



2015 Pierce Transit Budget

Lakewood, Washington

Mission Statement

“Pierce Transit connects communities with safe, reliable, customer-friendly transit options.”

We are locally based and regionally connected.

Our services are safe and on time.

Our fares are affordable.

Our vehicles are clean and comfortable.

We listen to our customers to make their service better.

We work with others to plan transportation improvements.

Our decisions reflect respect for this region’s environment.

We use our tax resources effectively.

Our dedicated, professional employees are the key to quality.



2015 PRELIMINARY BUDGET

Fiscal Year January 1, 2015 through December 31, 2015

JAMES L. WALTON
Interim Chief Executive Officer

Prepared By
The Finance Division

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For budget and other information about Pierce Transit visit www.piercetransit.org

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PIERCE TRANSIT 2015 PRELIMINARY BUDGET TABLE OF CONTENTS

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Introduction	Page
Pierce Transit Board of Commissioners	2
Organizational Chart	3
Budget Message	4
 Budget Summary	
Overall Summary	21
Operating Summary - Revenues	22
Operating Summary - Expenditures.....	23
Capital Summary	24
Insurance Summary	25
Ending Balances	26
Agency Expenditure Comparison	27
 Budget Statistics	
Operating Statistics – All Modes.....	31
Personnel Summary	32
Capital Program.....	34
Preliminary Capital Budget.....	36
Insurance Expenditure Comparison	38
 Six-Year Financial Plan	
Operating Revenues & Expenditures	40
Ending Balances	42
Capital Plan	44
 Appendix	
Acronym List.....	47
Budget Glossary	49





*This section includes Pierce Transit
Board of Commissioners, Pierce
Transit Organizational Chart, and the
Budget Message*

2015 Preliminary Budget

Introduction



BOARD OF COMMISSIONERS

Pierce Transit is a separate municipal corporation, not part of the City of Tacoma or Pierce County.

Pierce Transit is governed by a ten-member Board of Commissioners. The Board is made up of elected officials representing Pierce County, Tacoma, Lakewood, Puyallup, University Place, the smaller towns and cities of our service area, and one non-voting Union Representative.



Commissioner Rick Talbert
Pierce County Council
CHAIR
Term Expires 12/31/16



Commissioner Steve Vermillion
Puyallup City Council
VICE CHAIR
Term Expires 5/1/15



Commissioner Don Anderson
Lakewood Mayor
Term Expires 12/31/15



Commissioner Daryl Eidinger
Represents Fife, Milton and Edgewood
Term Expires 4/30/15



Commissioner Nancy Henderson
Represents Cities of: Pacific,
Auburn, Ruston, Fircrest,
Steilacoom and Gig Harbor
Term Expires 4/30/15



Commissioner Kent Keel
University Place Council
Term Expires 12/31/15



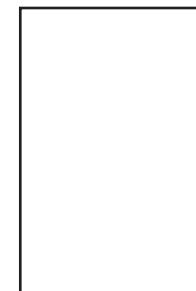
Commissioner Pat McCarthy
Pierce County Executive
Term Expires 5/1/15



Commissioner Marilyn Strickland
Mayor of Tacoma
Term Expires 12/31/15



Commissioner Lauren Walker
Tacoma City Council
Term Expires 12/31/15



Vacant
Non-voting Union Representative
Term Expires N/A



2015 ORGANIZATIONAL CHART

CITIZENS OF PIERCE COUNTY
|
BOARD OF COMMISSIONERS
|

INTERIM CHIEF EXECUTIVE OFFICER
James L. Walton

CLERK OF THE BOARD,
ASSISTANT TO CEO
Deanne Jacobson

Office of the CEO	ADMINISTRATION DIVISION	FINANCE DIVISION	OPERATIONS DIVISION
James L. Walton Interim Chief Executive Officer	Alberto Lara Vice President	Wayne Fanshier Vice President	Doug Middleton Vice President
Office Admin	Division Admin	Division Admin	Division Admin
Business Development	Human Resources		Radio Program Admin
Project Management	Labor Relations	<i>Finance Department</i>	Maintenance Bus Radio Systems
Legal	Training	Department Admin	Facilities Management
Public Relations		Accounting	
Safety	<i>Information Technology Department</i>	Budgeting	<i>Fleet Maintenance Department</i>
	Department Admin	Revenue Accounting	Office Admin
	Information Technology		Automotive
		<i>Procurement Department</i>	Bus Repair
	<i>Marketing Department</i>	Department Admin	Maintenance Training
	Marketing	Purchasing	
	Administrative Services	Warehousing	<i>Public Safety Department</i>
	Customer Services		Department Admin
	Field Customer Services	<i>Transit Development Department</i>	Physical Security
		Department Admin	Public Safety Records
	<i>Risk Management Department</i>	Capital Planning	Transit Police
	Risk Management	Bus Stop Program	Uniform Security
	ADA	Employer Services Admin	
		Employer Services	<i>Transportation Department</i>
		Vanpool	Office Admin
		<i>Service Planning</i>	<i>Transportation Operators</i>
		Service Planning Admin	Operators Admin
		Bus Stop Program	Operators Dispatch
		Planning	Operators
		Scheduling	<i>Paratransit</i>
			Paratransit Admin
			Paratransit Customer Service
			Paratransit Operations
			<i>Transportation Service Support Department</i>
			Service Support Admin
			Service Support Operations
			Bus Safety & Training



December 8, 2014

TO: PIERCE TRANSIT BOARD OF COMMISSIONERS, CITIZENS AND EMPLOYEES

FROM: JAMES L. WALTON, INTERIM CHIEF EXECUTIVE OFFICER

Where public transportation goes, communities grow and the quality of life improves.

The Pierce Transit annual planning process has examined the economic forecasts, its programs, service, financial operations and financial outlook. This proposed 2015 Budget and Six-Year Financial Plan is balanced. The activities included are sustainable and cash flow will be positive throughout the plan.

This budget and service plan support access to jobs, school, medical appointments, shopping, and events. It also supports economic development, reduction in carbon emissions and congestion, and provides a lifeline access for those without cars to a growing population.

The Budget is built around five strategic priorities contained in the Strategic Plan:

- Operational Excellence
- Financial Stability
- Improved Public Perception
- Innovative Community Solutions
- Balanced Service Allocation

The 2015 Budget is approximately \$161 million. This is balanced by expected revenues and reserves. Service was reduced by a total of nearly 33% beginning in 2010 as a result of declining sales tax revenues and a reduced service area. The gradual recovery of sales tax revenues as well as grants for service restoration has resulted in a 3.4% service increase since 2012. Efforts are continuing to focus resources on improving service.



2015 BUDGET MESSAGE

Reserves are in compliance with required levels established by the Board of Commissioners. This provides the ability to deal with adverse economic conditions, emergencies, and exposure to casualty and legal risks. The Agency has no long-term debt.

The Six-Year Financial Plan projects the draw-down of \$9.6 million reserves in 2015. Reserves will be utilized over the next six years to maintain current service levels and will meet the required reserve by the end of the six year period. By 2020, sales tax is forecasted to return to levels sufficient to support current service levels.

Planned capital expenditures total \$32.7 million and are primarily for revenue vehicle replacement and the preservation of business systems. Of that amount, \$21.2 million is for carryover projects from prior years and \$11.5 million is budgeted for new projects. A fare change is planned which will eliminate transfers and introduce a day pass. The revisions to fares are designed to increase farebox recovery, and minimize fare evasion.

Local economic conditions and consumer spending play major roles in the generation of sales tax revenue which is Pierce Transit's primary operating revenue source. The outlook for the future is improving at a moderate pace.

While the recovery from the Great Recession in 2009 has been slow, employment is starting to return to the pre-recession level. The state's unemployment rate declined from 6.1% in May to 5.6% in August. Washington car sales for new vehicle registrations in August were the strongest since November 2007, before the onset of the recession.

The Washington State Economic and Revenue Forecast Council in September, 2014 showed a preliminary estimate of year-over-year retail sales tax growth of 8.8%. The growth is driven by personal income, unemployment, housing activity, and interest rates. The forecast council expects the pace of growth to continue in both the national and Washington economy.

The Puget Sound Economic Forecaster is projecting sales in the region will accelerate in 2015 by 5.2%. As a result of increased retail sales and commercial new construction, Pierce County has added \$8.1 million or 14% more to sales tax revenue in 2015.



2015 BUDGET MESSAGE

This all bodes well for the economy and for Pierce Transit. Sales tax collections through July (collections are reported by Department of Revenue on a two month lag) show a 4.99% increase over 2013 actuals and are forecasted to be 5.09% at year-end.

The increase in sales tax collections and continuing efforts to improve productivity result in our ability to add 4,000 fixed route service hours in 2015 and support the budget and sustain the Six-Year Financial Plan through 2020. In addition, Sound Transit service hours are increasing 678 hours over 2014.

There are still uncertainties for Pierce Transit. The settlement of the Amalgamated Transit Union (ATU) labor contract could have a significant impact on expenditures. Other possible impacts to Pierce Transit's financial condition include federal transit funding reductions, continued local economic growth, ridership growth and the sale of property. In addition, the gap between service levels and demand for service continues to widen.

Attention to the goals and performance measures in the Strategic Plan will enhance Pierce Transit's ability to deliver on our mission and meet and/or exceed our stakeholders' expectations. Continued efforts to control costs, redesign service delivery processes, accelerate technology and innovation and prioritize the delivery of service are underway to better align services based on customer needs. The Board of Commissioners, Legislators, local elected officials, key community and business leaders, and our employees will continue to be engaged in examining every possible way to control Agency expenditures and increase revenues. The Agency is committed to providing as much service as possible to the public. Safety, service quality, customer satisfaction, and the success of our employees and labor partners remain top priorities.

A handwritten signature in blue ink, reading "James L. Walton", written over a horizontal line.

James L. Walton, Interim Chief Executive Officer



2015 BUDGET MESSAGE

In brief:

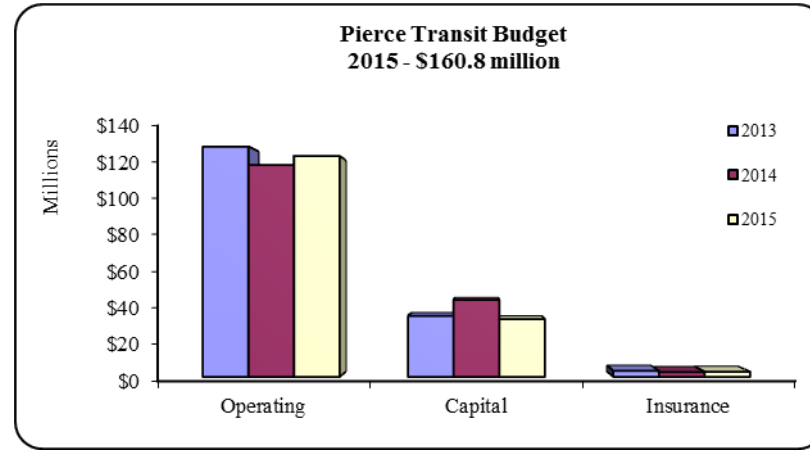
The 2015 preliminary budget totals \$160,785,792.

The Board of Commissioners appropriates all funds. The fund structure in the budget is the same as the audited financial statements. Pierce Transit is a single enterprise that uses the same accrual method of accounting as a private enterprise.

The budget is distributed across three major categories: Operating, Capital, and Insurance. These are treated as separate funds for budget purposes.

The operating budget finances the day-to-day operations of the Agency and provides operating transfers to support capital and insurance needs. The capital budget contains revenues and expenditures associated with capital acquisitions. The self-insurance budget is maintained for the self-insurance expenses.

Agency Budget Summary



The operating budget is the primary budget of the Agency. It includes revenue from fares, advertising, reimbursement from Sound Transit for regional service, sales tax, preventive maintenance, interest, other, and operating contributions. The operating budget expenditure categories include wages, benefits, maintenance and operating costs, non-operating expenditures, and transfers to the capital and insurance funds.

The capital budget revenues include federal and state grants, Sound Transit funding, interest earnings, and transfers from the operating fund. Capital expenditures include budgeted replacement vehicles, facilities, and maintenance equipment.

The self-insurance budget for administering self-insurance programs includes projected revenues for interest earnings on the insurance fund balance and transfers from the operating fund. Insurance expenditures include costs associated with workers' compensation benefits, unemployment costs, and self-insured liability claims prior to 2010.

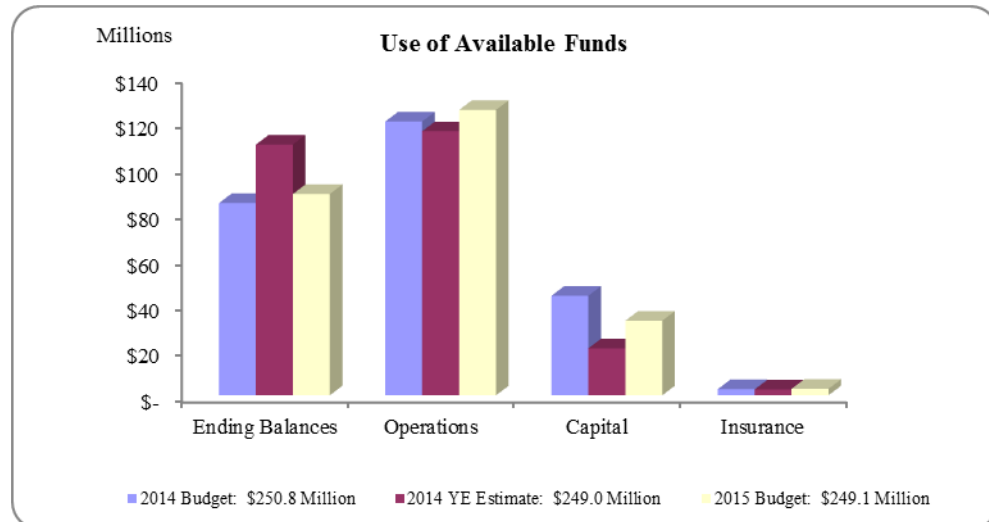
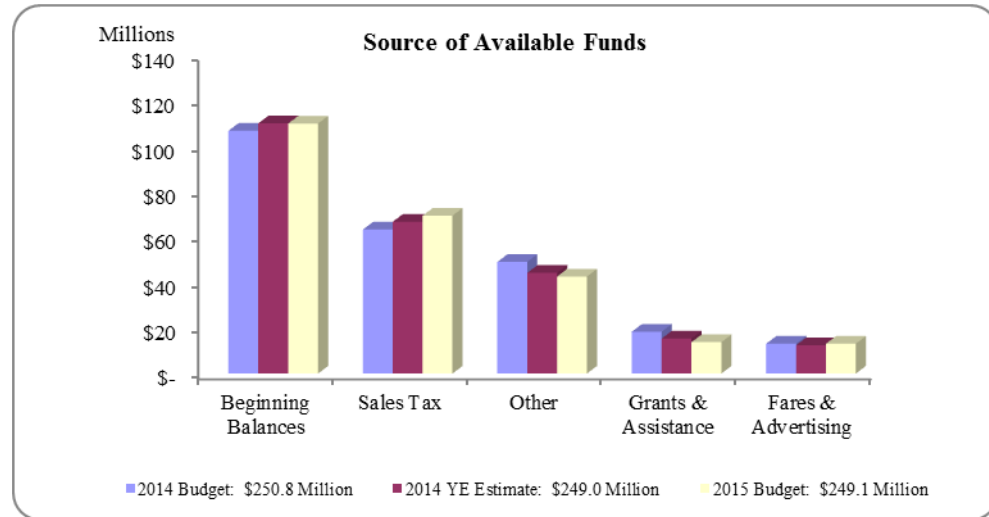


2015 BUDGET MESSAGE

A comparison of revenues and expenditures including beginning balances and ending balances for the total Agency 2014 Amended Budget, the 2014 Year-End Estimates, and the 2015 Budget is shown.

