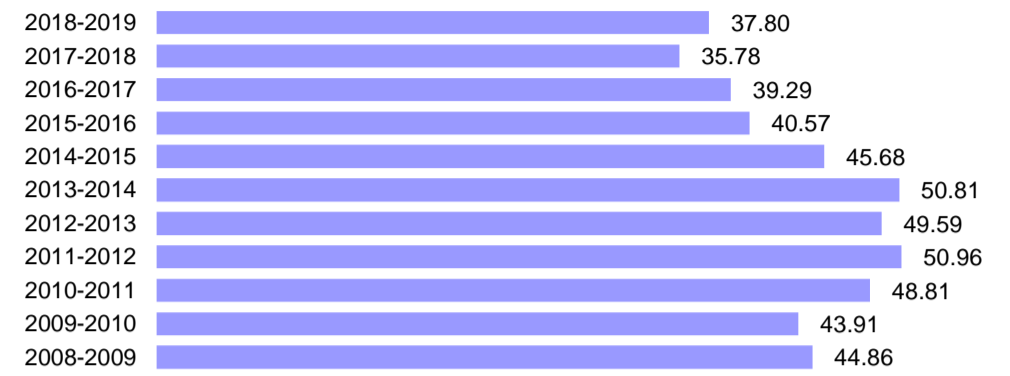
RideSource Internal Fleet

MTM Rides	13,156	13,802	- 4.7%	65,768	67,704	- 2.9%	158,982	171,598	- 7.4%
-----------	---------------	--------	--------	---------------	--------	--------	----------------	---------	--------

