

**RESOLUTION NO. 2013-22**

**A RESOLUTION, ADOPTING A BUDGET FOR THE MASON COUNTY PUBLIC  
TRANSPORTATION BENEFIT AREA, FOR THE CALENDAR YEAR  
BEGINNING JANUARY 1, 2014**

**WHEREAS**, the Mason County Public Transportation Benefit Area has prepared a Budget for the 2014 Calendar Year; and

**WHEREAS**, the anticipated revenues of \$13,767,773 adequately addresses the anticipated uses of \$13,767,773, anticipating a \$5,793,581 Ending Fund Balance.


**WHEREAS**, management has recommended a compensation plan which with a financial impact of \$138,000.00 which is included in the proposed budgeted, a copy of which is attached hereto and incorporated by this reference.


**NOW THEREFORE, BE IT RESOLVED BY THE MASON COUNTY PUBLIC  
TRANSPORTATION AREA AUTHORITY BOARD OF DIRECTORS** that the 2014 Budget, with the anticipated revenue and anticipated expenses in the amounts stated and detailed in the ***Mason Transit Authority 2014 Budget***, be adopted as written, and recorded as such with the office of the Mason County Auditor.

**BE IT FURTHER RESOLVED** that the compensation plan as proposed dated December 17, 2013 is adopted and approved by the board.

**Dated this 17<sup>th</sup> day of December, 2013.**


  
Deborah Petersen, Chair

  
John Campbell, Authority Member


  
Terri Jeffreys, Authority Member


  
Tim Sheldon, Authority Member

  
Sadie Whitener, Authority Member

  
Mike Olsen, Vice-Chair

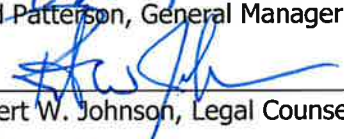
  
Herb Gerhardt, Authority Member

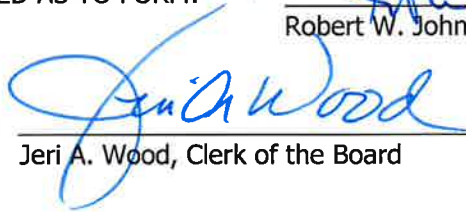
  
Randy Neatherlin, Authority Member

  
Gary Volk, Authority Member

**RESOLUTION 2013-22  
2014 BUDGET  
PAGE TWO**

APPROVED AS TO CONTENT:   
Brad Patterson, General Manager

APPROVED AS TO FORM:   
Robert W. Johnson, Legal Counsel

ATTEST:   
Jeri A. Wood, Clerk of the Board

DATE: 12-17-13



# 2014 Annual Budget

*Proposed*

December 17, 2013

## **General Manager's Budget Message and Agency Outlook**

Mason Transit Authority's (MTA) financial outlook for 2014 is cautiously optimistic. The agency's priority is focused on sustaining existing service levels as well as continuing our developing partnerships with external agencies, particularly the Skokomish and Squaxin Island Tribal Nations, to expand and leverage grant funding opportunities. The badly damaged, very slowly recovering economy and high unemployment has resulted in substantially reduced and stagnated county sales tax revenue – a primary source of MTA's funding. From 2009 through the first half of 2013, sales tax revenue has been flat. In 2013, with the exception of one other Washington public transit agency, the rest of the 31 agencies are seeing improvements in their sales tax revenues while MTA has lagged behind. Though the months of July-September, 2013 had the highest rate of sales tax growth since 2008, three months do not make a trend. It is expected that sales tax revenues will remain below the 2007 level in 2014 with projected growth to exceed 2012 by only .5%.

While the impact of Federal deficit spending remains to be seen, Federal transit spending has been stabilized for the next two years (and slightly increased for rural transit) with the passage of MAP 21.. Further, the President's proposed budget for Federal Fiscal Year 2013-2014 increases rural transit funding by 31% and tribal transit funding is doubled. It is also a positive sign that the State of Washington's 2013-15 transportation budget continues existing funding and once again renewed its sales tax equalization plan, which particularly impacts Mason County. The addition, last year's first-ever State contribution to funding public transit operations has been continued, which, previously, only capital investments had been funded at the state level. The State legislature is currently debating a proposed new transportation revenue package, but the impact on public transit is, like passage of the package, currently unknown. On a local level, the County's unemployed rate has dipped under double digits for the first time in five years. The two largest private employers, Simpson Lumber and Taylor Shellfish, are projecting higher rates of growth than they have seen in the past five years, and the Puget Sound Naval Shipyard is significantly expanding its workforce in 2014. All of these elements can significantly impact existing service, future service, and vehicle and facility replacement and/or maintenance, and the occurrence of any near-term economic contraction or retraction is not outside the realm of possibility.

This economic climate presents a unique challenge at a time when Mason County's population has grown by 23 percent since the 2000 census, making it the fourth fastest growing county in Washington State. Additionally the senior population, 65-years old or older, is 18.3 percent of the County's population, which ranks eleventh out of Washington State's 39 counties. Ridership continues to grow and is already outpacing resources on MTA's commuter routes to Olympia and Bremerton as well as in Dial-A-Ride services. While service expansion is warranted to support the growing demand, the financial resources, from all sources, are not currently sufficient to support expansion.

The 2013 budget was focused on sustaining as opposed to expanding services, maintaining MTA's unrestricted net assets balance and employing frugal spending practices. MTA continued several fiscally sound initiatives in 2013, including no employee cost-of-living allowance (COLA) and continuation of a line item budget to further identify and drill down costs. Along with continuing these efforts, the agency has begun pursuing alternate sources of grant funding. In addition, with continued projections of high levels in the cost of fuel and annual growth in the cost of employee health care benefits, and with

changes in employee compensation notwithstanding, beginning January 1, 2013, MTA implemented employee contributions of 5% to the premium costs of benefits. Lastly, MTA has initiated a transition from the unsustainable practice of providing annual automatic step increases to employee wages to a performance-based approach that will go into effect in 2014.

