

## 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.



## 2012 BUDGET

Fiscal Year January 1, 2012 through December 31, 2012

LYNNE GRIFFITH  
Chief Executive Officer

Prepared By  
The Finance Division

WAYNE FANSHIER  
Vice President, Finance

CATHIE REID  
Assistant Manager Budget

BARB HUNTER  
Grants Administrator

KATHY SULLIVANT  
Finance Manager

KELLI DION  
Budget Coordinator

For budget and other information about Pierce Transit visit [www.piercetransit.org](http://www.piercetransit.org)

3701 96<sup>th</sup> Street S.W.  
P.O. Box 99070  
Lakewood, WA 98496-0070  
253-581-8080  
Fax 253-581-8075





## PIERCE TRANSIT 2012 BUDGET TABLE OF CONTENTS

Information is available on Pierce  
Transit's website:

**[www.piercetransit.org](http://www.piercetransit.org)**

Or contact the Pierce Transit Budget  
Office:

Cathie Reid – (253) 581-8078 or  
[creid@piercetransit.org](mailto:creid@piercetransit.org)

Kelli Dion – (253) 983-3344 or  
[kdion@piercetransit.org](mailto:kdion@piercetransit.org)

Barb Hunter – (253) 984-8200 or  
[bhunter@piercetransit.org](mailto:bhunter@piercetransit.org)

<b>Introduction</b>	<b>Page</b>
Pierce Transit Board of Commissioners .....	2
Organizational Chart.....	3
Budget Message .....	4
<b>Budget Summary</b>	
Overall Summary .....	21
Operating Summary - Revenues .....	22
Operating Summary - Expenditures.....	23
Capital Summary .....	24
Insurance Summary .....	25
Ending Balances.....	26
Agency Expenditure Comparison .....	27
<b>Budget Statistics</b>	
Operating Statistics – All Modes .....	31
Personnel Summary .....	32
Capital Program .....	34
2012 Preliminary Capital Budget.....	36
Insurance Expenditure Comparison .....	38
<b>Six-Year Financial Plan</b>	
Operating Revenues & Expenditures .....	40
Ending Balances.....	42
2012 – 2017 Capital Plan.....	44
<b>Appendix</b>	
Acronym List .....	48
Budget Glossary .....	49





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

## **2012 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 Claudia Thomas  
Lakewood City Council  
CHAIR  
Term Expires 12/31/11



Commissioner Spiro Manthou  
Tacoma City Council  
VICE CHAIR  
Term Expires 12/31/11



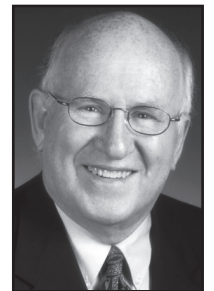
Commissioner Tim Farrell  
Pierce County Council  
Term Expires 5/1/12



Commissioner Jake Fey  
Tacoma City Council  
Term Expires 12/31/12



Commissioner Neil Johnson  
Small Cities and Towns  
Term Expires 5/1/13



Commissioner Don Malloy  
Puyallup City Council  
Term Expires 5/1/12



Commissioner Pat McCarthy  
Pierce County Executive  
Term Expires 5/1/12



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



Commissioner Rick Talbert  
Pierce County Council  
Term Expires 12/31/13



Commissioner Don McKnight  
Non-voting Union Representative



## 2012 ORGANIZATIONAL CHART

### CITIZENS OF PIERCE COUNTY

#### BOARD OF COMMISSIONERS

GENERAL COUNSEL

#### CHIEF EXECUTIVE OFFICER

Lynne Griffith

CLERK OF THE BOARD,  
ASSISTANT TO CEO  
Treva Percival

#### Office of the CEO

**Lynne Griffith,  
Chief Executive Officer**

Office Admin  
Project Management  
Safety

#### Office of Public Safety

**Rod Baker,  
Public Safety Chief**

Office Admin  
Physical Security  
Transit Police  
Uniform Security

#### ADMINISTRATION DIVISION

**Alberto Lara  
Vice President**

Division Admin  
Administrative Services  
Customer Services  
Human Resources  
Labor Relations

*Information Technology Department*  
Department Admin  
Information Technology

*Organizational Development Department*  
Organizational Development  
Employee Development/Instruction  
Maintenance Training

*Risk Management Department*  
Risk Management  
ADA

#### FINANCE DIVISION

**Wayne Fanshier  
Vice President**

Division Admin  
Data Analytics  
Internal Auditing

*Finance Department*  
Department Admin  
Accounting  
Budgeting  
ORCA  
Revenue Accounting

*Procurement Department*  
Department Admin  
Purchasing  
Warehousing

#### OPERATIONS DIVISION

**Kelly Hayden  
Acting Vice President**

Division Admin

Maintenance Office  
Office Admin  
Automotive  
*Bus Department*  
Bus Maintenance  
Bus Radio Systems  
Bus Repair  
Facilities

*Transportation Office*  
Office Admin  
*Transportation Service Support Department*  
Service Support Admin  
Service Support Operations  
*Transportation Operators Department*  
Operators Admin  
Operators Dispatch  
Operators  
*Paratransit Department*  
Paratransit Admin  
Paratransit Customer Service  
Paratransit Operations

#### TRANSIT DEVELOPMENT DIVISION

Vacant (Not Funded)  
**Vice President**

Division Admin  
Capital Planning

*Market Development &  
Research Department*  
Department Admin  
Business Partnerships  
Field Customer Service  
Marketing  
Vanpool

*Service Planning Department*  
Department Admin  
Bus Stop Program  
Planning  
Scheduling



## 2012 BUDGET MESSAGE

**NOVEMBER, 2011**

**TO: PIERCE TRANSIT BOARD OF COMMISSIONERS, CITIZENS AND EMPLOYEES  
FROM: LYNNE GRIFFITH, CHIEF EXECUTIVE OFFICER**

Challenges for public transportation ...

The most severe economic recession since the 1930's continues to impact Pierce Transit's financial health. This translates into reduced tax revenues available for transit operations and difficult financial times for the Agency.

Projected revenues for 2012 continue to be negatively impacted by the economy. Sales tax revenue, the Agency's primary funding source, has decreased steadily since 2007 and is not anticipated to return to pre-recession levels until 2017. At the same time, it is expected that the cost of labor, benefits, fuel and materials will continue to increase. The reality of our current fiscal picture required us to act to minimize the effect of this financial crisis.

To mitigate the impact of plunging sales tax revenues, a ballot went to Pierce County voters in February 2011 asking for an increase in the sales tax dedicated to transit from .6% to .9%. The failure of the ballot necessitated a reduction in service hours. A 20% reduction took effect in June, 2011 and another 15% was implemented in October, 2011 adding to the 7.7% reductions taken earlier, for a total reduction of 42.7% since 2009. The level of service reductions that were implemented were based on a gradual economic recovery and improving sales tax revenues. A slower than expected economic recovery has resulted in a reduction in forecasted sales tax projections in our Six-Year Financial Plan. These updated assumptions may result in additional reductions in 2016.

Given this difficult environment, we are continuing our focus on getting the most from every dollar we spend. Through a public outreach process, called PT Tomorrow, we have redesigned service to increase productivity. We have been proactive in preparing for a long-term economic downturn by reducing expenditures and postponing or eliminating capital projects. It remains our priority to preserve service to the community.





## 2012 BUDGET MESSAGE

Even as Pierce Transit has been forced to reduce service, we continue to plan for the future. In preparing our 2012 Budget, the Board of Commissioners adopted the following strategic priorities:

- Ensure Quality Customer Experience
- Develop New Markets
- Add Value to the Community
- Develop New Revenue Streams
- Value Employee Success

While Pierce Transit will continue to make the best use of available funds, a transit system needs adequate funding to operate. We will continue our efforts to better align services based on customer needs and demands and to ensure that the funds entrusted to Pierce Transit are used in the most effective and efficient manner possible.

The Board of Commissioners' reserve policy is designed to improve fiscal stability and protect the Agency during a financial crisis. Pierce Transit will draw on these reserves, while at the same time critically reviewing expenditures. The 2012 Budget anticipates using \$8.4 million in reserve funds to meet the necessary expenses to maintain the current reduced service levels. However, reserves are only projected to carry the Agency through 2016. At that time, funding alternatives will have to be obtained or service levels may have to be reduced.

As our population increases and reliance on transit continues to grow, I am hopeful that the citizens of our community will support a funding level that will provide our customers with a viable transit system.

A handwritten signature in cursive script, reading "Lynne Griffith".

Lynne Griffith, Chief Executive Officer





## 2012 BUDGET MESSAGE

### Introduction

The 2012 Budget is a reflection of the resetting of the Agency's service levels due to economic conditions and the numerous impacts to both the revenue and expenditure categories. The Agency has reduced service and laid off employees which resulted in a redesign of the organizational structure. Because at the time of preparation of the 2011 Budget, the results of a proposition to increase the sales tax levied by Pierce Transit from .6% to .9% was unknown a Continuation Budget was adopted for 2011. This means that the 2011 Budget is at 2010 levels for both revenue and expense making comparisons between the 2011 and 2012 budgets difficult. A further event contributing to the lack of comparability between the 2011 Continuing Budget and the 2012 Budget is the explosion of the Compressed Natural Gas (CNG) fueling station on February 28, 2011. The fueling station remains out of service which has resulted in increased costs to fuel buses. These additional costs are included in the 2012 Budget.

A 20% service reduction took effect in June, 2011 and another 15% was implemented in October, 2011 adding to the 7.7% reductions taken earlier for a total reduction of 42.7%. Operating expenses in the 2012 Budget are declining by 4.0% below the 2011 Continuing Budget levels. While Pierce Transit was faced with reductions in service and layoffs, Sound Transit has increased the service we provide for them. The cost of this service is reimbursed by Sound Transit and is reflected as Regional Transit Service revenue in the budget. Because Sound Transit service has increased, while at the same time Pierce Transit service has decreased, the percentage of Sound Transit service to the total amount of service in the budget has increased from 25.3% to 37.6%, for a total of 252,217 hours in 2012. Increased costs due to additional Sound Transit service are \$7.1 million, or a 29% increase. These additional costs are included in the 2012 Budget.



## 2012 BUDGET MESSAGE

As stated above, because the 2011 Budget was a continuation from 2010, the 2011 Budget did not include 2011 increases to expenses such as contractual wage and benefit increases, Sound Transit additional service and escalating fuel prices. Consequently, the amount of the reduction in the 2012 Budget as compared to the 2011 Continuing Budget reflects a smaller decrease than normally would be shown.

The following budget document provides further detail about the 2012 Pierce Transit Budget.



## 2012 BUDGET MESSAGE

### In brief:

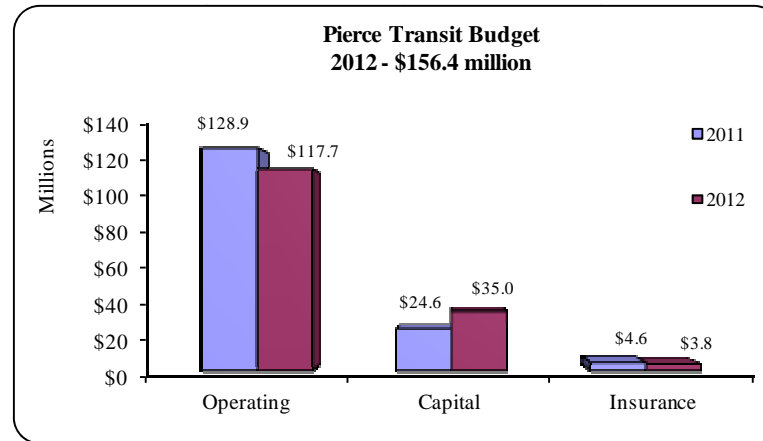
Pierce Transit is a single enterprise fund. The 2012 preliminary balanced budget totals \$156,388,056. Internal transfers are \$1,202,336 resulting in a net budget of \$155,185,720.

The Board of Commissioners appropriates all funds. The fund structure in the budget is the same as the audited financial statements.

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 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, sales tax, grant funding, reimbursement from Sound Transit for regional service, interest, and miscellaneous revenue. The operating budget expenditure categories include wages and benefits, maintenance, operating costs, 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, capital planning for the efficient use of facilities, and maintenance equipment.

The 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 professional services, workers' compensation benefits, unemployment costs, and self-insured liability claims prior to 2010.



