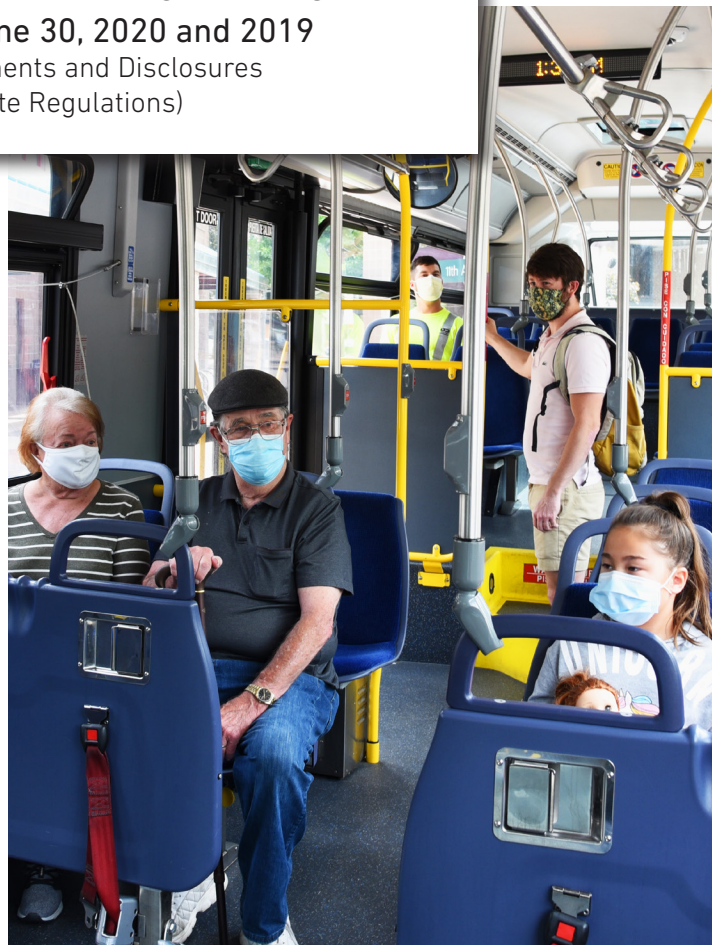




**LANE TRANSIT DISTRICT**  
**EUGENE, OREGON**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
Fiscal Years Ended June 30, 2020 and 2019  
(including Audit Comments and Disclosures  
Required by State Regulations)



# ***2019-2020 Comprehensive Annual Financial Report***

Lane Transit District  
Eugene, Oregon

For Fiscal Years Ended June 30, 2020 and 2019

Prepared by the Finance Department  
Christina Shew, Director of Finance

**LANE TRANSIT DISTRICT**  
**Comprehensive Annual Financial Report**  
**June 30, 2020 and 2019**

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December 22, 2020

Board of Directors  
Lane Transit District  
3500 East 17<sup>th</sup> 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, 2020.

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, 2020, 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, 2020, 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 316,600 with a fleet of 106 buses in revenue service that travel more than 3.4 million miles annually. Passenger boardings were approximately 8 million for FY19. In FY19, LTD provided more than 248,000 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 provides bus rapid transit services, Point2point non single occupancy transportation options, and serves as the county's Medicaid non-emergency medical transportation brokerage. Recognizing that the future of transit is multi-modal, in 2019, LTD began piloting mobility-on-demand services in the cities of Cottage Grove and Eugene.

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 2019 were seventy-four one hundredths of one percent (.74%) and for calendar year 2020 were seventy-five one hundredths of one percent (.75%).

In 2017, the state legislature passed House Bill 2017 (HB 2017). Section 122 of HB 2017 known as "Keep Oregon Moving" provides a dedicated statewide funding stream for transit which is funded by an employee state payroll tax of one-tenth of one percent which went into effect on July 1, 2018. These additional funds are improving the environment, access and transportation services through the following:

- Mobility-on-demand pilots in Cottage Grove and Eugene
- Procurement of fixed-route and demand-response vehicles
- Student transit passes providing free rides for students K-12
- Low-income fare programs

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 level for current expenditures, with separate appropriations established for capital outlay, 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 316,600. In June 2020, total nonfarm employment in Lane County was 146,400 compared to 164,800 in June 2019, representing a decrease of 18,400 jobs in the last year as a result of global economic instability driven by the COVID-19 pandemic.

#### **Eugene/Springfield MSA (Lane County) Economic Data**

	<u>June 2015</u>	<u>June 2016</u>	<u>June 2017</u>	<u>June 2018</u>	<u>June 2019</u>	<u>June 2020</u>
Civilian labor force	172,343	178,823	181,846	182,329	181,181	188,592
Unemployment	10,328	9,807	8,285	8,288	7,915	21,268
Unemployment rate	5.9%	5.4%	4.5%	4.4%	4.4%	11.3%
Total employment	162,015	169,016	173,561	174,041	173,266	167,324
Total nonfarm employment	152,300	156,100	158,500	163,400	164,800	146,400
Percent annual change	3.0%	2.5%	1.5%	3.1%	0.9%	-11.2%

*Source: Oregon Employment Department*

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The unemployment rate increased to 11.3 percent as of June 2020. This is higher than the 8.5 percent unemployment rate during the height of the 2007 – 2009 Great Recession but is slightly lower than the 11.6 percent for the State of Oregon and roughly aligned with the 11.2 percent for the United States as a whole. The June 2020 unemployment rate was 6.9 percentage points higher than for June 2019.

### ***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 Business Plan which is expected to be completed in 2021.

## ***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 how best to invest in the main corridors that connect neighborhoods, shopping areas and places of employment. MovingAhead is a key component to the success of Envision Eugene which prioritizes investments in transit, walking and biking projects in each of five key corridors. Decision on a locally preferred alternative for the project is expected in 2021.
- The District is partnering with the City of Eugene, Lane County and the Oregon Department of Transportation to construct a new station along River Road in the Santa Clara community near Hunsaker. This station is located in one of Eugene's fastest growing neighborhoods and is a key corridor as part of Envision Eugene. The new station will accommodate EmX service, 40-foot and 60-foot buses and will include a Park & Ride. The new facility will reduce operational delays and improve the customer experience while enhancing the surrounding community and connecting about 20,000 residents to over 58,000 jobs. This new station is expected to be operational in early 2021.
- The highest total ridership and ridership growth within our District is on our bus rapid transit (BRT) system. It is an important part of our solution to reduce greenhouse gas emissions as it provides a competitive, reliable alternative to a private vehicle. It also increases social equity by removing barriers to ridership along our frequent transit network. We will continue to invest in this critical service to improve safety, coverage and frequency.
- Public transportation plays an important role in combatting climate change and helping Oregon to achieve its 75% reduction in greenhouse gas emissions by 2050. In addition to getting people out of their single occupancy vehicles and increasing public transit ridership, LTD has been reducing our fleet's greenhouse gas emissions and consumption of fossil fuels through our fleet procurement plan. By 2024, 25 of our buses will be all electric. In addition, LTD is exploring emerging technologies and alternative clean or renewable fuels with a goal of phasing out 100% of our fossil fuel fleet by 2035.
- The Main Street-McVay Study is a partnership with the City of Springfield and the Oregon Department of Transportation. The goal of this project is to identify longer-term improvements that will facilitate high quality, efficient, & safe transportation that connects the Springfield station, the Thurston area and Lane Community College.
- The District's local Statewide Transportation Improvement Fund (STIF) plan is in the process of being reviewed by the STIF advisory committee. This plan includes projects that: 1) improve public transportation between communities, 2) provide rural community access to the metropolitan areas, 2) increase transit subsidies to low income households, 3) reduce greenhouse gas emissions, 4) provide free k-12 student transit

passes, 5) enables multi-modal mobility solutions and 6) address the increase in demand for demand-response and paratransit services.

- The future of transit is a convenient, multi-modal system. In preparation for that future, LTD has added electronic fare collection on all fixed route, not bus rapid transit (BRT) services. Electronic fares improve the reliability and convenience over paper bus passes. To complete the rollout, the District will be adding electronic fare collection on its BRT system in the near future.

### **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, 2018 and 2019. 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, 2020, 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,



Aurora Jackson  
General Manager

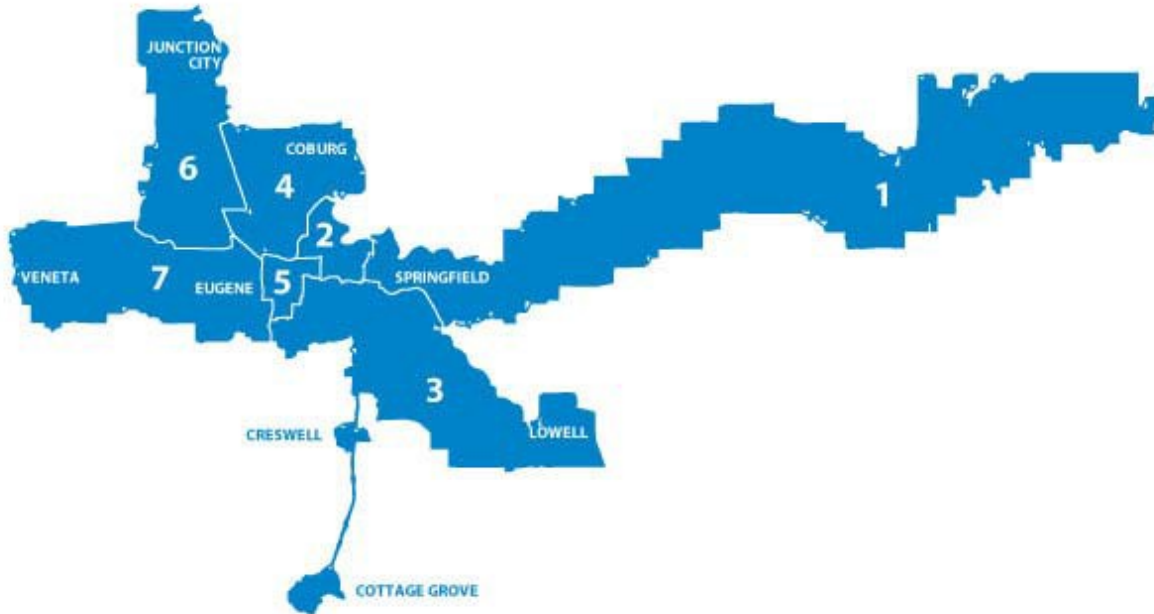


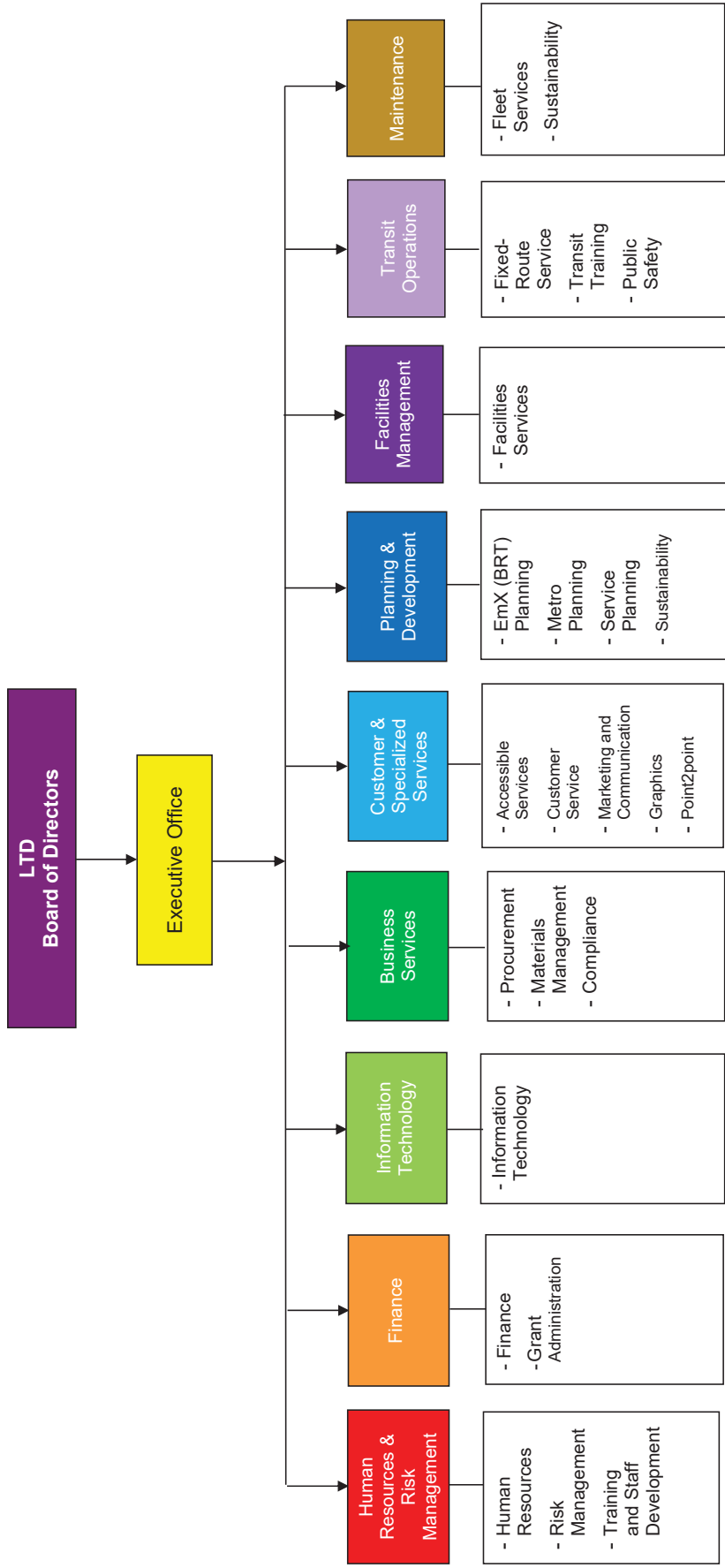
Christina Shew, CPA  
Director of Finance

# LTD Board of Directors

(Four-year Terms)

	<u>Sub-District</u>	<u>Term Expiration</u>
Steven Yett	1	12/31/21
Carl Yeh, President	2	12/31/20
Don Nordin, Treasurer	3	12/31/22
Emily Secord	4	12/31/22
Joshua Skov, Secretary	5	12/31/21
Caitlin Vargas	6	12/31/22
Vacant	7	12/31/20







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, 2019

*Christopher P. Morill*

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 its fiduciary fund comprised of Lane Transit District Salaried Employee's Retirement Plan Trust Fund as of and for the years ended June 30, 2020 and 2019 and the Amalgamated Transit Union, Local No. 757 Pension Trust Fund as of and for the years ended December 31, 2019 and 2018, 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 its fiduciary fund comprised of Lane Transit District Salaried Employee's Retirement Plan Trust Fund as of June 30, 2020 and 2019, and the Amalgamated Transit Union, Local No. 757 Pension Trust Fund as of December 31, 2019 and 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis pages on 4-14, the schedule of changes in the net pension liability and related ratios on pages 54 and 56, employer contributions on pages 55 and 57, total OPEB liability on page 58, and changes in total OPEB liability on page 59 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 supplementary information on pages 60 through 65 as listed in the table of contents is presented for purposes of additional analysis and is 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 dated December 22, 2020 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 solely 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 the effectiveness of the District's 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 22, 2020, 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.



Ashley Oster, Partner  
for Moss Adams LLP  
Portland, Oregon  
December 22, 2020

**LANE TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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, 2020 and 2019. 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. 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 22-53 of this report.

**LANE TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Financial Summary**

**Net Position**

	<u>District Total</u>			Increase (decrease) 2020-2019	Percentage Change 2020-2019	Increase (decrease) 2019-2018	Percentage Change 2019-2018
	2020	2019	2018				
<b>Assets</b>							
Current assets	\$ 50,149,557	\$ 38,916,289	\$ 39,716,401	\$ 11,233,268	28.9%	\$ (800,112)	-2.0%
Capital assets, net of depreciation	158,549,761	162,507,251	176,573,417	(3,957,490)	-2.4%	(14,066,166)	-8.0%
<b>Total assets</b>	<u>208,699,318</u>	<u>201,423,540</u>	<u>216,289,818</u>	<u>7,275,778</u>	3.6%	<u>(14,866,278)</u>	-6.9%
Deferred Outflows of Resources	4,665,520	6,301,745	3,425,274	(1,636,225)	-26.0%	2,876,471	84.0%
<b>Total assets and deferred outflows of resources</b>	<u>213,364,838</u>	<u>207,725,285</u>	<u>219,715,092</u>	<u>5,639,553</u>	2.7%	<u>(11,989,807)</u>	-5.5%
<b>Liabilities</b>							
Current liabilities	11,471,703	5,932,870	8,629,463	5,538,833	93.4%	(2,696,593)	-31.2%
Noncurrent liabilities	35,558,933	37,147,793	30,342,493	(1,588,860)	-4.3%	6,805,300	22.4%
<b>Total liabilities</b>	<u>47,030,636</u>	<u>43,080,663</u>	<u>38,971,956</u>	<u>3,949,973</u>	9.2%	<u>4,108,707</u>	10.5%
Deferred Inflows of Resources	2,538,142	1,181,933	2,236,492	1,356,209	114.7%	(1,054,559)	-47.2%
<b>Net Position</b>							
Investment in capital assets	158,549,761	162,507,251	176,573,417	(3,957,490)	-2.4%	(14,066,166)	-8.0%
Restricted for Accessible Services, Point2point and Medicaid programs	12,191,184	579,853	1,792,304	11,611,331	2002.5%	(1,212,451)	-67.6%
Unrestricted	(6,944,885)	375,585	140,923	(7,320,470)	-1949.1%	234,662	166.5%
<b>Total net position</b>	<u>163,796,060</u>	<u>163,462,689</u>	<u>178,506,644</u>	<u>333,371</u>	0.2%	<u>(15,043,955)</u>	-8.4%
<b>Total liabilities, deferred inflows of resources and net position</b>	<u>\$ 213,364,838</u>	<u>\$ 207,725,285</u>	<u>\$ 219,715,092</u>	<u>\$ 5,639,553</u>	2.7%	<u>\$ (11,989,807)</u>	-5.5%

**FY20**

The District's total assets increased \$7.3 million. Current assets increased \$11.2 million, predominately from increases to cash and investments. Cash and investments increased in FY20 as expenditures incurred in prior fiscal years against Federal grants that were not fully executed were executed in FY20 allowing reimbursement. In FY20, Federal grant drawdowns totaled \$15.2 million.

The net book value of capital assets decreased \$4 million. This decrease was the result of \$14 million in asset depreciation. In FY20, capital asset additions totaling \$10 million included buses, a new fare management system and shelters. Construction-in-progress increased \$1.7 million due to construction of the Santa Clara Transit Station, which is a new station along River Road in the Santa Clara community. This station is targeted for completion in early 2021.

The District's total liabilities increased \$3.9 million from \$43.1 million to \$47 million. This is largely attributable to changes in current liabilities, which increased primarily due to a \$7.1 million increase in unearned revenue from the Statewide Transportation Improvement Fund (STIF). The first distributions of STIF funds for the program period ending in FY21 were received in FY20. A number of planned service expansion programs have been delayed as a result of COVID-19.

Noncurrent liabilities decreased \$1.6 million. This decrease is due to a decrease in the ATU net pension liability by \$3.3 million which was partially offset by an increase of \$1.6 million in the Salaried Plan net pension liability. The ATU pension liability decrease was due to positive net investment

**LANE TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

income of \$4.7 million. The Salaried Plan pension liability increase was due to a change in the long-term expected rate of return from 6.25 percent in FY19 to 5.50 percent in FY20.

The net OPEB obligation increase of \$.2 million is due to a decrease in the discount rate used to calculate the present value of the benefits from 3.58 percent to 3.50 percent

The net position of the District increased \$.3 million (.2 percent) in FY20, from \$163.5 million to \$163.8 million. Of the \$163.8 million, \$158.5 million is invested in capital assets and the remaining balance is unrestricted or restricted for use in the State Transportation Improvement Fund (STIF), Accessible Services, Medicaid, and Point2point programs.

**FY19**

The District's total assets decreased \$14.9 million. Current assets decreased \$800 thousand, predominately from decreases to grants receivable and accounts receivable. Grants receivable decreased as 2018 included \$1.1 million more in outstanding reimbursement for preventative maintenance than 2019. Significant grants receivables outstanding in FY19 were for the Glenwood facility building and bus lot, EmX West, and the Willow Creek Terminus. Total FY18 accounts receivable included a large outstanding payment in the Medicaid Fund due to the District at year-end, as a result of claims submittal delays. These delays were the result of challenges involved in the implementation of the NOVUS RideSource management software, and have subsequently been resolved.

The net book value of capital assets decreased \$14.1 million. This decrease was the result of asset depreciation. In FY19, construction-in-progress increased \$759,000 due to construction of the Santa Clara Transit Station, which is a new station along River Road in the Santa Clara community. This station is targeted for completion in early 2021.

The District's total liabilities increased \$4.1 million (10.5 percent) in FY19 from \$39 million to \$43.1 million. This is largely attributable to changes in noncurrent liabilities, which increased primarily due to the Amalgamated Transit Union (ATU) net pension liability and the Other Postemployment Benefits (OPEB) liability. The ATU pension liability increase was due to: 1) a change to the mortality tables used from RP-2000 to RP-2014 and 2) a decrease to the long-term expected rate of return from 6.75 percent in FY18 to 6.50 percent in FY19. The net OPEB obligation increase is due to the medical premium increase assumption of 4.25 percent from FY18 to FY19.

Total current liabilities decreased \$2.7 million due to a reduction in accounts payable, predominately due to the EmX West project.

The net position of the District decreased \$15 million (8.4 percent) in FY19, from \$178.5 million to \$163.5 million. Of the \$163.5 million, \$162.5 million is invested in capital assets and the remaining balance is restricted for use in the Accessible Services, Medicaid, and Point2point programs.



