



2005
Pierce Transit
BUDGET



The photograph on the cover of this document features the new contemporary design and eye-catching color scheme being used on vehicles, facilities, and marketing materials. A consistent use of this design will provide a systematic program and identity for communicating with the public.

Photo taken by Dane Meyer

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2005 BUDGET

Fiscal Year January 1, 2005 through December 31, 2005

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Chief Executive Officer

Prepared By
The Finance and Administration Department

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Appreciation is extended to everyone who contributed to the development of the budget and to those who will implement the plan.

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



2005 BUDGET READERS GUIDE

In brief:

The adopted budget document contains a variety of information regarding Pierce Transit. To assist the reader in locating subjects of interest, this **Reader's Guide** and the **Quick Reference Guide** are provided. The **Table of Contents** and Glossary and Acronym List found in the **Appendix** provide additional information.

The flow of the document is designed to assist the reader in understanding the current budget with analyses and comparisons, the Agency organization, and the planning and budget processes including financial requirements.

Document Organization

The Pierce Transit Budget has six major sections: **Introduction, Budget Summary, Operating Budget, Capital Budget, Insurance Budget, and Appendix**. The Operating Budget is further separated by department: **Executive, Operations, Maintenance, Technology & Transit Development, Human Resources, and Finance & Administration**. The divisions in each department are included.

The **Introduction** contains the Board of Commissioners page, Organizational Chart, Budget Transmittal, the Budget In Brief, Fact Sheet and Resolution of adoption of the budget, Agency Overview, and the Strategic Business Plan.

The **Budget Summary** provides a Financial Overview of the budget, Personnel Summary and Detail of Changes, Debt, Ending Balances Requirements, Strategic Approach to the Budget, Financial Policies and Goals, Basis of Budgeting, The Budget Process, Annual Budget Development Calendar, Mission, Goals, and Mission Driven Budget Objectives, and Performance Indicators. The Financial Overview provides a comparison between the 2003 year-end actuals, 2004 amended budget, 2004 year-end estimate, and 2005 budget totals. The Performance Indicators section includes operating and performance information for service modes.

The **Operating Budget** contains revenue and expenditure descriptions, distributions, projections, comparisons, and analyses. The Department and Division budgets are included in this section with descriptions, organization charts, and narrative information.

The **Capital Budget** includes a Capital Improvements Summary, Capital Summary of financial comparisons, Capital Budget Summary by Department, Capital Budget by Division/Project, and Capital Budget Operating Costs.

The **Insurance Budget** includes a summary and insurance expenditure comparisons.

The **Appendix** includes a Service Area Map, Acronym List, Budget Glossary, and information about Our Community.



2005 BUDGET QUICK REFERENCE GUIDE

In brief:

The Quick Reference Guide is provided to assist the reader in locating key information contained in the Pierce Transit budget.

Information on some of the interesting and significant happenings at Pierce Transit can be found on the dividers for each section of the document.

See the Appendix for information about our community.

To find:

- The overall policies which guide the 2005 Budget
- The Agency's major expenditures and revenue sources
- The long-term financial outlook of the Agency
- Capital projects planned for 2005
- How Pierce Transit is organized
- Employees budgeted for 2005
- Ridership and performance statistics
- Primary responsibilities of the department
- Comparison of 2004 amended, 2004 year-end estimate, and 2005 budgeted expenditures
- Budget expenditures by division

Refer to:

Chief Executive Officer's Budget Transmittal; Budget In Brief

Overall Summary

Six-Year Financial Plan

2005 Capital Budget

Pierce Transit Organizational Chart and Agency Overview

2005 Personnel Summary

Budget Summary

"Department Description" for the Department

"Department Expenditure Summary" for the Department

"2005 Budget Department Expenditure" for the Department

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Introduction

Budget Summary

Introduction

Capital Budget

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Budget Summary

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Department

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Chief Executive Officer announces retirement

Don S. Monroe, Chief Executive Officer of Pierce Transit for almost 24 years, has announced his plans to retire.

Under Monroe's leadership, Pierce Transit has become one of the most respected transit agencies in the country and has been recognized as an innovative leader in the transit industry, operating one of the nation's largest fleet of compressed natural gas (CNG) powered buses. The agency is nationally known for its service quality, fiscal stability, and innovation with CNG buses.

Pierce Transit has earned numerous local and national awards including the transit industry's highest honor, the American Public Transit Association's "Outstanding Achievement Award" for efficiency and effectiveness.

Pierce Transit is highly regarded in the local community. The agency has a reputation for being customer-focused, financially prudent, and active in the community. Pierce Transit employees - particularly the transit operators - are continually praised by customers for their courteous and professional demeanor.

Monroe's commitment to excellence is repeatedly reflected in the transit services provided to Pierce County residents. The Board of Commissioners has recognized Monroe as a pragmatic, effective leader who has succeeded in developing a transit agency that is both a source of community pride and a model for the industry.

Introduction



2005

Pierce Transit BOARD OF COMMISSIONERS

Principal Officials



Commissioner
Kevin Phelps
Tacoma City Council
Chairman
Term Expires 5/1/05



Commissioner
Bill Baarsma
Mayor, City of Tacoma
Vice Chairman
Term Expires 5/1/07



Commissioner
Mike Deal
Cities of Puyallup/
University Place
Term Expires 5/1/06



Commissioner
Dave Enslow
Small Cities and Towns
Term Expires 5/1/07



Commissioner
Calvin Goings
Pierce County Council
Term Expires 5/1/06



Commissioner
Bill Harrison
Lakewood City Council
Term Expires 5/1/05



Commissioner
John Ladenburg
Pierce County Executive
Term Expires 5/1/05



Commissioner
Terry Lee
Pierce County Council
Term Expires 5/1/07



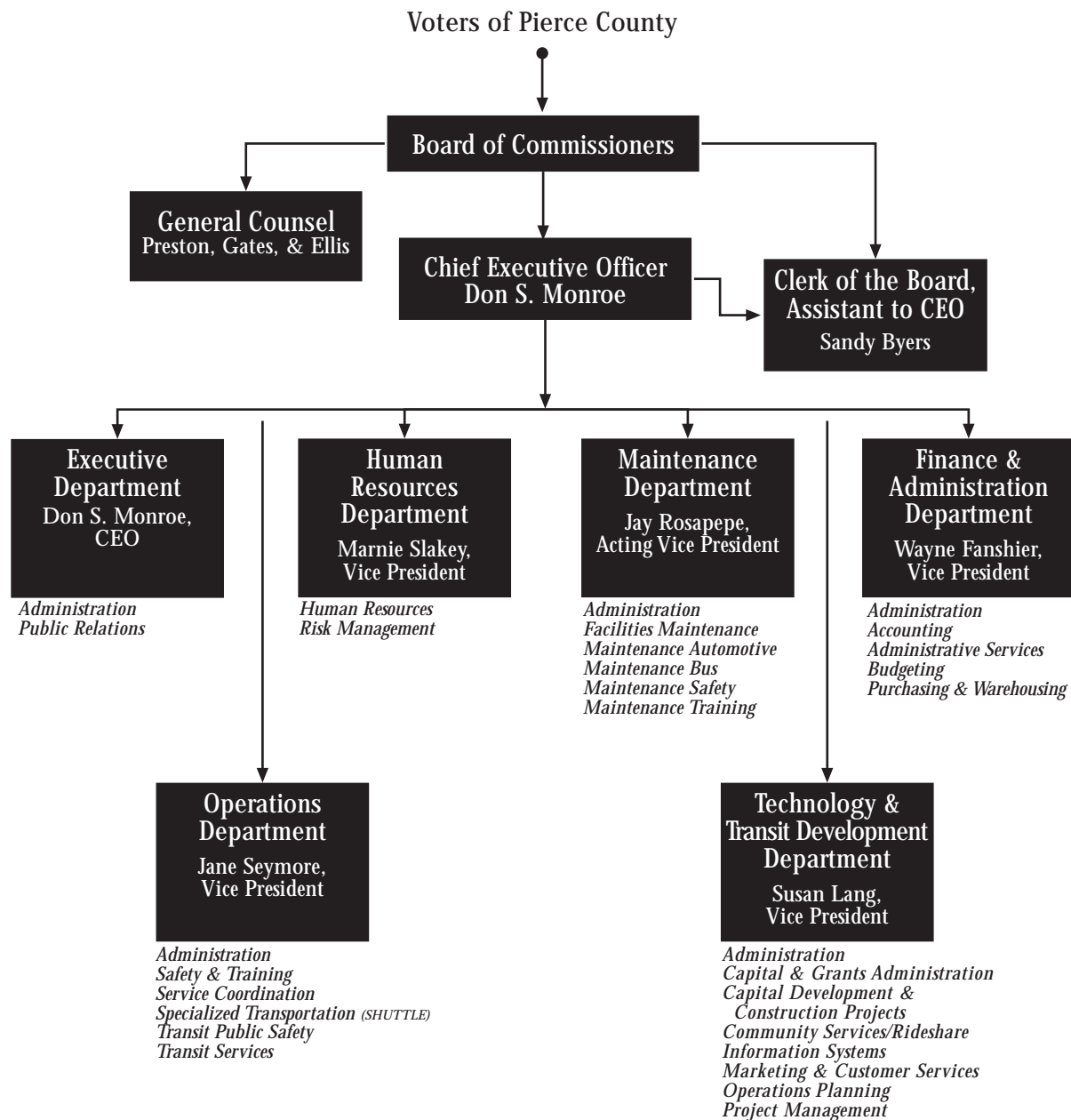
Commissioner
Rick Talbert
Tacoma City Council
Term Expires 5/1/06

Pierce Transit is a separate municipal corporation, not part of the City of Tacoma or Pierce County. A nine-member Board of Commissioners oversees the agency. The board is made up of elected officials.



2005

Pierce Transit ORGANIZATIONAL CHART





In brief:

A balanced budget

Fiscally prudent

Sustainable

Aligned with Six-Year Plan

Revenues support expenditures

Meets designated balance
requirements

Funds all programs - operating,
capital, and insurance

Budget priorities

- Keep pace with growth
- Provide convenient, quality transportation service
- Increase ridership
- Continue our Proposition 1 promise
- Respond to transportation issues

2005 BUDGET TRANSMITTAL

DECEMBER, 2004

TO: PIERCE TRANSIT BOARD OF COMMISSIONERS, CITIZENS AND EMPLOYEES

FROM: DON S. MONROE, CHIEF EXECUTIVE OFFICER

I am pleased to present the 2005 Pierce Transit Budget as adopted by the Board of Commissioners on December 13, 2004. It is a balanced budget that is fiscally prudent. It continues to fulfill promises made to voters during the campaign for Proposition 1 in February 2002 that increased sales tax support. The 2005 budget provides modest service increases while anticipating the capital and operating needs of the next six years.

Traffic congestion is one of the most significant issues facing our region. The Texas Transportation Institute's 2004 Urban Mobility Report concluded that the average urban commuter was stuck in traffic 46 hours in 2002, a staggering increase from just 16 hours in 1982. Pierce County is seeing the same trend as the 85 biggest U.S. cities where congested traffic costs commuters an estimated 3.5 billion hours a year. Projections indicate it will only get worse as the population of Pierce County increases by more than 200,000 to 912,700 people by the year 2020. The result will be an increased demand for viable public transportation options. The 2005 Budget responds to Pierce Transit's mission to "Deliver outstanding transportation services that match our customers' needs."

In order to help reduce traffic congestion and reduce commute times, we will provide increased bus service and an increase in the number of vanpools while encouraging people to use public transportation options. Our service improvements support the efforts of Pierce County to achieve the Washington State Growth Management Act standards for land use. The service initiatives that were first identified in the *2004-2009 Strategic Business Plan* will continue to be implemented throughout 2005. That plan stresses improvements to the system's most productive transit routes.



2005 BUDGET TRANSMITTAL

We will also continue our objectives to increase both market share and the total number of people using our services by improving service quality. To accomplish this, we are continuing to focus our attention on customer comfort, convenience, and safety. Customer-directed improvements concentrate on vehicle replacements, and facility improvements to bus stops, shelters, and transit centers. This budget will contribute to meeting these objectives.

A new route, Route 3, will link Lakewood with the Tacoma Mall and Downtown Tacoma. It will replace existing local services operating along the same corridor, following the proven recipe of frequent fifteen-minute service on weekdays, operating seven days per week, complemented by upgraded bus stop amenities, expanded customer information signage, and aggressive marketing outreach. This successful combination resulted in significant ridership increases on routes 1 and 2, and improvement to routes.

At the same time, we will continue to monitor system performance, while exploring methods that reduce operating costs, and implementing remedial improvements on routes that do not meet adopted performance standards. Part of this effort will be the conversion of Route 61, serving rural northeast Tacoma area, to Bus PLUS service. This combines the attributes of fixed route service and special needs transportation into a single, cost-effective transportation alternative. Plans call for the introduction of this service in September into the Bonney Lake and Buckley area.

Improvements are projected to increase fixed route service hours by 2.4%. This is comprised of a 3.0% increase for Pierce Transit and a 0.3% increase for Sound Transit. Service miles are also increasing, 2.8% for Pierce Transit and 0.3% for Sound Transit, for an annual total of 12,157,404 miles. Ridership on Pierce Transit fixed route service is estimated to increase 7.9% to 12,798,119 in 2005. Likewise, Sound Transit bus ridership is expected to increase by 2.0% to 2,103,372. Specialized Transportation (SHUTTLE) ridership is projected to increase by 2.4% for a total of 505,610, as well as a Vanpool ridership increase of 8.4% to 759,000. The combined total results in an annual ridership projection of 16,166,101.



2005 BUDGET TRANSMITTAL

Sales tax revenue, at the rate of six-tenths of one percent, continues to show growth in 2004 with conservative projections for 2005. This revenue growth enables continuing service improvements.

This budget includes items that are mandatory for the operation of our business. Some of those items have market-driven, variable pricing, like the cost for fuel, utilities, and contracted services that drive increased expenditures. Items that fall within our control have been evaluated to assure they are essential and contribute to the provision of service.

While the 2005 Budget is balanced and sustainable over the next six-year period, we are faced with significant factors that may influence the future. These include the possibility of employee participation in Social Security and bargaining unit negotiations with the expiration of the labor contract on June 30, 2005.

Although the budget represents one year, we are always keeping an attentive eye on the future. The budget is our annual economic blueprint that is driven by our Six-Year Strategic Business Plan. Within the next six years, Pierce Transit will improve and increase the capacity of our park and ride facilities, install additional bus stop shelters, and implement a Regional Fare Coordination electronic 'smart card' for fare collections. Together, these and other improvements will contribute to the efficiency and effectiveness of Pierce Transit services, thereby increasing consumers' acceptance and increased use of public transportation options. This will fulfill the objective of helping to decrease traffic congestion.

The specifics of our 2005 Budget and the factors contributing to the changes from 2004 follow. Please see the Quick Reference Guide, the Readers' Guide, and the Table of Contents for greater understanding of this document. We look forward to the implementation of this budget and the successful accomplishment of our goals and objectives in support of the Agency mission in 2005.

A handwritten signature in black ink, appearing to read "Don Monroe".

Don S. Monroe, Chief Executive Officer



2005 BUDGET IN BRIEF

In brief:

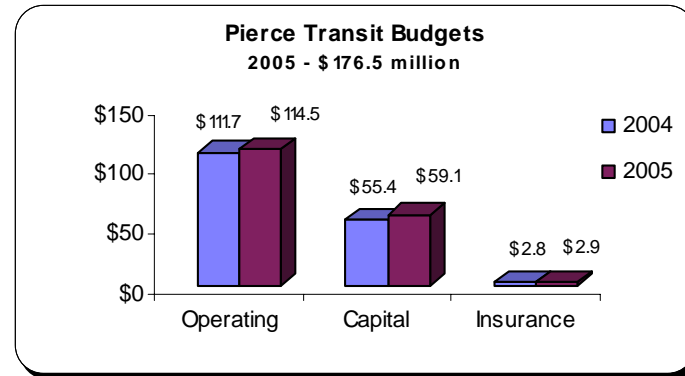
Pierce Transit is a single enterprise fund. The 2005 preliminary balanced budget totals \$176,493,700. Internal transfers are \$27,208,600 resulting in a net budget of \$149,285,100.

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 Fund finances the day-to-day operations of the Agency. The capital fund contains revenues and expenditures associated with capital acquisitions. The Insurance Fund is maintained for the self-insurance expenses for liability claims, workers' compensation, and unemployment costs.

Agency Budget Summary



The Operating Fund is the primary fund of the Agency. The budget includes revenue from fares, advertising, sales tax, federal (preventive maintenance) and state grant funding for operating projects, reimbursement from Sound Transit for the Seattle Express service, interest earnings on the Operating Fund balance, and other operating revenue. The Operating Budget expenditure categories include wages and benefits, maintenance, and operations.

The Capital Budget revenues include federal and state grant funding, interest earnings on the Depreciation Fund balance, and transfers from the Operating Fund. Capital expenditures include the acquisition of replacement and expansion vehicles, design and construction of passenger facilities and base improvements, technology projects, and the acquisition of information systems, communication systems, and administrative and maintenance equipment.

The Insurance Budget includes the projected interest earnings on the Insurance Fund balance and transfers from the Operating Fund. Insurance expenditures include liability self-insurance claims, professional services, legal services, workers compensation, and unemployment costs.



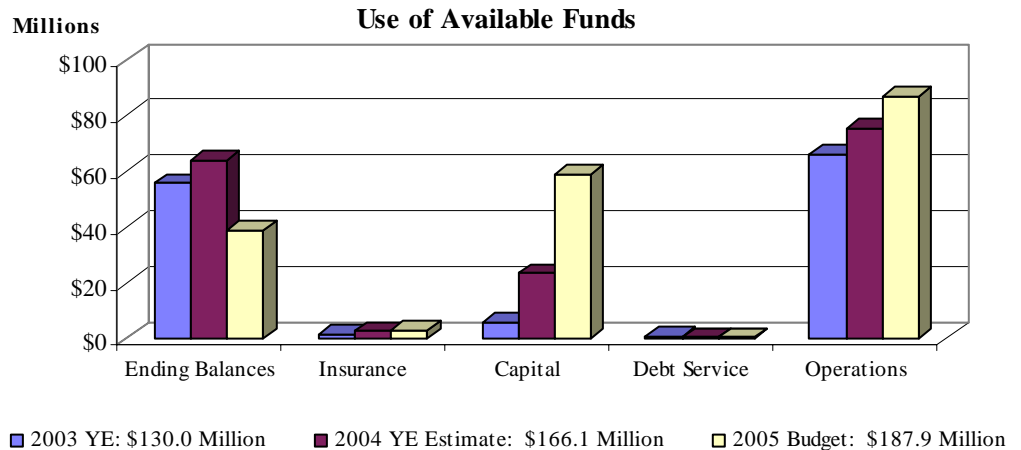
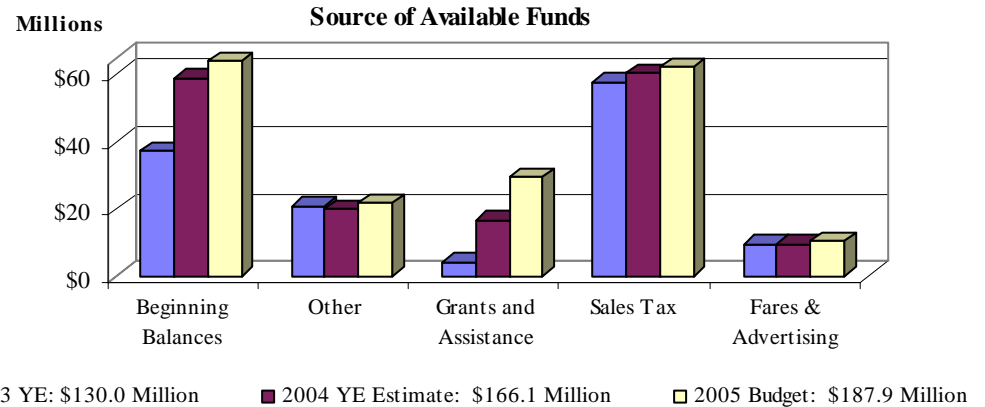
2005 BUDGET IN BRIEF

A look at the future and the past

A comparison of revenues and expenditures including beginning balances and ending balances for 2003 year-end actuals, the 2004 year-end estimates, and 2005 Budget is shown.

The major change in 2005 revenues is grant revenues for special needs transportation and capital improvement projects.

Expenditure increases are driven by operating and capital grants, service increases, system growth, increased personnel costs for wage and labor agreement adjustments, and health and retirement benefits.





2005 BUDGET IN BRIEF

In brief:

The budget includes operating revenues, operating expenditures, debt service, and transfers, and are defined as follows.

Operating Revenues – Funds received to pay for ongoing operations.

Operating Expenditures – Funds paid for the cost of providing services.

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

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

Operating Budget

The 2005 operating revenues of \$98,855,200 support the operating expenditures of \$84,048,600. The operating budget revenue for 2005 is increasing by 9.1% and expenditures are increasing 11.3% over year-end estimates.

	2004 Amended <u>Budget</u>	2004 Year-End <u>Estimate</u>	2005 <u>Budget</u>	Year-End Est. Change <u>Amount</u> <u>%</u>
Operating Revenues	\$ 89,569,200	\$ 90,647,400	\$ 98,855,200	\$ 8,207,800 9.1%
Operating Expenditures	(76,854,400)	(75,530,300)	(84,048,600)	(8,518,300) 11.3%
	12,714,800	15,117,100	14,806,600	
Debt Service	(490,000)	(490,000)	(483,000)	
Pierce County Agreement	-	(80,000)	(2,805,900)	
Operating Transfers	(34,306,000)	(22,513,400)	(27,208,600)	
Use Of Designated Balances	<u>\$ (22,081,200)</u>	<u>\$ (7,966,300)</u>	<u>\$ (15,690,900)</u>	

Debt service is maintained for the authorized debt financing for the Agency. The 2005 budget includes a principal and interest bond payment of \$483,000. There are six remaining payments to satisfy the debt service requirement of the 1999 refinancing bonds, which are the only outstanding bonds.

The Pierce County agreement authorizes the transfer and exchange of federal funds that are included in the 2005 Budget.

The use of designated balances supports the acquisition of items in the Capital Budget.



2005 BUDGET IN BRIEF

In brief:

The type of revenue and 2005 dollar and percent change from 2004 year-end estimate provided in the table is briefly explained as follows.

Explanation of Change:

Fares – ridership increase

Advertising –
advertising demand
new contract

Sales Tax – estimated increase

Operating Assistance – grants

Sound Transit –
ridership increase
reimbursement rate
services provided

Interest –
investment balance
interest rates

Other – salvage sales

Operating Revenues

	2004 Amended <u>Budget</u>	2004 Year-End <u>Estimate</u>	2005 <u>Budget</u>	Year-End Est. Change <u>Amount</u> <u>%</u>
Fares	\$ 9,068,200	\$ 9,112,700	\$ 9,821,400	\$ 708,700 7.8%
Advertising	664,000	564,500	763,900	199,400 35.3%
Sales Tax	59,187,800	60,441,500	62,147,200	1,705,700 2.8%
Operating Assistance	3,674,700	3,817,600	7,738,700	3,921,100 102.7%
Sound Transit	15,777,700	15,611,600	17,681,200	2,069,600 13.3%
Interest	539,000	539,000	126,500	(412,500) -76.5%
Other	657,800	560,500	576,300	15,800 2.8%
	<u>\$ 89,569,200</u>	<u>\$ 90,647,400</u>	<u>\$ 98,855,200</u>	<u>\$ 8,207,800</u> 9.1%

Fares - No rate increase is planned for fixed route and SHUTTLE in 2005. The current adult rate is \$1.25 following a \$.25 increase in January 2002. A fare increase is anticipated in 2006. Vanpool fares were revised in April 2004 to recognize cost increases. They are scheduled to be reviewed again in 2006. The increase in fare revenue over 2004 year-end estimate is a result of projected ridership increases.

Advertising - Revenues are increasing due to projected advertising demand and the new contract.

Sales Tax - The 2005 sales tax projection is based on a growth estimate of 5% over 2004 budget and 2.8% over the 2004 year-end estimate for actual collections available at the time of preparation. If revenues exceed the projections, they will be used to accelerate services scheduled in the Six-Year Financial Plan.



2005 BUDGET IN BRIEF

Operating Assistance - This source consists primarily of Federal Transit Administration 5307 Preventive Maintenance dollars of \$2,675,000 for 2005. Federal funds have decreased over the last two years due to the 2000 Census data that prompted a redistricting of federal allocations joining Pierce County with King and Snohomish counties. This negatively impacted Pierce Transit by changing the distribution of grant funds. Also included in the Operating Assistance is a \$500,000 SR-7 Service Demonstration Grant, \$305,200 for Commute Trip Reduction and Vanpool Assistance, and \$1,026,108 for a Washington Department of Transportation grant for special needs transportation. In 2004, Pierce Transit entered into an agreement with Pierce County for the use of federal formula funds as approved by the Federal Transit Administration. The agreement requires a distribution from Pierce Transit to Pierce County for a portion of these funds.