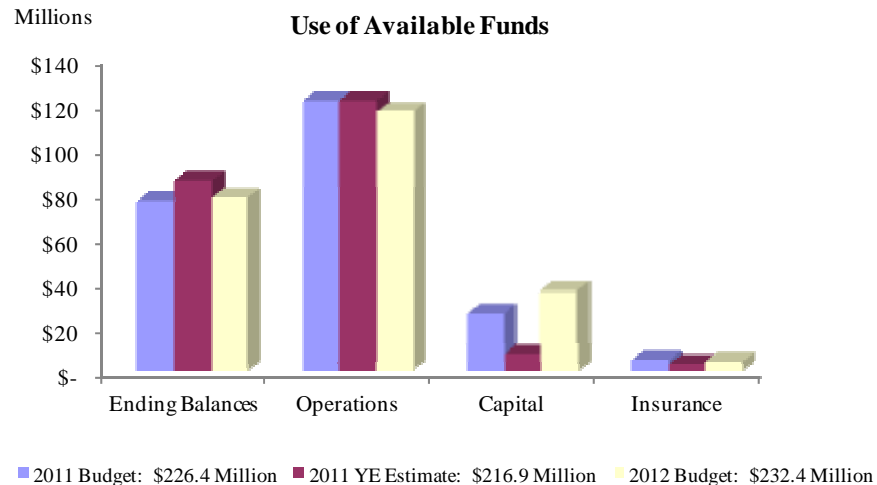
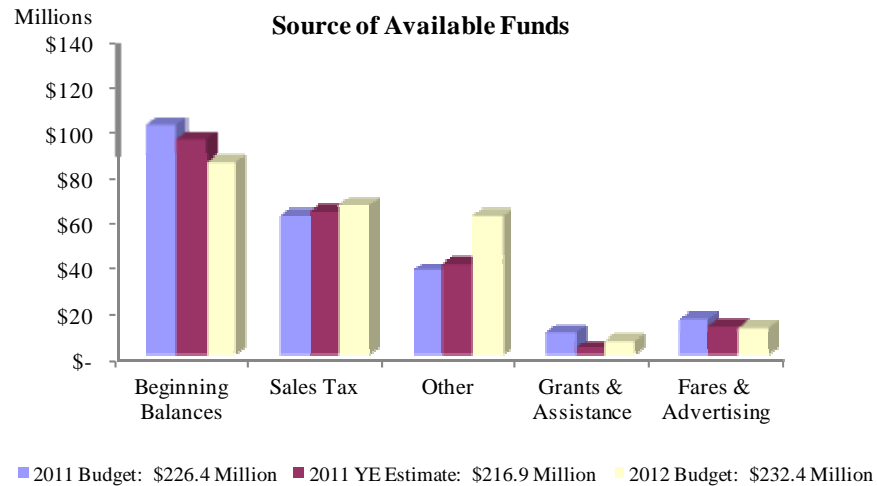
## 2012 BUDGET MESSAGE

### A look at the future and the past

A comparison of revenues and expenditures including beginning balances and ending balances for the total Agency 2011 Amended Budget, the 2011 Year-End Estimates, and the 2012 Budget is shown.

The change in 2012 other revenues is primarily due to projected property sales.

Expenditure changes are driven by the fixed route service reductions and the postponement to 2012 of carryover capital projects.





## 2012 BUDGET MESSAGE

### In brief:

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

Operating Revenues – Funds such as sales taxes 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 designated balances.

### Operating Budget

The 2012 operating revenues of \$131,183,221 support the operating expenditures of \$115,609,650, non-operating expenditures of \$860,301, and operating transfers of \$1,202,336. Operating transfers support the self-insurance and capital programs. The net change in designated balances is \$13,510,934. The operating budget revenue for 2012 is increasing by 14.4% and operating expenditures are decreasing 4.0% from the 2011 Amended Budget.

	2011 Amended Budget	2011 Year-End Estimate	2012 Budget	Budget to Budget Change	
				Amount	%
Operating Revenues	\$ 114,625,487	\$ 118,952,211	\$ 131,183,221	\$ 16,557,734	14.4%
Operating Expenditures	(120,459,491)	(120,457,943)	(115,609,650)	4,849,841	-4.0%
	(5,834,004)	(1,505,732)	15,573,571		
Non-Operating Expenditures	(860,301)	(860,301)	(860,301)		
Operating Transfers	(7,598,533)	(7,598,533)	(1,202,336)		
Net Change - Designated Balances	\$ (14,292,838)	\$ (9,964,566)	\$ 13,510,934		

2012 Non-Operating Expenditures include the payment of \$860,301 for the Pierce County Agreement grant exchange funds.



## 2012 BUDGET MESSAGE

### In brief:

The type of revenue and 2012 dollar and percent change from 2011 Amended Budget are provided in the table and briefly explained as follows.

### Explanation of Change:

Fares – service reductions  
ridership decrease

Advertising – advertising demand

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

	2011 Amended Budget	2011 Year-End Estimate	2012 Budget	Budget to Budget Change	
				Amount	%
Operating Income					
Fares	\$ 15,232,074	\$ 12,511,403	\$ 11,787,529	\$ (3,444,545)	-22.6%
Advertising	1,050,000	700,000	750,000	(300,000)	-28.6%
Sound Transit	26,521,319	29,757,625	31,629,405	7,108,086	29.0%
Non-Operating Income					
Sales Tax	61,651,911	65,338,852	65,992,241	4,340,330	7.0%
Preventive Maintenance	6,861,081	6,861,081	6,861,081	-	0.0%
Interest	460,399	94,729	94,444	(365,955)	-79.5%
Other	2,502,128	1,500,000	11,880,000	9,377,872	374.8%
Operating Contributions	2,346,575	2,188,521	2,188,521	(158,054)	-6.7%
	<u>\$ 114,625,487</u>	<u>\$ 118,952,211</u>	<u>\$ 131,183,221</u>	<u>\$ 16,557,734</u>	<u>14.4%</u>

Fares - Revenues are estimated based on ridership and average fare per boarding projections. Pierce Transit ridership is expected to decline in 2012 due to service hour reductions and economic conditions influencing ridership demand. There was an adult fare increase in November, 2010. The prior fare increase was January 1, 2009. 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.

Advertising - Revenues are decreasing due to projected advertising demand.

Sound Transit - Pierce Transit is under contract with Sound Transit to provide regional express services. Sound Transit reimbursement represents 24% of operating budget revenue. For 2012, Sound Transit is increasing service hours 19.4% from 211,241 to 252,217. The rate of reimbursement is a negotiated rate. Sound Transit also reimburses for their share of costs associated with the Tacoma Dome Station, security, liability insurance, and special services.



## 2012 BUDGET MESSAGE

Sales Tax - The 2012 sales tax projection is based on estimates and economic conditions. A one percent change is projected from 2011 year-end estimates based on year-to-date June actual collections. Sales tax represents 72% of the operating budget revenue excluding Sound Transit and a one-time sale of property.

Preventive Maintenance - This source is Federal Transit Administration (FTA) 5307 Preventive Maintenance dollars of \$6,861,081 for 2012. No additional increase is anticipated in 2012. The reauthorization of SAFETEA-LU, the Safe, Accountable, Flexible, Efficient Transportation Equity Act (5307) is pending congressional action.

Interest - Interest revenue estimates are based on investment balances and projected interest rates. Interest rates and available funds to invest have decreased significantly during 2011 resulting in lower interest revenue in 2012.

Other - This revenue category includes revenue received 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 increase in 2012 is primarily due to a projected property sale.

Operating Contributions - Included in the Operating Contributions are grants with Pierce County for \$100,990 for Commute Trip Reduction (CTR) administration and Pierce County Employer Services Programs. 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 \$1,012,155 for a Washington Department of Transportation grant for special needs transportation.



## 2012 BUDGET MESSAGE

### In brief:

The 2012 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 2012 dollar and percent change from 2011 Amended Budget is provided in the table and is briefly explained as follows.

### Explanation of Change:

Wages –  
wage adjustments

Benefits –  
PERS adjustment  
health premium increases

Maintenance & Operating (M&O) –  
fuel prices  
supplies and materials costs

### Operating Expenditures

The focus for 2012 is on the strategic priorities: ensure quality customer experience, develop new markets, add value to the community, develop new revenue streams, and value employee success. The 2012 Budget reflects the fixed route service reductions necessitated by the failure of the ballot proposition in February, 2011. The ballot would have raised the sales tax authority by .3%.

Operating expenses for 2012 are projected to total \$115,609,650 for a 4.0% decrease of \$4,849,841 from the 2011 Amended Budget. The decrease of \$8,413,042 in wages is a result of employee reductions. The increase in benefits of \$1,509,034 is a result of changes in Public Employees Retirement System (PERS) contribution rates and health premium costs. Maintenance and operating cost increases of \$2,054,167 are attributable to supplies and material costs, and improved safety and security of our customers and employees.

	2011 Amended Budget	2011 Year-End Estimate	2012 Budget	Budget to Budget Change	
				Amount	%
Wages	\$ 62,751,704	\$ 60,942,718	\$ 54,338,662	\$ (8,413,042)	-13.4%
Benefits	20,546,254	21,775,649	22,055,288	1,509,034	7.3%
M & O	37,171,533	37,739,576	39,215,700	2,054,167	5.5%
Total Operations	120,459,491	120,457,943	115,609,650	(4,849,841)	-4.0%
Non-Operating Expenditures	860,301	860,301	860,301	-	0.0%
Total	\$ 121,319,792	\$ 120,318,244	\$ 116,469,951	\$ (4,849,841)	-4.0%



The fuel prices from 2011 Amended Budget and 2012 Budget are shown below.

Fuel Prices					
		2011 Amended	2012		\$ Change 2012 Budget to 2011 Amended Budget
		<u>Budget</u>	<u>Budget</u>		
Unleaded	\$	2.900	\$ 3.250	\$	0.350
Diesel	\$	2.900	\$ 3.350	\$	0.450
CNG Jan/Oct	\$	0.959	\$ 0.952	\$	-0.007
CNG Nov/Dec	\$	0.957	\$ 0.952	\$	-0.005

## 2012 BUDGET MESSAGE

The changes from the 2011 Amended Budget to the 2012 Budget are as follows:

Wages - The 13.4% decrease in wages is due to employee reductions. Represented employees are 81% of the total Agency workforce. The Master Agreement with the transit union is currently being negotiated. No wage increase is budgeted in 2012 for represented and non-represented employees.

The 2012 Budget includes 866 positions and 842 full-time equivalents (FTEs). A total of 194 positions have been eliminated from the 2011 Budget level due to service reductions.

Benefits – One of the factors contributing to the increase in benefits are the Washington State Public Employees Retirement System (PERS) increase in the employer contribution rate from 7.07% of eligible wages to 9.30% of eligible wages effective July 1, 2012. Benefit costs are also accelerating for health benefits. The primary health benefit provider is increasing the premium by 25.9%.

Maintenance and Operations - The 2012 Maintenance and Operations (M&O) Budget is \$39,215,700. This is an increase of \$2,054,167 or 5.5% over 2011 Amended Budget.

Fuel - Fuel costs, representing approximately 7% of the operating budget, are increasing \$399,931. Compressed Natural Gas (CNG) comprises 28% of the fuel costs. The Pierce Transit fleet is nearly 100% CNG powered and Sound Transit fleet is diesel powered. The CNG price reflects the negotiated price. The diesel and unleaded costs are based on the best information available. A majority of diesel costs are reimbursed by Sound Transit.

Non-Operating Expenditures - 2012 Non-Operating Expenditures include the payment of \$860,301 for the Pierce County Agreement grant exchange funds.



## 2012 BUDGET MESSAGE

### In brief:

#### Itemization of Budgetary Changes

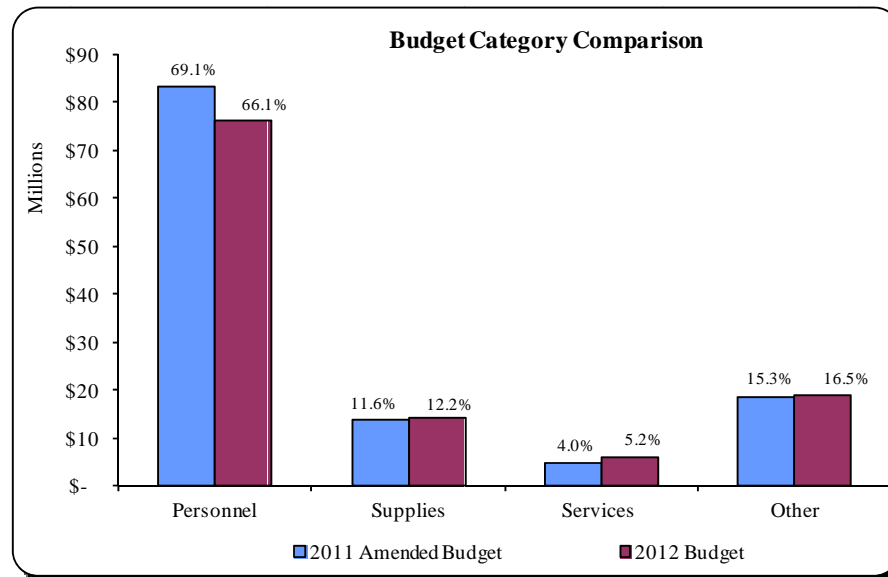
The 2012 total operating budget is 4.0% below the 2011 Amended Budget. An itemization of this decrease is shown in the following chart.

#### Itemization of Budgetary Changes

Category	% Change
Wages	-7.0%
Benefits	1.3%
Services	1.0%
Supplies	-0.2%
Fuel	0.3%
Repairs & Maintenance	0.3%
Rentals	0.1%
Utilities	0.1%
Purchased Transportation	-0.2%
Insurance	0.3%
Other	-0.1%
<b>Total</b>	<b>-4.0%</b>

### Budget category comparison

As shown in the graph below, while the operating budget expenditures have decreased, the operating budget categories are similar in the years shown. Personnel costs are approximately 66%, supplies 12%, services 5%, and other 17% of the operating budget.





### In brief:

The 2012 Capital Budget is comprised of the following categories.

#### Revenue Vehicles – 25%

*Provide customers a comfortable and reliable mode of transportation*

#### Passenger Facilities & Amenities – 19%

*Serve as the front door to the transit system*

#### Base Facilities – 32%

*Support the efficiency of the Agency*

#### Technology – 19%

*Improve information and services to the public*

#### Other – 5%

*Maintain equipment*

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

## 2012 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 2012 are budgeted at \$34,960,769. Approved but unspent projects are carried over to the following budget year. The 2012 Budget contains approximately \$17 million of prior year budgeted funds (carryover). Expenditures are supported by \$15.5 million 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.