November Revenue Hours



November Passenger Boardings per Revenue Hour



November Fleet Miles



November Passenger Boardings per Mile



November Passenger Boardings

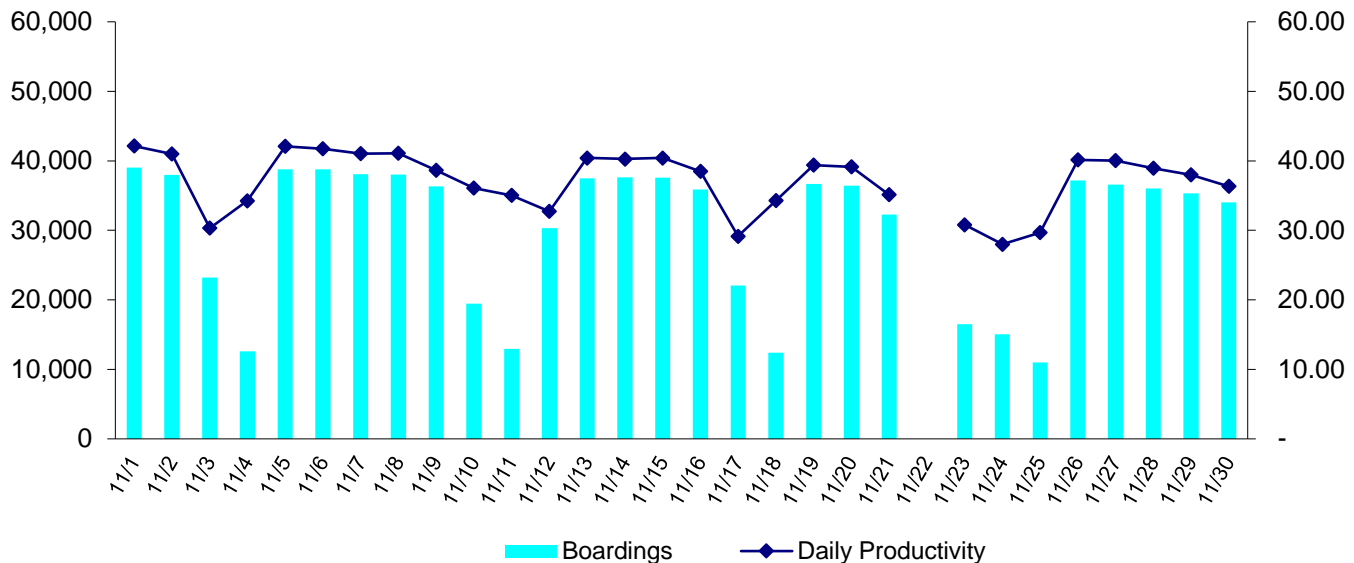


November Average Weekday Passenger Boardings



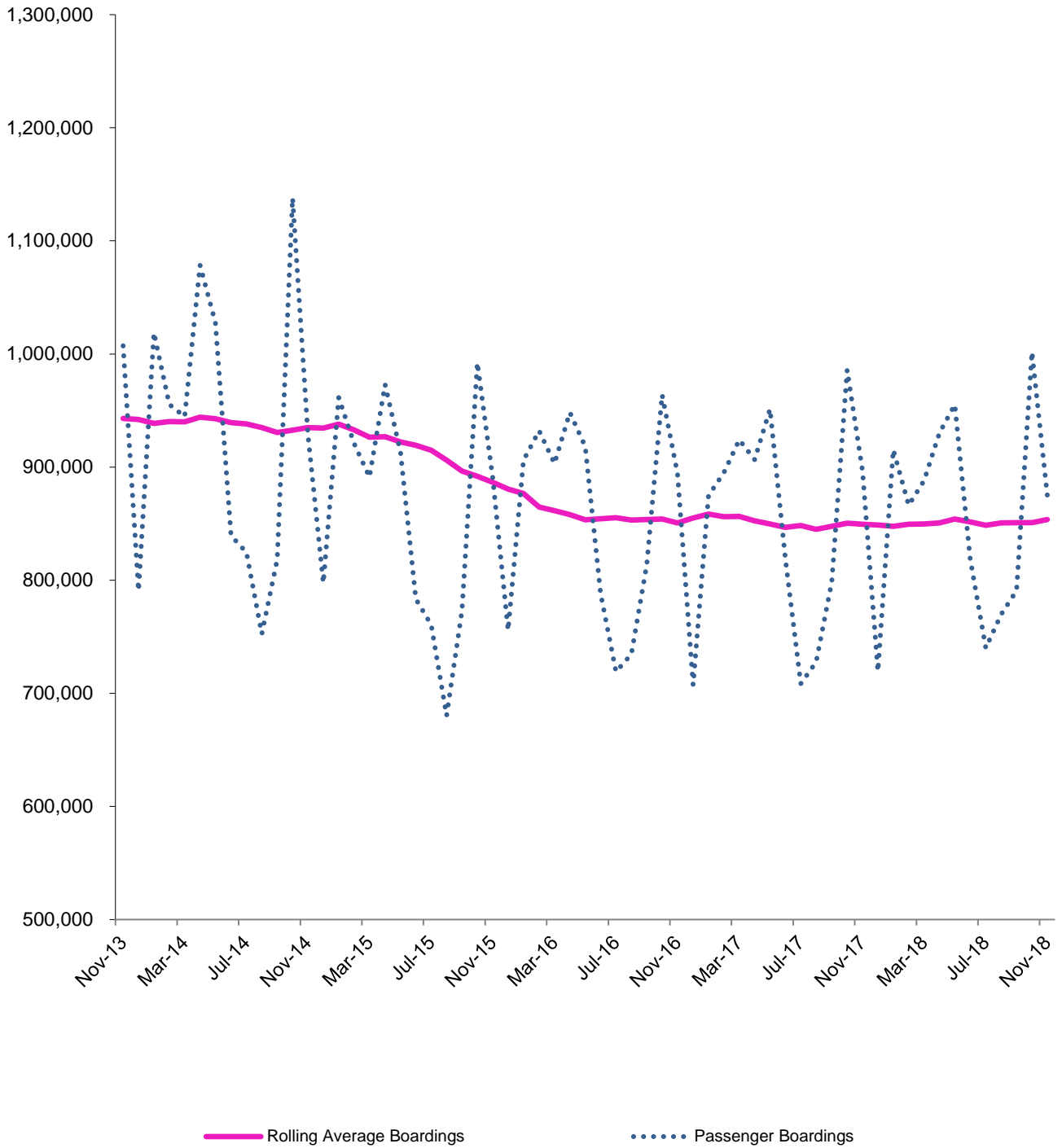
Daily Ridership Recap November 2018

Date	Day	Service	Boardings	Mobility	Revenue	Daily
				Assisted Boardings	Hours	Productivity
11/1/2018	Thursday	Weekday	39,007	723	926	42.12
11/2/2018	Friday	Weekday	37,952	671	926	40.98
11/3/2018	Saturday	Saturday	23,193	330	765	30.31
11/4/2018	Sunday	Sunday	12,607	195	368	34.26
11/5/2018	Monday	Weekday	38,792	633	922	42.07
11/6/2018	Tuesday	Weekday	38,800	625	930	41.72
11/7/2018	Wednesday	Weekday	38,056	504	927	41.05
11/8/2018	Thursday	Weekday	38,003	584	925	41.08
11/9/2018	Friday	Weekday	36,303	576	940	38.62
11/10/2018	Saturday	Saturday	19,474	331	540	36.06
11/11/2018	Sunday	Sunday	12,954	212	370	35.01
11/12/2018	Monday	Weekday	30,322	422	927	32.71
11/13/2018	Tuesday	Weekday	37,459	592	927	40.41
11/14/2018	Wednesday	Weekday	37,601	539	934	40.26
11/15/2018	Thursday	Weekday	37,579	591	930	40.41
11/16/2018	Friday	Weekday	35,864	531	932	38.48
11/17/2018	Saturday	Saturday	22,068	319	757	29.15
11/18/2018	Sunday	Sunday	12,415	195	362	34.30
11/19/2018	Monday	Weekday	36,660	577	931	39.38
11/20/2018	Tuesday	Weekday	36,404	574	930	39.14
11/21/2018	Wednesday	Weekday	32,257	511	918	35.14
11/22/2018	Thursday	No Service				
11/23/2018	Friday	Saturday	16,480	267	535	30.80
11/24/2018	Saturday	Saturday	15,036	307	537	28.00
11/25/2018	Sunday	Sunday	10,982	189	370	29.68
11/26/2018	Monday	Weekday	37,199	572	927	40.13