**LANE TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

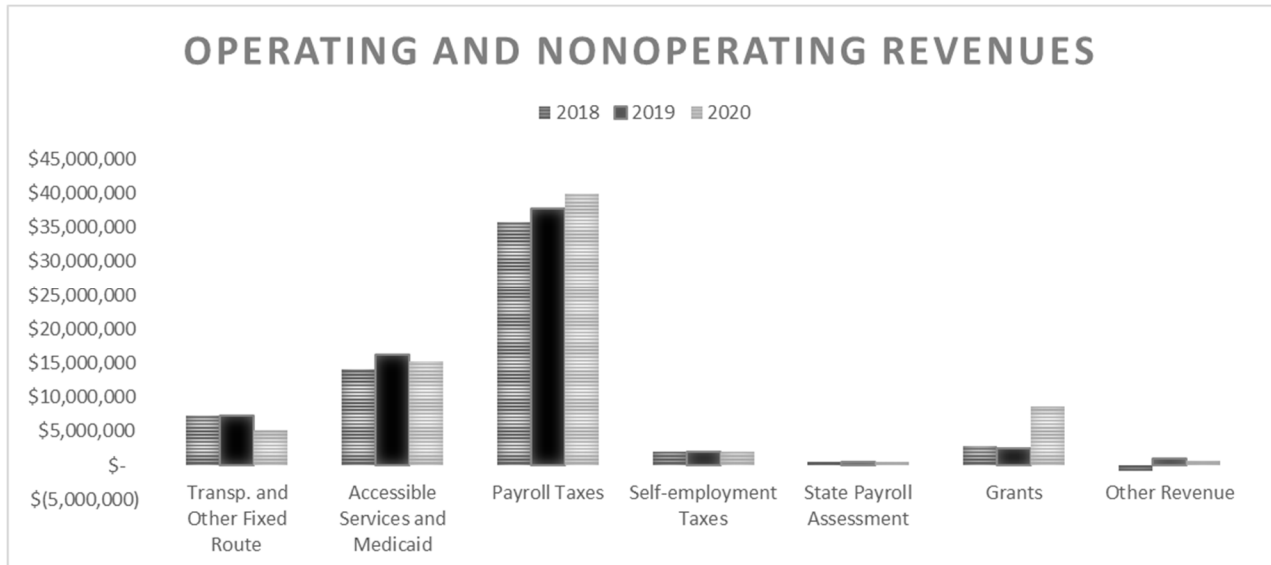
**Statements of Revenues, Expenses, and Changes in Net Position**

	District Total			Increase (decrease) 2020-2019	Percentage Change 2020-2019	Increase (decrease) 2019-2018	Percentage Change 2019-2018
	2020	2019	2018				
Operating Revenues							
Passenger fares	\$ 4,533,611	\$ 6,755,899	\$ 6,839,353	\$ (2,222,288)	-32.89%	\$ (83,454)	-1.22%
Special services	197,114	288,310	229,062	(91,196)	-31.63%	59,248	25.87%
Accessible Services, Point2point, and Medicaid	15,825,212	16,244,867	14,115,229	(419,655)	-2.58%	2,129,638	15.09%
Advertising	366,667	300,000	270,000	66,667	22.22%	30,000	11.11%
Nonoperating Revenues							
Employer payroll tax	39,842,212	37,749,489	35,797,722	2,092,723	5.54%	1,951,767	5.45%
Self-employment tax	2,017,855	1,932,829	2,072,662	85,026	4.40%	(139,833)	-6.75%
State payroll assessment	555,192	439,545	439,600	115,647	26.31%	(55)	-0.01%
Grant revenue	7,876,198	2,487,542	2,825,907	5,388,656	216.63%	(338,365)	-11.97%
Interest	310,904	338,244	167,305	(27,340)	-8.08%	170,939	102.17%
Facility rental and other nonoperating revenues	115,456	263,414	166,934	(147,958)	-56.17%	96,480	57.80%
Miscellaneous income	285,823	375,977	-	(90,154)	NA	375,977	NA
Gain (loss) on disposal of capital assets	-	6,145	(1,066,785)	(6,145)	-100.00%	1,072,930	-100.58%
Total operating and nonoperating revenues	71,926,244	67,182,261	61,856,989	4,743,983	7.06%	5,325,272	8.61%
Operating Expenses							
Personnel services	36,417,695	36,849,484	35,926,313	(431,789)	-1.17%	923,171	2.57%
Materials and services	9,415,470	10,992,464	8,862,305	(1,576,994)	-14.35%	2,130,159	24.04%
Insurance	1,084,094	972,841	1,055,130	111,253	11.44%	(82,289)	-7.80%
Accessible Services, Point2point, and Medicaid	16,922,825	18,697,692	17,118,488	(1,774,867)	-9.49%	1,579,204	9.23%
Depreciation	14,005,049	16,192,571	15,613,426	(2,187,522)	-13.51%	579,145	3.71%
OPEB expense	479,250	2,159,635	-	(1,680,385)	-77.81%	2,159,635	100.00%
Total operating expenses	78,324,383	85,864,687	78,575,662	(7,540,304)	-8.78%	7,289,025	9.28%
(Loss) before contributions	(6,398,139)	(18,682,426)	(16,718,673)	12,284,287	-65.75%	(1,963,753)	11.75%
Capital contributions	6,731,510	3,638,471	17,681,023	3,093,039	85.01%	(14,042,552)	-79.42%
Changes in net position	333,371	(15,043,955)	962,350	15,377,326	-102.22%	(16,006,305)	-1663.25%
Total net position - beginning of period	163,462,689	178,506,644	177,544,294	(15,043,955)	-8.43%	962,350	0.54%
Total net position - end of period	\$ 163,796,060	\$ 163,462,689	\$ 178,506,644	\$ 333,371	0.20%	\$ (15,043,955)	-8.43%

**FY20**

The District's net position increased \$.3 million in FY20 to \$163.8 million. Total revenues were up \$4.7 million (7.1 percent), accompanied by a decrease in total expenses of \$7.5 million (8.8 percent). As a result of the COVID-19 pandemic, the District stopped collecting fares in mid-March to protect the safety of our transit operators resulting in a significant decrease in passenger fare revenue which was not proportionally offset by decreases in expenses. The District has continued to operate modified services since the pandemic began and diverted some operators to sanitizing buses rather than driving. The District was therefore able to reduce some operating material and service costs, but not personnel service costs.

**LANE TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

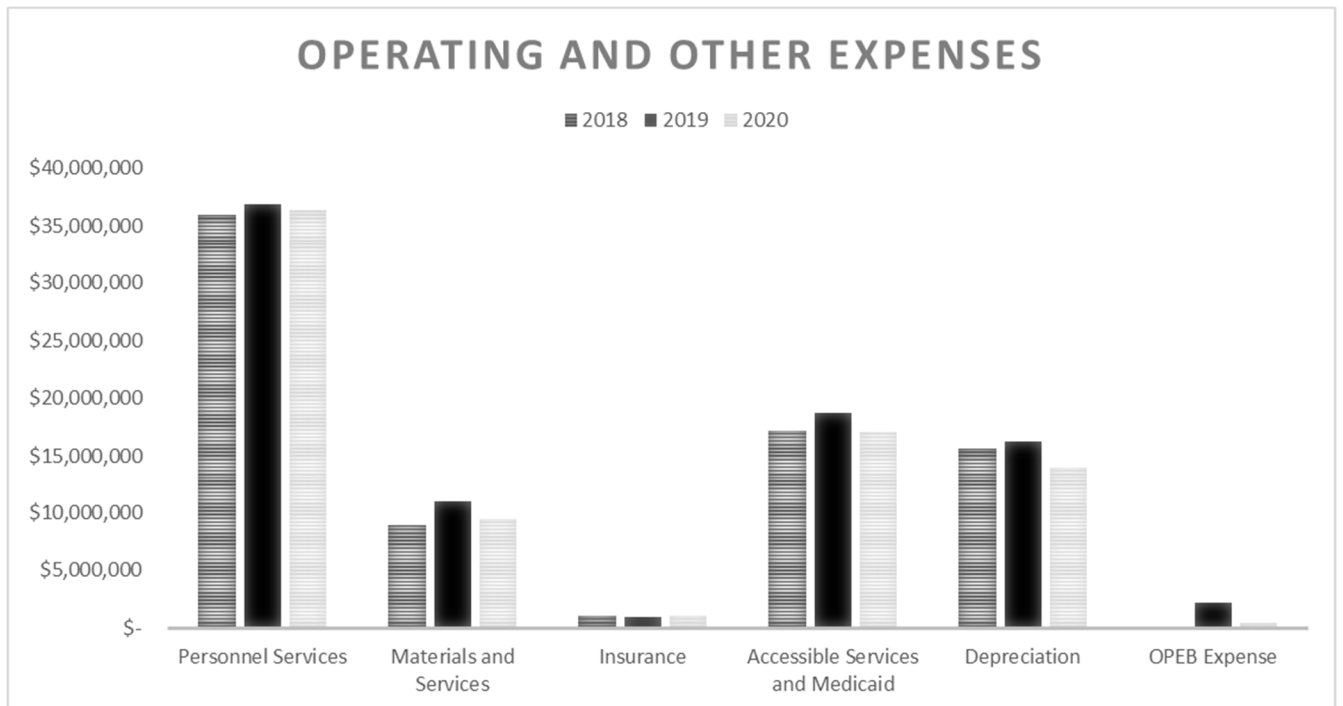


Operating revenues of \$20.9 million reflects a decrease of 11.3 percent in FY20. This decrease was due to COVID-19. All modes of transit were roughly one third of pre-pandemic volume, fares were not being collected, and grant funded programs such as mobility on demand and safe routes to schools were stopped or activity significantly reduced.

Non-operating revenues of \$51 million were up 17 percent in FY20. The increase in non-operating revenues was due to increases in grant revenue of \$5.4 million and payroll tax receipts of \$2.1 million. \$3.8 million of the grant revenue increase was from the Federal Coronavirus Aid Relief and Economic Security (CARES) Act. The remaining increase was for planned Federal 5307 preventative maintenance. Payroll tax receipt favorability is due primarily to a strong and growing economy with record low unemployment prior to the COVID-19 pandemic. Lane county employment prior to the pandemic was 175 thousand (February 2020), up from 173 thousand (June 2019).

Interest is down \$27 thousand due to declining interest rates in FY20.

**LANE TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**



Operating expense of \$78.3 million was down 8.8 percent in FY20. The largest decreases were in materials and services, Medicaid non-emergency medical expenses and depreciation.

Materials and service decreases totaled \$1.6 million as a result of COVID-19 service changes including reductions in fuel and maintenance costs as well as controllable expenses for contracted services, training, travel and one-time discretionary expenditures.

Decreases in Accessible Services, Point2point, and Medicaid of \$1.8 million (9.5 percent) was primarily driven by a decrease in demand for those programs as a result of the COVID-19 pandemic. Ridership declined to one third of pre-pandemic levels starting in March of 2020. The majority of that decrease was from Medicaid non-emergency medical transportation expenses which were down \$1.3 million.

Depreciation is down \$2.2 million (13.5 percent). Rolling stock has a useful life of between 8 and 12 years. A number of vehicles were acquired in 2007 and reached the end of their useful life in FY19 reducing annual depreciation expense by \$1.4 million. The majority of the remaining decrease in depreciation is for other hardware and software with useful lives of 3 years.

Personnel services were roughly flat at \$36.4 million. Contractual ATU wage increases of 2 percent effective July 1, 2019 and 1.4 percent effective January 1, 2020 were offset by reductions in overtime as a result of service changes from the COVID-19 pandemic.

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 increase in capital contributions by \$3.1 million in FY20 is primarily related to rolling stock and to the development of the

**LANE TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Santa Clara Transit Station. Details of capital spending can be found below in the capital assets portion of this analysis.

**FY19**

The District's net position decreased \$15 million in FY19 to \$163.5 million. Total revenues were up \$5.3 million (8.6 percent), accompanied by an increase in total expenses of \$7.3 million (9.3 percent). A decrease in capital contributions and increases in depreciation expense are the primary reasons for the unfavorable change in net position. The increased depreciation is the result of EmX West assets placed into service in September 2017.

Operating revenues of \$23.6 million reflect an increase of 10 percent in FY19. This increase was due to increased costs charged for the Medicaid Fund Trillium nonemergency medical provider services. LTD is reimbursed 100 percent for the qualified costs to provide the nonemergency medical services plus, a per member, per month administrative fee reimbursement.

Non-operating revenues of \$43.6 million were up 7.9 percent in FY19. The increase in non-operating revenues was due to increases in payroll tax receipts. Compared to FY18, payroll tax receipts were higher by \$1.8 million. Favorability is due primarily to an increase in the tax rate in January 2019 and slowed but continued economic growth.

Interest was up \$171,000 (102 percent) due to a higher average cash balance in FY19 and interest rate increases coupled with a change to the banking structure in FY19. The new banking structure is full interest earnings rather than an earnings credit rate, which when not utilized is lost.

Operating expenses of \$85.9 million were up 9.3 percent in FY19. The largest increase is for Medicaid expenses which was up \$1.9 million due to increased costs charged for the Medicaid Fund Trillium nonemergency medical provider services. Medicaid provider payments are reimbursed 100 percent for qualified claims. Non-qualified claims are paid for by a general fund transfer totaling \$92 thousand in FY19. Administrative costs are reimbursed on a negotiated per member per month basis. In FY19 this rate was \$1.35 per member per month. This rate does not fully cover the costs to administer the program. For FY19, 62 percent of administrative cost was reimbursed. The shortage of \$909 thousand was covered by a general fund transfer.

Depreciation was up \$579,000 (3.7 percent). EmX West assets were placed into service in September 2017, which made FY19 the first full year of depreciation for these assets.

Increases in Accessible Services, Point2point, and Medicaid of \$1.6 million (9.2 percent) was primarily driven by both an increase to the cost and an increase in demand for those programs.

Personnel services were up 2.6 percent (\$923,000) as a result of a contractual ATU wage increase of 3 percent.

Materials and services were up \$2.1 million. The largest increase is for a number of projects planning for future transit improvement options, including the MovingAhead and Transit Tomorrow studies. Additional increases are for the Cottage Grove mobility-on-demand pilot, increased costs for fuel, the cost of parts to maintain our aging fleet, and increased costs for our aging infrastructure.

**LANE TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

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 \$14 million in FY19 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.

**Capital Assets**

At June 30, 2020, the District had invested \$158.5 million, net of accumulated depreciation, in a variety of capital assets.

<b>Capital Assets, net of depreciation As of June 30</b>							
	<b>District Total</b>			Increase (decrease) 2020-2019	Percentage Change 2020-2019	Increase (decrease) 2019-2018	Percentage Change 2019-2018
	2020	2019	2018				
Land	\$ 17,612,178	\$ 17,612,178	\$ 17,612,178	\$ -	0.0%	\$ -	0.0%
Freestanding public art	366,917	366,917	366,917	-	0.0%	-	0.0%
Construction in progress	2,490,900	901,964	30,552,357	1,588,936	176.2%	(29,650,393)	-97.0%
Busways	90,062,145	96,503,958	72,872,739	(6,441,813)	-6.7%	23,631,219	32.4%
Rolling stock and related equipment	20,236,350	17,008,961	21,469,722	3,227,389	19.0%	(4,460,761)	-20.8%
Stations, shelters, and bus signs	8,024,574	9,084,882	10,882,501	(1,060,308)	-11.7%	(1,797,619)	-16.5%
Buildings and improvements	16,173,855	17,911,467	19,580,868	(1,737,612)	-9.7%	(1,669,401)	-8.5%
Accessible Services vehicles	1,611,525	1,477,251	725,772	134,274	9.1%	751,479	103.5%
Other equipment and support vehicles	1,971,317	1,639,673	2,510,363	331,644	20.2%	(870,690)	-34.7%
	<u>\$158,549,761</u>	<u>\$ 162,507,251</u>	<u>\$176,573,417</u>	<u>\$ (3,957,490)</u>	<u>-2.4%</u>	<u>\$(14,066,166)</u>	<u>-8.0%</u>

**FY20**

In FY20, the District spent \$10 million for capital acquisition and construction, approximately 69 percent of which was reimbursed by federal and state governments. The reimbursement percentage is down from 89 percent, as the majority of grants were 78 percent grant funded with a few projects this year requiring general funding, the largest being the Green Lane Corner lot improvement which was necessary to complete the Santa Clara Transit station. Of the \$10 million capital additions, \$6.4 million was for rolling stock, including mobility management vehicles; \$1.5 million was associated with the Santa Clara Station; and the remaining investments were in stations and shelters (\$.6 million), a new fare management system (\$.5 million) and other supporting operating equipment. Overall, the District's net position in capital assets decreased by \$4 million, primarily as a result of depreciation.

**FY19**

In FY19, the District spent \$2.1 million for capital acquisition and construction, approximately 89 percent of which was reimbursed by federal and state governments. The reimbursement percentage is up from 81 percent, primarily due to the use of Special Transportation and Federal

**LANE TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Funds in FY19 to purchase accessible service paratransit vehicles. Of the \$2 million spent, \$865,000 was spent for accessible service vehicles and \$674,000 was for activities related to the Santa Clara Transit station. Overall, the District's net position in capital assets decreased by \$14.1 million, primarily as a result of depreciation.

Note 3(d) (page 33) 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 FY21 budget on June 24, 2020. The total adopted budget for FY21 is \$131.9 million, which includes \$112.1 million in total appropriations, an 18.2 percent increase from the FY20 budget. The increase is primarily for partially grant-funded community investments in the Capital Projects and Specialized Services Funds. Fixed route services and general District operating costs budgeted through the District's General Fund are down 8.4 percent. The FY20 adopted budget can be found under "Financials" and "Annual Budget" at: <https://www.ltd.org/financials/>. Budget highlights are listed below:

**Resources:**

- The FY21 budget was developed amidst global economic instability driven by the COVID-19 pandemic, a state of emergency in Oregon which had all non-essential businesses shuttered, historic levels of jobless claims and the demand for transit at record lows. The economic environment was very fluid and there were many unknowns including the length and depth of the recession, if there would be additional government intervention, the timing of a vaccine, the impact to ridership and what short- and long-term changes there would be to ridership patterns and needs.
- For FY21, the majority of the District's non-grant revenue sources were expected to decline, many reducing significantly. The FY21 budget plans to utilize CARES Act dollars to offset COVID-19 costs and revenue shortfalls from the FY20 adopted budget including:
  - **Payroll-type taxes** - Down 25.1 percent (\$9.7 million) inclusive of a 0.01 percent rate increase, which takes effect January 2021.
  - **Cash fares and passes**, including special service programs – Down by \$2.2 million, largely due to COVID-19 transit demand reductions and the move to not collect fares implemented in March 2020 to protect the safety of our transit operators.
  - **Federal Fixing America's Surface Transportation Act formula funding** of \$4.2 million will be replaced with CARES Act funding.
  - **Advertising revenue** - Decline from its pre-COVID-19 estimate by \$45,000 of \$367,000 (the contractual minimum), but will be \$22,000 higher than the FY20 adopted budget
- The youth and low-income fare programs are budgeted at \$1.5 million. The expectation is that these programs will operate as planned in FY21.

**Expenditures:**



**LANE TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

- In light of the COVID-19 pandemic, related economic downturn, and associated short- and long-term impacts on ridership, the District's focus has shifted. We have moved from increasing ridership to providing a safe transit service for the community that provides essential trips while balancing annual non-grant dependent resources with annual operating requirements. To achieve this balance, we made reductions in our FY21 General Fund operating Budget. The District's General Fund is proposed to expend \$47.5 million in FY21 compared to a FY20 adopted budget expenditure of \$51.3 million. Below are the strategies and major factors impacting the expenditure decisions in FY21.
  - The District is operating no greater than 254,000 hours of fixed-route service in FY21 reflecting a reduction in transit-demand. This is a reduction from planned pre-COVID-19 annual projected levels of 291,000 hours.
  - In direct response to the reduced fixed-route service levels and projected reduction in payroll tax revenue, the District has reduced its workforce by 57 full-time equivalents.
  - The FY19 – FY21 Amalgamated Transit Union (ATU) agreement was ratified in April 2018, increasing wages 2 percent on July 1, 2020, and 1.5 percent on January 1, 2021. This contract expires June 30, 2021.
  - Historically, the District's single largest material expenditure line has been Fuel and Lubricants. Fuel costs will decrease from the FY20 budget due to both a reduction in service hours and a significant drop in fuel prices. With the current economic uncertainties, as well as uncontrollable market fluctuations, fuel costs are expected to remain low. The FY20 adopted price per gallon was \$2.75. FY21 price per gallon is projected to be \$1.81.
  - Our second largest expenditure, Parts, has been increasing since FY17, growing \$331,000 from FY19 to FY20. In FY21, Parts will be held to no greater than the FY20 budgeted amount of \$2.1 million.
  - Facilities costs increased \$335,000 from FY18 due to the doubling of the EmX infrastructure. Costs have now stabilized. The FY21 budget will be reduced from the FY20 budgeted amount by \$.3 million.
  - A new electronic fare collection system was implemented in August of 2019. Given the declines in ridership, fare management transaction fees are budgeted at \$100,000.
  - The General Fund transfer to the Medicaid Fund has increased by \$172,000 as a result of increased rides for two coordinated care organizations – Trillium and PacificSource. Historically, the District only provided non-emergency medical transportation (NEMT) service for Trillium.
  - \$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 FY21, \$4.1 million is budgeted to be spent. This new Santa Clara Transit station will accommodate both regular and EmX vehicles, reducing operational delays and improving the customer experience.
  - \$17.6 million of grant funding and local match is allocated to purchase eleven electric buses and 5 EmX buses. All bus purchases will replace vehicles that have reached the end of their useful life.
  - \$2.2 million of grant funding and local match is allocated to make infrastructure updates including but not limited to network, communications, servers, databases, power supplies, workstations, tablets, and agency software

**LANE TRANSIT DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS (Continued)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**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

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## *Basic Financial Statements*

**Lane Transit District  
Statements of Net Position  
June 30, 2020 and 2019**

	2020	2019
<b>Assets</b>		
Current assets		
Cash and investments		
Unrestricted	\$ 15,774,922	\$ 13,446,770
Restricted	9,391,640	1,450,978
Accounts receivable	2,192,022	2,361,695
Taxes receivable	10,010,723	9,598,305
Grants receivable	10,856,372	10,377,079
Inventory of parts and supplies	1,302,337	1,468,097
Prepaid expense	621,541	213,365
Total current assets	50,149,557	38,916,289
Capital assets		
Land	17,612,178	17,612,178
Freestanding public art	366,917	366,917
Construction in progress	2,490,900	901,964
Other capital assets (net of depreciation)	138,079,766	143,626,192
Net capital assets	158,549,761	162,507,251
Total assets	208,699,318	201,423,540
 <b>Deferred outflows of resources</b>		
Deferred outflows - LTD ATU Pension Trust	2,967,541	5,758,763
Deferred outflows - LTD Salaried Employees' Plan	1,124,566	-
Deferred outflows - OPEB	573,413	542,982
Total deferred outflows of resources	4,665,520	6,301,745
 Total assets and deferred outflows of resources	\$ 213,364,838	\$ 207,725,285