	Carry over	New	Total
<b>Revenue Vehicles</b>	\$ 2,286,593	\$ 6,257,014	\$ 8,543,607
(Bus - 6 replacement, Vanpool - 48 replacement, Shuttle Vehicles - 27 replacement)			
<b>Passenger Facilities and Amenities</b>	4,145,749	2,338,158	6,483,907
(Parkland Transit Center, Tacoma Dome Station, 112th Street & Pacific Ave.)			
<b>Base Facilities</b>	5,508,640	5,797,887	11,306,527
(Main Base, Bldg 4, West Base, Bus Lot, Fueling Station,			
<b>Technology</b>	3,976,371	2,752,146	6,728,517
(Records Management System, ORCA, Maintenance Mgmt System, Master Key System, Telephone System Update, Server and Infrastructure Replacement)			
<b>Other</b>	1,536,210	362,001	1,898,211
(Support Vehicles, Maintenance and Shop Equipment, Downtown Tacoma Signal Priority, Admin. Equipment)			
	<u>\$ 17,453,563</u>	<u>\$ 17,507,206</u>	<u>\$ 34,960,769</u>



## 2012 BUDGET MESSAGE

### Insurance

The 2012 Budget of \$3,755,000 reflects a decrease of \$843,950 from the 2011 Amended Budget of \$4,598,950. Workers' Compensation costs are projected to decrease by 17.5% as a result of effective workers' compensation claims management and the Agency's light duty program. Third Party Liability costs are projected to decrease by 68% from 2011 as a result of the settlement and close out of self-insured liability claims. The Agency began purchasing liability insurance as of January 2010. Unemployment costs are projected to increase \$1,200,000 or 1,000% due to 2011 layoffs.

### Ending Balances

Ending balances include the required designated balances 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

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

### Conclusion

The 2012 Budget will focus on the strategic priorities adopted by the Board of Commissioners.





*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.*

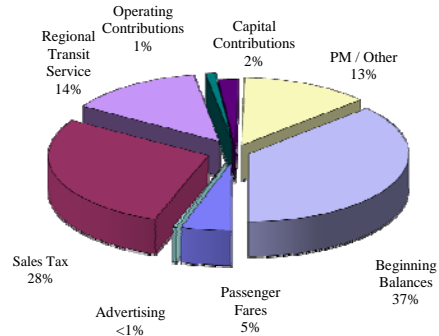
## **2012 Budget**

### **Budget Summary**

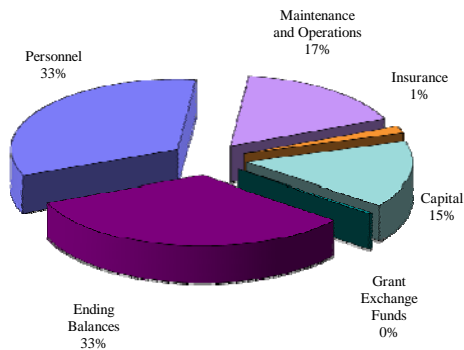




## Revenues



## Expenditures



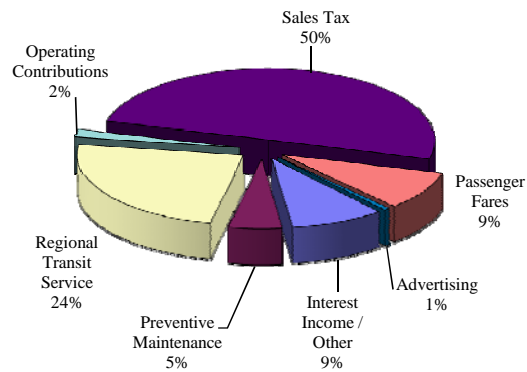
## 2012 BUDGET OVERALL SUMMARY

	2010 YEAR-END ACTUALS	2011 AMENDED BUDGET	2011 YEAR-END ESTIMATE	2012 BUDGET	% CHANGE 2012 BUDGET TO 2011 BUDGET
<b>REVENUES</b>					
<b>OPERATING INCOME</b>					
Passenger Fares	\$14,499,449	\$15,232,074	\$12,511,403	\$11,787,529	-22.6%
Advertising	1,120,406	1,050,000	700,000	750,000	-28.6%
Regional Transit Service (Sound Transit)	24,164,957	24,521,319	29,757,625	31,629,405	29.0%
<b>NON-OPERATING INCOME</b>					
Sales Tax	65,338,852	61,651,911	65,338,852	65,992,241	7.0%
Preventive Maintenance	7,434,962	6,861,081	6,861,081	6,861,081	0.0%
Other	6,091,588	6,183,254	4,122,406	23,110,957	273.8%
<b>CONTRIBUTIONS</b>					
Operating	2,611,261	2,346,575	2,188,521	2,188,521	-6.7%
Capital	6,823,913	7,953,732	1,230,000	4,482,583	-43.6%
<b>REVENUES</b>	<b>128,085,388</b>	<b>125,799,946</b>	<b>122,709,888</b>	<b>146,802,317</b>	<b>16.7%</b>
<b>BEGINNING BALANCES</b>					
Working Cash	72,159,821	69,029,002	65,490,933	55,526,367	-19.6%
Insurance	2,441,342	2,013,615	3,027,898	3,442,852	71.0%
Capital Reserve	25,689,792	29,516,570	25,689,792	26,649,187	-9.7%
<b>BEGINNING BALANCES</b>	<b>100,290,955</b>	<b>100,559,187</b>	<b>94,208,623</b>	<b>85,618,405</b>	<b>-14.9%</b>
<b>TOTAL REVENUES AND BALANCES</b>	<b>\$228,376,343</b>	<b>\$226,359,133</b>	<b>\$216,918,511</b>	<b>\$232,420,722</b>	<b>2.7%</b>
<b>EXPENDITURES</b>					
<b>OPERATING EXPENDITURES</b>					
Personnel	\$81,041,096	\$83,297,958	\$82,718,367	\$76,393,950	-8.3%
Maintenance and Operations	33,122,860	37,161,533	37,739,576	39,215,700	5.5%
Insurance	3,926,306	4,598,950	2,717,100	3,755,000	-18.4%
<b>NON-OPERATING EXPENDITURES</b>					
Debt Service	-	-	-	-	0.0%
Grant Exchange Funds	1,113,622	860,301	860,301	860,301	0.0%
<b>CAPITAL EXPENDITURES</b>					
Capital	13,841,192	24,588,703	7,264,761	34,960,769	42.2%
<b>EXPENDITURES</b>	<b>133,045,076</b>	<b>150,507,445</b>	<b>131,300,105</b>	<b>155,185,720</b>	<b>3.1%</b>
<b>ENDING BALANCES</b>					
Working Cash	66,290,358	54,736,164	55,526,367	69,037,300	26.1%
Insurance	3,027,898	610,000	3,442,852	1,000,000	63.9%
Capital Reserve	26,013,011	20,505,524	26,649,187	7,197,702	-64.9%
<b>ENDING BALANCES</b>	<b>95,331,267</b>	<b>75,851,688</b>	<b>85,618,406</b>	<b>77,235,002</b>	<b>1.8%</b>
<b>TOTAL EXPENDITURES AND BALANCES</b>	<b>\$228,376,343</b>	<b>\$226,359,133</b>	<b>\$216,918,511</b>	<b>\$232,420,722</b>	<b>2.7%</b>

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



## Operating Revenues

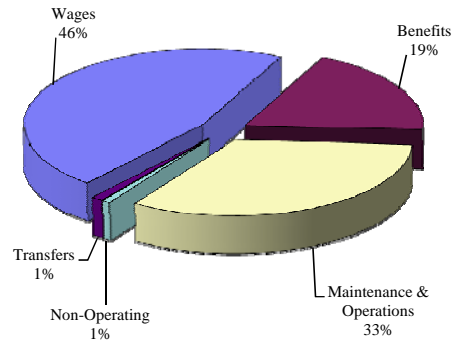


## 2012 BUDGET OPERATING SUMMARY - REVENUES

	2010 YEAR-END ACTUALS	2011 AMENDED BUDGET	2011 YEAR-END ESTIMATE	2012 BUDGET	% CHANGE 2012 BUDGET TO 2011 BUDGET
<b>OPERATING REVENUES</b>					
<b>OPERATING INCOME</b>					
Passenger Fares	\$14,499,449	\$15,232,074	\$12,511,403	\$11,787,529	-22.6%
Advertising	1,120,406	1,050,000	700,000	750,000	-28.6%
Regional Transit Service (Sound Transit)					
Express Reimbursement	22,984,020	23,225,250	28,652,605	30,501,759	31.3%
TDS Reimbursement	758,416	892,069	700,000	717,500	-19.6%
Special Service Reimbursement	282,298	204,000	205,020	210,146	3.0%
Other Reimbursement	140,222	200,000	200,000	200,000	0.0%
<b>OPERATING INCOME</b>	<b>39,784,811</b>	<b>40,803,393</b>	<b>42,969,028</b>	<b>44,166,934</b>	<b>8.2%</b>
<b>NON-OPERATING INCOME</b>					
Sales Tax	65,338,852	61,651,911	65,338,852	65,992,241	7.0%
Preventive Maintenance	7,434,962	6,861,081	6,861,081	6,861,081	0.0%
Interest Income	261,679	460,399	94,729	94,444	-79.5%
Other	2,965,081	2,502,128	1,500,000	11,880,000	374.8%
<b>NON-OPERATING INCOME</b>	<b>76,000,574</b>	<b>71,475,519</b>	<b>73,794,662</b>	<b>84,827,766</b>	<b>18.7%</b>
<b>OPERATING CONTRIBUTIONS</b>					
CTR / Vanpool Assistance	207,081	259,044	100,990	100,990	-61.0%
Grant Exchange Funds	1,392,028	1,075,376	1,075,376	1,075,376	0.0%
Special Needs Transportation Grant	1,012,152	1,012,155	1,012,155	1,012,155	0.0%
<b>OPERATING CONTRIBUTIONS</b>	<b>2,611,261</b>	<b>2,346,575</b>	<b>2,188,521</b>	<b>2,188,521</b>	<b>-6.7%</b>
<b>TOTAL OPERATING REVENUES</b>	<b>118,396,646</b>	<b>114,625,487</b>	<b>118,952,211</b>	<b>131,183,221</b>	<b>14.4%</b>
BEGINNING BALANCE	72,159,821	69,029,002	65,490,933	55,526,367	-19.6%
<b>TOTAL OPERATING REVENUES AND BEGINNING BALANCE</b>	<b>\$190,556,467</b>	<b>\$183,654,489</b>	<b>\$184,443,144</b>	<b>\$186,709,587</b>	<b>1.7%</b>



## Operating Expenditures & Transfers

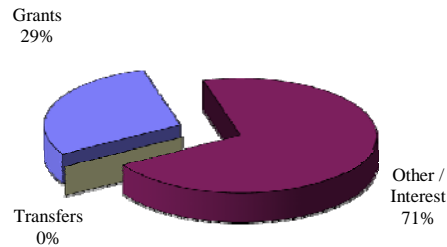


## 2012 BUDGET OPERATING SUMMARY - EXPENDITURES

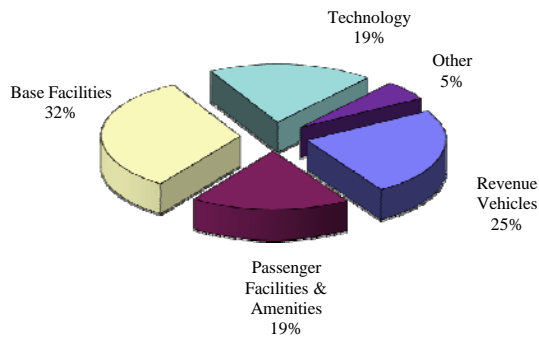
	2010 YEAR-END ACTUALS	2011 AMENDED BUDGET	2011 YEAR-END ESTIMATE	2012 BUDGET	% CHANGE 2012 BUDGET TO 2011 BUDGET
<b>OPERATING EXPENDITURES</b>					
<b>OPERATING</b>					
<b>PERSONNEL</b>					
Wages	\$60,812,366	\$62,751,704	\$60,942,718	\$54,338,662	-13.4%
Benefits	20,228,730	20,546,254	21,775,649	22,055,288	7.3%
<b>PERSONNEL</b>	<b>81,041,096</b>	<b>83,297,958</b>	<b>82,718,367</b>	<b>76,393,950</b>	<b>-8.3%</b>
<b>MAINTENANCE &amp; OPERATIONS</b>					
Supplies	12,944,165	13,911,379	16,069,198	14,068,005	1.1%
Services	4,025,130	4,829,431	3,402,572	6,068,166	25.6%
Insurance (Purchased)	1,904,636	1,862,500	2,269,237	2,189,154	17.5%
Utilities	1,203,164	1,284,534	968,551	1,434,141	11.6%
Repairs	312,910	285,399	771,487	605,578	112.2%
Rentals	122,606	132,052	357,354	308,924	133.9%
Purchased Transportation	9,029,971	9,112,028	9,041,682	8,910,050	-2.2%
Other	3,580,279	5,744,210	4,859,495	5,631,682	-2.0%
<b>MAINTENANCE &amp; OPERATIONS</b>	<b>33,122,861</b>	<b>37,161,533</b>	<b>37,739,576</b>	<b>39,215,700</b>	<b>5.5%</b>
<b>OPERATING</b>	<b>114,163,957</b>	<b>120,459,491</b>	<b>120,457,943</b>	<b>115,609,650</b>	<b>-4.0%</b>
<b>NON-OPERATING EXPENDITURES</b>					
Debt Service	-	-	-	-	0.0%
Grant Exchange Funds	1,113,622	860,301	860,301	860,301	0.0%
<b>NON-OPERATING</b>	<b>1,113,622</b>	<b>860,301</b>	<b>860,301</b>	<b>860,301</b>	<b>0.0%</b>
<b>TOTAL EXPENDITURES</b>	<b>115,277,579</b>	<b>121,319,792</b>	<b>121,318,244</b>	<b>116,469,951</b>	<b>-4.0%</b>
<b>TRANSFERS</b>					
Liability and Other Insurance Transfer	2,126,402	736,402	736,402	1,596,918	116.9%
Workers' Comp. Transfer	1,987,331	1,987,331	1,987,331	(394,582)	-119.9%
Capital Reserve	4,874,800	4,874,800	4,874,800	0	-100.0%
<b>TRANSFERS</b>	<b>8,988,533</b>	<b>7,598,533</b>	<b>7,598,533</b>	<b>1,202,336</b>	<b>-84.2%</b>
<b>TOTAL EXPENDITURES AND TRANSFERS</b>	<b>124,266,112</b>	<b>128,918,325</b>	<b>128,916,777</b>	<b>117,672,287</b>	<b>-8.7%</b>
ENDING BALANCE	66,290,355	54,736,164	55,526,367	69,037,300	26.1%
<b>TOTAL OPERATING EXPENDITURES AND ENDING BALANCE</b>	<b>\$190,556,467</b>	<b>\$183,654,489</b>	<b>\$184,443,144</b>	<b>\$186,709,587</b>	<b>1.7%</b>