MTA's only debt is a promissory note with the Community Transportation Association of America (CTAA) committed for the Johns Prairie facility acquisition. MTA has no other long or short term debt of any type. The note with CTAA is a 20 year, 6.25% interest bearing promissory note in the amount of \$1,000,000 to be repaid in equal monthly installments of \$6,710, with the final payment due on July 1, 2023.

In 2006, MTA bought the Washington National Guard Armory in downtown Shelton to renovate and use as a combined transit-community center. In 2011, MTA was awarded a \$3.28 million Federal Transit Administration grant to begin the construction, with a 20% local match of \$820,000 which has been encumbered in MTA's cash investment account; the State of Washington awarded an additional \$800,000 towards the project in 2013. In 2012-13, MTA selected the project management, architecture/engineering and general contractor/contract management firms. Groundbreaking was conducted on August 1, 2013 with project completion projected for the end of 2014. The MTA Board has encumbered an additional \$2,930,000 in its cash investment account to expedite the construction and completion of the project.

MTA remains committed to meeting the public transit needs of Mason County in a fiscally responsible manner.



## **2014 Proposed Budget Goals and Assumptions**

### **Goals**

The goals of the 2014 budget are:

- Balanced Operating Budget
- Ensure sustainability
- Be fiscally responsible to Stakeholders
- Maintain a 4-month Operating Reserve Fund
- Maintain a Capital Reserve Fund for the replacement of aging vehicles and infrastructure investments
- Utilize current reserves to meet Capital Grant obligations (Transit-Community Center construction)
- Pursue community partnerships

### **Service, Routes and Ridership**

The 2014 Operations budget maintains service at 2013 levels. Neither service increases nor cuts are anticipated in 2014, except for minor service enhancements in the Lake Cushman area incorporated into the Skokomish Pilot Project contract with the Skokomish Tribe to go into effect in April, 2014.

A system review will be completed in 2014 with recommendations and the costs associated with any approved changes included in the 2015 budget.

### **Operating Revenue**

- Sales Tax Revenue is relatively flat but is forecasted to increase slightly by .5%.
- 2013-2015 Consolidated Grant biennium award will fund 39% of operations.
- Additional revenue awarded to Transits from the State Legislature and distributed through Department of Revenue is included.
- Service for the Skokomish/Cushman route will continue with revenue received from the Skokomish Tribe to fund the route.
- Revenue from bus advertising is expected to be earned once policy is approved.
- Increase in rental income from leasing Railroad Avenue building in downtown Shelton.
- T-CC will not open until 2015; no revenue is expected in 2014.
- Interest income is expected to remain insignificant.
- Non-operating Revenue (Other) includes additional State grant noted above and miscellaneous maintenance services.

### **Operating Expenses**

- There is no increase in health care premiums for 2014, but health care cost is higher due to additional staff receiving benefits when on-call employee status was eliminated. Previously, on-call employees received no benefits. This decision was made to ultimately save cost in turn over and training of new employees.
- Annualizing staff additions which occurred mid-year 2013 also contributed to increase in health care cost as well as contributing to an increase in salaries and wages.
- Salaries and Wages were increased to cover in-house required training that has been deferred.
- Long-Term Disability insurance will be added to benefits paid by MTA in 2014.
- A slight increase in PERS employer contribution is assumed based on previous years' increases.
- Budget includes funds in Other Salaries and Wages for agency-wide performance awards and to close wage gaps analyzed in the study recently completed by Human Resources. This is to begin the transition to performance-based compensation.
- Anticipated increase in building repairs and maintenance.

