

RESOLUTION NO. 2016-27

**A RESOLUTION ADOPTING A BUDGET FOR THE MASON COUNTY
PUBLIC TRANSPORTATION BENEFIT AREA FOR THE CALENDAR YEAR
BEGINNING JANUARY 1, 2017.**

WHEREAS, the Mason County Public Transportation Benefit Area dba Mason Transit Authority (MTA) has prepared a budget for the 2017 calendar year; and

WHEREAS, the Governing Authority of Mason County Public Transportation Benefit Area did hold pursuant to law, two duly advertised public hearings on the preliminary budget; and

WHEREAS, management has recommended the 2017 Budget, a copy of which is attached hereto and incorporated by this reference.

NOW THEREFORE, BE IT RESOLVED BY THE MASON TRANSIT PUBLIC TRANSPORTATION AREA AUTHORITY BOARD that the following budget for Mason Transit for the year 2017 is hereby adopted:

Estimated Resources

2017 Beginning Cash and Investments		\$ 6,280,727
Revenues		
Operating	\$7,309,311	
Capital	<u>3,975,706</u>	
Total Revenues		<u>11,285,017</u>
Total Estimated Resources		\$17,565,744

Estimated Utilization of Resources

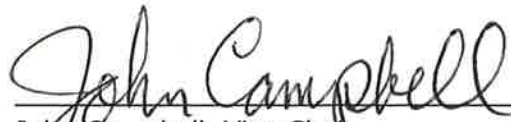
2017 Expenses		
Operating	\$7,279,368	
Capital	<u>1,185,485</u>	
Total Expenses		8,464,853
Year End Cash and Investments		<u>9,100,891</u>
Total Estimated Utilization of Resources		\$17,565,744

Adopted this 15th day of November, 2016.

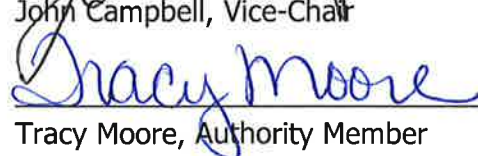


Terri Jeffreys, Chair

Wes Martin, Authority Member

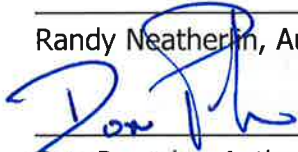


John Campbell, Vice-Chair



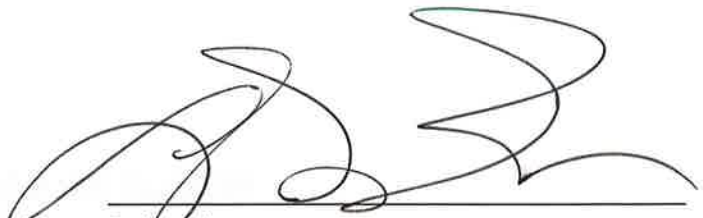
Tracy Moore, Authority Member

Randy Neatherlin, Authority Member

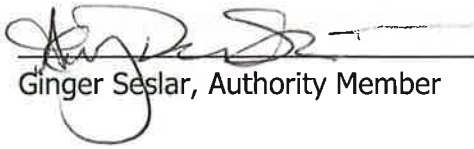


Don Pogreba, Authority Member

Deborah Petersen, Authority Member



Ginger Seslar, Authority Member



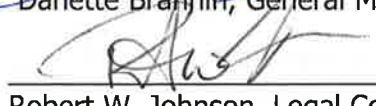
Tim Sheldon, Authority Member

APPROVED AS TO CONTENT: _____



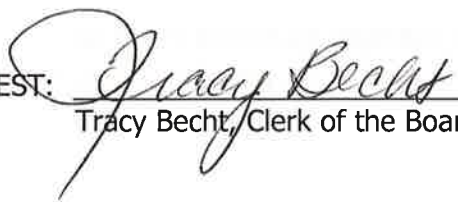
Danette Brannin, General Manager

APPROVED AS TO FORM: _____



Robert W. Johnson, Legal Counsel

ATTEST: _____
Tracy Becht, Clerk of the Board



DATE: 11/21/2016



2017 Annual Budget

Proposed

November 15, 2016

INTRODUCTION

Consistent with other years, the goals of the 2017 Budget are to ensure that Mason Transit Authority (MTA) continues to meet the needs of the community and operate within its available financial resources. MTA views that the economic outlook for 2017 will remain stable, and projects that sales tax revenue will remain at 2016 levels. Total operating expenses for 2017 are expected to decrease by 0.76% to reflect cost cutting measures where possible.

GOALS:

The goals of the 2017 Budget are:

- Maintain a 4-month Operating reserve fund
- Focus on long-term sustainability within current funding limits
- Grow reserves for future capital projects and vehicle replacement
- Ensure fiscal responsibility
- Review current service levels and community needs

2017 BUDGET ASSUMPTIONS

The following assumptions are incorporated into the preliminary budget.

Operating Revenue

- Ridership is trending above 2016 budgeted amounts; however with no significant changes to service in 2017, fare revenue is expected to remain at current levels. Skokomish Tribe pilot project funding will be exhausted at the end of 2016. This service will continue as Route 11; costs for operating this route will be absorbed by agency. Worker/Driver and Vanpool ridership has experienced a decrease; assuming it is due to gas prices remaining low.
- 2016 sales tax revenue is projected to exceed the 2016 budgeted amount by 2.9%. With no foreseeable indicators to push sales tax revenue higher in 2017, budgeted amount will be conservative at 2016 budgeted levels.
- 2017-2019 operating grant funding is anticipated to remain consistent with current levels per WSDOT. The 2017-2019 biennium request was consistent with the 2015-2017 award.
- Rental income is expected to increase with full tenant occupancy expected in 2017 at the T-CC. Event usage is expected to increase as well now that the facility is well established.
- Investment income reflects a significant increase 2016. 2017 budgeted to maintain this trend without further growth.