Sound Transit - Pierce Transit is under contract with Sound Transit to provide regional express services that operate within and from Pierce County. For 2005, Sound Transit is increasing the service hours 0.3% from 175,262 to 175,776. The rate of reimbursement is a negotiated rate subject to change until final negotiations have taken place. Sound Transit also reimburses for their share of costs associated with the Tacoma Dome Station, security, liability claims, and special services.

Interest - Interest revenue estimates are based on anticipated revenues and projected interest rates.

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. A Job Access and Reverse Commute Program (JARC) grant is included. These funds 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.



2005 BUDGET IN BRIEF

In brief:

The 2005 budget reflects the best use of the available funds for the efficient and effective provision of service to the community.

The type of expenditures and 2005 dollar and percent change from 2004 year-end estimate provided in the table is briefly explained as follows.

Explanation of Change:

Wages –

- wage adjustments
- new personnel

Benefits –

- medical premium increases
- retirement costs

M&O –

- service increases
- system growth
- fuel costs

Operating Expenditures

	2004 Amended <u>Budget</u>	2004 Year-End <u>Estimate</u>	2005 <u>Budget</u>	Year-End Est. Change <u>Amount</u>	<u>%</u>
Wages	\$ 43,737,300	\$ 43,452,900	\$ 47,055,200	\$ 3,602,300	8.3%
Benefits	10,455,900	9,325,800	12,281,800	2,956,000	31.7%
M & O	22,661,200	22,751,600	24,711,600	1,960,000	8.6%
Total Operations	76,854,400	75,530,300	84,048,600	8,518,300	11.3%
Debt Service	490,000	490,000	483,000	(7,000)	-1.4%
Pierce County Agreement	-	80,000	2,805,900	2,725,900	3407.4%
Total	<u>\$ 77,344,400</u>	<u>\$ 76,100,300</u>	<u>\$ 87,337,500</u>	<u>\$ 11,237,200</u>	14.8%

The changes from the 2004 year-end estimate to the 2005 budget are as follows:

Wages - The 8.3% change from the 2004 year-end estimate to the 2005 budget is driven primarily by wage increases for personnel, FTE increases, and the annualized cost of 2004 positions. The current Master Agreement with the transit union is for a three-year period, July 1, 2002 through June 30, 2005.

A total of 38 additional position requests for 2005 include 36 for Operations and Maintenance for new service and system growth, and 2 temporary positions to cover retirements. Positions are increasing 4% over 2004.

Benefits - Benefit costs are accelerating due to health premium and retirement contribution increases, and the increase in personnel. Premera Blue Cross, the major medical provider, is increasing premiums nearly 11% in 2005. The Washington State Public Employees



2005 BUDGET IN BRIEF

Retirement System (PERS) has increased the employer contribution rate from 1.4% to 5.27% of eligible wages effective July 1, 2005.

Maintenance and Operations - The increase over 2004 is driven primarily by service increases and inflation. The increase is in line with the Seattle-Tacoma CPI increase of 2% for the year ending June 2004. The insurance market has stabilized and for the first time in three years there will not be an increase in the Agency's excess liability insurance rate. Savings of approximately \$140,000 will result from the decision to self-insure the vanpool liability program. The increase in publicity supports service changes. Purchased Transportation expenditures are decreasing as a result of the elimination of the taxi service contract. The service will be provided internally or with an existing service provider.

Fuel - The fuel expenditures for 2005 are 4% of the total operating budget. Compressed Natural Gas (CNG) comprises 62% of the fuel costs. The Pierce Transit fleet is 100% CNG powered in 2005. The increase in CNG price from \$.61 to .75 per therm in 2005 reflects the expiration of the very favorable price in the prior contract effective November 1, 2003. A new six-month contract reflects the current market conditions at \$.741 per therm. The unleaded and diesel cost estimates are based on the best information available. The costs have been extremely volatile in 2004. While the current prices as of 10/21/04 in these two categories exceed the budgeted estimates, it is anticipated that these costs will level off in 2005.

The fuel prices from 2004 Amended Budget, current, and 2005 Budget are shown below.

Fuel Prices

	2004 Amended Budget	2004 as of 10/21/04	2005 Budget
CNG	\$0.61	\$0.61	\$0.75
Diesel	\$0.96	\$1.68	\$1.62
Unleaded	\$1.23	\$1.67	\$1.60



2005 BUDGET IN BRIEF

In brief:

Operating expenses for 2005 are projected to total \$84.0 million.

Expenses are increasing \$8.5 million over year-end estimates as a result of service increases for both Pierce Transit and Sound Transit, additional personnel required to meet the increased service levels, labor agreement adjustments, medical and dental premium increases, and maintenance and operating cost increases attributable to the service increases and inflation.

Itemization of Budgetary Changes

The 2005 total operations budget is 11.3% above the 2004 year-end estimate. An itemization of this increase, which is comprised of 8.7% in personnel and 2.6% in maintenance and operations expenditures, is shown in the following charts.

Itemization of Wage & Benefit Changes

Personnel	
Wages	1.7%
Wages - New	1.9%
Wages - Annualization	0.9%
Contract Wages	0.3%
Benefits	0.8%
Benefits - New	0.4%
Benefits - PERS	1.6%
Benefits - Medical	1.1%
Total Personnel	8.7%

Itemization of Budgetary Changes

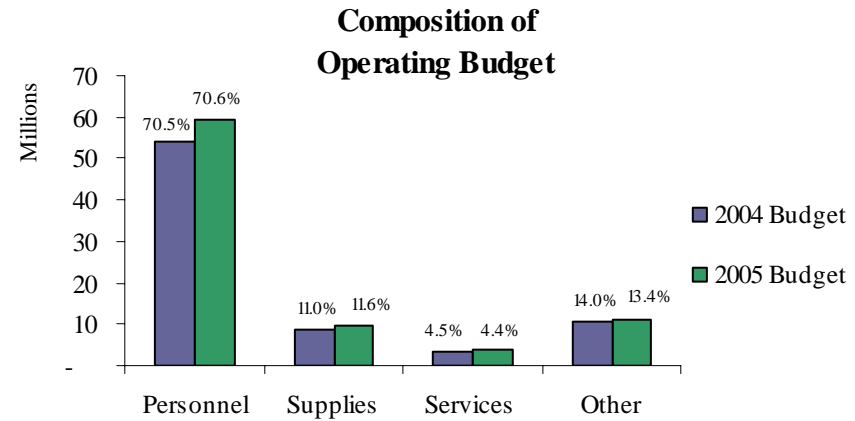
M&O	
Supplies	0.0%
Fuel	1.3%
Tires & Tubes	0.2%
Services	0.2%
Publicity	0.4%
Security	0.1%
Insurance	-0.2%
Utilities	0.1%
Repairs & Maintenance	0.2%
Other	0.8%
Purchased Transportation	-0.6%
Other Contract Services	0.1%
Total M&O	2.6%



In brief:

As shown on the graph to the right, while the overall budget expenditures have increased, the composition of the budget is nearly identical in both years. Personnel costs continue to be approximately 70%, supplies 12%, services 4%, and other 14% of the Operating Budget.

2005 BUDGET IN BRIEF





2005 BUDGET IN BRIEF

In brief:

The Capital Budget is comprised of the following categories.

Revenue Vehicles – 24%

Passenger Facilities – 17%

Base Facilities Expansion – 17%

Information Systems – 33%

Other – 9%

A description of the major capital projects and a detailed project list reflecting the responsible division, carryover, and grant support are located in the Capital Budget section of this document.

Capital

Capital projects for 2005 are currently budgeted at \$59,092,615. Approved but unspent projects are carried over to the following budget year. The 2005 budget contains approximately \$31 million of prior year budgeted funds (carryover). Capital expenditures are supported by \$24 million in grant revenue primarily from the Federal Transit Administration.

	<u>Carryover</u>	<u>New</u>	<u>Total</u>
Revenue Vehicles	\$ 4,207,845	\$ 9,888,395	\$ 14,096,240
(Buses – 15 replacement, 5 expansion Vanpool Vans – 44 replacement, 10 expansion Shuttle Vehicles – 15 replacement)			
Passenger Facilities	5,612,839	4,326,482	9,939,321
(Parkland Transit Center/SR-7 improvements, Peninsula Park and Ride land acquisitions and design, Roy Y Park and Ride redevelopment design, Bus Stop replacements and improvements)			
Base Facilities Expansion	9,347,554	455,222	9,802,776
(Base Expansion (South Base), Training and Administration Building construction, Base Expansion (East Base) design, CNG 4 th Compressor)			
Information Systems	6,912,631	13,081,529	19,994,160
(Mobile Communications Systems, Shuttle Software Replacement)			
Other	5,043,099	217,019	5,260,118
(Regional Fare Integration (Smart Card), Support Vehicles, Maintenance and Administrative Equipment)			
	<u>\$ 31,123,968</u>	<u>\$ 27,968,647</u>	<u>\$ 59,092,615</u>



2005 BUDGET IN BRIEF

Insurance

The 2005 Budget of \$2,855,000 reflects an increase of \$180,600 from the 2004 year-end estimate of \$2,674,400. The increase is a result of claims experience. Sound Transit reimburses Pierce Transit for their actual self-insurance losses.

Debt

The 2005 Budget includes the principal and interest bond payment of \$483,000. There are six remaining payments to satisfy the debt service requirement of the 1999 refinancing bonds, which are the only outstanding bonds. Additional information regarding debt service is in the Debt section of this document.

Ending Balances

At the end of 2005, the total Agency fund balance will be \$38.6 million. This is a decrease of \$25.3 million from the prior year. The use of the designated fund balance reflects the capital expenditures anticipated in 2005 while maintaining designated balances at levels required by Board policy.



2005 BUDGET IN BRIEF

In brief:

“Tacoma-Pierce County has boldly emerged from the recent and national economic slowdown with strong momentum. New public and private investment, a dynamic port, new housing and attractions, national and regional recognition for “livability” and increased military presence have helped create an environment of substantial economic growth. These forward steps will help give our region a competitive edge and deserved reputation as we move to build an even more attractive climate for business growth.”

*Source: Tacoma-Pierce County Chamber
2004 Annual Report
Message from the Chair of the Board*

Economic Outlook:

Will incomes rise and unemployment decline? Will the end of tax breaks impact consumer spending? Will interest rates rise? Will auto dealers continue financing incentives? Will the public begin to rebuild wealth by saving more? The answers to these questions and the resulting local economic conditions play a major part in the sales tax revenue generation for Pierce Transit. The sales tax rate for Pierce Transit at 6/10ths of 1% is anticipated to generate over \$62 million dollars in sales tax revenue in 2005. In creating the long-term financial plan and preparing the annual budget, local conditions and issues are closely examined. A major source of information is The Pierce County Economic Index Report. The report is provided annually and supported by major Pierce County businesses and the Tacoma-Pierce County Chamber. This report, prepared by University of Puget Sound professors Bruce Mann, Ph.D. and Douglas Goodman, Ph.D., continues to be the foremost regional tool for planning ahead. Information from the report follows.

The Pierce County economy turned the recovery from the mild downturn of 2001 into a full-fledged expansion. With recovery beginning early in 2002, and gaining momentum and strength through 2003 and early 2004, by the end of 2003 the local economy completely recovered from the negative effects of 2001 and the Pierce County Economic Index (PCEI) set quarterly records through the first half of 2004.

The expansion will continue through the second half of 2004, but at a slightly slower pace. The Pierce County economy has become one of the strongest economies in the region. The pace of economic growth in Pierce County has outstripped the national rate by almost two percentage points (5.8% compared to 4.1%).



2005 Pierce County

Economic Growth Drivers

Military
Construction
Tourism

2005 BUDGET IN BRIEF

Pierce County's strong economic growth in 2004 can be attributed to a significantly reduced level of uncertainty – a factor that dampened investment and growth in 2002 and 2003. The negative impacts from Boeing's decision to close the 757 production line have been absorbed at the local level while the positive 7E7 decision is now being factored into local decision making. The Federal Reserve Board's clear medium term monetary stance allowed investors and households to complete financing and refinancing plans in late 2003 and early 2004. Changes to troop levels and procurement plans at local military installations are plusses for Pierce County. Finally, businesses are experiencing the benefit from years of public and private infrastructure investments and are responding positively.

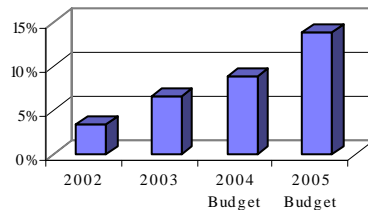
Economic activity in 2005 will continue moving up, but not at the strong 2004 pace. Economic growth in Pierce County will be just under 4% (3.7%) for the year – ahead of the county's long-term growth trend of 2.8%. The slower, but still significantly positive growth for Pierce County should provide a realistic and sustainable base for the future growth.

Much of the strength in 2005 will come from three sectors: military, construction and tourism. Unless the war in Iraq and the search for terrorists come to early conclusions, Pierce County's military installations will continue to inject significant spending into the local economy. Many local jurisdictions have started, or have plans ready to begin major construction projects – from town centers to industrial parks to retail developments. In addition, the public (Salishan) and private sectors are adding considerable new housing to the urban core areas of the county. The new hotel and convention center complex will provide support for an expanding tourist industry in Pierce County.



2005 BUDGET IN BRIEF

Sales Tax Revenue Growth

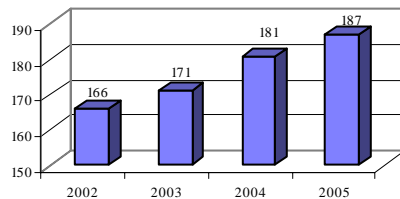


The year 2004 will end with a solid retail holiday season, up 6% from a year ago. Retail sales will increase by 6.5% for the year as a whole. Especially strong buying in the first half of 2004 pushed physical volume up by nearly 5% - one of the strongest performances in recent Pierce County history. More moderate dollar volume growth in the second half of the year will cause real retail activity growth to back off to 2.5%.

A more normal and sustainable pace will be recorded in 2005, with real (inflation adjusted) retail activity increasing by 2.6%. This will still be above the long-term trend growth rate of 1.7%. The above average pace will result from both the strengthened economy and expanded shopping options as central city “town center” developments are completed.

Retail sales growth will slow a bit in 2005 following the pace of local economic activity. When 2005 ends, retail sales in Pierce County will pass the six billion dollar level, up by 300 million dollars or 4.9% from 2004.

**Pierce County Economic Index
(1985 = 100)**



Throughout the last three years, a bright spot in the Pierce County economy has been the retail sector. This has proved to be very advantageous for Pierce Transit. Total sales were stronger than anticipated in 2003 and 2004 and Pierce Transit sales tax revenues increased over six percent in both years. Inflation is very low and not likely to increase significantly and the growing local economy is anticipated to drive retail spending activity again in 2005. This results in a projection for sales tax revenue to increase five percent over the 2004 budget matching the Pierce County Economic Index forecast.



2005 BUDGET IN BRIEF

Conclusion

We are confident that the 2005 Budget will provide a broad range of attractive transportation services that will increase the use of public transportation and benefit the community.



2005 BUDGET FACT SHEET

Fact Sheet:

A Fact Sheet is prepared to accompany resolutions presented to the Board of Commissioners. It provides information about the item in the resolution including preceding actions affecting the current request. It also includes budget information, background, alternatives, and the recommendation.

PIERCE TRANSIT FACT SHEET

AGENDA NO: 1

AGENDA DATE: 12/13/04

TITLE: Adoption of the 2005 Budget

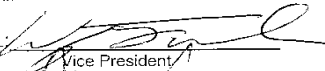
DEPARTMENT: Finance & Administration

ORIGINATOR: Wayne Fanshier

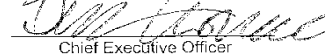
PRECEDING ACTION: Public Hearing on the Preliminary 2005 Budget

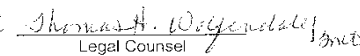
COORDINATING DIVISION: All

APPROVED FOR SUBMITTAL:


Vice President

APPROVED FOR AGENDA:


Chief Executive Officer


Legal Counsel

ATTACHMENTS: Resolution

BUDGET INFORMATION		
2005 Budget Appropriations	Expenditures	Revenues
Operating Budget		
Operating	\$84,048,600	\$98,855,200
Debt Service	483,000	-
Pierce County Agreement	2,805,900	-
Operating Transfers	27,208,600	-
Use of Designated Balance	-	15,690,900
	<u>\$114,546,100</u>	<u>\$114,546,100</u>
Capital Budget		
Operating	\$59,092,600	\$25,065,100
Operating Transfers	-	26,296,300
Increase in Designated Balance	-	7,731,200
	<u>\$59,092,600</u>	<u>\$59,092,600</u>
Insurance Budget		
Beginning Balance	\$ -	\$ 1,811,900
Operating	2,855,000	130,900
Operating Transfers	-	912,200
	<u>\$ 2,855,000</u>	<u>\$ 2,855,000</u>
Total Appropriations	<u>\$176,493,700</u>	<u>\$176,493,700</u>
Less Operating Transfers	<u>(\$27,208,600)</u>	<u>(\$27,208,600)</u>
Net Budget	<u>\$149,285,100</u>	<u>\$149,285,100</u>

Explanation: The 2005 budget represents total expenditures projected for the year in operating, capital and insurance. Of this amount, \$27,208,600 represents internal transfers, which leaves a net budget of \$149,285,100.

BACKGROUND: Pierce Transit's 2005 Budget is ready for adoption. Pierce Transit will provide 757,887 hours of fixed route service including Sound Transit's regional bus services for an



2005 BUDGET FACT SHEET

FACT SHEET PAGE 2

increase of 2.4% from 2004. This is comprised of a 3.0% increase for Pierce Transit hours and .3% for Sound Transit. Ridership is estimated to be increasing 7.9% for Pierce Transit fixed route service to 12,798,119. Specialized Transportation (SHUTTLE) ridership is increasing 2.4% for a total of 505,610. Vanpool ridership is increasing 8.4% to 759,000. This results in total ridership of 16,166,101.

To provide the planned level of service (local, express, SHUTTLE and vanpool) for 2005, the Agency's combined budget is \$176.5 million. Of this amount, \$27.2 million represents internal transfers, which leaves a net budget of \$149.3 million. The three components that make up this amount are the Operating Budget (65%), Capital Budget (33%), and Insurance Budget (2%).

Operating expenditures are budgeted at \$84.0 million. Additionally, the budget includes Debt Service of \$483,000, the Pierce County Agreement of \$2,805,900, and Operating Transfers of \$27,208,600. Expenditure increases of 11.3% in 2005 over the 2004 projected year-end are the result of service increases, system growth, personnel increases for wage and labor agreement adjustments, benefit increases, and inflation.

The 2005 service results in a workforce of 930 positions. A total of 38 additional position requests for 2005 include 36 for Operations and Maintenance for new service and system growth and 2 temporary positions to cover retirements. The total workforce consists of 638 Operations employees, 160 Maintenance employees, and 132 support employees.

The Agency will have capital expenditures of \$59.0 of which \$31.1 million is carryover from 2004. This includes 15 replacement and 5 expansion buses, 44 replacement and 10 expansion vanpool vans, and 15 replacement SHUTTLE vans. Passenger and base facility improvements, mobile communications systems, and fare integration (smart card), are also included. Capital expenditures are funded by grants and local funds.

Revenue to support the 2005 budget will come from a variety of sources. The operating budget's revenues include \$62.1 million in sales tax, \$9.8 million in fares, \$2.7 million from the FTA for preventive maintenance, and \$17.7 million in Sound Transit service reimbursement.

The Agency will start 2005 with \$63.9 million in designated balances and end 2005 with \$38.6 million. This decline is primarily the result of capital carryover from 2004 that is projected to be spent in 2005. The ending balance consists of \$5.9 million in the operating reserve, \$28.7 million in the capital reserve, and \$4 million in the insurance reserve. These reserves meet or exceed the Pierce Transit budgetary requirements.

The preliminary 2005 budget was reviewed by the Board of Commissioners Administrative/Finance/Audit Committee on November 8, 2004 and the Board of Commissioners at the Public Hearing on November 22, 2004.

ALTERNATIVES: The Agency is required to have an adopted budget for 2005. The Board, prior to that time or anytime throughout the budget year, can make modifications to the budget.

RECOMMENDATION: Adoption of the 2005 Budget



2005 BUDGET RESOLUTION

Resolution:

The resolution is the legal documentation of the formal action taken by the Board of Commissioners. It provides authority for the Agency to implement the action.

RESOLUTION NO. 04- 060

A RESOLUTION of the Board of Commissioners of Pierce Transit
Adopting the Annual Budget for Fiscal Year 2005

WHEREAS, the Chief Executive Officer has prepared a preliminary budget for
Fiscal Year 2005; and

WHEREAS, the Board of Commissioners of Pierce Transit has carefully
reviewed the preliminary budget; and

WHEREAS, the Board of Commissioners of Pierce Transit has now
determined that the preliminary budget assures the efficient and satisfactory delivery of public
transportation services to the residents within the boundaries of Pierce Transit; and

WHEREAS, the 2005 Budget proposes service to provide 16,166,101
passenger trips, and the service requires a workforce of 930 positions, which have been
evaluated and analyzed by the Human Resources Department; and

WHEREAS, the Board of Commissioners of Pierce Transit has recognized that
the salaries and wages in the 2005 Budget may represent partial compensation; and

WHEREAS, applicable state law requires that the Board of Commissioners of
Pierce Transit declare the salaries and wages paid to the Chief Executive Officer and non-
bargaining personnel after January 1, 2005 to be partial compensation for services rendered
during or after January 1, 2005 in order to permit any retroactive compensation changes; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners
of Pierce Transit as follows:

Section 1. The Annual Budget of Pierce Transit for Fiscal Year 2005 and each
and every item thereof as determined in the Preliminary Budget which was reviewed by the
Board of Commissioners to its final form and content and, by this reference, incorporated
herein as though fully set forth, and the same is hereby adopted as the Annual Budget of
Pierce Transit for Fiscal Year 2005.

Section 2. The summary of the total estimated revenues and expenditures for
appropriations for each separate fund of Pierce Transit and the aggregate totals for all funds
combined are as follows:




2005 BUDGET RESOLUTION

1			
2	2005 Appropriations	Expenditures	Revenues
3	Operating	\$114,546,100	\$114,546,100
4	Capital	59,092,600	59,092,600
5	Insurance	<u>2,855,000</u>	<u>2,855,000</u>
6	Total	<u>\$176,493,700</u>	<u>\$176,493,700</u>
7			
8	Less Operating Transfers	<u>(\$27,208,600)</u>	<u>(\$27,208,600)</u>
9			
10	Net Budget	<u>\$149,285,100</u>	<u>\$149,285,100</u>
11			
12			

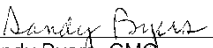
13 Section 3. The Chief Executive Officer is hereby authorized to staff up to 930
14 positions to meet the objectives of the 2005 Budget.

15 Section 4. The salaries and wages paid to the Chief Executive Officer and
16 non-bargaining personnel after January 1, 2005 are only partial compensation for services to
17 be rendered to Pierce Transit during the first pay period commencing on or after January 1,
18 2005 and pay periods thereafter.

19 ADOPTED by the Board of Commissioners of Pierce Transit at a regular
20 meeting thereof held on the 13th day of December 2004.



Kevin Phelps, Chairman
Board of Commissioners

ATTEST: 

Sandy Byers, CMO
Clerk of the Board

05budget.res



2005 BUDGET
GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA)
DISTINGUISHED BUDGET PRESENTATION AWARD

*The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to **Pierce Transit, Washington** for its annual budget for the fiscal year beginning **January 1, 2004**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.*

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.





In brief:

Public Transportation Benefit Area
(PTBA)

Metropolitan Municipal Corporation
of the State of Washington

Authorized to perform the function
of public transportation in
Pierce County



**2005 BUDGET
AGENCY OVERVIEW**

The Pierce County Public Transportation Benefit Area Corporation, commonly referred to as Pierce Transit, is a municipal corporation formed under authority of Chapter 36.57A of the Revised Code of Washington. Commonly known as "Pierce Transit," the Agency provides transportation services in the urbanized area of Pierce County.

The Authority's service area includes the incorporated cities and towns of Bonney Lake, Buckley, DuPont, Edgewood, Gig Harbor, Fife, Fircrest, Lakewood, Milton, Orting, Pacific, Puyallup, Ruston, Steilacoom, Sumner, Tacoma and University Place, along with some unincorporated areas of Pierce County. It covers approximately 450 square miles containing an estimated population of 744,000.