Sales tax revenue is gradually improving and offsetting other decreases in revenue.

Expenditure changes are driven by fixed route service changes and the carryover of capital projects.





2015 BUDGET MESSAGE

In brief:

The budget includes operating revenues, operating expenditures, non-operating expenditures, and operating transfers.

Operating Revenues – Funds such as sales tax and fares received to pay for ongoing operations.

Operating Expenditures – Funds paid for providing transportation services.

Non-Operating Expenditures – Expenditures for the Pierce County Agreement for grant exchange funds.

Operating Transfers – Amounts transferred from the Operating Budget to the Capital and Insurance Budgets to fund expenditures and reserves.

Operating Budget

The 2015 operating revenues of \$133,369,415 support the operating expenditures of \$124,363,341, non-operating expenditures of \$860,301, and operating transfers of \$17,783,175. Operating transfers support the self-insurance and capital programs and fluctuate from year to year depending on capital and self-insurance needs. The use of reserves is \$(9,637,402). Reserves will be utilized over the next six years to maintain current service levels and will meet the required reserve by the end of the six year period. By 2020, sales tax is forecasted to return to levels sufficient to support current service levels.

The operating budget revenue for 2015 is increasing by 2.4% and operating expenditures are increasing 4.3% from the 2014 Amended Budget.

	2014 Amended Budget	2015 Budget	Budget to Budget Change	
			Amount	%
Operating Revenues	\$ 130,275,362	\$ 133,369,415	\$ 3,094,053	2.4%
Operating Expenditures	(119,264,193)	(124,363,341)	5,099,148	4.3%
	11,011,169	9,006,074		
Non-Operating Expenditures	(860,300)	(860,301)		
Operating Transfers	(1,339,935)	(17,783,175)		
Net Change - Reserves	\$ 8,810,934	\$ (9,637,402)		

2015 Non-Operating Expenditures are for the payment of \$860,301 for the Pierce County Agreement grant exchange funds.



2015 BUDGET MESSAGE

In brief:

The type of revenue and percent change from 2014 Amended Budget are provided in the table and briefly explained as follows.

Explanation of Change:

Fares – service changes
ridership projections

Advertising – advertising demand
service changes

Sound Transit – reimbursement rate
services provided

Sales Tax – estimated revenue

Interest – investment balance
interest rates

Other – salvage sales
projected property sales

Operating Contributions – grants

Operating Revenues

	2014 Amended	2015	Budget to Budget Change	
	<u>Budget</u>	<u>Budget</u>	<u>Amount</u>	<u>%</u>
Operating Income				
Fares	\$ 12,429,612	\$ 12,361,679	\$ (67,933)	-0.5%
Advertising	725,000	763,000	38,000	5.2%
Sound Transit	38,330,681	37,309,657	(1,021,024)	-2.7%
Non-Operating Income				
Sales Tax	63,348,980	69,476,194	6,127,214	9.7%
Preventive Maintenance	6,254,458	4,627,700	(1,626,758)	-26.0%
Interest	137,961	95,000	(42,961)	-31.1%
Other	5,312,885	5,235,564	(77,321)	-1.5%
Operating Contributions	3,735,785	3,500,621	(235,164)	-6.3%
	<u>\$ 130,275,362</u>	<u>\$ 133,369,415</u>	<u>\$ 3,094,053</u>	<u>2.4%</u>

Fares - Revenues are estimated based on ridership and average fare per boarding projections. The average fare per boarding is expected to decline in 2015 to \$.85 from \$.89 per boarding. Average fare per boarding varies as the number of rides taken on a monthly pass changes.

Pierce Transit is preparing to implement revisions to its fares which are designed to increase farebox recovery, minimize fare evasion, and promote driver and passenger safety. The revisions are an outcome of a comprehensive Fare Study and data gathered from focus groups with riders, transit operators, and service supervisors. A public hearing was held at the June 9, 2014 Board of Commissioners meeting to allow the public to comment on the proposed revisions. Implementation of these fare changes will occur in 2015 and will coincide with the replacement farebox system. They include the following features:



2015 BUDGET MESSAGE

1. Elimination of paper transfers.
2. Introduction of a new All Day Pass valid on Pierce Transit local service.

The Board of Commissioners approved the proposed revisions on Monday, July 14, 2014.

There is no projected fare increase included in the 2015 Budget revenue. The last adult fare increase was November, 2010. The increase was \$.25 for the local adult fare from \$1.75 to \$2.00. There was no increase for senior/disabled, youth or specialized transportation (SHUTTLE) riders. The prior fare increase was January 1, 2009.

Advertising – The advertising budget reflects demand and the number of buses in service available for ads.

Sound Transit – Regional Transit Service budgeted revenue totals \$37,309,657 in 2015. The 2015 Budget is expected to decline 2.7% from 2014 Budget. The revenue reflects current estimates. Pierce Transit is under contract with Sound Transit to provide regional express services. Sound Transit reimburses Pierce Transit for the cost of operating its service. Sound Transit reimbursement represents 28% of operating budget revenue. For 2015, Sound Transit is increasing service hours .2% from 305,899 to 306,577. Sound Transit also reimburses for their share of costs associated with the Tacoma Dome Station, security, liability insurance, and special services.

Sales Tax - The sales tax projections are based on economic conditions and analysis of activity in the jurisdictions in the Public Transportation Benefit Area. In 2015, sales tax is expected to total \$69,476,194. The 2015 sales tax revenue is a 9.7% increase over the original 2014 Budget estimate. It reflects a 5.7% increase from the 2014 Budget and an expected 4% increase in 2015 over 2014 year-end estimates. Sales tax represents 76% of the operating budget revenue excluding Sound Transit and a one-time sale of property.



2015 BUDGET MESSAGE

Preventive Maintenance - This source is a Federal Transit Administration (FTA) 5307 grant. The 5307 grant is allocated based on certain performance measures including the number of passenger boardings and service hours provided, based on a two year lag.

Preventive Maintenance for 2015 is \$4,627,700 and is authorized under the Moving Ahead for Progress in the 21st Century Act (MAP-21, Public Law 112-141). MAP 21 extended the prior law (SAFETEA-LU) through September 30, 2012 and put MAP-21 into full effect on October 1, 2012. This authorizes programs for two years, through December 11, 2014. The 2015 Budget is decreasing 26% from 2014 Budget due to service reductions implemented in prior years.

Interest - Interest revenue estimates are based on investment balances and projected interest rates. Interest rates and available funds to invest have decreased slightly during 2014 resulting in decreased interest revenue in 2015.

Other - This revenue category includes \$4.8 million for a one-time sale of property, revenue from parking fees at the Tacoma Dome Station, revenue from the sale of vehicles at the end of their useful life, and miscellaneous sources. The 1.5% change in 2015 is primarily due to Washington State Transportation Insurance Pool (WSTIP) claims services reimbursements included in this category.

Operating Contributions - Included in the Operating Contributions are grants with Pierce County and the City of Tacoma for \$100,902 for Commute Trip Reduction (CTR) administration and Pierce County Employer Services Programs. A Washington State Department of Transportation Regional Mobility Grant for Pacific Avenue peak hour service expansion is included for \$615,000. Also included is a Federal grant for \$80,960 for a community accessibility inventory program to help individuals with disabilities utilize bus service. The remainder of the funds provide services required by the Americans with Disabilities Act (ADA) through an agreement with Pierce County for the use of \$1,075,376 in federal formula funds and \$1,628,383 for a Washington Department of Transportation grant for special needs transportation.



2015 BUDGET MESSAGE

In brief:

The 2015 Budget reflects the best use of the projected funds for the effective, efficient, and convenient provision of service to the community.

The type of expenditures and 2015 dollar and percent change from 2014 Amended Budget is provided in the table and is briefly explained as follows.

Explanation of Change:

Wages –
projected wage adjustments

Benefits –
Washington State Public
Employees Retirement System
(PERS) employer contribution
rate increase

Maintenance & Operating (M&O) –
supplies and services increase

Operating Expenditures

The focus for 2015 is on the strategic priorities: operational excellence, financial stability, improved public perception, innovative community solutions, and balanced service allocation. Operating expenses for 2015 are projected to total \$124,363,341 for a 4.3% increase from the 2014 Amended Budget.

The changes from the 2014 Amended Budget to the 2015 Budget are as follows:

	2014 Amended Budget	2015 Budget	Budget to Budget Change	
			Amount	%
Wages	\$ 55,665,496	\$ 58,936,995	\$ 2,971,499	5.3%
Benefits	22,847,011	24,322,849	1,475,838	6.5%
M & O	40,451,686	41,103,497	651,811	1.6%
Total Operations	119,264,193	124,363,341	5,099,148	4.3%
Non-Operating Expenditures	860,300	860,301	1	0.0%
Total	\$ 120,124,493	\$ 125,223,642	\$ 5,099,149	4.2%

Wages - The 5.3% increase in wages is due to the addition of 15 positions and projected increases in wages, salaries, and overtime.

Represented employees are 85% of the total Agency workforce. The Master Agreement with the transit union for the three-year period, July 1, 2011 through June 30, 2014 has ended and a new contract is being negotiated. The Master Agreement with the transit security officer union is for a four-year period, May 1, 2014 through April 30, 2018. The 2015 Budget includes 881 positions and 863.3 full-time equivalents (FTEs). The 1.7% increase in positions includes six funded by Sound Transit, two operators for the Pierce Transit service hour increase, and seven system support personnel.



The fuel prices from 2015 Budget are shown below.

	2015 Budget
Unleaded	\$ 3.250
Diesel	\$ 3.250
CNG	\$ 0.539

Unleaded and diesel prices are per gallon and CNG prices are per gas gallon equivalent.

2015 BUDGET MESSAGE

Benefits - The increase in benefits of 6.5% or \$1,475,838 is a result of staff increases and an increase in the Washington State Public Employees Retirement System (PERS) employer contribution rates. PERS is projected to increase from 9.21% of eligible wages to 11.00% of eligible wages effective July 1, 2015. However, this has an annualized budget impact from 9.21% in the 2014 Amended Budget to 10.11% in the 2015 Budget. A 0% premium increase in medical premiums from the primary medical insurance provider helps to mitigate the impact of other benefit increases.

Maintenance and Operations - The 2015 Maintenance and Operations (M&O) Budget is \$41,103,497. This is an increase of \$651,811 or 1.6% higher than the 2014 Amended Budget. The increase is to support the strategic priorities in business development for demonstration projects, system strategy and facility needs, projected fuel costs, and radio system maintenance costs.

Fuel - Fuel costs of \$7,826,603 represent approximately 6% of the operating budget. Compressed Natural Gas (CNG) comprises 12% of the fuel costs and is driven by CNG contracted prices. The Pierce Transit fleet is nearly 100% CNG powered and Sound Transit fleet is primarily diesel powered. The diesel and unleaded costs are estimated based on the best information available. A majority of diesel costs are reimbursed by Sound Transit.

Non-Operating Expenditures - 2015 Non-Operating Expenditures are for the payment of \$860,301 for the Pierce County Agreement grant exchange funds.



2015 BUDGET MESSAGE

In brief:

Itemization of Budgetary Changes

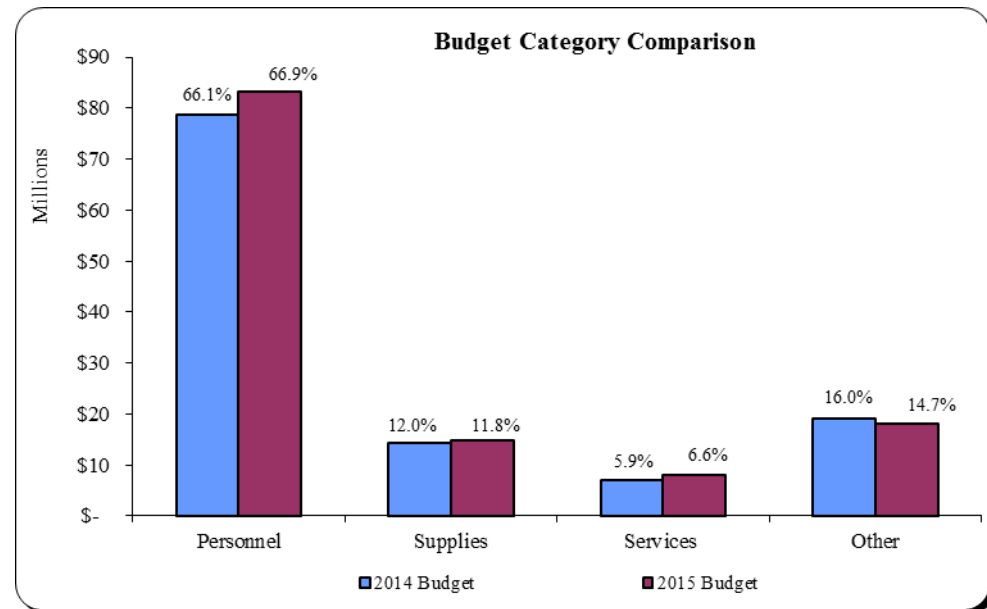
The 2015 total operating budget is 4.3% above the 2014 Amended Budget. An itemization of this increase is shown in the following chart.

Itemization of Budgetary Changes

Category	% Change
Wages	2.5%
Benefits	1.2%
Services	1.0%
Supplies	0.1%
Fuel	0.2%
Repairs & Maintenance	-0.1%
Rentals	0.1%
Utilities	0.0%
Purchased Transportation	-0.1%
Insurance	-0.1%
Other	-0.7%
Total	4.3%

Budget category comparison

As shown in the graph below, the operating budget categories represent similar percentages of the total operating budget. Personnel costs are approximately 67%, supplies 12%, services 6%, and other 15%.





In brief:

The 2015 Capital Budget is comprised of the following categories.

Revenue Vehicles – 40%

Provide customers a comfortable and reliable mode of transportation

Passenger Facilities & Amenities – 17%

Serve as the front door to the transit system

Base Facilities – 6%

Support the efficiency of the Agency

Technology – 31%

Improve information and services to the public

Other – 6%

Maintain equipment

A detailed project list reflecting the responsible division, carryover, and grant support is located in the Budget Statistics section of this document.

2015 BUDGET MESSAGE

Capital

The Capital Budget presents the revenues and expenditures associated with capital development and acquisition. It includes funds for budgeted replacement vehicles, capital planning for the efficient use of base facilities, maintenance equipment, and off-site improvements. These items are distinguished from operating items due to their value (greater than \$5,000) and projected useful life (longer than one year).

Capital projects for 2015 are budgeted at \$32,744,150. Approved but unspent projects are carried over to the following budget year. The 2015 Budget contains \$21,173,078 of prior year budgeted funds (carryover) and \$11,571,072 in new projects in 2015. Expenditures are supported by \$5,676,704 in grant revenue primarily from the Federal Transit Administration, Sound Transit, and the WSDOT Regional Mobility grant program. Operating costs or anticipated savings associated with significant non-routine capital expenditures such as personnel, maintenance, and utility costs have been included in the operating budgets of the responsible department.