Operating Expenses

- A net increase of 1.3 full-time equivalents (FTE's):
 - .50 Accounting/HR Specialist (to be hired in 2017) to accommodate HR succession planning (offset by retiring Human Resources Manager)
 - .50 Dispatch/Scheduler
 - 3.4 FTE additional drivers to cover compliance with the Affordable Care Act (ACA)

- a net decrease of one as the T-CC Assistant position remained vacant and was filled with the existing full-time custodian
- reduction of one customer service representative as this position was moved to dispatch
- a decrease of two Operations Supervisor (one moved to Operations Compliance position, the second replaced by 4 lead drivers).
- Outreach Manager will be replaced as a Community Services Coordinator.
- Medical premiums increasing by 4.5%
- Labor and Insurance Premiums average quoted increase 0.7%
- No cost increase for Public Employee Retirement System (PERS) expected in 2017.
- Wages are still being negotiated for Collective Bargaining Units (CBU's); however the wages and salary budget is projected with an average 2% increase.
- Fuel prices forecasted to increase slightly above 2016 projected levels and transitioning to bio-fuel.
- Labor attorney costs are anticipated at approximately \$45,800. This will be an annual ongoing cost for contracts negotiations and renegotiations.

2017 FISCAL IMPACT OVERVIEW:

Estimated Resources Based on September 30, 2016 Cash and Investments

2017 Beginning Cash and Investments		\$ 6,280,727
Revenues		
Operating	\$7,309,311	
Capital	<u>3,975,706</u>	
Total Revenues		<u>11,285,017</u>
Total Estimated Resources		\$17,565,744
Estimated Utilization of Resources		
2017 Expenses		
Operating	\$7,279,368	
Capital	<u>1,185,485</u>	
Total Expenses		8,464,853
Year End Cash and Investments		<u>9,100,891</u>
Total Estimated Utilization of Resources		\$17,565,744

Mason Transit Authority
2017 Preliminary Budget - Operating

	2014 Actual	2015 Actual	2016 Year-end Projection	2016 Budget	2017 Budget	Notes	2016 vs 2017 % Change- Budget
REVENUE							
Passenger Fares	98,175	92,665	97,302	93,500	98,300		4.9%
PSNS Worker/Driver & Vanpool Fares	396,622	352,146	284,401	388,000	295,000		-31.5%
Special Contract Fares - Local Govt.	128,248	12,120	101,631	-	-		
Operating Revenue (Fares)	623,045	456,931	483,334	481,500	393,300	(1)	-26.64%
Sales Tax	3,480,456	3,835,605	3,958,121	3,871,659	3,858,621	(2)	-0.34%
Operating Grants	3,068,064	2,039,497	3,032,016	2,819,236	2,832,430	(3)	0.47%
Rental Income	18,577	69,383	127,217	172,724	158,860	(4)	-8.73%
Investment Income	6,113	5,094	13,800	4,800	13,800	(5)	65.22%
Other Non-operating Revenue	167,404	64,930	52,586	68,100	52,300	(6)	-30.21%
Non-Operating Revenue	6,740,613	6,014,509	7,183,740	6,936,519	6,916,011		26.41%
Total Revenue	7,363,658	6,471,440	7,667,074	7,418,019	7,309,311		-0.23%
EXPENSES							
Wages and Benefits	4,550,809	5,077,781	5,223,108	5,483,991	5,561,759	(7)	1.40%
Contracted services	151,536	172,530	256,219	310,926	293,129	(8)	-6.07%
Purchased Transportation	71,872	65,767	1,794	66,000	-	(9)	
Fuel	483,001	321,965	275,000	440,202	350,000	(10)	-25.77%
Vehicle/Facility Repair & Maintenance	178,986	252,705	316,677	275,259	322,165	(11)	14.56%
Insurance Premium	174,283	188,697	196,746	196,750	237,338	(15)	17.10%
Intergovernmental - Audit Fees	23,184	20,797	27,000	25,000	27,000	(12)	7.41%
Facility Rent and Park & Ride	11,050	9,725	17,425	9,625	27,480	(14)	64.97%
Utilities	88,799	125,110	135,284	133,159	141,846	(8)	6.12%
Supplies	149,636	217,491	103,474	181,615	129,130	(8)	-40.65%
Training & Meetings	42,483	47,424	34,779	70,555	41,900		-68.39%
Other operating expenses	99,146	147,658	123,850	171,702	147,621	(8)	-16.31%
Total Operating Expenses	6,050,578	6,647,650	6,711,356	7,364,784	7,279,368		-1.17%
Net Income (Loss) from Operations	1,313,080	(\$176,210)	\$955,718	\$53,235	\$29,943		0.94%