**Mason Transit Authority**  
**2014 Proposed Budget-Operating**

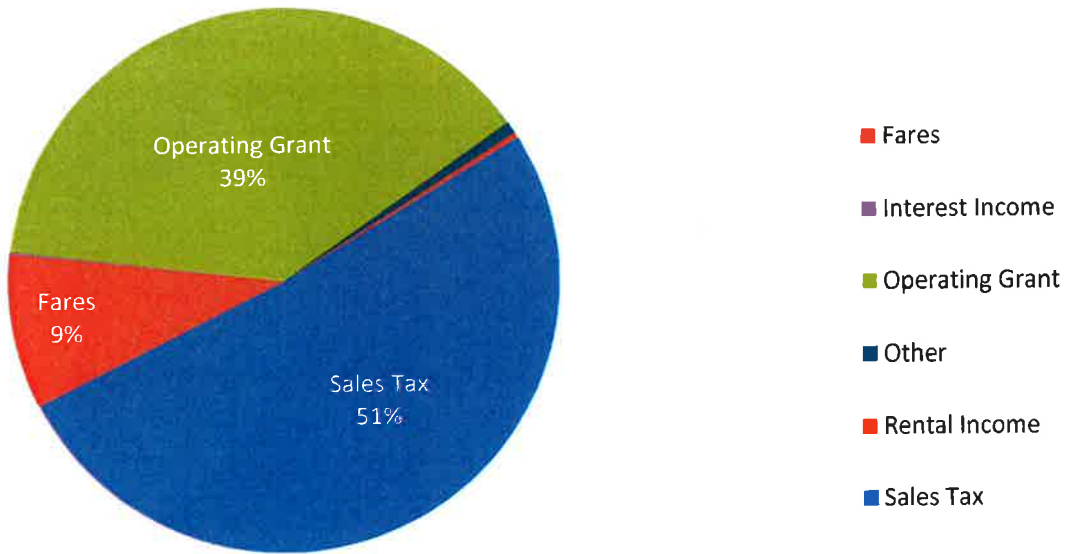
	<u>2014 Budget</u>	<u>2013 Year-end Projection</u>	<u>2013 Budget</u>	<u>2012 YTD Actual</u>	<u>2013 Budget vs 2014 Budget</u>
<b>OPERATING</b>					
<b>REVENUE</b>					
Passenger Fares	112,700.00	109,866.50	102,850.00	104,881.63	10%
PSNS Worker/Driver & Vanpool Fares	380,000.00	376,116.12	368,500.00	378,646.76	3%
Special Event Fares	83,000.00	85,527.88	0.00	109,403.26	
<b>Total Operating Revenue (Fares)</b>	<b>575,700.00</b>	<b>571,510.50</b>	<b>471,350.00</b>	<b>592,931.65</b>	<b>22%</b>
Sales Tax	3,200,000.00	3,164,562.72	3,200,000.00	3,149,871.20	0%
Operating Grants	2,397,932.36	2,307,391.78	2,221,513.80	2,424,607.37	8%
Rental Income	17,900.00	13,046.40	7,500.00	7,594.04	139%
Rental Income T-CC	-	4,189.00	0.00	16,525.96	
Investment Income	8,300.00	10,673.50	11,370.00	13,531.35	-27%
Other Non-operating Revenue	45,225.00	34,294.87	79,659.00	62,424.83	-43%
<b>Total Revenue</b>	<b>6,245,057.36</b>	<b>6,105,668.78</b>	<b>5,991,392.80</b>	<b>6,267,486.40</b>	<b>4%</b>
<b>EXPENSES</b>					
Wages and Benefits	4,527,005.15	4,066,443.98	4,215,537.76	3,956,506.35	7.39%
Contracted Services	167,904.00	168,594.75	132,597.00	218,382.05	26.63%
Purchased Transportation	114,000.00	114,000.00	114,000.00	123,161.99	0.00%
Fuel	489,714.00	466,394.26	551,193.00	516,598.04	-11.15%
Vehicle/Facility Repair & Maintenance	225,916.00	217,771.00	170,700.00	279,075.00	32.35%
Insurance	174,283.00	182,544.96	181,541.00	159,671.00	-4.00%
Intergovernmental - Audit Fees	17,000.00	18,393.89	16,000.00	15,715.63	6.25%
Rent - Park and Ride	6,025.00	5,925.00	5,975.00	5,925.00	0.84%
Utilities	96,391.09	95,570.11	87,774.00	94,171.43	9.82%
Supplies/Small Equipment	106,265.00	120,127.12	154,479.00	80,531.67	-31.21%
Training & Meetings/Travel	82,523.00	95,668.84	45,945.00	34,446.95	79.61%
CTAA Loan Interest	34,750.00	34,678.15	37,500.00	35,684.82	-7.33%
Other Operating Expenses	122,676.12	102,068.80	134,157.00	34,096.56	-8.56%
<b>Total OPERATING EXPENSES</b>	<b>6,164,452.36</b>	<b>5,688,180.85</b>	<b>5,847,398.76</b>	<b>5,553,966.49</b>	<b>5.42%</b>
<b>Net Income (Loss) from Operations</b>	<b>80,605.00</b>	<b>417,487.93</b>	<b>143,994.04</b>	<b>713,519.91</b>	

**Operating Budget Comparison 2013 vs. 2014**

- Fare revenue is expected to increase from the vanpool and worker/driver programs and Skokomish Tribe funding of the Skokomish/Cushman route.
- Rental income increase is due to leasing the Railroad Avenue building in downtown Shelton. No revenue for T-CC facility leasing or room rental is included in the revenue budget.
- A minor decrease in investment income is expected due to using funds for T-CC project.
- The change in Other Non-operating Revenue is due to reclassifying funds to appropriate line items.
- Expense budget increased by 5.42% mostly due staffing cost and training needs.
- Travel & Meetings/Travel Reimbursement includes reimbursing the volunteer drivers in the amount of \$29,100 from the grant received by LMTAAA.

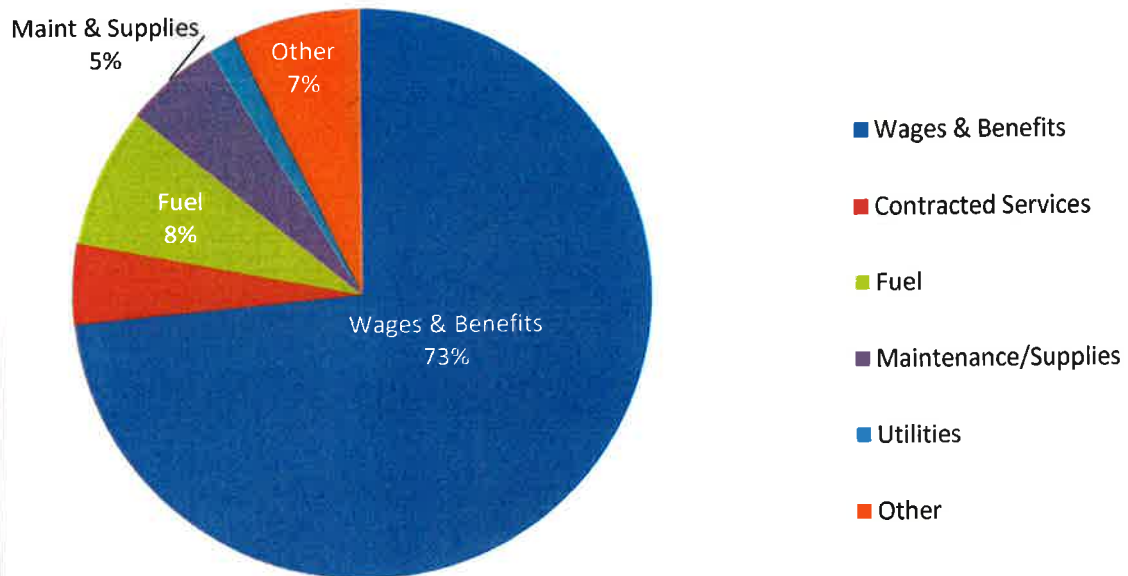


## 2014 Projected Operating Revenue



**Total Projected Operating Revenue = \$6,245,057**

## 2014 Projected Operating Expenses



**Total Projected Operating Expenses = \$6,164,452**



**Capital Budget**

- Capital budget for facility, technology and security is estimated at approximately \$386,000, excluding the Transit-Community Center. This amount is not included in the Operating Budget.
- The list of capital projects will be prioritized and completed as funding is available.
- MTA has capital grants for two vehicle replacements, an ADA accessible van, the T-CC, and bus shelters.
- Each capital grant requires MTA to match 20% of the awarded amount.
- Management will seek grant opportunities for capital projects and purchases if possible.