11/27/2018	Tuesday	Weekday	36,586	435	914	40.03
11/28/2018	Wednesday	Weekday	36,006	453	925	38.93
11/29/2018	Thursday	Weekday	35,335	452	930	37.99
11/30/2018	Friday	Weekday	34,012	555	936	36.34
Totals			875,406	13,465	23,161	37.80



LANE TRANSIT DISTRICT

Five Year History of Passenger Boardings





OFFICE OF THE GENERAL MANAGER

Aurora Jackson, General Manager

There is no report this month.

SERVICE DELIVERY & ADMINISTRATION

Mark Johnson, Assistant General Manager

ELECTRIC BUSES (BYD)

Mark Johnson, Assistant General Manager

LTD received the signed Addendum 3 from BYD on December 26, 2018. When we talked last month there was an unexplainable delay in their response to the addendum. The delay was not that there were issues with the addendum, rather it was confusion on BYD's part on who was dealing with it, once we got that resolved, the addendum was signed with little discussion about the content of the agreement. December 21 begins the 90 day timeline to deliver the other four buses and we expect that they will be delivered by the end of March.

Since BYD signed the addendum, they agreed to the terms laid out by LTD and the pilot bus is accepted and will be scheduled to go into service in the next few weeks.

POINT2POINT (P2p)

Theresa Brand, Transportation Options Manager

P2p staff are supporting the Lane Regional Safe Routes to Schools (SRTS) Program in a number of key ways, including managing the newly updated SRTS website, serving as the program grant agent for all three district program, facilitating the purchasing on new school bike parking, and the regional leadership for the comprehensive program.