Pierce Transit has been providing public transportation to the people of Pierce County since 1980, when the Public Transportation Benefit Area (PTBA) was created. A map of the Pierce Transit service area is located in the Appendix of this document. Ridership on the system has grown from 9.4 million in 1980 to 16.2 million projected for 2005.

The system has evolved from one focused primarily on fixed-route services to a broad-based system offering a range of services in an increasingly diverse market base. Pierce Transit offers four types of services: local fixed route, express fixed route, specialized transportation (SHUTTLE), and rideshare/vanpools. In addition, rideshare matching services and commute trip reduction assistance is provided to local and regional employers.



2005 BUDGET AGENCY OVERVIEW

Board of Commissioners

Nine members

Three-year term

Elected officials

Agency

Six departments

Thirty-one divisions

The nine member Pierce Transit Board of Commissioners is responsible for governance of the Agency. All members must be elected officials of the jurisdiction they represent. The Board has three members of the Tacoma City Council, a member of the Lakewood City Council, three members of the Pierce County Government, one member rotated between the cities of Puyallup and University Place, and a member selected by the remaining small cities and towns within the boundary of Pierce Transit. Kevin Phelps, Tacoma City Councilmember, is the chairman of the Board of Commissioners. The vice-chairman is City of Tacoma Mayor Bill Baarsma. The current members are shown on the Board of Commissioners page in this section.

Pierce Transit is comprised of six departments: Executive, Operations, Maintenance, Technology & Transit Development, Human Resources, and Finance & Administration. The Chief Executive Officer and each department vice president comprise the Executive Staff, which oversees the operation of the Agency.

The departments are comprised of divisions. A description of each department and the associated divisions is found in the Department Budgets.



2005 BUDGET SERVICES PROVIDED BY PIERCE TRANSIT

In brief:

Broad Based System

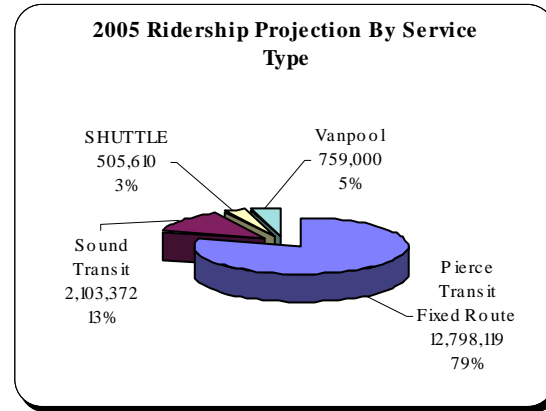
Range of Services

Diverse Market

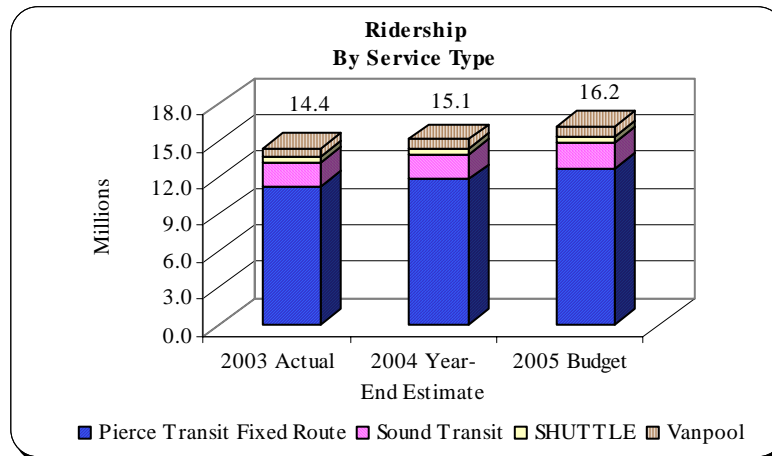
Type of Service

- Pierce Transit Fixed Route
 - Local
 - Express
 - BusPLUS
- Sound Transit
- Specialized Transportation
- Rideshare/Vanpools

The type of service and number of riders and percent of total for 2005 is projected as follows:



Agency ridership has grown over the last three years. Ridership is projected to increase 6.9% in 2005 over the 2004 Year-End Estimates. Pierce Transit Fixed Route Local & Express is increasing 7.0% and Sound Transit is increasing 2.0%. SHUTTLE is anticipated to be up by 2.4% and Vanpool up by 8.4%.





2005 BUDGET SERVICES PROVIDED BY PIERCE TRANSIT

Pierce Transit Fixed Route

Local

Local fixed route bus service is provided along 44 routes, using over 900 miles of streets, roads, and highways throughout Pierce County. One hundred percent of this service is wheelchair accessible. The local fixed route service begins at 3:48 a.m. with the last bus ending its service day at 1:22 a.m. Fixed route service is centered on a network of transit centers and park and ride lots. This system allows for more efficient operations by coordinating service between transit centers and park and ride lots, which provide convenient route connections and time transfers. These facilities are located in high pedestrian traffic areas such as the Tacoma Mall, Tacoma Community College, Parkland, Southeast Tacoma (72nd St.), Puyallup, Tacoma Dome, Lakewood, and Commerce Street. With nearly 13 million passenger boardings expected in 2005, local fixed route bus service constitutes the largest portion of the Agency's mix of services and accounts for 79 percent of the Agency's total ridership.

Express

Pierce Transit provides four commute hour express routes. Separate routes link Downtown Tacoma with South Hill and Gig Harbor. Two Olympia Express routes provide service between Pierce County and Downtown Olympia.

BusPLUS

BusPLUS service was first implemented in 2003 as an alternate to fixed route services in low-density neighborhoods. It combines elements of fixed route services with dial-a-ride, thus eliminating the need for a separate paratransit service. The design of BusPLUS services varies depending on the needs of the area being served, but typically combines scheduled service to regular bus stop locations but also permits customer-initiated deviations. BusPLUS service may replace existing fixed route and paratransit service or may be introduced into areas where service has not previously been provided.





2005 BUDGET SERVICES PROVIDED BY PIERCE TRANSIT



Sound Transit

Pierce Transit operates nine express routes that are funded by Sound Transit. They link Pierce County with destinations in King County, including Downtown Seattle, the University of Washington, SeaTac Airport, and Downtown Auburn. Sound Transit express services also link Bonney Lake and Sumner with Downtown Tacoma. With the construction of High Occupancy Vehicle (HOV) lanes along the I-5 corridor, Sound Transit express routes effectively compete with private automobiles in terms of travel time. In 2005, it is estimated that Sound Transit will account for nearly 13 percent of the Agency's total ridership. Express service begins at 2:37 a.m. and ends at 12:30 a.m.

Specialized Transportation (SHUTTLE)

The Specialized Transportation Division (SHUTTLE) offers ADA paratransit service to individuals who are not able to utilize Pierce Transit's fixed route services. It will provide over 505,000 passenger trips in 2005, approximately three percent of the Agency's total ridership. The service covers the same areas served by the local fixed route system and operates during the same hours using lift-equipped vehicles. The Specialized Transportation Division, in cooperation with Vanpool Services, will provide 30,430 passenger trips through the SHUTTLE Special Use Van program. A SHUTTLE Special Use Van (SSUV) is a 15-passenger van supplied to sheltered workshops to transport their developmentally disabled clients to and from work. Pierce Transit absorbs the cost of the vehicle acquisition, maintenance, and insurance. In turn, the workshop is responsible for providing a qualified driver and scheduling daily pick-ups and drop-offs of clients. The SSUV program is a creative option for reducing costs and improving service quality to people with disabilities. By shifting an average of 2,400 trips per month to SSUV's, SHUTTLE has been able to meet an increase in demand for service without having to deny trips, cut service, or increase the budget.





**2005 BUDGET
SERVICES PROVIDED BY PIERCE TRANSIT**



Rideshare/Vanpools

Pierce Transit's rideshare program was implemented in 1982. Pierce Transit helped form a Regional Ridematch system in 1991 and actively participates in keeping this system up to date so that ridematch services can be provided to individuals who have similar commute origins and destinations. This system currently has a base of over 9,000 names from which to match carpools and vanpools and has Internet Ridematching capabilities.

The Agency's vanpool program was added to its mix of services in 1987. A vanpool is a group of 5 to 15 people sharing the ride in an 8, 12, or 15-passenger van. During 2005, the vanpool program will operate a total of 300 vehicles (including 1 lift-equipped). Pierce Transit owns, maintains, manages, insures, and licenses the fleet. The nearly 2,000 participants in the Agency's vanpool program pay approximately 85 percent of the program's administration and operating costs through fares. In 2005, the vanpool program will provide approximately 759,000 passenger trips for five percent of the Agency's total ridership.



2005 BUDGET OUR CUSTOMERS

In brief:

Option riders
Commuters



Transit dependent
Non-commuters
Students



As stated in the Agency's Mission, Pierce Transit's primary purpose is to deliver outstanding transportation services that match our customers' needs. To that end, Pierce Transit has designed services to match the needs of both option riders and the transit dependent riders. Option riders elect to use our service rather than use other available transportation, while transit dependent riders are individuals who have no other means of transportation.

The majority of option riders are commuters who use our local fixed route system as well as the express services between Tacoma, Seattle, Sea-Tac, Auburn, Olympia, and Gig Harbor. The express service is specifically designed to compete with the automobile in terms of travel time, which makes it appealing to those who have other means of transportation. Another service primarily used by option riders is the rideshare service. Customers use this service to coordinate vanpools and carpools with others who have similar destinations.

Transit dependent customers make up over forty percent of the Agency's local fixed route ridership. They are generally workers or students who use the local service and Specialized Transportation (SHUTTLE) services to conduct their daily living. For many using our SHUTTLE service, Pierce Transit provides the only means of mobility. Nearly a third of the riders are under 24 years of age and are equally split male and female. The average length of time riders have been using the services is a little over five years with 33% riding ten or more years.



2005 BUDGET PHYSICAL PLANT

The transit base:

The Agency headquarters facility is a 20-acre maintenance, operations and administrative center located at 3701 96th Street SW in Lakewood, Washington.

Additional facilities owned and/or maintained by Pierce Transit include transit centers and stations, park and ride lots and bus stops.

Other facilities and those served jointly by Sound Transit and Pierce Transit are also included in this section.



Transit Centers and Stations

- ❖ **72nd Street Transit Center** - The 72nd Street Transit Center is located on the northwest corner of E. 72nd Street and Portland Avenue E in east Tacoma. This facility has a 68-stall park & ride lot and is served by five bus routes making 289 weekday trips to this facility.
- ❖ **Commerce Connections Transfer Facility** - Located along Commerce Street between S. 9th and S. 13th Streets in Tacoma's downtown core, Commerce Connections includes a customer service office (The Bus Shop), ten passenger boarding zones, and a bus turnaround/layover facility. Each weekday 27 bus routes make 1,359 trips through this location.
- ❖ **Lakewood Towne Center Transit Center** - This facility is located in the northern peripheral area of the Lakewood Towne Center. It is served by 11 bus routes making 793 trips through this facility each weekday. The Agency's Marketing Division, including Pierce Transit's main customer service function, is located in a retail storefront adjacent to the Lakewood Towne Center and within 100 yards of the transit center.
- ❖ **Parkland Transit Center** - The Parkland Transit Center is located on the northwest corner of Pacific Avenue and S 121st Street in Parkland. Each weekday, five bus routes make 376 trips through this facility, which includes a 62-stall park & ride.
- ❖ **South Hill Mall Transit Center** - The South Hill Mall Transit Center is located in Puyallup on the northwest corner of 5th Street SE and 112th Street E, next to the south end of the South Hill Mall. Each weekday, six bus routes make 203 trips through this 350 stall facility.



2005 BUDGET PHYSICAL PLANT



- ❖ **Tacoma Community College Transit Center** - Located on the Tacoma Community College campus on the northeast corner of S 19th and Mildred Streets in Tacoma, this facility is served by 10 bus routes making 623 weekday trips. Adjacent to the transit center is a 95-stall park & ride.
- ❖ **Tacoma Dome Station** - This facility is located two blocks north of the Tacoma Dome on Puyallup Avenue between E Street and G Street. The Tacoma Dome Station is the Tacoma station for the Sounder Commuter Rail and Link Light Rail. The Greyhound passenger terminal is also located at the station. The 14 routes that serve this facility make a total of 580 weekday trips. It consists of a 2,386 parking stall garage connected to a covered waiting area that serves seven local routes and seven regional express routes. Other amenities include bike lockers and racks, 24-hour security, and a customer service outlet.
- ❖ **Tacoma Mall Transit Center** - The Tacoma Mall Transit Center is located across S 48th Street on the south side of the Tacoma Mall. Eleven bus routes make 589 weekday trips through this facility.

Park and Ride Lots and Bus Stops

- ❖ **Park & Ride Lots** - Pierce Transit's fixed-route bus service operates in proximity to 17 of the 19 park & ride lots in Pierce County. Pierce Transit owns three of these lots. The Washington State Department of Transportation (WSDOT), the City of Tacoma, and other public or private entities own the remaining park & ride lots. A total of 5,092 parking spaces (including the Tacoma Dome Station and transit centers) are located in park & rides within Pierce County. Bonney Lake Park and Ride provides 356 spaces and the Kimball Drive Park & Ride in Gig Harbor provides 306 spaces.



2005 BUDGET PHYSICAL PLANT



- ❖ **Bus Stops** - There are over 3,233 bus stops in the Pierce Transit system. There are 428 shelters installed at key bus stops and more than 567 benches installed at bus stops throughout the Pierce Transit system. A stand-alone bench program, however, is rapidly expanding the number of bus stops with seating capability as part of the Bus Stop Program. Installation of additional benches and shelters as well as other improvements are underway. Currently, approximately 99% of the stops meet ADA accessibility standards. Those that do not were established prior to the passage of the ADA and will continue to be improved within budgetary limitations.

Other Facilities

- ❖ **Lakewood Meeting and Training Facility** - Pierce Transit leases space used for meetings and training classes at 6132 Motor Avenue SW in Lakewood.
- ❖ **17th & Broadway Transit Facility** - Located on the west side of Broadway at 17th Street in downtown Tacoma. This facility provides a driver layover station and bus turnaround.
- ❖ **2410 104th Street Court South, Laidlaw SHUTTLE Base** - This facility is leased by Pierce Transit and is an important part of the Agency's service delivery component. This facility serves as the Laidlaw contract SHUTTLE base of operations. All Laidlaw SHUTTLE vehicles are stored and maintained at this facility.



2005 BUDGET PHYSICAL PLANT



Sound Transit facilities served jointly by Pierce Transit

- ❖ Sounder Stations at Sumner and Puyallup
- ❖ South Hill Park & Ride
- ❖ SeaTac airport (with connections to King County Metro) via the SR-512 Park & Ride
- ❖ Federal Way (with connections to King County Metro) at the 320th Park & Ride – SeaTac Mall.
- ❖ Bonney Lake Park & Ride.

Other facilities served by Pierce Transit

- ❖ DuPont Park & Ride and Auburn Train Station
- ❖ Link Light Rail connecting the Tacoma Dome Station, a regional hub for local and express bus and commuter service, with downtown Tacoma



2005 BUDGET BUSINESS PLANNING PROCESS

In brief:

Pierce Transit views the business planning process as integral to the success of the budget process. Multi-year financial planning contributes to key decisions regarding the service plans and allocation of resources. The development of the budget is based on supporting the goals and objectives in the strategic plan.

The continuous planning process is reflected in the Business Planning Process chart shown in this section.

The process:

Each year, municipalities are required to submit a six-year transit development plan to the Washington State Department of Transportation, the Transportation Improvement Board, and affected cities, counties, and the regional planning councils within which the municipality is located pursuant to Revised Code of Washington (RCW) 35.58.2795. Pierce Transit supplements this annual process with periodic reviews of its long-range plans and revises goals, objectives, and strategies in response to changes in the local operating environment.

Pierce Transit's goals and strategies are outlined in the Strategic Business Plan. It includes a forecast of service and capital facility needs through the year 2020 and is based on the region's long-range policy plan, VISION 2020. The Agency's plans are designed to be compatible with the region's goals so that the Agency may operate as a partner in regional transportation. The Strategic Business Plan was last reviewed and revised in 2003, and is updated every three to five years, or as operating conditions change. The Strategic Business Plan provides Pierce Transit with a long-term operating vision that will allow it to adapt to and evolve with Pierce County and the regional transportation market. It is based on market research, community outreach, coordination with Sound Transit plans, and the development plans of local jurisdictions. Sound Transit is the regional transit authority established to implement a regional, integrated, transit system throughout the Puget Sound area.



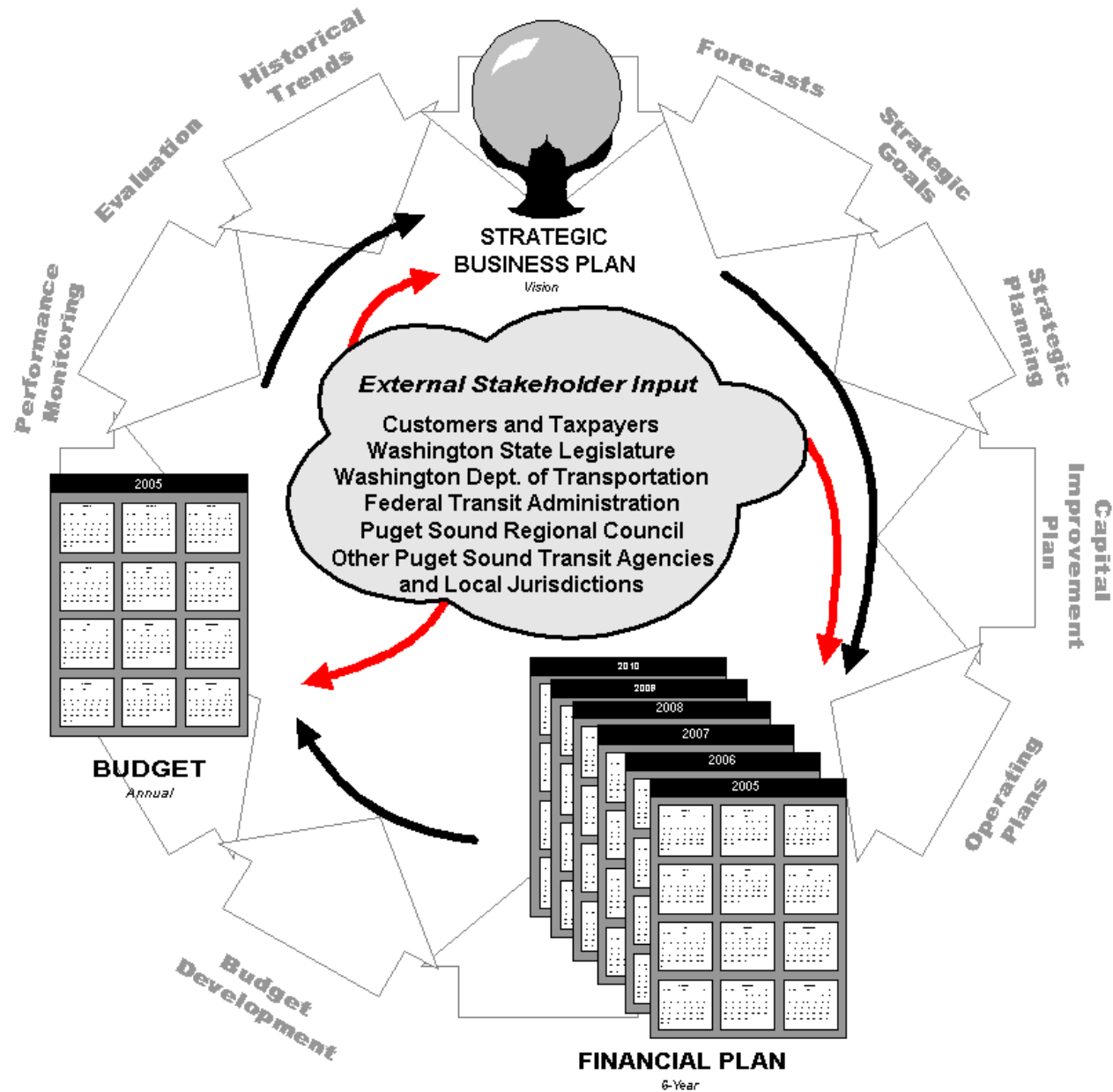
2005 BUDGET BUSINESS PLANNING PROCESS

Annually, the planning process begins with the development of the Six-Year Financial Plan. The six-year horizon provides a guide for planning and decision-making. Management meets to review and discuss the long-range vision and Agency mission and goals. The Board of Commissioners' strategic guidance is incorporated in the development of the objectives for the coming years. Priorities are set and resources are allocated to the areas identified through public input and market research as the most critical to the customers and communities in the service area. External stakeholders influencing the process include taxpayers, the Washington State Legislature, the Washington Department of Transportation, the Puget Sound Regional Council, other Puget Sound transit agencies, and the Federal Transit Administration.

Required elements include information as to how Pierce Transit intends to meet state and local long-range priorities for public transportation, capital improvements, significant operating changes planned for the system, and how it intends to fund the plan. It also specifically sets forth projects of regional significance, which are included in the region's transportation improvement program. It also considers policy recommendations affecting public transportation that are contained in the state transportation policy plan approved by the state transportation commission and, where appropriate, adopted by the legislature. At least one public hearing must be conducted while developing the plan and each annual update.

The process includes performance monitoring, evaluation, and review of historical trends and forecasts. These indicators are then related to the goals that have been identified in the Strategic Business Plan. Service alternatives are analyzed, targets are set, and operating plans are evaluated. The goals, strategies, assumptions, operating statistics, personnel requirements, and overall revenue and expenditure projections from the plan form the framework for the annual budget.

BUSINESS PLANNING PROCESS





**2005 BUDGET
THE NEXT SIX YEARS
2005 - 2010**

In brief:

Over the next six years 2005 – 2010, Pierce Transit plans to expand all modes of services to meet the County's growing transportation demands.

The Six-Year Financial Plan sets the framework for response to the Agency's policy objectives that are intended to fulfill the mission:

- increase system ridership;
- ensure fiscal responsibility;
- support and partner with our community;
- improve customer satisfaction and system quality;
- maintain a dedicated and professional workforce.

Key features of the Six-Year Financial Plan:

The Financial Plan looks beyond current economic uncertainties and assumes that normal economic growth will resume over the next twelve to eighteen months. Increased sales tax revenues generated by this growth will allow Pierce Transit to expand services and initiate new capital projects. Capital and operating expenditures will total more than \$735 million over six years while maintaining modest fund balances that provide prudent reserves to help manage future uncertainties.

➤ **Service operations**

In response to expressed customer needs, Pierce Transit has identified expanded express services, more frequent peak hour services and more direct services to popular destinations as its most critical service needs for the next six years. During the next six years Pierce Transit will act on these priorities while expanding every aspect of its service mix.

- Fixed route services will grow by about thirteen percent
- SHUTTLE will continue to provide sufficient resources to accommodate all eligible service requests
- The vanpool program will keep pace with the growing demand by adding 130 new vans



**2005 BUDGET
THE NEXT SIX YEARS
2005 - 2010**

Pierce Transit plans to invest \$177 million in capital projects that support public transportation services. The capital plan includes funding for partnerships with local jurisdictions that will encourage transit-supportive development practices and roadway improvements.