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

**Lane Transit District**  
**Statements of Net Position (Continued)**  
**June 30, 2020 and 2019**

	2020	2019
<b>Liabilities</b>		
Accounts payable	\$ 2,504,486	\$ 3,322,472
Accrued payroll	776,854	863,519
Payroll withholdings and taxes	66,997	73,865
Accrued pension	152,460	167,866
Accrued vacation and sick leave	685,677	873,940
Unearned revenue	7,126,872	485,647
Other current liabilities	158,357	145,561
Total current liabilities	11,471,703	5,932,870
 Noncurrent liabilities		
Accrued vacation and sick leave	1,865,852	1,965,086
Total OPEB liability	11,873,234	11,660,678
Net pension liability - LTD ATU Pension Trust	11,836,802	15,165,174
Net pension liability - LTD Salaried Employees' Plan	9,983,045	8,356,855
Total noncurrent liabilities	35,558,933	37,147,793
 Total liabilities	47,030,636	43,080,663
 <b>Deferred inflows of resources</b>		
Deferred inflows - LTD ATU Pension Trust	1,149,618	218,375
Deferred inflows - LTD Salaried Employees' Plan	215,496	87,655
Deferred inflows - OPEB	1,173,028	875,903
Total deferred inflows of resources	2,538,142	1,181,933
 <b>Net position</b>		
Investment in capital assets	158,549,761	162,507,251
Restricted	12,191,184	579,853
Unrestricted	(6,944,885)	375,585
Total net position	163,796,060	163,462,689
 Total liabilities, deferred inflows of resources and net position	\$ 213,364,838	\$ 207,725,285

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, 2020 and 2019**

	2020	2019
Operating revenues		
Passenger fares	\$ 4,533,611	\$ 6,755,899
Special services	197,114	288,310
Accessible Services, Medicaid and Point2Point	15,825,212	16,244,867
Advertising	366,667	300,000
Total operating revenues	<u>20,922,604</u>	<u>23,589,076</u>
Operating Expenses		
Personnel services	36,417,695	36,849,484
Materials and services	9,415,470	10,992,464
Insurance	1,084,094	972,841
Accessible Services, Medicaid and Point2Point	16,922,825	18,697,692
Depreciation	14,005,049	16,192,571
OPEB expense	479,250	2,159,635
Total operating expenses	<u>78,324,383</u>	<u>85,864,687</u>
Operating loss	<u>(57,401,779)</u>	<u>(62,275,611)</u>
Nonoperating Revenues (Expenses)		
Employer payroll tax, net of state administrative fees (2020, \$675,927; 2019, \$622,211)	39,842,212	37,749,489
Self-employment tax, net of state administrative fees (2020, \$107,980; 2019, \$97,791)	2,017,855	1,932,829
State payroll assessment	555,192	439,545
Grant revenue	7,876,198	2,487,542
Interest	310,904	338,244
Facility rental and other nonoperating revenues	115,456	263,414
Miscellaneous income	285,823	375,977
Gain on disposal of capital assets	-	6,145
Total nonoperating revenues	<u>51,003,640</u>	<u>43,593,185</u>
Loss before capital contributions	(6,398,139)	(18,682,426)
Capital contributions		
Federal and state grants for capital acquisition	<u>6,731,510</u>	<u>3,638,471</u>
Changes in net position	<u>333,371</u>	<u>(15,043,955)</u>
Total net position - beginning	163,462,689	178,506,644
Total net position - ending	<u>\$ 163,796,060</u>	<u>\$ 163,462,689</u>

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, 2020 and 2019**

	2020	2019
Cash flows from operating activities		
Cash received from customers	\$ 21,633,205	\$ 25,795,580
Cash paid to suppliers for goods and services	(28,456,145)	(33,142,901)
Cash paid to employees for services	(35,804,423)	(36,225,919)
Cash received from other sources	401,279	639,391
Net cash used for operating activities	(42,226,084)	(42,933,849)
Cash flows from noncapital financing activities		
Employer payroll tax	39,413,406	37,071,417
Self-employment tax	2,017,855	1,932,829
State payroll assessment	555,192	439,545
Federal operating grant	7,876,198	2,487,542
State operating grant	-	-
Net cash provided by noncapital financing activities	49,862,651	41,931,333
Cash flows from capital and related financing activities		
Contribution from federal and state agencies	12,368,902	6,880,580
Proceeds from disposal of capital assets	-	6,145
Acquisition and construction of capital assets	(10,047,558)	(2,126,405)
Net cash used for capital and related financing activities	2,321,344	4,760,320
Cash flows from investing activities		
Interest receipts	310,904	338,244
Net change in cash and cash equivalents	10,268,815	4,096,048
Cash and cash equivalents, beginning of the year	14,897,748	10,801,700
Cash and cash equivalents, end of the year	\$ 25,166,563	\$ 14,897,748
Reconciliation of operating loss to net cash used for operating activities:		
Operating loss	(57,401,779)	(62,275,611)
Cash provided by rental activities	115,456	263,414
Miscellaneous income	285,823	375,977
Adjustments to reconcile operating loss to net cash used for operating activities		
Depreciation	14,005,049	16,192,571
Change in net pension liability and related deferred inflows and outflows	1,023,558	621,625
Change in net OPEB liability and related deferred inflows and outflows	479,250	2,159,635
Change in accounts receivable	710,601	2,206,504
Change in inventory of parts and supplies	165,760	(356,830)
Change in prepaid expenses	(408,176)	(22,360)
Change in deposits	-	20,000
Change in accounts payable	(817,986)	(2,089,542)
Change in accrued payroll and related liabilities	(410,286)	(18,060)
Change in other current liabilities	26,646	(11,172)
	\$ (42,226,084)	\$ (42,933,849)

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**

	<b>Pension Trust Funds As of June 30, 2020</b>	<b>Pension Trust Funds As of June 30, 2019</b>
<b>Assets</b>		
Cash		
Cash and cash equivalents	\$ 706,807	\$ 1,488,057
Investments		
Shares of registered investment companies	52,395,169	46,490,701
Total Assets	<u>53,101,976</u>	<u>47,978,758</u>
<b>Liabilities</b>		
Accrued expenses	<u>7,423</u>	<u>6,341</u>
<b>Fiduciary Net Position - Restricted for Pensions</b>	<u><u>\$ 53,094,553</u></u>	<u><u>\$ 47,972,417</u></u>

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

	<b>Pension Trust Funds For the Year Ended June 30, 2020</b>	<b>Pension Trust Funds For the Year Ended June 30, 2019</b>
<b>Additions</b>		
Employer contributions	<u>\$ 4,333,913</u>	<u>\$ 4,401,841</u>
Net change in fair value of investments	4,356,351	(1,993,364)
Interest, dividends and other income	977,760	1,181,483
Investment expenses	(160,518)	(153,507)
Net investment income (loss)	<u>5,173,593</u>	<u>(965,388)</u>
Total Additions	<u>9,507,506</u>	<u>3,436,453</u>
<b>Deductions</b>		
Benefits paid to participants	4,287,681	3,854,238
Administrative expenses	<u>97,689</u>	<u>136,951</u>
Total deductions	<u>4,385,370</u>	<u>3,991,189</u>
Net increase (decrease) in fiduciary net position	5,122,136	(554,736)
<b>Fiduciary Net Position - Restricted for Pensions Beginning of the year</b>	<u>47,972,417</u>	<u>48,527,153</u>
<b>Fiduciary Net Position - Restricted for Pensions End of the year</b>	<u><u>\$ 53,094,553</u></u>	<u><u>\$ 47,972,417</u></u>

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

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

	<b>Amalgamated Transit Union, Local No. 757 Pension Trust Fund As of December 31, 2019</b>	<b>Lane Transit District Salaried Employee's Retirement Plan Trust Fund As of June 30, 2020</b>	<b>Total June 30, 2020</b>
<b>Assets</b>			
Cash			
Cash and cash equivalents	\$ 320,598	\$ 386,209	\$ 706,807
Investments			
Shares of registered investment companies	32,302,784	20,092,385	52,395,169
<b>Total Assets</b>	<b>32,623,382</b>	<b>20,478,594</b>	<b>53,101,976</b>
<b>Liabilities</b>			
Accrued expenses	7,423	-	7,423
<b>Fiduciary Net Position - Restricted for Pensions</b>	<b>\$ 32,615,959</b>	<b>\$ 20,478,594</b>	<b>\$ 53,094,553</b>

	<b>Amalgamated Transit Union, Local No. 757 Pension Trust Fund As of December 31, 2018</b>	<b>Lane Transit District Salaried Employee's Retirement Plan Trust Fund As of June 30, 2019</b>	<b>Total June 30, 2019</b>
<b>Assets</b>			
Cash			
Cash and cash equivalents	\$ 908,614	\$ 579,443	\$ 1,488,057
Investments			
Shares of registered investment companies	26,960,518	19,530,183	46,490,701
<b>Total Assets</b>	<b>27,869,132</b>	<b>20,109,626</b>	<b>47,978,758</b>
<b>Liabilities</b>			
Accrued expenses	6,341	-	6,341
<b>Fiduciary Net Position - Restricted for Pensions</b>	<b>\$ 27,862,791</b>	<b>\$ 20,109,626</b>	<b>\$ 47,972,417</b>

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

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

	<b>Amalgamated Transit Union, Local No. 757 Pension Trust Fund</b>	<b>Lane Transit District Salaried Employee's Retirement Plan Trust Fund</b>	<b>Total</b>
	<b>For the Year Ended December 31, 2019</b>	<b>For the Year Ended June 30, 2020</b>	<b>For the Year Ended June 30, 2020</b>
<b>Additions</b>			
Employer contributions	\$ 2,850,360	\$ 1,483,553	\$ 4,333,913
Investment income			
Net change in fair value of investments	4,152,057	204,294	4,356,351
Interest, dividends and other income	608,556	369,204	977,760
Investment expenses	(103,069)	(57,449)	(160,518)
Net investment income	4,657,544	516,049	5,173,593
Total Additions	7,507,904	1,999,602	9,507,506
<b>Deductions</b>			
Benefits paid to participants	2,706,819	1,580,862	4,287,681
Administrative expenses	47,917	49,772	97,689
Total deductions	2,754,736	1,630,634	4,385,370
Net increase in fiduciary net position	4,753,168	368,968	5,122,136
<b>Fiduciary Net Position - Restricted for Pensions Beginning of the year</b>	27,862,791	20,109,626	47,972,417
<b>Fiduciary Net Position - Restricted for Pensions End of the year</b>	\$ 32,615,959	\$ 20,478,594	\$ 53,094,553

	<b>Amalgamated Transit Union, Local No. 757 Pension Trust Fund</b>	<b>Lane Transit District Salaried Employee's Retirement Plan Trust Fund</b>	<b>Total</b>
	<b>For the Year Ended December 31, 2018</b>	<b>For the Year Ended June 30, 2019</b>	<b>For the Year Ended June 30, 2019</b>
<b>Additions</b>			
Employer contributions	\$ 2,895,674	\$ 1,506,167	\$ 4,401,841
Investment income			
Net change in fair value of investments	(2,494,632)	501,268	(1,993,364)
Interest, dividends and other income	718,357	463,126	1,181,483
Investment expenses	(95,196)	(58,311)	(153,507)
Net investment income	(1,871,471)	906,083	(965,388)
Total Additions	1,024,203	2,412,250	3,436,453
<b>Deductions</b>			
Benefits paid to participants	2,470,766	1,383,472	3,854,238
Administrative expenses	97,473	39,478	136,951
Total deductions	2,568,239	1,422,950	3,991,189
Net increase in fiduciary net position	(1,544,036)	989,300	(554,736)
<b>Fiduciary Net Position - Restricted for Pensions Beginning of the year</b>	29,406,827	19,120,326	48,527,153
<b>Fiduciary Net Position - Restricted for Pensions End of the year</b>	\$ 27,862,791	\$ 20,109,626	\$ 47,972,417

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

# **LANE TRANSIT DISTRICT**

## **Notes to Basic Financial Statements**

### **Years Ended June 30, 2020 and 2019**

#### **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 personnel 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, Specialized 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 0.75 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 trueed 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 Specialized Services, Point2point and Medicaid programs, along with State Transportation Improvement Funding (STIF) which is used for various projects.

### **(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.

Fixed route 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. Demand Response 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 Net 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 Net 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. Tax collections for the State Transportation Improvement Fund (STIF) are received quarterly in advance. STIF unearned revenue represents the portion of those payments that have not yet been spent on the approved projects.

### (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. 95 – Postponement of the Effective Dates of Certain Authoritative Guidance.* This statement postponed the effective date of certain provisions in statements and implementation guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018. This statement provides temporary relief to governments and other stakeholders due to the COVID-19 pandemic. The District will defer implementation of the statements and implementation guides as provided for in this statement.

## 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 specialized 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.
- **Specialized Services Fund:** This fund is used to account for the financial resources received primarily from federal and state grants restricted to use for specialized 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.
- **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.

## 2. Stewardship, Compliance, and Accountability (Continued)

- **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 Specialized 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 include 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 May 2020, the Board adopted an amendment to the budget necessitated by COVID-19.

### (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>2020</u>	% of portfolio	<u>2019</u>	% of portfolio
<u>Cash and investments</u>				
Cash on hand	\$ 4,485	0.0%	\$ 4,550	0.0%
Demand deposits with financial institutions	5,032,639	20.0%	1,366,971	9.2%
Oregon local government investment pool	<u>20,129,438</u>	80.0%	<u>13,526,227</u>	90.8%
Total cash and investments	<u>\$ 25,166,562</u>		<u>\$ 14,897,748</u>	

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

<u>Cash and investments</u>		
Unrestricted	\$ 15,774,922	\$ 13,446,770
Restricted	<u>9,391,640</u>	<u>1,450,978</u>
Total cash and investments	<u>\$ 25,166,562</u>	<u>\$ 14,897,748</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, 2020 and 2019 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 an 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, 2020, 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>2020</u>	<u>2019</u>
Passenger fares	\$ 549,019	\$ 588,985
Medicaid reimbursement	841,943	1,128,456
Medicaid nonmedical reimbursement	524,540	309,113
Medicaid developmental disability reimbursement	252,182	333,906
Miscellaneous	24,337	1,235
Net total accounts receivable	<u>\$ 2,192,022</u>	<u>\$ 2,361,695</u>

### 3. Detail Notes (Continued)

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

	2020	2019
Employer payroll taxes	\$ 9,107,263	\$ 9,429,339
Self-employment taxes	801,200	50,319
State-in-lieu	102,260	118,648
Total unrestricted	<u>\$ 10,010,723</u>	<u>\$ 9,598,306</u>

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

	2020	2019
Restricted federal grants	\$ 8,969,326	\$ 8,534,222
Restricted state grants	575,585	523,689
Total Restricted grants	9,544,911	9,057,911
Grants restricted for Accessible Services, Medicaid, and Point2Point	1,311,461	1,319,168
Total grants receivable	<u>\$ 10,856,372</u>	<u>\$ 10,377,079</u>

#### (c) Restricted Assets

Restricted assets consist of current assets that are restricted for Specialized Services, Point2point and Medicaid programs, along with State Transportation Improvement Fund projects.

The components of the restricted assets, liabilities payable from restricted assets, and restricted net positions as of June 30, 2020, were as follows:

	Specialized Services, Medicaid and Point2point	Capital Projects	General Fund	Total
Restricted assets				
Cash and investments	\$ 1,339,646	\$ 919,244	\$ 7,132,751	\$ 9,391,640
Accounts receivable	263,921	29,229	-	293,150
Federal and state grants receivable	1,311,461	5,332,654	4,212,257	10,856,372
Total restricted assets	<u>2,915,028</u>	<u>6,281,127</u>	<u>11,345,008</u>	<u>20,541,162</u>
Liabilities payable from restricted assets				
Accounts payable	\$ (1,190,648)	\$ -	\$ (8,770)	\$ (1,199,418)
Unearned revenue	(17,810)	-	(7,132,751)	(7,150,561)
Total liabilities payable from restricted assets	<u>(1,208,458)</u>	<u>-</u>	<u>(7,141,521)</u>	<u>(8,349,978)</u>
Total net restricted assets	<u>\$ 1,706,570</u>	<u>\$ 6,281,127</u>	<u>\$ 4,203,487</u>	<u>\$ 12,191,184</u>

### 3. Detail Notes (Continued)

The components of the restricted assets, liabilities payable from restricted assets, and restricted net positions as of June 30, 2019, were as follows:

	Accessible Services and Medicaid	Capital Projects	Total
Restricted assets			
Cash and investments	\$ -	\$ 589,604	\$ 589,604
Accounts receivable	1,462,862	-	1,462,862
Federal and state grants receivable	1,319,168	-	1,319,168
Total restricted assets	<u>2,782,030</u>	<u>589,604</u>	<u>3,371,634</u>
Liabilities payable from restricted assets			
Accounts payable	\$ (1,617,523)	\$ (855,832)	\$(2,473,355)
Deposits	-	(5,541)	(5,541)
Unearned revenue	<u>(148,998)</u>	<u>(163,887)</u>	<u>(312,885)</u>
Total liabilities payable from restricted assets	<u>(1,766,521)</u>	<u>(1,025,260)</u>	<u>(2,791,781)</u>
Total net restricted assets	<u>\$ 1,015,509</u>	<u>\$ (435,656)</u>	<u>\$ 579,853</u>

### 3. Detail Notes (Continued)

#### (d) Capital Assets

Major classes of capital assets and accumulated depreciation as of June 30, 2020 and 2019:

	Balance				Balance
	June 30, 2019	Additions	Deletions	Transfers	June 30, 2020
Capital assets not being depreciated:					
Land	\$ 17,612,178	\$ -	\$ -	\$ -	\$ 17,612,178
Public art	366,917	-	-	-	366,917
Construction in progress	901,964	1,647,409	-	(58,473)	2,490,900
Total capital assets not being depreciated	18,881,059	1,647,409	-	(58,473)	20,469,995
Capital assets being depreciated:					
Busways	129,166,905	107,899	-	-	129,274,804
Rolling stock and related equipment	64,905,520	6,109,676	(5,101,799)	-	65,913,397
Stations, shelters, and bus signs	26,381,473	525,600	-	58,473	26,965,546
Buildings and improvements	47,426,049	162,796	-	-	47,588,845
Accessible Services vehicles	6,257,565	281,400	(856,418)	-	5,682,547
Other equipment and support vehicles	15,904,896	1,212,779	(39,275)	-	17,078,400
Total capital assets being depreciated	290,042,408	8,400,150	(5,997,492)	58,473	292,503,539
Less accumulated depreciation for:					
Busways	32,662,947	6,549,712	-	-	39,212,659
Rolling stock and related equipment	47,896,559	2,882,288	(5,101,799)	-	45,677,048
Stations, shelters, and bus signs	17,296,591	1,644,381	-	-	18,940,972
Buildings and improvements	29,514,582	1,900,408	-	-	31,414,990
Accessible Services vehicles	4,780,314	147,125	(856,418)	-	4,071,021
Other equipment and support vehicles	14,265,223	881,135	(39,275)	-	15,107,083
Total accumulated depreciation	146,416,216	14,005,049	(5,997,492)	-	154,423,773
Total capital assets being depreciated, net	143,626,192	(5,604,899)	-	58,473	138,079,766
Total capital assets, net	\$ 162,507,251	\$ (3,957,490)	\$ -	\$ -	\$ 158,549,761



### 3. Detail Notes (Continued)

	Balance				Balance
	June 30, 2018	Additions	Deletions	Transfers	June 30, 2019
Capital assets not being depreciated:					
Land	\$ 17,612,178	\$ -	\$ -	\$ -	\$ 17,612,178
Public art	366,917	-	-	-	366,917
Construction in progress	30,552,357	759,106	-	(30,409,499)	901,964
Total capital assets not being depreciated	48,531,452	759,106	-	(30,409,499)	18,881,059
Capital assets being depreciated:					
Busways	98,993,222	-	-	30,173,683	129,166,905
Rolling stock and related equipment	64,905,520	-	-	-	64,905,520
Stations, shelters, and bus signs	26,402,484	-	-	(21,011)	26,381,473
Buildings and improvements	47,173,936	-	-	252,113	47,426,049
Accessible Services vehicles	5,265,851	1,139,787	(62,523)	(85,550)	6,257,565
Other equipment and support vehicles	15,560,820	227,512	(5,651)	122,215	15,904,896
Total capital assets being depreciated	258,301,833	1,367,299	(68,174)	30,441,450	290,042,408
Less accumulated depreciation for:					
Busways	26,120,483	6,542,967	-	(503)	32,662,947
Rolling stock and related equipment	43,435,798	4,460,761	-	-	47,896,559
Stations, shelters, and bus signs	15,519,983	1,776,608	-	-	17,296,591
Buildings and improvements	27,593,068	1,921,012	-	502	29,514,582
Accessible Services vehicles	4,540,079	379,752	(62,523)	(76,994)	4,780,314
Other equipment and support vehicles	13,050,457	1,111,471	(5,651)	108,946	14,265,223
Total accumulated depreciation	130,259,868	16,192,571	(68,174)	31,951	146,416,216
Total capital assets being depreciated, net	128,041,965	(14,825,272)	-	30,409,499	143,626,192
Total capital assets, net	\$ 176,573,417	\$ (14,066,166)	\$ -	\$ -	\$ 162,507,251

Depreciation expense was \$14,005,048 and \$16,192,571, for fiscal years ended June 30, 2020 and 2019, 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>2020</u>	<u>2019</u>
Accrued vacation and sick leave payable at beginning of period	\$ 2,839,026	\$ 2,874,907
Total vacation accrued for period	1,368,277	1,639,342
Total sick leave accrued for period	404,507	691,989
Total vacation taken for period	(1,510,913)	(1,609,226)
Total sick leave taken for period	(486,763)	(668,222)
Total sick leave lost for period	<u>(62,605)</u>	<u>(89,764)</u>
Accrued vacation and sick leave payable at end of period	<u>\$ 2,551,529</u>	<u>\$ 2,839,026</u>
Vacation time - union-represented employees	\$ 1,008,440	\$ 1,111,936
Combined annual leave - nonunion employees	672,747	711,887
Sick leave - union-represented employees	516,431	582,378
Extended illness bank - nonunion employees	<u>353,911</u>	<u>432,825</u>
Total accrued vacation and sick leave	<u>\$ 2,551,529</u>	<u>\$ 2,839,026</u>
Current portion vacation and sick leave	\$ 685,677	\$ 873,940
Noncurrent vacation and sick leave	<u>1,865,852</u>	<u>1,965,086</u>
Total	<u>\$ 2,551,529</u>	<u>\$ 2,839,026</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)**

The Lane Transit District Salaried Employee's Retirement Plans' (LTDSP) financial statements and required supplementary information for the LTDSP is included on pages 20 and 21 of the Lane Transit District comprehensive annual financial report. LTDSP does not issue stand-alone financial statements.