	Carryover	New	Total
Revenue Vehicles	\$ 7,504,640	\$ 5,768,435	\$ 13,273,075
(Bus - 10 @ 40' / 9 @ 25' replacement, Vanpool - 120 replacement/ 20 expansion, Shuttle Vehicles - 66 replacement)			
Passenger Facilities and Amenities	5,326,800	170,565	5,497,365
(Tacoma Dome Station, G Street, 112th Street & Pacific Ave.)			
Base Facilities	1,019,774	974,339	1,994,113
(Building 4, Base Rewire & Electrical Needs)			
Technology	6,886,805	3,172,744	10,059,549
(Maintenance Management System, AV System Replacement, Radio Subscriber Replacement, Cameras on Buses, CAD/AVL Update, Financial Management System, Server and Infrastructure Replacement)			
Other	435,059	1,484,989	1,920,048
(Support Vehicles, Maintenance, Admin. and Shop Equipment)			
	\$ 21,173,078	\$ 11,571,072	\$ 32,744,150



2015 BUDGET MESSAGE

Self- Insurance

The 2015 Budget of \$2,818,000 reflects an increase of \$144,000 from the 2014 Amended Budget of \$2,674,000. This is a result of projected Workers' Compensation claims. Third Party Liability costs are decreasing by \$74,000 or 12.3% from 2014 as a result of the settlement and close out of self-insured liability claims. Unemployment costs are projected to decrease \$25,000 or 16.7% due to nonrecurring expenses from prior years' layoffs.

Ending Balances

Ending balances include the required reserves for the operating, capital, and insurance funds. The Board of Commissioners designated balances policy follows:

Operating reserve - a minimum of two months of agency operating expenditures

Capital reserve - a minimum amount equal to ten percent of the six-year average annual capital expenditures and fifty percent of the average annual grant funding programmed in the Six-Year Financial Plan

Self-Insurance reserve - a level adequate to protect the agency from self-insurance claims (currently \$1 million).

Conclusion

The 2015 Budget is balanced and sustainable and is focused on providing quality transportation services.





A summary of Pierce Transit's preliminary budget is displayed in the following section. This summary is designed to present a brief overview of the Agency's financial outlook for the coming year. This information includes an overall summary, operating revenue summary, operating expenditure summary, capital summary, insurance summary, ending balances summary and an agency expenditure comparison.

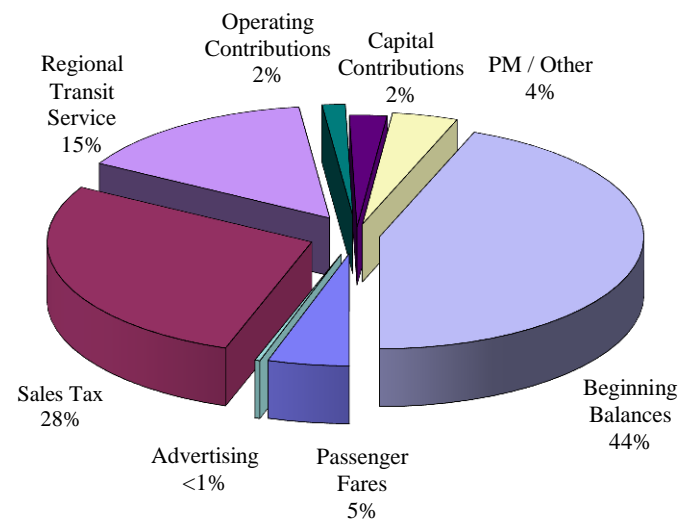
2015 Preliminary Budget

Budget Summary

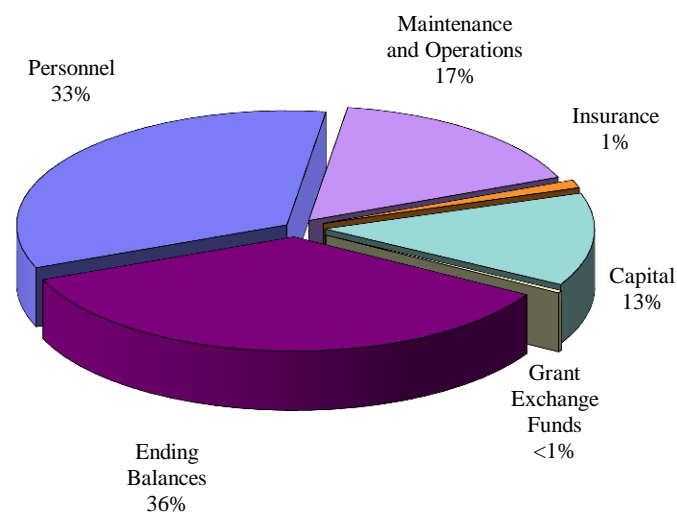




Revenues



Expenditures



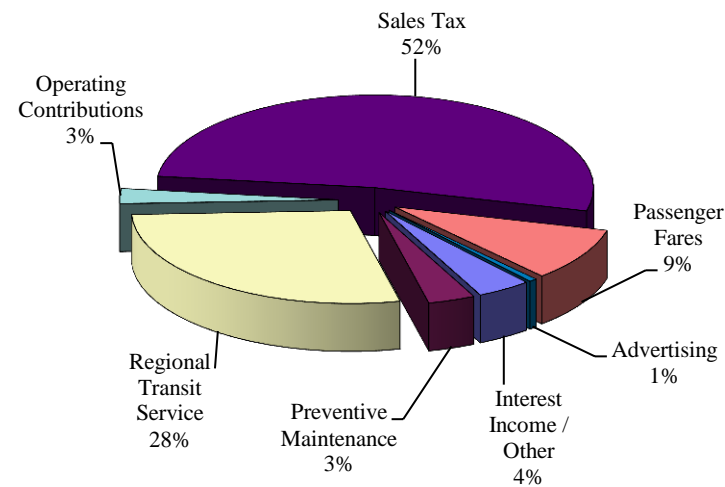
2015 BUDGET OVERALL SUMMARY

	2013 YEAR-END ACTUALS	2014 AMENDED BUDGET	2014 YEAR-END ESTIMATE	2015 BUDGET	% CHANGE 2015 BUDGET TO 2014 BUDGET
REVENUES					
OPERATING INCOME					
Passenger Fares	\$ 12,266,180	\$ 12,429,612	\$ 11,821,235	\$ 12,361,679	-0.5%
Advertising	952,540	725,000	648,709	763,000	5.2%
Regional Transit Service (Sound Transit)	33,208,644	38,330,681	36,627,828	37,309,657	-2.7%
NON-OPERATING INCOME					
Sales Tax	63,407,486	63,348,980	66,804,033	69,476,194	9.7%
Preventive Maintenance	8,055,768	6,254,458	6,635,282	4,627,700	-26.0%
Other	4,425,692	10,768,025	7,664,535	5,367,264	-50.2%
CONTRIBUTIONS					
Operating	2,470,709	3,735,785	2,650,899	3,500,621	-6.3%
Capital	5,855,179	8,414,761	6,089,690	5,676,704	-32.5%
REVENUES	130,642,198	144,007,302	138,942,211	139,082,819	-3.4%
BEGINNING BALANCES					
Working Cash	75,061,474	70,618,068	79,544,188	91,839,884	30.1%
Insurance	1,050,632	2,303,107	2,362,635	1,183,270	-48.6%
Capital Reserve	21,748,470	33,906,267	28,196,953	17,014,085	-49.8%
BEGINNING BALANCES	97,860,576	106,827,442	110,103,776	110,037,239	3.0%
TOTAL REVENUES AND BALANCES	\$ 228,502,774	\$ 250,834,744	\$ 249,045,987	\$ 249,120,058	-0.7%
EXPENDITURES					
OPERATING EXPENDITURES					
Personnel	\$ 72,580,915	\$ 78,812,507	\$ 77,700,909	\$ 83,259,844	5.6%
Maintenance and Operations	32,686,397	40,451,686	37,083,041	41,103,497	1.6%
Insurance	2,269,525	2,674,000	2,524,000	2,818,000	5.4%
NON-OPERATING EXPENDITURES					
Debt Service	-	-	-	-	0.0%
Grant Exchange Funds	882,644	860,300	1,083,106	860,301	0.0%
CAPITAL EXPENDITURES					
Capital	10,954,738	43,682,404	20,617,692	32,744,150	-25.0%
EXPENDITURES	119,374,219	166,480,897	139,008,748	160,785,792	-3.4%
ENDING BALANCES					
Working Cash	78,568,967	79,429,002	91,839,884	82,202,482	3.5%
Insurance	2,362,635	1,000,000	1,183,270	1,000,000	0.0%
Capital Reserve	28,196,953	3,924,845	17,014,085	5,131,784	30.8%
ENDING BALANCES	109,128,555	84,353,847	110,037,239	88,334,266	4.7%
TOTAL EXPENDITURES AND BALANCES	\$ 228,502,774	\$ 250,834,744	\$ 249,045,987	\$ 249,120,058	-0.7%

NOTE: Transfers are not shown since they result in offsetting allocations between unrestricted and restricted reserves.



Operating Revenues

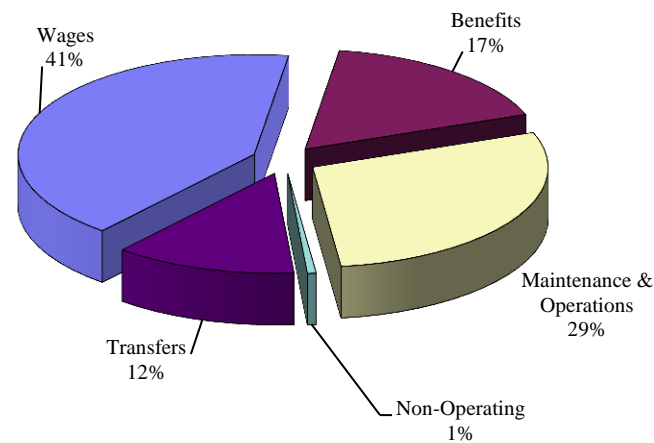


2015 BUDGET OPERATING SUMMARY - REVENUES

	2013 YEAR-END ACTUALS	2014 AMENDED BUDGET	2014 YEAR-END ESTIMATE	2015 BUDGET	% CHANGE 2015 BUDGET TO 2014 BUDGET
OPERATING REVENUES					
OPERATING INCOME					
Passenger Fares	\$ 12,266,180	\$ 12,429,612	\$ 11,821,235	\$ 12,361,679	-0.5%
Advertising	952,540	725,000	648,709	763,000	5.2%
Regional Transit Service (Sound Transit)					
Express Reimbursement	32,218,256	37,682,481	35,640,433	36,294,014	-3.7%
TDS Reimbursement	689,511	408,200	762,395	777,643	90.5%
Special Service Reimbursement	260,924	200,000	200,000	200,000	0.0%
Other Reimbursement	39,953	40,000	25,000	38,000	-5.0%
OPERATING INCOME	46,427,364	51,485,293	49,097,772	50,434,336	-2.0%
NON-OPERATING INCOME					
Sales Tax	63,407,486	63,348,980	66,804,033	69,476,194	9.7%
Preventive Maintenance	8,055,768	6,254,458	6,635,282	4,627,700	-26.0%
Interest Income	112,790	137,961	95,000	95,000	-31.1%
Other	4,274,081	5,312,885	4,219,701	5,235,564	-1.5%
NON-OPERATING INCOME	75,850,125	75,054,284	77,754,016	79,434,458	5.8%
OPERATING CONTRIBUTIONS					
CTR / Vanpool Assistance	60,676	119,219	104,219	100,902	-15.4%
Grant Exchange Funds	588,357	1,075,376	1,353,882	1,075,376	0.0%
Operating Grants - Other	1,006,629	1,455,601	650,000	695,960	-52.2%
Special Needs Transportation Grant	815,047	1,085,589	542,798	1,628,383	50.0%
OPERATING CONTRIBUTIONS	2,470,709	3,735,785	2,650,899	3,500,621	-6.3%
TOTAL OPERATING REVENUES	124,748,198	130,275,362	129,502,687	133,369,415	2.4%
BEGINNING BALANCE	75,061,474	70,618,068	79,544,188	91,839,884	30.1%
TOTAL OPERATING REVENUES AND BEGINNING BALANCE	\$ 199,809,672	\$ 200,893,430	\$ 209,046,875	\$ 225,209,299	12.1%



Operating Expenditures & Transfers

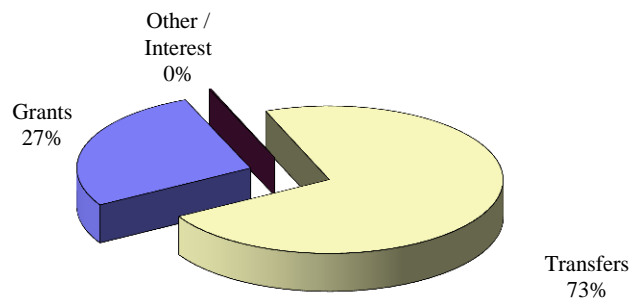


2015 BUDGET OPERATING SUMMARY - EXPENDITURES

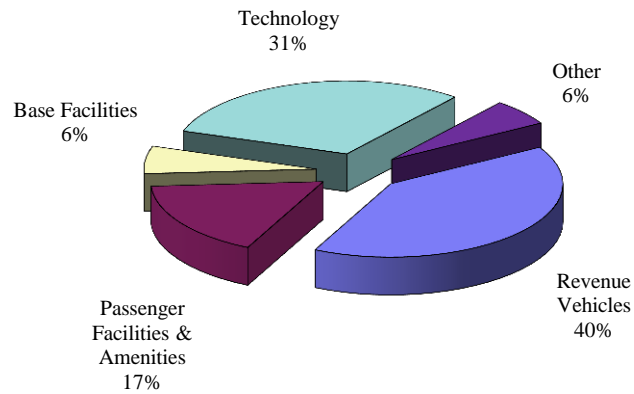
	2013 YEAR-END ACTUALS	2014 AMENDED BUDGET	2014 YEAR-END ESTIMATE	2015 BUDGET	% CHANGE 2015 BUDGET TO 2014 BUDGET
OPERATING EXPENDITURES					
OPERATING					
PERSONNEL					
Wages	\$ 52,062,012	\$ 55,965,496	\$ 55,506,764	\$ 58,936,995	5.3%
Benefits	20,518,903	22,847,011	22,194,145	24,322,849	6.5%
PERSONNEL	72,580,915	78,812,507	77,700,909	83,259,844	5.6%
MAINTENANCE & OPERATIONS					
Supplies	12,420,258	14,344,477	13,758,862	14,729,760	2.7%
Services	3,905,224	6,964,002	5,735,371	8,149,223	17.0%
Insurance (Purchased)	2,580,369	2,457,000	2,367,104	2,391,618	-2.7%
Utilities	1,294,306	1,522,476	1,350,150	1,528,500	0.4%
Repairs	315,999	702,552	581,477	622,952	-11.3%
Rentals	303,870	397,445	369,577	472,570	18.9%
Purchased Transportation	7,572,414	8,244,499	7,958,412	8,179,104	-0.8%
Other	4,293,957	5,819,235	4,962,088	5,029,770	-13.6%
MAINTENANCE & OPERATIONS	32,686,397	40,451,686	37,083,041	41,103,497	1.6%
OPERATING EXPENDITURES	105,267,312	119,264,193	114,783,950	124,363,341	4.3%
NON-OPERATING EXPENDITURES					
Debt Service	-	-	-	-	0.0%
Grant Exchange Funds	882,644	860,300	1,083,106	860,301	0.0%
NON-OPERATING EXPENDITURES	882,644	860,300	1,083,106	860,301	0.0%
TOTAL EXPENDITURES	106,149,956	120,124,493	115,867,056	125,223,642	4.2%
TRANSFERS					
Liability and Other Insurance Transfer	1,878,443	(480,918)	(480,918)	455,477	-194.7%
Workers' Comp. Transfer	1,698,433	1,820,853	1,820,853	2,174,553	19.4%
Capital Reserve	11,513,873	-	-	15,153,145	0.0%
TRANSFERS	15,090,749	1,339,935	1,339,935	17,783,175	1227.2%
TOTAL EXPENDITURES AND TRANSFERS	121,240,705	121,464,428	117,206,991	143,006,817	17.7%
ENDING BALANCE	78,568,967	79,429,002	91,839,884	82,202,482	3.5%
TOTAL OPERATING EXPENDITURES AND ENDING BALANCE	\$ 199,809,672	\$ 200,893,430	\$ 209,046,875	\$ 225,209,299	12.1%