➤ **Capital investments**

- New and replacement vehicles will be purchased
- \$32 million will be invested to construct new maintenance and administrative facilities
- A park-and-ride lot will be constructed on the Gig Harbor Peninsula
- Park-and-ride and transfer facilities along the SR-7 Corridor will be enlarged and updated
- Across the system, bus stops will be improved, with new shelters placed at major boarding locations
- The Regional Fare Coordination system (aka Smart Card) will be fully implemented
- The communications system will be upgraded and replaced

Source: Six-Year Financial Plan 2005 – 2010

PIERCE TRANSIT
2005-2010 Financial Forecast
Operating Revenues & Expenditures

(Millions)	2004	2005	2006	2007	2008	2009	2010
	YE Estimate	Budget					
<u>REVENUES -</u>							
BEGINNING WORKING CASH	\$29.524113	\$21.557777	\$5.866875	\$6.008319	\$6.288041	\$6.659664	\$7.008924
OPERATING INCOME							
FARES AND PASSES							
Local Fares	7.074653	7.596036	9.662282	9.822525	12.099017	12.350581	14.005945
Express Fares (Excludes ST)	0.060033	0.061234	0.077182	0.077954	0.094367	0.137048	0.185936
Shuttle	0.297051	0.304226	0.391513	0.400460	0.490068	0.501110	0.569250
Vanpool	1.680980	1.859930	2.297604	2.441204	2.775402	2.968138	3.346860
Subtotal- Fares and Passes	9.112717	9.821425	12.428581	12.742143	15.458854	15.956876	18.107991
SALES TAX	60.441455	62.147195	65.876027	69.828588	74.018304	78.459402	83.166966
OPER. ASSIST. CTR/VANPOOL	0.148052	0.305231	0.386644	0.386644	0.386644	0.386644	0.386644
SPECIAL NEEDS PROGRAM FUNDS	0.292706	1.026108	1.000000	1.000000	1.000000	1.000000	1.000000
INTEREST	0.538985	0.126494	0.134262	0.153218	0.176567	0.202573	0.230005
ADVERTISING							
TDI - Pierce Transit Revenue	0.564501	0.754813	0.330000	0.330283	0.330283	0.330283	0.330283
TDI Admin. Fee Received	0.000000	0.009081	0.009081	0.009081	0.009081	0.009081	0.009081
SOUND TRANSIT							
ST Express Reimb.	14.478613	16.219070	16.885012	17.611479	18.404087	19.269038	20.174788
ST TDS Reimb.	0.476026	0.485003	0.496643	0.509556	0.523823	0.539538	0.555724
Special Service	0.145913	0.145913	0.149415	0.153300	0.157592	0.162320	0.167189
Other ST Reimb.	0.511092	0.831181	0.831181	0.831181	0.831181	0.831181	0.831181
MISCELLANEOUS							
SR 7 Route Grant	0.701800	0.500000	0.000000	0.000000	0.000000	0.000000	0.000000
ADA Operating Grant (5307)/Pierce County	0.000000	3.232383	0.831179	0.831179	0.831179	0.831179	0.831179
Preventive Maint. (5307)	2.675000	2.675000	2.675000	2.675000	2.675000	2.675000	2.675000
Other Miscellaneous	0.560453	0.576267	0.657800	0.898687	0.915673	0.657800	0.657800
TOTAL OPERATING INCOME	90.647313	98.855165	102.690824	107.960339	115.718268	121.310914	129.123832
TOTAL REVENUES & WORKING CASH	\$120.171426	\$120.412942	\$108.557699	\$113.968658	\$122.006309	\$127.970578	\$136.132756

PIERCE TRANSIT
2005-2010 Financial Forecast
Operating Revenues & Expenditures

(Millions)	2004 YE Estimate	2005 Budget	2006	2007	2008	2009	2010
<u>EXPENDITURES -</u>							
Wages	\$43.452932	\$47.055168	\$49.783827	\$52.560491	\$55.859191	\$59.646623	\$63.557398
Benefits	9.325772	12.281801	13.717777	14.986738	16.403197	17.950111	19.533812
M & O	9.674579	11.128149	11.787978	12.374571	12.955493	13.649786	14.333576
Fuel	3.476518	4.475011	4.777879	5.021249	5.263699	5.602580	5.909923
Parts	3.466749	3.427919	3.690503	3.896364	4.099420	4.389343	4.649492
Purchased Trans.	6.133716	5.680546	4.159487	4.431577	4.727061	5.048365	5.402378
Communications Syst. Operations	0.000000	0.000000	0.500000	0.500000	0.500000	0.500000	0.500000
Base Expansion Operations	0.000000	0.000000	0.000000	0.000000	0.250000	0.250000	0.250000
Special Needs Program Operations	0.000000	0.000000	0.600000	0.600000	0.600000	0.600000	0.600000
Smart Card Operations	0.000000	0.000000	0.000000	0.240887	0.257873	0.265337	0.273983
TOTAL EXPENDITURES: w/out Debt Payment and Depreciation	75.530266	84.048594	89.017451	94.611877	100.915934	107.902145	115.010561
Long-Term Debt	0.490000	0.483000	0.484000	0.484000	0.488000	0.487000	0.484000
2007 Debt (Peninsula P&R)					1.124398	1.124398	1.124398
Payments to Pierce Co for 5307 Agreement	0.080000	2.805906	0.664943	0.664943	0.664943	0.664943	0.664943
Subtotal	0.570000	3.288906	1.148943	1.148943	2.277341	2.276341	2.273341
EXPENDITURES (w/ Debt & Reimbursements)	76.100266	87.337500	90.166394	95.760820	103.193275	110.178486	117.283902
CURRENT REVENUES LESS CURRENT EXPENDITURES	14.547047	11.517665	12.524430	12.199518	12.524993	11.132428	11.839930
TRANSFERS -							
Capital (expansion)	5.013616	10.909059	6.265760	-1.573244	9.153634	7.699841	8.314931
Depreciation	2.910000	15.387223	3.276576	10.574171	0.000000	0.000000	0.000000
Base Sinking Fund	12.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Insurance	2.589767	0.912285	2.840650	2.918869	2.999736	3.083328	3.169727
Subtotal Transfers	22.513383	27.208567	12.382986	11.919797	12.153370	10.783169	11.484658
TOTAL EXPENDITURES AND TRANSFERS	\$98.613649	\$114.546067	\$102.549380	\$107.680617	\$115.346645	\$120.961655	\$128.768561
ENDING WORKING CASH	\$21.557777	\$5.866875	\$6.008319	\$6.288041	\$6.659664	\$7.008924	\$7.364195
REQUIRED CASH	5.305013	5.866875	6.008320	6.288041	6.659664	7.008924	7.364195
TOTAL EXPENDITURES & WORKING CASH	\$120.171426	\$120.412942	\$108.557699	\$113.968658	\$122.006309	\$127.970578	\$136.132756
<u>MARGIN / (DEFICIT)</u>	\$16.252764	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000

PIERCE TRANSIT
2005-2010 Financial Forecast
Ending Balances

(Millions)	2004	2005	2006	2007	2008	2009	2010
	YE Estimate	Budget					
<u>OPERATING FUND</u>							
Operating Fund Beginning Balance	\$29.524113	\$21.557777	\$5.866875	\$6.008319	\$6.288041	\$6.659664	\$7.008924
Revenue							
Operating Income	90.647313	98.855165	102.690824	107.960339	115.718268	121.310914	129.123832
Subtotal - Operating Revenue	90.647313	98.855165	102.690824	107.960339	115.718268	121.310914	129.123832
Expenditures							
Operating Expenditures	76.100266	87.337500	90.166394	95.760820	103.193275	110.178486	117.283902
Transfers	22.513383	27.208567	12.382986	11.919797	12.153370	10.783169	11.484658
Subtotal - Operating Expenditures	98.613649	114.546067	102.549380	107.680617	115.346645	120.961655	128.768561
Operating Fund Ending Balance	\$21.557777	\$5.866875	\$6.008319	\$6.288041	\$6.659664	\$7.008924	\$7.364195
Required Margin	5.305013	5.866875	6.008320	6.288041	6.659664	7.008924	7.364195
<u>Margin / (Deficit)</u>	\$16.252764	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
<u>CAPITAL FUND</u>							
Revenue							
Beginning Reserves	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000
Total 5307 Funding	12.315707	16.101009	6.118000	6.467600	6.517000	7.117000	7.117000
Less Capital Maintenance	-2.675000	-5.907383	-3.506179	-3.506179	-3.506179	-3.506179	-3.506179
5307 Funding	9.640707	10.193626	2.611821	2.961421	3.010821	3.610821	3.610821
5307 Revenues from Pierce Co Agreement	0.000000	3.232383	0.831179	0.831179	0.831179	0.831179	0.831179
5307 Rev. dedicated to ADA Operating	0.000000	-3.232383	-0.831179	-0.831179	-0.831179	-0.831179	-0.831179
Formula Competitive Funds	0.000000	0.000000	1.925000	0.000000	0.000000	1.500000	1.500000
State Funding	0.064579	1.068983	0.000000	0.000000	0.000000	0.000000	0.000000
Unidentified Funding Sources	0.000000	0.000000	2.556000	0.000000	0.000000	0.000000	0.000000
Federal Flex Funds - STP, CMAQ	3.582036	6.352572	0.651494	0.092325	1.000000	1.000000	0.000000
Earmarks - 5303, 5309	2.324063	3.192386	1.970874	1.500000	1.500000	1.000000	1.000000
Sound Transit	0.012614	2.933043	10.869830	7.012710	0.217460	0.000000	0.000000
Other Capital Revenues	0.000000	0.598630	0.000000	0.000000	0.000000	0.000000	0.000000
Base Sinking Fund	0.000000	0.000000	3.869830	14.123236	0.000000	0.000000	0.000000
Proceeds from Peninsula P&R Note	0.000000	0.000000	0.000000	10.100000	0.000000	0.000000	0.000000
Transfer from Operating Fund	5.013616	10.909059	6.265760	-1.573244	9.153634	7.699841	8.314931
Use of Depreciation Fund (replac.)	2.850826	23.844316	0.000000	0.000000	4.118085	4.189338	4.574248
Total Capital Revenues & Reserves	23.488441	59.092615	30.720609	34.216448	19.000000	19.000000	19.000000
Expenditures							
Federal Acquisition	15.546806	19.738584	9.715189	4.553746	5.510821	7.110821	6.110821
State Acquisition	0.064579	1.068983	0.000000	0.000000	0.000000	0.000000	0.000000
Other Acquisition	0.012614	2.933043	14.739660	31.235946	0.217460	0.000000	0.000000
Local Portion of Acquisition	7.864442	35.352005	6.265760	-1.573244	13.271719	11.889179	12.889179
Debt Financed Acquisition	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Total Capital Expenditures (Inflated)	23.488441	59.092615	30.720609	34.216448	19.000000	19.000000	19.000000
CAPITAL FUND ENDING BALANCE	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000

PIERCE TRANSIT
2005-2010 Financial Forecast
Ending Balances

(Millions)	2004 YE Estimate	2005 Budget	2006	2007	2008	2009	2010
<u>BASE SINKING FUND</u>							
Revenue							
Beginning Reserves	\$4.910982	\$17.033756	\$17.417016	\$13.934239	\$0.000000	\$0.000000	\$0.000000
Other Base Revenue Sources	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Interest Revenue	0.122775	0.383260	0.387053	0.188997	0.000000	0.000000	0.000000
Sinking Fund Transfer	12.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Total Base Sinking Fund Rev & Reserves	17.033756	17.417016	17.804068	14.123236	0.000000	0.000000	0.000000
Expenditures							
Other Base Expenses	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Local Funding of Base Sinking Fund	0.000000	0.000000	3.869830	14.123236	0.000000	0.000000	0.000000
ENDING BALANCE	\$17.033756	\$17.417016	\$13.934239	\$0.000000	\$0.000000	\$0.000000	\$0.000000
<u>DEPRECIATION FUND</u>							
Revenue							
Beginning Reserves	\$18.925996	\$19.459060	\$11.344653	\$14.945803	\$26.076378	\$22.678813	\$19.158460
Depreciation Transfer	2.910000	15.387223	3.276576	10.574171	0.000000	0.000000	0.000000
Interest Revenue	0.473890	0.342687	0.324574	0.556404	0.720520	0.668985	0.565141
TOTAL DEPRECIATION REVENUES & RESERVES	22.309886	35.188969	14.945803	26.076378	26.796898	23.347798	19.723601
Expenditures							
Local Funding of Replacement Items	2.850826	23.844316	0.000000	0.000000	4.118085	4.189338	4.574248
DEPRECIATION FUND ENDING RESERVE	\$19.459060	\$11.344653	\$14.945803	\$26.076378	\$22.678813	\$19.158460	\$15.149353
10/5/04 Req \$14.777446	\$19.459060	\$11.344653	\$14.945803	\$26.076378	\$22.678813	\$19.158460	\$15.149353
<u>INSURANCE FUND</u>							
Beginning Balance	\$5.724446	\$5.811946	\$4.000000	\$4.000000	\$4.000000	\$4.000000	\$4.000000
Interest on Insurance Fund	0.171733	0.130769	0.100000	0.110000	0.120000	0.130000	0.140000
Transfer	2.589767	0.912285	2.840650	2.918869	2.999736	3.083328	3.169727
Expenditures	2.674000	2.855000	2.940650	3.028870	3.119736	3.213328	3.309727
Insurance Fund Ending Balance	\$5.811946	\$4.000000	\$4.000000	\$4.000000	\$4.000000	\$4.000000	\$4.000000
TOTAL ENDING BALANCES	\$63.862540	\$38.628545	\$38.888362	\$36.364420	\$33.338478	\$30.167385	\$26.513548



Security enhanced through community partnership

The terrorist attacks of September 11, 2001, ushered in a new era for security and emergency preparedness. As federal, state, and local public safety organizations assess their capabilities to manage the new threat environment, transit agencies are likewise improving both security and emergency preparedness. Pierce Transit is taking public safety seriously. Pierce Transit has had more than 75% of its employees participate in a training program that teaches how to recognize suspicious behavior. If they suspect a person is “casing” the transit system or in some way preparing for an attack, they know how to react.

In addition to training, Pierce Transit has installed intruder detection and surveillance devices at sensitive locations in the system, conducted emergency drills, purchased safety equipment, and increased police presence.

Pierce Transit is also joining the Transit Watch campaign, a nationwide safety and security awareness program designed to encourage the active participation of transit passengers and employees to work together to maintain a safe transit environment. National studies indicate that broad-based education and awareness is key to the success of this program. The campaign provides information and instructions on board buses, posted at transit centers, on the Web site, and in the route and schedule book, so everyone can learn what to do and who to contact if suspicious behavior is observed. It will also help ensure that our transit system remains safe and secure in the event of an emergency in a transit setting.

BudgetSummary





2005 BUDGET OVERALL SUMMARY

(rounded to the nearest \$100)	2003	2004	2004	2005	% CHANGE
	YEAR-END	AMENDED	YEAR-END		
	ACTUALS	BUDGET	ESTIMATE	BUDGET	2005 TO 2004 EST.

REVENUES

OPERATING INCOME

Fares and Advertising	\$9,611,100	\$9,732,200	\$9,677,200	\$10,585,300	9.4%
Sales Tax	57,859,100	59,187,800	60,441,500	62,147,200	2.8%
Preventive Maintenance	6,348,800	2,675,000	2,675,000	2,675,000	0.0%
Oper. / Capital Assistance	4,260,500	30,334,600	16,766,600	29,403,000	75.4%
Sound Transit / Seattle Express					
Reimbursement	13,462,800	15,777,700	15,611,600	17,681,200	13.3%
Other	1,132,100	1,865,800	1,867,800	1,559,500	-16.5%

REVENUES	92,674,400	119,573,100	107,039,700	124,051,200	15.9%
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BEGINNING BALANCES

Working Cash	18,532,500	26,774,400	29,524,100	21,557,800	-27.0%
Insurance	3,954,400	4,000,000	5,724,400	5,811,900	1.5%
Depreciation	14,880,900	25,499,700	23,837,000	36,492,800	53.1%

BEGINNING BALANCES	37,367,800	56,274,100	59,085,500	63,862,500	8.1%
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TOTAL REVENUES AND BALANCES	\$130,042,200	\$175,847,200	\$166,125,200	\$187,913,700	13.1%
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EXPENDITURES

Personnel	\$47,929,700	\$54,193,200	\$52,778,700	\$59,337,000	12.4%
Maintenance and Operations	18,171,200	22,661,200	22,751,600	24,711,600	8.6%
Debt Service	569,600	490,000	490,000	483,000	-1.4%
Pierce County Agreement	0	0	80,000	2,805,900	3407.4%
Capital	6,005,200	55,444,100	23,488,400	59,092,600	151.6%
Insurance	1,689,600	2,761,500	2,674,000	2,855,000	6.8%

EXPENDITURES	74,365,300	135,550,000	102,262,700	149,285,100	46.0%
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ENDING BALANCES

Working Cash	27,240,100	4,693,200	21,557,800	5,866,900	-72.8%
Insurance	5,724,500	4,000,000	5,811,900	4,000,000	-31.2%
Depreciation	22,712,300	31,604,000	36,492,800	28,761,700	-21.2%

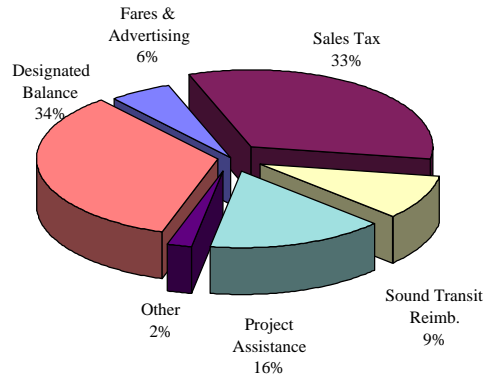
ENDING BALANCES	55,676,900	40,297,200	63,862,500	38,628,600	-39.5%
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TOTAL EXPENDITURES AND BALANCES

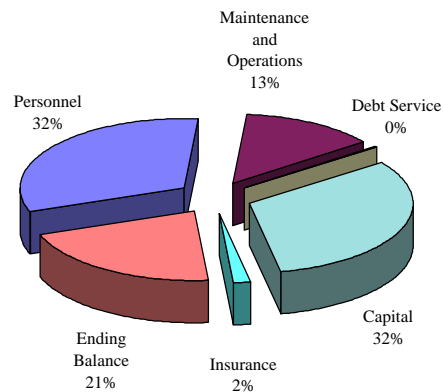
\$130,042,200	\$175,847,200	\$166,125,200	\$187,913,700	13.1%
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NOTE: Transfers are not shown since they result in offsetting allocations between unrestricted and restricted reserves.

Revenues

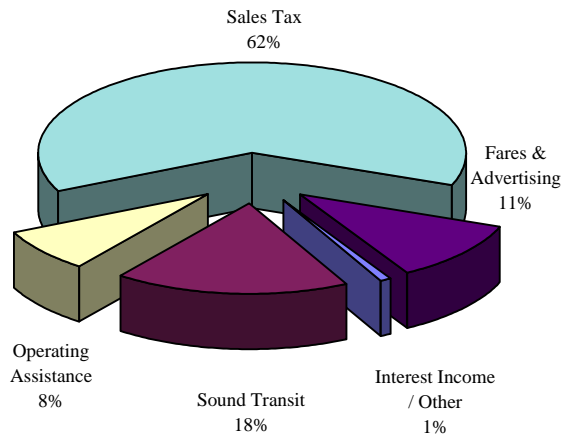


Expenditures





Operating Revenues



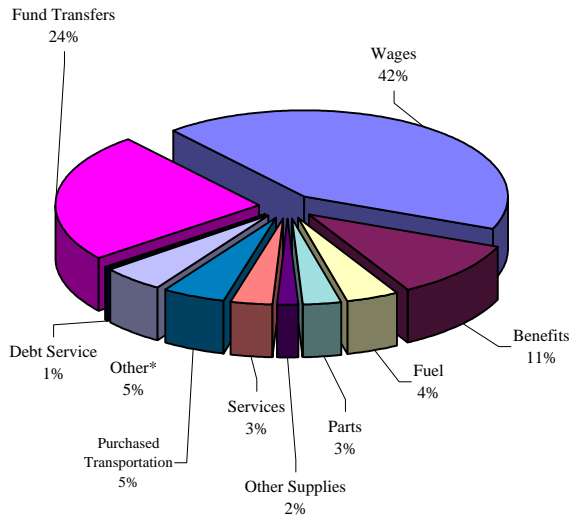
2005 BUDGET OPERATING SUMMARY - REVENUES

(rounded to the nearest \$100)	2003 YEAR-END ACTUALS	2004 AMENDED BUDGET	2004 YEAR-END ESTIMATE	2005 BUDGET	% CHANGE 2005 TO 2004 EST.
OPERATING REVENUES					
OPERATING INCOME					
Fares	\$8,937,800	\$9,068,200	\$9,112,700	\$9,821,400	7.8%
Advertising	673,300	664,000	564,500	763,900	35.3%
SUBTOTAL - INCOME	9,611,100	9,732,200	9,677,200	10,585,300	9.4%
SALES TAX					
OPERATING ASSISTANCE	57,859,100	59,187,800	60,441,500	62,147,200	2.8%
CTR / Vanpool Assistance	407,100	297,900	148,100	305,200	106.1%
ADA Operating Grant	716,000	0	0	0	0.0%
Pierce County Agreement	0	0	0	3,232,400	0.0%
SR 7 Route Grant	0	701,800	701,800	500,000	-28.8%
Special Needs Transportation Grant	0	0	292,700	1,026,100	250.6%
Preventive Maintenance	6,348,800	2,675,000	2,675,000	2,675,000	0.0%
SOUND TRANSIT					
ST Express Reimbursement	12,304,400	14,478,600	14,478,600	16,219,100	12.0%
ST TDS Reimbursement	444,300	525,100	476,000	485,000	1.9%
Special Service Reimbursement	149,600	145,900	145,900	145,900	0.0%
Other Reimbursement	564,500	628,100	511,100	831,200	62.6%
INTEREST INCOME	433,400	539,000	539,000	126,500	-76.5%
OTHER	448,500	657,800	560,500	576,300	2.8%
CURRENT OPERATING REVENUES	89,286,800	89,569,200	90,647,400	98,855,200	9.1%
BEGINNING BALANCE	18,532,500	26,774,400	29,524,100	21,557,800	-27.0%
TOTAL OPERATING REVENUES AND BEGINNING BALANCE	\$107,819,300	\$116,343,600	\$120,171,500	\$120,413,000	0.2%



**2005 BUDGET
OPERATING SUMMARY - EXPENDITURES**

Operating Expenditures & Transfers

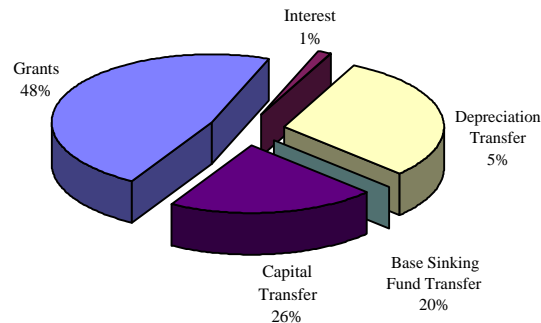


(rounded to the nearest \$100)	2003 YEAR-END ACTUALS	2004 AMENDED BUDGET	2004 YEAR-END ESTIMATE	2005 BUDGET	% CHANGE 2005 TO 2004 EST.
OPERATING EXPENDITURES					
OPERATING					
Wages	\$39,665,800	\$43,737,300	\$43,452,900	\$47,055,200	8.3%
Benefits	8,263,900	10,455,900	9,325,800	12,281,800	31.7%
SUBTOTAL - PERSONNEL	47,929,700	54,193,200	52,778,700	59,337,000	12.4%
Supplies	7,176,000	8,482,000	8,633,100	9,764,900	13.1%
Services	2,520,100	3,455,200	3,206,600	3,690,200	15.1%
Insurance (Purchased)	720,000	889,700	923,900	787,200	-14.8%
Utilities	607,600	713,200	695,600	792,200	13.9%
Repairs	704,800	1,335,800	1,164,300	1,284,400	10.3%
Rentals	170,500	249,200	247,600	253,100	2.2%
Purchased Transportation	4,747,300	5,688,200	6,133,700	5,680,500	-7.4%
Other	1,524,900	1,847,900	1,746,800	2,459,100	40.8%
SUBTOTAL - MAINTENANCE AND OPERATING	18,171,200	22,661,200	22,751,600	24,711,600	8.6%
SUBTOTAL - OPERATING	66,100,900	76,854,400	75,530,300	84,048,600	11.3%
Debt Service	569,600	490,000	490,000	483,000	-1.4%
Pierce County Agreement	0	0	80,000	2,805,900	3407.4%
CURRENT EXPENDITURES	66,670,500	77,344,400	76,100,300	87,337,500	14.8%
TRANSFERS					
Capital Transfer	519,900	16,754,500	5,013,600	10,909,100	117.6%
Liability and Other Insurance Transfer	1,239,100	1,455,400	1,426,900	497,200	-65.2%
Workers' Comp. Transfer	2,146,300	1,186,100	1,162,900	415,100	-64.3%
Base Sinking Fund Transfer	0	12,000,000	12,000,000	0	-100.0%
Depreciation Transfer	10,003,400	2,910,000	2,910,000	15,387,200	428.8%
SUBTOTAL - TRANSFERS	13,908,700	34,306,000	22,513,400	27,208,600	20.9%
CURRENT EXPENDITURES AND TRANSFERS	80,579,200	111,650,400	98,613,700	114,546,100	16.2%
ENDING BALANCE	27,240,100	4,693,200	21,557,800	5,866,900	-72.8%
TOTAL OPERATING EXPENDITURES AND ENDING BALANCE	\$107,819,300	\$116,343,600	\$120,171,500	\$120,413,000	0.2%

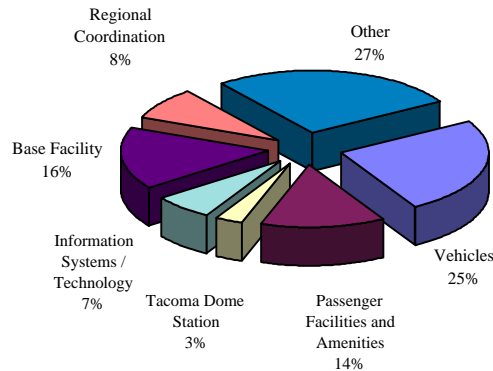
* Includes: Utilities, rentals, repairs, purchased insurance, and other miscellaneous expenses.