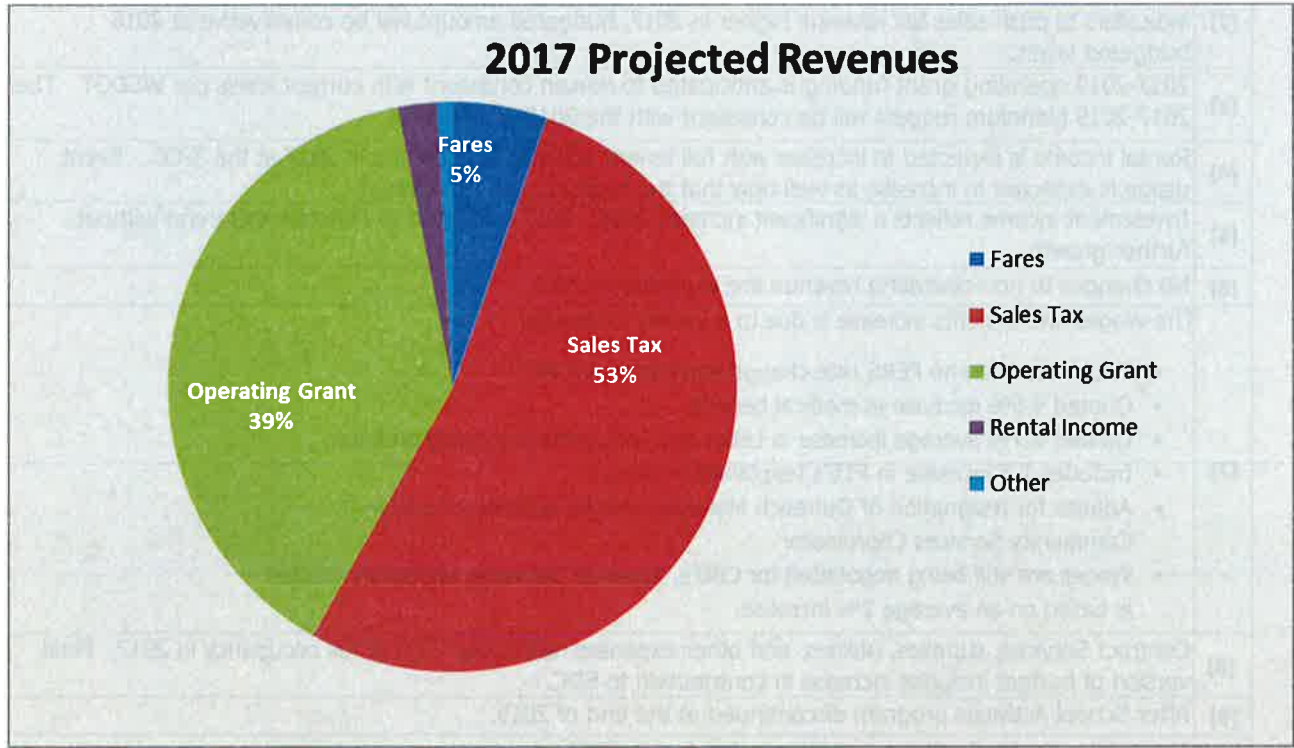
The Operating Budget does not include Capital expenditures (see Capital Budget below).

COMPARISON OF 2017 VS 2016 BUDGET

(1)	Ridership is trending above 2016 budgeted amounts, however with no significant changes to service in 2017 fare revenue is expected to remain at current levels. Skokomish Tribe pilot project funding will be exhausted at the end of 2016. This service will continue as Route 11; costs for operating this route will be absorbed by agency. Worker/Driver and Vanpool ridership has seen a decrease as gas prices have remained low.
(2)	2016 sales tax revenue is projected to exceed the 2016 budgeted amount by 2.9%. With no foreseeable indicators to push sales tax revenue higher in 2017, budgeted amount will be conservative at 2016 budgeted levels.
(3)	2017-2019 operating grant funding is anticipated to remain consistent with current levels per WSDOT. The 2017-2019 biennium request will be consistent with the 2015-2017 award.
(4)	Rental income is expected to increase with full tenant occupancy expected in 2017 at the T-CC. Event usage is expected to increase as well now that the facility is well established.
(5)	Investment income reflects a significant increase 2016. 2017 budgeted to maintain this trend without further growth.
(6)	No changes to non-operating revenue are expected in 2017.
(7)	<p>The Wages and Benefits increase is due to a variety of factors:</p> <ul style="list-style-type: none"> • There has been no PERS rate change announced for 2017 • Quoted 4.5% increase in medical benefits • Quoted 0.7% average increase in Labor and Industries Insurance premium • Includes 1.3 increase in FTE's (explanation below) • Adjusts for resignation of Outreach Manager and the addition of a new Community Services Coordinator • Wages are still being negotiated for CBU's, however the wage and salary budget is based on an average 2% increase.
(8)	Contract Services, supplies, utilities, and other expenses reflect the T-CC at full occupancy in 2017. Final version of budget includes increase in contribution to EDC.
(9)	After School Activities program discontinued at the end of 2015.
(10)	Increase in Fuel reflects the transition to bio-fuel in 2017.
(11)	Vehicle and Facility Repair & Maintenance expected to increase with an aging fleet and 3% inflation.
(12)	Estimate for 2017 fee was quoted from the State Auditor's recent exit conference for the 2016 audit on 2015 business.
(13)	Travel & Meeting expense reduced in 2017, some conferences will be attended every other year.
(14)	Facility Rent and Park & Ride increased to include lease on temporary Belfair Park & Ride location.
(15)	Insurance Premium reflects 18% increase; premiums WSTIP pays to GEM (Government Entities Mutual) for coverage on claims of \$2m but less than \$5m has not kept pace with the 25 transit agency pool members' loss experience rates. In addition, MTA's claims expense for the period measured was higher than anticipated.

OPERATING REVENUES

Total operating revenue budget of \$7,309,311 is projected to decline from 2016 budget levels by \$108,708 or 0.23%. Major revenue sources include sales taxes collected in Mason County and grant funding.



Sales Taxes

Sales taxes are the single largest operating revenue source, and have had positive growth beginning with a 0.9% increase in May 2013 to a high in 2015. 2016 sales tax revenue is projected to be approximately 2.2% higher than budgeted.

For 2017, the level of sales tax collection is projected to remain on par with 2016 year to date projections and is estimated at \$3.86 million.

The following table shows actual sales tax revenue for 2013 through August 2016, along with the 2016 projections for September through December (based on 2016 budget).