Capital Revenues & Transfers



Capital Expenditures

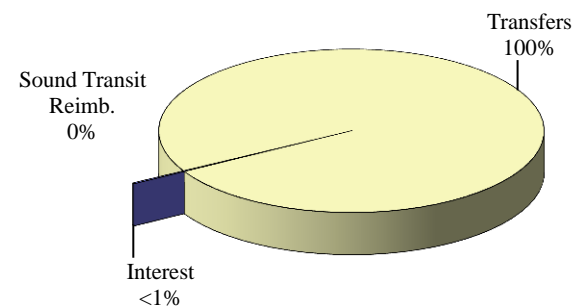


2015 BUDGET CAPITAL SUMMARY

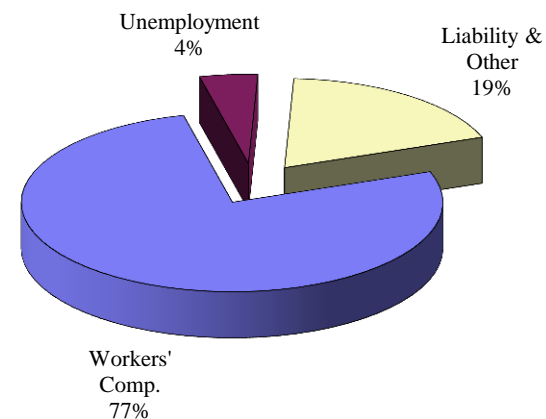
	2013 YEAR-END ACTUALS	2014 AMENDED BUDGET	2014 YEAR-END ESTIMATE	2015 BUDGET	% CHANGE 2015 BUDGET TO 2014 BUDGET
CAPITAL REVENUES					
REVENUES					
Grants	\$ 5,855,179	\$ 8,414,761	\$ 6,089,690	\$ 5,676,704	-32.5%
Other Capital Revenue / Interest	34,169	5,286,221	3,345,134	32,000	-99.4%
REVENUE	5,889,348	13,700,982	9,434,824	5,708,704	-58.3%
TRANSFERS					
Capital Reserve	11,513,873	-	-	15,153,145	0.0%
TRANSFERS	11,513,873	-	-	15,153,145	
CAPITAL REVENUES	17,403,221	13,700,982	9,434,824	20,861,849	52.3%
BEGINNING BALANCE					
Capital Reserve	21,748,470	33,906,267	28,196,953	17,014,085	-49.8%
TOTAL CAPITAL REVENUES AND BEGINNING BALANCE	\$ 39,151,691	\$ 47,607,249	\$ 37,631,777	\$ 37,875,934	-20.4%
CAPITAL EXPENDITURES					
CAPITAL ACQUISITION					
Revenue Vehicles	\$ 5,371,734	\$ 16,077,577	\$ 7,754,269	\$ 13,273,075	-17.4%
Passenger Facilities & Amenities	533,485	7,091,153	1,002,048	5,497,365	-22.5%
Base Facilities	182,654	2,569,774	1,550,000	1,994,113	-22.4%
Technology	4,783,720	16,472,859	9,275,393	10,059,549	-38.9%
Other	83,145	1,471,041	1,035,982	1,920,048	30.5%
CAPITAL EXPENDITURES	10,954,738	43,682,404	20,617,692	32,744,150	-25.0%
ENDING BALANCE					
Capital Reserve	28,196,953	3,924,845	17,014,085	5,131,784	30.8%
TOTAL CAPITAL EXPENDITURES AND ENDING BALANCE	\$ 39,151,691	\$ 47,607,249	\$ 37,631,777	\$ 37,875,934	-20.4%



Insurance Revenues & Transfers



Insurance Expenditures

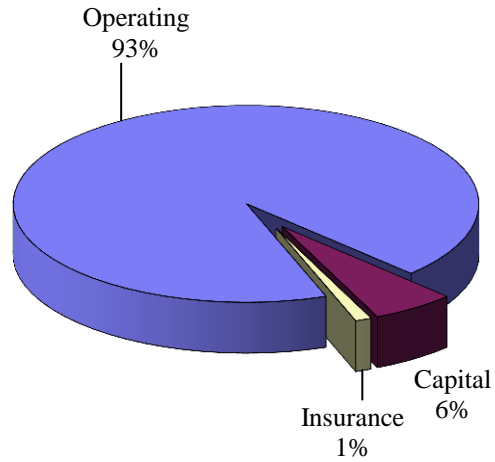


2015 BUDGET INSURANCE SUMMARY

	2013 YEAR-END ACTUALS	2014 AMENDED BUDGET	2014 YEAR-END ESTIMATE	2015 BUDGET	% CHANGE 2015 BUDGET TO 2014 BUDGET
INSURANCE REVENUES					
REVENUES					
Liability Insurance Interest	\$ 1,751	\$ 2,431	\$ 1,769	\$ 1,787	-26.5%
Workers' Comp. Interest	2,472	2,684	2,498	2,476	-7.7%
Unemployment Insurance Interest	429	843	433	437	-48.2%
Sound Transit Reimbursement Liability	-	25,000	-	-	-100.0%
REVENUES	4,652	30,958	4,700	4,700	-84.8%
TRANSFERS					
Liability Insurance Transfer	837,486	663,154	663,154	371,537	-44.0%
Workers' Comp. Transfer	1,698,433	1,820,853	1,820,853	2,174,553	19.4%
Unemployment Insurance Transfer	1,040,957	(1,144,072)	(1,144,072)	83,940	-107.3%
TRANSFERS	3,576,876	1,339,935	1,339,935	2,630,030	
REVENUES AND TRANSFERS	3,581,528	1,370,893	1,344,635	2,634,730	92.2%
BEGINNING BALANCES					
Liability Insurance	26,822	411,415	463,753	654,676	59.1%
Workers' Comp. Insurance	522,373	473,463	489,620	362,971	-23.3%
Unemployment Insurance	501,437	1,418,229	1,409,262	165,623	-88.3%
BEGINNING BALANCES	1,050,632	2,303,107	2,362,635	1,183,270	-48.6%
TOTAL INSURANCE REVENUES AND BEGINNING BALANCES	\$ 4,632,160	\$ 3,674,000	\$ 3,707,270	\$ 3,818,000	3.9%
INSURANCE EXPENDITURES					
Liability and Other Insurance	\$ 402,306	\$ 602,000	\$ 474,000	\$ 528,000	-12.3%
Workers' Comp. Insurance	1,733,658	1,922,000	1,950,000	2,165,000	12.6%
Unemployment Insurance	133,561	150,000	100,000	125,000	-16.7%
INSURANCE EXPENDITURES	2,269,525	2,674,000	2,524,000	2,818,000	5.4%
ENDING BALANCES					
Liability Insurance	463,753	500,000	654,676	500,000	-23.6%
Workers' Comp. Insurance	489,620	375,000	362,971	375,000	0.0%
Unemployment Insurance	1,409,262	125,000	165,623	125,000	0.0%
ENDING BALANCES	2,362,635	1,000,000	1,183,270	1,000,000	0.0%
TOTAL INSURANCE EXPENDITURES AND ENDING BALANCES	\$ 4,632,160	\$ 3,674,000	\$ 3,707,270	\$ 3,818,000	3.9%



Ending Balances

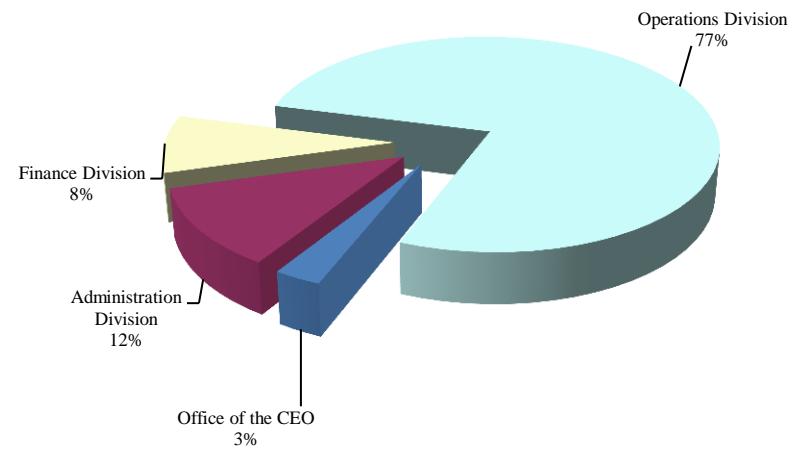


2015 BUDGET ENDING BALANCES

	2013 YEAR-END ACTUALS	2014 AMENDED BUDGET	2014 YEAR-END ESTIMATE	2015 BUDGET	% CHANGE 2015 BUDGET TO 2014 BUDGET
OPERATING					
Revenues	\$ 124,748,198	\$ 130,275,362	\$ 129,502,687	\$ 133,369,415	2.4%
Less: Expenditures	(106,149,956)	(120,124,493)	(115,867,056)	(125,223,642)	4.2%
Subtotal	18,598,242	10,150,869	13,635,631	8,145,773	-19.8%
Plus: Beginning Balance	75,061,474	70,618,068	79,544,188	91,839,884	30.1%
Less: Transfers					
Capital Reserve	(11,513,873)	-	-	(15,153,145)	0.0%
Insurance	(3,576,876)	(1,339,935)	(1,339,935)	(2,630,030)	96.3%
ENDING OPERATING BALANCE	\$ 78,568,967	\$ 79,429,002	\$ 91,839,884	\$ 82,202,482	3.5%
CAPITAL					
Revenues	\$ 5,889,348	\$ 13,700,982	\$ 9,434,824	\$ 5,708,704	-58.3%
Plus: Transfers					
Capital Reserve	11,513,873	-	-	15,153,145	0.0%
Subtotal Revenue	17,403,221	13,700,982	9,434,824	20,861,849	52.3%
Less: Expenditures	(10,954,738)	(43,682,404)	(20,617,692)	(32,744,150)	-25.0%
Subtotal	6,448,483	(29,981,422)	(11,182,868)	(11,882,301)	-60.4%
Plus: Beginning Balance	21,748,470	33,906,267	28,196,953	17,014,085	-49.8%
ENDING CAPITAL BALANCE	\$ 28,196,953	\$ 3,924,845	\$ 17,014,085	\$ 5,131,784	30.8%
INSURANCE					
Revenues	\$ 4,652	\$ 30,958	\$ 4,700	\$ 4,700	-84.8%
Plus: Transfers	3,576,876	1,339,935	1,339,935	2,630,030	96.3%
Subtotal Revenue	3,581,528	1,370,893	1,344,635	2,634,730	92.2%
Less: Expenditures	(2,269,525)	(2,674,000)	(2,524,000)	(2,818,000)	5.4%
Subtotal	1,312,003	(1,303,107)	(1,179,365)	(183,270)	-85.9%
Plus: Beginning Balance	1,050,632	2,303,107	2,362,635	1,183,270	-48.6%
ENDING INSURANCE BALANCE	\$ 2,362,635	\$ 1,000,000	\$ 1,183,270	\$ 1,000,000	0.0%
GRAND TOTAL - ALL BALANCES	\$ 109,128,555	\$ 84,353,847	\$ 110,037,239	\$ 88,334,266	4.7%



Agency Operating Budget



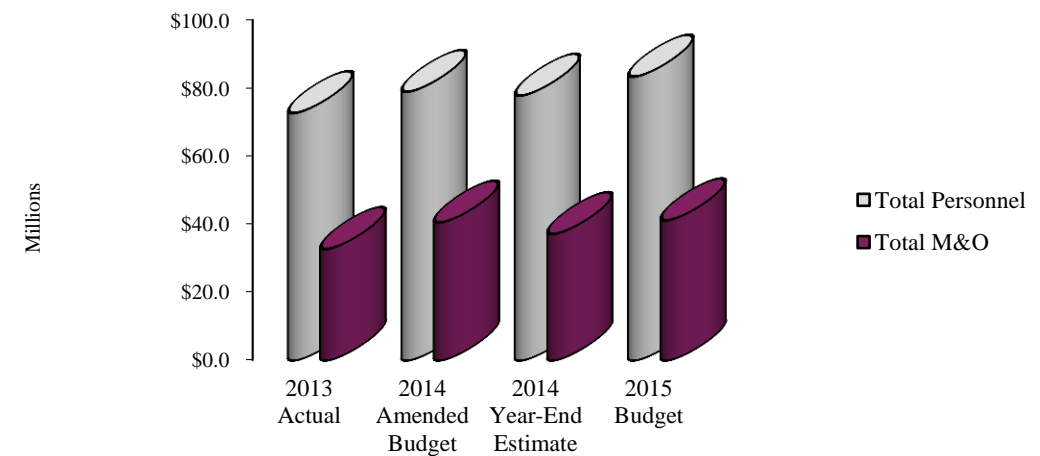
**2015 OPERATING BUDGET
AGENCY EXPENDITURE COMPARISON**

Description	2013	2014	2014	2015	% Change
	Actual	Amended Budget	Year-End Estimate	Budget	2015 Budget to 2014 Budget
Personnel					
Wages	\$ 52,062,012	\$ 55,965,496	\$ 55,506,764	\$ 58,936,995	5.31%
Benefits	20,518,903	22,847,011	22,194,145	24,322,849	6.46%
Personnel	72,580,915	78,812,507	77,700,909	83,259,844	5.64%
Maintenance and Operations					
Supplies	12,420,258	14,344,477	13,758,862	14,729,760	2.69%
Services	3,905,224	6,964,002	5,735,371	8,149,223	17.02%
Insurance	2,580,369	2,457,000	2,367,104	2,391,618	-2.66%
Utilities	1,294,306	1,522,476	1,350,150	1,528,500	0.40%
Repairs & Maintenance	315,999	702,552	581,477	622,952	-11.33%
Rentals	303,870	397,445	369,577	472,570	18.90%
Other	11,360,173	13,469,531	12,390,272	12,573,221	-6.65%
Repairs & Maint Contract Services	468,812	500,403	478,028	498,353	-0.41%
Other Improvements	37,386	93,800	52,200	137,300	46.38%
Maintenance and Operations	32,686,396	40,451,686	37,083,041	41,103,497	1.61%
Total *	\$ 105,267,311	\$ 119,264,193	\$ 114,783,950	\$ 124,363,341	4.28%

Total FTE's	844.0	844.0	863.3
Total Positions	866.0	866.0	881.0

* Does not include Non-Departmental, Debt Service, Transfers or Self-Insurance Expenditures

Expenditure Summary







This section includes Operating Statistics for all modes of service, Personnel Summary, Capital Program, Capital Budget by Project, and an Insurance Expenditure Comparison.