##### *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

#### 4. Other Information (Continued)

calendar months of employment. For the years ended June 30, 2020 and 2019, employer contributions to this plan recognized as expense were \$231,269 and \$200,616, respectively.

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

##### *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	82
Inactive employees entitled to but not yet receiving benefits (including transfers to the ATU Plan)	40
Active employees	<u>36</u>
	<u>158</u>

##### *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, 2020:

	Balance at June 30, 2020	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:				
Cash and Equivalents	\$ 386,209	\$ 386,209	\$ -	\$ -
Mutual Funds - Fixed income	4,685,377	-	4,685,377	-
Mutual Funds - Equities	11,538,197	-	11,538,197	-
Mutual Funds - Balanced	3,868,811	-	3,868,811	-
Total Fair Value of Investments	<u>\$ 20,478,594</u>	<u>\$ 386,209</u>	<u>\$ 20,092,385</u>	<u>\$ -</u>

#### 4. Other Information (Continued)

Of the \$19,530,183 in LTDSP Pension Trust investments at June 30, 2019, a significant portion was also invested in Level 2 mutual funds.

##### *Net Pension Liability*

The District's net pension liability for the LTDSP Part 1 at June 30, 2020, 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, 2019.

##### *Actuarial Methods and Assumptions*

The total pension liability in the July 1, 2019, 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	5.50%
Mortality	Pri-2012 Mortality Tables with White Collar adjustment with generational projection using MP-2019 mortality improvement projection scales starting at the 2012 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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Domestic Equity	31.0%	7.30%
International Equity	24.0%	9.70%
Fixed Income	25.0%	2.50%
Real Return (all asset strategies)	10.0%	5.00%
Global Tactical Asset Allocation (GTAA)	10.0%	5.50%
Total	<u>100.0%</u>	

##### *Discount Rate*

The discount rate used to measure the total pension liability was 5.50 percent, down from 6.25 percent in the previous valuation. 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.

#### 4. Other Information (Continued)

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.

##### Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
<b>Balances at 6/30/19</b>	\$ 28,466,481	\$ 20,109,626	\$ 8,356,855
<b>Changes for the year:</b>			
Service cost	348,035	-	348,035
Interest	1,751,505	-	1,751,505
Economic/demographic (gains)	(484,865)	-	(484,865)
Changes of assumptions	1,961,345	-	1,961,345
Employer contributions	-	1,483,553	(1,483,553)
Net investment income	-	546,424	(546,424)
Benefit payments	(1,580,862)	(1,580,862)	-
Administrative expense	-	(80,147)	80,147
<b>Net changes</b>	<u>1,995,158</u>	<u>368,968</u>	<u>1,626,190</u>
<b>Balances at 6/30/20</b>	<u>\$ 30,461,639</u>	<u>\$ 20,478,594</u>	<u>\$ 9,983,045</u>

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
<b>Balances at 6/30/18</b>	\$ 27,855,215	\$ 19,126,245	\$ 8,728,970
<b>Changes for the year:</b>			
Service cost	396,714	-	396,714
Interest	1,718,740	-	1,718,740
Employer contributions	-	1,506,168	(1,506,168)
Net investment income	-	1,051,294	(1,051,294)
Benefit payments	(1,504,188)	(1,504,188)	-
Administrative expense	-	(69,893)	69,893
<b>Net changes</b>	<u>611,266</u>	<u>983,381</u>	<u>(372,115)</u>
<b>Balances at 6/30/19</b>	<u>\$ 28,466,481</u>	<u>\$ 20,109,626</u>	<u>\$ 8,356,855</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 for the years ended June 30, 2020 and 2019. The District makes an additional level dollar contribution to further reduce the unfunded accrued liability. For the years ended June 30, 2020 and 2019, that amount was \$1,056,619.

#### 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 5.50 percent for 2020, down from a discount rate of 6.25 percent for 2019, 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:

	<b>Net Pension Liability</b>	
2020		
1% decrease (4.50%)	\$	13,452,838
Current discount rate (5.50%)		9,983,045
1% increase (6.50%)		7,053,193
2019		
1% decrease (5.25%)	\$	11,565,126
Current discount rate (6.25%)		8,356,855
1% increase (7.25%)		5,647,103

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

For the years ended June 30, 2020 and 2019, the District recognized pension expense of \$2,113,018 and \$1,644,645, 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):

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
2020		
Differences between expected and actual experience	\$ -	\$ (215,496)
Changes in assumptions or inputs	871,709	-
Net difference between projected and actual earnings	<u>252,857</u>	<u>-</u>
Total	<u>\$ 1,124,566</u>	<u>\$ (215,496)</u>
2019		
Net difference between projected and actual earnings	\$ -	(87,655)
Total	<u>\$ -</u>	<u>\$ (87,655)</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 June 30,		
2021	\$	569,377
2022		89,409
2023		139,339
2024		110,945
	\$	<u>909,070</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, 2020 and 2019, employer contributions recognized as expense were \$342,785 and \$307,773, 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**

The Amalgamated Transit Union, Local No. 757 Pension Trust Fund (ATU) financial statements and required supplementary information for the ATU is included on pages 20 and 21 of the Lane Transit District comprehensive annual financial report. ATU does not issue stand-alone financial statements.

##### *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



#### 4. Other Information (Continued)

(or designee) of the ATU, Local No. 757; an ATU, Local No. 757 member; and an executive board officer of ATU, Local No. 757.

##### *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	244
Inactive employees entitled to but not yet receiving benefits	58
Active employees	240
	<hr/>
	542

#### 4. Other Information (Continued)

##### *Net Pension Liability*

The District's net pension liability for the LTD ATU Pension Trust at June 30, 2020, was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018.

##### *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, 2019:

	Balance at December 31, 2019	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:				
Cash and Equivalents	\$ 320,598	\$ 320,598	\$ -	\$ -
Mutual Funds - Fixed income	7,212,003	-	7,212,003	-
Mutual Funds - Equities	18,654,219	-	18,654,219	-
Mutual Funds - Balanced	6,416,132	-	6,416,132	-
Miscellaneous	20,430	-	20,430	-
	<u>\$ 32,623,382</u>	<u>\$ 320,598</u>	<u>\$ 32,302,784</u>	<u>\$ -</u>

Of the \$26,960,518 in LTD ATU Pension Trust investments at December 31, 2018, 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, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation Rate	2.50%
Salary increases	3.00%
Future benefit rate increases	3.00%
Investment rate of return, net	6.50%
Mortality	RP-2014 Combined Mortality with Blue Collar Adjustment, generational projection using MP-2017 starting at the 2006 base year, and a one-year set-forward

Ad hoc cost-of-living adjustments are provided to members and beneficiaries at the discretion of the trustees. The trustees last adopted an ad hoc increase of 2 percent on January 1, 2006.

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:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Domestic Equity	31.0%	7.30%
International Equity	24.0%	9.70%
Fixed Income	25.0%	2.50%
Real Return (all asset strategies)	10.0%	5.00%
Global Tactical Asset Allocation (GTAA)	10.0%	5.50%
Total	<u>100.0%</u>	

##### *Discount Rate*

The discount rate used to measure the total pension liability was 6.50 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
<b>Balances at December 31, 2018</b>	\$ 43,034,306	\$ 27,869,132	\$ 15,165,174
<b>Changes for the year:</b>			
Service cost	1,329,592	-	1,329,592
Interest	2,795,682	-	2,795,682
Employer contributions	-	2,850,360	(2,850,360)
Net investment income	-	4,707,038	(4,707,038)
Benefit payments	(2,706,819)	(2,706,819)	-
Administrative expense	-	(103,752)	103,752
<b>Net changes</b>	<u>1,418,455</u>	<u>4,746,827</u>	<u>(3,328,372)</u>
<b>Balances at December 31, 2019</b>	<u>\$ 44,452,761</u>	<u>\$ 32,615,959</u>	<u>\$ 11,836,802</u>

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
<b>Balances at December 31, 2017</b>	\$ 39,548,178	\$ 29,412,605	\$ 10,135,573
<b>Changes for the year:</b>			
Service cost	1,021,112	-	1,021,112
Interest	2,655,520	-	2,655,520
Employer contributions	-	2,895,673	(2,895,673)
Net investment income	-	(1,845,557)	1,845,557
Benefit payments	(2,456,503)	(2,456,503)	-
Administrative expense	-	(137,086)	137,086
Effect of economic/demographic (gains) or losses	73,889	-	73,889
Effect of assumptions changes or inputs	2,192,110	-	2,192,110
<b>Net changes</b>	<u>3,486,128</u>	<u>(1,543,473)</u>	<u>5,029,601</u>
<b>Balances at December 31, 2018</b>	<u>\$ 43,034,306</u>	<u>\$ 27,869,132</u>	<u>\$ 15,165,174</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 \$5.69 and \$5.44 for the years ended December 31, 2019 and 2018, 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 6.50 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:

	<b>Net Pension Liability</b>	
	<b>2020</b>	<b>2019</b>
1% decrease (5.50%)	\$ 16,381,404	\$ 19,564,761
Current discount rate (6.50%)	11,836,802	15,165,174
1% increase (7.50%)	7,945,249	11,397,798

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

For the years ended December 31, 2019 and 2018, the District recognized pension expense of \$3,246,357 and \$3,356,992 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
2019		
Differences between expected and actual experience	\$ 43,731	\$ (81,891)
Changes in assumptions or inputs	1,525,995	-
Net difference between projected and actual earnings	-	(1,067,727)
Total (prior to post-measurement date contributions)	1,569,726	(1,149,618)
Contributions made subsequent to the measurement date	1,397,815	
Total	<u>\$ 2,967,541</u>	<u>\$ (1,149,618)</u>
2018		
Differences between expected and actual experience	\$ 58,810	\$ (218,375)
Changes in assumptions or inputs	2,354,404	-
Net difference between projected and actual earnings	1,949,638	-
Total (prior to post-measurement date contributions)	4,362,852	(218,375)
Contributions made subsequent to the measurement date	1,395,911	
Total	<u>\$ 5,758,763</u>	<u>\$ (218,375)</u>

#### 4. Other Information (Continued)

Deferred outflows of resources related to pensions of \$1,397,815 resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the plan year ending December 31, 2020. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense/(income) as follows:

Year ended December 31,	
2020	\$ 282,348
2021	125,816
2022	590,795
2023	(578,851)
	<u>\$ 420,108</u>

Aggregate Deferred Inflows, Deferred Outflows, Net Pension Liability, and Pension Expense:

June 30, 2020	Deferred Outflows of Resources	Deferred (Inflows) of Resources	Net Pension Liability	Pension Expense
Salaried	\$ 1,124,566	\$ (215,496)	\$ 9,983,045	\$ 2,394,907
ATU	2,967,541	(1,149,618)	11,836,802	1,923,379
Total	<u>\$ 4,092,107</u>	<u>\$ (1,365,114)</u>	<u>\$ 21,819,847</u>	<u>\$ 4,318,286</u>

June 30, 2019	Deferred Outflows of Resources	Deferred (Inflows) of Resources	Net Pension Liability	Pension Expense
Salaried	\$ -	\$ (87,655)	\$ 8,356,855	\$ 2,394,907
ATU	5,758,763	(218,375)	15,165,174	1,923,379
Total	<u>\$ 5,758,763</u>	<u>\$ (306,030)</u>	<u>\$ 23,522,029</u>	<u>\$ 4,318,286</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, 2020 and 2019, employer contributions recognized as expense were \$335,233 and \$328,682, respectively.

#### 4. Other Information (Continued)

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.

##### (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 \$160 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, 2020 valuation date:

#### 4. Other Information (Continued)

Active Employees	299
Eligible Retirees	187
Spouses of Ineligible Retirees	0
Total Participants	<u>486</u>

The District's total OPEB liability as of June 30, 2020 was \$11,873,234.

Actuarial assumptions and other inputs: The total OPEB liability was determined by an actuarial valuation, as of the valuation date of January 1, 2020, calculated based on the discount rate of 3.50 percent, down from 3.58 percent in the prior valuation, and actuarial assumptions below, and was then projected backward to the measurement date of June 30, 2019.

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

Changes in Total OPEB Liability:

	<u>Increase (Decrease)</u>
	<u>Total OPEB</u>
	<u>Liability</u>
<b>Balance at 6/30/19</b>	\$ 11,660,678
<b>Changes for the year:</b>	
Service cost	830,562
Interest	473,004
Economic/demographic gains/losses	(334,126)
Changes of assumptions	(213,902)
Benefit payments	(542,982)
<b>Net changes</b>	<u>212,556</u>
<b>Balance at 6/30/20</b>	<u>\$ 11,873,234</u>

	<u>Increase (Decrease)</u>
	<u>Total OPEB</u>
	<u>Liability</u>
<b>Balance at 6/30/18</b>	\$ 9,605,874
<b>Changes for the year:</b>	
Service cost	753,687
Interest	355,173
Changes to benefit terms	1,762,864
Changes of assumptions	(326,239)
Benefit payments	(490,681)
<b>Net changes</b>	<u>2,054,804</u>
<b>Balance at 6/30/19</b>	<u>\$ 11,660,678</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



#### 4. Other Information (Continued)

percentage point lower or one percentage point higher than the current discount rate of 3.50 percent:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 13,452,222	\$ 11,873,234	\$ 10,564,250

*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	\$ 11,686,111	\$ 11,873,234	\$ 12,092,558

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended June 30, 2020 and 2019, the District recognized an OPEB expense of \$479,250 and \$2,159,635, respectively. The District reported deferred inflows of resources related to OPEB from the following source:

	Deferred Outflows of Resources	Deferred Inflows of Resources
2020		
Differences between expected and actual experience	\$ -	\$ (284,256)
Changes in assumptions or inputs	-	(888,772)
Contributions made subsequent to the measurement date	573,413	-
Total	<u>\$ 573,413</u>	<u>\$ (1,173,028)</u>
2019		
Changes in assumptions or inputs	\$ -	\$ (875,903)
Contributions made subsequent to the measurement date	542,982	-
Total	<u>\$ 542,982</u>	<u>\$ (875,903)</u>

The amount \$573,413 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, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

#### 4. Other Information (Continued)

Year ended June 30,	
2021	\$ (250,903)
2022	(250,903)
2023	(250,903)
2024	(238,718)
2025	(124,349)
Thereafter	<u>(57,252)</u>
	<u>\$ (1,173,028)</u>

Actuarial Methods & Assumptions – The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial methods and assumptions:

Discount rate	3.50%
Valuation date	January 1, 2020
Measurement date	June 30, 2019
Inflation	2.50%
Salary increases	3.00%
Health Cost Trend	4.75% in the first year (anticipated January 1, 2021 premiums compared with January 1, 2020 premiums), 5.75% in the second year, 5.00% in the third through fifth year, 4.75% in the sixth through 22nd years, 5.00% in the 23rd through 31st years, grading down to 4.00% after the 53rd year.
Mortality rates	For healthy ATU members and dependents: Pri-2012 Mortality Tables with Blue Collar adjustment, generational projection using MP-2019 mortality improvement projection scales starting at the 2012 base year, and a one-year set-forward. For Administration members and dependents: Pri-2012 Mortality Tables with White Collar adjustment with generational projection using MP-2019 mortality improvement projection scales starting at the 2012 base year. For disabled retirees: Pri-2012 Disabled Mortality Tables and generational projection using MP-2019 mortality improvement projection scales starting at the 2012 base year.
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.

**4. Other Information (Continued)**

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.

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		
	2020	2019	2018
Unpaid claims and claim adjustment expenses, beginning of the year	\$ 170,862	\$ 172,107	\$ 22,455
Incurred claims (including IBNRs)	109,041	-	172,107
Claim payments	(109,041)	(1,245)	(22,455)
Total unpaid claims and claim adjustment expenses, end of the year	<u>\$ 170,862</u>	<u>\$ 170,862</u>	<u>\$ 172,107</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, 2020, the District has commitments of \$10.8 million for eleven electric buses and \$2 million for construction work on the Santa Clara Transit Station.

**(e) Subsequent Events and Impact of Coronavirus (COVID-19)**

The outbreak of COVID-19, a respiratory disease caused by a new strain of the coronavirus, was declared a global pandemic by the World Health Organization. In March 2020, the President of the United States and the State of Oregon Governor declared the pandemic a national emergency and a state of emergency. In March 2020, the Governor enacted an executive order directing residents to stay at home with the exception of essential employees (the "Stay Home Save Lives Order"). In May 2020, the Governor enacted the Oregon Safe and Strong executive order (the "Reopening Order") that repealed and replaced the Stay Home Save Lives Order, established new requirements for all State residents and businesses, and set forth a process through which those requirements could be altered through a phased reopening of the economy.

The District's response to the impact from the pandemic was to enact cost reduction measures for the remaining fiscal year 2020 and continue many of these measure into fiscal year 2021. These measures included a reduction in force and furloughs, discontinuing out-of-town travel, reductions to discretionary spending and reductions in bus service to reflect the change in demand driven by the public health guidance of "essential trips only". In addition, in fiscal year 2021 the District suspended pay range increases for non-union employees. The District took a "public health first" approach to service redirecting some bus drivers towards cleaning of all touch points in the system on all vehicles, stations and platforms rather than driving buses and allowing pandemic-related paid leave. Bus driver shield panels have been ordered and are being installed to provide additional protection for operators. Seats on buses have been blocked to maintain social distancing requirements. The District stopped accepting cash on buses to minimize contact and increase space between drivers and passengers. Also, the use of masks is required on all District vehicles and facilities.

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*Required Supplementary  
Information*

**LANE TRANSIT DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**YEAR ENDED JUNE 30, 2020**  
**Schedule of Changes in the Net Pension Liability and Related Ratios**  
**LTD Salaried Employees' Retirement Plan Trust Fund**  
**Last 10 Fiscal Years <sup>1</sup>**

	2020	2019	2018 <sup>2</sup>	2017	2016 <sup>2</sup>	2015	2014 <sup>2</sup>	2013	2012
Total pension liability									
Service cost	\$ 348,035	\$ 396,714	\$ 445,756	\$ 486,472	\$ 521,040	\$ 545,340	\$ 538,088	\$ 527,537	\$ -
Interest	1,751,505	1,718,740	1,698,307	1,651,225	1,564,487	1,504,888	1,426,182	1,343,938	-
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Economic/demographic (gains) or losses	(484,865)	-	(206,000)	-	99,443	-	354,334	-	-
Changes of assumptions	1,961,345	-	942,158	-	2,952,420	-	506,129	-	-
Benefit payments	(1,580,862)	(1,504,188)	(1,413,238)	(1,332,068)	(1,224,898)	(1,182,843)	(939,485)	(690,418)	-
Net change in total pension liability	1,995,158	611,266	1,466,983	805,629	3,912,492	867,385	1,885,248	1,181,057	-
Total pension liability - beginning	28,466,906	27,855,640	26,388,657	25,583,028	21,670,536	20,803,151	18,917,903	17,736,846	-
Total pension liability - ending	<u>\$ 30,462,064</u>	<u>\$ 28,466,906</u>	<u>\$ 27,855,640</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	\$ 1,483,553	\$ 1,506,168	\$ 1,577,474	\$ 1,842,970	\$ 1,174,309	\$ 1,333,241	\$ 1,161,609	\$ 1,165,565	\$ -
Net investment income	546,424	1,051,294	1,357,720	1,893,124	(361,265)	222,900	2,081,971	1,298,746	-
Benefit payments	(1,580,862)	(1,504,188)	(1,413,238)	(1,332,068)	(1,224,898)	(1,182,843)	(939,485)	(690,418)	-
Administrative expense	(80,147)	(69,893)	(84,998)	(54,251)	(105,822)	(55,910)	(87,860)	(92,282)	-
Other	-	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	368,968	983,381	1,436,958	2,349,775	(517,676)	317,388	2,216,235	1,681,611	-
Plan fiduciary net position - beginning	20,109,626	19,126,245	17,689,287	15,339,512	15,857,188	15,539,800	13,323,565	11,641,954	-
Plan fiduciary net position - ending	<u>\$ 20,478,594</u>	<u>\$ 20,109,626</u>	<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>\$ 9,983,470</u>	<u>\$ 8,357,280</u>	<u>\$ 8,729,395</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	67.23%	70.64%	68.66%	67.03%	59.96%	73.17%	74.70%	70.43%	65.64%
Covered payroll	\$ 2,876,162	\$ 3,166,571	\$ 3,331,000	\$ 3,717,503	\$ 4,028,000	\$ 4,263,366	\$ 5,226,297	\$ 5,214,746	\$ 5,092,690
District's net pension liability as a percentage of covered payroll	347.11%	263.92%	262.07%	234.01%	254.31%	136.36%	100.71%	107.28%	119.68%

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, 2020  
Schedule of Employer Contributions  
LTD Salaried Employees' Retirement Plan Trust Fund  
Last 10 Fiscal Years**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ 1,482,000	\$ 1,525,000	\$ 1,400,000	\$ 1,455,247	\$ 1,175,000	\$ 1,205,400	\$ 1,157,450	\$ 1,156,122	\$ 931,962	\$ 949,000
Contribution in relation to the actuarially determined contribution	<u>1,483,553</u>	<u>1,506,168</u>	<u>1,577,474</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>950,000</u>
Contribution deficiency (excess)	<u>\$ (1,553)</u>	<u>\$ 18,832</u>	<u>\$ (177,474)</u>	<u>\$ (387,723)</u>	<u>\$ 691</u>	<u>\$ (127,841)</u>	<u>\$ (4,159)</u>	<u>\$ (5)</u>	<u>\$ (94,625)</u>	<u>\$ (1,000)</u>
Covered payroll	\$ 2,876,162	\$ 3,166,571	\$ 3,331,000	\$ 3,717,503	\$ 4,028,000	\$ 4,263,366	\$ 5,226,297	\$ 5,214,746	\$ 5,092,690	\$ 5,187,894
Contributions as a percentage of covered payroll	51.58%	47.56%	47.36%	49.58%	29.15%	31.27%	22.23%	22.17%	20.16%	18.31%