Historical and Projected Sales Tax Revenue

	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Budget
JAN	223,403	220,895	223,999	219,231	237,528	279,122	246,415	238,424
FEB	220,311	213,228	241,132	217,929	227,815	281,559	262,925	254,399
MAR	263,166	271,661	257,893	260,652	278,053	307,482	328,665	318,008
APR	247,785	239,498	240,541	236,931	260,396	286,903	312,635	302,497
MAY	238,633	283,554	262,716	265,167	274,641	347,236	332,428	321,649
JUN	283,691	297,471	280,801	282,753	323,498	354,920	391,485	378,791
JUL	280,582	265,454	280,429	291,925	329,201	350,290	360,375	348,689
AUG	278,377	298,329	282,521	292,782	323,336	336,522	389,222	376,601
SEP	310,007	286,873	301,658	306,051	349,872	348,805	389,198	376,577
OCT	260,011	260,452	252,888	285,612	296,170	309,042	329,460	318,776
NOV	258,127	259,066	234,915	243,571	249,648	261,713	277,708	268,703
DEC	304,470	302,470	290,378	312,900	330,297	367,053	367,423	355,508
Total	3,168,563	3,198,952	3,149,871	3,215,506	3,480,456	3,830,645	3,987,939	3,858,621

Grant Revenues

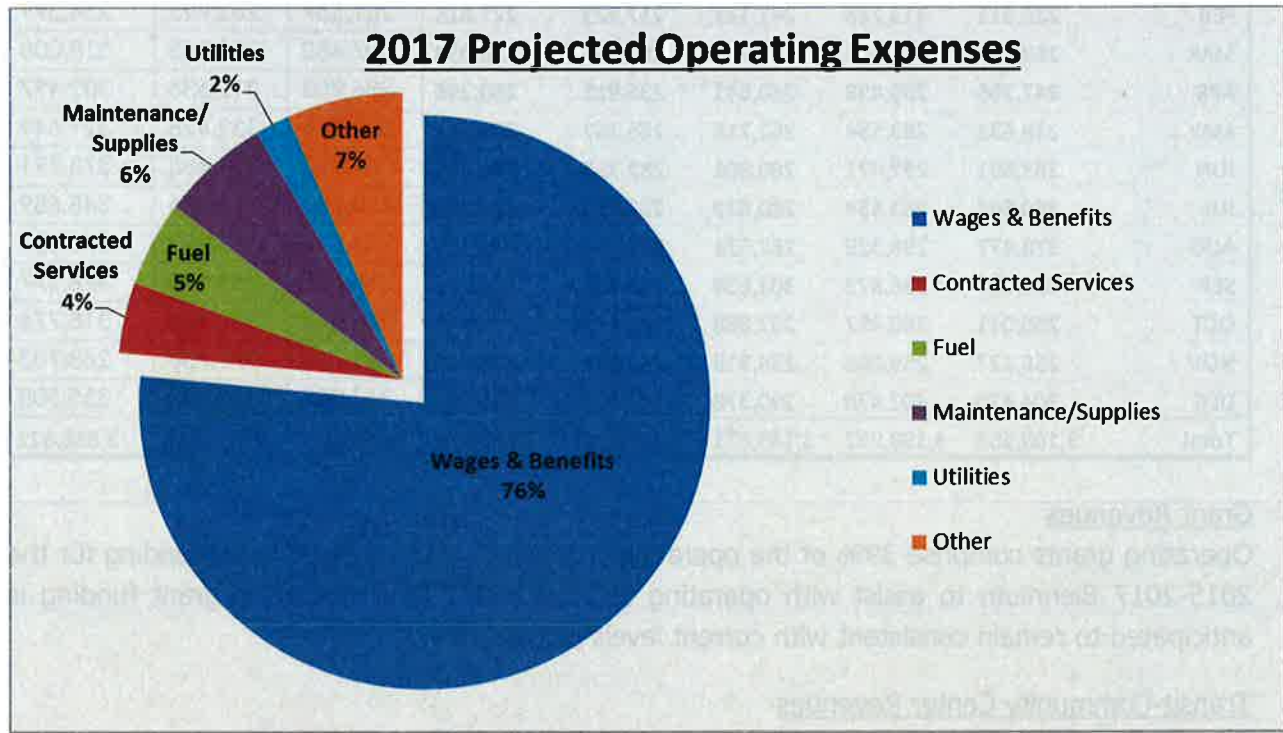
Operating grants comprise 39% of the operating revenues. MTA received grant funding for the 2015-2017 Biennium to assist with operating service. 2017-2019 operating grant funding is anticipated to remain consistent with current levels per WSDOT.

Transit-Community Center Revenues

The T-CC will provide revenue through leases and event use. It is expected that the T-CC will be fully occupied with long term leases beginning early 2017. Event use is expected to increase through promotion of the T-CC as an event venue.

OPERATING EXPENSES

Total operating expenses for 2016 are projected at \$7,279,368, a decrease of 1.17 % or \$86,974.



Salaries, Wages, and Benefits

The salaries, wages and benefits increase in the 2017 preliminary budget is due to a variety of factors:

- There has been no PERS rate change announced for 2017.
- A 4.5% increase in medical benefit has been quoted
- A 0.7% increase in Labor & Industries Insurance has been quoted by the agency
- A 1.4 increase in FTE's (explanation below)
- Wages are still being negotiated for CBU's. However the wage and salary budget is based on an average 2% increase.

The following chart shows the staff position and Full-Time Equivalent (FTE) changes with explanations describing each change.

Mason Transit Authority
Staff Positions and Full-Time (FTE) Equivalent Position Detail - 2016 & 2017 Budgets