2015 Preliminary Budget

Budget Statistics





**2015 Budget
Operating Statistics
All Modes**

	2014 Budget	2015 Budget	% Change 2014 - 2015
Pierce Transit			
Fixed Route Local & Express			
Ridership	10,528,358	10,505,983	-0.2%
Service Hours	427,717	431,087	0.8%
Service Miles	4,806,782	4,836,324	0.6%
Sound Transit			
Fixed Route Express			
Ridership	7,463,927	7,480,480	0.2%
Service Hours	305,899	306,577	0.2%
Service Miles	7,622,994	7,639,900	0.2%
Total Fixed Route (Pierce Transit & Sound Transit)			
Ridership	17,992,285	17,986,463	0.0%
Service Hours	733,616	737,664	0.6%
Service Miles	12,429,776	12,476,224	0.4%
SHUTTLE			
Ridership	384,725	378,603	-1.6%
Service Hours	186,566	189,220	1.4%
Service Miles	2,768,476	2,738,744	-1.1%
Vanpool			
Ridership	940,000	950,000	1.1%
Service Hours	147,000	147,000	0.0%
Service Miles	5,100,000	5,000,000	-2.0%
AGENCY TOTAL (Pierce Transit and Sound Transit Fixed Route, SHUTTLE & Vanpool)			
Ridership	19,317,010	19,315,066	0.0%
Service Hours	1,067,182	1,073,884	0.6%
Service Miles	20,298,252	20,214,968	-0.4%



In brief:

Pierce Transit workforce is representative of the diversity of customers served.

The ethnicity of the workforce is

White – 66%

African American – 19%

Asian – 7%

Hispanic – 5%

Native American – 1%

Pacific Islander – 1%

More than one race – 1%



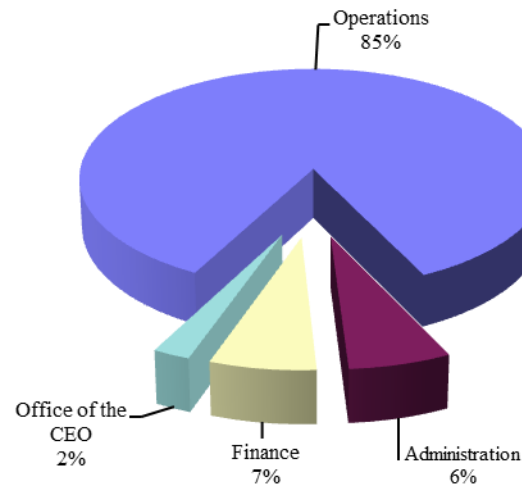
2015 BUDGET PERSONNEL SUMMARY

Personnel Summary

The 2015 Budget includes 881 positions and 863 full-time equivalents (FTEs). The 1.7% increase in positions includes six funded by Sound Transit, two operators for the Pierce Transit service hour increase, and seven system support personnel.

The Operations Division, which includes Maintenance personnel, represents 749 or 85% of total positions. The remaining 131 positions or 15% are in the Office of the CEO, Finance Division, and the Administration Division.

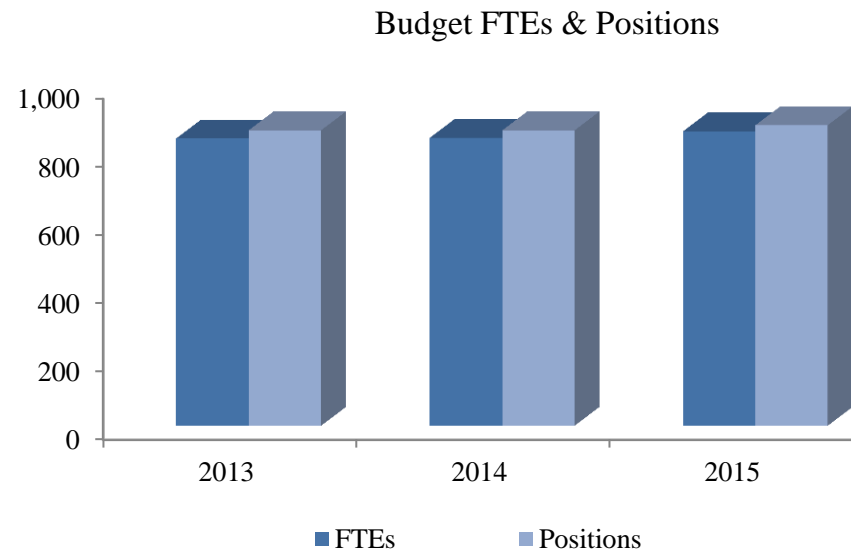
2015 Budget Positions





2015 BUDGET PERSONNEL SUMMARY

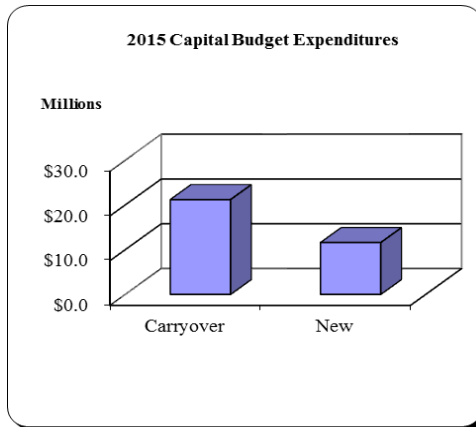
Budget FTEs							
2013 Budget	2014 Budget	2015 Budget	2014-2015 Change	2013 Budget	2014 Budget	2015 Budget	2014-2015 Change
842.0	844.0	863.3	19.3	866.0	866.0	881.0	15.0





2015 BUDGET CAPITAL PROGRAM

In brief:



- Major projects spanning more than one year account for a significant portion of the budget
- Investment supports public transportation needs in Pierce County
- Provides critical infrastructure for the transit system

The 2015 Capital Budget consists of a variety of projects primarily for the replacement and refurbishment of existing equipment and facilities including some multi-year projects that are carried over.

Revenue Vehicles – Pierce Transit currently operates an active fleet of 143 buses, 346 vanpool vans, and 100 SHUTTLE vehicles. Revenue vehicles are replaced on a regular cycle. The replacement schedule meets or exceeds Federal Transit Administration requirements that a vehicle not be removed from service prior to the completion of its useful life. With recent reductions, Pierce Transit has a fixed route fleet with an average age of 9.4 years. The actual replacement of vehicles will be on an as-needed basis and the Agency continues to extend the useful life of vehicles wherever possible.

Passenger Facilities & Amenities – Funds are budgeted for necessary repairs and refurbishments at several locations including Tacoma Dome Station, and 112th and Pacific Avenue. Funds are also budgeted for the expansion of bus zones on G Street at the Tacoma Dome Station.

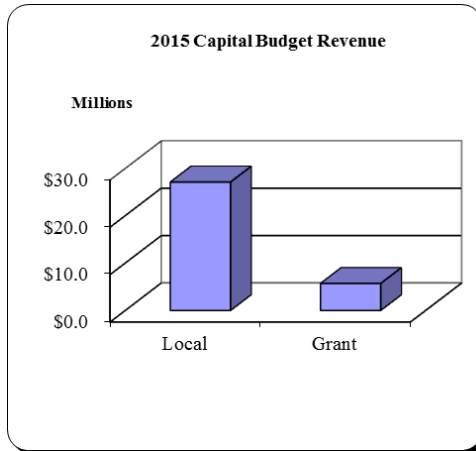
Base Facilities – Funds are budgeted for necessary repairs and refurbishments to base facilities and systems.

Technology – Funds are budgeted for for maintenance and upgrade of several critical software and systems, as well replacement of infrastructure that has reached the end of its useful life. Some of these projects include the maintenance management system replacement, server and infrastructure replacement, financial management system, radio subscriber equipment, and portfolio management software.

Other – Other capital projects include replacement of non-revenue support vehicles (trucks, forklifts, cars, etc.), and maintenance and administrative equipment.



- Local funds
- Grant funds



2015 BUDGET CAPITAL PROGRAM

Carryover funds – As a matter of policy, Pierce Transit budgets funds in the year in which the Agency anticipates entering into a contract for service or acquisition. This generally results in funds that carry over from the previous budget year for projects in process. At the time the budget is prepared, the amount to be carried over is estimated. The estimated amounts are revised as necessary when the final year end expenditures are available generally during the first quarter of the year.

Grant funds – Federal grant revenues for 2015 in the capital program are expected to be nearly \$4 million and include the following projects:

- Building 4 Modifications \$.77 million
- Tacoma Dome Station Mid-Life Maintenance \$2 million
- G Street Bus Zones at Tacoma Dome Station \$.6 million
- Vanpool Replacement \$.6 million

State Grants and Other Capital Assistance are expected to be nearly \$2 million and include the following projects:

- Tacoma Dome Station Mid-Life Maintenance \$.3 million
- 112th Street & Pacific/SR-7 Transit Access Modifications \$.86 million
- Vanpool Expansion \$.55 million

The detailed 2015 Preliminary Capital Budget list follows.



2015 PRELIMINARY CAPITAL BUDGET

Line #	Project Title						<u>2015 Project Budget</u>				<u>2015 Project Funding</u>	
		Cost Center	Project Number	Total Project Budget	Project Actual Expenditures (through 12/31/2013)	2014 Estimated Expenditures	Estimated Amount Returned to Reserves	2014 Estimated Carryover Amount	New 2015 Budget Allocation Amount	Total 2015 Annual Budget	Local	Estimated Grant Funding
1	Parkland Transit Center--CLOSED 2014	411000	0170	438,462	378,867	59,595	-	-	-	-	-	-
2	121st Street Improvements/Parkland Design--CLOSED 2014	411000	0176	134,533	113,139	9,089	12,305	-	-	-	-	-
3	TDS Mid-Life Maintenance	411000	0315	2,761,250	157,341	22,654	-	2,581,255	-	2,581,255	299,038	2,282,217
4	TDS Panic Alarm System--CLOSED 2014	657000	0342	251,250	245,849	4,314	1,087	-	-	-	-	-
5	112th Street & Pacific/SR-7 Transit Access Mods	411000	0343	2,375,658	204,205	850,000	-	1,321,453	-	1,321,453	459,956	861,497
6	Master Key System Replacement--CLOSED 2014	645000	0344	110,889	-	70,000	40,889	-	-	-	-	-
7	Bldg. 4 Modifications	411000	0345	2,428,317	113,295	1,500,000	-	815,022	-	815,022	46,638	768,384
8	Hastus Update--CLOSED 2014	262000	0354	653,083	208,708	444,375	-	-	-	-	-	-
9	Adept Version Upgrade	262000	0358	157,119	-	82,186	-	74,933	-	74,933	74,933	-
10	Maintenance Management System	262000	0359	539,312	85,270	52,383	-	401,659	-	401,659	401,659	-
11	Telephone System Update--CLOSED 2014	262000	0360	318,701	199,857	95,835	23,009	-	-	-	-	-
12	Limited Access Control Software	262000	0361	204,951	172,384	6,576	-	25,991	-	25,991	25,991	-
13	ORCA (Regional Fare Integration)	243000	0364	4,944,833	4,690,210	30,315	145,676	78,632	-	78,632	78,632	-
14	Pacific Avenue Streetscape--CLOSED 2014	412000	0366	25,928	-	25,928	-	-	-	-	-	-
15	Server Replacement 2013--CLOSED 2014	262000	0381	17,253	13,072	4,181	-	-	-	-	-	-
16	Blade Enclosures 2013--CLOSED 2014	262000	0383	157,733	116,065	41,668	-	-	-	-	-	-
17	LAN Replacement 2013	262000	0386	358,939	326,667	12,198	-	20,074	-	20,074	20,074	-
18	CAD AVL System Upgrade 2013	262000	0387	404,269	-	-	-	404,269	-	404,269	404,269	-
19	Fare Box Replacement 2013--CLOSED 2014	262000	0388	3,700,000	9	3,599,991	100,000	-	-	-	-	-
20	TDS G Street Expansion Zone	411000	0390	744,024	-	34,782	-	709,242	-	709,242	110,640	598,602
21	Vanpool Fleet Replacement 2013--CLOSED 2014	651000	0392	1,447,727	633,699	814,028	-	-	-	-	-	-
22	Support Vehicle Replacement 2013	651000	0393	503,577	-	197,119	-	306,458	-	306,458	306,458	-
23	Shuttle Replacement 2013--CLOSED 2014	651000	0394	2,673,455	4,961	2,668,494	-	-	-	-	-	-
24	Auto Shop Equipment Repl 2013--CLOSED 2014	651000	0395	29,100	13,158	15,942	-	-	-	-	-	-
25	Bus Radio Shop Equipment--CLOSED 2014	662000	0396	205,423	154,020	51,403	-	-	-	-	-	-
26	TRAX Data Coverage Upgrade	662000	0397	142,257	-	-	-	142,257	-	142,257	142,257	-
27	Radio Subscriber Replacement--CLOSED 2014	662000	0398	2,154,188	1,652,586	501,602	-	-	-	-	-	-
28	Bus Replacement 2013--CLOSED 2014	652000	0406	4,215,900	-	4,215,900	-	-	-	-	-	-
29	Ticket Vending Machine Purchase	243000	0407	109,771	-	-	-	109,771	-	109,771	109,771	-
30	Doc and Records Retention - Email File Archiving	262000	0408	60,170	-	-	-	60,170	-	60,170	60,170	-
31	Call Center IVR Replacement--CLOSED 2014	262000	0409	150,425	-	150,425	-	-	-	-	-	-
32	AV System Replacement - Bldg. 5	262000	0410	546,452	-	-	-	546,452	-	546,452	546,452	-
33	Network Infrastructure 2014	262000	0411	306,600	-	306,600	-	-	-	-	-	-
34	Storage Area Network 2014	262000	0412	191,450	-	191,450	-	-	-	-	-	-
35	Supervisor Vehicle Computer Replacement	262000	0413	169,788	-	169,788	-	-	-	-	-	-
36	Email-Phone Upgrade--CLOSED 2014	262000	0414	255,000	-	255,000	-	-	-	-	-	-
37	CAD AVL System Upgrade 2014 and 2019	262000	0415	454,780	-	-	-	454,780	-	454,780	454,780	-
38	Cameras on Buses	262000	0416	2,050,391	-	750,000	-	1,300,391	-	1,300,391	1,300,391	-
39	End Point Security	262000	0417	90,255	-	90,255	-	-	-	-	-	-
40	Facilities Critical Repairs	411000	0418	714,850	-	-	-	714,850	-	714,850	714,850	-