Capital Revenues & Transfers



Capital Expenditures

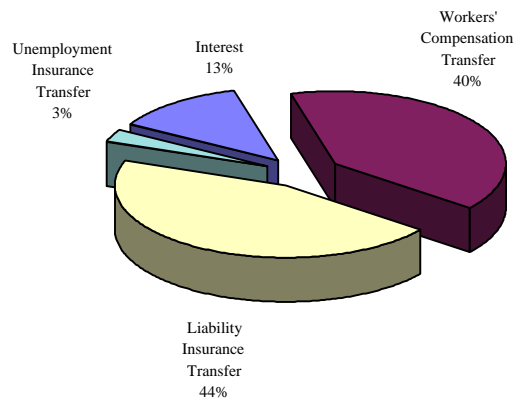


2005 BUDGET CAPITAL SUMMARY

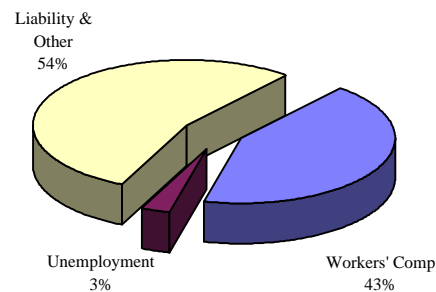
(rounded to the nearest \$100)	2003 YEAR-END ACTUALS	2004 AMENDED BUDGET	2004 YEAR-END ESTIMATE	2005 BUDGET	% CHANGE 2005 TO 2004 EST.
CAPITAL REVENUES					
CURRENT REVENUES					
Grants	\$3,137,400	\$29,334,900	\$15,624,000	\$24,339,200	55.8%
Depreciation Fund Interest	175,900	549,100	596,700	725,900	21.7%
CAPITAL REVENUE	3,313,300	29,884,000	16,220,700	25,065,100	54.5%
TRANSFERS					
Capital	519,900	16,754,500	5,013,600	10,909,100	117.6%
Base Sinking Fund	0	12,000,000	12,000,000	0	-100.0%
Depreciation	10,003,400	2,910,000	2,910,000	15,387,200	428.8%
CAPITAL REVENUES AND TRANSFERS	13,836,600	61,548,500	36,144,300	51,361,400	42.1%
BEGINNING BALANCES					
Depreciation	14,880,900	25,499,700	23,837,000	36,492,800	53.1%
TOTAL CAPITAL REVENUE AND BEGINNING BALANCES	28,717,500	87,048,200	59,981,300	87,854,200	46.5%
CAPITAL EXPENDITURES					
CAPITAL ACQUISITION					
Vehicles	1,727,200	22,986,500	18,231,300	14,729,400	-19.2%
Maintenance Equipment	69,300	562,600	112,000	278,900	149.0%
Passenger Facilities and Amenities	918,800	5,094,800	1,291,200	8,130,000	529.6%
Tacoma Dome Station	6,000	1,879,300	70,000	1,809,300	2484.7%
Base Facility	1,080,300	10,681,100	1,045,400	9,566,400	815.1%
Regional Coordination	1,206,300	5,738,300	724,000	4,938,200	582.1%
Communication Systems and Administrative Equipment	456,800	3,609,000	511,200	15,773,000	2985.5%
Information Systems / Technology	540,500	4,892,500	1,503,400	3,867,400	157.2%
CAPITAL EXPENDITURES	6,005,200	55,444,100	23,488,500	59,092,600	151.6%
ENDING BALANCES					
Depreciation	22,712,300	31,604,100	36,492,800	28,761,600	-21.2%
TOTAL CAPITAL EXPENDITURES AND ENDING BALANCES	\$28,717,500	\$87,048,200	\$59,981,300	\$87,854,200	46.5%



Insurance Revenues



Insurance Expenditures

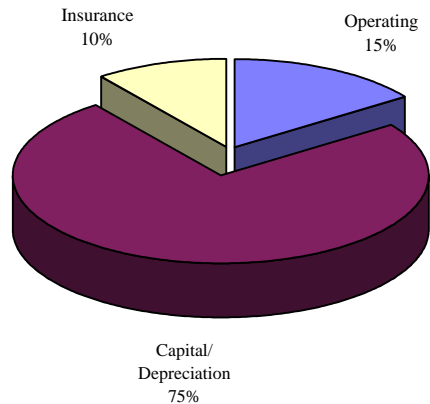


2005 BUDGET INSURANCE SUMMARY

(rounded to the nearest \$100)	2003 YEAR-END ACTUALS	2004 AMENDED BUDGET	2004 YEAR-END ESTIMATE	2005 BUDGET	% CHANGE 2005 TO 2004 EST.
INSURANCE REVENUES					
Liability Insurance Interest	\$58,300	\$62,100	\$87,200	\$71,000	-18.6%
Workers' Comp. Interest	10,900	53,900	79,700	56,200	-29.5%
Unemployment Insurance Interest	5,100	4,000	4,800	3,700	-22.9%
INSURANCE REVENUES	74,300	120,000	171,700	130,900	-23.8%
Liability Insurance Transfer	1,056,300	1,369,400	1,342,500	467,900	-65.1%
Workers Comp. Transfer	2,146,300	1,186,100	1,162,900	415,100	-64.3%
Unemployment Insurance Transfer	182,800	86,000	84,300	29,200	-65.4%
INSURANCE REVENUES AND TRANSFERS	3,459,700	2,761,500	2,761,400	1,043,100	-62.2%
BEGINNING BALANCES					
Liability Insurance	2,595,800	2,618,500	3,157,100	3,227,800	2.2%
Workers' Comp. Insurance	398,000	419,700	1,512,200	1,514,800	0.2%
Unemployment Insurance	960,600	961,800	1,055,100	1,069,300	1.3%
BEGINNING BALANCES	3,954,400	4,000,000	5,724,400	5,811,900	1.5%
TOTAL INSURANCE REVENUES AND BEGINNING BALANCES	7,414,100	6,761,500	8,485,800	6,855,000	-19.2%
INSURANCE EXPENDITURES					
Liability and Other Insurance	553,200	1,431,500	1,359,000	1,550,000	14.1%
Workers' Comp. Insurance	1,043,000	1,240,000	1,240,000	1,225,000	-1.2%
Unemployment Insurance	93,400	90,000	75,000	80,000	6.7%
INSURANCE EXPENDITURES	1,689,600	2,761,500	2,674,000	2,855,000	6.8%
ENDING BALANCES					
Liability Insurance	3,157,200	2,618,400	3,227,700	2,216,800	-31.3%
Workers' Comp. Insurance	1,512,200	419,800	1,514,800	761,100	-49.8%
Unemployment Insurance	1,055,100	961,800	1,069,300	1,022,100	-4.4%
ENDING BALANCES	5,724,500	4,000,000	5,811,800	4,000,000	-31.2%
TOTAL INSURANCE EXPENDITURES AND ENDING BALANCES	\$7,414,100	\$6,761,500	\$8,485,800	\$6,855,000	-19.2%



Ending Balances



2005 BUDGET ENDING BALANCES

(rounded to the nearest \$100)	2003 YEAR-END ACTUALS	2004 AMENDED BUDGET	2004 YEAR-END ESTIMATE	2005 BUDGET	% CHANGE 2005 TO 2004 EST.
OPERATING					
Revenues	\$89,286,800	\$89,569,200	\$90,647,400	\$98,855,200	9.1%
Less: Expenditures	(66,670,500)	(77,344,400)	(76,100,300)	(87,337,500)	14.8%
Subtotal	22,616,300	12,224,800	14,547,100	11,517,700	-20.8%
Plus: Beginning Balance	18,532,500	26,774,400	29,524,100	21,557,800	-27.0%
Less: Fund Transfers					
Capital	(519,900)	(16,754,500)	(5,013,600)	(10,909,100)	117.6%
Depreciation	(10,003,400)	(2,910,000)	(2,910,000)	(15,387,200)	428.8%
Base Sinking Fund	0	(12,000,000)	(12,000,000)	0	-100.0%
Insurance	(3,385,400)	(2,641,500)	(2,589,800)	(912,300)	-64.8%
ENDING OPERATING BALANCE	\$27,240,100	\$4,693,200	\$21,557,800	\$5,866,900	-72.8%
CAPITAL/DEPRECIATION					
Revenues	\$3,313,300	\$29,884,000	\$16,220,700	\$25,065,100	54.5%
Plus: Fund Transfers					
Capital	519,900	16,754,500	5,013,600	10,909,100	117.6%
Depreciation	10,003,400	2,910,000	2,910,000	15,387,200	428.8%
Base Sinking Fund	0	12,000,000	12,000,000	0	
Subtotal Revenue	13,836,600	61,548,500	36,144,300	51,361,400	42.1%
Less: Expenditures	(6,005,200)	(55,444,100)	(23,488,500)	(59,092,600)	151.6%
Subtotal	7,831,400	6,104,400	12,655,800	(7,731,200)	-161.1%
Plus: Beginning Balance	14,880,900	25,499,700	23,837,000	36,492,800	53.1%
ENDING CAPITAL/DEPRECIATION BALANCE	\$22,712,300	\$31,604,100	\$36,492,800	\$28,761,600	-21.2%
INSURANCE					
Revenues	\$74,300	\$120,000	\$171,700	\$130,900	-23.8%
Plus: Fund Transfers	3,385,400	2,641,500	2,589,700	912,200	-64.8%
Subtotal Revenue	3,459,700	2,761,500	2,761,400	1,043,100	-62.2%
Less: Expenditures	(1,689,600)	(2,761,500)	(2,674,000)	(2,855,000)	6.8%
Subtotal	1,770,100	0	87,400	(1,811,900)	-2173.1%
Plus: Beginning Balance	3,954,400	4,000,000	5,724,400	5,811,900	1.5%
ENDING INSURANCE BALANCE	\$5,724,500	\$4,000,000	\$5,811,800	\$4,000,000	-31.2%
GRAND TOTAL - ALL BALANCES	\$55,676,900	\$40,297,300	\$63,862,400	\$38,628,500	-39.5%



2005 BUDGET PERSONNEL SUMMARY

In Brief:

Pierce Transit workforce represents the diversity of customers served.

Majority – 70.3%

African American – 19.4%

Native American – 1%

Asian – 5.3%

Hispanic – 4%



Personnel Summary

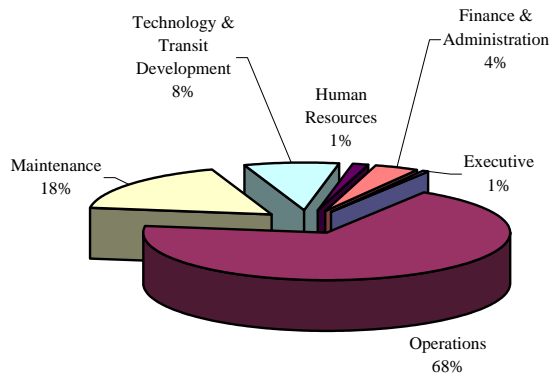
The 2005 Budget includes 930 positions and 899.9 full-time equivalents (FTEs). A total of 38 additional position requests for 2005 include 36 for Operations and Maintenance for new service and system growth, and 2 temporary positions to cover retirements. Positions are increasing 4% over 2004. While personnel costs have increased over the last several years, they continue to be approximately 70% of the operating budget.

An Agency reorganization was authorized in 2004. Changing management needs and growing complexities of operational, information technology, capital project planning, and development issues necessitated the change. There was no net cost to the reorganization separating the Operations and Development Departments. The two departments had been merged in 2001 as a cost reduction effort due to the loss of the Motor Vehicle Excise Tax. The Information Systems Division in the Executive Department was transferred to the Development Department. The resulting details of title and position changes are included in the 2005 Budget and the transfers are shown in the Detail of FTE/Position Changes.

The following pages include a Personnel Summary showing FTEs and Positions by Department and Division for 2003, 2004, and 2005 including the change from 2004, pie graphs showing the 2005 FTEs by Department and Change in FTEs by Department, and a listing of the Detail of FTE/Position Changes by Department/Division.



2005 FTE's by Department



2005 BUDGET PERSONNEL SUMMARY

Department Division	FTEs			
	2003 Budget	2004 Budget	2005 Budget	2005-2004 Change
Executive				
Administration	2.6	2.6	2.7	0.1
Information Systems	8.5	10.5	0.0	-10.5
Project Management	1.5	2.0	0.0	-2.0
Public Relations	1.4	1.4	1.4	0.0
Total	14.0	16.5	4.1	-12.4

Operations

Administration	2.0	2.0	2.0	0.0
Safety & Training	8.3	8.5	8.5	0.0
Service Coordination	54.4	59.1	60.0	0.9
Spec. Trans. (SHUTTLE)	71.3	71.8	73.3	1.5
Transit Public Safety	1.5	2.0	2.0	0.0
Transit Services	424.1	437.3	469.2	31.9
Total	561.6	580.7	615.0	34.3

Maintenance

Administration	2.9	3.0	3.8	0.8
Facilities Maintenance	26.8	27.3	31.5	4.3
Maintenance Automotive	26.5	26.8	28.0	1.3
Maintenance Bus	85.6	89.6	93.8	4.2
Maintenance Safety	1.0	1.0	1.0	0.0
Maintenance Training	1.0	1.0	1.0	0.0
Total	143.8	148.6	159.1	10.5

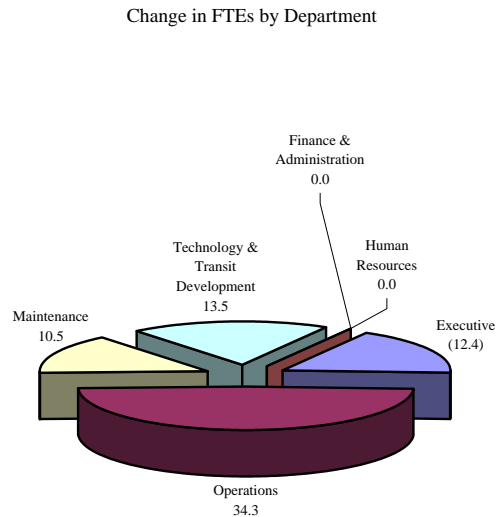
Positions			
2003 Budget	2004 Budget	2005 Budget	2005-2004 Change
3.0	3.0	4.0	1.0
9.0	11.0	0.0	-11.0
2.0	2.0	0.0	-2.0
2.0	2.0	2.0	0.0
16.0	18.0	6.0	-12.0

2.0	2.0	2.0	0.0
8.0	8.0	8.0	0.0
52.0	56.0	57.0	1.0
67.0	67.0	68.0	1.0
2.0	2.0	2.0	0.0
461.0	475.0	501.0	26.0
592.0	610.0	638.0	28.0

4.0	3.0	4.0	1.0
27.0	28.0	32.0	4.0
26.0	27.0	28.0	1.0
87.0	91.0	94.0	3.0
1.0	1.0	1.0	0.0
1.0	1.0	1.0	0.0
146.0	151.0	160.0	9.0



2005 BUDGET PERSONNEL SUMMARY



Department Division	FTEs				Positions			
	2003 Budget	2004 Budget	2005 Budget	2005-2004 Change	2003 Budget	2004 Budget	2005 Budget	2005-2004 Change
Technology & Transit Development								
Administration	0.0	0.0	2.0	2.0	0.0	0.0	2.0	2.0
Capital & Grants Admin	5.0	5.5	1.0	-4.5	5.0	6.0	1.0	-5.0
Capital Dev & Const Projects	3.9	6.0	9.0	3.0	5.0	6.0	9.0	3.0
Community Services	15.0	15.5	16.0	0.5	15.0	16.0	16.0	0.0
Information Systems	0.0	0.0	9.5	9.5	0.0	0.0	10.0	10.0
Marketing	24.1	24.3	24.3	0.0	25.0	26.0	26.0	0.0
Operations Planning	10.5	10.8	11.8	1.0	11.0	11.0	12.0	1.0
Project Management	0.0	0.0	2.0	2.0	0.0	0.0	2.0	2.0
Total	58.5	62.0	75.5	13.5	61.0	65.0	78.0	13.0
Human Resources								
Human Resources	8.0	8.0	8.0	0.0	8.0	8.0	8.0	0.0
Risk Management	3.0	3.0	3.0	0.0	3.0	3.0	3.0	0.0
Total	11.0	11.0	11.0	0.0	11.0	11.0	11.0	0.0
Finance & Administration								
Administration	1.0	1.0	1.0	0.0	1.0	1.0	1.0	0.0
Accounting	12.0	12.3	12.3	0.0	14.0	14.0	14.0	0.0
Administrative Services	7.0	7.0	7.0	0.0	7.0	7.0	7.0	0.0
Budgeting	2.0	2.0	2.0	0.0	2.0	2.0	2.0	0.0
Purchasing & Warehousing	12.0	13.0	13.0	0.0	12.0	13.0	13.0	0.0
Total	34.0	35.3	35.3	0.0	36.0	37.0	37.0	0.0
AGENCY TOTAL	822.9	854.1	899.9	45.9	862.0	892.0	930.0	38.0

NOTES: Totals may not add due to rounding.

FTE/Position figures include Board approved adjustments made during the year. Contract employees are not included.

The positions column is the number of employees authorized; the FTE's column indicates the full-time equivalents for those employees.

Personnel expenditures are driven by full-time equivalencies (FTEs). Relief Service Supervisor and relief Specialized Transportation (SHUTTLE) operator positions are recorded in the Transit Services Division while the FTEs (expenditures) are recorded in the Service Coordination and SHUTTLE Divisions. Relief Service Supervisors and relief SHUTTLE operators are hired from the pool of transit operators.



2005 BUDGET
DETAIL OF FTE / POSITION CHANGES
BY DEPARTMENT / DIVISION

Department Division	Description		Change in 2005 FTEs	Change in 2005 Positions
Executive				
Administration	CEO	Retirement	0.1	1.0
			<i>0.1</i>	<i>1.0</i>
Total Executive			0.1	1.0
Operations				
Service Coordination	Service Supervisor	Annualize	0.6	0.0
	Service Supervisor	New	1.0	1.0
	Senior Transportation Manager	Reclass	(1.0)	(1.0)
	Service Coordination Manager	Reclass	1.0	1.0
	Relief Service Supervisor	Decrease	(0.7)	0.0
			<i>0.9</i>	<i>1.0</i>
Specialized Transportation - Admin	Specialized Transportation Manager	New	1.0	1.0
	Relief Dispatcher (PASS Replacement)	New	0.5	0.0
	Lead CSR	Decrease	(1.0)	(1.0)
	Customer Service Supervisor	New	1.0	1.0
			<i>1.5</i>	<i>1.0</i>
Transit Services - Admin	Division Assistant	New	0.8	1.0
Transit Services - Ops	Transit Operators	Annualize	10.4	0.0
	Transit Operators	New	7.0	10.0
	Relief Operators	New	13.7	15.0
			<i>31.9</i>	<i>26.0</i>
Total Operations			34.3	28.0
Maintenance				
Administration	VP	Retirement	0.8	1.0
			<i>0.8</i>	<i>1.0</i>
Automotive	Maintenance Manager	Annualize	0.3	0.0
	Service Station Attendant	New	1.0	1.0
			<i>1.3</i>	<i>1.0</i>



2005 BUDGET
DETAIL OF FTE / POSITION CHANGES
BY DEPARTMENT / DIVISION

Department Division	Description		Change in 2005 FTEs	Change in 2005 Positions
Maintenance Bus	Journey Level Mechanic	New	1.0	1.0
	Equipment Body Repairer	New	0.8	1.0
	Vehicle Custodian	New	1.0	1.0
	Apprentice	Annualize	0.5	0.0
	Apprentice	Annualize	0.8	0.0
	Upholsterer	Annualize	0.2	0.0
			<u>4.2</u>	<u>3.0</u>
Facilities	Maintenance Manager	Annualize	0.3	0.0
	Maintenance Mechanic	New	0.5	1.0
	Maintenance Mechanic	New	1.0	1.0
	Facilities Custodian I	Annualize	0.5	0.0
	Facilities Custodian I	New	1.0	1.0
	Facilities Custodian I	New	1.0	1.0
			<u>4.3</u>	<u>4.0</u>
Total Maintenance			<u>10.5</u>	<u>9.0</u>
Technology & Transit Development				
Administration	VP	Transfer	1.0	1.0
	Executive Assistant (reclass from Planner I)	Annualize	0.5	0.0
	Executive Assistant (reclass from Planner I)	Transfer	0.5	1.0
			<u>2.0</u>	<u>2.0</u>
Capital & Grants Administration	Capital Development Manager	Decrease	(1.0)	(1.0)
	Principal Planner	Transfer	(1.0)	(1.0)
	Senior Planner	Transfer	(1.0)	(1.0)
	Planner I (reclass to Exec Asst)	Transfer	(0.5)	(1.0)
	Capital Grants Project Coordinator	Decrease	(1.0)	(1.0)
			<u>(4.5)</u>	<u>(5.0)</u>
Cap Dev & Const Projects	Principal Planner	Transfer	1.0	1.0
	Senior Planner	Transfer	1.0	1.0
	Intern	New	1.0	1.0
			<u>3.0</u>	<u>3.0</u>
Community Services - CTR	Assistant Manager	Transfer	(0.1)	0.0



2005 BUDGET
DETAIL OF FTE / POSITION CHANGES
BY DEPARTMENT / DIVISION

Department Division	Description		Change in 2005 FTEs	Change in 2005 Positions
Community Services - VP	Rideshare Specialist	New	0.5	0.0
	Assistant Manager	Transfer	0.1	0.0
	Vanpool Coordinator	Reclass	1.0	1.0
	Rideshare Specialist	Reclass	(1.0)	(1.0)
			<u>0.5</u>	<u>0.0</u>
Information Systems	CIO	Transfer	(1.0)	(1.0)
			<u>-1.0</u>	<u>-1.0</u>
Operations Planning	Principal Planner	Reclass	1.0	1.0
	Senior Planner	Reclass	(1.0)	(1.0)
	Intern	New	1.0	1.0
			<u>1.0</u>	<u>1.0</u>
Total Technology & Transit Development			<u>1.0</u>	<u>0.0</u>
Human Resources				
Human Resources	Human Resouce Analyst	Reclass	1.0	1.0
	Human Resouce Specialist	Reclass	(1.0)	(1.0)
	Total Human Resources		<u>0.0</u>	<u>0.0</u>
Finance and Administration				
Accounting	Account Clerk	Reclass	1.0	1.0
	Administrative Specialist I	Reclass	(1.0)	(1.0)
	Total Finance and Administration		<u>0.0</u>	<u>0.0</u>
AGENCY TOTAL *			<u>45.9</u>	<u>38.0</u>

* Totals may not add due to rounding





2005 BUDGET DEBT

In brief:

The Pierce Transit Debt Policy provides guidance to the Agency in the use of debt, requires a cost effectiveness review, assurances that the service levels will not be adversely affected, and that the use of debt be considered within the context of long range plans.

Legal Debt Limit and Margin

Pierce Transit is authorized by the Washington State Legislature, under RCW 39.36.010 and 35.58.272 to issue indebtedness. Indebtedness includes limited general obligation bonds, without a vote of the people up to an amount of 3/8 of 1% of the value of taxable property of the cities and towns within the service (benefit) area. In addition, Pierce Transit is also authorized by these RCWs to issue voter approved bonds up to 1.25% of the taxable property value for total indebtedness.

Debt Policy Summary

The use of debt by Pierce Transit is in accordance with the Washington State Legislature, RCW 39.36.010 and 35.58.272 described under the Legal Debt Limit and Margin in the column on the left.

In considering the use of debt, Pierce Transit will evaluate and balance the effect of debt financing on the long-term operational service needs of the Agency and the effects of debt service on the Operating Budget. It is the policy of Pierce Transit to insure that service levels will not be adversely affected by debt service payments.

An additional bonds test is also established in the bond indenture or other appropriate legal document of two times historical pledged revenues over maximum annual debt service. The test shall be applied to twelve consecutive months, out of the previous eighteen-month period.

Legal Debt Limit and Margin

	Non-voted	Maximum (1)
Assessed Value	\$ 29,619,949,949	\$ 29,462,266,823
Percentage of Assessed Value	0.375%	1.250%
Legal Debt Limit	111,074,812	368,278,335
Debt Outstanding	(2,890,000)	(2,890,000)
Remaining Debt Capacity	<u>\$ 108,184,812</u>	<u>\$ 365,388,335</u>

(1) The maximum debt limit includes both non-voted and voted debt. All outstanding debt is non-voted.