Notes to Schedule:

Valuation date	7/1/2017	7/1/2017	7/1/2015	7/1/2015	7/1/2013	7/1/2013	7/1/2011	7/1/2011	7/1/2009	7/1/2009
Investment rate of return assumption	6.25%	6.25%	6.50%	6.50%	7.25%	7.25%	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
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, 2017: 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 July 1, 2017: 2.50% per year Effective July 1, 2015: 2.75% per year Through July 1, 2013: 3.00% per year
Salary increases	Effective July 1, 2017: Age-based, with an ultimate rate of 2.75% per year at ages 50+ Effective July 1, 2015: Age-based, with an ultimate rate of 3.00% per year at ages 50+ Effective July 1, 2011: Age-based, with an ultimate rate of 3.50% per year at ages 50+

**LANE TRANSIT DISTRICT**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**YEAR ENDED JUNE 30, 2020**  
**Schedule of Changes in the Net Pension Liability and Related Ratios**  
**Amalgamated Transit Union, Local No. 757 Pension Trust Fund**  
**Last 10 Fiscal Years <sup>1</sup>**

	2020	2019	2018	2017	2016	2015	2014	2013
Total pension liability								
Service cost	\$ 1,329,592	\$ 1,021,112	\$ 991,371	\$ 817,980	\$ 794,155	\$ 853,018	\$ 828,173	\$ -
Interest	2,795,682	2,655,520	2,574,590	2,586,906	2,495,722	2,424,057	2,326,828	-
Changes of benefit terms	-	-	-	-	-	356,341 <sup>2</sup>	-	-
Economic/demographic losses	-	73,889	-	-	-	-	-	-
Differences between expected and actual experience	-	-	-	(627,827)	-	(646,134)	-	-
Changes of assumptions	-	2,192,110	-	1,752,783	-	-	-	-
Benefit payments	(2,706,819)	(2,456,503)	(2,336,977)	(2,148,257)	(1,963,737)	(1,916,128)	(1,761,397)	-
Net change in total pension liability	<u>1,418,455</u>	<u>3,486,128</u>	<u>1,228,984</u>	<u>2,381,585</u>	<u>1,326,140</u>	<u>1,071,154</u>	<u>1,393,604</u>	<u>-</u>
Total pension liability - beginning	<u>43,034,306</u>	<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>	<u>-</u>
Total pension liability - ending	<u><u>\$44,452,761</u></u>	<u><u>\$43,034,306</u></u>	<u><u>\$39,548,178</u></u>	<u><u>\$38,319,194</u></u>	<u><u>\$35,937,609</u></u>	<u><u>\$34,611,469</u></u>	<u><u>\$33,540,315</u></u>	<u><u>\$32,146,711</u></u>
Plan fiduciary net position								
Employer contributions	\$ 2,850,360	\$ 2,895,673	\$ 2,653,938	\$ 3,089,304	\$ 2,309,003	\$ 2,222,585	\$ 2,248,159	\$ -
Net investment income	4,707,038	(1,845,557)	4,247,805	1,506,119	(577,624)	1,008,693	2,498,570	-
Benefit payments	(2,706,819)	(2,456,503)	(2,336,977)	(2,148,257)	(1,963,737)	(1,916,128)	(1,761,397)	-
Administrative expense	(103,752)	(137,086)	(112,050)	(110,564)	(70,779)	(115,303)	(82,478)	-
Other	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	<u>4,746,827</u>	<u>(1,543,473)</u>	<u>4,452,716</u>	<u>2,336,602</u>	<u>(303,137)</u>	<u>1,199,847</u>	<u>2,902,854</u>	<u>-</u>
Plan fiduciary net position - beginning	<u>27,869,132</u>	<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>	<u>-</u>
Plan fiduciary net position - ending	<u><u>\$32,615,959</u></u>	<u><u>\$27,869,132</u></u>	<u><u>\$29,412,605</u></u>	<u><u>\$24,959,889</u></u>	<u><u>\$22,623,287</u></u>	<u><u>\$22,926,424</u></u>	<u><u>\$21,726,577</u></u>	<u><u>\$18,823,723</u></u>
District's net pension liability - ending	<u><u>\$11,836,802</u></u>	<u><u>\$15,165,174</u></u>	<u><u>\$10,135,573</u></u>	<u><u>\$13,359,305</u></u>	<u><u>\$13,314,322</u></u>	<u><u>\$11,685,045</u></u>	<u><u>\$11,813,738</u></u>	<u><u>\$13,322,988</u></u>
Plan fiduciary net position as a percentage of the total pension liability	73.37%	64.76%	74.37%	65.14%	62.95%	66.24%	64.78%	58.56%
Covered payroll	\$ 14,007,000	\$ 13,176,000	\$ 13,645,000	\$ 11,848,000	\$ 11,344,000	\$ 10,802,000	\$ 10,625,000	\$ 10,629,000
District's net pension liability as a percentage of covered payroll	84.51%	115.10%	74.28%	112.76%	117.37%	108.17%	111.19%	125.35%

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, 2020  
Schedule of Employer Contributions  
Amalgamated Transit Union, Local No. 757 Pension Trust Fund  
Last 10 Fiscal Years**

	Plan Year Ending December 31,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Actuarially determined contribution	\$ 2,849,000	\$ 2,896,000	\$ 2,671,000	\$ 2,490,859	\$ 2,324,000	\$ 2,118,000	\$ 2,152,000	\$ 2,055,000	\$ 1,989,000	\$ 2,058,000
Contribution in relation to the actuarially determined contribution	<u>2,850,360</u>	<u>2,895,673</u>	<u>2,653,938</u>	<u>3,089,304</u>	<u>2,309,003</u>	<u>2,222,585</u>	<u>2,248,159</u>	<u>2,205,000</u>	<u>2,092,000</u>	<u>2,058,000</u>
Contribution deficiency (excess)	<u>\$ (1,360)</u>	<u>\$ 327</u>	<u>\$ 17,062</u>	<u>\$ (598,445)</u>	<u>\$ 14,997</u>	<u>\$ (104,585)</u>	<u>\$ (96,159)</u>	<u>\$ (150,000)</u>	<u>\$ (103,000)</u>	<u>\$ -</u>
Covered payroll	\$ 14,028,000	\$ 13,311,000	\$ 13,292,000	\$ 11,661,000	\$ 10,999,000	\$ 10,526,000	\$ 10,544,000	\$ 10,450,000	\$ 10,176,000	\$ 10,886,000
Contributions as a percentage of covered payroll	20.32%	21.75%	19.97%	26.49%	20.99%	21.12%	21.32%	21.10%	20.56%	18.91%

Notes to Schedule:

Valuation date	1/1/2018	1/1/2018	1/1/2016	1/1/2016	1/1/2014	1/1/2014	1/1/2012	1/1/2012	1/1/2010	1/1/2010
Investment rate of return assumption	6.50%	6.50%	6.75%	6.75%	7.25%	7.25%	7.25%	7.25%	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, level dollar
Amortization method	Effective January 1, 2014: Layered 20-year amortization, level percentage of pay Effective January 1, 2006: Layered 20-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 The actuarial asset method was reset to the market value of assets effective January 1, 2018
Mortality	Effective January 1, 2018: RP-2014 Combined Mortality with Blue Collar Adjustment, generational projection using MP-2017 starting at the 2006 base year, and a one-year set-forward 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
Inflation	Effective January 1, 2018: 2.50% per year 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, 2020  
 Schedule of Total OPEB Liability (TOL)  
 Last 10 Fiscal Years <sup>1</sup>**

Fiscal Year Ended	Total OPEB Liability	Covered Payroll	TOL as a percent of covered payroll
6/30/2020	\$ 11,873,234	\$ 16,904,162	70.24%
6/30/2019	11,660,678	16,477,571	70.77%
6/30/2018	9,605,874	16,623,000	57.79%
6/30/2017	9,853,579	15,378,503	64.07%

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, 2020  
Schedule of Changes in Total OPEB Liability (TOL)  
Last 10 Fiscal Years <sup>1</sup>**

Fiscal Year Ended	TOL Beginning Balance	Service Costs	Interest on the TOL	Benefit Payments	Economic/ Demographic (gains)/losses	Changes of Assumptions	Changes to Benefit Terms	TOL Ending Balance
6/30/2020	\$ 11,660,678	\$ 830,562	\$ 473,004	\$ (542,982)	\$ (334,126)	\$ (213,902)	\$ -	\$ 11,873,234
6/30/2019	9,605,874	753,687	355,173	(490,681)	-	(326,239)	1,762,864	11,660,678
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.

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*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, 2020**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Passenger fares	\$ 5,969,801	\$ 5,969,801	\$ 4,533,611	\$ (1,436,190)
Special services	370,563	370,563	197,114	(173,449)
Advertising	300,000	300,000	366,667	66,667
Employer payroll tax	36,179,910	36,179,910	39,842,212	3,662,302
Self-employment tax	1,920,985	1,920,985	2,017,855	96,870
State payroll assessment	405,038	405,038	555,192	150,154
Federal assistance	4,200,000	4,200,000	8,006,290	3,806,290
State assistance	3,500,000	3,500,000	685,160	(2,814,840)
Miscellaneous	272,414	272,414	406,278	133,864
Interest	286,696	286,696	310,904	24,208
Sale of assets	5,927	5,927	-	(5,927)
<b>Total revenues</b>	<b>53,411,334</b>	<b>53,411,334</b>	<b>56,921,283</b>	<b>3,509,949</b>
<b>Expenditures</b>				
Personnel services	39,226,510	39,226,510	35,681,632	3,544,878
Materials and services	10,926,251	10,926,251	8,003,403	2,922,848
Insurance	1,186,380	1,186,380	1,084,094	102,286
<b>Other uses</b>				
Transfer to Accessible Services Fund	3,011,212	3,011,212	1,896,348	1,114,864
Transfer to Medicaid Fund	225,003	413,003	225,000	188,003
Operating contingency	500,000	500,000	-	500,000
Working capital contingency	8,896,429	8,896,429	-	8,896,429
<b>Total expenditures and other uses</b>	<b>63,971,785</b>	<b>64,159,785</b>	<b>46,890,477</b>	<b>17,269,308</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(10,560,451)</b>	<b>(10,748,451)</b>	<b>10,030,806</b>	<b>20,779,257</b>
<b>Fund balance, beginning of year</b>	<b>10,560,451</b>	<b>10,748,451</b>	<b>14,295,597</b>	<b>3,547,146</b>
<b>Fund balance, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,326,403</b>	<b>\$ 24,326,403</b>

**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, 2020**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Federal assistance	\$ 831,397	\$ 831,397	\$ 498,361	\$ (333,036)
State assistance	229,942	229,942	9,992	(219,950)
Local assistance	28,000	28,000	17,375	(10,625)
<b>Total revenues</b>	<b>1,089,339</b>	<b>1,089,339</b>	<b>525,728</b>	<b>(563,611)</b>
<b>Expenditures</b>				
Point2Point Administration	388,551	388,551	200,039	188,512
Business Commute Challenge	19,100	19,100	11,965	7,135
Emergency Home Ride	2,250	2,250	1,001	1,249
Safe Routes to School	304,297	304,297	238,861	65,436
Vanpool	222,904	222,904	127,317	95,587
<b>Projects:</b>				
Carshare	3,500	3,500	-	3,500
Driveless Connection	83,857	83,857	43,276	40,581
SmartTrips Main Street 3	187,064	187,064	86,850	100,214
Transportation Coordinator Pilot	-	-	48	(48)
Be Safe Be Seen Rural Safety	3,200	3,200	-	3,200
ODOT Congestion Mitigation Project	76,993	76,993	10,050	66,943
Safe Ways to School	8,000	8,000	45,928	(37,928)
Stages of Change Campaign Pilot	55,000	55,000	903	54,097
<b>Total Expenditures</b>	<b>1,354,716</b>	<b>1,354,716</b>	<b>766,238</b>	<b>588,478</b>
<b>Other uses</b>				
Operating contingency	244,604	244,604	-	244,604
Working capital contingency	32,000	32,000	-	32,000
<b>Total other uses</b>	<b>276,604</b>	<b>276,604</b>	<b>-</b>	<b>276,604</b>
<b>Total expenditures and other uses</b>	<b>1,631,320</b>	<b>1,631,320</b>	<b>766,238</b>	<b>865,082</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(541,981)</b>	<b>(541,981)</b>	<b>(240,510)</b>	<b>(1,428,693)</b>
<b>Fund balance, beginning of year</b>	<b>541,981</b>	<b>541,981</b>	<b>231,774</b>	<b>(310,207)</b>
<b>Fund balance, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (8,736)</b>	<b>\$ (1,738,900)</b>

**Lane Transit District  
Specialized 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, 2020**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Passenger fares	\$ 300,000	\$ 300,000	\$ 258,028	\$ (41,972)
Federal assistance	3,516,694	3,516,694	2,163,793	(1,352,901)
State assistance	2,132,110	2,132,110	1,470,348	(661,762)
Local assistance	191,159	191,159	92,260	(98,899)
<b>Other sources</b>				
Transfer from General Fund	3,011,212	3,011,212	1,896,348	(1,114,864)
<b>Total revenues</b>	<b>9,151,175</b>	<b>9,151,175</b>	<b>5,880,777</b>	<b>(3,270,398)</b>
<b>Expenditures</b>				
<b>Eugene-Springfield services</b>				
ADA RideSource	6,788,567	6,788,567	4,355,339	2,433,228
Transit training and hosts	154,038	154,038	93,757	60,281
Special transportation	115,532	115,532	440,503	(324,971)
STIF grant administration	280,000	280,000	-	280,000
LTD staff time	145,000	145,000	-	145,000
<b>Total Eugene-Springfield services</b>	<b>7,483,137</b>	<b>7,483,137</b>	<b>4,889,599</b>	<b>2,593,538</b>
<b>Rural Lane County services</b>				
South Lane	249,399	249,399	133,609	115,790
Florence	417,106	417,106	234,678	182,428
Oakridge	241,514	241,514	216,487	25,027
Florence/Yachats	40,000	40,000	20,394	19,606
Volunteer coordinator	-	-	69,729	(69,729)
<b>Total rural Lane County services</b>	<b>948,019</b>	<b>948,019</b>	<b>674,897</b>	<b>273,122</b>
<b>Other services</b>				
Mobility management	140,862	140,862	108,145	32,717
Crucial connections	7,500	7,500	3,172	4,328
Veterans transportation	12,500	12,500	2,049	10,451
Mobility as a service	595,000	595,000	-	595,000
<b>Total other services</b>	<b>755,862</b>	<b>755,862</b>	<b>113,366</b>	<b>642,496</b>
<b>Other uses</b>				
Reserve for future expenditure	462,419	462,419	-	462,419
<b>Total other uses</b>	<b>462,419</b>	<b>462,419</b>	<b>-</b>	<b>462,419</b>
<b>Total expenditures and other uses</b>	<b>9,649,437</b>	<b>9,649,437</b>	<b>5,677,862</b>	<b>3,971,575</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(498,262)</b>	<b>(498,262)</b>	<b>202,915</b>	<b>701,177</b>
<b>Fund balance, beginning of year</b>	<b>498,262</b>	<b>498,262</b>	<b>597,637</b>	<b>99,375</b>
<b>Fund balance, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 800,552</b>	<b>\$ 800,552</b>

**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, 2020**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Medicaid nonemergency medical transportation (NEMT)	\$ 10,922,725	\$ 12,158,275	\$ 10,186,340	\$ (1,971,935)
Medicaid waived transportation	821,505	1,001,500	453,462	(548,038)
<b>Other sources</b>				
Transfer from General Fund	225,003	413,003	225,000	(188,003)
<b>Total revenues and other sources</b>	<b>11,969,233</b>	<b>13,572,778</b>	<b>10,864,802</b>	<b>(2,707,976)</b>
<b>Expenditures</b>				
<b>Medicaid nonemergency medical transportation (NEMT)</b>				
Services	8,720,000	9,459,250	7,782,920	1,676,330
Mobility management	101,250	97,000	74,579	22,421
Program administration	2,101,475	2,645,025	1,844,379	800,646
<b>Total Medicaid NEMT</b>	<b>10,922,725</b>	<b>12,201,275</b>	<b>9,701,878</b>	<b>2,499,397</b>
<b>Medicaid waived transportation</b>				
Services	765,000	965,000	673,835	291,165
Mobility management	51,500	36,500	24,378	12,122
Program administration	7,150	11,000	7,064	3,936
Grant program match requirements	285,000	285,000	216,568	68,432
<b>Total Medicaid waived transportation</b>	<b>1,108,650</b>	<b>1,297,500</b>	<b>921,845</b>	<b>375,655</b>
<b>Other uses</b>				
Operating contingency	69,858	79,834	-	79,834
<b>Total expenditures and other uses</b>	<b>12,101,233</b>	<b>13,578,609</b>	<b>10,623,723</b>	<b>2,954,886</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(132,000)</b>	<b>(5,831)</b>	<b>241,079</b>	<b>246,910</b>
<b>Fund balance, beginning of year</b>	<b>132,000</b>	<b>5,831</b>	<b>5,831</b>	<b>-</b>
<b>Fund balance, end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 246,910</b>	<b>\$ 246,910</b>



**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, 2020**

	Budget		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Federal assistance	\$ 6,673,724	\$ 6,673,724	\$ 4,968,937	\$ (1,704,787)
State assistance	5,193,605	5,193,605	1,762,573	(3,431,032)
Total revenues and other sources	<u>11,867,329</u>	<u>11,867,329</u>	<u>6,731,510</u>	<u>(5,135,819)</u>
<b>Expenditures</b>				
Community Investments:				
Frequent transit network				
Franklin Blvd. Phase 1 Transit Station	396,627	396,627	-	396,627
MovingAhead	451,252	451,252	148,472	302,780
EmX Development	430,000	430,000	530,494	(100,494)
Mobility on Demand	-	-	148	(148)
Transit Tomorrow	-	-	138,543	(138,543)
Main Street/McVay transit study	205,000	205,000	95,680	109,320
River Road Transit Community Implementation Plan	274,000	274,000	169,735	104,265
Green Lane Corner improvements	-	-	447,381	(447,381)
Safety and amenity improvements	388,125	388,125	74,650	313,475
Progressive Corridor Enhancement	-	-	107,899	(107,899)
Before and after study/O&D	-	-	89,781	(89,781)
Planning studies	-	-	20,335	(20,335)
Sustainable Cities Year Program	-	-	249,956	(249,956)
Total frequent transit network	<u>2,145,004</u>	<u>2,145,004</u>	<u>2,073,074</u>	<u>71,930</u>
Facilities				
SantaClara Community Transit Center	5,188,434	5,188,434	1,096,348	4,092,086
Hunsaker Development Project	30,000	30,000	-	30,000
Passenger Boarding Improvements	100,000	100,000	-	100,000
Miscellaneous improvements	100,000	100,000	328,954	(228,954)
Bus lift for maintenance bay 1	20,000	20,000	-	20,000
Total facilities	<u>5,438,434</u>	<u>5,438,434</u>	<u>1,425,302</u>	<u>4,013,132</u>
Technology Infrastructure & Systems				
Fare management system	765,000	765,000	696,423	68,577
Novus modules	400,000	400,000	-	400,000
Total technology infrastructure & systems	<u>1,165,000</u>	<u>1,165,000</u>	<u>696,423</u>	<u>468,577</u>
Total Community Investments	<u>8,748,438</u>	<u>8,748,438</u>	<u>4,194,799</u>	<u>4,553,639</u>
State of Good Repair				
Fleet				
Revenue vehicles - fixed route	4,589,558	4,589,558	5,805,524	(1,215,966)
Revenue vehicles - non fixed route	750,000	750,000	-	750,000
Revenue vehicles - accessible services	878,000	878,000	283,235	594,765
Support vehicles	303,000	303,000	-	303,000
Shop equipment	50,000	50,000	-	50,000
Spare parts for vehicles	-	-	256,763	(256,763)
Replacement parts	516,500	516,500	483,982	32,518
Fleet procurement plan	139,307	139,307	8,821	130,486
Total fleet	<u>7,226,365</u>	<u>7,226,365</u>	<u>6,838,325</u>	<u>388,040</u>
Facilities				
Stations, shelters & facilities	25,000	25,000	-	25,000
Technology Infrastructure & Systems				
Computer hardware and software	485,000	485,000	278,613	206,387
Safety & Security				
Natural hazards response & mitigation plan	75,000	75,000	-	75,000
Total State of Good Repair	<u>7,811,365</u>	<u>7,811,365</u>	<u>7,116,938</u>	<u>694,427</u>
Other Projects				
Transit Tomorrow	200,000	200,000	-	200,000
Sustainable Cities Year Program	250,000	250,000	-	250,000
Total other projects	<u>450,000</u>	<u>450,000</u>	<u>-</u>	<u>450,000</u>
Grant Funded Non-Capitalized				
COVID-19	-	-	147,889	(147,889)
Total expenditures	<u>17,009,803</u>	<u>17,009,803</u>	<u>11,459,626</u>	<u>5,550,177</u>
Other uses				
Reserve for future expenditure	9,936,343	9,936,343	-	9,936,343
Total expenditures and other uses	<u>26,946,146</u>	<u>26,946,146</u>	<u>11,459,626</u>	<u>15,486,520</u>
Excess (deficiency) of revenues over expenditures	(15,078,817)	(15,078,817)	(4,728,116)	10,350,701
Fund balance, beginning of year	15,078,817	15,078,817	18,726,518	3,647,701
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,998,402</u>	<u>\$ 13,998,402</u>

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, 2020

Excess (deficiency) of revenues over expenditures	
General Fund	\$ 10,030,806
Point2point Fund	(240,510)
Specialized Services Fund	202,915
Medicaid Fund	241,079
Capital Projects Fund	(4,728,116)
Total excess (deficiency) of revenues over expenditures	<u>5,506,174</u>
Reconciling items:	
Depreciation	(14,005,049)
Acquisition of capital assets	10,047,558
OPEB expense	(479,251)
Pension expense in excess of pension contribution	(1,023,558)
Accrued vacation and sick leave	287,497
Total reconciling items	<u>(5,172,803)</u>
Change in net position on a GAAP basis	<u>\$ 333,371</u>

Lane Transit District  
Reconciliation of Budgetary Fund Balances to  
Net Position on a GAAP Basis  
June 30, 2020

Budgetary fund balances:	
General Fund	\$ 24,326,403
Point2point Fund	(8,736)
Specialized Services Fund	800,552
Medicaid Fund	246,910
Capital Projects Fund	13,998,402
Total budgetary fund balances	<u>39,363,531</u>
Reconciling items:	
Capital assets	158,549,761
Deferred outflows of resources	4,665,520
Compensated absences	(2,551,529)
Total OPEB liability	(11,873,234)
Net pension liability	(21,819,847)
Deferred inflows of resources	(2,538,142)
Total reconciling items	<u>124,432,529</u>
Net position on a GAAP basis	<u>\$ 163,796,060</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, note disclosures, and required supplementary information says about the District's overall financial health.