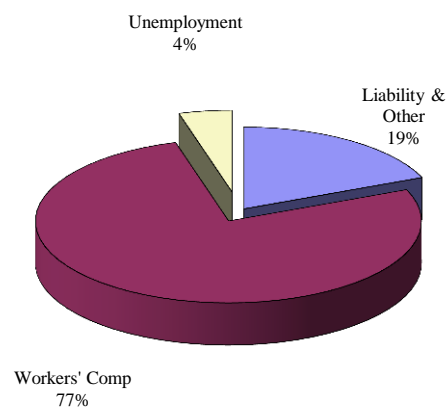


2015 PRELIMINARY CAPITAL BUDGET

												2015 Project Budget		2015 Project Funding	
Line #	Project Title	Cost Center	Project Number	Total Project Budget	Project Actual Expenditures (through 12/31/2013)	2014 Estimated Expenditures	Estimated Amount Returned to Reserves	2014 Estimated Carryover Amount	New 2015 Budget Allocation Amount	Total 2015 Annual Budget				Local	Estimated Grant Funding
41	TCC Transit Center Relocation--CLOSED 2014	411000	0419	750,000	-	-	750,000	-	-	-	-	-	-	-	-
42	Support Vehicle Replacement 2014--CLOSED 2014	651000	0420	696,229	-	696,229	-	-	-	-	-	-	-	-	-
43	Transmission Service System Repl 2014--CLOSED 2014	651000	0421	5,032	-	5,032	-	-	-	-	-	-	-	-	-
44	Shuttle Replacement 2014	651000	0422	417,727	-	-	367,727	50,000	-	50,000	50,000	50,000	50,000	-	-
45	Vanpool Replacement 2014	651000	0423	1,539,424	-	-	-	1,539,424	-	1,539,424	1,539,424	1,539,424	1,539,424	-	-
46	Vanpool Expansion 2014	651000	0424	325,000	-	-	-	325,000	-	325,000	16,250	16,250	16,250	308,750	-
47	Column Lift System Replacement 2014	652000	0425	121,660	-	121,660	-	-	-	-	-	-	-	-	-
48	Brake Lathe Replacement 2014	652000	0426	18,830	-	-	-	18,830	-	18,830	18,830	18,830	18,830	-	-
49	Trolley Vehicle Expansion	652000	0427	234,650	-	55,847	-	178,803	-	178,803	178,803	178,803	178,803	-	-
50	Building 4 Roof Deck Replacement	653000	0428	254,752	-	50,000	-	204,752	-	204,752	204,752	204,752	204,752	-	-
51	Radio Subscriber Replacement/Bus, Shuttle and Support--CLOSED 2014	662000	0429	2,294,848	-	2,294,848	-	-	-	-	-	-	-	-	-
52	CAD AVL GPS Repeater 450 MHz Data Radio Project	662000	0430	3,402,197	-	70,000	-	3,332,197	-	3,332,197	3,332,197	3,332,197	3,332,197	-	-
53	Bus Replacement 2014	652000	0442	5,411,413	-	-	-	5,411,413	-	5,411,413	5,411,413	5,411,413	5,411,413	-	-
54	DFAR	645000	0443	45,000	-	-	-	45,000	-	45,000	45,000	45,000	45,000	-	-
55	Document & Records Retention - Ph 2 (Impl Taxonomy) 2015	111000	TBA	156,442	-	-	-	-	156,442	156,442	156,442	156,442	156,442	-	-
56	Financial Mgmt Sys Repl 2015	261000	TBA	1,010,000	-	-	-	-	1,010,000	1,010,000	1,010,000	1,010,000	1,010,000	-	-
57	Copier Repl 2015	262000	TBA	437,600	-	-	-	-	437,600	437,600	437,600	437,600	437,600	-	-
58	Network Infrastructure Repl 2015	262000	TBA	680,518	-	-	-	-	680,518	680,518	680,518	680,518	680,518	-	-
59	SAN 2015	262000	TBA	191,450	-	-	-	-	191,450	191,450	191,450	191,450	191,450	-	-
60	Portfolio Mgmt Software 2015	263000	TBA	130,000	-	-	-	-	130,000	130,000	130,000	130,000	130,000	-	-
61	Air Spare/TDS Transit Oriented Development	411000	TBA	99,000	-	-	-	-	99,000	99,000	99,000	99,000	99,000	-	-
62	RSM Ridecheck Software 2015	451000	TBA	184,835	-	-	-	-	184,835	184,835	184,835	184,835	184,835	-	-
63	Emergency Warning System Repl 2015	645000	TBA	466,874	-	-	-	-	466,874	466,874	466,874	466,874	466,874	-	-
64	Shuttle Fleet Replacement 2015	651000	TBA	2,368,440	-	-	-	-	2,368,440	2,368,440	2,368,440	2,368,440	2,368,440	-	-
65	Vanpool Fleet Replacement 2015	651000	TBA	1,780,120	-	-	-	-	1,780,120	1,780,120	1,166,616	1,166,616	613,504	-	-
66	Support Vehicle Replacement 2015	651000	TBA	411,711	-	-	-	-	411,711	411,711	411,711	411,711	411,711	-	-
67	Vanpool Fleet Expansion 2015	651000	TBA	550,000	-	-	-	-	550,000	550,000	306,250	306,250	243,750	-	-
68	Auto Shop Equip Repl 2015	651000	TBA	28,679	-	-	-	-	28,679	28,679	28,679	28,679	28,679	-	-
69	Paint Booth Heater Refurbishment 2015	651000	TBA	60,170	-	-	-	-	60,170	60,170	60,170	60,170	60,170	-	-
70	Auto Shop Hoist Repl 2015	651000	TBA	311,218	-	-	-	-	311,218	311,218	311,218	311,218	311,218	-	-
71	Bus Fleet Replacement 2015	652000	TBA	1,069,875	-	-	-	-	1,069,875	1,069,875	1,069,875	1,069,875	1,069,875	-	-
72	Bldg 1 and 4 Rewire 2015	653000	TBA	447,665	-	-	-	-	447,665	447,665	447,665	447,665	447,665	-	-
73	Critical Electrical Needs in Base Power 2015	653000	TBA	59,800	-	-	-	-	59,800	59,800	59,800	59,800	59,800	-	-
74	TDS Bus Shop Lighting 2015	653000	TBA	71,565	-	-	-	-	71,565	71,565	71,565	71,565	71,565	-	-
75	Radio Subscriber Repl for Bus, Shuttle & Support Veh 2015	662000	TBA	819,499	-	-	-	-	819,499	819,499	819,499	819,499	819,499	-	-
76	Radio Shop Equip 2015	662000	TBA	235,611	-	-	-	-	235,611	235,611	235,611	235,611	235,611	-	-
Grand Total				\$ 64,285,897	\$ 9,483,362	\$ 20,617,692	\$ 1,440,693	\$ 21,173,078	\$ 11,571,072	\$ 32,744,150	\$ 27,067,446	\$ 5,676,704			



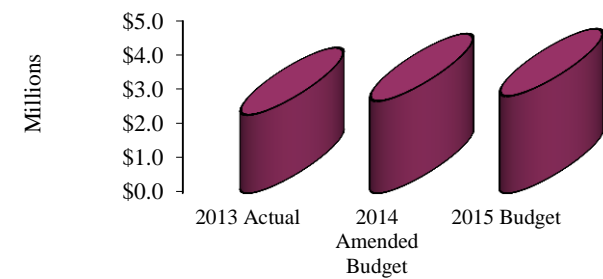
Insurance Expenditure Comparison



2015 BUDGET INSURANCE EXPENDITURE COMPARISON

Description	2013 ACTUAL	2014 AMENDED BUDGET	2015 BUDGET	% Change 2015 Budget to 2014 Budget
Liability & Other Insurance				
Liability	\$ (99,604)	\$ 75,000	\$ -	-100.00%
Light Duty	134,807	147,000	150,000	2.04%
Professional Services	59,894	60,000	63,000	5.00%
Legal Services	-	-	-	0.00%
Other Expenses	307,208	320,000	315,000	-1.56%
Liability & Other Insurance	402,305	602,000	528,000	-12.29%
Workers' Comp. Insurance	1,733,658	1,922,000	2,165,000	12.64%
Unemployment Insurance	133,561	150,000	125,000	-16.67%
TOTAL INSURANCE	\$ 2,269,525	\$ 2,674,000	\$ 2,818,000	5.39%

Expenditure Summary





This section includes the Six-Year Financial Plan Operating Revenues & Expenditures, Ending Balances pages, and the 2015-2020 Six-Year Capital Plan.

A Six-Year Financial Plan is prepared to ensure fiscal sustainability over time.

2015 Preliminary Budget

Six-Year Financial Plan

PIERCE TRANSIT
2015-2020 Six-Year Financial Plan
Operating Revenues & Expenditures

(Millions)	2014 YE Est	2015 Budget	2016	2017	2018	2019	2020
REVENUES -							
BEGINNING WORKING CASH	\$79.544188	\$91.839884	\$82.202482	\$73.255146	\$61.017380	\$56.043161	\$40.866976
OPERATING INCOME							
FARES AND PASSES							
Local Fares	8.481807	8.852218	10.017904	10.092562	11.266486	11.379151	12.619394
Express Fares (Excludes ST)	0.047048	0.052648	0.059430	0.060025	0.067007	0.067677	0.074863
Shuttle	0.307380	0.321813	0.370462	0.381576	0.434394	0.447426	0.504739
Vanpool	2.985000	3.135000	3.610000	3.610000	4.085000	4.085000	4.560000
Subtotal- Fares and Passes	11.821235	12.361679	14.057797	14.144163	15.852887	15.979254	17.758997
SALES TAX	66.804033	69.476194	73.019480	76.853003	81.079918	85.742013	90.886534
OPER. ASSIST. CTR/VANPOOL	0.104219	0.100902	0.100990	0.100990	0.100990	0.100990	0.100990
SPECIAL NEEDS PROGRAM FUNDS	0.542798	1.628383	1.085589	1.085589	1.085589	1.085589	1.085589
INTEREST	0.095000	0.095000	0.768020	0.000000	0.000000	0.000000	0.000000
ADVERTISING							
Contract Advertising - Pierce Transit Revenue	0.648709	0.763000	0.750000	0.750000	0.750000	0.750000	0.750000
SOUND TRANSIT							
ST Express Reimb.	35.640433	36.294014	40.198510	42.311982	44.557557	48.392193	50.934489
ST TDS Reimb.	0.762395	0.777643	0.793196	0.816992	0.841501	0.866746	0.892749
Special Service	0.200000	0.200000	0.204000	0.210120	0.216424	0.222916	0.229604
Other ST Reimb.	0.025000	0.038000	0.038000	0.038000	0.038000	0.038000	0.038000
MISCELLANEOUS							
Operating Grant - Other (Homeland Sec/Reg Mot	0.650000	0.695960	0.080960	0.000000	0.000000	0.000000	0.000000
Operating Grant (5307)/Pierce County	1.353882	1.075376	1.075376	1.075376	1.075376	1.075376	1.075376
Preventive Maint. (5307) / ADA	6.635282	4.627700	4.627700	4.627700	4.627700	4.627700	4.627700
Other Miscellaneous	4.219701	5.235564	0.200000	0.200000	0.200000	0.200000	0.200000
TOTAL OPERATING INCOME	129.502687	133.369415	136.999617	142.213913	150.425941	159.080777	168.580027
TOTAL REVENUES & WORKING CASH	\$209.046875	\$225.209299	\$219.202099	\$215.469060	\$211.443322	\$215.123938	\$209.447003

PIERCE TRANSIT
2015-2020 Six-Year Financial Plan
Operating Revenues & Expenditures

(Millions)	2014 YE Est	2015 Budget	2016	2017	2018	2019	2020
EXPENDITURES -							
Ongoing Operations							
Wages	\$55.506764	\$58.936995	\$61.460447	\$63.878261	\$66.533257	\$69.300312	\$72.336880
Benefits	22.194145	24.322849	26.900008	28.970864	31.291461	33.821709	36.661520
M & O	17.137586	20.635017	20.994018	21.621514	22.270159	22.938264	23.628952
Fuel	7.754543	8.026603	8.190633	8.429674	8.612948	8.801721	9.003453
Parts	4.088190	4.109113	4.179309	4.300332	4.429342	4.562222	4.703849
Purchased Trans.	7.958412	8.179104	8.157527	8.340186	8.528444	8.722475	8.922456
Bridge Tolls	0.144310	0.153660	0.157094	0.161437	0.165902	0.170491	0.175208
TOTAL EXPENDITURES: w/out Debt Payment and Depreciation	114.783950	124.363341	130.039035	135.702267	141.831513	148.317193	155.432318
Non-Operating Costs							
Payments to Pierce Co for 5307 Agreement	1.083106	0.860301	0.860301	0.860301	0.860301	0.860301	0.860301
Subtotal	1.083106	0.860301	0.860301	0.860301	0.860301	0.860301	0.860301
EXPENDITURES (w/ Debt & Reimbursements)	115.867056	125.223642	130.899336	136.562568	142.691814	149.177494	156.292619
CURRENT REVENUES LESS CURRENT EXPENDITURES	13.635631	8.145773	6.100281	5.651345	7.734127	9.903283	12.287407
TRANSFERS -							
Capital Reserve	0.000000	15.153145	12.155077	14.899495	9.629042	21.907784	20.646024
Insurance	1.339935	2.630030	2.892540	2.989616	3.079305	3.171684	3.266834
Subtotal Transfers	1.339935	17.783175	15.047617	17.889111	12.708347	25.079468	23.912858
TOTAL EXPENDITURES AND TRANSFERS	117.206991	143.006817	145.946953	154.451679	155.400161	174.256962	180.205478
ENDING WORKING CASH	91.839884	82.202482	73.255146	61.017380	56.043161	40.866976	29.241525
REQUIRED CASH	19.130658	20.727224	21.673173	22.617044	23.638586	24.719532	25.905386
TOTAL EXPENDITURES & WORKING CASH	\$209.046875	\$225.209299	\$219.202099	\$215.469060	\$211.443322	\$215.123938	\$209.447003
MARGIN / (DEFICIT)	\$72.709226	\$61.475259	\$51.581974	\$38.400336	\$32.404575	\$16.147444	\$3.336139

PIERCE TRANSIT

2015-2020 Six-Year Financial Plan

Ending Balances

(Millions)	2014 YE Est	2015 Budget	2016	2017	2018	2019	2020
<u>OPERATING FUND</u>							
Operating Fund Beginning Balance	79.544188	91.839884	82.202482	73.255146	61.017380	56.043161	40.866976
Revenue							
Operating Income	129.502687	133.369415	136.999617	142.213913	150.425941	159.080777	168.580027
Subtotal - Operating Revenue	129.502687	133.369415	136.999617	142.213913	150.425941	159.080777	168.580027
Expenditures							
Operating Expenditures	115.867056	125.223642	130.899336	136.562568	142.691814	149.177494	156.292619
Transfers	1.339935	17.783175	15.047617	17.889111	12.708347	25.079468	23.912858
Subtotal - Operating Expenditures	117.206991	143.006817	145.946953	154.451679	155.400161	174.256962	180.205478
Operating Fund Ending Balance	\$91.839884	\$82.202482	\$73.255146	\$61.017380	\$56.043161	\$40.866976	\$29.241525
Required Margin	19.130658	20.727224	21.673173	22.617044	23.638586	24.719532	25.905386
Margin / (Deficit)	72.709226	61.475259	51.581974	38.400336	32.404575	16.147444	3.336139
<u>CAPITAL FUND</u>							
Beginning Reserves	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
Revenue							
5307 Funding							
5307 Earned Share	6.635282	4.627700	4.627700	4.627700	4.627700	4.627700	4.627700
5307 Competitive Funds	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Less Preventive Maintenance	-6.635282	-4.627700	-4.627700	-4.627700	-4.627700	-4.627700	-4.627700
5307 Funds Available for Capital Projects	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Pierce County 5307							
5307 Revenues from Pierce Co Agreement	1.353882	1.075376	1.075376	1.075376	1.075376	1.075376	1.075376
Pierce Co. 5307	-1.353882	-1.075376	-1.075376	-1.075376	-1.075376	-1.075376	-1.075376
Pierce County 5307 Available for Capital	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Flexible Funds & Earmarks							
Federal Flex Funds - Regional	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Federal Flex Funds - Countywide	1.539263	1.212106	0.000000	0.000000	0.000000	0.000000	0.000000
Earmarks - 5309	3.270427	2.750601	0.000000	0.000000	0.000000	0.000000	0.000000
Sound Transit							
Sound Transit Base Expansion	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Sound Transit - Other Capital	0.600000	0.300000	0.000000	0.000000	0.000000	0.000000	0.000000
Other Funding							
State Funding	0.680000	1.413997	0.268850	0.275500	0.285000	0.293550	0.302100
Interest	0.032000	0.032000	0.051318	0.000000	0.000000	0.000000	0.000000
Other Capital Revenues	3.313134	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Contributions from Other Funds							
Transfer from Operating Fund	0.000000	15.153145	12.155077	14.899495	9.629042	21.907784	20.646024
Proceeds from Bond Debt	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Total Capital Revenues & Reserves	9.434824	20.861849	12.475245	15.174995	9.914042	22.201334	20.948124