## Capital Revenues & Transfers



## Capital Expenditures

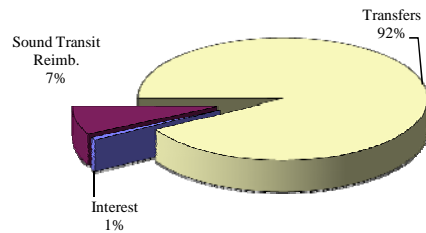


## 2012 BUDGET CAPITAL SUMMARY

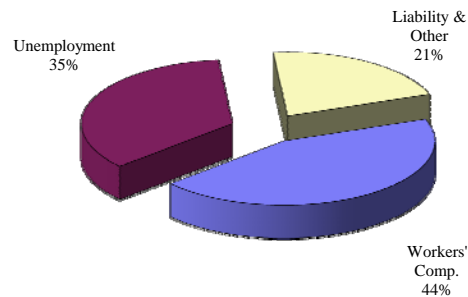
	2010 YEAR-END ACTUALS	2011 AMENDED BUDGET	2011 YEAR-END ESTIMATE	2012 BUDGET	% CHANGE 2012 BUDGET TO 2011 BUDGET
<b>CAPITAL REVENUES</b>					
<b>REVENUES</b>					
Grants	\$6,823,913	\$7,953,732	\$1,230,000	\$4,482,583	-43.6%
Other Capital Revenue / Interest	2,465,698	2,749,125	2,119,356	11,026,701	301.1%
<b>REVENUE</b>	<b>9,289,611</b>	<b>10,702,857</b>	<b>3,349,356</b>	<b>15,509,284</b>	<b>44.9%</b>
<b>TRANSFERS</b>					
Capital Reserve	4,874,800	4,874,800	4,874,800	-	-100.0%
<b>TRANSFERS</b>	<b>4,874,800</b>	<b>4,874,800</b>	<b>4,874,800</b>	<b>-</b>	<b>-</b>
<b>CAPITAL REVENUES</b>	<b>14,164,411</b>	<b>15,577,657</b>	<b>8,224,156</b>	<b>15,509,284</b>	<b>-0.4%</b>
<b>BEGINNING BALANCE</b>					
Capital Reserve	25,689,792	29,516,570	25,689,792	26,649,187	-9.7%
<b>TOTAL CAPITAL REVENUES AND BEGINNING BALANCE</b>	<b>\$39,854,203</b>	<b>\$45,094,227</b>	<b>\$33,913,948</b>	<b>\$42,158,471</b>	<b>-6.5%</b>
<b>CAPITAL EXPENDITURES</b>					
<b>CAPITAL ACQUISITION</b>					
Revenue Vehicles	\$5,440,147	\$2,354,886	\$68,293	\$8,543,607	262.8%
Passenger Facilities & Amenities	238,541	4,544,577	398,828	6,483,907	42.7%
Base Facilities	2,407,795	7,704,229	2,131,929	11,306,527	46.8%
Technology	4,629,323	4,615,722	832,634	6,728,517	45.8%
Other	1,125,386	5,369,289	3,833,077	1,898,211	-64.6%
<b>CAPITAL EXPENDITURES</b>	<b>13,841,192</b>	<b>24,588,703</b>	<b>7,264,761</b>	<b>34,960,769</b>	<b>42.2%</b>
<b>ENDING BALANCE</b>					
Capital Reserve	26,013,011	20,505,524	26,649,187	7,197,702	-64.9%
<b>TOTAL CAPITAL EXPENDITURES AND ENDING BALANCE</b>	<b>\$39,854,203</b>	<b>\$45,094,227</b>	<b>\$33,913,948</b>	<b>\$42,158,471</b>	<b>-6.5%</b>



## Insurance Revenues & Transfers



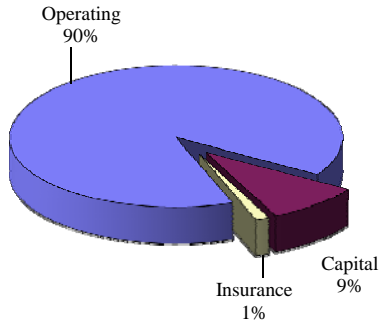
## Insurance Expenditures



## 2012 BUDGET INSURANCE SUMMARY

	2010 YEAR-END ACTUALS	2011 AMENDED BUDGET	2011 YEAR-END ESTIMATE	2012 BUDGET	% CHANGE 2012 BUDGET TO 2011 BUDGET
<b>INSURANCE REVENUES</b>					
<b>REVENUES</b>					
Liability Insurance Interest	\$8,718	\$7,551	\$4,735	\$4,262	-43.6%
Workers' Comp. Interest	3,851	5,678	5,629	5,066	-10.8%
Unemployment Insurance Interest	716	1,873	538	484	-74.2%
Sound Transit Reimbursement Liability	383,009	456,500	397,419	100,000	-78.1%
Sound Transit Reimbursement Other	2,835	-	-	-	0.0%
<b>REVENUES</b>	<b>399,129</b>	<b>471,602</b>	<b>408,321</b>	<b>109,812</b>	<b>-76.7%</b>
<b>TRANSFERS</b>					
Liability Insurance Transfer	2,008,361	618,361	618,361	353,910	-42.8%
Workers' Comp. Transfer	1,987,331	1,987,331	1,987,331	(394,582)	-119.9%
Unemployment Insurance Transfer	118,041	118,041	118,041	1,243,008	953.0%
<b>TRANSFERS</b>	<b>4,113,733</b>	<b>2,723,733</b>	<b>2,723,733</b>	<b>1,202,336</b>	
<b>REVENUES AND TRANSFERS</b>	<b>4,512,862</b>	<b>3,195,335</b>	<b>3,132,054</b>	<b>1,312,148</b>	<b>-58.9%</b>
<b>BEGINNING BALANCES</b>					
Liability Insurance	449,368	1,006,538	473,413	826,828	-17.9%
Workers' Comp. Insurance	1,643,723	756,991	2,221,556	2,414,516	219.0%
Unemployment Insurance	348,251	250,086	332,929	201,508	-19.4%
<b>BEGINNING BALANCES</b>	<b>2,441,342</b>	<b>2,013,615</b>	<b>3,027,898</b>	<b>3,442,852</b>	<b>71.0%</b>
<b>TOTAL INSURANCE REVENUES AND BEGINNING BALANCES</b>	<b>\$6,954,204</b>	<b>\$5,208,950</b>	<b>\$6,159,952</b>	<b>\$4,755,000</b>	<b>-8.7%</b>
<b>INSURANCE EXPENDITURES</b>					
Liability and Other Insurance	\$2,378,878	\$2,478,950	\$667,100	\$785,000	-68.3%
Workers' Comp. Insurance	1,413,349	2,000,000	1,800,000	1,650,000	-17.5%
Unemployment Insurance	134,079	120,000	250,000	1,320,000	1000.0%
<b>INSURANCE EXPENDITURES</b>	<b>3,926,306</b>	<b>4,598,950</b>	<b>2,717,100</b>	<b>3,755,000</b>	<b>-18.4%</b>
<b>ENDING BALANCES</b>					
Liability Insurance	470,578	(390,000)	826,828	500,000	-39.5%
Workers' Comp. Insurance	2,221,556	750,000	2,414,516	375,000	-50.0%
Unemployment Insurance	335,764	250,000	201,508	125,000	-50.0%
<b>ENDING BALANCES</b>	<b>3,027,898</b>	<b>610,000</b>	<b>3,442,852</b>	<b>1,000,000</b>	<b>63.9%</b>
<b>TOTAL INSURANCE EXPENDITURES AND ENDING BALANCES</b>	<b>\$6,954,204</b>	<b>\$5,208,950</b>	<b>\$6,159,952</b>	<b>\$4,755,000</b>	<b>-8.7%</b>

## Ending Balances

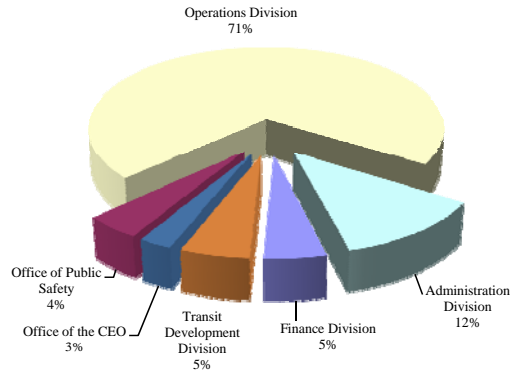


## 2012 BUDGET ENDING BALANCES

	2010 YEAR-END ACTUALS	2011 AMENDED BUDGET	2011 YEAR-END ESTIMATE	2012 BUDGET	% CHANGE 2012 BUDGET TO 2011 BUDGET
<b>OPERATING</b>					
Revenues	\$118,396,646	\$114,625,487	\$118,952,211	\$131,183,221	14.4%
Less: Expenditures	(115,277,579)	(121,319,792)	(121,318,244)	(116,469,951)	-4.0%
<b>Subtotal</b>	<b>3,119,067</b>	<b>(6,694,305)</b>	<b>(2,366,033)</b>	<b>14,713,270</b>	<b>-319.8%</b>
Plus: Beginning Balance	72,159,821	69,029,002	65,490,933	55,526,367	-19.6%
Less: Transfers					
Capital Reserve	(4,874,800)	(4,874,800)	(4,874,800)	0	-100.0%
Insurance	(4,113,733)	(2,723,733)	(2,723,733)	(1,202,336)	-55.9%
<b>ENDING OPERATING BALANCE</b>	<b>\$66,290,355</b>	<b>\$54,736,164</b>	<b>\$55,526,367</b>	<b>\$69,037,300</b>	<b>26.1%</b>
<b>CAPITAL</b>					
Revenues	\$9,289,611	\$10,702,857	\$3,349,356	\$15,509,284	44.9%
Plus: Transfers					
Capital Reserve	4,874,800	4,874,800	4,874,800	-	-100.0%
<b>Subtotal Revenue</b>	<b>14,164,411</b>	<b>15,577,657</b>	<b>8,224,156</b>	<b>15,509,284</b>	<b>-0.4%</b>
Less: Expenditures	(13,841,192)	(24,588,703)	(7,264,761)	(34,960,769)	42.2%
<b>Subtotal</b>	<b>323,219</b>	<b>(9,011,046)</b>	<b>959,395</b>	<b>(19,451,485)</b>	<b>115.9%</b>
Plus: Beginning Balance	25,689,792	29,516,570	25,689,792	26,649,187	-9.7%
<b>ENDING CAPITAL BALANCE</b>	<b>\$26,013,011</b>	<b>\$20,505,524</b>	<b>\$26,649,187</b>	<b>\$7,197,702</b>	<b>-64.9%</b>
<b>INSURANCE</b>					
Revenues	\$399,129	\$471,602	\$408,321	\$109,812	-76.7%
Plus: Transfers	4,113,733	2,723,733	2,723,733	1,202,336	-55.9%
<b>Subtotal Revenue</b>	<b>4,512,862</b>	<b>3,195,335</b>	<b>3,132,054</b>	<b>1,312,148</b>	<b>-58.9%</b>
Less: Expenditures	(3,926,306)	(4,598,950)	(2,717,100)	(3,755,000)	-18.4%
<b>Subtotal</b>	<b>586,556</b>	<b>(1,403,615)</b>	<b>414,954</b>	<b>(2,442,852)</b>	<b>74.0%</b>
Plus: Beginning Balance	2,441,342	2,013,615	3,027,898	3,442,852	71.0%
<b>ENDING INSURANCE BALANCE</b>	<b>\$3,027,898</b>	<b>\$610,000</b>	<b>\$3,442,852</b>	<b>\$1,000,000</b>	<b>63.9%</b>
<b>GRAND TOTAL - ALL BALANCES</b>	<b>\$95,331,264</b>	<b>\$75,851,688</b>	<b>\$85,618,406</b>	<b>\$77,235,002</b>	<b>1.8%</b>