Mason Transit Authority  
2014 Proposed Capital Budget

Project	Budget	Grants	MTA Funding	Purpose
Windows	10,000		10,000	Replace or repair leaking windows
Bus Shelters	150,000	120,000	30,000	Replace bus shelters
Transit-Community Center*	6,900,000	3,629,790	3,270,210	Remodel and add additions to T-CC
2 Minibuses	272,241	217,793	54,448	Purchases ADA accessible minibuses for general public deviated fixed routes and DAR
ADA Accessible Van	45,080	36,000	9,080	Purchase ADA accessible vehicle to support regional vanpool program and other services to general public
AngelTrax Cameras	28,000		28,000	Install cameras on buses and minibuses that currently do not have
Voice Recording System	60,000		60,000	Install voice recording system on phones
Trapeze update	21,000		21,000	Current software must be updated to be supported by Trapeze
Hot water based parts washer	7,000		7,000	Reduce clean up time
Air compressor swap	5,000		5,000	Better quality air compressor available
Generator hookup	5,000		5,000	Provide back up power
Gasboy	17,500		17,500	Update software for fuel
Floor scrubber	7,500		7,500	Reduce clean up time
Roofing repairs	40,000		40,000	Repair leaks
Server	25,000		25,000	Update server; current server life is nearing its end.
Core switch upgrades	10,000		10,000	Replace core switches on server
<b>TOTAL CAPITAL PROJECTS</b>	<b>\$ 7,603,321</b>	<b>\$ 4,003,583</b>	<b>\$ 3,599,738</b>	

\*Reflects approximate expenditures for 2014 and remaining grant funds available.



Mason Transit Authority  
2014 Proposed Budget-Operating and Capital

	2014 Budget	2013 Year-end Projection	2013 Budget	2012 YTD Actual
<b>OPERATING</b>				
<b>REVENUE</b>				
Passenger Fares	112,700.00	109,866.50	102,850.00	104,881.63
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Wages and Benefits	4,527,005.15	4,066,443.98	4,215,537.76	3,956,506.35
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Other Operating Expenses	122,676.12	102,068.80	134,157.00	34,096.56
<b>Total Operating Expenses</b>	<b>6,164,452.36</b>	<b>5,688,180.85</b>	<b>5,847,398.76</b>	<b>5,553,966.49</b>
<b>Net Income (Loss) from Operations</b>	<b>80,605.00</b>	<b>417,487.93</b>	<b>143,994.04</b>	<b>713,519.91</b>
<b>CAPITAL</b>				
<b>REVENUE</b>				
Capital Grants & Contributions	4,003,583.00	1,338,304.19	4,401,200.00	647,587.00
<b>EXPENDITURES</b>				
Vehicles and Capital Improvements	703,321.00	1,255,914.90	1,514,000.00	897,902.93
T-CC	6,900,000.00	677,143.37	3,788,634.00	220,482.42
<b>Total Capital Expenditures</b>	<b>7,603,321.00</b>	<b>1,933,058.27</b>	<b>5,302,634.00</b>	<b>1,118,385.35</b>
REVENUE - OPERATING AND CAPITAL	10,248,640.36	7,443,972.97	10,392,592.80	6,915,073.40
MTA CONTRIBUTION TO REVENUE	3,519,133.00	177,266.15	757,439.96	
<b>REVENUE BUDGET</b>	<b>13,767,773.36</b>	<b>7,621,239.12</b>	<b>11,150,032.76</b>	<b>6,915,073.40</b>
<b>EXPENSES/ CAPITAL EXPENDITURES BUDGET</b>	<b>13,767,773.36</b>	<b>7,621,239.12</b>	<b>11,150,032.76</b>	<b>6,672,351.84</b>
Estimated Cash flow Impact*	(3,519,133.00)	(177,266.15)	(757,439.96)	242,721.56

\*Net Income from Operations + Capital Contributions - Capital Expenditures

**Cash**

MTA will begin 2014 with approximately \$9 million in cash and investments. It is anticipated the ending balance will be reduced by approximately \$3.5 million as the investment account will be drawn down to fund the Transit-Community Center project leaving an expected balance of \$5.7 million from which reserves have been established for operating, fleet replacement, and facility improvements.

**Mason Transit Authority  
Cash and Cash Equivalents Year End Balance**

Description / Purpose	Held By / On Deposit With	Est. 2014	Est 2013	2012	2011	2010
Depository (Operating) Fund	Mason County Treasurer	1,000,000	1,640,308	1,817,574	575,247	1,149,950
Cash on Hand	MTA	300	300	300	300	300
Payroll ACH Account	Bank of America	3,000	3,000	4,022	3,627	3,064
Collateral Account	Bank of America	-	-	-	-	102,630
Wa State Investment Pool	Mason County Treasurer	4,790,281	7,669,106	7,669,106	8,669,106	7,294,105
<b>TOTAL</b>		<b>\$5,793,581</b>	<b>\$9,312,714</b>	<b>\$9,491,002</b>	<b>\$9,248,280</b>	<b>\$8,550,049</b>