Department	2016 Budget - Positions	Change	2017 Budget - Positions	2016 Budget - FTEs	Change	2017 Budget - FTEs
<u>Administration</u>						
General Manager	1.0	0.0	1.0	1.0	0.0	1.0
HR Manager ⁽¹⁾	1.0	-1.0	0.0	1.0	-0.58	0.42
Development Manager	1.0	0.0	1.0	1.0	0.0	1.0
Outreach Manager ⁽⁹⁾	1.0	-1.0	0.0	1.0	-1.0	0.0
Executive Assistant	1.0	0.0	1.0	1.0	0.0	1.0
Administrative Assistant	1.0	-0.5	0.5	1.0	-0.5	0.5
Total Administration	6.0	-2.5	3.5	6.0	-2.1	3.9
<u>Finance</u>						
Finance Manager ⁽¹⁾	1.0	0.0	1.0	1.0	0.0	1.0
Accounting Specialist	2.0	0.0	2.0	2.0	0.0	2.0
Accounting/HR Specialist ⁽²⁾	0.0	1.0	1.0	0.0	1.0	1.0
Total Finance	3.0	1.0	4.0	3.0	1.0	4.0
<u>Maintenance/Facilities</u>						
Maintenance Manager	1.0	0.0	1.0	1.0	0.0	1.0
Maintenance Support Technician	1.0	0.0	1.0	1.0	0.0	1.0
Lead Mechanic	1.0	0.0	1.0	1.0	0.0	1.0
Mechanics	3.0	0.0	3.0	3.0	0.0	3.0
Detailer	1.0	0.0	1.0	1.0	0.0	1.0
Maintenance Technician	1.0	0.0	1.0	1.0	0.0	1.0
Custodian	1.0	0.0	1.0	1.0	0.0	1.0
Total Maintenance/Facilities	9.0	0.0	9.0	9.0	0.0	9.0
<u>Operations</u>						
Operations Manager	1.0	0.0	1.0	1.0	0.0	1.0
Operations Supervisor ⁽³⁾	5.0	-2.0	3.0	5.0	-2.0	3.0
Operations Compliance Coordinator ⁽⁴⁾	0.0	1.0	1.0	0.0	1.0	1.0
Operations Coordinator	1.0	0.0	1.0	1.0	0.0	1.0
Community Service Coordinator ⁽⁹⁾	0.0	1.0	1.0	0.0	1.0	1.0
Dispatcher/Scheduler/CSR ⁽⁵⁾	8.0	0.0	8.0	7.5	0.5	8.0
Drivers ⁽⁶⁾	46.0	0.0	46.0	40.4	3.4	43.8
Worker/Drivers ⁽⁷⁾	11.0	-2.0	9.0	2.5	-0.5	2.0
Total Operations	72.0	-2.0	70.0	57.4	3.4	60.8
<u>Transit-Community Center</u>						
T-CC Manager	1.0	0.0	1.0	1.0	0.0	1.0
T-CC Assistant/Custodian ⁽⁸⁾	0.0	1.0	1.0	0.0	1.0	1.0
Customer Service Reps	2.0	-2.0	0.0	1.0	-1.0	0.0
Custodian ⁽⁸⁾	1.0	-1.0	0.0	1.0	-1.0	0.0
Total Transit-Community Center	4.0	-2.0	2.0	3.0	-1.0	2.0
TOTAL	94.0	-5.5	88.5	78.4	1.3	79.7

EXPLANATION OF CHANGES

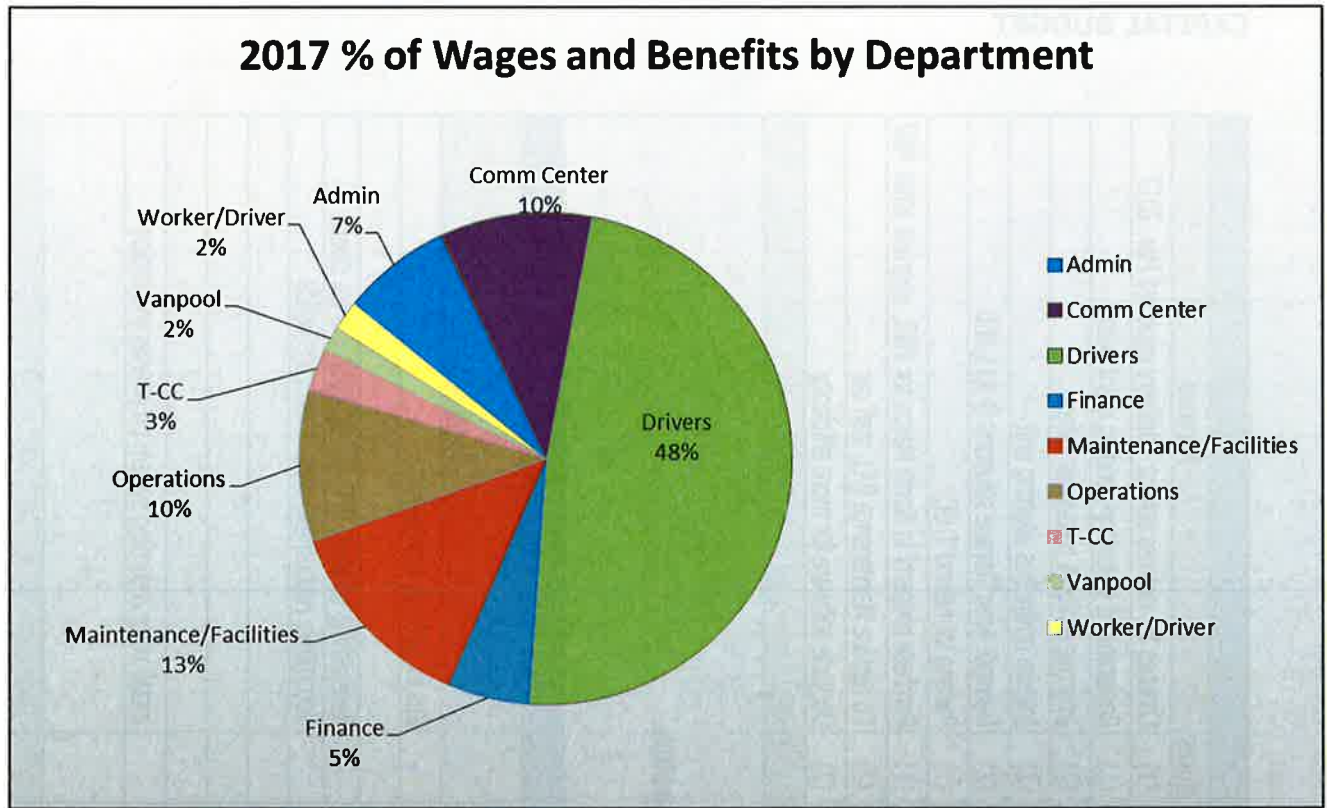
- 1) It is anticipated that the HR Manager will retire May 2017. The succession plan is to move duties to other staff as appropriate with the managerial duties incorporated into the Finance Manager's responsibility. The job title for the Finance Manager will be changed to Administrative Services Manager, which would encompass finance, admin and HR.
- 2) This is a new position to replace HR Manager but not an increase in staff. This position will cover accounting duties along with benefit coordination and other HR tasks. There will be some overlap of hiring this position and the HR Manager's retirement. The cost is reflected in the budget.
- 3) One supervisor position was moved to the Operations Compliance Coordinator position; the other supervisor position was eliminated.
- 4) New title but not an increase in staff (see #3). This position is responsible for such things as reporting claims to WSTIP, Drug & Alcohol Program, CDL/Medical card tracking and service data.
- 5) part-time then moved to full-time in September with the move to Dispatch/Scheduler in Operations. In 2016, there were 8 positions in the budget (7 FT; 1 PT). Positions did not increase but FTEs increased by .5.
- 6) Driver positions did not increase but driver full-time equivalent a (FTE) increased due to requirements from the Affordable Care Act (ACA). Part-time drivers were working consistently over 30 hours per week which triggered the ACA requirement to provide medical benefits. We moved drivers to full-time to be in compliance.
- 7) One backup Worker/Driver and a cashier resigned.
- 8) The T-CC Assistant position was left vacant in July 2015. Combined duties with custodian which decreased 1 position and 1 FTE.
- 9) Outreach Manager resigned position October 2016. Some tasks being reallocated internally, may result in new position Ops position of Community Services Coordinator.