**Agency Operating Budget**



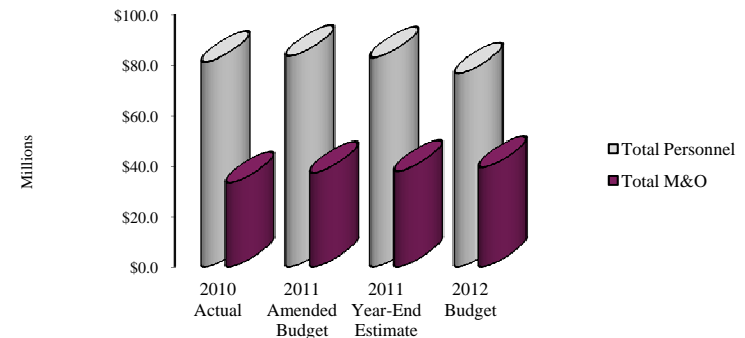
**2012 OPERATING BUDGET  
AGENCY EXPENDITURE COMPARISON**

Description	2010 Actual	2011 Amended Budget	2011 Year-End Estimate	2012 Budget	% Change 2012 Budget to 2011 Budget
<b>Personnel</b>					
Wages	\$ 60,812,366	\$ 62,751,704	\$ 60,942,718	\$ 54,338,662	-13.41%
Benefits	20,228,730	20,546,254	21,775,649	22,055,288	7.34%
<b>Personnel</b>	<b>81,041,096</b>	<b>83,297,958</b>	<b>82,718,367</b>	<b>76,393,950</b>	<b>-8.29%</b>
<b>Maintenance and Operations</b>					
Supplies	12,944,165	13,911,379	16,069,198	14,068,005	1.13%
Services	4,025,130	4,829,431	3,402,572	6,068,166	25.65%
Insurance	1,904,636	1,862,500	2,269,237	2,189,154	17.54%
Utilities	1,203,164	1,284,534	968,551	1,434,141	11.65%
Repairs & Maintenance	312,910	285,399	771,487	605,578	112.19%
Rentals	122,606	132,052	357,354	308,924	133.94%
Other	11,979,270	14,032,098	13,268,611	13,723,329	-2.20%
Repairs & Maint Contract Services	630,980	726,140	632,566	709,903	-2.24%
Other Improvements	-	98,000	-	108,500	10.71%
<b>Maintenance and Operations</b>	<b>33,122,860</b>	<b>37,161,533</b>	<b>37,739,576</b>	<b>39,215,700</b>	<b>5.53%</b>
<b>Total *</b>	<b>\$ 114,163,956</b>	<b>\$ 120,459,491</b>	<b>\$ 120,457,943</b>	<b>\$ 115,609,650</b>	<b>-4.03%</b>

Total FTE's *1,056.1* *1,056.1* *1,056.1* *842.0*  
Total Positions *1,060.0* *1,060.0* *1,060.0* *866.0*

\* Does not include 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.*

## **2012 Budget**

### **Budget Statistics**





**2012 Budget  
Operating Statistics  
All Modes**

	<b>2011 Budget</b>	<b>2012 Budget</b>	<b>% Change 2011 - 2012</b>
<b>Pierce Transit</b>			
<b>Fixed Route Local, BusPLUS &amp; Express</b>			
Ridership	14,125,192	10,976,758	-22.3%
Service Hours	622,454	418,835	-32.7%
Service Miles	8,146,237	4,704,110	-42.3%
<b>Sound Transit</b>			
<b>Fixed Route Express</b>			
Ridership	3,027,485	3,783,255	25.0%
Service Hours	211,241	252,217	19.4%
Service Miles	5,494,034	6,339,336	15.4%
<b>Total Fixed Route (Pierce Transit &amp; Sound Transit)</b>			
Ridership	17,152,677	14,760,013	-13.9%
Service Hours	833,695	671,052	-19.5%
Service Miles	13,640,271	11,043,446	-19.0%
<b>SHUTTLE</b>			
Ridership	470,009	384,111	-18.3%
Service Hours	244,068	198,596	-18.6%
Service Miles	3,440,823	2,681,657	-22.1%
<b>Vanpool</b>			
Ridership	728,630	848,000	16.4%
Service Hours	134,780	141,000	4.6%
Service Miles	4,308,000	4,711,000	9.4%
<b>AGENCY TOTAL (Pierce Transit and Sound Transit Fixed Route, BusPLUS, SHUTTLE &amp; Vanpool)</b>			
Ridership	18,351,316	15,992,124	-12.9%
Service Hours	1,212,543	1,010,648	-16.7%
Service Miles	21,389,094	18,436,103	-13.8%



## 2012 BUDGET PERSONNEL SUMMARY

### In brief:

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

The ethnicity of the workforce is

White – 70%

African American – 19%

Native American – 1%

Asian – 6%

Hispanic – 4%

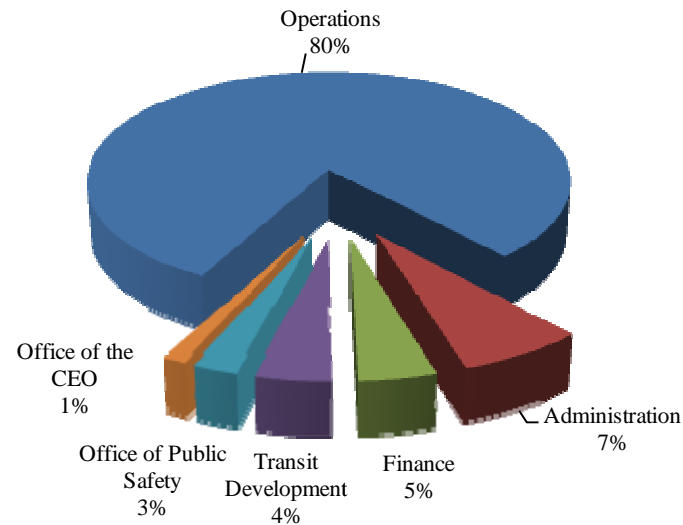


### Personnel Summary

Agency reorganization resulted in transfers of positions and FTEs between multiple divisions in 2012. The 2012 Budget includes 866 positions and 842 full-time equivalents (FTEs). A total of 194 positions have been eliminated from the 2011 Budget level due to service reductions.

The Operations Division, which includes Maintenance personnel, represents 696 or 80% of total positions. The remaining 170 positions or 20% are in the Office of the CEO, Office of Public Safety, Transit Development Division, Finance Division, and the Administration Division.

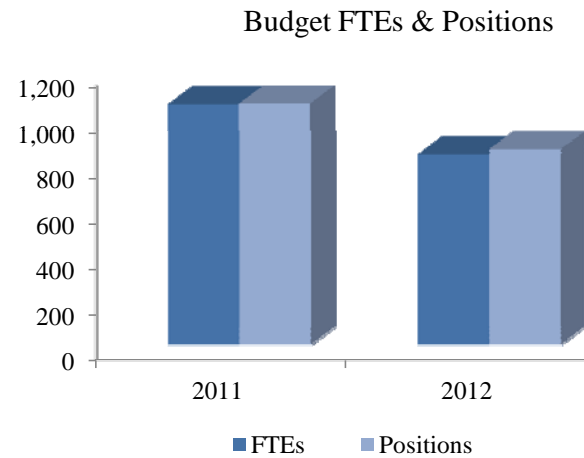
**2012 Budget Positions**





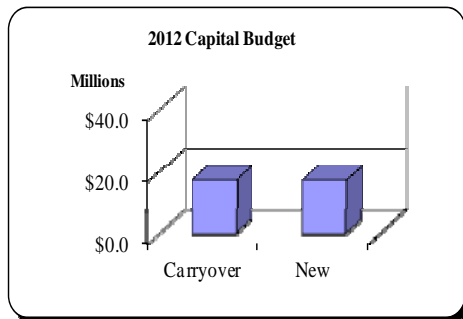
## 2012 BUDGET PERSONNEL SUMMARY

Budget FTEs			Budget Positions		
2011 Budget	2012 Budget	2012-2011 Change	2011 Budget	2012 Budget	2012-2011 Change
1,056.1	842.0	(214.1)	1,060.0	866.0	(194.0)





### 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

## 2012 BUDGET CAPITAL PROGRAM

The 2012 Capital Budget consists of a variety of projects primarily for the replacement and refurbishment of existing equipment and facilities including a few major multi-year projects that are carried over.

Revenue Vehicles – Pierce Transit currently operates a fleet of 129 buses, 321 vanpool vans, and 97 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 6.8 years. In 2012, Pierce Transit has budgeted to replace 6 buses, 48 vanpool vans, and 27 SHUTTLE vehicles. 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 Parkland Transit Center, Tacoma Dome Station, 112<sup>th</sup> and Pacific Avenue, and Commerce.

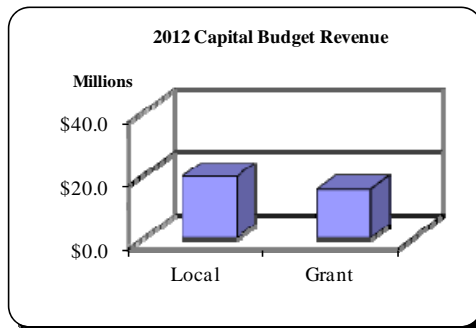
Base Facilities – Funds are budgeted for necessary repairs and refurbishments to base facilities and systems such as the Building 4, Compressed Natural Gas (CNG) Station, methane detection system, and bus lot concrete repairs.

Technology – The 2012 Capital Budget includes funds for maintenance and upgrade of several critical software and systems, as well replacement of infrastructure that has reached useful life. Some of these projects include the maintenance management system replacement, payroll system upgrade, trip planning module, telephone system, closed-circuit television system, server replacement, and limited access control software.



Capital projects are funded by

- Local funds
- Grant funds



## 2012 BUDGET CAPITAL PROGRAM

Other – Other capital projects include replacement of non-revenue support vehicles (trucks, forklifts, cars, etc.), and maintenance and administrative equipment. Also continuing into 2012 is a grant-funded Transit Signal Priority project in downtown Tacoma that will provide improvements that support both transit and LINK light rail.

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 carryover over from the previous budget year for projects in process.

The detailed 2012 Preliminary Capital Budget list is located in the Budget Statistics section of this document.

The 2012 - 2017 Preliminary Six-Year Capital Plan listing is located in the Six-Year Financial Plan section.



## 2012 CAPITAL BUDGET

Line #	Project Title	Division	Cost Center	Project Number	Total Project Budget	Prior Years Expenditures	2011 YE Estimated Expenditures	2012 Project Budget			2012 Project Funding	
								2011 Est. Carryover Amount	New 2012 Amount	Total 2012 Annual Budget	Local	Grant
1	Records Management System (ECM)	Office of the CEO	111000	199	\$ 443,842	\$ 262,135	\$ -	\$ 17,807	\$ 163,900	\$ 181,707	\$ 181,707	\$ -
	<b>Subtotal</b>				<b>443,842</b>	<b>262,135</b>	<b>-</b>	<b>17,807</b>	<b>163,900</b>	<b>181,707</b>	<b>181,707</b>	<b>-</b>
2	Copier Replacement	Finance	233000	0346	240,600	-	100,000	20,600	120,000	140,600	140,600	-
3	West Base Property Acquisition	Finance	233000	0349	950,000	-	943,479	6,521	-	6,521	6,521	-
4	ST Extension	Finance	233000	TBA	1,537,500	-	-	-	1,537,500	1,537,500	1,537,500	-
	<b>Subtotal</b>				<b>2,728,100</b>	<b>-</b>	<b>1,043,479</b>	<b>27,121</b>	<b>1,657,500</b>	<b>1,684,621</b>	<b>1,684,621</b>	<b>-</b>
5	SHUTTLE Software Replacement	Administration	262000	0194	1,197,123	980,124	193,285	23,714	-	23,714	23,714	-
6	Server Replacement 2010	Administration	262000	0334	105,778	32,722	33,661	39,395	-	39,395	39,395	-
7	LAN Equipment Replacement 2012	Administration	262000	TBA	15,000	-	-	-	15,000	15,000	15,000	-
8	Server Replacement 2012	Administration	262000	TBA	106,303	-	-	-	106,303	106,303	106,303	-
9	Hastus Update	Administration	262000	TBA	700,165	-	-	-	700,165	700,165	700,165	-
10	Blade Server Enclosure	Administration	262000	TBA	46,500	-	-	-	46,500	46,500	46,500	-
11	Vinyl Cutter Replacement	Administration	262000	TBA	6,000	-	-	-	6,000	6,000	6,000	-
12	Intermodal Trip Planning Module	Administration	262000	TBA	47,720	-	-	-	47,720	47,720	47,720	-
13	Adept Version Upgrade	Administration	262000	TBA	157,119	-	-	-	157,119	157,119	157,119	-
14	Maintenance Management System	Administration	262000	TBA	255,644	-	-	-	255,644	255,644	255,644	-
15	Telephone System Update	Administration	262000	TBA	427,438	-	-	-	427,438	427,438	427,438	-
16	Limited Access Control Software	Administration	262000	TBA	204,951	-	-	-	204,951	204,951	204,951	-
17	Bldg 5 Audio Visual System Upgrade	Administration	262000	TBA	377,223	-	-	-	377,223	377,223	377,223	-
18	ATIS Upgrade	Administration	262000	TBA	78,183	-	-	-	78,183	78,183	78,183	-
	<b>Subtotal</b>				<b>3,725,147</b>	<b>1,012,846</b>	<b>226,946</b>	<b>63,109</b>	<b>2,422,246</b>	<b>2,485,355</b>	<b>2,485,355</b>	<b>-</b>
19	ORCA (Regional Fare Integration (Smart Card))	Finance	TBA	197/TBA	4,924,833	4,556,307	33,526	169,000	166,000	335,000	235,000	100,000
	<b>Subtotal</b>				<b>4,924,833</b>	<b>4,556,307</b>	<b>33,526</b>	<b>169,000</b>	<b>166,000</b>	<b>335,000</b>	<b>235,000</b>	<b>100,000</b>
20	Mobile Communications System	Office of the CEO	263000	0193	36,779,583	34,657,045	547,412	1,575,126	-	1,575,126	1,575,126	-
21	Physical Security Enhanc.-CCTV	Office of the CEO	263000	0260	1,361,388	964,820	251,791	144,777	-	144,777	112,204	32,573
22	High Line HR/Payroll System Upgrade	Office of the CEO	263000	0306	175,958	153,785	7,200	14,973	-	14,973	14,973	-
23	High Line HR/Payroll System Enhancement	Office of the CEO	263000	0307	276,622	24,900	17,550	234,172	-	234,172	234,172	-
24	Tacoma Dome CCTV System Upgrade	Office of the CEO	263000	0337	989,908	-	-	989,908	-	989,908	-	989,908
25	Base Bus & Vehicle Lots CCTV Cameras	Office of the CEO	263000	0338	550,137	-	-	550,137	-	550,137	-	550,137
26	TDS Panic Alarm System	Office of the CEO	263000	0342	251,250	-	-	251,250	-	251,250	251,250	-
	<b>Subtotal</b>				<b>40,384,846</b>	<b>35,800,550</b>	<b>823,953</b>	<b>3,760,343</b>	<b>-</b>	<b>3,760,343</b>	<b>2,187,725</b>	<b>1,572,618</b>
27	Parkland Transit Center	Transit Development	411000	0170	1,159,550	172,959	-	790,591	196,000	986,591	196,981	789,610
28	121st Street Improvements/Parkland Design	Transit Development	411000	0176	134,533	36,521	-	98,012	-	98,012	98,012	-
29	Base Master Plan	Transit Development	411000	0287	352,862	177,924	33,048	141,890	-	141,890	141,890	-
30	112th Street & Pacific/SR-7 Transit Access Mods	Transit Development	411000	0343	2,375,658	-	-	261,000	2,114,658	2,375,658	1,645,365	730,293
31	Bldg 4 Modifications	Transit Development	411000	0345	4,079,503	-	-	509,911	3,569,592	4,079,503	1,544,267	2,535,236
32	Downtown Tacoma TSP II	Transit Development	411000	0284	2,763,531	810,843	830,285	1,122,403	-	1,122,403	207,531	914,872
33	ST Extension Critical Maintenance	Transit Development	411000	TBA	690,795	-	-	-	690,795	690,795	690,795	-
34	RM Pacific Avenue TSP	Transit Development	411000	0311	1,839,723	190,915	1,648,808	-	-	-	-	-
35	Base Improvements for ST Route 566 & 577	Transit Development	411000	0339	281,199	45,895	235,304	-	-	-	-	-
	<b>Subtotal</b>				<b>13,677,354</b>	<b>1,435,057</b>	<b>2,747,445</b>	<b>2,923,807</b>	<b>6,571,045</b>	<b>9,494,852</b>	<b>4,524,841</b>	<b>4,970,011</b>
36	Pacific Avenue Streetscape	Transit Development	412000	TBA	27,500	-	-	-	27,500	27,500	27,500	-
	<b>Subtotal</b>				<b>27,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,500</b>	<b>27,500</b>	<b>27,500</b>	<b>-</b>
37	Master Key System Replacement	Office of Public Safety	645000	0344	110,889	-	-	110,889	-	110,889	110,889	-
	<b>Subtotal</b>				<b>110,889</b>	<b>-</b>	<b>-</b>	<b>110,889</b>	<b>-</b>	<b>110,889</b>	<b>110,889</b>	<b>-</b>