**Reserves**

<b>Cash Reserves December 31, 2013 (Wa State Investment Pool)</b>	
CTAA Facility Loan	641,140
General Leave Liability	154,655
Operating Reserves	2,000,000
Fleet Replacement/Capital Grant 20% Match	93,528
T-CC Capital Grant 20% Match	820,000
T-CC Capital Contribution	2,930,000
Facility Capital Projects	215,000
Facility Repair Reserve	500,000
Emergency/Insurance Reserves	50,000
	<b>\$ 7,404,323</b>

<b>Cash Reserves December 31, 2014 (Estimated) (Wa State Investment Pool)</b>	
CTAA Facility Loan	600,000
General Leave Liability	154,655
Operating Reserves	2,000,000
Fleet Replacement/Capital Grant 20% Match	93,528
Facility/Equipment Capital Projects	386,000
Facility Repair Reserve	500,000
Emergency/Insurance Reserves	50,000
	<b>\$ 3,784,183</b>

## MTA Staff

Staffing by department:

**Mason Transit Authority  
Full-Time (FTE) Equivalent Position Detail - 2013 & 2014 Budgets**

Department	2013 Budget Changes		2014 Budget
<b><u>Administration</u></b>			
General Manager	1.0	-	1.0
HR Manager	1.0	-	1.0
Development Manager	1.0	-	1.0
Administrative Assistant/Clerk of the Board	1.0	(1.00)	0.0
Administrative Assistant	0.5	-	0.5
<b>Total Administration</b>	<b>4.5</b>	<b>-1.0</b>	<b>3.5</b>
<b><u>Finance/IT</u></b>			
Finance/IT Manager	1.0	-	1.0
Accounting Specialist	2.0	-	2.0
IT Specialist*	0.0	1.00	1.0
Technology Manager	1.0	(1.00)	0.0
<b>Total Finance/IT</b>	<b>4.0</b>	<b>0.0</b>	<b>4.0</b>
<b><u>Maintenance/Facilities</u></b>			
Maintenance Manager	1.0	-	1.0
Maintenance Support Technician*	0.0	1.00	1.0
Lead Mechanic	1.0	-	1.0
Mechanics	3.0	-	3.0
Detailer	1.5	(0.50)	1.0
Maintenance Superintendent	1.0	(1.00)	0.0
Maintenance Technician	0.0	1.00	1.0
Custodian	1.0	-	1.0
<b>Total Maintenance/Facilities</b>	<b>8.5</b>	<b>0.5</b>	<b>9.0</b>
<b><u>Operations</u></b>			
Operations Manager	1.0	-	1.0
Operations Supervisor	4.0	-	4.0
Operations Coordinator*	0.0	1.00	1.0
Dispatcher/Scheduler	7.0	-	7.0
Drivers*	30.4	2.54	32.9
Worker/Drivers	2.2	-	2.2
<b>Total Operations</b>	<b>44.6</b>	<b>3.5</b>	<b>48.1</b>
<b><u>Outreach</u></b>			
Outreach Manager	1.0	-	1.0
Outreach Coordinator	0.5	-	0.5
<b>Total Outreach</b>	<b>1.5</b>	<b>0.0</b>	<b>1.5</b>
<b><u>Transit-Community Center</u></b>			
T-CC Manager*	0.75	0.25	1.0
<b>Total Transit-Community Center</b>	<b>0.8</b>	<b>0.3</b>	<b>1.0</b>
<b>TOTAL</b>	<b>63.8</b>	<b>3.3</b>	<b>67.1</b>

### **Explanation of Changes to FTE Count**

- Merged Finance and IT Departments.
- Maintenance Support Technician position was added in Maintenance in place of adding a Detailer mid-year in 2013.
- Operations Coordinator was added for the vanpool program.
- For Drivers, this change reflects an addition of hours to allow time for training. Actual Driver employee count decreased from 41 to 40.
- T-CC Manager was budgeted to start in March 2013.

### **Staff Information**

Two positions were added and recruited in 2013 - the Transit-Community Center Manager and the Operations Coordinator. The Transit-Community Center manager will be supported by revenue earned from rental of the T-CC facilities once the Center has reopened. The Operations Coordinator will be responsible for the vanpool program and will be paid for with fares earned from vanpool.

Training will be a high priority, especially for the Operations Team. Refresher training for both Drivers and Dispatcher/Schedulers is the focus of training efforts in 2014. We will be using training materials developed and provided by the Washington State Transit Insurance Pool (WSTIP) in alignment with the Transit Industry's Best Practices.

The staffing plan for 2014 is to retain current staff levels and replace only if positions become vacant. It is anticipated recruitment will be minimal with approximately five positions becoming vacant over the year.

In 2013, MTA began the transition away from unsustainable, non-motivational automatic step increases to performance-based compensation. Employees received a 2.5% base wage increase in 2013 that was spread out across the year instead of given at the employee's step-increase date. This change was done so all employees would be on the same performance review schedule to assist with budgeting and payroll management. For 2014, \$78,000 (\$19,500 per quarter) in potential quarterly agency-wide performance awards has been budgeted. Awards will be given based upon achieving performance goals in the areas of safety & security, financial stewardship, ridership, and outreach. The performance-based compensation model, including individual, team and agency performance goals in alignment with the agency strategic plan that is being developed, is expected to be fully in place at the start of 2015.

To improve MTA's opportunities to recruit talented individuals and retain them, \$60,000 has been budgeted in 2014 to increase entry-level base wages for drivers and mechanics to begin closing the gap MTA has relative to comparable agencies in MTA's service area.

Benefits for 2014 will include the addition of long-term disability insurance coverage; otherwise, they will remain stable for 2014 with no increase to health care premiums or employee contributions. The Health Care Act employer requirements have been delayed until 2015.

## **TEAM RESPONSIBILITIES AND GOALS**

### **Administration-Brad Patterson, General Manager**

The Administration Team is responsible for the overall leadership and direction of MTA and for establishing goals and objectives for the Leadership Team. Administration also provides support and assistance to the MTA Authority Board as well as the general public.