## Contents

### Financial Trend Information

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.

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## *Financial Trend Information*

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

	2020	2019	Restated 2018	2017	2016	2015	Restated 2014	2013	2012	Restated 2011
<b>Assets</b>										
Current assets	\$ 50,149,557	\$ 38,916,289	\$ 39,716,401	\$ 33,622,720	\$ 53,537,565	\$ 56,639,732	\$ 41,747,999	\$ 37,774,109	\$ 30,346,275	\$ 28,380,179
Capital assets, net of accumulated depreciation	158,549,761	162,507,251	176,573,417	182,179,014	160,464,158	125,447,247	113,337,904	114,242,299	122,613,663	113,197,851
Other assets	-	-	-	-	-	-	-	1,068,705	1,006,960	700,000
<b>Total assets</b>	<b>\$ 208,699,318</b>	<b>\$ 201,423,540</b>	<b>\$ 216,289,818</b>	<b>215,801,734</b>	<b>214,001,723</b>	<b>182,086,979</b>	<b>155,085,903</b>	<b>153,085,113</b>	<b>153,966,898</b>	<b>142,278,030</b>
Deferred outflows of resources	4,665,520	6,301,745	3,425,274	5,235,429	6,267,714	1,540,509	1,693,168	-	-	-
<b>Total assets and deferred outflows of resources</b>	<b>\$ 213,364,838</b>	<b>\$ 207,725,285</b>	<b>\$ 219,715,092</b>	<b>\$ 221,037,163</b>	<b>\$ 220,269,437</b>	<b>\$ 183,627,488</b>	<b>\$ 156,779,071</b>	<b>\$ 153,085,113</b>	<b>\$ 153,966,898</b>	<b>\$ 142,278,030</b>
<b>Liabilities</b>										
Current liabilities	\$ 11,471,703	\$ 5,932,870	\$ 8,635,621	\$ 9,017,767	\$ 17,233,164	\$ 22,159,541	\$ 10,036,528	\$ 9,926,804	\$ 8,224,324	\$ 6,160,791
Noncurrent liabilities	35,558,933	37,147,793	30,336,335	28,793,940	29,591,803	23,454,799	22,635,145	4,167,895	3,505,481	2,991,988
<b>Total liabilities</b>	<b>47,030,636</b>	<b>43,080,663</b>	<b>38,971,956</b>	<b>37,811,707</b>	<b>46,824,967</b>	<b>45,614,340</b>	<b>32,671,673</b>	<b>14,094,699</b>	<b>11,729,805</b>	<b>9,152,779</b>
Deferred outflows of resources	2,538,142	1,181,933	2,236,492	696,930	351,796	712,072	1,784,272	-	-	-
<b>Net position</b>										
Investment in capital assets	158,549,761	162,507,251	176,573,417	182,179,014	160,464,158	125,447,247	113,337,904	114,242,299	122,613,660	113,197,851
Restricted for Accessible Services, Point2point and Medicaid programs	12,191,184	579,853	1,792,304	38,863	2,775,776	440,273	398,255	436,632	491,306	456,115
Unrestricted	(6,944,885)	375,585	140,923	310,649	9,852,739	11,413,556	8,586,967	24,311,483	19,132,127	19,471,285
<b>Total net position</b>	<b>163,796,060</b>	<b>163,462,689</b>	<b>178,506,644</b>	<b>182,528,526</b>	<b>173,092,673</b>	<b>137,301,076</b>	<b>122,323,126</b>	<b>138,990,414</b>	<b>142,237,093</b>	<b>133,125,251</b>
<b>Total liabilities, deferred inflows of resources and net position</b>	<b>\$ 213,364,838</b>	<b>\$ 207,725,285</b>	<b>\$ 219,715,092</b>	<b>\$ 221,037,163</b>	<b>\$ 220,269,437</b>	<b>\$ 183,627,488</b>	<b>\$ 156,779,071</b>	<b>\$ 153,085,113</b>	<b>\$ 153,966,898</b>	<b>\$ 142,278,030</b>

Source: Lane Transit District Financial Statements

**LANE TRANSIT DISTRICT**

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

	2020	2019	Restated 2018	2017	2016	2015	Restated 2014	2013	2012	Restated 2011
<b>Operations</b>										
Fixed route										
Revenue	\$ 5,097,392	\$ 7,344,209	\$ 7,338,415	\$ 7,921,433	\$ 7,807,665	\$ 7,893,869	\$ 7,733,140	\$ 7,640,918	\$ 7,608,840	\$ 8,150,969
Expense	(46,917,259)	(48,814,789)	(45,931,894)	(47,650,802)	(40,932,868)	(38,541,017)	(36,660,628)	(35,813,713)	(34,411,349)	(33,880,028)
Total fixed route	(41,819,867)	(41,470,580)	(38,593,479)	(39,729,369)	(33,125,203)	(30,647,148)	(28,927,488)	(28,172,795)	(26,802,509)	(25,729,059)
Accessible Services, Point2point and Medicaid										
Revenue	15,825,212	16,244,867	14,115,229	12,572,295	14,115,352	13,173,252	9,857,780	9,394,430	8,069,191	8,172,584
Expense	(16,922,825)	(18,697,692)	(17,118,488)	(15,482,280)	(16,768,307)	(14,617,685)	(12,314,118)	(10,841,746)	(9,965,985)	(9,561,690)
Total Accessible Services, Point2point and Medicaid	(1,097,613)	(2,452,825)	(3,003,259)	(2,909,985)	(2,652,955)	(1,444,433)	(2,456,338)	(1,447,316)	(1,896,794)	(1,389,106)
Loss from operations	(42,917,480)	(43,923,405)	(41,596,738)	(42,639,354)	(35,778,158)	(32,091,581)	(31,383,826)	(29,620,111)	(28,699,303)	(27,118,165)
<b>Nonoperating revenues</b>										
Employer payroll tax	39,842,212	37,749,489	35,797,722	32,827,455	34,394,558	30,981,560	25,374,737	24,891,777	23,047,471	22,197,770
Self-employment tax	2,017,855	1,932,829	2,072,662	1,983,365	1,902,866	1,683,987	1,647,329	1,576,826	1,507,575	1,440,902
State payroll assessment	555,192	439,545	439,600	411,860	400,795	609,978	1,914,665	1,941,063	1,869,854	1,740,509
Federal assistance	7,876,198	2,487,542	2,825,907	-	4,736,708	6,001,519	5,993,929	6,563,936	5,431,231	4,008,381
State assistance	-	-	-	115,475	154,426	29,688	723,888	-	1,992	350
Interest	310,904	338,244	167,305	201,295	99,207	52,359	85,619	77,171	62,653	60,462
Other revenues	401,279	639,391	166,934	349,986	400,494	433,787	366,327	325,339	276,975	497,739
Total nonoperating revenues	51,003,640	43,587,040	41,470,130	35,889,436	42,089,054	39,792,878	36,106,494	35,376,112	32,197,751	29,946,113
Income (loss) before capital contributions	8,086,160	(336,365)	(126,608)	(6,749,918)	6,310,896	7,701,297	4,722,668	5,756,001	3,498,448	2,827,948
<b>Capital contributions</b>										
Federal and state grants for capital acquisition	6,731,510	3,638,471	17,530,013	27,832,523	40,998,913	18,893,678	8,564,456	2,165,876	16,366,583	14,887,318
Changes in net position before depreciation, OPEB expense, and gain (loss) on sale of assets	14,817,670	3,302,106	17,403,405	21,082,606	47,309,808	26,594,975	13,287,124	7,921,877	19,865,031	17,715,266
Depreciation	(14,005,049)	(16,192,571)	(15,613,426)	(11,331,319)	(11,129,702)	(11,152,433)	(10,519,936)	(10,561,286)	(10,169,031)	(9,557,098)
OPEB expense	(479,250)	(2,159,635)	247,705	(353,155)	(395,154)	(461,715)	(555,778)	(614,905)	(586,592)	(641,742)
Gain (loss) on disposal of capital assets	-	6,145	(1,075,334)	37,721	6,644	(2,877)	13,052	7,635	2,434	(28,913)
Changes in net position	\$ 333,371	\$ (15,043,955)	\$ 962,350	\$ 9,435,853	\$ 35,791,596	\$ 14,977,950	\$ 2,224,462	\$ (3,246,679)	\$ 9,111,842	\$ 7,487,513

Source: Lane Transit District Financial Statements

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*Demographic and Economic  
Information*

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

Employer	2019			2009		
	Employees	Rank	Percentage of Lane County Employment	Employees	Rank	Percentage of Lane County Employment
PeaceHealth Corp	5,855	1	3.7%	4,893	1	3.0%
University of Oregon	5,573	2	3.5%	4,038	2	2.5%
Eugene 4J School District	2,283	3	1.4%	2,794	3	1.7%
City of Eugene	1,866	4	1.2%	1,547	8	1.0%
U.S. Government	1,747	5	1.1%	1,800	7	1.1%
Oregon State Government	1,715	6	1.1%	1,118	10	0.7%
Lane County Government	1,678	7	1.1%	2,000	6	1.2%
Springfield School District	1,670	8	1.1%	1,500	9	0.9%
Lane Community College	1,500	9	0.9%	1,118	10	0.7%
Mckenzie-Willamette Med Ctr	1,066	10	0.7%	N/A	N/A	N/A
	<u>24,953</u>		<u>15.8%</u>	<u>20,808</u>		<u>12.9%</u>
Total Employees	<u>158,077</u> <sup>1</sup>			<u>161,255</u> <sup>1</sup>		

<sup>1</sup>Per Bureau of Labor Statistics, total covered employment (January)

Source: Eugene Chamber of Commerce, Oregon Employment Department



**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)
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%
2018	314,500	379,611	17,431,415	45,919	4.3%
2019	316,600	382,067	18,087,217	47,340	6.9%

Notes

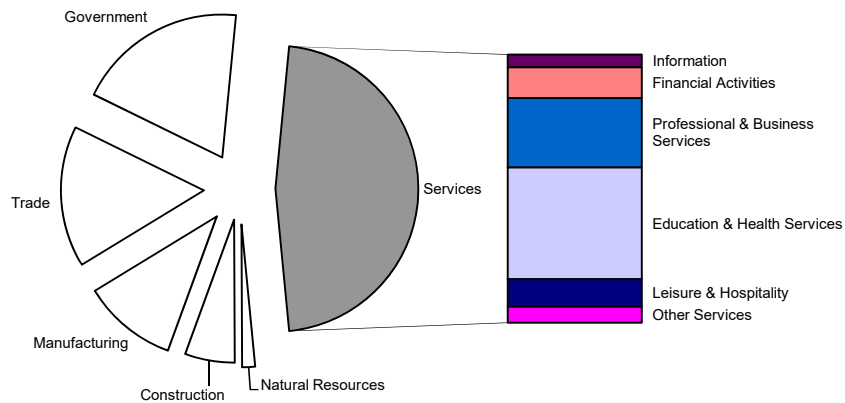
a. District population in census years determined by Lane Transit District planning staff from U.S. Census Bureau census tract information. Intervening years are an estimate using information from the Census and the annual population estimates published by the Population Research Center at Portland State University.

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 2019 Covered Payroll

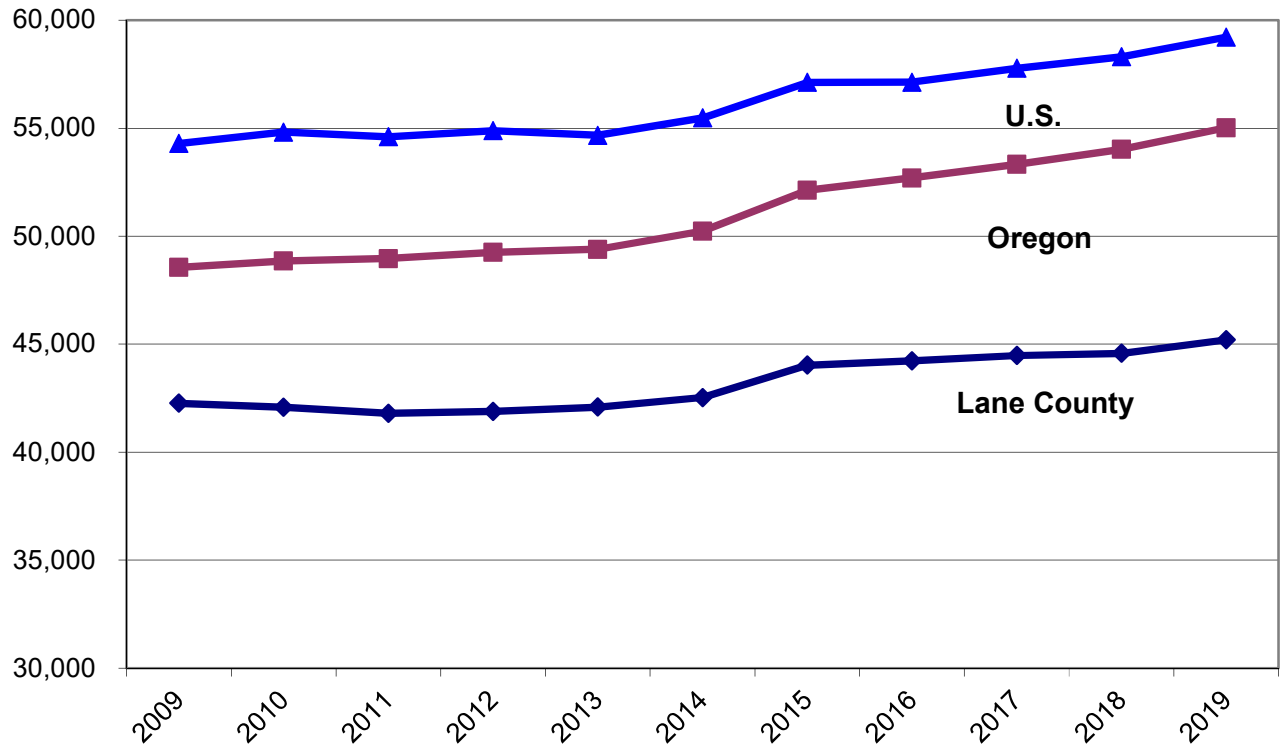


### 2019 Covered Employment and Wages Summary Report for Lane County

	Covered Employment			Covered Payroll		Average Pay
	Units	Count	Percent	Total in Millions	Percent	
Natural Resources	298	2,350	1.5%	\$ 105	1.5%	\$ 44,657
Construction	1,076	7,430	4.7%	\$ 404	5.6%	\$ 54,311
Manufacturing	564	14,239	9.0%	\$ 764	10.7%	\$ 53,678
Trade, Transport & Utilities	2,044	29,974	19.0%	\$ 1,140	16.0%	\$ 38,045
<b>Service</b>						
Information	247	2,254	1.4%	\$ 161	2.2%	\$ 71,266
Financial Activities	1,136	6,340	4.0%	\$ 381	5.3%	\$ 60,068
Professional & Business Services	1,760	17,931	11.3%	\$ 870	12.2%	\$ 48,542
Education & Health Services	1,469	28,486	18.0%	\$ 1,395	19.5%	\$ 48,977
Leisure & Hospitality	1,214	17,775	11.2%	\$ 345	4.8%	\$ 19,405
Other Services	2,393	6,724	4.3%	\$ 198	2.8%	\$ 29,488
<b>Total Service</b>	<b>8,219</b>	<b>79,510</b>	<b>50.2%</b>	<b>\$ 3,350</b>	<b>46.8%</b>	<b>\$ 42,136</b>
Unclassified/other	98	72				
<b>Government</b>	<b>405 #</b>	<b>24,503</b>	<b>15.5%</b>	<b>\$ 1,377</b>	<b>19.3%</b>	<b>\$ 56,212</b>
<b>Total 2019 Covered Employment</b>	<b>12,703</b>	<b>158,077</b>	<b>100%</b>	<b>\$ 7,145</b>	<b>99.9%</b>	<b>\$ 45,199</b>

Source: Oregon Employment Department

### Inflation Adjusted Annual Average Wages (2019 Dollars)



Source: Oregon Employment Department

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

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2019	
												Change:	% Change
Total population	351,715	352,010	353,155	354,200	356,125	358,805	362,150	365,940	370,600	375,120	378,880	27,165	7.2%
Births minus Deaths												n/av	n/av
Net Migration												n/av	n/av
Civilian labor force	183,890	178,304	177,473	172,255	167,538	169,150	172,524	178,428	181,468	181,367	180,588	(3,302)	-1.8%
Unemployment	22,635	19,648	17,158	15,349	13,415	11,662	10,028	9,067	8,057	7,968	7,317	(15,318)	-209.3%
Unemployment rate	12.3%	11.0%	9.7%	8.9%	8.0%	6.9%	5.8%	5.1%	4.4%	4.4%	4.1%	(0)	-200.0%
Total employment	161,255	158,656	160,315	156,906	154,123	157,488	162,496	169,361	173,411	173,399	173,271	12,016	6.9%
Total nonfarm employment	142,600	141,400	141,700	142,400	144,500	147,900	152,300	156,600	159,500	161,800	163,100	20,500	12.6%
Labor-management disputants	0	0	0	0	0	0	0	0	0	0	0	0	0%
Percent annual change	-8.1%	-0.8%	0.2%	0.5%	1.5%	2.4%	3.0%	2.8%	1.9%	1.4%	0.8%		
Total personal income (millions)	\$11,563.5	\$11,916.9	\$12,353.0	\$12,910.4	\$12,971.1	\$13,872.3	\$14,908.5	\$15,638.7	\$16,667.6	\$17,460.3	\$18,087.2	\$6,523.7	36.1%
Percent annual change	-2.6%	3.1%	3.7%	4.5%	0.5%	6.9%	7.5%	4.9%	6.6%	4.8%	3.6%	6.2%	172.2%
Per capita personal income - Lane County	\$32,958	\$33,862	\$34,895	\$36,360	\$36,489	\$38,746	\$41,190	\$42,396	\$44,416	\$46,124	\$47,340	\$14,382	30.4%
Per capita personal income - Oregon	\$35,481	\$36,122	\$37,818	\$39,602	\$40,020	\$42,493	\$45,163	\$46,586	\$48,762	\$51,500	\$53,191	\$17,710	33.3%
Per capita personal income - U.S.	\$39,284	\$40,547	\$42,739	\$44,605	\$44,860	\$47,071	\$49,019	\$50,015	\$52,118	\$54,606	\$56,490	\$17,206	30.5%
As percent of Oregon	93%	94%	92%	92%	91%	91%	91%	91%	91%	90%	89%	-4%	-4.4%
As percent of U.S.	84%	84%	82%	82%	81%	82%	84%	85%	85%	84%	84%	0%	-0.1%
Total covered payroll (millions)	\$4,814.9	\$4,829.6	\$4,987.2	\$5,148.4	\$5,319.4	\$5,597.4	\$5,993.0	\$6,291.5	\$6,592.8	\$6,864.1	\$7,144.9	\$2,330.0	32.6%
Percent annual change	-7.8%	0.3%	3.3%	3.2%	3.3%	5.2%	7.1%	5.0%	4.8%	4.1%	4.1%	11.9%	290.2%
Average annual wage - Lane County	\$35,475	\$35,889	\$36,778	\$37,618	\$38,353	\$39,383	\$40,824	\$41,523	\$42,646	\$43,784	\$45,199	\$9,724	21.5%
Average annual wage - Oregon	\$40,743	\$41,669	\$43,077	\$44,229	\$45,008	\$46,516	\$48,322	\$49,467	\$51,119	\$53,054	\$55,019	\$14,276	25.9%
Average annual wage - U.S.	\$45,559	\$46,751	\$48,043	\$49,289	\$49,808	\$51,364	\$52,942	\$53,621	\$55,390	\$57,266	\$59,209	\$13,650	23.1%
As percent of Oregon	87%	86%	85%	85%	85%	85%	84%	84%	83%	83%	82%	-5%	
As percent of U.S.	78%	77%	77%	76%	77%	77%	77%	77%	77%	76%	76%	-2%	
<b>Inflation adjusted wages and income (2002 Dollars)</b>													
CPI-U; U.S. city average	214.537	218.056	224.939	229.594	232.957	236.736	237.017	240.007	245.12	251.107	255.657	41.12	16.1%
Blow-up factor; 2019 = 100	1.1917	1.1724	1.1366	1.1135	1.0974	1.0799	1.0786	1.0652	1.0430	1.0181	1.0000		
Inflation adjusted total covered payroll (millions)	\$5,740.0	\$5,660.0	\$5,670.0	\$5,730.0	\$5,840.0	\$6,040.0	\$6,460.0	\$6,700.0	\$6,880.0	\$6,990.0	\$7,140.0	\$1,400.0	19.6%
Percent annual change	-7.4%	-1.4%	0.2%	1.1%	1.9%	3.4%	7.0%	3.7%	2.7%	1.6%	2.1%		
Inflation adjusted average annual wage - Lane County	\$42,270	\$42,080	\$41,800	\$41,890	\$42,090	\$42,530	\$44,030	\$44,230	\$44,480	\$44,580	\$45,200	\$2,930	6.5%
Inflation adjusted average annual wage - Oregon	\$48,550	\$48,850	\$48,960	\$49,250	\$49,390	\$50,230	\$52,120	\$52,690	\$53,320	\$54,020	\$55,020	\$6,470	11.8%
Inflation adjusted average annual wage - U.S.	\$54,290	\$54,810	\$54,600	\$54,880	\$54,660	\$55,470	\$57,110	\$57,120	\$57,770	\$58,300	\$59,210	\$4,920	8.3%
Inflation adjusted total personal income (millions)	\$13,779.8	\$13,971.8	\$14,039.9	\$14,376.0	\$14,235.0	\$14,981.0	\$16,081.0	\$16,658.4	\$17,384.1	\$17,776.7	\$18,087.2	\$4,307.4	23.8%
Inflation adjusted per capita personal income - Lane County	\$39,280	\$39,700	\$39,660	\$40,490	\$40,040	\$41,840	\$44,430	\$45,160	\$46,330	\$46,960	\$47,340	\$8,060	17.0%
Inflation adjusted per capita personal income - Oregon	\$42,280	\$42,350	\$42,980	\$44,100	\$43,920	\$45,890	\$48,710	\$49,620	\$50,860	\$52,430	\$53,190	\$10,910	20.5%
Inflation adjusted per capita personal income - U.S.	\$46,810	\$47,540	\$48,580	\$49,670	\$49,230	\$50,830	\$52,870	\$53,280	\$54,360	\$55,600	\$56,490	\$9,680	17.1%
U.S.personal income vs Lane County	\$7,530	\$7,840	\$8,920	\$9,180	\$9,190	\$8,990	\$8,440	\$8,120	\$8,030	\$8,640	\$9,150	\$1,620	17.7%