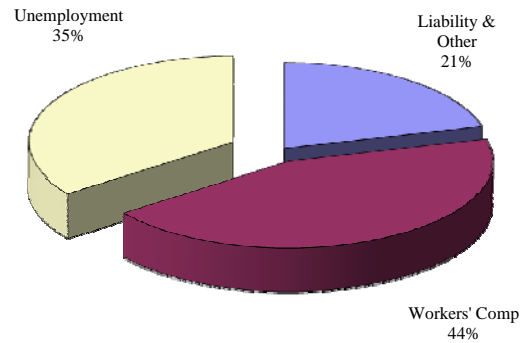


## 2012 CAPITAL BUDGET

Line #	Project Title	Division	Cost Center	Project Number	Total Project Budget	Prior Years Expenditures	2011 YE Estimated Expenditures	2012 Project Budget			2012 Project Funding	
								2011 Est. Carryover Amount	New 2012 Amount	Total 2012 Annual Budget	Local	Grant
38	Support Vehicle Replacement	Operations	651000	0275	645,141	304,141	-	317,051	23,949	<b>341,000</b>	341,000	-
39	Auto Shop Diagnostic Equipment 2009	Operations	651000	0294	43,006	-	-	43,006	-	<b>43,006</b>	32,165	10,841
40	Shuttle Replacement	Operations	651000	0296	3,246,671	440	-	2,286,593	959,638	<b>3,246,231</b>	1,277,231	1,969,000
41	ST Service Vehicle	Operations	651000	0336	50,000	47,464	2,536	-	-	-	-	-
42	Vanpool Fleet Replacement	Operations	651000	TBA	1,341,696	-	-	-	1,341,696	<b>1,341,696</b>	254,002	1,087,694
43	Deputy Police Chief Vehicle	Operations	651000	TBA	45,818	-	-	-	45,818	<b>45,818</b>	45,818	-
<b>Subtotal</b>					<b>5,372,332</b>	<b>352,045</b>	<b>2,536</b>	<b>2,646,650</b>	<b>2,371,101</b>	<b>5,017,751</b>	<b>1,950,216</b>	<b>3,067,535</b>
44	Rotating Electric Tester	Operations	652000	0237	60,547	40,302	20,245	-	-	-	-	-
45	Transmission Dynamometer Upgrade	Operations	652000	0270	69,995	51,811	18,184	-	-	-	-	-
46	Bus Shop Equipment	Operations	652000	0293	67,619	-	67,619	-	-	-	-	-
47	ARRA Bus Replacement	Operations	652000	0310	5,508,000	5,439,707	68,293	-	-	-	-	-
48	Bus Fleet Replacement	Operations	652000	TBA	3,955,680	-	-	-	3,955,680	<b>3,955,680</b>	682,980	3,272,700
49	Fleetwatch Data Logger System	Operations	652000	TBA	172,234	-	-	-	172,234	<b>172,234</b>	172,234	-
<b>Subtotal</b>					<b>9,834,075</b>	<b>5,531,820</b>	<b>174,341</b>	<b>-</b>	<b>4,127,914</b>	<b>4,127,914</b>	<b>855,214</b>	<b>3,272,700</b>
50	Underground Bus Shop Hoists	Operations	653000	0233	1,035,493	879,668	155,825	-	-	-	-	-
51	Base Light Retrofit	Operations	653000	0300	249,440	52,875	196,565	-	-	-	-	-
52	CNG Emergency Generator	Operations	653000	0302	540,597	178,666	116,910	245,021	-	<b>245,021</b>	245,021	-
53	Building 4 Mammoth HVAC Replacement	Operations	653000	0303	197,330	98,037	99,293	-	-	-	-	-
54	CNG Compressor Replacement	Operations	653000	0304	1,080,783	22,706	76,043	982,034	-	<b>982,034</b>	982,034	-
55	TDS ADA Compliance	Operations	653000	0313	713,819	126,505	398,828	188,486	-	<b>188,486</b>	188,486	-
56	Methane Detection System	Operations	653000	0314	229,500	56,554	-	172,946	-	<b>172,946</b>	172,946	-
57	TDS Mid-Life Maintenance	Operations	653000	0315	2,761,250	-	-	2,761,250	-	<b>2,761,250</b>	252,250	2,509,000
58	Facility Condition Assessment - Maintenance (Bldg. 1,2,3)	Operations	653000	0321	33,660	98	23,671	9,891	-	<b>9,891</b>	9,891	-
59	Facility Condition Assessment - TDS & Commerce	Operations	653000	0322	33,660	-	-	33,660	-	<b>33,660</b>	33,660	-
60	Commerce Turnaround Fire Panel	Operations	653000	0331	12,750	-	-	12,750	-	<b>12,750</b>	12,750	-
61	Commerce Tunnel Exhaust Fans	Operations	653000	0332	33,150	-	-	33,150	-	<b>33,150</b>	33,150	-
62	Bus Lot Concrete Repair	Operations	653000	0347	75,375	-	-	75,375	-	<b>75,375</b>	75,375	-
63	CNG Fueling Station	Operations	653000	0348	3,220,274	-	-	3,220,274	-	<b>3,220,274</b>	3,220,274	-
64	ARRA CNG Compressor/Equipment	Operations	653000	0309	1,602,497	457,097	1,145,400	-	-	-	-	-
<b>Subtotal</b>					<b>11,819,578</b>	<b>1,872,206</b>	<b>2,212,535</b>	<b>7,734,837</b>	<b>-</b>	<b>7,734,837</b>	<b>5,225,837</b>	<b>2,509,000</b>
<b>Grand Total</b>					<b>\$ 93,048,496</b>	<b>\$ 50,822,966</b>	<b>\$ 7,264,761</b>	<b>\$ 17,453,563</b>	<b>\$ 17,507,206</b>	<b>\$ 34,960,769</b>	<b>\$ 19,468,905</b>	<b>\$ 15,491,864</b>

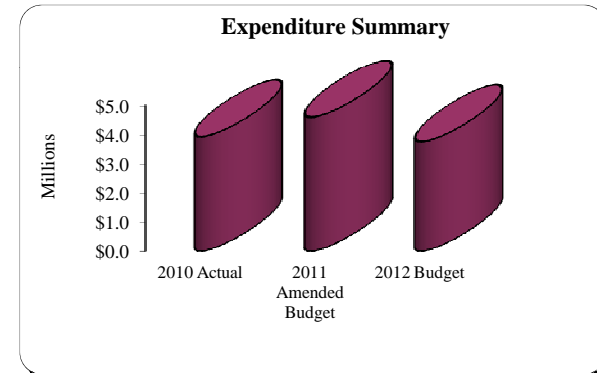


### Insurance Expenditure Comparison



### 2012 BUDGET INSURANCE EXPENDITURE COMPARISON

Description	2010 ACTUAL	2011 AMENDED BUDGET	2012 BUDGET	% Change 2012 Budget to 2011 Budget
Liability & Other Insurance				
Liability	\$ 1,953,603	\$ 1,945,000	\$ 350,000	-82.01%
Light Duty	216,340	200,000	185,000	-7.50%
Professional Services	76,597	97,500	70,000	-28.21%
Legal Services	3,126	26,000	-	-100.00%
Other Expenses	129,211	210,450	180,000	-14.47%
Liability & Other Insurance	2,378,878	2,478,950	785,000	-68.33%
Workers' Comp. Insurance	1,413,349	2,000,000	1,650,000	-17.50%
Unemployment Insurance	134,079	120,000	1,320,000	1000.00%
TOTAL INSURANCE	\$ 3,926,306	\$ 4,598,950	\$ 3,755,000	-18.35%





*This section includes the Six-Year Financial Plan Operating Revenues & Expenditures, Ending Balances pages, and the 2012-2017 Six-Year Capital Plan.*

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

## **2012 Budget**

## **Six-Year Financial Plan**

**PIERCE TRANSIT**  
**2012-2017 Six-Year Financial Plan**  
**Operating Revenues & Expenditures**

(Millions)	2011 Projected	2012 Budget	2013	2014	2015	2016	2017
<b>REVENUES -</b>							
BEGINNING WORKING CASH	\$65.490933	\$55.526367	\$69.037301	\$54.413112	\$44.839504	\$33.207835	\$19.325434
<b>OPERATING INCOME</b>							
FARES AND PASSES							
Local Fares	9.544778	8.839075	10.003473	10.103508	11.325921	11.469136	12.697549
Express Fares (Excludes ST)	0.096055	0.037325	0.042352	0.042776	0.047951	0.048431	0.053758
Shuttle	0.350570	0.311130	0.360027	0.370828	0.423926	0.436644	0.494272
Vanpool	2.520000	2.600000	3.027360	3.027360	3.451360	3.451360	3.875360
Subtotal- Fares and Passes	12.511403	11.787529	13.433212	13.544471	15.249158	15.405570	17.120939
SALES TAX	65.338852	65.992241	67.972008	70.011168	72.811615	76.452195	81.039327
OPER. ASSIST. CTR/VANPOOL	0.100990	0.100990	0.100990	0.100990	0.100990	0.100990	0.100990
SPECIAL NEEDS PROGRAM FUNDS	1.012155	1.012155	1.012155	1.012155	1.012155	1.012155	1.012155
INTEREST	0.094729	0.094445	0.305332	0.488759	0.383260	0.256324	0.000000
<b>ADVERTISING</b>							
Contract Advertising - Pierce Transit Revenue	0.700000	0.750000	0.750000	0.750000	0.750000	0.750000	0.750000
<b>SOUND TRANSIT</b>							
ST Express Reimb.	28.652606	30.501759	32.671848	34.498333	36.041831	37.555218	39.119870
ST TDS Reimb.	0.700000	0.717500	0.735438	0.753823	0.772669	0.791986	0.811785
Special Service	0.205020	0.210146	0.215399	0.220784	0.226304	0.231961	0.237760
Other ST Reimb.	0.200000	0.200000	0.200000	0.200000	0.200000	0.200000	0.200000
<b>MISCELLANEOUS</b>							
Operating Grant (5307)/Pierce County	1.075376	1.075376	1.075376	1.075376	1.075376	1.075376	1.075376
Preventive Maint. (5307) / ADA	6.861081	6.861081	6.861081	6.861081	4.627700	4.627700	4.627700
Other Miscellaneous	1.500000	11.880000	0.200000	0.200000	0.200000	0.200000	0.200000
TOTAL OPERATING INCOME	118.952211	131.183221	125.532839	129.716940	133.451057	138.659475	146.295903
TOTAL REVENUES & WORKING CASH	\$184.443144	\$186.709588	\$194.570140	\$184.130052	\$178.290560	\$171.867310	\$165.621336