#### **2014 Goals**

- Continue to improve employee morale
- Produce T-CC promotional video
- Transition to performance-based employee evaluations
- Implement paid bus advertising revenue program
- Complete MTA Strategic Plan
- Open Transit-Community Center on time & within budget
- Reduce MTA insurance claims
- Support coordinated Peninsula tourism effort
- Support Leadership Team development

### **Development-Mike Oliver, Manager**

The responsibilities of the Development Team are grant research and writing, internal Project Manager for the Transit-Community Center and the developing of capital projects and service.

#### **2014 Goals**

- Successfully construct and open Transit-Community Center.
- Partner with the City of Shelton to successfully compete for 2014 Community Development Block Grant to further the Transit-Community Center project.
- Develop, implement and complete bus shelter expansion project.
- Develop and implement project plan for north Mason park & ride facility.
- Identify and apply for one new grant opportunity.
- Develop one new partnership in support of MTA's Mission.
- Successfully complete two professional grant writing and research certified trainings.
- Develop MTA project development process following FTA & WSDOT public transit agency best practices; train Leadership Team on process.

### **Finance & Information Technology-Danette Brannin, Manager**

The Finance Team is responsible for budget, internal control oversight, agency compliance, Federal and State financial reporting, and annual financial audits. Accounting tasks include grant administration, cash management, payroll, accounts receivable/payable, and fixed assets accounting. The team also assists with bus pass reconciliation, inventory, surplus, contracts, and procurement.

#### **2014 Goals**

- Completion of financial policies and best practices for the team.
- Training of staff in current account software.
- Continue cross training of all tasks in the Finance Team.
- Work with Operations Coordinator on commuter debit card program.

- Understand the Health Care Act's impact as it relates to finance and budgeting.
- Annual Financial Report submitted by end of April (one month before deadline).
- No findings in annual state fiscal audit.
- Continue educating MTA staff on transit finances.
- Begin 2015 budget in August with approval at the November Board Meeting.

IT provides technology support to the other MTA teams and manages the technology systems of the agency. Responsibilities include: computers and telephones, data security and protection, network administration, data and voice communications, user setup and control and technical support and training.

#### 2014 Goals

- Improve IT infrastructure.
- Provide outstanding customer service to agency.
- Move server to a virtual server (Vortex).
- Install employee video communication monitors.
- Restructure shared data storage (N:Drive).
- Replace core switches.
- Assist MTA staff with technology training.
- Become proficient in supporting Trapeze software system.
- Install FASTER software for maintenance department.

#### **Human Resources-Rikki Johnson, Manager**

The HR Team's responsibilities include employee relations, performance management, benefits and compensation and recruitment. The HR Team oversees the Safety Committee, Wellness Program and training.

#### 2014 Goals

- Create, gain approval, disseminate and educate MTA employees on the following policies, procedures and tasks:
  - Safety
  - Drug & Alcohol
  - Ethics
  - Anti-Harassment & Discrimination
  - Uniforms
  - Etc.
- Input all employee records into PayChex to enable MTA to track and analyze information such as employee turnover, employee longevity, etc.
- Complete agency-wide wage analysis.
- Lead employee Performance and Development Plan implementation.
- Research and organize leadership development training.
- Fulfill hiring for Transit-Community Center.
- Oversee youth/young adult job assistance/shadowing program.
- Reduce unwanted employee turnover.



### **Maintenance-Marshall Krier, Manager**

The Maintenance Manager oversees the daily coordination of facilities and vehicle maintenance, vehicle procurement, and inventory and purchasing. The Maintenance Team is responsible for vehicle maintenance and repair, inventory control, clean and fuel buses, and fare collection. The Facilities Team is responsible for facility and shelter maintenance, cleaning of facilities, and custodial supply inventory.

#### **2014 Goals**

- Update vehicle maintenance standards, rewrite Preventive Maintenance (PM) programs for vehicles to increase efficiency and reduce cost.
- Develop fleet performance measures, including overdue PM's, road calls, out of service vehicles, outstanding defects.
- Establish vehicle replacement criteria.
- Update bus cleaning program to increase frequency.
- Complete building assessments, develop standards and implement PM programs for all MTA facilities.
- Implementation of the Faster Fleet Maintenance Software system.
- Develop Quality Assurance standards and program to assess employee's work quality and productivity.
- Conduct training survey to identify staff training needs.
- Develop ASE testing program for technicians to include pay incentives.
- Organize a Maintenance Roadeo team with Clallam and Jefferson Transit to compete in the 2014 WSDOT Conference.
- Pursue safety and technical training opportunities as need indicates.
- Perform roof analysis; establish a time line and cost estimate for replacement if needed.
- Evaluate the useful life of Gas Boy fueling station.
- Obtain estimates to connect generator to Building 4.
- Purchase DEF pump and meter for more accurate tracking.

### **Operations-Jane Seymore, Manager**

The Operations Team provides daily coordination of all MTA's operations. Operations include providing safe, reliable and on-time performance, service delivery and improvement, After School Activities program, drivers and worker/drivers, dispatchers and schedulers, and vanpool and community van programs. Additionally the Operations Team's responsibilities include service supervision, Wellness Program, driver safety, training, and performance, and scheduling and dispatching efficiency. Under Operations, drivers are responsible for transportation of passengers in a safe, courteous, reliable and timely manner.

#### **2014 Goals:**

- Upgrade Communications Center Trapeze Dial-A-Ride scheduling program to Version 12.
- Expand Vanpool program and expand and or increase ridership in Worker/Driver program i.e. explore the demand for adding a w/d bus for service to Bangor.
- All demand responses service pick up and drop off locations systematically evaluated to ensure their safety. Increase the number of established marked bus stops within city limits and decrease the number of flag stops.