The P2p schools coordinator led two regional workshops focused around refining work plans and continuing progress on the Eugene-Springfield SRTS Strategic Plan. Training for the new SRTS assistant has begun and the new employee has started assisting SRTS efforts in the 4J school district.

P2p staff will be assisting the Oregon Department of Transportation and other regional partner efforts on congestion mitigation efforts around the Highway I- 105 construction project through the duration of the project in mid 2020.

P2p staff continue to coordinate with LTD graphics and marketing to create final versions of the Employer Transportation Coordinator (ETC) toolkit materials and to update the P2p website. Test materials have been

shared with select ETCs in our region, and final materials will be promoted to and evaluated by a wider audience once complete. Work will continue on the project through the spring with a May 1, 2019, anticipated completion date.

International Way/Gateway Outreach

P2p is working with LTD's planning department to analyze survey data collected on-board the Gateway EmX loop during peak hours in early November 2018. An analysis of additional survey data collected from employers along the corridor is also being prepared. Finally, in coordination with LTD's planning and marketing departments, P2p is working to send a third survey to 1,808 households in the area proximate to the Gateway EmX Loop.

Business Commute Challenge (BCC)

Staff sent the 6-month Follow-up Survey out on December 11 to all the 2018 BCC participants. This survey will help staff evaluate the effectiveness of the program by assessing participants current travel behavior. The survey closed on December 31.

P2p is also recruiting for a limited-duration part-time position to assist with the 2019 BCC. The posting closed on January 1 and we anticipate the new staff member to start in mid-February.

PUBLIC AFFAIRS

Aurora Jackson, General Manager

There is no report this month.

PLANNING AND DEVELOPMENT

Tom Schwetz, Director of Planning and Development

UO Sustainable Cities Year Program

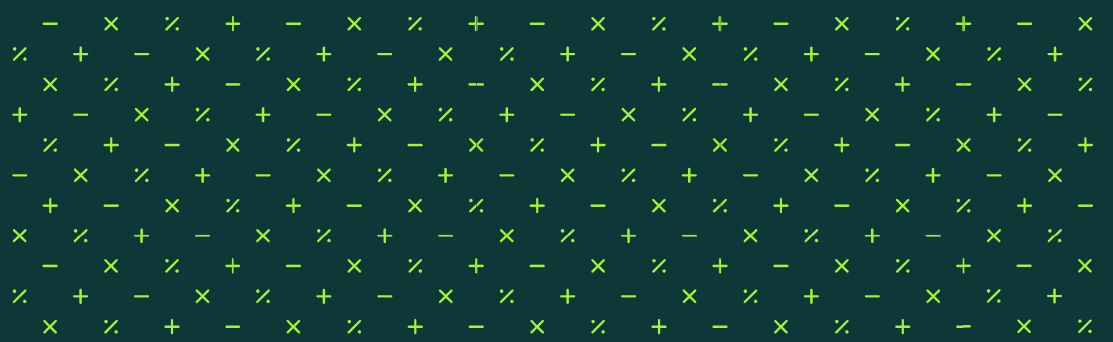
At the January Strategic Planning Committee (SPC), the members will discuss their interest in developing projects to be studied by the UO Sustainable City Year Program (SCYP). If the committee has an interest in the SCYP, the committee will be asked to either form a subgroup of committee members who can meet more frequently or schedule more SPC meetings in order to meet the deadlines needed to submit information to the UO. LTD's application to the UO outlining potential SCYP projects for the 2019-2020 school year is due March 1, 2019.

As the Board may recall, the SCYP was one of the projects included in the 2019-2028 Community Investment Plan with \$250,000 for a partnership with the University of Oregon for the SCYP. This program matches University of Oregon students with an Oregon city, county, special district (like LTD), tribe, or partnership of governments for an entire academic year. Students work on partner-identified projects through existing courses to provide ideas for real solutions to community challenges and sustainable development.