**2005 BUDGET
DEBT**

The assessed property value is based on 2004 assessments for 2005 tax collections. The value of all taxable property for tax purposes is estimated to be \$29.6 billion. On this basis, the Agency's remaining debt capacity is \$108.2 million and \$365.4 million as of January 1, 2005 for non-voted and voted debt respectively.

The existing debt levels at 2.7% of the non-voted debt capacity and 0.79% of maximum debt capacity are well within the legal limits. The existing debt levels are less than 1% of sales tax revenue annually. The effect of these levels on current and future operations is minimal.

The bonds maturing on and after December 1, 2010 will be subject to redemption at the discretion of Pierce Transit on and after June 1, 2009.

Bonds Payable

In 1999, Pierce Transit issued \$3,795,000 of limited sales tax general obligation bonds. These bonds were issued to advance refund bonds issued in 1992 with maturity dates between 2003 and 2011. Bond payments are made from sales tax revenues. The remaining debt service requirement of the 1999 refinancing bonds, which are the only outstanding bonds follows. Interest is paid on June 1 and December 1 with principal paid on December 1.

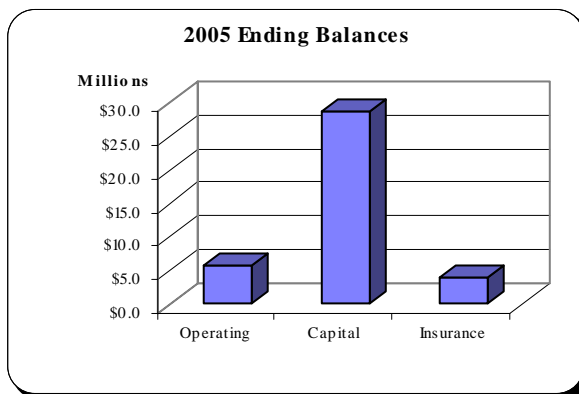
Bonds Payable				
Year	Interest Rate	Principal	Total Interest	Total Debt Service
2005	3.80%	365,000	117,412	482,412
2006	3.90%	380,000	103,542	483,542
2007	4.00%	395,000	88,722	483,722
2008	4.00%	415,000	72,922	487,922
2009	4.10%	430,000	56,323	486,323
2010	4.25%	445,000	38,692	483,692
2011	4.30%	460,000	19,780	479,780
		<u>\$2,890,000</u>	<u>\$ 497,393</u>	<u>\$ 3,387,393</u>



2005 BUDGET ENDING BALANCES REQUIREMENTS

In brief:

The Ending Balances chart provides a summary of the balances of each of the funds.



The Pierce Transit Board of Commissioners has established requirements for the level of unallocated funding that must be maintained in the Operating Fund. This amount is a minimum of five percent of operating expenditures plus cash flow requirements. The balance of \$5,866,900 at the end of 2005 meets the requirements. The ending balance change from 2004 year-end estimate to 2005 Budget is a result of the transfer of funds to the Capital Budget for projected capital improvements.

Budgeted capital projects are funded through the capital and depreciation reserves. The capital reserve is a fund dedicated to approved current capital projects. A capital reserve at least equal to the local portion of the following year's Federal Transit Administration (FTA) appropriation will also be funded annually. This will allow the agency to maximize the use of its federal capital funds. The capital depreciation balance is established in order to replace capital equipment and facilities as they wear out. Contributions to the depreciation reserve ensure future replacement of existing capital facilities and equipment. Uses of the depreciation reserve will be for replacement, not additional, capital equipment and facilities.

The insurance reserves will be set at a level to adequately protect the Agency from self-insurance risks. They are currently set at \$4 million.

At the end of 2005, total Agency fund balances will be \$38.6 million. This is a decrease of \$25.3 million from the prior year budget. The use of the designated fund balances reflects the capital expenditures anticipated in 2005 while maintaining designated balances at levels required by Board policy as described above.

A comparison of the ending balances for all the categories for three years and the percent change from 2004 to 2005 is located in the Budget Summary section of this document.



In brief:

The budget focuses on improving the quality of existing service while containing costs.

Performance measurement, business planning activities, and budgeting are designed to insure that current operations and capital improvements support the Agency's mission and strategic direction. This direction is embodied in the mission statement and goals.

**2005 BUDGET
STRATEGIC APPROACH TO THE BUDGET**

The strategic approach to the budget:

- Is customer focused and committed to improvements to the existing service as well as providing expanded service.
- Supports good service delivery through the funding of maintenance and related activities.
- Markets services to make them more accepted by and accessible to customers.
- Directs resources to initiatives that position the Agency to meet its strategic goals and objectives.
- Emphasizes employee development through funding for career development courses and tuition reimbursement.
- Focuses on improving processes with the Agency.



2005 BUDGET FINANCIAL POLICIES AND GOALS

In brief:

The purpose of the financial policies is to ensure that financial resources are managed in a prudent manner. The policies address the basic principles needed to promote sound accounting, auditing, and financial practices. These policies, together with the Six-Year Financial Plan, provide the framework for future financial planning efforts. These policies are reviewed annually.

The review process assesses the long-term financial implications of current and proposed programs, assumptions, and budgets.

- 1) Accounting practices will conform to generally accepted accounting principles as promulgated by the Government Accounting Standards Board and will maintain complete and accurate accounting records.
- 2) The Washington State Auditor's Office will audit Pierce Transit annually including compliance with federal single audit requirements.
- 3) A Comprehensive Annual Financial Report will be issued annually within six months after the end of the fiscal year, accompanied by a management letter from the State Auditor's Office.
- 4) Pierce Transit shall invest available funds in conformance with the investment policy adopted by the Board of Commissioners.
- 5) Each year, Pierce Transit shall develop a six-year financial forecast. The forecast shall project revenues and expenses. This forecast shall be used for developing the capital and operating budgets and reporting in the Transit Development Plan required by the State of Washington. The plan shall be reviewed with the Board of Commissioners.
- 6) All grants shall be managed to comply with the laws, regulations, and guidance of the grantor.
- 7) An operating reserve as defined in the Pierce Transit Code shall be maintained to protect against unexpected revenue shortfalls and unforeseen expenses.
- 8) Designated balances for capital replacement and self-insurance shall be maintained in accordance with the policy adopted by the Board of Commissioners.



**2005 BUDGET
FINANCIAL POLICIES AND GOALS**

- 9) Appropriate insurance coverage shall be maintained to mitigate the risk of material loss. For self-insured coverage, a separately funded insurance reserve shall be maintained in an amount equal to the estimated liability for incurred losses that have not yet been paid and an allowance for claims incurred but not filed.
- 10) A balanced budget is required. The budget is balanced if current revenues, plus reserves, are equal to or greater than expenditures. Budgeted financial requirements shall not exceed estimated financial resources in any given year. Funding shall be available for the timely replacement of capital assets at the end of their useful lives and ensure that funding is available for future expansion needs.
- 11) Debt or financing arrangements shall not be entered into unless the transaction complies with the Pierce Transit Debt Policy, applicable state and federal laws, and has been approved by the Board of Commissioners.
- 12) Operations will be performed at the most economical cost while maintaining desired service levels. Opportunities will be reviewed periodically to ensure that Pierce Transit is operating as efficiently and economically as possible, without compromising quality.
- 13) An asset inventory shall be maintained to assess the condition of all major capital assets. This information is used to plan for the ongoing financial commitments to maximize the public's benefit.



2005 BUDGET BASIS OF BUDGETING

In brief:

The basis of budgeting is flexible and serves a variety of functions including planning, control, and information.

As a planning tool, the budget is used to quantify the financial implications of planned operations and evaluate fiscal alternatives.

As a control document, the budget assists in the day-to-day financial operations by providing fiscal control for expenses.

As an information source, the budget provides financial information about the Agency's expected fiscal position.

Purposes of the budget:

The budget serves as a policy tool for the Board of Commissioners. Management uses the budget as an expression of goals and objectives for the coming year. For the citizens of Pierce County who may not be familiar with the workings of the Agency, it presents a picture of the Agency's purpose and intentions for the coming year. The budget is designed to communicate these intentions by describing the service to be provided, the cost of the service, the proposed allocation of funds, and revenue sources used to pay for the service.

Basis of accounting and budgeting:

Pierce Transit is a single enterprise fund. The financial statements are prepared using the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded as soon as they result in liabilities for benefits received. The modified accrual basis is used for budgeting. Under this method, operating revenues and expenses are budgeted on the accrual basis. Modified accrual budgeting is used for non-operating revenues and expenditures, which include capital grant receipts and expenditures as well as debt service principal. Capital expenditures and grant reimbursements are budgeted on a project basis. Projects are budgeted in their entirety when approved, regardless of anticipated expenditure dates. Each year thereafter, the remaining unexpended portion of the project, as well as related grant reimbursements, are carried over.



2005 BUDGET BASIS OF BUDGETING

Budget and spending control:

Washington State requires a balanced budget. The budget is balanced if current revenues plus reserves are equal to or greater than expenditures. Any increase to the approved total Agency budget requires authorization and approval by resolution from the Board of Commissioners. Budgets are monitored on a divisional basis for compliance with authorized expenditure levels.

Changes to personnel, travel, training, and capital expenditures require a budget revision. Unbudgeted additions to personnel require a budget amendment authorized and approved by resolution by the Board of Commissioners. Changes to travel and training budgets, within the total Agency budget, must be approved by the Executive Staff. Capital expenditures are budgeted for specific projects. The Chief Executive Officer may execute changes in a capital project budget up to a cumulative total of \$50,000, including the transfer of required funds from/to the Operating Budget. The change must be within the total Agency budget. A change in a capital project budget exceeding \$50,000 requires authorization by budget amendment from the Board of Commissioners. Managers may exercise their judgment in exceeding all other maintenance and operating expense budget individual line item appropriations so long as they do not exceed the total of these appropriations. Department vice presidents may exercise their judgment in balancing maintenance and operating expense divisional budgets within the department's appropriation. Expenditures exceeding an appropriation for a department, within the total Agency budget, must be approved by the Chief Executive Officer.



**2005 BUDGET
BASIS OF BUDGETING**

Designated funds:

Operating

Insurance

Capital

Funds set aside for insurance and capital are restricted and, once restricted, may not be used for any other purpose except through Board authorization.

Designated fund balances:

The Board of Commissioners has adopted policies establishing minimum balance requirements for each of the funds. The Operating Fund requires a balance to cover cash flows (currently calculated at \$1.5 million) plus 5.0% of operating expenditures. This policy is designed to ensure that the Agency maintains adequate cash to meet monthly financial obligations, to provide time to react to any unexpected revenue downturn, and to meet emergency expenditure requirements. The Insurance Fund for liability, workers' compensation, and unemployment risks is to be set at a level adequately protecting the Agency from self-insurance losses. The level of the Insurance Fund is reviewed annually with an appropriate contribution made to the fund as needed. The Capital Fund level is determined by the amount of local funds required for currently approved capital projects.

The capital account is used for expansion projects and is exhausted at the end of the fiscal year. The contributions to the depreciation account, established in 1992 to replace capital facilities and equipment as they wear out, are equal to the local portion of annual depreciation, in accordance with Board policy. Interest earned on the Depreciation Fund is expected to assist in compensating for any inflationary increases in the cost of replacement capital purchases.



2005 BUDGET THE BUDGET PROCESS

In brief:

Annual
January 1 – December 31
Clear mission
Stakeholder input
Budget development
Public hearing
Adopted by the Board
Monitored
Modified as necessary

The process:

The development of the budget is a political and managerial process that has financial and technical dimensions. The process begins with strategic planning described in the Business Planning Process section of this document. The identification and involvement of stakeholders in the planning and budgeting process is key to the success of the outcomes. The process serves the purposes of the budget.



First Step - The planning process begins each January as the strategic planning team begins the development of the Agency goals. The team, comprised of upper management with staff support, provides oversight on all planning processes, provides interactive communication with the departments and divisions throughout the year, reviews and recommends changes in the financial, capital, and service plans, and provides recommendations to Executive Staff on their adoption. The policies, goals, assumptions, and capital and expense projections are coordinated with the budget development.

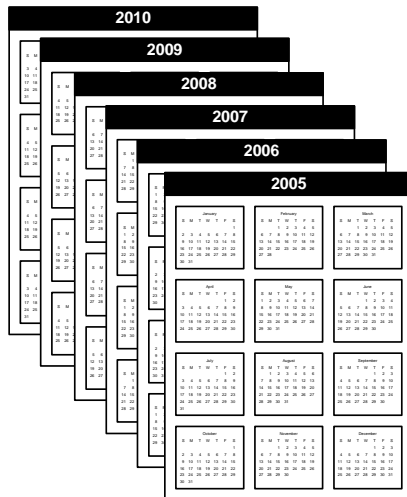


Second Step - The annual call for capital projects from all divisions. This step in the process is critical because the capital projects typically require significant investment and potential on-going commitments of operating funds. The projects are identified by the division managers to accomplish the Agency goals. A Capital Projects Committee comprised of department representatives evaluates and prioritizes each capital project based on how well it satisfies the goals and objectives of the Agency before they are programmed in the budget and subsequent six-year plans.

Capital projects are scored based on how well they satisfy the criteria and ranked accordingly. They are prioritized and based on the rankings are recommended to the Executive Staff for approval and inclusion in the budget.



2005 BUDGET THE BUDGET PROCESS



The criteria used in evaluating the capital projects for inclusion in the budget reflect the goals of the Agency:

Increase in ridership

The project results in more sustained riders on the system.

Ensure fiscal responsibility

The project improves or adheres to financial rules or policies and provides the best return for each dollar spent.

Support and partner with our community

The project provides for greater economies or encourages growth in the corridors served through leveraged funding.

Improve customer satisfaction and system quality

The project improves customer satisfaction or is in response to customer needs.

Maintain a dedicated and professional workforce

The project supports a positive work environment that promotes learning and collaboration.



Third Step - The presentation of the Six-Year Financial Plan and recommended capital projects to the management team. A retreat is held to review the Agency direction and present proposed service levels, revenue projections, and division expenditure targets. An important part of this retreat is the involvement and feedback from the managers. With this information, managers and vice presidents set division goals, objectives, and priorities. The objectives are consistent with the Agency mission and support the goals. They focus on what the Agency plans to accomplish in the coming year. Using these objectives as a guide, managers develop work plans.



2005 BUDGET THE BUDGET PROCESS

A second retreat is held for the presentation of this information by the managers to the entire team. The work plans describe how the division plans to contribute to achieving the Agency's overall goals and objectives.



Fourth Step - The management team is now equipped with the information needed to develop the divisional operating expenditure requirements. These requests are submitted to the Budget Office. The Budget Office compiles the requests and prepares the total Agency budget documents and analysis information in a preliminary budget.



Fifth Step - The Executive Staff reviews the preliminary budget. Meetings are held with managers as necessary. Changes are made and the final preliminary budget is submitted to the Board of Commissioners Administrative/Finance/Audit Committee for evaluation and comment.



Sixth Step - The recommended budget is submitted for public hearing and reviewed by the entire Board of Commissioners in November. If necessary, adjustments are made and the budget is submitted to the Board of Commissioners for adoption.



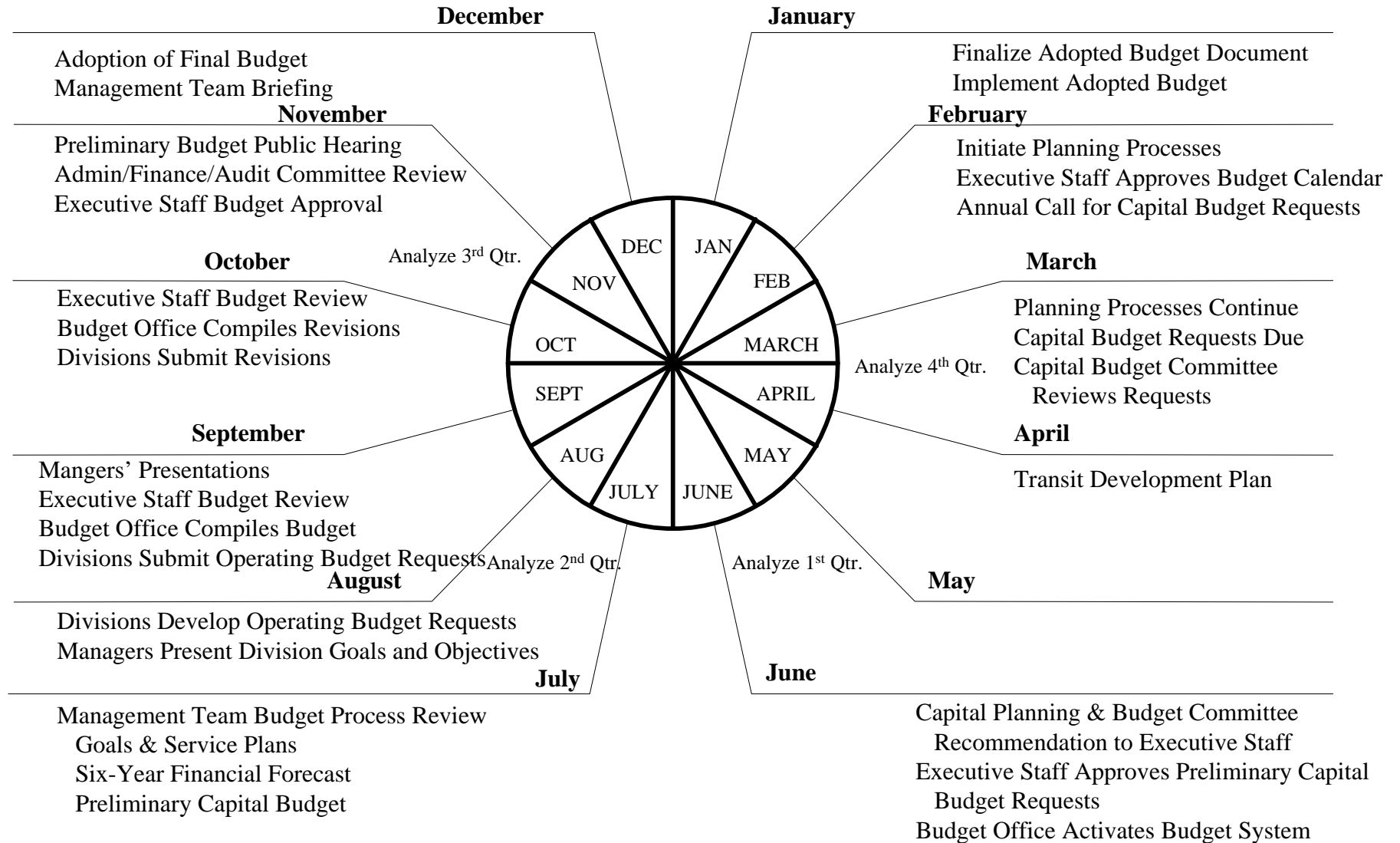
Seventh Step - The Board of Commissioners adopts the budget in December.



Eighth Step - Implementation is followed by monitoring and revisions as required.



2005 BUDGET ANNUAL BUDGET DEVELOPMENT CALENDAR





2005 BUDGET
MISSION, GOALS, AND MISSION DRIVEN BUDGET OBJECTIVES

Mission Statement

“Deliver outstanding transportation services that match our customers’ needs.”

Primary goals:

Increase System Ridership
(A)

Ensure Fiscal Responsibility
(B)

Support and Partner
With Our Community
(C)

Improve Customer Satisfaction
and System Quality
(D)

Maintain a Dedicated and
Professional Workforce
(E)

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.

The Mission Statement is adopted as the statement of purpose. The Agency’s budget is developed around the accomplishments of a common set of primary goals related to the mission. The goals are used for the Strategic Business Plan and provide the basis and parameters for the annual budget. Meetings are held with the management team to review the goals and identify key objectives to support the goals.



2005 BUDGET
MISSION, GOALS, AND MISSION DRIVEN BUDGET OBJECTIVES

Objectives and Measures:

To meet the primary goals, objectives and measures have been developed by the departments. Multiple departments / divisions may be involved in the completion of the objective.

The objectives are statements of what major items will be accomplished in this fiscal year. They are not prioritized in this listing.

The objective is linked to one or more of the goals shown by the letter of the goal following the objective.

Measures provide a framework for evaluating the completion of the objective.

Division
Objective (Goal)
Measures

Capital Development & Construction Projects and Facilities:

Plan and implement facility expansions and improvements. (A) (B) (C) (D)

Measures: Completion of South Base administration and training building, design of East Base expansion, park and ride development, 30 additional and 25 replaced bus stop shelters, 61 ad shelters, 4th CNG compressor installation, base roof replacement, and improved on-street and on-board customer information.

Transit Public Safety:

Enhance security measures at transit stations, park & rides, and at the base. (A) (D)

Measures: Reduction in customer complaints and security violations.

Community Services – Vanpool and Maintenance Automotive:

Replace and expand the vanpool fleet. (A) (C) (D)

Measures: Reduced maintenance costs, employer and employee satisfaction with transportation options, customer satisfaction with service and cost.

Maintenance Automotive and Facilities:

Replace and expand administrative, maintenance, and warehouse vehicles, and supervisor vans. (B) (D)

Measures: Fewer failures and downtime, reduced maintenance costs, improved efficiency, customer satisfaction, and operations support and performance.

Operations Planning and Marketing:

Increase local fixed route hours by 3.0% and ridership by 6.7% for all modes of service. (A) (B) (D)

Measures: System ridership statistics and customer satisfaction surveys. Nonproductive route replacement and improvement on most productive routes.



2005 BUDGET
MISSION, GOALS, AND MISSION DRIVEN BUDGET OBJECTIVES

Purchasing and Multiple Divisions:

Obtain office furniture for new employees. (D) (E)

Measures: Employee performance.

Purchasing and Multiple Divisions:

Replace copiers that can no longer be effectively maintained or have exceeded useful life. (B) (D) (E)

Measures: Completion of copying efficiently, reduction of service calls and maintenance costs.

Information Systems:

Continue the technology related infrastructure replacement plan implementation and network upgrades. (B) (D)

Measures: Reduced service calls, improved productivity and efficiency, and acquisitions as scheduled.

Information Systems, Project Management, Service Coordination, and Transit Services:

Replace current radio system with a voice/data system (mobile communications). (B) (D) (E)

Measures: Ability to meet expansion requirements, communication improvements resulting in increases in productivity, savings in personnel time, and quality of service accelerated.

Operations Planning, Marketing, Service Coordination, and Transit Services:

Produce tangible services and delivery results that are important to our various customer groups including additional service hours, a third trunk route, additional "BusPLUS" hybrid routes and support service changes. (A) (B) (C) (D)

Measures: Increased system ridership and improved customer satisfaction.



2005 BUDGET
MISSION, GOALS, AND MISSION DRIVEN BUDGET OBJECTIVES

Accounting, Budgeting, and All Divisions:

Improve financial performance. (B) (D)

Measures: Analysis of actual financial performance against expectations and projected future performance and expense containment within budget.

Human Resources and All Divisions:

Improve employees' morale and maximize the value of the Agency's intellectual capital through individual effectiveness and capacity. (B) (D) (E)

Measures: Provision of and participation in team building activities, allocation and use of training and incentives, improved organizational effectiveness, completion of ergonomic assessments, and awareness and human effectiveness training.

Specialized Transportation (SHUTTLE):

Maintain and improve SHUTTLE productivity and enhancements. (A) (B) (C) (D)

Measures: SHUTTLE dispatch and scheduling software system replacement, further hybrid services development, and increased ridership.

Project Management, Information Systems, Accounting, Budgeting, Purchasing, Maintenance Automotive, Maintenance Bus, and Maintenance Training:

Utilize the financial and maintenance computer software systems. (B) (D) (E)

Measures: Elimination of redundant tasks, integrated solutions, improved reporting and analysis, timely information, reduction in operating costs, and internal customer satisfaction resulting in increased job satisfaction and improved overall work environment.



2005 BUDGET
MISSION, GOALS, AND MISSION DRIVEN BUDGET OBJECTIVES

- Operations Planning, Capital & Grants Administration, Budgeting, and All Divisions:
Update the Six-Year Financial Plan for the Agency. (A) (B) (C) (D) (E)
Measures: Continued successful and cost-effective provision of services that meet customer demand.
- Marketing, Maintenance Automotive, and Maintenance Bus:
Market the compressed natural gas (CNG) public access fueling station. (B) (C) (D)
Measures: Utilization of fueling station.
- Marketing:
Conduct customer surveys. (A) (B) (C) (D)
Measures: Defined market preferences, increased system ridership and improved productivity on system services.
- Maintenance Bus and Maintenance Automotive:
Service and maintain vehicles. (A) (B) (D)
Measures: Fleet availability and reliability, on-time performance, reduction of costs, and customer satisfaction. Meet needs of 4.2% mileage increase for all modes of service.
- Safety and Training and Transit Services:
Improve operator performance. (A) (B) (D) (E)
Measures: Customer satisfaction, reduced unscheduled overtime, training classes for operators, and improved operator performance reviews. On-time performance of 95%. Reduced liability claims.
- Specialized Transportation (SHUTTLE):
Expand, upgrade, and remodel primary contractor's base. (B) (C) (D)
Measures: Contract award and completion of project.