- Lead on rewriting Drivers Manual (committee work: drivers, supervisors, dispatcher and HR) to reflect current work practices and best practices in operations.
- Inventory and replenish uniforms and logo wear.
- Complete review of system; develop and prioritize system improvement recommendations, calculate costs of recommendations and budget for them in 2015. Implement any that can be accomplished in 2014.
- Create a better driver's on-board evaluation form to be used by supervisors, and conduct an on-board evaluation every 6 months on each driver or more often based on safety or customer service complaints.
- Hire and train staff to fill current vacancies and as new vacancies occur.
- Conduct refresher training on half of drivers in 2014; conduct dispatch refresher training using new WSTIP training modules as they become available.
- Create Performance Development Plans - expectations for all Operations Team members by February.
- Organize the Operations area: central filing and recordkeeping specific to Ops; clean out and reorganize the training room and uniform room.
- Review and update or create missing policies and procedures for Operation. (group effort).
- Reduce preventable accidents in all modes.
- Successfully compete in Peninsula Regional Bus Roadeo and/or State Roadeo.

#### **Outreach-Christina Kramer, Manager**

The Outreach Team is responsible for all internal and external outreach and communication, marketing and advertising, and oversight of Volunteer Driver Program.

#### 2014 Goals

- Increase community outreach presentations focused on the value MTA brings to the Mason County community.
- Launch new website.
- Increase revenue through advertising sales.
- Initiate and maintain internal video communication system.
- Increase outreach efforts using social media.
- Increase outreach the Hispanic and Latino community:
  - Advertise on Spanish radio station
  - Host two Transit 101 presentations in Spanish/Mam
- Create marketing campaign for Community Van & Vanpool Program.

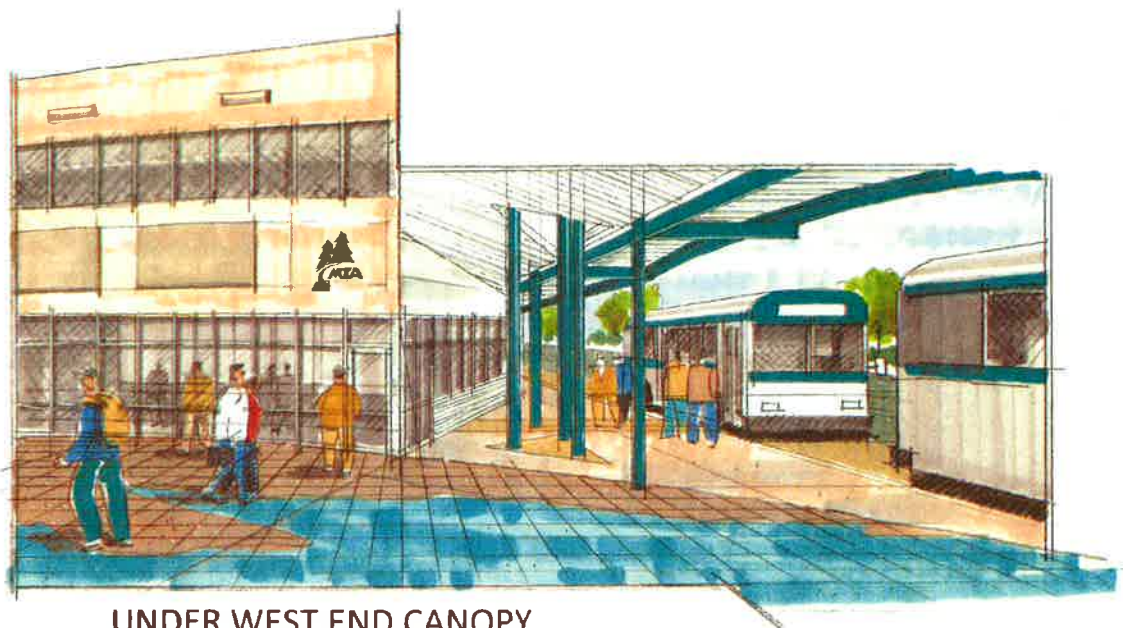
#### **Transit-Community Center-Kathy Geist, Manager**

In addition to oversight of the Transit-Community Center, responsibilities include tenant leases and contracts and coordination of Events Calendar. Assistance is also provided to the Outreach Team with community events.

#### 2014 Goals

- Expand a Transit-Community Center build Paver program.
- Establish rental rates by surveying local rental rates; calculating overhead costs, depreciation, taxes, and revenue goals.

- Advertise, lease and manage MTA leased properties and achieve financial objectives.
- Prepare and develop annual T-CC budget; monitor and approve expenditures in accordance with MTA policies and principles of sound fiscal management.
- Facilitate/complete leases for T-CC of 75% occupancy or greater.
- Manage and identify maintenance and janitorial contract needs for T-CC.
- Establish staffing needs for T-CC.
- Establish T-CC Foundation Board.
- Oversee and perform initial launch of Transit-Community Center.
- Contribute to Outreach goal of increasing community outreach presentations focused on the value MTA brings to the Mason County community.
- Complete Johns Prairie employee/public parking lot surfacing in partnership with Mason Conservation District.
- Work with Olympic College Business Management Advisory Committee to “Strengthening Our Community by linking Education and Employment to Create a Skilled Workforce”.
- Institute Bus Advertising plan.



**UNDER WEST END CANOPY**  
 (AT LOBBY ENTRANCE LOOKING TOWARDS MTA OFFICE)

**MASON TRANSIT AUTHORITY**  
**DRAFT PROPOSED 2014 EMPLOYEE COMPENSATION PLAN**  
December 17, 2013

**BACKGROUND**

Prior to 2009 and the national economic recession, MTA historically increased employee compensation through an annual, automatic 2.5% step increase and a 2-3% cost of living adjustment/allowance (COLA). Due to the recession, COLA's were discontinued in 2009. Historically, MTA has not offered competitive wages for entry-level positions, particularly in Operations (drivers) and Maintenance (technicians), but has offered an outstanding benefits package to all staff, paying 100% of premiums until 2013 when, for the first time, employees began contributing 5% to their health benefits. In 2013, MTA also began the transition from non-motivational automatic step increases to performance-based compensation, recognizing that the step increase plan is not sustainable for the long-term. In addition, changing and uncertain economic conditions require greater flexibility, and that securing funding is, inherently, a competitive process. Employees received a 2.5% base wage increase in 2013 that was spread out across the year instead of given at the employee's step-increase date. This change was done so all employees would be on the same performance review schedule to assist with budgeting and payroll management.