Cities and communities are staffed with leaders who want to make real change. These leaders are passionate about moving their cities into the future but are far too often limited by a lack of resources, staff, and budget. The SCYP harnesses the innovation and energy of University of Oregon students and faculty to provide ideas that will address critical projects and support progressive and sustainable initiatives. This working relationship puts university talent to work to strengthen Oregon communities.

Throughout each course, students conduct research, visit the community, and engage with stakeholders. At the end of each term, they present their findings either in the community or on campus in sessions that are open to the public. Following each course, ideas and research from the class are synthesized into a final report for the community, ensuring that the insightful work remains accessible long after the course ends.

To learn more about SCYP, please go to: <https://sci.uoregon.edu/sustainable-city-year-program-0>



Lane Transit District

Fiscal Year 2018 Audit Results

Board of Directors

January 16, 2018



Agenda

1. Nature of Services Provided
2. Auditor Opinions/Reports
3. Significant Audit Areas
4. Required Communication
5. Upcoming Accounting Standards



Nature of Services Provided

- Audit under Generally Accepted Auditing Standards (GAAS), Generally Accepted Government Auditing Standards (GAGAS)
- Assistance with, and technical review of, LTD's CAFR for compliance with Generally Accepted Accounting Principles (GAAP)
- Single Audit of LTD's federal grant programs under Uniform Guidance
- Compliance testing/reporting under Oregon Minimum Audit Standards
- National Transit Database Agreed-upon Procedures



Auditor Report on the Financial Statement

Unmodified Opinion

Financial statements are presented fairly and in accordance with U.S. GAAP



Other Auditor Reports

GAGAS Report on Internal Control Over Financial Reporting and on Compliance and Other Matters

- No internal control matters to report
- No compliance findings

Report on Compliance with Requirements that could have a Direct and Material Effect on the Major Federal Programs and on Internal Control Over Compliance in accordance with the Uniform Guidance for Federal Awards

- No findings on controls over compliance
- No findings on compliance



Other Auditor Reports

**Report on Compliance
and Other Matters based
on an audit of financial
statements in
accordance with Oregon
Minimum Standards**

- No compliance or other matters to report



National Transit Database AUP Report

Report on Applying Agreed-Upon Procedures

- No significant issues reported
- 10-year financial review report issued



Significant Audit Areas

- Cash and investments
- Capital assets (including construction projects)
- Pension plans
- Grant funding
- Local Budget Law & Oregon Minimum Standards
 - **EMPHASIS ON PURCHASING CONTROLS**



Required Communication

- Auditor's responsibility under auditing standards
- Significant accounting policies
 - **NO SIGNIFICANT CHANGES**
- Management judgments and accounting estimates
- Audit adjustments made and passed
 - **NO AUDIT ADJUSTMENTS RECORDED**
- Management's consultation with other accountants
- No disagreements with management
- No difficulties in performing the audit



Required Communication

- Issues discussed with management prior to our retention
- 2017 material weakness reported on internal controls over financial close and reporting process - resolved
- Best practice recommendations
 - **TIMELINESS OF RECONCILIATIONS**
 - **TIMELINESS OF REVIEW OF CAPITAL ASSETS**