2005 BUDGET
MISSION, GOALS, AND MISSION DRIVEN BUDGET OBJECTIVES

Capital & Grants Administration, Accounting, Budgeting, and Multiple Divisions:

Evaluate and recommend improvements to the grants/projects administration process.

(B) (D) (E)

Measures: Process definition, procedure documentation, and improved employee productivity. Implement the new FMS Project Ledger system.

Maintenance Automotive, Maintenance Bus, and Purchasing:

Replace maintenance equipment such as tire changer & milling machine. (B) (D) (E)

Measures: Improved productivity and reduction of employee injuries.

Marketing and Facilities:

Enhance Pierce Transit's image through a consistent professional look. (A) (B) (D)

Measures: Replaced street signage, a publishing standards manual, customer satisfaction, improved employee productivity, and reduced costs.

Capital Development & Construction Projects:

Purchase of land for the Mid-County Park and Ride. (A) (B) (C) (D)

Measures: Acquisition completed.

Specialized Transportation (SHUTTLE), Maintenance Automotive, and Purchasing:

Replace SHUTTLE vans in accordance with schedule. (A) (B) (D)

Measures: Delivery and utilization of the vans.

Maintenance Bus, Maintenance Automotive, and Purchasing:

Replace vehicles as they reach the end of projected service life. Acquire expansion vehicles. (A) (B) (D)

Measures: Delivery and utilization of replacement (15 buses, 44 Vanpool vans, 15 SHUTTLE vans) and expansion (5 buses and 10 Vanpool vans) vehicles as scheduled.



2005 BUDGET
MISSION, GOALS, AND MISSION DRIVEN BUDGET OBJECTIVES

Project Management, Information Systems, Accounting, Operations Planning, and Transit Services:

Participate in the development of a smart card regional fare collection system.

(A) (C) (D)

Measures: Completion of development tasks.

Human Resources and Multiple Divisions:

Recruit and hire staff adequate to meet Agency objectives. (A) (D) (E)

Measures: Fill additional and replacement positions as budgeted.

Operations Planning, Transit Services, Service Coordination, Maintenance, and Multiple Divisions:

Provide services for Sound Transit in accordance with agreements. (A) (B) (C) (D)

Measures: Ridership statistics, billing reimbursement, and reconciliation.

Safety and Training, Human Resources, and Multiple Divisions:

Develop personnel. (D) (E)

Measures: Completion of training programs, improved employee performance, and reduced turnover.

Human Resources:

Enhance employee benefit programs. (B) (E)

Measures: Implementation of retirement/health savings plan.

Human Resources and Risk Management:

Improve programs. (B) (D) (E)

Measures: Reduced workers' compensation costs, claim settlement loss control, and reduced accidents.



2005 BUDGET
MISSION, GOALS, AND MISSION DRIVEN BUDGET OBJECTIVES

Human Resources and Multiple Divisions

Negotiate a new bargaining agreement effective July 1, 2005. (B) (D) (E)

Measures: Signed bargaining agreement.

Capital Development & Construction Projects, Purchasing, and Multiple Divisions:

Continue base expansion development and interim solutions for space needs.

(A) (B) (D)

Measures: Adequate space for provision of services that meet demand.

Operations Planning, Marketing, Transit Services, and Multiple Divisions

Implement state special needs grant. (A) (B) (C) (D)

Measures: Satisfactory completion of grant requirements.

Facilities Division

Maintain facilities. (A) (B) (C) (D)

Measures: Customer satisfaction, reduced maintenance costs, roof replacement, and purchase and use of liquid deicing equipment.

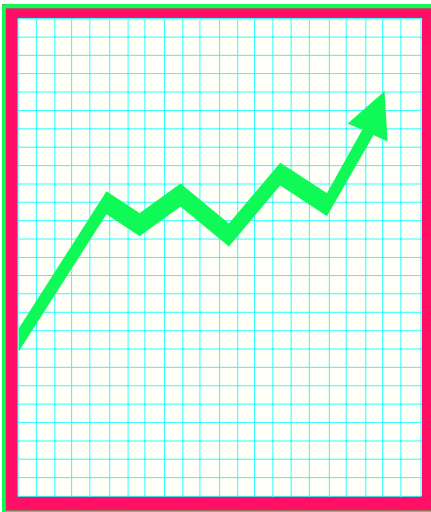




2005 BUDGET PERFORMANCE INDICATORS

In brief:

Pierce Transit uses performance indicators (measures) to obtain useful information in a consolidated format for the improvement of the Agency's services.



Summary:

The performance indicators provide a means of measuring the progress toward accomplishing the mission of the Agency. The information focuses on results and accomplishments and is directly related to the stated goals and objectives. The data assists in evaluating how effectively and efficiently the Agency is performing over time, gauging trends, forecasting, and supporting the evaluation and containment of costs.

The indicators are shown by the Agency transportation service modes of fixed route, SHUTTLE, and vanpool then further by revenue, cost, and operating categories. All of the Agency operating costs are allocated into the service modes through a cost allocation process.

Indicators

Farebox recovery – Measures how much the fare revenue offsets the total cost of service. Fare revenue divided by operating expense.

Cost per passenger – Measures the cost of carrying a passenger. Operating expense divided by the number of passengers.

Net cost per passenger – Measures the cost of carrying a passenger after fare revenue is considered. Operating expense less fare revenue divided by the number of passengers.

Cost per service hour and cost per service mile – Measures the unit cost of productivity, services, or cost efficiency. Operating expense divided by service hours and service miles.



2005 BUDGET PERFORMANCE INDICATORS

Customer Satisfaction

A system-wide survey of riders is conducted every three years. The purpose of the survey is to obtain overall rider satisfaction and demographics. The service areas investigated are: frequency and schedule of service; service reliability; coach operator and bus characteristics; bus stop and bus shelters; personal safety; fares; and customer service information.

Overall, Pierce Transit obtains high marks. The quality and convenience of customer information, the friendliness and courtesy of our drivers, and service reliability are the areas that continually receive the highest levels of customer satisfaction.

Cost per revenue hour – Measures the cost of operating for a revenue hour. Indicates both the degree of efficiency and unit costs. The difference between cost per service hour and cost per revenue hour is the degree of efficiency in applying all hours vehicles are on the road to the actual amount of service provided. Operating expense divided by the number of revenue hours.

Passengers per service hour/mile – Measures how the service plans and route components match service needs. Measures service effectiveness. Measures how many passengers are served per service hour/mile. The number of passengers divided by the number of service hours/miles.

Some indicators are based on constant or deflated dollars. The Consumer Price Index (CPI) of All Urban Consumers for the Seattle, Tacoma, and Bremerton area was used as the deflation factor for employee benefits and maintenance and operation costs. The CPI represents an inflation measure that is consistent and readily available.

Several graphs show the historical trends of the primary indicators. The operating information used to produce these performance indicators is included. Operating information by mode, performance indicators, and fare history is also provided.

These indicators may be used as a comparison with other transit agencies. However, care must be taken in analyses as the indicators are specific in the information they contain and may not always be consistent between agencies.

Pierce Transit also monitors on-time performance for vehicles operated. The goal of 95% was reached in 2002, while 2003 and 2004 at 94% reflects the ongoing commitment to the provision of excellent service.



**2005 BUDGET
PERFORMANCE INDICATORS COMPARISON**

	2003 Year-End	2004 Year-End	2005	% Change
	Actuals	Estimates	Budget	2004 YE Est to 2005 Budget
PIERCE TRANSIT LOCAL, EXPRESS, & BUSPLUS				
<u>Revenue</u>				
Farebox Recovery	17.7%	15.4%	14.8%	(3.9%)
<u>Cost</u>				
Cost/Passenger	\$3.59	\$3.89	\$4.05	4.1%
Net Cost/Passenger	\$2.96	\$3.29	\$3.45	4.9%
Cost/Service Hour	\$73.09	\$81.75	\$89.09	9.0%
Cost/Revenue Hour	\$77.69	\$86.96	\$96.35	10.8%
Cost/Service Mile	\$5.51	\$6.19	\$6.76	9.2%
<u>Operating</u>				
Passengers/Service Hour	20.38	21.00	21.99	4.7%
Passengers/Service Mile	1.54	1.59	1.67	5.0%
SOUND TRANSIT EXPRESS				
<u>Revenue</u>				
Farebox Recovery ¹	N/A	N/A	N/A	N/A
<u>Cost</u>				
Cost/Passenger	\$6.40	\$6.41	\$7.55	17.8%
Net Cost/Passenger ¹	N/A	N/A	N/A	N/A
Cost/Service Hour	\$72.87	\$75.46	\$90.40	19.8%
Cost/Revenue Hour	\$88.52	\$90.02	\$108.84	20.9%
Cost/Service Mile	\$2.71	\$2.95	\$3.54	20.0%
<u>Operating</u>				
Passengers/Service Hour	11.38	11.77	11.97	1.7%
Passengers/Service Mile	0.42	0.46	0.47	2.2%
TOTAL PIERCE TRANSIT & SOUND TRANSIT				
<u>Revenue</u>				
Farebox Recovery ¹	N/A	N/A	N/A	N/A
<u>Cost</u>				
Cost/Passenger	\$4.00	\$4.27	\$4.55	6.6%
Net Cost/Passenger ¹	N/A	N/A	N/A	N/A
Cost/Service Hour	\$73.04	\$80.26	\$89.39	11.4%
Cost/Revenue Hour	\$79.97	\$87.62	\$99.01	13.0%
Cost/Service Mile	\$4.44	\$4.98	\$5.57	11.8%
<u>Operating</u>				
Passengers/Service Hour	18.28	18.82	19.66	4.5%
Passengers/Service Mile	1.11	1.17	1.23	5.1%

¹ Farebox revenue is not accounted for on Sound Transit Express service thus Farebox Recovery and Net Cost/Passenger can not be calculated.
Revenue hours are the number of hours vehicles are providing passenger trips. Service hours are the number of hours vehicles are on the road.



**2005 BUDGET
PERFORMANCE INDICATORS COMPARISON**

	2003 Year-End Actuals	2004 Year-End Estimates	2005 Budget	% Change 2004 YE Est to 2005 Budget
SHUTTLE				
<u>Revenue</u>				
Farebox Recovery	2.5%	2.1%	2.2%	4.8%
<u>Cost</u>				
Cost/Passenger	\$24.23	\$27.99	\$27.93	(0.2%)
Net Cost/Passenger	\$23.63	\$27.39	\$27.33	(0.2%)
Cost/Service Hour	\$64.24	\$69.89	\$67.29	(3.7%)
Cost/Service Mile	\$3.91	\$4.33	\$4.21	(2.8%)
<u>Operating</u>				
Passengers/Service Hour	2.54	2.49	2.40	(3.6%)
Passengers/Service Mile	0.16	0.15	0.15	0.0%
VANPOOL				
<u>Revenue</u>				
Farebox Recovery	66.4%	66.2%	60.8%	(8.2%)
<u>Cost</u>				
Cost/Passenger	\$3.47	\$3.63	\$4.03	11.0%
Net Cost/Passenger	\$1.17	\$1.23	\$1.58	28.5%
<i>Cost/Service Hour estimated</i>	\$26.81	\$25.62	\$28.43	11.0%
Cost/Service Mile	\$0.64	\$0.67	\$0.74	10.4%
<u>Operating</u>				
Passengers/Service Mile	0.18	0.18	0.18	0.0%
TOTAL PIERCE TRANSIT, SHUTTLE, & VANPOOL - SOUND TRANSIT SERVICE EXCLUDED				
<u>Revenue</u>				
Farebox Recovery	16.4%	14.6%	14.2%	(2.7%)
Revenue/Passenger	\$0.72	\$0.70	\$0.70	0.0%
<u>Cost</u>				
Cost/Passenger	\$4.74	\$5.12	\$5.28	3.1%
Net Cost/Passenger	\$4.02	\$4.42	\$4.58	3.6%
Cost/Service Hour	\$66.48	\$72.58	\$76.75	5.7%
Cost/Service Mile	\$3.94	\$4.32	\$4.55	5.3%
<u>Operating</u>				
Passengers/Service Hour	15.19	15.15	15.63	3.2%
Passengers/Service Mile	0.90	0.90	0.93	3.3%

Service hours are the number of hours vehicles are on the road.



**2005 BUDGET
OPERATING INFORMATION**

	2003 Year-End	2004 Year-End	2005	% Change
	Actuals	Estimates	Budget	2004 YE Est to 2005 Budget
PIERCE TRANSIT				
Fixed Route Local & Express				
Ridership	11,335,187	11,867,738	12,798,119	7.8%
Service Hours	556,199	565,094	582,110	3.0%
Revenue Hours	523,270	531,219	538,247	1.3%
Service Miles	7,373,559	7,461,544	7,668,079	2.8%
Expenditures	\$40,653,893	\$46,194,864	\$51,859,494	12.3%
Expenditures (constant \$)*	\$31,021,823	\$35,238,310	\$39,051,438	10.8%
Fare Revenue	\$7,181,273	\$7,134,686	\$7,657,270	7.3%
SOUND TRANSIT				
Fixed Route Express				
Ridership	1,930,114	2,062,129	2,103,372	2.0%
Service Hours	169,586	175,262	175,776	0.3%
Revenue Hours	139,603	146,922	146,000	(0.6%)
Service Miles	4,559,930	4,476,191	4,489,326	0.3%
Expenditures	\$12,357,878	\$13,225,607	\$15,890,522	20.1%
Expenditures (constant \$)*	\$9,423,839	\$10,113,440	\$11,996,193	18.6%
Unreimbursed Expenditures	\$880,338	\$1,138,766	-\$239,751	(121.1%)
TDS Expenditures	\$434,820	\$534,745	\$590,165	10.4%
Fare Revenue	N/A	N/A	N/A	0.0%
Fixed Route Pierce Transit & Sound Transit				
Ridership	13,265,301	13,929,867	14,901,491	7.0%
Service Hours	725,785	740,356	757,886	2.4%
Revenue Hours	662,873	678,141	684,247	0.9%
Service Miles	11,933,489	11,937,735	12,157,405	1.8%
Expenditures	\$53,011,771	\$59,420,471	\$67,750,016	14.0%
Expenditures (constant \$)*	\$40,445,662	\$45,351,750	\$51,047,631	12.6%
Fare Revenue	\$7,181,273	\$7,134,686	\$7,657,270	7.3%



**2005 BUDGET
OPERATING INFORMATION**

	2003 Year-End	2004 Year-End	2005	% Change
	Actuals	Estimates	Budget	2004 YE Est to 2005 Budget
Shuttle				
Ridership	481,176	493,686	505,610	2.4%
Service Hours	181,480	197,737	209,877	6.1%
Revenue Hours	163,804	178,477	189,435	6.1%
Service Miles	2,984,989	3,189,107	3,351,251	5.1%
Expenditures	\$11,658,796	\$13,819,027	\$14,122,611	2.2%
Expenditures (constant \$)*	\$9,040,795	\$10,524,917	\$10,672,427	1.4%
Fare Revenue	\$288,850	\$297,051	\$304,226	2.4%
Vanpool				
Ridership	636,873	700,000	759,000	8.4%
Service Hours <i>estimated</i>	82,419	99,060	107,630	8.7%
Service Miles	3,472,839	3,814,000	4,143,000	8.6%
Expenditures	\$2,209,720	\$2,538,156	\$3,060,305	20.6%
Expenditures (constant \$)*	\$1,691,845	\$1,951,249	\$2,314,502	18.6%
Fare Revenue	\$1,467,675	\$1,680,980	\$1,859,930	10.6%
AGENCY TOTAL FIXED ROUTE, SHUTTLE & VANPOOL				
Ridership	14,383,350	15,123,553	16,166,101	6.9%
Service Hours	978,777	1,018,023	1,063,495	4.5%
Revenue Hours	826,677	856,618	873,682	2.0%
Service Miles	18,391,317	18,940,842	19,651,656	3.8%
Expenditures **	\$68,195,445	\$77,451,165	\$85,283,346	10.1%
Expenditures (constant \$)*	\$51,812,744	\$57,827,917	\$64,034,560	10.7%
Fare Revenue	\$8,937,798	\$9,112,717	\$9,821,426	7.8%

* Restated in 1995 Dollars: based on CPI information

** Expenditures exclude operating grant funded expenses.

Revenue hours are the number of hours vehicles are providing passenger trips.

Service hours are the number of hours vehicles are on the road.



2005 BUDGET OPERATING, PERFORMANCE, AND FARE HISTORY

Sound Transit Service Excluded*

	1999 Actual	2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 YE Estimate	2005 Budget
TOTAL RIDERSHIP (in millions)	14.552	13.017	12.862	12.233	12.453	13.061	14.063
OPERATING INFORMATION BY MODE							
Fixed Route (Local & Express)							
<u>Operating Information (in millions)</u>							
Annual Ridership	13.528	11.936	11.717	11.161	11.335	11.868	12.798
Service Hours	0.625	0.468	0.479	0.497	0.556	0.565	0.582
Revenue Hours	0.565	0.436	0.452	0.469	0.523	0.531	0.538
Service Miles	8.747	6.472	6.656	6.774	7.374	7.462	7.668
Expenditures	\$42.280	\$31.765	\$32.413	\$36.846	\$40.654	\$46.195	\$51.859
Expenditures (adjusted for inflation)^	\$35.493	\$26.666	\$26.121	\$28.558	\$31.016	\$35.267	\$39.051
Fare Revenue	\$10.010	\$6.063	\$6.209	\$6.831	\$7.181	\$7.135	\$7.657
<u>Performance Indicators</u>							
Farebox Recovery Ratio	23.68%	19.09%	18.44%	18.54%	17.66%	15.44%	14.77%
Revenue/Passenger	\$0.74	\$0.51	\$0.51	\$0.61	\$0.63	\$0.60	\$0.60
Cost/Passenger	\$3.13	\$2.66	\$2.77	\$3.30	\$3.59	\$3.89	\$4.05
Cost/Passenger (adj. for inflation)^	\$2.62	\$2.23	\$2.23	\$2.56	\$2.74	\$2.97	\$3.05
Net Cost/Passenger	\$2.39	\$2.15	\$2.26	\$2.69	\$2.95	\$3.29	\$3.45
Cost/Service Hour	\$67.67	\$67.83	\$67.69	\$74.20	\$73.09	\$81.75	\$89.09
Cost/Service Hour (adj. for inflation)^	\$56.81	\$56.94	\$54.55	\$57.51	\$55.76	\$62.41	\$67.09
Cost/Revenue Hour	\$74.82	\$72.92	\$71.71	\$78.62	\$77.69	\$86.96	\$96.35
Cost/Service Mile	\$4.83	\$4.91	\$4.87	\$5.44	\$5.51	\$6.19	\$6.76
Average Weekday Passengers	44,438	39,619	38,894	36,725	36,649	39,122	43,028
Passengers/Service Hour	21.65	25.49	24.47	22.48	20.38	21.00	21.99
Passengers/Service Mile	1.55	1.84	1.76	1.65	1.54	1.59	1.67
On-Time Performance	94.6%	93.6%	93.5%	95.0%	94.0%	94.0%	95.0%
SHUTTLE							
<u>Operating Information (in millions)</u>							
Annual Ridership	0.520	0.504	0.513	0.476	0.481	0.494	0.506
Service Hours	0.238	0.223	0.183	0.189	0.181	0.198	0.210
Service Miles	3.724	3.351	3.599	3.179	2.985	3.189	3.351
Expenditures	\$11.864	\$11.627	\$11.447	\$11.935	\$11.659	\$13.819	\$14.123
Fare Revenue	\$0.194	\$0.181	\$0.257	\$0.286	\$0.289	\$0.297	\$0.304
<u>Performance Indicators</u>							
Farebox Recovery Ratio	1.64%	1.56%	2.24%	2.40%	2.48%	2.15%	2.15%
Cost/Passenger	\$22.82	\$23.08	\$22.31	\$25.06	\$24.23	\$27.99	\$27.93
Net Cost/Passenger	\$22.45	\$22.72	\$21.81	\$24.46	\$23.63	\$27.39	\$27.33
Cost/Service Hour	\$49.90	\$52.05	\$62.72	\$63.17	\$64.24	\$69.89	\$67.29
Cost/Service Mile	\$3.19	\$3.47	\$3.18	\$3.75	\$3.91	\$4.33	\$4.21
Average Weekday Passengers	1,826	1,770	1,802	1,673	1,690	1,734	1,776
Passengers/Service Hour	2.29	2.33	2.39	2.42	2.54	2.49	2.40
Passengers/Service Mile	0.14	0.15	0.14	0.15	0.16	0.15	0.15

* Sound Transit is excluded 2000 - Present. 1999 and earlier reflect Pierce Transit operation of services that were transferred to Sound Transit in September, 1999.

^Adjusted to 1995. 2004 year-end and 2005 budget inflation factor is estimated. All prior years based on CPI information.

Revenue hours are the number of hours vehicles are providing passenger trips. Service hours are the number of hours vehicles are on the road.

The Cost Allocation Model used to split costs between Service Modes was changed in 2000 and 2005, thus a direct comparison between years may be difficult.



2005 BUDGET OPERATING, PERFORMANCE, AND FARE HISTORY

Sound Transit Service Excluded*

	1999 Actual	2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 YE Estimate	2005 Budget
VANPOOL							
<u>Operating Information</u>							
Annual Ridership (in millions)	0.503	0.578	0.632	0.595	0.637	0.700	0.759
Service Miles (in millions)	2.310	2.788	3.114	3.272	3.473	3.814	4.143
Expenditures (in millions)	\$1.778	\$1.870	\$1.969	\$2.236	\$2.210	\$2.538	\$3.060
Fare Revenue (in millions)	\$0.987	\$1.136	\$1.372	\$1.388	\$1.468	\$1.681	\$1.860
Number of vans in fleet	180	216	231	240	260	280	300
<u>Performance Indicators</u>							
Farebox Recovery Ratio	55.51%	60.71%	69.67%	62.06%	66.42%	66.23%	60.78%
Revenue/Passenger	\$1.96	\$1.97	\$2.17	\$2.33	\$2.30	\$2.40	\$2.45
Cost/Passenger	\$3.53	\$3.24	\$3.12	\$3.75	\$3.47	\$3.63	\$4.03
Net Cost/Passenger	\$1.57	\$1.27	\$0.95	\$1.42	\$1.17	\$1.22	\$1.58
SUPPLEMENTAL DATA							
<u>Budgeted Positions</u>							
Operations	534	499	538	555	592	610	638
Maintenance	134	127	129	133	146	151	160
Administrative	109	103	109	112	124	131	132
Total:	777	729	776	800	862	892	930
FARE INFORMATION							
Cash Fares **							
<u>Local Service</u>							
Adult / Student	\$1.00	\$1.00	\$1.00	\$1.25	\$1.25	\$1.25	\$1.25
Senior / Disabled	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
SHUTTLE	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
<u>Seattle Express Service</u>							
Adult / Student	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Senior / Disabled	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25
<u>Olympia Express Service</u>							
Adult / Student	\$1.50	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Senior / Disabled	\$0.75	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Passes **							
<u>Local Service</u>							
Adult	\$36.00	\$36.00	\$36.00	\$45.00	\$45.00	\$45.00	\$45.00
Youth (added in 1999.)	\$30.00	\$30.00	\$27.00	\$27.00	\$27.00	\$27.00	\$27.00
Senior/Disabled	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00
<u>Seattle Express Service</u>							
Adult/Student	\$75.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00
Senior/Disabled	\$37.50	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
<u>Olympia Express Service</u>							
Adult/Student	\$50.00	\$72.00	\$72.00	\$72.00	\$72.00	\$72.00	\$72.00
Senior/Disabled	\$25.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00
Class Pass	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00
Transfers	Free	Free	Free	Free	Free	Free	Free

* Sound Transit is excluded 2000 - Present. 1999 and earlier reflect Pierce Transit operation of services that were transferred to Sound Transit in September, 1999.

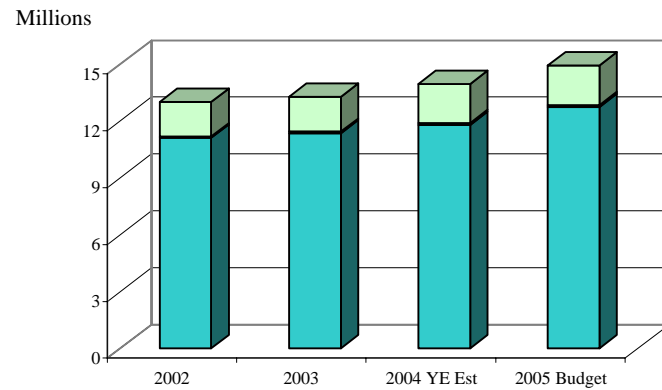
** Fare increases were implemented in 1999 and 2002.