PIERCE TRANSIT

2015-2020 Six-Year Financial Plan

Ending Balances

(Millions)	2014 YE Est	2015 Budget	2016	2017	2018	2019	2020
Expenditures							
Revenue Vehicles	7.754269	13.273075	2.098723	12.785833	7.528805	17.316104	13.657367
Passenger Facilities & Amenities	1.002048	5.497365	0.418609	0.597230	0.000000	0.000000	0.000000
Base Facilities	1.550000	1.994113	0.844690	0.000000	0.000000	0.000000	0.000000
Technology	9.275393	10.059549	8.170496	1.285757	1.342010	4.142993	6.811535
Other	1.035982	1.920048	0.942727	0.506175	1.043227	0.742237	0.479222
Total Capital Expenditures (Inflated)	20.617692	32.744150	12.475245	15.174995	9.914042	22.201334	20.948124
USE OF CAPITAL RESERVE	-11.182868	-11.882301	0.000000	0.000000	0.000000	0.000000	0.000000

CAPITAL RESERVE

Revenue							
Beginning Reserves	\$28.196953	\$17.014085	\$5.131784	\$5.131784	\$5.131784	\$5.131784	\$5.131784
Total Capital Revenues	9.434824	20.861849	12.475245	15.174995	9.914042	22.201334	20.948124
TOTAL CAPITAL RESERVE REVENUES & BEGINNING RESERVE	37.631777	37.875934	17.607029	20.306779	15.045826	27.333118	26.079908
Expenditures							
Capital Expenditures	20.617692	32.744150	12.475245	15.174995	9.914042	22.201334	20.948124
CAPITAL RESERVE - Req'd \$5.131784	\$17.014085	\$5.131784	\$5.131784	\$5.131784	\$5.131784	\$5.131784	\$5.131784

INSURANCE FUND

Revenue							
Beginning Balance	\$2.362635	\$1.183270	\$1.000000	\$1.000000	\$1.000000	\$1.000000	\$1.000000
ST Reimbursement	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Interest on Insurance Fund	0.004700	0.004700	0.010000	0.000000	0.000000	0.000000	0.000000
Transfer	1.339935	2.630030	2.892540	2.989616	3.079305	3.171684	3.266834
Expenditures							
Payments from Insurance Fund	2.524000	2.818000	2.902540	2.989616	3.079305	3.171684	3.266834
Insurance Fund Ending Balance	\$1.183270	\$1.000000	\$1.000000	\$1.000000	\$1.000000	\$1.000000	\$1.000000
TOTAL ENDING BALANCES	\$110.037239	\$88.334266	\$79.386930	\$67.149164	\$62.174945	\$46.998760	\$35.373309



2015 - 2020 SIX-YEAR CAPITAL PLAN

Line #	Project Title	Division	Cost Center	Project Number	2014 Est. Carryover Amount	2015	2016	2017	2018	2019	2020	Total
1	Parkland Transit Center--CLOSED 2014	Finance	411000	0170	-	-	-	-	-	-	-	-
2	121st Street Improvements/Parkland Design--CLOSED 2014	Finance	411000	0176	-	-	-	-	-	-	-	-
3	TDS Mid-Life Maintenance	Finance	411000	0315	2,581,255	-	-	-	-	-	-	2,581,255
4	TDS Panic Alarm System--CLOSED 2014	Operations	657000	0342	-	-	-	-	-	-	-	-
5	112th Street & Pacific/SR-7 Transit Access Mods	Finance	411000	0343	1,321,453	-	-	-	-	-	-	1,321,453
6	Master Key System Replacement--CLOSED 2014	Operations	645000	0344	-	-	-	-	-	-	-	-
7	Bldg. 4 Modifications	Finance	411000	0345	815,022	-	-	-	-	-	-	815,022
8	Hastus Update--CLOSED 2014	Administration	262000	0354	-	-	-	-	-	-	-	-
9	Adept Version Upgrade	Administration	262000	0358	74,933	-	-	-	-	-	-	74,933
10	Maintenance Management System	Administration	262000	0359	401,659	-	-	-	-	-	-	401,659
11	Telephone System Update--CLOSED 2014	Administration	262000	0360	-	-	-	-	-	-	-	-
12	Limited Access Control Software	Administration	262000	0361	25,991	-	-	-	-	-	-	25,991
13	ORCA (Regional Fare Integration)	Finance	243000	0364	78,632	-	-	-	-	-	-	78,632
14	Pacific Avenue Streetscape--CLOSED 2014	Finance	412000	0366	-	-	-	-	-	-	-	-
15	Server Replacement 2013--CLOSED 2014	Administration	262000	0381	-	-	-	-	-	-	-	-
16	Blade Enclosures 2013--CLOSED 2014	Administration	262000	0383	-	-	-	-	-	-	-	-
17	LAN Replacement 2013	Administration	262000	0386	20,074	-	-	-	-	-	-	20,074
18	CAD AVL System Upgrade 2013	Administration	262000	0387	404,269	-	-	-	-	-	-	404,269
19	Fare Box Replacement 2013--CLOSED 2014	Administration	262000	0388	-	-	-	-	-	-	-	-
20	TDS G Street Expansion Zone	Finance	411000	0390	709,242	-	-	-	-	-	-	709,242
21	Vanpool Fleet Replacement 2013--CLOSED 2014	Operations	651000	0392	-	-	-	-	-	-	-	-
22	Support Vehicle Replacement 2013	Operations	651000	0393	306,458	-	-	-	-	-	-	306,458
23	Shuttle Replacement 2013--CLOSED 2014	Operations	651000	0394	-	-	-	-	-	-	-	-
24	Auto Shop Equipment Repl 2013--CLOSED 2014	Operations	651000	0395	-	-	-	-	-	-	-	-
25	Bus Radio Shop Equipment--CLOSED 2014	Operations	662000	0396	-	-	-	-	-	-	-	-
26	TRAX Data Coverage Upgrade	Operations	662000	0397	142,257	-	-	-	-	-	-	142,257
27	Radio Subscriber Replacement--CLOSED 2014	Operations	662000	0398	-	-	-	-	-	-	-	-
28	Bus Replacement 2013--CLOSED 2014	Operations	652000	0406	-	-	-	-	-	-	-	-
29	Ticket Vending Machine Purchase	Finance	243000	0407	109,771	-	-	-	-	-	-	109,771
30	Doc and Records Retention - Email File Archiving	Administration	262000	0408	60,170	-	-	-	-	-	-	60,170
31	Call Center IVR Replacement--CLOSED 2014	Administration	262000	0409	-	-	-	-	-	-	-	-
32	AV System Replacement - Bldg. 5	Administration	262000	0410	546,452	-	-	-	-	-	-	546,452
33	Network Infrastructure 2014	Administration	262000	0411	-	-	-	-	-	-	-	-
34	Storage Area Network 2014	Administration	262000	0412	-	-	-	-	-	-	-	-
35	Supervisor Vehicle Computer Replacement	Administration	262000	0413	-	-	-	-	-	-	-	-
36	Email-Phone Upgrade--CLOSED 2014	Administration	262000	0414	-	-	-	-	-	-	-	-
37	CAD AVL System Upgrade 2014 and 2019	Administration	262000	0415	454,780	-	-	-	-	-	-	454,780
38	Cameras on Buses	Administration	262000	0416	1,300,391	-	-	-	-	-	-	1,300,391
39	End Point Security	Administration	262000	0417	-	-	-	-	-	-	-	-
40	Facilities Critical Repairs	Finance	411000	0418	714,850	-	-	-	-	-	-	714,850
41	TCC Transit Center Relocation--CLOSED 2014	Finance	411000	0419	-	-	-	-	-	-	-	-
42	Support Vehicle Replacement 2014--CLOSED 2014	Operations	651000	0420	-	-	-	-	-	-	-	-
43	Transmission Service System Repl 2014--CLOSED 2014	Operations	651000	0421	-	-	-	-	-	-	-	-
44	Shuttle Replacement 2014	Operations	651000	0422	50,000	-	-	-	-	-	-	50,000
45	Vanpool Replacement 2014	Operations	651000	0423	1,539,424	-	-	-	-	-	-	1,539,424
46	Vanpool Expansion 2014	Operations	651000	0424	325,000	-	-	-	-	-	-	325,000
47	Column Lift System Replacement 2014	Operations	652000	0425	-	-	-	-	-	-	-	-



2015 - 2020 SIX-YEAR CAPITAL PLAN

Line #	Project Title	Division	Cost Center	Project Number	2014 Est. Carryover Amount	2015	2016	2017	2018	2019	2020	Total								
48	Brake Lathe Replacement 2014	Operations	652000	0426	18,830	-	-	-	-	-	-	18,830								
49	Trolley Vehicle Expansion	Operations	652000	0427	178,803	-	-	-	-	-	-	178,803								
50	Building 4 Roof Deck Replacement	Operations	653000	0428	204,752	-	-	-	-	-	-	204,752								
51	Radio Subscriber Replacement/Bus, Shuttle and Support--CLOSED 2014	Operations	662000	0429	-	-	-	-	-	-	-	-								
52	CAD AVL GPS Repeater 450 MHz Data Radio Project	Operations	662000	0430	3,332,197	-	-	-	-	-	-	3,332,197								
53	Bus Replacement 2014	Operations	652000	0442	5,411,413	-	-	-	-	-	-	5,411,413								
54	DFAR	Operations	645000	0443	45,000	-	-	-	-	-	-	45,000								
55	Document & Records Retention - 2015-2016	Executive	111000	TBA	-	156,442	350,000	-	-	-	-	506,442								
56	Financial Mgmt Sys Repl 2015	Finance	261000	TBA	-	1,010,000	-	-	-	-	-	1,010,000								
57	Copier Repl 2015	Administration	262000	TBA	-	437,600	-	-	-	-	-	437,600								
58	Network Infrastructure Repl 2015-2020	Administration	262000	TBA	-	680,518	353,284	304,132	712,230	117,290	368,846	2,536,300								
59	SAN 2015-2020	Administration	262000	TBA	-	191,450	175,000	210,000	175,000	175,000	175,000	1,101,450								
60	Portfolio Mgmt Software 2015	Executive	263000	TBA	-	130,000	-	-	-	-	-	130,000								
61	Air Spare/TDS Transit Oriented Development	Finance	411000	TBA	-	99,000	-	-	-	-	-	99,000								
62	RSM Ridecheck Software 2015	Operations	451000	TBA	-	184,835	-	-	-	-	-	184,835								
63	Emergency Warning System Repl 2015	Operations	645000	TBA	-	466,874	-	-	-	-	-	466,874								
64	Shuttle Fleet Replacement 2015-2020	Operations	651000	TBA	-	2,368,440	-	-	-	3,376,566	-	5,745,006								
65	Vanpool Fleet Replacement 2015-2020	Operations	651000	TBA	-	1,780,120	1,815,723	1,852,037	1,889,078	1,083,858	583,477	9,004,293								
66	Support Vehicle Replacement 2015-2020	Operations	651000	TBA	-	411,711	384,033	304,987	688,215	698,081	392,618	2,879,645								
67	Vanpool Fleet Expansion 2015-2020	Operations	651000	TBA	-	550,000	283,000	290,000	300,000	309,000	318,000	2,050,000								
68	Auto Shop Equip Repl 2015-2020	Operations	651000	TBA	-	28,679	32,000	7,463	9,152	10,000	21,000	108,294								
69	Paint Booth Heater Refurbishment 2015	Operations	651000	TBA	-	60,170	-	-	-	-	-	60,170								
70	Auto Shop Hoist Repl 2015	Operations	651000	TBA	-	311,218	-	-	-	-	-	311,218								
71	Bus Fleet Replacement 2015-2020	Operations	652000	TBA	-	1,069,875	-	10,643,796	5,339,727	12,546,680	12,755,890	42,355,968								
72	Bldg 1 and 4 Rewire 2015	Finance	653000	TBA	-	447,665	-	-	-	-	-	447,665								
73	Critical Electrical Needs in Base Power 2015-2016	Finance	653000	TBA	-	59,800	844,690	-	-	-	-	904,490								
74	TDS Bus Shop Lighting 2015	Finance	653000	TBA	-	71,565	-	-	-	-	-	71,565								
75	Radio Subscriber Repl for Bus, Shuttle & Support Veh 2015	Operations	662000	TBA	-	819,499	-	-	-	-	-	819,499								
76	Radio Shop Equip 2015-2020	Operations	662000	TBA	-	235,611	-	24,483	322,254	-	48,397	630,745								
77	Agency Plotter Repl 2019	Administration	262000	TBA	-	-	-	-	-	18,000	-	18,000								
78	Body Shop Hoist Repl 2016	Operations	652000	TBA	-	-	360,000	-	-	-	-	360,000								
79	Bus Shop Equipment Replacement 2015	Operations	652000	TBA	-	-	54,386	169,242	23,606	34,156	17,207	298,597								
80	CAD/AVL GPS Repeater 450 MHz Data System & Radio Project 2019	Operations	662000	TBA	-	-	-	-	-	3,832,703	5,591,064	9,423,767								
81	CAD/AVL System Upgrade 2018	Administration	262000	TBA	-	-	-	-	454,780	-	-	454,780								
82	Enterprise Operations Mgmt Sys Repl 2015	Administration	262000	TBA	-	-	3,420,387	-	-	-	-	3,420,387								
83	Hastus Upgrade 2017 & 2020	Administration	262000	TBA	-	-	-	501,625	-	-	501,625	1,003,250								
84	Marketing Plotter/Printer Repl 2017	Administration	262000	TBA	-	-	-	95,000	-	-	-	95,000								
85	Money Counting Room Sorter Repl 2015	Finance	261000	TBA	-	-	12,308	-	-	-	-	12,308								
86	Service Sup Veh Computer Repl 2017	Administration	262000	TBA	-	-	-	175,000	-	-	175,000	350,000								
87	Transit Center Shelter Refurbishment 2015	Finance	411000	TBA	-	-	418,609	597,230	-	-	-	1,015,839								
88	TSP Existing Corridor Analysis 2016	Finance	411000	TBA	-	-	100,000	-	-	-	-	100,000								
89	Vinyl Cutter Repl 2016	Administration	262000	TBA	-	-	6,000	-	-	-	-	6,000								
90	Critical Infrastructure (Radio) Physical Security Upgrade	Operations	662000	TBA	-	-	3,865,825	-	-	-	-	3,865,825								
TOTAL					\$	21,173,078	\$	11,571,072	\$	12,475,245	\$	15,174,995	\$	9,914,042	\$	22,201,334	\$	20,948,124	\$	113,457,890



*This section includes the
Acronym List
and
Budget Glossary*

2015 Preliminary Budget

Appendix



2015 BUDGET ACRONYM LIST

Acronyms are words formed from the initial letters of other words most commonly used in the context of the budget.