Source: Oregon Employment Department

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## *Operating Information*

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	Restated 2011
<b>Operations</b>										
Transportation	\$23,496,971	\$23,817,103	\$24,124,915	\$24,750,468	\$ 21,227,434	\$ 19,006,723	\$ 17,775,567	\$ 17,278,362	\$ 16,942,573	\$ 16,670,775
FTEs at end of period	169.0	232.0	222.0	253.5	203.6	203.6	202.0	202.0	196.0	192.0
Maintenance	\$11,501,372	\$12,276,394	\$11,965,993	\$14,459,161	9,976,217	9,893,756	9,712,732	9,472,080	9,720,961	9,120,608
FTEs at end of period	46.0	56.0	50.0	54.0	52.5	52.5	51.1	51.3	51.3	50.3
Customer Service, Marketing, and Planning	\$2,749,516	\$2,854,091	\$3,293,402	\$4,350,229	3,645,111	3,284,172	3,733,361	3,150,530	2,314,056	2,086,436
FTEs at end of period	19.0	21.0	32.9	33.2	27.9	27.9	22.2	22.3	20.9	18.2
Administration	\$5,929,333	\$6,347,874	\$7,205,862	\$7,718,070	4,146,877	3,835,509	4,406,890	4,002,512	4,249,252	4,190,798
FTEs at end of period	27.0	31.0	35.7	31.7	25.8	25.8	35.0	31.0	31.5	32.0
Insurance and Risk	\$1,091,939	\$974,086	\$1,200,016	\$1,162,565	941,876	1,092,057	1,084,682	1,224,832	1,083,175	1,054,273
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 and P2p	17,067,824	18,697,683	16,213,315	15,482,279	16,768,307	14,617,685	12,314,118	10,841,746	9,965,985	9,561,690
FTEs at end of period	2.0	8.0	2.6	2.6	2.6	2.6	3.0	3.0	3.4	3.0
<b>Total operations</b>	<b>61,836,955</b>	<b>64,967,231</b>	<b>64,003,503</b>	<b>67,922,772</b>	<b>56,705,822</b>	<b>51,729,902</b>	<b>49,027,350</b>	<b>45,970,062</b>	<b>44,276,002</b>	<b>42,684,580</b>
<b>Total FTEs at end of period</b>	<b>263.0</b>	<b>348.0</b>	<b>343.2</b>	<b>375.0</b>	<b>312.4</b>	<b>312.4</b>	<b>313.3</b>	<b>309.5</b>	<b>303.0</b>	<b>295.5</b>
Transfers from General Fund	2,121,348	8,739,050	18,487,923	1,667,600	3,351,100	1,792,700	1,600,000	3,031,900	-	-
Transfers from Specialized Services Fund	-	-	-	-	-	-	7,236	25,062	4,769	33,899
<b>Total operations and capital transfers</b>	<b>\$ 63,958,303</b>	<b>\$ 73,706,281</b>	<b>\$ 82,491,426</b>	<b>\$ 69,590,372</b>	<b>\$ 60,056,922</b>	<b>\$ 53,522,602</b>	<b>\$ 50,634,586</b>	<b>\$ 49,027,024</b>	<b>\$ 44,280,771</b>	<b>\$ 42,718,479</b>

**LANE TRANSIT DISTRICT**  
**Capital Asset Statistics**  
**Last Ten Years Ended June 30**

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Miles of busway	13.99	13.99	13.99	13.99	8.45	8.45	8.45	8.45	8.45	8.45
Rolling stock										
40-foot buses	69	78	77	78	73	75	79	79	113	89
60-foot buses	19	18	18	18	18	24	15	15	15	15
< 40-foot buses	0	0	0	0	0	3	6	6	6	6
EmX vehicles	18	18	18	18	18	11	11	11	11	11
Total rolling stock	106	114	113	114	109	113	111	111	145	121
Accessible Services vehicles	73	77	71	73	88	79	82	82	95	83
Primary stations	2	2	2	2	2	2	2	2	2	2
EmX station platforms	59	59	59	59	31	31	31	31	31	31
Other stations	9	9	9	9	6	9	9	9	9	9
Shelters	186	184	184	183	181	183	193	193	193	193
Signed stops	1137	1137	1137	1147	1,250	1,233	1,218	1,217	1,217	1,343
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

**LANE TRANSIT DISTRICT**  
**Operating Revenue & Cost Measurements - Fixed-Route System**  
**Last Ten Fiscal Years**

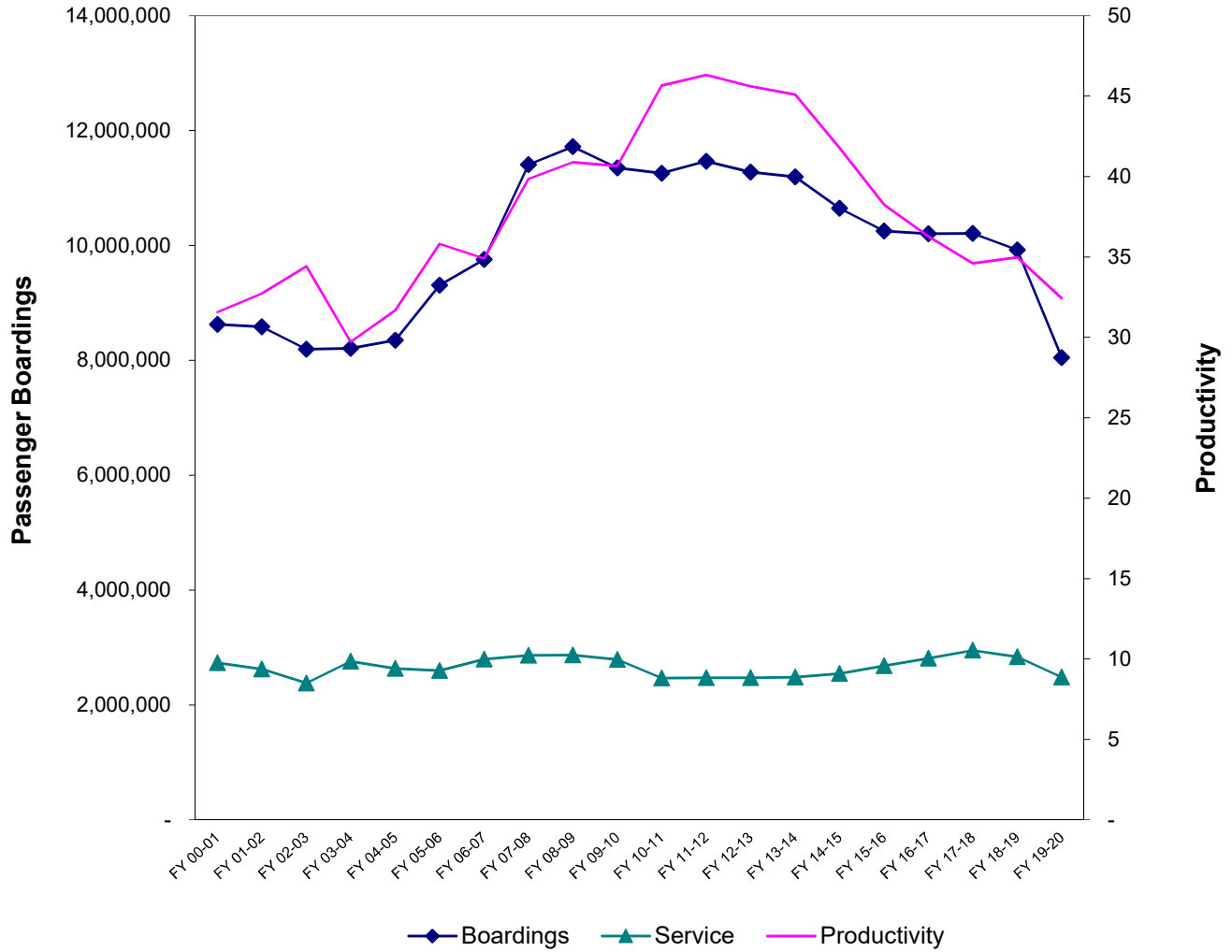
Fiscal Year	Operating* Revenues	Operating* Expenses	Revenue Margin	Revenue Hours	Percent Change	Operating Revenue / Service Hour	Percent Change	Operating Expenses / Revenue Hour	Percent Change
2019-20	5,097,392	44,769,129	11.4%	248,190	-12.6%	20.54	-20.6%	180.38	10.7%
2018-19	7,344,209	46,268,303	15.9%	283,835	-3.8%	25.87	4.1%	163.01	5.2%
2017-18	7,338,415	45,714,796	16.1%	295,103	4.9%	24.87	-11.7%	154.91	-0.7%
2016-17	7,921,433	43,893,522	18.0%	281,280	5.0%	28.16	-3.3%	156.05	6.4%
2015-16	7,807,665	39,310,213	19.9%	268,010	5.2%	29.13	-6.0%	146.67	0.7%
2014-15	7,893,869	37,112,217	21.3%	254,779	3.0%	30.98	-0.9%	145.66	-1.9%
2013-14	7,733,140	36,713,232	21.1%	247,286	0.0%	31.27	1.2%	148.46	4.5%
2012-13	7,640,918	35,128,316	21.8%	247,303	-0.1%	30.90	0.5%	142.05	2.6%
2011-12	7,608,840	34,255,684	22.2%	247,480	0.4%	30.75	-7.0%	138.42	3.2%
2010-11	8,150,969	33,074,135	24.6%	246,556	-11.7%	33.06	16.4%	134.14	12.7%

Fiscal Year	Employees	Revenue Hours / Employees	Percent Change	Passenger Fares	Passenger Boardings	Passenger Fares / Boarding	Operating Expenses / Boarding	Percent Change	Revenue Hours / Trip
2019-20	366	678.11	-16.9%	4,533,611	8,047,918	0.56	5.56	19.3%	0.031
2018-19	348	815.62	-1.9%	6,755,899	9,923,771	0.68	4.66	3.5%	0.029
2017-18	355	831.28	1.1%	6,740,382	10,146,391	0.66	4.51	4.7%	0.029
2016-17	342	822.46	-3.0%	7,242,637	10,203,700	0.71	4.30	12.2%	0.028
2015-16	316	848.13	3.9%	7,141,779	10,250,227	0.70	3.84	10.0%	0.026
2014-15	312	816.60	3.4%	7,200,332	10,644,718	0.68	3.49	6.3%	0.024
2013-14	313	790.05	-1.0%	6,948,609	11,192,854	0.62	3.28	5.3%	0.022
2012-13	310	797.75	-2.3%	6,914,308	11,276,282	0.61	3.12	4.2%	0.022
2011-12	303	816.77	-1.3%	6,738,397	11,463,124	0.59	2.99	1.7%	0.022
2010-11	298	827.37	-7.0%	7,393,034	11,253,628	0.66	2.94	0.3%	0.022

Fiscal Year	Miles	Operating Expenses / Mile	Percent Change	Fleet Maintenance Costs	Fleet Maintenance Cost / Mile	Percent Change	Fuel Cost	Fuel Cost / Mile	Percent Change
2019-20	3,420,369	13.089	10.2%	8,461,989	2.474	36.2%	1,680,022	0.491	-15.2%
2018-19	3,896,512	11.874	-4.2%	7,078,508	1.817	6.4%	2,256,354	0.579	-5.4%
2017-18	3,688,939	12.392	11.0%	6,298,321	1.707	8.7%	2,258,902	0.612	-1.4%
2016-17	3,930,595	11.167	6.5%	6,175,683	1.571	3.7%	2,441,661	0.621	11.6%
2015-16	3,750,517	10.481	0.4%	5,683,792	1.515	-6.2%	2,086,824	0.556	-2.6%
2014-15	3,554,759	10.440	0.5%	5,740,550	1.615	10.1%	2,030,066	0.571	-21.8%
2013-14	3,534,864	10.386	3.8%	5,186,756	1.467	3.0%	2,580,822	0.730	-1.4%
2012-13	3,512,473	10.001	3.6%	5,002,973	1.424	-1.5%	2,601,015	0.741	-7.8%
2011-12	3,549,802	9.650	4.7%	5,134,802	1.447	3.0%	2,850,255	0.803	15.1%
2010-11	3,587,553	9.219	12.4%	5,040,041	1.405	11.7%	2,502,026	0.697	45.7%
2009-10	4,054,883	8.200	1.5%	5,100,175	1.258	6.5%	1,941,476	0.479	-9.3%



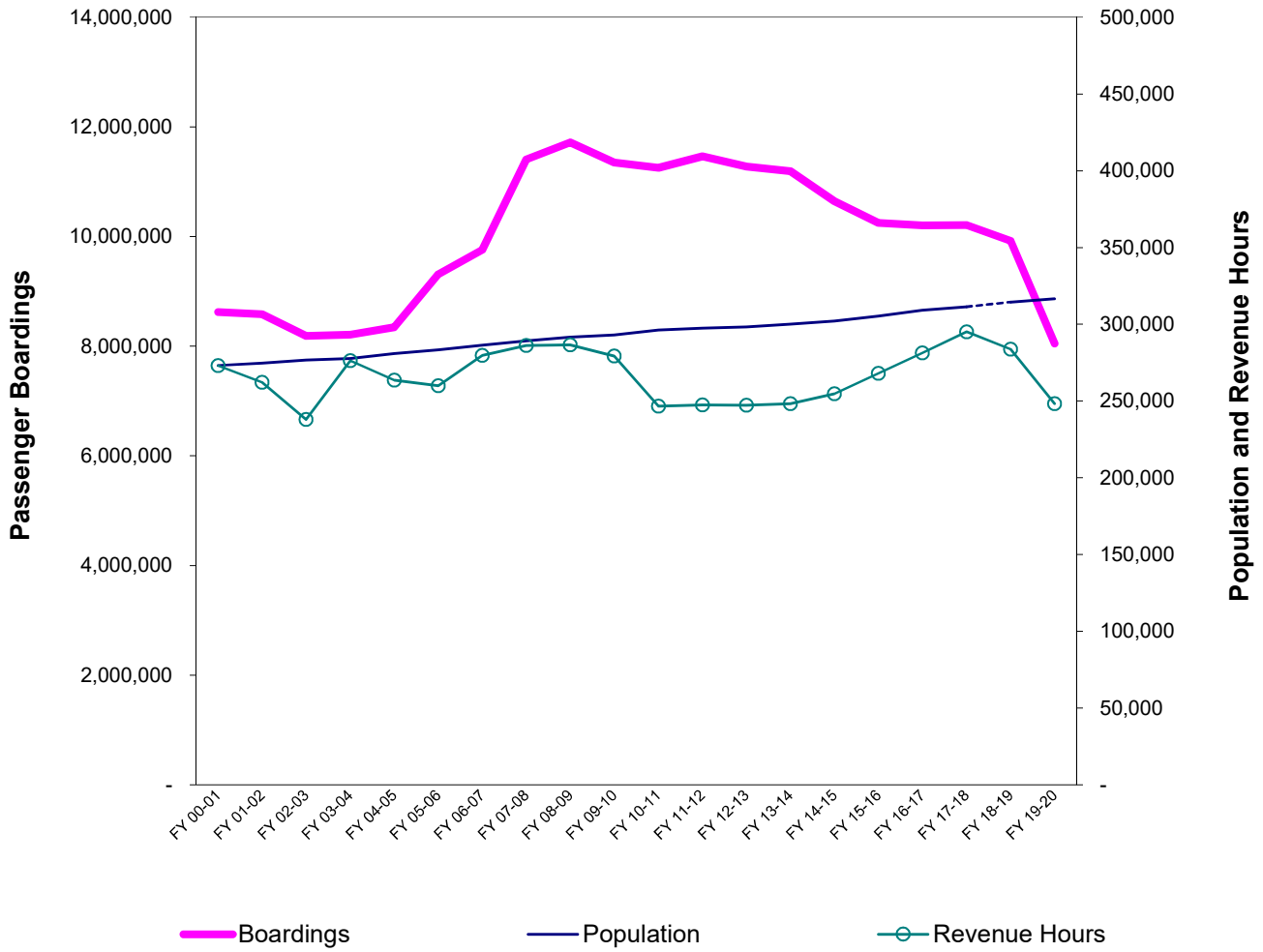
### LANE TRANSIT DISTRICT Ridership, Service, and Productivity Last Twenty Years



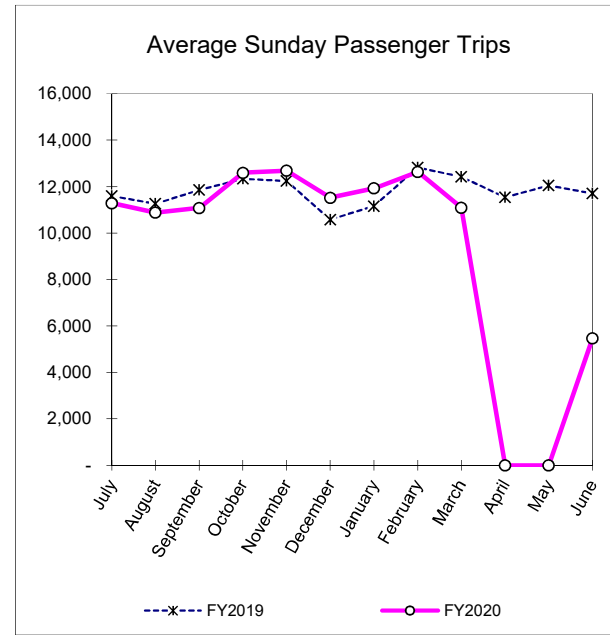
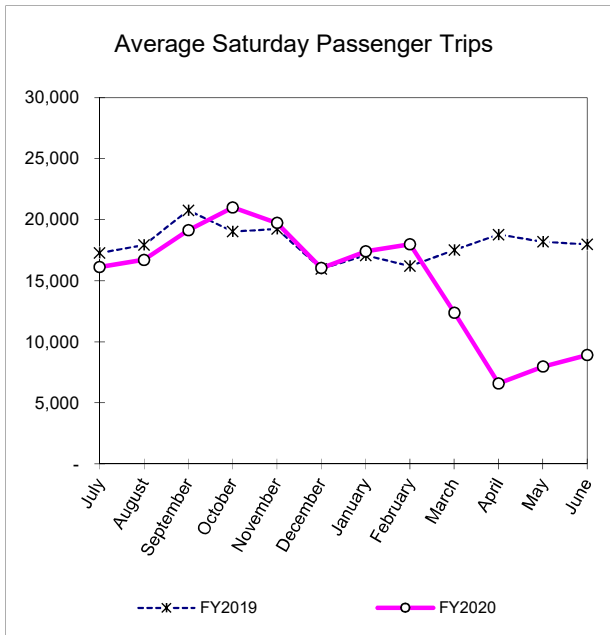
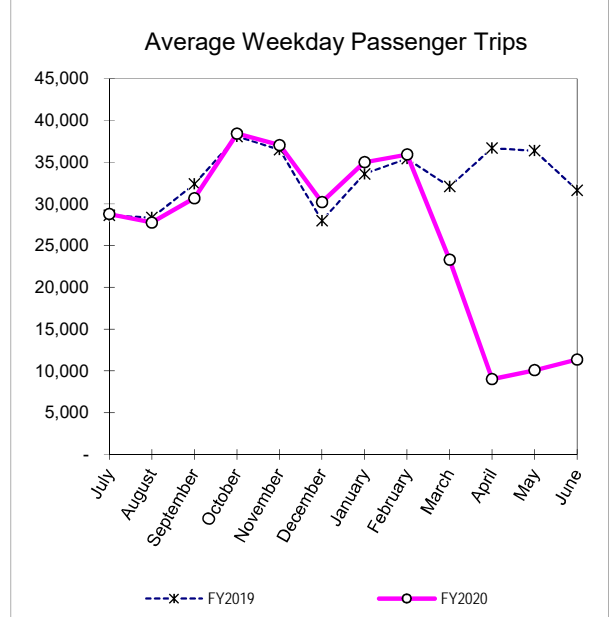
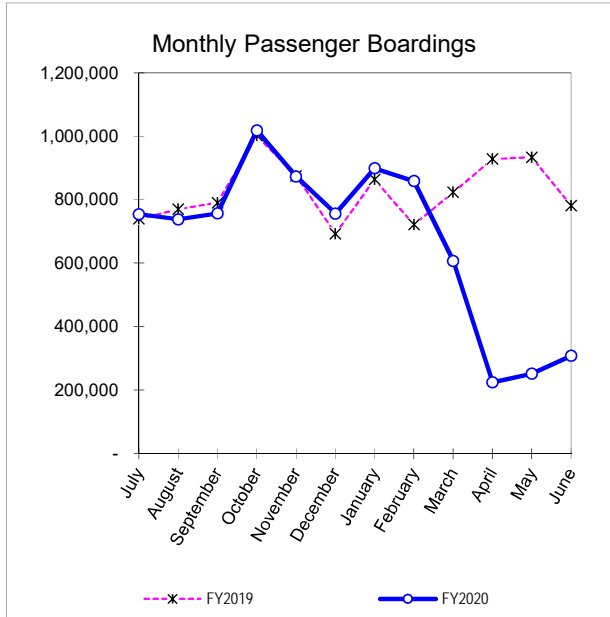
**LANE TRANSIT DISTRICT**  
**Ridership, Fare, Service, and Productivity**  
**Last Twenty Years**