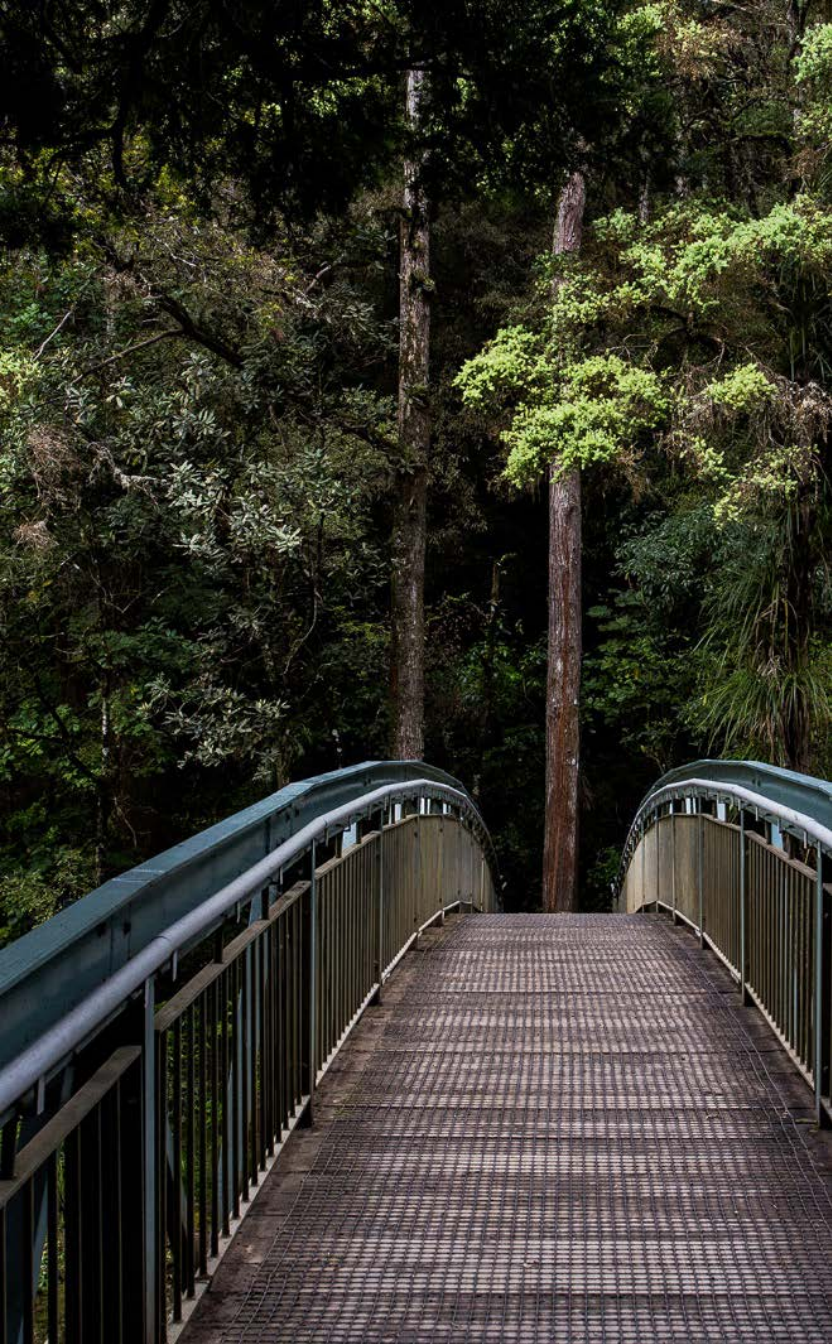
Upcoming Accounting Standards

GASB Statement No. 83, Certain Asset Retirement Obligations – effective for June 30, 2019 fiscal year

GASB Statement No. 84, Fiduciary Activities – effective for June 30, 2020 fiscal year

GASB Statement No. 87, Leases – effective for June 30, 2021 fiscal year





Summary

- Financial Statements
 - CLEAN AUDIT OPINION
 - NO MATERIAL WEAKNESSES OVER FINANCIAL CLOSE
- Federal Funding Compliance
 - CLEAN AUDIT OPINIONS
- Oregon Legal Compliance
 - NO SIGNIFICANT FINDINGS
- NTD Agreed-Upon Procedures
 - NO SIGNIFICANT FINDINGS



**THANK
YOU**



DRAFT

COMMUNICATIONS WITH THOSE
CHARGED WITH GOVERNANCE

Lane Transit District

June 30, 2018

Communications with Those Charged with Governance

The Board of Directors
Lane Transit District, Oregon

We have audited the financial statements of Lane Transit District, Oregon (the District) and the Lane Transit District Salaried Employee's Retirement Plan Trust Fund as of and for the year ended June 30, 2018 and 2017, and the Amalgamated Transit Union, Local No. 757 Pension Trust Fund as of and for the year ended December 31, 2017 and 2016, and the related notes to the financial statements. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America

As stated in our engagement letter dated November 6, 2018, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

DRAFT

Our responsibility is to plan and perform the audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Oregon Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we considered the District's internal control solely for the purposes of determining our audit procedures and not to provide assurance concerning such internal control.