For 2014, MTA seeks to continue being fiscally responsible and sustainable, moving forward with the transition to a performance-based management and compensation system, and begin addressing the base wage gap for drivers and mechanics that exists between MTA and comparable employers in our service area.

**PERFORMANCE-BASED COMPENSATION**

For 2014, as MTA continues the transition to performance-based compensation, \$78,000 in potential quarterly agency-wide performance awards has been budgeted. Awards will not be added to nor increase employee base wages. Awards will be based upon achieving specific performance goals in the areas of safety & security, financial stewardship, human resources and outreach. The complete performance-based compensation model, including individual, team and agency performance goals in alignment with the agency strategic plan that is being developed, is expected to be fully in place at the start of 2015.

For 2014, the employee compensation plan will be performance-based on achieving measureable and achievable agency-wide goals that the taxpaying and riding public would find value in:

- **Safety & Security:**
  - 1) Reduce preventable accidents occurring in directly operated service (Fixed Route and Dial-A-Ride combined) from 1.3 (estimated) equal to or less than 1.25 per 100,000 miles.

- 2) Reduce preventable accidents occurring in Van Pool service from 1.05 (estimated) to equal to or less than 1 per 100,000 miles. The purpose of the safety & security goals is to increase the safety of our service and reduce the costs associated with accidents.
- **Financial Stewardship:**
    - 3) Increase timeliness of deposits to ensure that they will be made within three (3) business days of receipt of money 80% of the time. The purpose is to address the 2013 State Financial Audit management letter item and to provide better cash-flow management of agency funds.
  - **Human Resources:**
    - 4) Reduce work time loss due to work-related injuries by 8% from 212 days in 2013 to 195 or less in 2014 by implementing a transitional work assignment program and continued worker education and safety training; quarterly goals based on achieving a minimum 1% reduction (4 days). The purpose is to return an injured employee to work as soon as medically allowable by allowing them to work either full time or part time "modified duty positions" while recovering, thus reducing lengthy time-loss claims that increase workers' compensation rates for the agency.
    - 5) Driver Ride-A-Longs: Achieve 75% participation rate by all non-driving staff (100% participation equals six hours per quarter). The purpose is to increase morale through awareness of and support between driving & non-driving staff positions.
  - **Outreach:**
    - 6) Increase external presentations by 15% from 35 in 2013 to 40 in 2014 with the growth coming from new audiences including the Spanish and Mam-speaking communities; due to seasonality, quarterly goals based on providing a minimum of 5 presentations for the 1<sup>st</sup> & 4<sup>th</sup> quarters, and 10 presentations for the 2<sup>nd</sup> & 3<sup>rd</sup> quarters. The purpose is to increase awareness of MTA services and value.
  - **Ridership** is a key indicator of the performance of any transit system. However, MTA currently has several services nearing or exceeding capacity (some trips on regional routes to Bremerton and Olympia, and City of Shelton local routes #5 & 7; Volunteer Driver program) where ridership cannot be increased without increasing resources; in fact, MTA is at risk of losing "riders of choice" (non-transit dependent) on some commuter trips as riders are having to stand for 10-45 minute trips due to all seats being full and MTA has a schedule that was not designed to support rush-hour (peak pull) periods. In addition, the vanpool program has not been actively marketed for many years. The entire integrated system is long overdue for a review to look for any potential efficiencies and service gaps as well as determining future service priorities.

- 7) As such, the Ridership goal for 2014 will be to complete a system service review, with quarterly goals as follows:
- 1<sup>st</sup> Quarter: Finalize system service review plan timelines & action items.
  - 2<sup>nd</sup> Quarter: Conduct customer survey and compile results.
  - 3<sup>rd</sup> Quarter: Begin Public Hearings on service proposals.
  - 4<sup>th</sup> Quarter: Develop and finalize service change recommendations for MTA Board consideration and approval in December, 2014.
- Goals will be measured and awards will be distributed in lump-sum payments, as achieved, on a quarterly basis, as follows:
    - Total awards available for 2014: \$78,000 (\$19,500/quarter)
      - Agency achieves 57% of goals (4): 57% of award would be distributed.
      - Agency achieves 71% of goals (5): 71% of award would be distributed.
      - Agency achieves 86% of goals (6): 86% of award would be distributed.
      - Agency achieves 100% of goals (7): 100% of award would be distributed.
    - Employees will receive a share of the awards based on their employment classification status at the end of each quarter:
      - A full-time employee share of the agency achieving 100% of all quarterly awards shall receive a 100% share (\$1,200; \$300 per quarter).
      - A part-time employee (including primary worker/drivers) share of the agency achieving 100% of all quarterly awards shall receive a 50% share (\$600; \$150 per quarter).
      - A seasonal employee (including backup worker/drivers and cashiers) share of the agency achieving 100% of all quarterly awards shall receive a 25% share (\$300; \$75 per quarter).
  - Unforeseen events beyond the control of the agency will be taken into consideration when determining whether or not performance goals have been met.
  - The General Manager and MTA Board Chair (or their designee) will have responsibility for certifying quarterly performance award achievement.

### **CLOSING BASE WAGE GAP**

To improve MTA's opportunities to recruit outstanding talent and retain them, \$60,000 has been budgeted in 2014 to begin closing the base wage gap MTA has for dispatcher/scheduler, driver, and mechanic positions relative to comparable agencies in MTA's service area (plus Clallam & Grays Harbor Transit, and Mason County Transportation Co-Op).