Wages and benefits by team are as follows:

	Salary	Holiday	Personal Leave	PERS	FICA	L&I	Benefits	Total
Admin	259,031	10,173	2,501	30,377	20,785	1,963	74,095	398,925
Board	5,880				450			6,330
Comm Center	327,184	13,193	2,639	38,349	26,241	3,706	131,344	542,654
Drivers	1,503,230	58,823	11,765	175,953	120,397	171,949	616,195	2,658,312
Finance	190,687	8,233	1,746	22,434	15,351	1,752	57,628	297,831
Maintenance/Facilities	401,934	16,207	3,241	47,111	32,236	36,066	187,436	724,231
Operations	330,793	13,338	2,668	38,772	26,530	24,044	112,329	548,475
T-CC	93,661	3,777	755	10,978	7,512	926	37,592	155,201
Vanpool	47,090	1,899	380	5,519	3,777	463	27,478	86,606
Worker/Driver	79,830	3,070		9,268	6,342	8,323		106,834
Total	3,239,321	128,713	25,694	378,761	259,620	249,192	1,244,097	5,525,399

	Salary	Holiday	Personal Lv	PERS	FICA	L&I	Benefits	Total
2017 Budgeted Amounts	3,239,321	128,713	25,694	378,761	259,620	249,192	1,244,097	5,525,399
2016 Budgeted Amounts	3,244,812	127,095	24,812	378,986	259,850	235,479	1,157,973	5,429,008
Increase %	(5,491)	1,618	882	(225)	(230)	13,713	86,124	96,391
	-0.17%	1.27%	3.56%	-0.06%	-0.09%	5.82%	7.44%	1.78%

2017 % of Wages and Benefits by Department



The 2017 Compensation Plan for Salaries and Wages includes the following assumptions:

- The Maintenance Collective Bargaining Unit will receive wage increases based on the Wage Matrix in their negotiated contract. On January 1, 2017, the wage matrix increases by 1%. Those that fall within the matrix will receive the increase and those above the highest step in the matrix will receive a 2% general wage increase (GWI). In addition, those within the matrix will receive a step increase on their step increase anniversary date. There is a 2% difference between steps.
- Non-represented employees will receive an increase of 2% on January 1, 2017. Employees still in their probationary period on January 1 will receive increase after completing the 6-month probationary period. The compensation plan for non-represented employees is to reincorporate steps as in the past with an annual evaluation of MTA's financial condition done during budget preparation to determine whether a GWI can also be included.
- The Management staff will receive two additional Personal Leave days in lieu of a wage increase for 2017. A performance-based plan will be used for managers for future increases. This will be done by annual goal setting and appraisal at year-end to measure success. Increases will be determined through the annual budget process.
- Employees represented by a Collective Bargaining Unit but have no contract as of yet will receive wage increases once contracts has been negotiated and approved. Anticipated increases have been budgeted.

CAPITAL BUDGET

2017 CAPITAL PROJECT BUDGET					
Project	Budget	Grants	MTA Funding	Notes	Purpose
Three commuter 35' coaches	1,468,278	1,174,622	293,656	(1)	Coaches for express service - delivery expected Mar. 2017
5 Cutaways	504,930	378,697	126,233	(1)	Replacement inventory-pending grant award
LED Headlamps	40,000		40,000	(2)	Improve driver & passenger safety
Walk-around Bus Washer	50,000	-	50,000	(2)	Interim onsite bus washing unit
IT Items	15,000		15,000	(2)	Network Area Storage solutions @ \$15,000
T-CC Parking Lot	302,500	250,000	52,500	(1)	Parking lot behind T-CC
Park & Ride Development	2,715,383	2,172,387	543,096	(1)	Purchase property in North Mason for P&R; upgrade other P&R
Staff Vehicles	30,000		30,000	(2)	To replace Maintenance PU, staff car
Accounting Software	35,000		35,000	(2)	Upgrade software for more efficiency
TOTAL CAPITAL PROJECTS	\$ 5,161,091	\$3,975,706	\$ 1,185,485		
(1) 'MTA Funding portion set aside in cash encumbrances (2) 'Unencumbered capital projects will be done as undesignated cash balance and staff resources are available.					
FUTURE PROJECTS					
Project	Budget	Grants	MTA Funding		Purpose
Parking Lot Improvement	15,000		15,000		Bus lot striping and sealing
Diagnostic Scanner (maintenance)	8,000		8,000		
Entry way cover (Building 2)	30,000		30,000		Researching options, RFP, construction - 3 ea. doors
Trash Cans and schedule holders in all bus shelters	20,000		20,000		Decorative, rubbermaid style trash cans w/lids
Facility Exterior Paint	100,000		100,000		
Automatic gate openers for 2 gates	30,000		30,000		
Bus Wash	400,000		400,000		
Voice Recording System	30,000		30,000		Install voice recording system on phones and radios
Smart Bus Technology (AVL, Call-stop Enunciators, passenger counters)	TBD		TBD		
TOTAL FUTURE PROJECTS	\$ 618,000	\$ -	\$ 618,000		