We are also responsible for communicating significant matters related to the financial statement audit that, in our professional judgment, are relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Other Information in Documents Containing Audited Financial Statements

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our planning meeting held with you in March 2018.

Significant Audit Findings and issues

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. There were no changes in the application of existing policies during 2018 except for the following: as described in Note 1(n) to the financial statements, the District implemented several new accounting standards of the Governmental Accounting Standards Board (GASB):

- GASB 75 – Pensions – Accounting and Financial Reporting for Postemployment Benefits Other than Pensions;
- GASB 85 – Omnibus 2017;
- GASB 86 – Certain Debit Extinguishment Issues

Management performed an assessment of these pronouncements and, except for GASB 75, determined there was minimal effect to the District and has incorporated these pronouncements into

the current year Comprehensive Annual Financial Report.

With regards to GASB 75, management has restated the Districts Fiscal 2017 government-wide financial statements to reflect the total OPEB liabilities, deferred inflows of resources, deferred outflows of resources and the recognition of OPEB expense in accordance with the provisions of the Statement, as described in Note 4(e).

We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Useful lives of capital assets
- Estimated liabilities for claims and judgments
- Post-employment benefit obligations for retirement and health benefits

Financial Statement Disclosures

The disclosures in the financial statements are consistent, clear and understandable. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was the disclosure of the reporting entity and significant accounting policies in Note 1 to the financial statements. This disclosure reports the operations under the governance of the Board of Directors, as well as the more significant policies used by the District in preparation of the financial statements.

Significant Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all factual and judgmental misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No known or likely misstatements were identified during the audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 20, 2018.

Management Consultation with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the District’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Significant Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Supplementary Information

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Audit Committee, Board of Directors, and management of the District, and is not intended to be and should not be used by anyone other than these specified parties.

Best Business Practice Recommendations

In our testing of the District’s control cycles, we noted that reconciliations for various accounts were not performed on a timely basis.

Ultimately, the reconciliation and review process appears to be taking place, however the reconciliations were not timely and controls not consistent through the entire year. We recommend that the District continue to place emphasis on reconciling account balances on a regular basis during the year, which should reduce the amount of time and effort in the financial close and reporting process.

In our testing of capital assets, we noted that the District identified several costs that were deemed to have been placed in service prior to FY18 and the completion of the WEEE project. Additionally, the District identified several costs that were improperly capitalized in FY16 relating to the Moving Ahead Initiative, which is not a project for construction. An entry was recorded by the District in FY18 to write-off these costs that were improperly capitalized.

Ultimately, the control structure currently in place at the District identified the improperly capitalized

items prior to the commencement of audit fieldwork and both instances occurred prior to the control processes implemented by the current financial management team in place. We recommend that the District continue to refine the controls needed in order to report capital assets as completed for financial reporting purposes and ensure the proper steps are being taken to implement an adequate review process relating to the capitalization of certain project costs.

Eugene, Oregon
December 20, 2018

DRAFT

AUDIENCE PARTICIPATION SIGN-UP SHEET—LTD REGULAR BOARD MEETING

Date: January 16, 2019

Note: Please note that your verbal testimony is limited to three (3) minutes. If you wish to present written materials, please furnish at least one copy to the Clerk of the Board/Recording Secretary for the official record.

NAME	CITY OF RESIDENCE	GROUP / REPRESENTING	TOPIC
WEBB SUSSMAN	EUGENE		VARIOUS
Rob Zaku	Eugene	BEST	Transit Tomorrow Moving Ahead

* This document is a public record subject to disclosure under the Oregon Public Records Law.