**PIERCE TRANSIT**  
**2012-2017 Six-Year Financial Plan**  
**Operating Revenues & Expenditures**

(Millions)	2011 Projected	2012 Budget	2013	2014	2015	2016	2017
<b>EXPENDITURES -</b>							
<b>Ongoing Operations</b>							
Wages	\$60.942718	\$54.338662	\$56.015891	\$57.457289	\$58.937007	\$60.581833	\$62.015792
Benefits	21.775649	22.055288	25.169978	27.707250	29.795418	32.146001	34.569956
M & O	14.153100	18.909233	17.973230	18.422561	18.883125	19.355990	19.839083
Fuel	9.820833	7.555636	7.622523	7.901706	8.059102	8.229548	8.386792
Parts	4.640381	3.742581	3.945031	4.043657	4.144748	4.253646	4.354576
Purchased Trans.	9.041682	8.910050	8.804264	9.005615	9.213142	9.427035	9.647491
Bridge Tolls	0.083580	0.098200	0.100655	0.103171	0.105751	0.108394	0.111104
<b>Special Projects</b>							
Base Expansion Operations	0.000000	0.000000	0.100000	0.100000	0.100000	0.100000	0.100000
TOTAL EXPENDITURES: w/out Debt Payment and Depreciation	120.457943	115.609650	119.731571	124.741249	129.238293	134.202447	139.024794
<b>Non-Operating Costs</b>							
Long-Term Debt	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Payments to Pierce Co for 5307 Agreement	0.860301	0.860301	0.860301	0.860301	0.860301	0.860301	0.860301
Subtotal	0.860301	0.860301	0.860301	0.860301	0.860301	0.860301	0.860301
EXPENDITURES (w/ Debt & Reimbursements)	121.318244	116.469951	120.591872	125.601550	130.098594	135.062748	139.885095
CURRENT REVENUES LESS CURRENT EXPENDITURES	-2.366033	14.713270	4.940967	4.115390	3.352462	3.596727	6.410808
<b>TRANSFERS -</b>							
Capital Reserve	4.874800	0.000000	16.965107	11.015797	12.230433	14.642520	14.713190
Insurance	2.723733	1.202336	2.600050	2.673202	2.753698	2.836608	2.932007
Subtotal Transfers	7.598533	1.202336	19.565157	13.688999	14.984131	17.479128	18.645197
TOTAL EXPENDITURES AND TRANSFERS	128.916777	117.672287	140.157029	139.290548	145.082725	152.541876	158.530291
ENDING WORKING CASH	55.526367	69.037301	54.413112	44.839504	33.207835	19.325434	7.091045
REQUIRED CASH	20.076324	19.268275	19.955262	20.790208	21.539716	22.367075	23.170799
TOTAL EXPENDITURES & WORKING CASH	\$184.443144	\$186.709588	\$194.570140	\$184.130052	\$178.290560	\$171.867310	\$165.621336
MARGIN / (DEFICIT)	\$35.450043	\$49.769026	\$34.457850	\$24.049295	\$11.668120	-\$3.041641	-\$16.079754

**PIERCE TRANSIT****2012-2017 Six-Year Financial Plan****Ending Balances**

(Millions)	2011 Projected	2012 Budget	2013	2014	2015	2016	2017
<b><u>OPERATING FUND</u></b>							
Operating Fund Beginning Balance	65.490933	55.526367	69.037301	54.413112	44.839504	33.207835	19.325434
<b>Revenue</b>							
Operating Income	118.952211	131.183221	125.532839	129.716940	133.451057	138.659475	146.295903
Subtotal - Operating Revenue	118.952211	131.183221	125.532839	129.716940	133.451057	138.659475	146.295903
<b>Expenditures</b>							
Operating Expenditures	121.318244	116.469951	120.591872	125.601550	130.098594	135.062748	139.885095
Transfers	7.598533	1.202336	19.565157	13.688999	14.984131	17.479128	18.645197
Subtotal - Operating Expenditures	128.916777	117.672287	140.157029	139.290548	145.082725	152.541876	158.530291
<b>Operating Fund Ending Balance</b>	<b>\$55.526367</b>	<b>\$69.037301</b>	<b>\$54.413112</b>	<b>\$44.839504</b>	<b>\$33.207835</b>	<b>\$19.325434</b>	<b>\$7.091045</b>
<b>Required Margin</b>	<b>20.076324</b>	<b>19.268275</b>	<b>19.955262</b>	<b>20.790208</b>	<b>21.539716</b>	<b>22.367075</b>	<b>23.170799</b>
<b>Margin / (Deficit)</b>	<b>35.450043</b>	<b>49.769026</b>	<b>34.457850</b>	<b>24.049295</b>	<b>11.668120</b>	<b>-3.041641</b>	<b>-16.079754</b>
<b><u>CAPITAL FUND</u></b>							
Beginning Reserves	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
<b>Revenue</b>							
<b>5307 Funding</b>							
5307 Earned Share	6.861081	6.861081	6.861081	6.861081	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	-6.861081	-6.861081	-6.861081	-6.861081	-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
<b>Pierce County 5307</b>							
5307 Revenues from Pierce Co Agreement	1.075376	1.075376	1.075376	1.075376	1.075376	1.075376	1.075376
Pierce Co. 5307	-1.075376	-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
<b>Flexible Funds &amp; Earmarks</b>							
Federal Flex Funds - Regional	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Federal Flex Funds - Countywide	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Earmarks - 5309	0.000000	3.481700	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Sound Transit</b>							
Sound Transit Base Expansion	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Sound Transit - Other Capital	0.030000	0.300000	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Other Funding</b>							
State Funding	1.200000	0.700883	1.115645	0.000000	0.000000	0.000000	0.000000
Interest	0.019356	0.017420	0.035989	0.070670	0.070670	0.070670	0.000000
Other Capital Revenues	2.100000	11.009281	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Contributions from Other Funds</b>							
Transfer from Operating Fund	4.874800	0.000000	16.965107	11.015797	12.230433	14.642520	14.713190
Proceeds from Bond Debt	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
<b>Total Capital Revenues &amp; Reserves</b>	<b>8.224156</b>	<b>15.509284</b>	<b>18.116741</b>	<b>11.086467</b>	<b>12.301103</b>	<b>14.713190</b>	<b>14.713190</b>

**PIERCE TRANSIT****2012-2017 Six-Year Financial Plan****Ending Balances**

(Millions)	2011 Projected	2012 Budget	2013	2014	2015	2016	2017
<b>Expenditures</b>							
Revenue Vehicles	0.068293	8.543607	5.752308	2.910304	2.480031	4.026641	4.026641
Passenger Facilities & Amenities	0.398828	6.483907	0.798142	1.978557	2.650547	2.750000	2.750000
Base Facilities	2.131929	11.306527	0.873209	1.803046	2.734951	2.714971	2.714971
Technology	0.832634	6.728517	9.847680	2.173444	3.652413	3.878225	3.878225
Other	3.833077	1.898211	0.976147	2.221116	0.783161	1.343353	1.343353
Total Capital Expenditures (Inflated)	7.264761	34.960769	18.247486	11.086467	12.301102	14.713190	14.713190
<b>USE OF CAPITAL RESERVE</b>	<b>0.959395</b>	<b>-19.451485</b>	<b>-0.130746</b>	<b>0.000000</b>	<b>0.000000</b>	<b>0.000000</b>	<b>0.000000</b>

**CAPITAL RESERVE**

<b>Revenue</b>							
Beginning Reserves	\$25.689792	\$26.649187	\$7.197702	\$7.066956	\$7.066956	\$7.066956	\$7.066956
Total Capital Revenues	8.224156	15.509284	18.116741	11.086467	12.301103	14.713190	14.713190
<b>TOTAL CAPITAL RESERVE REVENUES &amp; BEGINNING RESERVE</b>	<b>33.913948</b>	<b>42.158471</b>	<b>25.314443</b>	<b>18.153423</b>	<b>19.368059</b>	<b>21.780146</b>	<b>21.780146</b>
<b>Expenditures</b>							
Capital Expenditures	7.264761	34.960769	18.247486	11.086467	12.301102	14.713190	14.713190
<b>CAPITAL RESERVE - Req'd \$7.066956</b>	<b>\$26.649187</b>	<b>\$7.197702</b>	<b>\$7.066956</b>	<b>\$7.066956</b>	<b>\$7.066956</b>	<b>\$7.066956</b>	<b>\$7.066956</b>

**INSURANCE FUND**

<b>Revenue</b>							
Beginning Balance	\$3.027898	\$3.442852	\$1.000000	\$1.000000	\$1.000000	\$1.000000	\$1.000000
ST Reimbursement	0.397419	0.100000	0.103000	0.106090	0.109273	0.112551	0.115927
Interest on Insurance Fund	0.010902	0.009812	0.005000	0.010000	0.010000	0.010000	0.000000
Transfer	2.723733	1.202336	2.600050	2.673202	2.753698	2.836608	2.932007
<b>Expenditures</b>							
Payments from Insurance Fund	2.717100	3.755000	2.708050	2.789292	2.872970	2.959159	3.047934
<b>Insurance Fund Ending Balance</b>	<b>\$3.442852</b>	<b>\$1.000000</b>	<b>\$1.000000</b>	<b>\$1.000000</b>	<b>\$1.000000</b>	<b>\$1.000000</b>	<b>\$1.000000</b>
<b>TOTAL ENDING BALANCES</b>	<b>\$85.618407</b>	<b>\$77.235003</b>	<b>\$62.480068</b>	<b>\$52.906460</b>	<b>\$41.274791</b>	<b>\$27.392389</b>	<b>\$15.158001</b>



# 2012-2017 SIX-YEAR CAPITAL PLAN

LINE #	Project Title	Division	Cost Center	Project Number	2011 Est. Carryover	2012	2013	2014	2015	2016	2017	Total
1	Records Management System (ECM)	Office of the CEO	111000	199	\$ 17,807	\$ 163,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 181,707
	<b>subtotal</b>				<b>17,807</b>	<b>163,900</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>181,707</b>
2	ST Extension	Finance	211000	TBA	-	1,537,500	-	-	-	-	-	1,537,500
3	Peninsula Park & Ride Phase I	Finance	211000	171	-	-	-	-	-	-	-	-
4	Peninsula Park & Ride Phase II	Finance	211000	249	-	-	-	-	-	-	-	-
	<b>subtotal</b>				<b>-</b>	<b>1,537,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,537,500</b>
5	Copier Replacement	Finance	231000	346	20,600	120,000	78,000	52,000	-	-	-	270,600
6	West Base Property Acquisition	Finance	231000	349	6,521	-	-	-	-	-	-	6,521
	<b>subtotal</b>				<b>27,121</b>	<b>120,000</b>	<b>78,000</b>	<b>52,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>277,121</b>
7	LAN Equipment Replacement	Administration	262000	333	-	15,000	-	-	66,625	123,000	123,000	327,625
8	Server Replacement	Administration	262000	334/TBA	39,395	106,303	131,159	48,175	92,250	109,675	109,675	636,632
9	Data Storage Update	Administration	262000	335/TBA	-	-	112,000	123,660	-	114,800	114,800	465,260
10	Hastus Update	Administration	262000	TBA	-	700,165	-	501,609	-	-	-	1,201,774
11	GIS Update	Administration	262000	TBA	-	-	-	-	35,875	-	-	35,875
12	Agency Plotter Replacement	Administration	262000	TBA	-	-	-	-	-	30,750	30,750	61,500
13	Blade Server Enclosure	Administration	262000	TBA	-	46,500	-	-	47,663	-	-	94,163
14	Storage Area Network Update	Administration	262000	TBA	-	-	-	-	-	-	-	-
15	Vinyl Cutter Replacement	Administration	262000	TBA	-	6,000	-	-	-	-	-	6,000
16	SHUTTLE Software Replacement	Administration	262000	194	23,714	-	-	-	-	-	-	23,714
17	Intermodal Trip Planning Module	Administration	262000	TBA	-	47,720	-	-	-	-	-	47,720
18	Adept Version Upgrade	Administration	262000	TBA	-	157,119	-	-	-	-	-	157,119
19	Fare Box Replacement	Administration	262000	TBA	-	-	3,751,585	-	-	-	-	3,751,585
20	Digital Camera System for Buses	Administration	262000	TBA	-	-	4,597,910	-	-	-	-	4,597,910
21	Maintenance Management System	Administration	262000	TBA	-	255,644	-	-	-	-	-	255,644
22	Telephone System Update	Administration	262000	TBA	-	427,438	-	-	-	-	-	427,438
23	Limited Access Control Software	Administration	262000	TBA	-	204,951	-	-	-	-	-	204,951
24	Bldg 5 Audio Visual System Upgrade	Administration	262000	TBA	-	377,223	-	-	-	-	-	377,223
25	Marketing Printer/Plotter	Administration	262000	TBA	-	-	66,950	-	-	-	-	66,950
26	ATIS Upgrade	Administration	262000	TBA	-	78,183	-	-	-	-	-	78,183
27	CAD/AVL Update	Administration	262000	TBA	-	-	-	-	410,000	-	-	410,000
	<b>subtotal</b>				<b>63,109</b>	<b>2,422,246</b>	<b>8,659,604</b>	<b>673,444</b>	<b>652,413</b>	<b>378,225</b>	<b>378,225</b>	<b>13,227,266</b>
28	Physical Security Enhanc.-CCTV/Facilities	Office of the CEO	263000	260	144,777	-	-	-	-	-	-	144,777
29	Mobile Communications System Replacement	Office of the CEO	263000	193	1,575,126	-	-	-	-	-	-	1,575,126
30	High Line HR/Payroll System Upgrade	Office of the CEO	263000	306	14,973	-	-	-	-	-	-	14,973
31	High Line HR/Payroll System Enhancement	Office of the CEO	263000	307	234,172	-	-	-	-	-	-	234,172
32	Tacoma Dome CCTV System Update	Office of the CEO	263000	337	989,908	-	-	-	-	-	-	989,908
33	Base Bus & Vehicle Lots CCTV Cameras	Office of the CEO	263000	338	550,137	-	-	-	-	-	-	550,137
34	TDS Panic Alarm System	Office of the CEO	263000	342	251,250	-	-	-	-	-	-	251,250
35	Technology Systems Preservation	Office of the CEO	263000	TBA	-	-	-	1,000,000	1,500,000	1,750,000	1,750,000	6,000,000
36	System Software Updates	Office of the CEO	263000	TBA	-	-	-	500,000	1,500,000	1,750,000	1,750,000	5,500,000
	<b>subtotal</b>				<b>3,760,343</b>	<b>-</b>	<b>-</b>	<b>1,500,000</b>	<b>3,000,000</b>	<b>3,500,000</b>	<b>3,500,000</b>	<b>15,260,343</b>
37	ST Extension Critical Maintenance	Transit Development	411000	TBA	-	690,795	-	-	-	-	-	690,795
38	Parkland Transit Center	Transit Development	411000	170	790,591	196,000	-	-	-	-	-	986,591
39	112th and Pacific/SR7 Transit Access Modifications	Transit Development	411000	343	261,000	2,114,658	657,133	978,557	150,547	-	-	4,161,895
40	121st Street / Parkland Design	Transit Development	411000	176	98,012	-	-	-	-	-	-	98,012
41	Bldg 4 Modifications	Transit Development	411000	345	509,911	3,569,592	-	-	-	-	-	4,079,503
42	Tacoma Comm. College Transit Ctr. Study	Transit Development	411000	280	-	-	-	-	-	-	-	-
43	Base Master Plan	Transit Development	411000	287	141,890	-	-	-	-	-	-	141,890
44	ARRA CNG Compressor/Equipment	Transit Development	411000	309	-	-	-	-	-	-	-	-
45	Downtown Tacoma TSP II	Transit Development	411000	284	1,122,403	-	-	-	-	-	-	1,122,403
46	RM Pacific Avenue TSP	Transit Development	411000	311	-	-	-	-	-	-	-	-
47	Base Modifications for ST Route 566 & 577	Transit Development	411000	339	-	-	-	-	-	-	-	-
48	TDS G Street Expansion	Transit Development	411000	TBA	-	-	-	521,180	-	-	-	521,180
	<b>subtotal</b>				<b>2,923,807</b>	<b>6,571,045</b>	<b>657,133</b>	<b>1,499,737</b>	<b>150,547</b>	<b>-</b>	<b>-</b>	<b>11,802,269</b>
49	Pacific Avenue Streetscape	Transit Development	412000	TBA	-	27,500	-	-	-	-	-	27,500
50	Shelter Replacement	Transit Development	412000	TBA	-	-	100,980	-	-	-	-	100,980
	<b>subtotal</b>				<b>-</b>	<b>27,500</b>	<b>100,980</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>128,480</b>