TRANSIT – COMMUNITY CENTER

The on-going operating costs for the T-CC are allocated between Transit-related functions and Community Center-related functions based upon the square footage associated with each, except for salaries and benefits. The T-CC's operating costs projected for 2017 are as follows:

Mason Transit Authority			
Transit-Community Center Budget Breakout			
Revenue	2017 Community Center Budget	2017 Transit Budget	2017 Total Budget
T-CC Event Rental	\$ 11,000		\$ 11,000
T-CC Tenant Rental	137,463		137,463
T-CC Paver	0		0
Local Funds (Transit)	0	0	0
Total Projected Revenue	\$ 148,463	\$ -	\$ 148,463
EXPENSES	Community Center (71%)	Transit (29%)	Total Cost
Salaries and Benefits	\$ 117,008	\$ 39,003	\$ 156,011
Repair/Maintenance by Other	710	290	1,000
Professional and Technical Services	2,819	1,151	3,970
Contract Services	1,448	592	2,040
Printing	320	131	450
Security Services	71	29	100
Facility Repair/Maintenance	1,988	812	2,800
Office Supplies	178	73	250
Cleaning/Sanitation Supplies	2,000	2,000	4,000
IT Equipment	-	-	-
Water and Sewer	6,390	2,610	9,000
Garbage	2,130	870	3,000
Gas	1,593	651	2,244
Electric	23,288	9,512	32,800
Telephone Service	1,136	464	1,600
Internet Services	-	-	-
Insurance Premium	16,851	6,883	23,734
Dues, Memberships, Subscriptions	391	160	550
Travel & Meeting Expense MTA	355	145	500
Conference Registration	355	145	500
Training / Seminars	142	58	200
Advertising/Promotion Media	1,065	435	1,500
Other Misc Expenses	1,434	586	2,020
Office Equipment Lease	1,435	586	2,021
Total Expenses	\$ 183,106	\$ 67,184	\$ 250,290
Net Revenue (Loss)	\$ (34,643)	\$ (67,184)	\$ (101,827)



TEAM GOALS FOR 2017

Development Team Mission Statement

The Development Team's mission is to secure funding assistance for MTA's capital and operational programs and lead major capital project implementation.

Development Team Goals for 2017

- Stay informed on future funding opportunities for discussion with Leadership Team and GM decision making process.
- Continue to explore opportunities to develop new partnerships and enhance existing ones at local, state and federal levels.
- Continue long range planning efforts with local, regional, state and federal agencies.
- Continue to include partners in all aspects of Transit Oriented Development (TOD) regarding construction and capital procurement, operational commitments and environmental responsibility.

Revenue Sources and Cost Drivers

- No revenue source
- Cost drivers are labor, training and travel

Significant Changes from 2016 to 2017

- Reduce professional and technical services by \$10K for preliminary project support

Finance Team Mission Statement

Provide financial support to all MTA teams, ensure internal controls and compliance, and keep agency financially stable and sustainable.

Finance Team Goals for 2017

- Prepare a financial policy manual
- Prepare a long-term projection of MTA's financial sustainability and align with strategic plan
- Assist human resources with payroll processing

- Continue streamlining processes to promote efficiency and keep costs down
- Ensure cross-training for succession planning
- Begin process of reviewing accounting software for potential change

Revenue Sources and Cost Drivers

- No revenue sources
- Wages/benefits
- Audit costs

Budget Changes from 2016 to 2017

- Add one part-time staff member to accommodate HR succession planning

Human Resource (HR) Mission Statement

It is the mission of the Human Resources Team to find, support and retain MTA's most valuable resource – its PEOPLE!

HR Goals for 2017

- Promote and enhance our benefits package
- Promote the wellness in our employee community
- Experience efficiencies in payroll processing and reporting functions with change of payroll processing vendor and incorporating electronic timekeeping. This will enable MTA to better track and analyze information such as employee turnover, employee longevity, comply with reporting requirements of the Affordable Care Act.
- Create, gain approval and educate MTA employees on the following policies, procedures, and tasks:
 - Anti-Harassment & Discrimination
 - Affirmative Action Plan
 - Title VI

Revenue Sources and Cost Drivers

- Labor, training

Significant Changes from 2016 to 2017

- Retirement of the Human Resource Manager expected mid-spring, lending to the combination of Finance, HR and Admin to be managed by the Administrative Services Manager (currently the Finance Manager).

Information Technology (IT) Team Mission Statement

Provide excellent customer service through prompt and efficient response to technology needs. Keep MTA safe from cyber vulnerabilities.

IT Team Goals for 2017

- Establish customer service protocol that ensures technology needs for MTA staff are met timely.
- Analyze current subscriptions and evaluate whether MTA continues out-sourcing or bring in-house (this will be done with Hood Canal Communications).
- Review “best practices” for IT from WSTIP, review any necessary changes.

Revenue Sources and Cost Drivers

- Scheduled computer replacement.

Budget Changes from 2016 to 2017

- No changes

Maintenance Team Mission Statement

The Maintenance Team’s mission is to effectively and efficiently provide safe, clean, reliable and comfortable vehicles, facilities and amenities for use by its customers and to ensure that such resources are available to meet World-Class service goals.