ADA – American Disabilities Act
APTA – American Public Transportation Association
BVP – Bulletproof Vest Partnership
CAFR – Comprehensive Annual Financial Report
CCTV – Closed Circuit Television
CMAQ – Congestion Mitigation & Air Quality Program
CNG – Compressed Natural Gas
CTR – Commute Trip Reduction
DOT – Department of Transportation
FEMA – Federal Emergency Management Agency
FTA – Federal Transit Administration
FY – Fiscal Year
GFOA – Government Finance Officers Association
GROW AMERICA ACT – Generating Renewal, Opportunity, and Work with Accelerated Mobility, Efficiency, and Rebuilding of Infrastructure and Communities throughout America
ISTEA – Intermodal Surface Transportation Efficiency Act
JARC – Job Access and Reverse Commute
MAP 21– Moving Ahead for Progress in the 21st Century Act (P.L. 112-141)
ORCA – One Regional Card for All
OJP – Office of Justice Programs
PCEI – Pierce County Economic Index
PL – Public Law
PT – Pierce Transit
POV – Privately Owned Vehicle
PTBA – Public Transportation Benefit Area
RCW – Revised Code of Washington



**2015 BUDGET
ACRONYM LIST**

SAFETEA-LU – Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users
SHUTTLE – Specialized Transportation
ST – Sound Transit
SUV – Special Use Van
TANF – Temporary Aid to Needy Families
TBSH – The Bus Stops Here
TDP – Transit Development Plan
TDS – Tacoma Dome Station
USDOT – United States Department of Transportation
UZA – Urbanized Area
VP – Vanpool
WATPA – Washington Auto Theft Prevention Authority
WSDOT – Washington State Department of Transportation
YE – Year End



2015 BUDGET GLOSSARY

Accounting System – Pierce Transit is a single enterprise that uses the accrual method of accounting. Under this method of accounting, revenues are recorded when earned and expenses are recorded as soon as they result in liabilities for benefits received.

Accrual Accounting – A basis of accounting in which revenues and expenses are allocated to the year in which they are incurred, as opposed to when cash is actually received or spent.

Accrual Basis – The basis of accounting under which transactions are recognized when they occur, regardless of the timing of related cash receipts and disbursements.

ADA Americans With Disabilities Act – Federal legislation mandating specific requirements for vehicles and facilities to accommodate the disabled.

Agency – As a government agency, Pierce Transit is often referred to as “the Agency” in this document and in other Pierce Transit publications.

Annual Ridership – The total number of passenger boardings on fixed route, SHUTTLE, or vanpool in a year.

Annual Service Hours – The number of hours of service provided during one year.

Appropriation – A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation usually is limited in amount and time it may be expended.

APTA – American Public Transportation Association. National, nonprofit trade association representing the public transit industry.

Basis of Accounting – The term that describes the criteria governing the timing of the recognition of transactions and events.

Beginning Reserve Balance – The fund balance as of January 1 that includes designated and undesignated amounts.



2015 BUDGET GLOSSARY

Boardings – Passengers are counted each time they board revenue vehicles no matter how many vehicles they use to travel from their origin to their destination. The official name of this statistic in National Transit Database (NTD) terms is “unlinked passenger trip.”

Bond – Long-term debt issued by an agency to help finance new acquisitions of property, facilities and equipment.

Budget – A financial plan to allocate financial resources to personnel, equipment, and facilities to deliver transit services to the public. It serves four main purposes: a policy statement, an operation guide, a financial plan, and a communication device.

Budget Amendment – A budget amendment is a formal action of the Board of Commissioners. An amendment is required in accordance with the Agency budget procedures.

Budget Revision – A budget revision is a record of change to the budget. A completed budget revision form is required for a revision.

Capital Budget – The Capital Budget is a portion of the annual budget that appropriates funds for the purchase of capital items. It includes funds for capital purchases such as vehicles, construction of new facilities, maintenance machinery, and off-site improvements. In addition, payroll costs and supplies may be capitalized if they are a portion of a project greater than \$5,000. These items are distinguished from operating items due to their value (greater than \$5,000) and projected useful life (greater than one year). Effective 2002.

Capital Fund Account – An account used to segregate a portion of the Agency's equity to be used for future capital program expenditures. The amount of the capital account is roughly equal to the Agency's annual equipment depreciation and an amount identified as being needed for future capital acquisition.

Capital Reserve – Reserves established to meet expenditure requirements for capital programmed in the Six-Year Financial Plan – a minimum amount equal to ten percent of the six-year average annual capital expenditures and fifty percent of the average annual grant funding programmed in the Six-Year Financial Plan.



2015 BUDGET GLOSSARY

Congestion Mitigation & Air Quality Program (CMAQ) – A federal program that funds transportation projects that will contribute to meeting the attainment of national ambient air quality standards.

Cost per Passenger – The cost of carrying each passenger. This is determined by dividing the total cost of carrying all passengers by the total number of passenger trips.

Cost per Vehicle Mile – The cost of traveling one mile. This is determined by dividing the total cost of providing service by the total number of miles traveled.

Deadhead Time – The number of hours a bus is traveling while not in revenue service. Includes travel between the garage and the beginning/end of a route or travel between two routes when the vehicle is not actually in service.

Debt – The amount of money required to pay interest and principal on the Agency's borrowed funds.

Debt Service – The annual debt service requirements and future debt service schedule associated with the bonds currently outstanding as determined by the debt policy. Debt service includes the principal and interest payment obligations for the defined periods.

Department – An sub-organizational unit of a Division responsible for achievement of specific Agency objectives such as service support, facilities management, and procurement.

Division – An organizational unit of the Agency responsible for carrying out Agency functions such as Operations and Finance.

DOT – See USDOT and WSDOT

Dwell Time – The scheduled time a vehicle is allowed to discharge and take on passengers at a stop, including opening and closing doors.

Encumbrances – A classification of expenditures committed for goods or services for which payments have not been made.



2015 BUDGET GLOSSARY

Ending Reserve Balance – The fund balance as of December 31 that includes designated and undesignated amounts.

Enterprise Fund – An enterprise fund is a type of proprietary fund used to account for a government's business-type activities. An enterprise fund may be used to report any activity for which a fee is charged to external users for goods or services. Enterprise funds are commonly used by transit districts to focus attention on the cost of providing services, and they serve to highlight the portion of that cost being borne by taxpayers.

Expenditures – Decrease in net current assets. Expenditures include debt service, capital outlays, and those current operating costs that require the use of current assets.

Expenses – Decreases in net total assets. Expenses represent the total cost of operations during a period regardless of the timing of related expenditures.

Express – A segment of fixed route service that operates between major commuting centers without intermediate stops. This service is designed to be faster and more direct than local fixed route service. Express service is made up of Sound Transit service and other express services.

Farebox Recovery Ratio – The amount of total fares collected divided by total costs. This ratio indicates how much the passenger provides toward the total cost of service.

Fiscal Year – The fiscal year for Pierce Transit is the calendar year January 1 through December 31.

Fixed Guideway (fg) – A Public transportation facility using and occupying: a separate right-of-way (ROW) or rail for the exclusive use of Public Transportation; or a fixed catenary system usable by other forms of transportation.

Fixed Route – Bus operations that adhere to a published schedule on specific routes.

Full-time Equivalents (FTEs) – A unit used for measuring personnel according to the percentage of hours worked annually, based on a 40-hour workweek / 52 weeks / 2080 hours.



2015 BUDGET GLOSSARY

Fund – A fiscal or accounting entity with a self-balancing set of accounts. A fund is established for the purpose of carrying on specific activities in accordance with specific limitations.

Fund Balance – Fund balance is the difference between assets and liabilities. The fund balance consists of required reserves set by the Board of Commissioners policy and unreserved amounts.

Grants – A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital depending on the purpose of the grant.

Grow America Act – Generating Renewal, Opportunity, and Work with Accelerated Mobility, Efficiency, and Rebuilding of Infrastructure and Communities throughout America is the proposed multi-year surface transportation reauthorization proposal in 2014.

Insurance Fund Account – This account reflects the Agency's self-insured risk management programs: workers' compensation, and unemployment benefits. Operating funds pay an appropriate premium into this fund, which then pays valid claims. Dedicated cash funds to cover potential claims have been accumulated and are maintained in this account. These funds are restricted in their use.

Insurance Reserve – Reserves set at a level to adequately protect the Agency from self-insurance risks. The risks and reserve levels will be evaluated annually.

JARC – Job Access and Reverse Commute program. A grant funding support van services for Temporary Aid to Needy Families (TANF) and Welfare to Work recipients to transport eligible individuals with low income to and from jobs and activities related to their employment.

Layover Time – The time a bus is not in service between two scheduled trips.

Local Service – Fixed route bus service which travels within the local service area and makes regular and frequent stops. Pierce Transit's local service extends north to the Federal Way Transit Center in south King County, south to Spanaway, west to University Place and Steilacoom, and east to Puyallup.



2015 BUDGET GLOSSARY

Maintenance and Operation Expenditures (M&O) – This term refers to expenditures paid to obtain goods or services; including such items as services, supplies, fuel, utilities, insurance, etc. This category does not include personnel or capital expenditures.

MAP-21 Moving Ahead for Progress in the 21st Century Act (P.L. 112-141) – Federal legislation funding surface transportation programs through the Federal Transit Administration for fiscal years 2013 and 2014. It replaces *SAFETEA-LU*.

Mission Statement – This statement defines the purpose of Pierce Transit, thus providing long-term guidance to the Agency. This Mission Statement is the basis of the Agency's strategy priorities, annual goals, and objectives.

Modified Accrual Basis of Accounting – This method recognizes increases and decreases in financial resources only to the extent that they reflect near-term inflows or outflows of cash. Non-revenues and expenditures, including capital grant receipts, and capital acquisitions are budgeted on an accrual basis. Debt service principal is budgeted on a cash basis.

Net Cost per Passenger – A measure of the cost-effectiveness of a transit system. This is determined by subtracting total fare revenue from the total cost of providing service, divided by the number of passenger trips.

One Regional Card for All (ORCA) – The seamless fare system for the region's customers. It enables agencies to offer transit fare options, reduce media confusion, and improve interagency fare revenue reconciliation through an apportionment process. Regional fares are shared by the participating agencies which include Community Transit, Everett Transit, Kitsap Transit, King County Metro, Pierce Transit, Sound Transit, and Washington State Ferries.

Operating Budget – A plan of expenditures and proposed sources of financing current service. The operating budget does not include capital funds. The principle sources of revenue are operating income, sales tax, investment income and grants. All divisions are financed through this budget.

Operating Expenditures – The outflow of funds paid, or to be paid, for current goods and services.



2015 BUDGET GLOSSARY

Operating Reserve – Reserves maintained to provide a sufficient working capital and balance to finance cash flow requirements, unanticipated downturns in revenues, and provide funds for emergency expenditures - a minimum of two months of operating expenditures.

Operating Revenue – Funds that the Agency receives as income to pay for ongoing operations. It includes such items as: taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Passengers per Vehicle Hour – The number of passenger trips taken during one hour of service. This is calculated by dividing the total number of service hours by the number of passenger trips.

Performance Indicators – Measures by which Pierce Transit evaluates the effectiveness and efficiency of its operations.

Personnel – This item includes the cost of all salaries, wages, overtime, and benefits associated with the Agency's staff.

Platform Hours – At Pierce Transit, the terms platform hours and service hours are interchangeable (see Service Hours).

Regional Fare Coordination Project (ORCA / Smart Card) - The Regional Fare Coordination (RFC) Contract, Joint Consultant contracts, and the combined Agency activities related to the RFC System. The System, which comprises Community Transit, Everett Transit, Kitsap Transit, King County Metro, Pierce Transit, Sound Transit, and Washington State Ferries, will provide a common, non-cash fare system throughout the Agencies' service areas.

Replacement – Capital items having reached the end of a minimum normal service life.

Required Reserve – The amount approved by the Board of Commissioner for the account groups operating, capital, and insurance account groups needed to mitigate current and future risks.



2015 BUDGET GLOSSARY

Reserve – An account used to segregate a portion of fund balance to indicate that it is not available for expenditures; or an account used to segregate a portion of fund equity as legally set aside for a specific future use.

Revenue Hours – A calculation of service based on the number of hours a vehicle is in service providing passenger trips (and is potentially collecting fare revenue). Revenue hours do not include deadhead time but do include layover time between trips.

Revenue Miles – A calculation of service based on the number of miles in which a vehicle is in service providing passenger trips (and is potentially collecting fare revenue).

Revenue per Passenger – The amount of revenue received per passenger trip. This is calculated by dividing the total amount of fares collected by the total number of passenger trips.

Revenue Vehicle – Any vehicle which provides service resulting in fare revenue for the Agency.

SAFETEA-LU – Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users. Reauthorization of the federal surface transportation program covering the time periods 2005-2009 and extended through 2012.

Sales Tax – Tax on certain forms of consumption levied by the State of Washington within the service district for the Agency in the amount of six-tenths of one percent (0.6 percent) (effective 7/1/02).

Sea-Tac – The general geographic area between Seattle and Tacoma and a city in the same area.

Self-insurance – The items determined to be administered by the Agency rather than covered by an insurance policy. The costs may include, workers' compensation, unemployment compensation benefits, related attorney fees and legal costs.

Service Hours – A calculation of service based on the number of hours a vehicle is on the road (includes revenue, recovery and deadhead hours) (also referred to as "Platform Hours").



2015 BUDGET GLOSSARY

Service Miles – A calculation of service based on the number of miles a vehicle is on the road (includes revenue, recovery, and deadhead miles but not training or maintenance road test miles).

SHUTTLE – see Specialized Transportation also known as SHUTTLE.

Single-Enterprise Fund – Pierce Transit is a single-enterprise fund. Within the single fund, there are account groups (operating, capital, and insurance).

Smart Card – see Regional Fare Coordination Project.

Sound Transit – Regional Transit Authority. A cooperative known as “Sound Transit” which includes Pierce, King, and Snohomish counties, established to implement a regional, integrated, transit system throughout the Puget Sound area.

Specialized Transportation – An Agency program whereby transportation services are provided to the area disabled.

Transfers – Amounts transferred from the operating budget to the insurance and capital budgets. These amounts represent the annual contribution to these budgets.

Unreserved Amount – The designated or undesignated fund balance resources available for spending.

USDOT – United States Department of Transportation. The federal agency responsible for overseeing, regulating and providing financial assistance to ensure safe, effective national transportation systems including the Federal Transit Administration.

Vanpool – A group of 5 to 15 people sharing the ride in an 8, 12, or 15-passenger van.

Vehicle Hours – Aggregation of time during which a transit vehicle leaves the operating base, is available for service, and returns to the operating base. Includes layover and deadhead hours.

Working Cash – Excess of readily available assets over current liabilities or cash on hand equivalents that may be used to satisfy cash flow needs.



2015 BUDGET GLOSSARY

WSDOT – Washington State Department of Transportation. The state agency responsible for carrying out state transportation programs including public transportation.