# 2012-2017 SIX-YEAR CAPITAL PLAN

LINE #	Project Title	Division	Cost Center	Project Number	2011 Est. Carryover	2012	2013	2014	2015	2016	2017	Total
51	Master Key System Replacement (1% Security Project)	Office of Public Safety	645000	344	110,889	-	113,096	113,096	113,096	113,096	113,096	676,369
	<b>subtotal</b>				<b>110,889</b>	<b>-</b>	<b>113,096</b>	<b>113,096</b>	<b>113,096</b>	<b>113,096</b>	<b>113,096</b>	<b>676,369</b>
52	Shuttle Vehicle Replacement	Operations	651000	296/TBA	2,286,593	959,638	2,360,275	-	-	-	-	5,606,506
53	Vanpool Fleet Replacement	Operations	651000	TBA	-	1,341,696	3,392,033	1,910,304	922,318	2,026,641	2,026,641	11,619,633
54	Support Vehicle Fleet Replacement	Operations	651000	275/TBA	317,051	23,949	752,489	377,059	350,188	225,244	225,244	2,271,224
55	BusPLUS Fleet Replacement	Operations	651000	297/TBA	-	-	-	-	-	-	-	-
56	Uniform Security Vehicles	Operations	651000	317	-	-	-	-	-	-	-	-
57	Auto Shop Diagnostic Equipment	Operations	651000	294/TBA	43,006	-	-	10,000	-	-	-	53,006
58	Brake Lathe Replacement	Operations	651000	TBA	-	-	-	-	20,800	-	-	20,800
59	Gas Analyzer Replacement	Operations	651000	TBA	-	-	-	-	8,320	-	-	8,320
60	Public Safety Vehicles Equipment 2009	Operations	651000	299	-	-	-	-	-	-	-	-
61	Deputy Police Chief Vehicle	Operations	651000	TBA	-	45,818	-	-	-	-	-	45,818
62	Auto Shop Equipment Preservation	Operations	651000	TBA	-	-	-	-	-	500,000	500,000	1,000,000
63	Revenue Vehicle Preservation	Operations	651000	TBA	-	-	-	1,000,000	1,557,721	2,000,000	2,000,000	6,557,721
	<b>subtotal</b>				<b>2,646,650</b>	<b>2,371,101</b>	<b>6,504,797</b>	<b>3,297,363</b>	<b>2,859,347</b>	<b>4,751,885</b>	<b>4,751,885</b>	<b>27,183,027</b>
64	Farebox Component Refurbishment	Operations	652000	312	-	-	-	-	-	-	-	-
65	Bus Fleet Replacement	Operations	652000	310/TBA	-	3,955,680	-	-	(8)	-	-	3,955,672
66	Bus Shop Equipment Replacement	Operations	652000	293/TBA	-	-	145,658	25,462	335,144	350,000	350,000	1,206,265
67	Transmission Dynamometer Update	Operations	652000	TBA	-	-	-	-	68,709	-	-	68,709
68	Rotating Electric Tester Replacement	Operations	652000	237	-	-	-	-	-	-	-	-
69	ARRA Bus Replacement	Operations	652000	310	-	-	-	-	-	-	-	-
70	Fleetwatch Data Logger System Replacement	Operations	652000	TBA	-	172,234	-	-	-	-	-	172,234
	<b>subtotal</b>				<b>-</b>	<b>4,127,914</b>	<b>145,658</b>	<b>25,462</b>	<b>403,845</b>	<b>350,000</b>	<b>350,000</b>	<b>5,402,880</b>
71	TDS ADA Compliance	Operations	653000	313	188,486	-	-	-	-	-	-	188,486
72	Methane Detection System Replacement	Operations	653000	314	172,946	-	-	-	-	-	-	172,946
73	TDS Mid-Life Maintenance	Operations	653000	315	2,761,250	-	-	-	-	-	-	2,761,250
74	Facility Condition Assessment - Base (Bldg 4 & 5)	Operations	653000	320	-	-	-	-	-	-	-	-
75	Facility Condition Assessment - Maintenance (Bldg 1,2,3)	Operations	653000	321	9,891	-	-	-	-	-	-	9,891
76	Facility Condition Assessment - TDS & Commerce	Operations	653000	322	33,660	-	-	-	-	-	-	33,660
77	Point Defiance Restroom Refurbishment	Operations	653000	324	-	-	-	-	-	-	-	-
78	Commerce Turnaround Fire Panel	Operations	653000	331	12,750	-	-	-	-	-	-	12,750
79	Commerce Tunnel Exhaust Fans	Operations	653000	332	33,150	-	-	-	-	-	-	33,150
80	Lakewood Mall TC Restroom Roofs	Operations	653000	TBA	-	-	18,844	-	-	-	-	18,844
81	Bus Lot Joint Sealant	Operations	653000	TBA	-	-	217,401	-	-	-	-	217,401
82	Bus Lot Concrete Repairs	Operations	653000	347	75,375	-	-	-	-	-	-	75,375
83	72nd Street TC Joint Sealant	Operations	653000	TBA	-	-	21,185	-	-	-	-	21,185
84	Facilities Maintenance	Operations	653000	TBA	-	-	542,712	689,950	1,621,855	1,101,875	1,101,875	5,058,267
85	Underground Bus Shop Hoists Replacement	Operations	653000	233	-	-	-	-	-	-	-	-
86	CNG Emergency Generator	Operations	653000	302	245,021	-	-	-	-	-	-	245,021
87	CNG Compressor Replacement	Operations	653000	304	982,034	-	-	-	-	-	-	982,034
88	CNG Fueling Station	Operations	653000	348	3,220,274	-	-	-	-	-	-	3,220,274
89	Base Efficiency Modifications	Operations	653000	TBA	-	-	-	-	-	-	-	-
90	Base Facility Preservation	Operations	653000	TBA	-	-	-	1,000,000	1,000,000	1,500,000	1,500,000	5,000,000
91	Passenger Facility Preservation	Operations	653000	TBA	-	-	-	478,820	2,500,000	2,750,000	2,750,000	8,478,820
	<b>subtotal</b>				<b>7,734,837</b>	<b>-</b>	<b>800,142</b>	<b>2,168,770</b>	<b>5,121,855</b>	<b>5,351,875</b>	<b>5,351,875</b>	<b>26,529,354</b>
92	Radio Test Set Oscilloscope Replacement	Operations	TBA	TBA	-	-	91,518	-	-	-	-	91,518
93	Radio Subscriber Replacement	Operations	TBA	TBA	-	-	1,096,558	-	-	-	-	1,096,558
	<b>subtotal</b>				<b>-</b>	<b>-</b>	<b>1,188,076</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,188,076</b>
94	ORCA (Regional Fare Integration (Smart Card))	Finance	TBA	197/TBA	169,000	166,000	-	-	-	-	-	335,000
	<b>subtotal</b>				<b>169,000</b>	<b>166,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>335,000</b>
95	Critical Facility & System Maint/Energy Sav. Inv.	Operations	unp	unp	-	-	-	1,756,595	-	268,109	268,109	2,292,813
	<b>subtotal</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>1,756,595</b>	<b>-</b>	<b>268,109</b>	<b>268,109</b>	<b>2,292,813</b>
<b>TOTAL</b>					<b>\$ 17,453,563</b>	<b>\$ 17,507,206</b>	<b>\$ 18,247,486</b>	<b>\$ 11,086,467</b>	<b>\$ 12,301,102</b>	<b>\$ 14,713,190</b>	<b>\$ 14,713,190</b>	<b>\$ 106,022,204</b>





*This section includes the  
Acronym List  
and  
Budget Glossary*

## **2012 Budget**

## **Appendix**



## 2012 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  
ARRA – American Reinvestment and Recovery Act  
CAFR – Comprehensive Annual Financial Report  
CEO – Chief Executive Officer  
CMAQ – Congestion Mitigation & Air Quality Program  
CNG – Compressed Natural Gas  
CTR – Commute Trip Reduction  
DOT – Department of Transportation  
FTA – Federal Transit Administration  
FY – Fiscal Year  
GFOA – Government Finance Officers Association  
ISTEA – Intermodal Surface Transportation Efficiency Act  
JARC – Job Access and Reverse Commute  
PCEI – Pierce County Economic Index  
PM – Preventive Maintenance  
PT – Pierce Transit  
PTBA – Public Transportation Benefit Area  
RCW – Revised Code of Washington  
SAFETEA-LU – Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users  
SHUTTLE – Specialized Transportation  
ST – Sound Transit  
TANF – Temporary Aid to Needy Families  
TDP – Transit Development Plan  
UZA – Urbanized Area  
VP – Vanpool  
WSDOT – Washington State Department of Transportation  
YE – Year End



## 2012 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 Transit 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.



## 2012 BUDGET GLOSSARY

*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.

*BusPLUS* – BusPLUS means transit services differentiated from fixed route service by customer-initiated deviations from routes or schedules. Bus PLUS service does not require complementary ADA paratransit service. The service may replace existing fixed route and paratransit service or may be introduced into areas where service has not previously been provided. This service was suspended October, 2011.

*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 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.



## 2012 BUDGET GLOSSARY

*Computer Aided Dispatch / Automated Vehicle Locator System (CAD/AVL)* – A segment of the Pierce Transit Communication system (TRAX) which enables the transmission of electronic messages and tracking of buses by Pierce Transit Supervisors/Controllers. This system reduces voice prompted radio communications but allows the supervisors to react to service issues promptly. This system is part of our total communication package which includes Motorola Radio Voice communications, CAD/AVL and APC (Automated Passenger Counters).

*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* – A sub-organizational unit of a Division responsible for achievement of specific Agency objectives such as transportation service support, facilities management, and purchasing.

*Division* – An organizational unit responsible for carrying out major Agency functions, such as operations, administration, and finance.



## 2012 BUDGET GLOSSARY

*DOT* – See USDOT and WSDOT

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

*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. Total express is made up of Seattle Express, which is operated for Sound Transit and express service to Gig Harbor.

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



## 2012 BUDGET GLOSSARY

*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.

*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.

*Insurance* – The items determined to be administered by the Agency rather than covered by an insurance policy. The costs may include liability claims prior to 2010, workers' compensation, unemployment compensation benefits.

*Insurance Budget* – This account reflects the Agency's self-insured risk management programs: liability claims prior to 2010, workers' compensation, and unemployment benefits. 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 are evaluated annually.

*ISTEA* – Intermodal Surface Transportation Efficiency Act of 1991. Legislation authorizing funds for highways and mass transportation for 1992 – 1997.

*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.



## 2012 BUDGET GLOSSARY

*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 area extends from Federal Way and Gig Harbor in the north, south to Graham, west to University Place, and east to Bonney Lake.

*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.

*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 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 or dedicated funds. The principle sources of revenue are operating income, sales tax, investment income and grants. All divisions are financed through this budget.



## 2012 BUDGET GLOSSARY

*Operating Expenditures* – This term refers to the outflow of funds paid, or to be paid, for current goods and services.

*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.



## 2012 BUDGET GLOSSARY

*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 operating, capital, and insurance account groups needed to mitigate current and future risks.

*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 as extended.

*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.



## 2012 BUDGET GLOSSARY

*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”).

*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 self-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* – A major Agency program whereby transportation services are provided to the area disabled.

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

*TRAX* – The Pierce Transit label attached to the communication system (see CAD/AVL).

*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.



## 2012 BUDGET GLOSSARY

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

*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.

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