Maintenance Team Goals for 2017

- Explore maintenance processes & parts purchasing to increase cost savings without sacrificing quality.
- Partnering with other transit systems and the training coalition to looking for low-cost or no-cost training opportunities.
- Sharing resources with the City of Shelton and Mason County Maintenance Departments to reduce costs and better utilize our equipment.
- Continue with bus stop and shelter installation and amenities.
- Perform in depth vehicle maintenance program analysis for cost savings to include fuel mileage, oil consumption and prolonged tire life.
- Complete procurement for 3 express busses and place them in service.
- Begin use of Bio-diesel fuel as mandated by the Governors Alternative Fuel Mandate.

Revenue & Cost Drivers

- We project receiving \$7,500 for sales of contracted maintenance services in 2017
- Significant cost issues for both vehicle and facility maintenance remain the same. They include labor, fuel, parts and tires. Facility expenses include electricity and gas.

Significant Changes from 2016 to 2017

- No significant changes anticipated.
- Following are maintenance challenges:
 - With our coach bus fleet currently averaging 290,000 miles and cutaways at 180,000 miles, we are experiencing major component failures that significantly increase our parts costs. Some of these components consist of: starters, alternators, air-compressors, injectors and diesel particulate filters. We anticipate at least 50 percent

- (9) of our coach bus fleet will require some or all of the components requiring replacement within the next year. Repair and maintenance costs continue to rise. With an emphasis on improved fleet appearance and more accurate body damage reporting we have experienced an increase in body shop repairs. When possible we will repair in-house; however, we are not equipped to repair or paint body panels.
- Facility repair and maintenance costs may stabilize. With continued predictive maintenance and the addition of a new roof, LED lighting and other upgrades the Johns Prairie Facility is beginning to become less labor and material intensive. Items of continued concern are plumbing issues, especially waste. Electrical systems are another; we are not equipped or certified to repair high voltage circuitry.

Operations Team Mission Statement

The mission of the Operations team is to provide a range of safe, courteous and on-time transit services to best meet the needs of the riding public in Mason County.

Goals for 2017

- Provide refresher training to 2/3 of the driver workforce
- Hire and train new drivers as needed (3 classes)
- Provide refresher training to dispatcher/schedulers
- Reduce overall preventable accidents rate to 1.25 per 100,000 miles, annualized.
- Monitor service as it is being provided, to ensure service quality
- Provide nearly 70,000 hours of directly operated service in 2017, including fixed route, dial-a-ride, and regional express.

Major Revenue and Cost Drivers

- Fare box recovery: Out-of-county fixed route fares, vanpool and worker/driver programs
- Labor, uniforms

Significant Budget Changes from 2016 to 2017:

Impact on wages and benefits as a result of the:

- Drivers who average above 30 hours per week must be moved to full-time due to compliance requirements of the Affordable Care Act (ACA).
- Reducing the number of operations supervisors to two, along with the addition of four lead drivers saves one-half the cost of a supervisor.
- With the disbanding of Outreach, Ops will handle Express and General Service advertising, exterior bus ads, transit schedules, events, promotional supplies, monthly bus passes, interior bus posters and booth displays and sponsorships

Transit-Community Center (T-CC) Team Mission Statement

The T-CC team works to continually go beyond expectations to serve our customers through ridership support and information, as well as finding innovative ways to professionally meet the needs of our community center users and tenants.

T-CC Team Goals for 2017

- Maximize event uses at the T-CC
- Maintain 100% occupancy of lease spaces at the T-CC expected by the end of 2016
- Complete Parking Plaza project
- Continue to reinforce transit code of conduct culture at the T-CC

Major Revenue

- Tenant leases
- Event fees
- Users fees

Budget Changes from 2016 to 2017

- Income from space and event leases will increase in 2017
- Income from event rentals will increase in 2017

2017 Work Items

Complete shelter replacement and upgrade project
Begin to formalize shift from flag-stop to fixed-stop service in Shelton's urban area
Install bus stop signs through Mason County
Park & Ride project (through 2019)
T-CC parking lot construction
Review personal protection equipment requirements. Purchase highly visible safety vest with MTA logo
NEMS training and preparedness; create procedures and training for lockdown situations
Complete LED headlamp replacement on buses
Re-train all drivers on a regular basis in order to provide consistent service and safety
Negotiate remaining union contracts
Review and update Employee Handbook based on union contracts
Establish Driver Awareness and Training Program to encourage reporting of near misses
Communicate expectations to staff through Employee Appraisals and Coaching/Counseling; establish consistent practices.
Continue to explore new options in hiring practices, positions, organizational structure and retention by looking at other transit agencies' practices and structure as well as working towards efficiency through job description review
Review benefit package and medical insurance options in preparation for 2018 changes due to Affordable Care Act Cadillac Tax
Implement a review plan for exempt and non-represented staff salaries and benefits
Prepare for retirement of HR Manager. Look at other key positions to begin establishing succession planning and establishing an internal process for promoting within first
Increase face-to-face time between staff
Establish Joint Labor Management Committees for each bargaining unit; establish a meeting schedule
Create e-learning and resource library
Invest in technical training for staff specific to route planning and development
Explore technological advances that can streamline our scheduling process
Research automated fueling
Create Financial Management Manual
Prepare for the 2018 alternative fuel mandate
Evaluate the facilities infrastructure with regard to MTA's ability to maintain obligations for current and planned facilities
Increase public relations activities and involvement on boards of local non-profit organizations that promote and support the growth of the community
Continue to work with City and County on fostering collaborative relationships
Respond to LMTAAA RFQ to secure funding for volunteer driver program
Develop a route deviation policy
Improve current rider materials, specifically the schedule book; translate rider materials into Spanish
Research to determine feasibility of bus wash
Evaluate available options and pilot implementation of driver tablet use
Develop a work plan for parking lot upgrades
Develop bridging activities, such as a job shadow program and internships, to create career pathways between youth (high school & college) and MTA