Fiscal Year	Revenue Hours	Percent Change	Passenger Boardings	Percent Change	System Productivity	Percent Change	Base Cash Fare
2019-20	248,190	-12.6%	8,047,918	-18.9%	32.426	-7.26%	\$ 1.75
2018-19	283,835	-3.8%	9,923,771	-2.8%	34.963	1.04%	1.75
2017-18	295,103	4.9%	10,211,323	0.1%	34.603	-4.61%	1.75
2016-17	281,280	5.0%	10,203,700	-0.5%	36.276	-5.15%	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%	1.50
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%	1.25
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%	1.00
2000-01	273,102	-0.7%	8,623,496	6.9%	31.576	7.63%	1.00
1999-00	274,939	4.8%	8,066,108	5.6%	29.338	0.75%	1.00

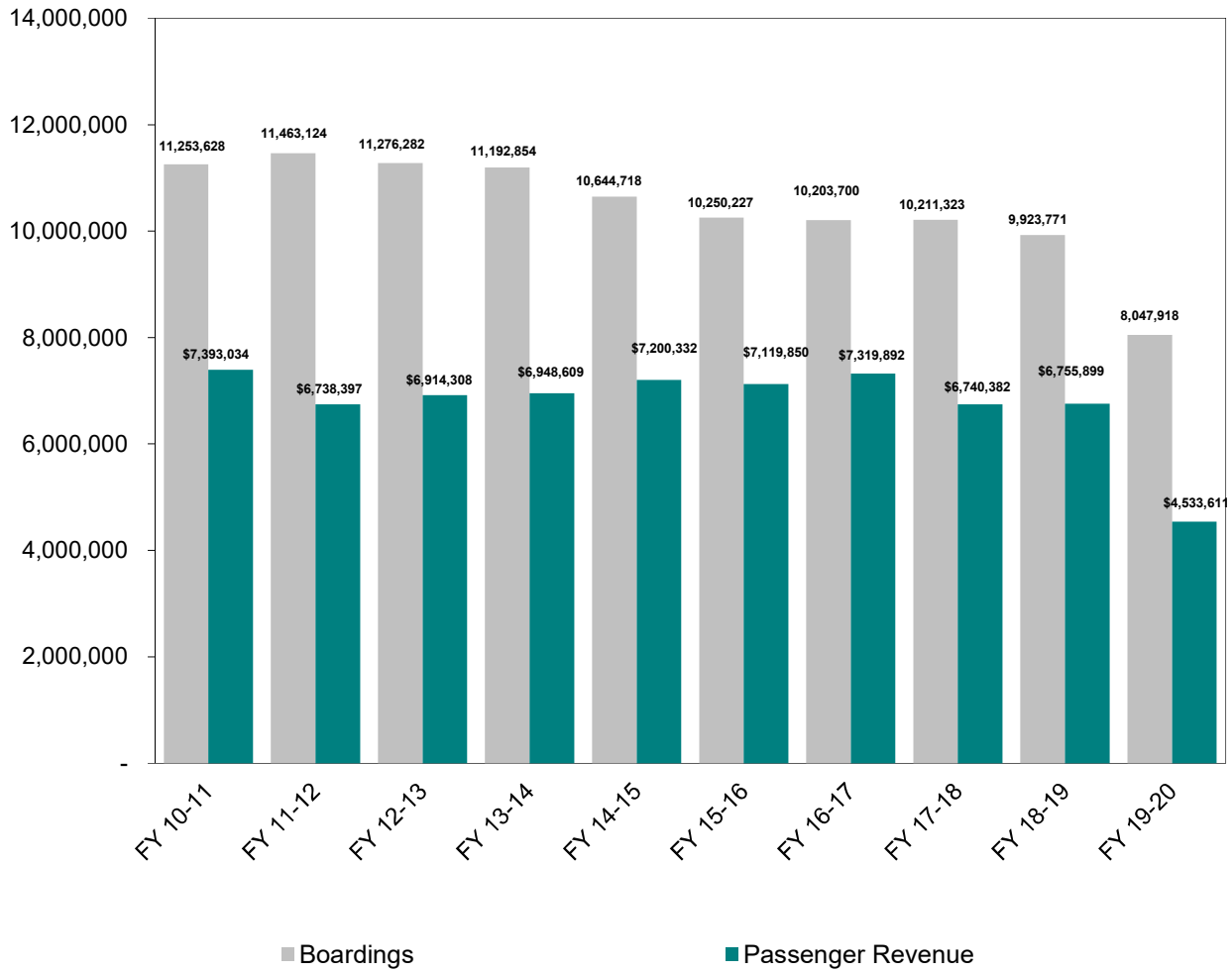
### LANE TRANSIT DISTRICT Ridership, Service, and Service Area Population Last Twenty Years



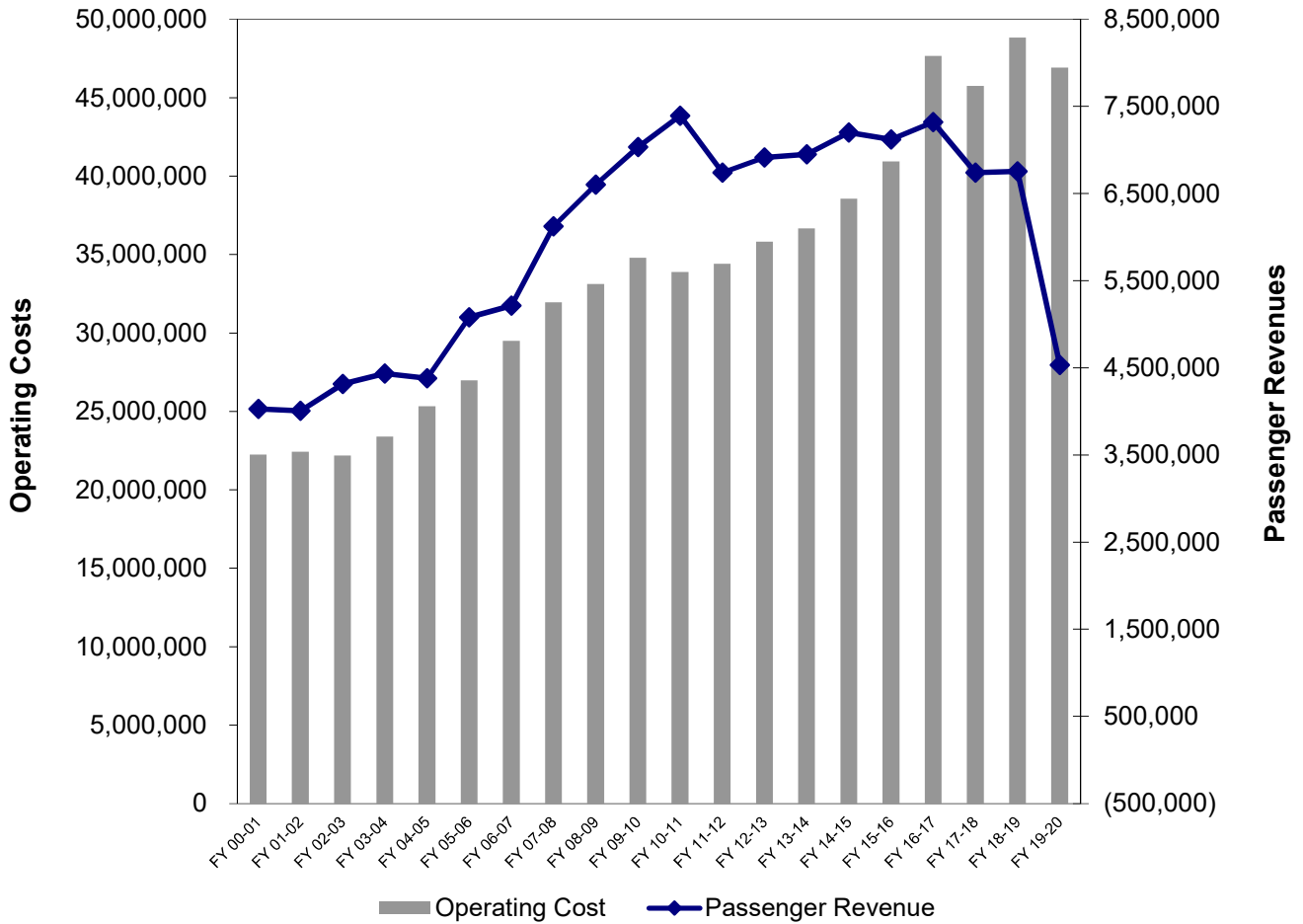
## LANE TRANSIT DISTRICT Ridership Trends by Month For the fiscal years ended June 30, 2020 and 2019



**LANE TRANSIT DISTRICT  
 Passenger Boardings and Passenger Revenues  
 Last Ten Years**



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

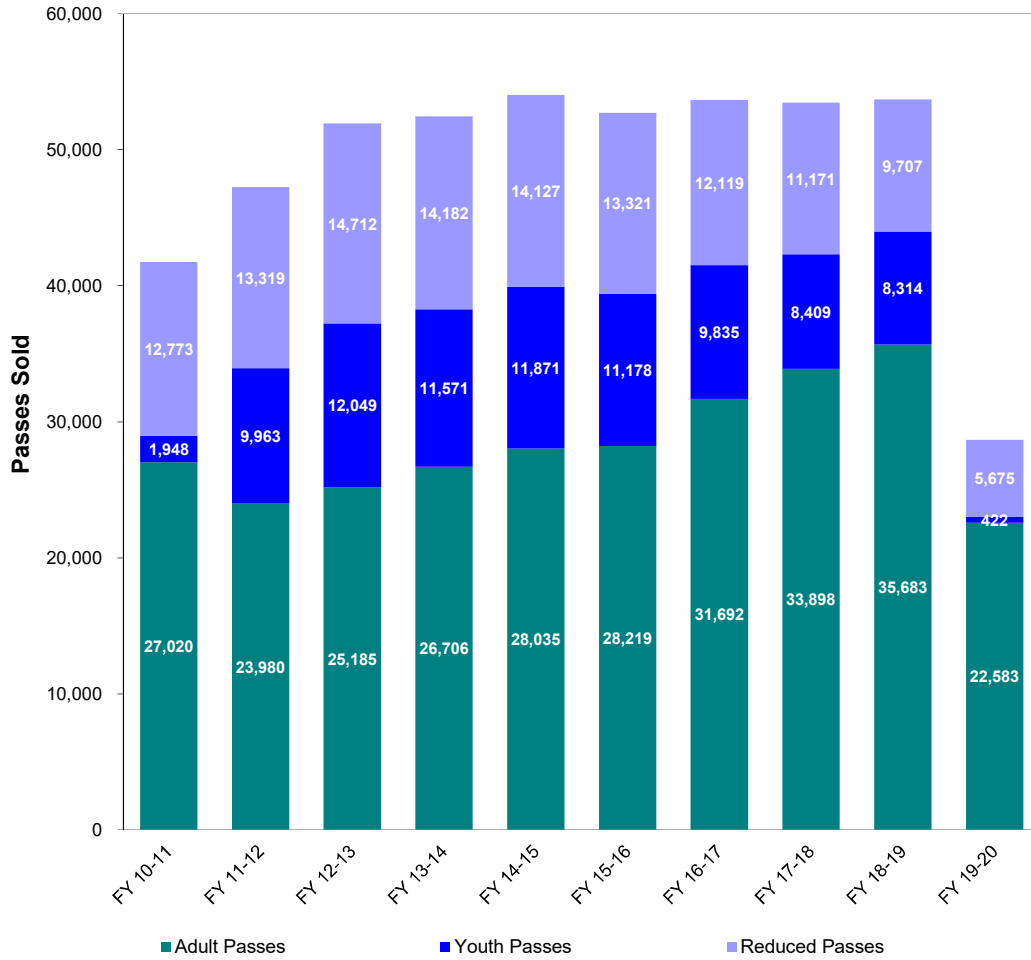


**LANE TRANSIT DISTRICT**  
**Transportation Revenues by Category**  
**Last Ten Years**

Fiscal Year	Fare Box/ Cash	Percentage Change	Ten-Ride Ticket Books	Percentage Change	Touchpass	Percentage Change	Annual & Monthly Passes	Percentage Change
2019-20	\$ 1,236,409	-22.9%	\$ 164,279	-56.1%	449,079	100.0%	\$ 1,318,908	-45.5%
2018-19	1,603,722	-9.1%	374,176	5.0%	-	-	2,418,570	3.2%
2017-18	1,763,975	-8.3%	356,350	-5.9%	-	-	2,344,198	-1.7%
2016-17	1,923,688	-5.9%	378,690	4.7%	-	-	2,385,603	-16.5%
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	-	-	-	1,770,098	12.2%

Fiscal Year	Student Transit Pass Program	Percentage Change	Group Pass	Percentage Change	Special Service	Percentage Change	Total Transportation Revenues	Percentage Change
2019-20	-	-	\$ 1,526,638	-31.5%	\$ 197,114	-31.6%	\$ 4,443,348	-35.7%
2018-19	-	-	2,227,545	-2.1%	288,310	-12.1%	6,912,324	-2.2%
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	-7.4%
2015-16	-	-	2,565,681	-2.9%	243,928	-4.6%	8,073,523	8.3%
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	-	-	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%

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

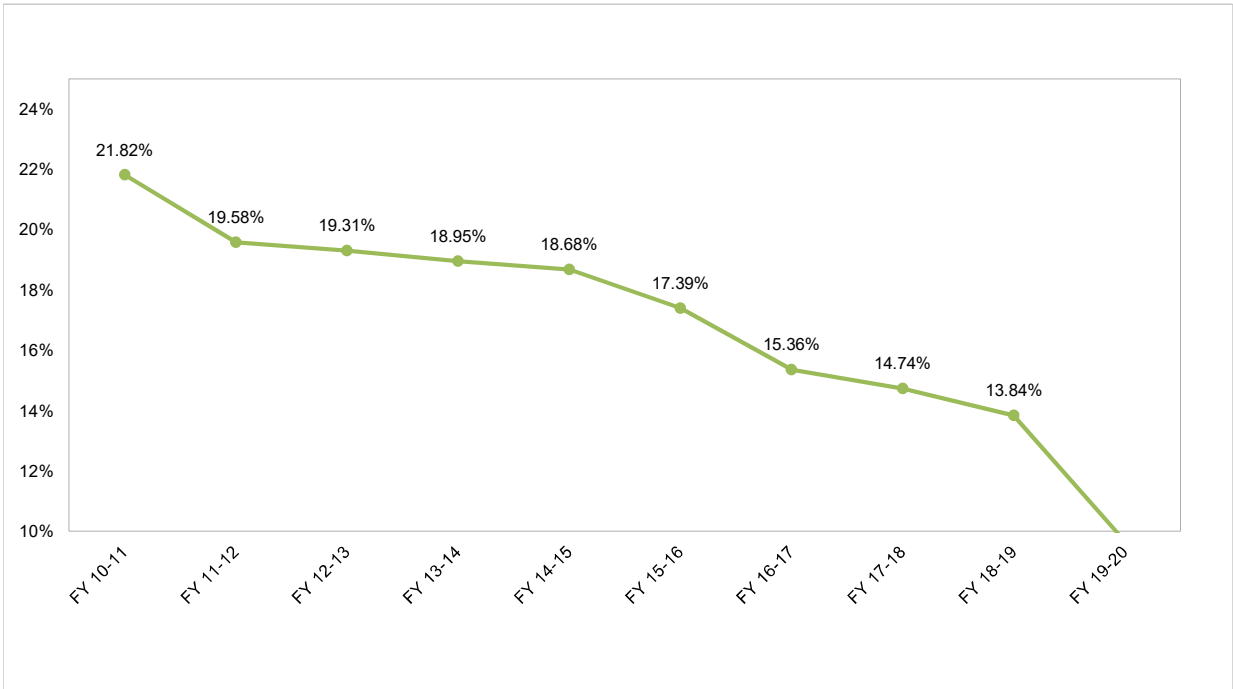




## LANE TRANSIT DISTRICT Passenger Revenues



## Farebox Recovery Ratio



**LANE TRANSIT DISTRICT**  
**Fare Structure**  
**Last Ten Years**

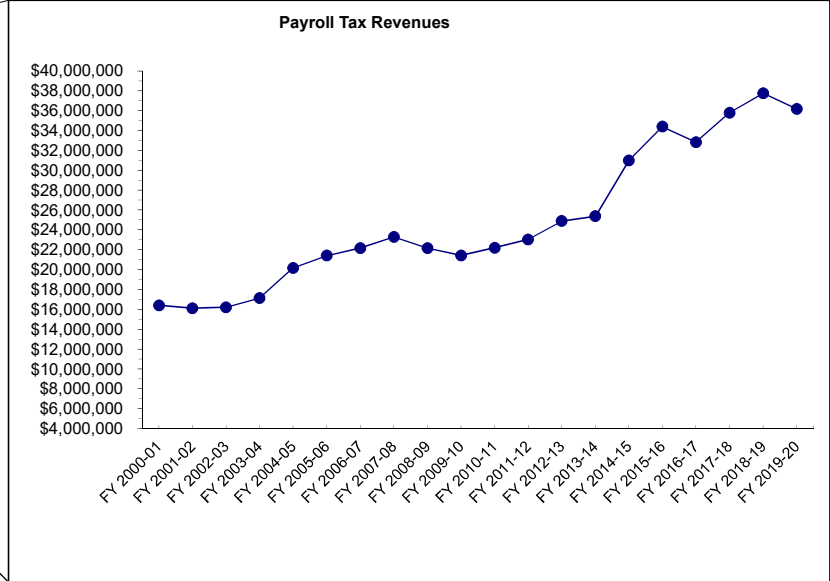
June 30	Cash Fare Adult	Age - Adult	Cash Fare Youth	Age - Youth	Cash Fare Senior	Age - Senior	Cash Fare Reduced	Age - Reduced
2020	\$ 1.75	19-64	\$ 0.85	6-18	free	65 +	\$ 0.85	NA
2019	1.75	19-64	0.85	6-18	free	65 +	0.85	NA
2018	1.75	19-64	0.85	6-18	free	65 +	0.85	NA
2017	1.75	19-64	0.85	6-18	free	65 +	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

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
2020	\$ 50.00	\$ 25.00	free	\$ 25.00	\$ 135.00	\$ 67.50	free	\$ 67.50
2019	50.00	25.00	free	25.00	135.00	67.50	free	67.50
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

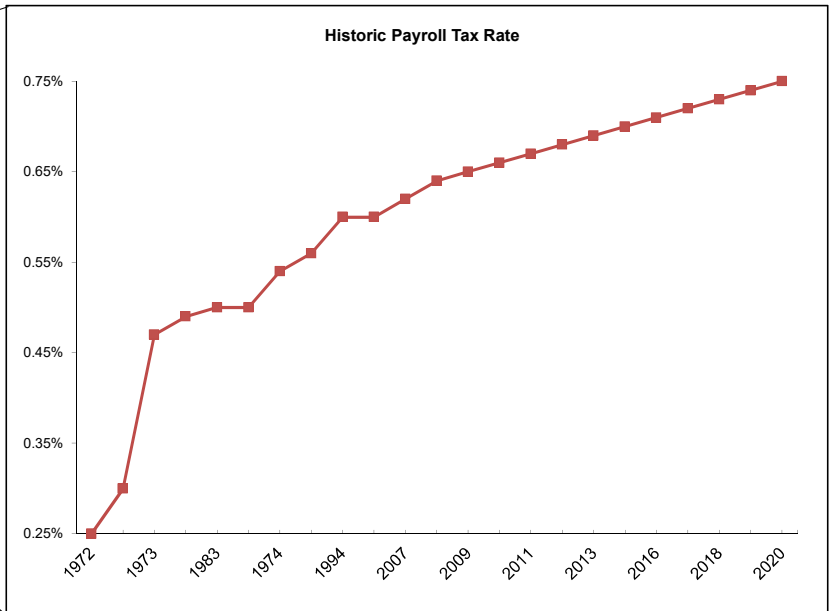
June 30	RideSource Regular Fare	RideSource Escort Fare	RideSource Shopper Fare (Roundtrip)	RideSource Ten-Ride Ticket Book	Ten-Ride Ticket Book Adult	Ten-Ride Ticket Book Reduced	Mobility on Demand Cottage Grove	Mobility on Demand Eugene
2020	\$ 3.50	\$ 3.50	\$ 2.00	\$ 35.00	\$ 16.00	\$ 8.00	\$ 1.00	free
2019	3.50	3.50	2.00	35.00	16.00	8.00	\$ 1.00	free
2018	3.50	3.50	2.00	35.00	16.00	8.00	NA	NA
2017	3.50	3.50	2.00	35.00	16.00	8.00	NA	NA
2016	3.50	3.50	2.00	35.00	16.00	8.00	NA	NA
2015	3.50	3.50	2.00	35.00	16.00	8.00	NA	NA
2014	3.00	3.00	2.00	30.00	16.00	8.00	NA	NA
2013	3.00	3.00	2.00	30.00	16.00	8.00	NA	NA
2012	3.00	3.00	2.00	30.00	NA	NA	NA	NA
2011	3.00	3.00	2.00	30.00	NA	NA	NA	NA

## LANE TRANSIT DISTRICT Comparative Payroll Tax Information Last Twenty Years

PAYROLL TAX REVENUE	
Fiscal Year	Amount
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
FY 2018-19	37,749,489
FY 2019-20	36,179,910



HISTORIC PAYROLL TAX RATE	
Date Implemented	Rate
January, 1 2020	0.75%
January, 1 2019	0.74%
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%



# **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, 2020, and have issued our report thereon dated December 22, 2020. We conducted our 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 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 from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, 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 2021 and 2020.
- 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) as a basis for designing 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.



Ashley Oster, Partner  
for Moss Adams LLP  
Portland, Oregon  
December 22, 2020