The Cost Allocation Model used to split costs between Service Modes was changed in 2000 and 2005, thus a direct comparison between years may be difficult.



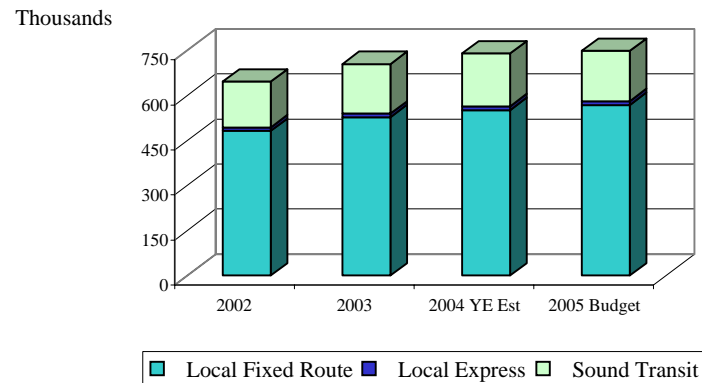
2005 BUDGET FIXED ROUTE STATISTICS BY SERVICE TYPE

Ridership



			<u>2004</u>	<u>2005</u>
			<u>Year End</u>	<u>Budget</u>
<u>Ridership (Millions)</u>	<u>2002</u>	<u>2003</u>	<u>Estimate</u>	
Local Fixed Route	11.081	11.238	11.768	12.696
Local Express	0.081	0.097	0.100	0.102
Sound Transit	1.817	1.930	2.062	2.103
Total Fixed Route	12.979	13.265	13.930	14.901

Service Hours

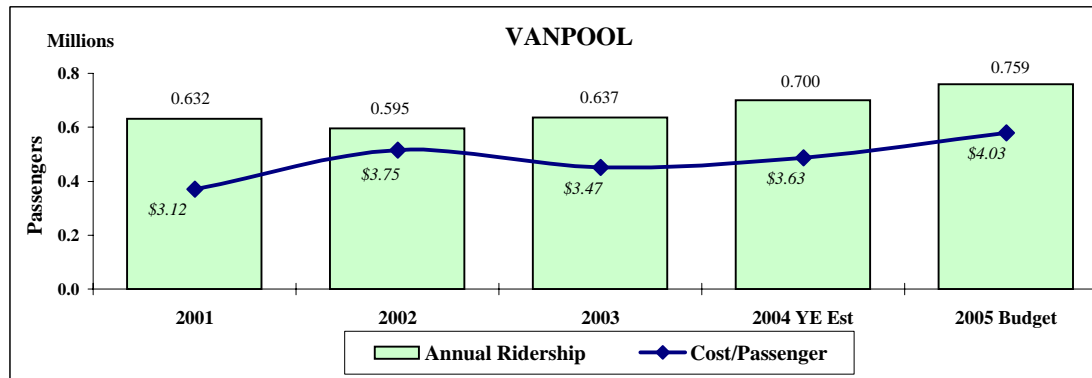
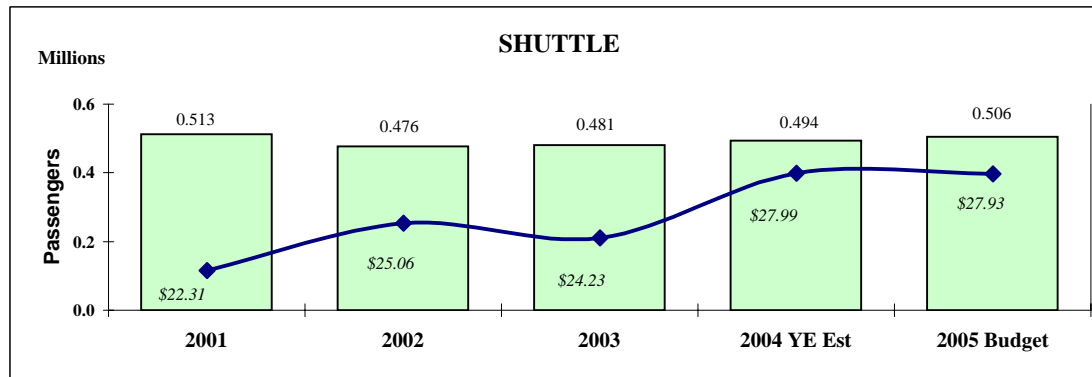
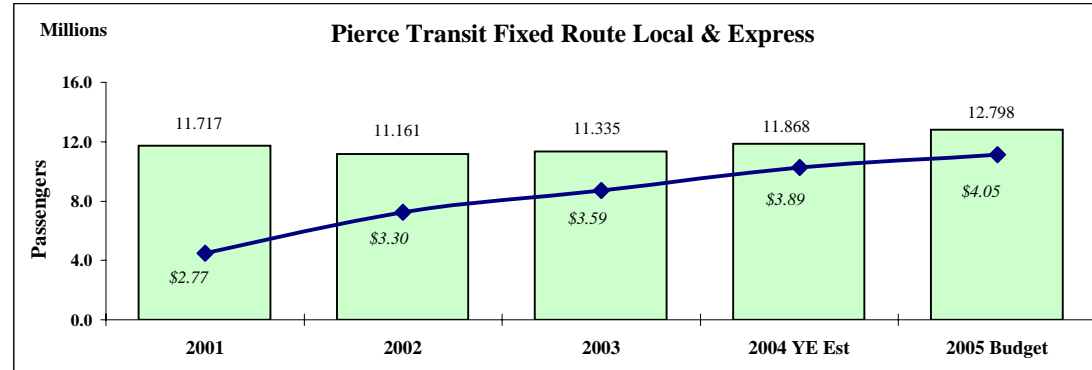


			<u>2004</u>	<u>2005</u>
			<u>Year End</u>	<u>Budget</u>
<u>Service Hours (Thousands)</u>	<u>2002</u>	<u>2003</u>	<u>Estimate</u>	
Local Fixed Route	486.51	543.62	551.65	568.79
Local Express	10.06	12.58	13.44	13.32
Sound Transit	153.22	169.59	175.26	175.78
Total Fixed Route	649.79	725.79	740.36	757.89

Service hours are the number of hours vehicles are on the road.

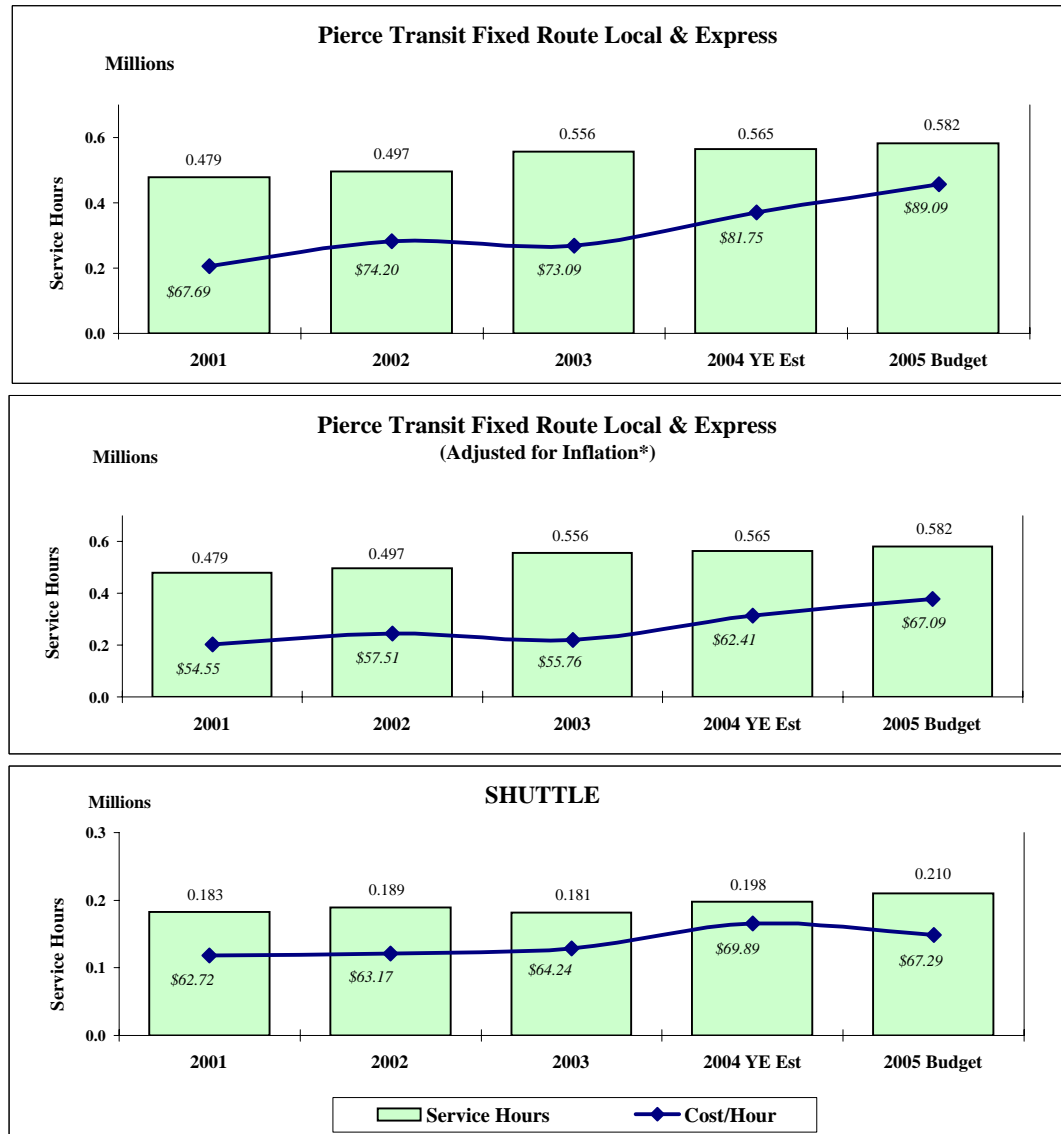


**2005 BUDGET
PERFORMANCE INDICATORS
RIDERSHIP AND COST / PASSENGER BY SERVICE TYPE**





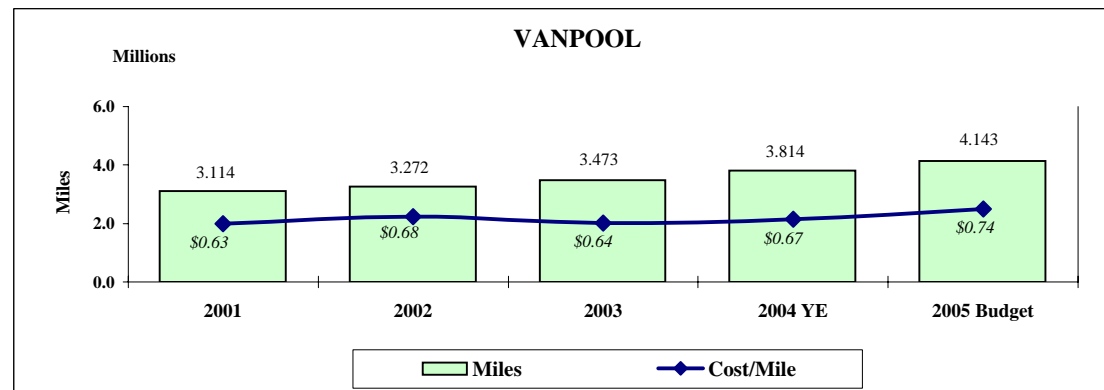
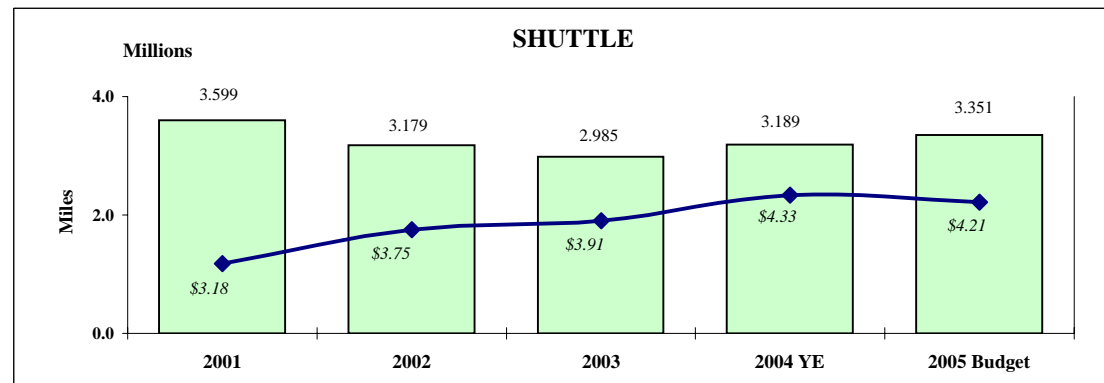
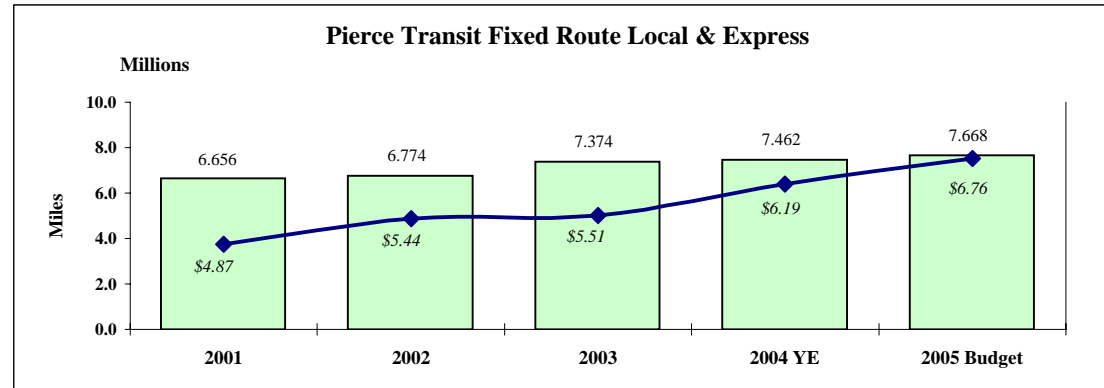
**2005 BUDGET
PERFORMANCE INDICATORS
HOURS AND COST / HOUR BY SERVICE TYPE**



* Adjusted to 1995 dollars (based on CPI)
Service hours are the number of hours vehicles are on the road.



**2005 BUDGET
PERFORMANCE INDICATORS
MILES AND COST / MILE BY SERVICE TYPE**





New software will improve paratransit service

A recent customer survey asked our regular bus riders what they would do if transit service were no longer available. Forty-five percent said they would choose to drive. When people with disabilities were asked the same question, they said wheelchair-equipped buses or SHUTTLE service were their only transportation options. Some of them told us that the loss of public transportation would create a desperate situation and would result in making them homebound. Their vital transportation needs include going to work, doctor appointments, shopping, and church. Many people say that Pierce Transit makes the difference between them contributing to society and them being dependent on society. It allows them the choice to lead meaningful and productive lives.

Pierce Transit takes the provision of transit services seriously and is constantly looking for ways to improve the service and enhance operational efficiency, especially for our customers with special needs.

To this end, Pierce Transit will install a sophisticated Windows-based software system to replace our current SHUTTLE route, scheduling, and management software. Developed by the StrataGen Company, Adaptive Decision Engine for Passenger Transportation, ADEPT, is a full-featured package that combines ADA eligibility, customer registration, trip reservations, automated scheduling, dispatch, reporting, communications, and database management. This will provide improved service to our valued customers while increasing productivity, reducing operating expenses, and improving workplace satisfaction.

Pierce Transit and StrataGen personnel are presently conducting extensive business requirements analysis, implementation planning, and advanced software training to ensure a smooth and successful transition process scheduled for summer of 2005.

Operating Budget





2005 BUDGET OPERATING BUDGET

In brief:

The Operating Budget reflects discussions with staff and the Board of Commissioners regarding the Strategic Business Plan, Six-Year Financial Plan, and options available to increase ridership and improve service.

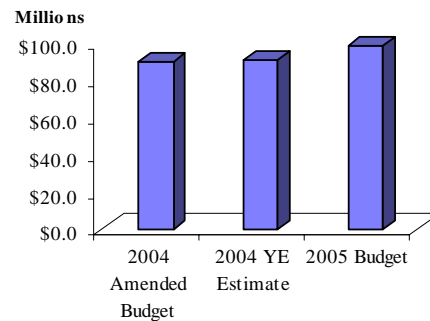
Operating budget revenue in 2005 is increasing 9.1% primarily as a result of the increase in the sales tax revenue, grants, and a new contract with Sound Transit for service provision.

The operating expenditure budget for 2005 is increasing by 11.3% over the year-end estimate. The increase reflects the cost of doing business both mandatory and market driven, wage and benefit adjustments, and increases in service provision.

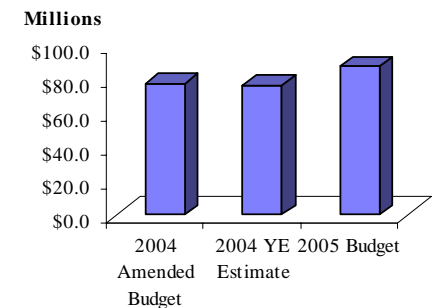
2005 Operating Budget Summary Comparison with 2004

	2004 Amended Budget	2004 Year-End Estimate	2005 Budget	Year-End Est. Change Amount	%
Operating Revenues	\$ 89,569,200	\$ 90,647,400	\$ 98,855,200	\$ 8,207,800	9.1%
Operating Expenditures	(76,854,400)	(75,530,300)	(84,048,600)	(8,518,300)	11.3%
	12,714,800	15,117,100	14,806,600		
Debt Service	(490,000)	(490,000)	(483,000)		
Pierce County Agreement	-	(80,000)	(2,805,900)		
Operating Transfers	(34,306,000)	(22,513,400)	(27,208,600)		
Use Of Designated Balances	\$ (22,081,200)	\$ (7,966,300)	\$ (15,690,900)		

Revenue Comparison



Expenditure Comparison





2005 BUDGET OPERATING BUDGET

Revenue:

The type of revenue and 2005 dollar and percent variance from 2004 year-end estimate provided in the table is briefly explained as follows.

Explanation of Change:

Fares – ridership increase

Advertising –
advertising demand
new contract

Sales Tax – estimated increase

Operating Assistance – grants

Sound Transit –
ridership increase
reimbursement rate
services provided

Interest –
investment balance
interest rates

Other – salvage sales

2005 Operating Budget Summary Analysis Revenues By Object

	2004 Amended Budget	2004 Year-End Estimate	2005 Budget	Year-End Est. Change	
				Amount	%
Fares	\$ 9,068,200	\$ 9,112,700	\$ 9,821,400	\$ 708,700	7.8%
Advertising	664,000	564,500	763,900	199,400	35.3%
Sales Tax	59,187,800	60,441,500	62,147,200	1,705,700	2.8%
Operating Assistance	3,674,700	3,817,600	7,738,700	3,921,100	102.7%
Sound Transit	15,777,700	15,611,600	17,681,200	2,069,600	13.3%
Interest	539,000	539,000	126,500	(412,500)	-76.5%
Other	657,800	560,500	576,300	15,800	2.8%
	<u>\$ 89,569,200</u>	<u>\$ 90,647,400</u>	<u>\$ 98,855,200</u>	<u>\$ 8,207,800</u>	9.1%

In summary, the increase in fares revenue is due to projected ridership increases. Advertising is up due to a new contract and advertising demand. Sales tax, the primary source of revenue, is anticipated to increase 5% over the 2004 Budget based on the economic forecast. The Operating Assistance increase is a result of the Pierce County agreement to pass through \$2.8 million in Federal Transit administration funds to Pierce County for their Steilacoom ferry system and Beyond the Borders program and The Washington Department of Transportation Special Needs grant of \$1 million to provide assistance for passenger transportation services to persons with special needs in Pierce County. The increase in Sound Transit revenue reflects the rate of increase in costs, the new agreement, and includes their request to use low sulfur diesel fuel and increase the maintenance and cleaning schedule for their buses.



2005 BUDGET OPERATING BUDGET

Revenues:

Operating Income

Fares

Advertising

Sales Tax

Operating Assistance

CTR/Vanpool

SR7 Route Grant

Preventive Maintenance

Special Needs Grant

Sound Transit

Interest Income

Other

Beginning Balance

Service	Cash Fares	
	Fare	Senior Disabled
Local	\$1.25	\$0.50
Express	\$1.25 - \$2.50	\$.50 - \$1.25
Special Event	\$2.50	\$2.50
Passes are also available		

Operating Income

Fares – Fare revenue is derived from cash fares paid by customers along with other methods of fare payment such as the sale of passes, tickets, and tokens. Pierce Transit participates in the Puget Pass regional fare system. This system provides a seamless fare system to the region's customers. Fare media may be purchased from any of the regional partners and may be used on any of the regional fare systems. Annually, each partner develops estimates of fare revenue and boardings. Revenues are projected and allocated to participating agencies based on an agreed upon average fare per boarding times ridership. The fare schedule is provided in the performance indicator section. No fare increases are planned for 2005. The last increase was in January 2002 bringing the adult fare to \$1.25 from \$1.00. A fare increase is anticipated in 2006.

Advertising – Revenue is generated through the sale of space on buses to businesses. Earnings are projected at the level of the minimum guarantee in the current contract with a local advertising agency. The contract year begins in July.

Sales Tax – The revenue is derived from a locally levied sales tax based on six-tenths of one percent of most sales within the Public Transportation Benefit Area. The tax is imposed on purchasers of tangible personal property and certain services. Sellers collect the tax for state and local government. The State distributes the collections to the Agency on a two-month lag. Food, drugs, and some manufacturing equipment are excluded. A use tax is imposed when sales tax has not been collected. Projections are based on historical information and economic conditions. Close monitoring is conducted throughout the year with State and local economists. Sales tax revenue is projected to reach 62% of operating revenues in 2005 for \$62 million. The average growth rate in sales tax for this year and the prior five years is 5.8%. However, there have been 3% swings both up and down. The 2005 projection is based on a conservative growth estimate of 5% over the 2004 budget and 2.8% over the 2004 year-end estimate for actual collections available at the time of preparation.



2005 BUDGET OPERATING BUDGET

Operating Assistance

Commute Trip Reduction/Vanpool – Funds are distributed through the Washington State Department of Transportation (WSDOT) to nine counties. All counties receive a base amount with the remaining funds distributed based on the number of affected worksites in each county. Each county creates a formula to allocate the funds. Pierce Transit enters into an agreement with Pierce County for the funds. The amount varies each biennium.

Additional Congestion Mitigation Air Quality funds from the federal government are received through projects with WSDOT, Pierce County, and the City of Tacoma. These projects fund support to commute trip reduction efforts.

Preventive Maintenance and SR 7 Route Grant – The Federal Transit Administration provides Urbanized Area Formula Grants (49USC5307) to urbanized areas for transit-related purposes. Some Americans With Disabilities Act (ADA) complementary paratransit service and all preventive maintenance expenses are eligible for this funding. Apportionments are made on the basis of legislative formulas. Pierce Transit is a part of the Seattle urbanized area (UZA) with a population of more than 1,000,000. The population determines the formula. It is based on a combination of bus revenue vehicle miles, bus passenger miles, fixed guideway revenue vehicle miles, and fixed guideway route miles as well as population and population density. These federal funds are authorized in Section 5307 of the Transportation Equity Act for the 21st Century (TEA-21) Public Law (PL) 105-178, enacted June 9, 1998. TEA-21 has been extended several times, most recently through May, 2005. The Preventive Maintenance portion of this funding is \$2,675,000 for 2005. Federal funds identified as Congestion Mitigation Air Quality provide \$500,000 in funding for the SR 7 Route Ridership Demonstration grant.



2005 BUDGET OPERATING BUDGET

Sound Transit – Sound Transit is the Central Puget Sound Regional Transit Authority authorized by the Washington State Legislature to plan, build, and operate a high-capacity transit system within the region's most heavily used travel corridors. Pierce Transit is under contract to provide regional express services that operate within and from Pierce County. The increase in revenue for 2005 is a result of ridership increases, the cost of service, and service additions. The cost of the service is based on a cost allocation model in a contractual agreement. Additional agreements are for reimbursements for the Tacoma Dome Station (TDS) shared costs, security, liability claims, and special services.

Interest Income – Cash temporarily idle during the year is invested in certificates of deposit, repurchase agreements, U.S. Treasury bills, bankers' acceptances, and Agency obligations. Interest income is dependent on the size of the investment portfolio as well as interest rates.

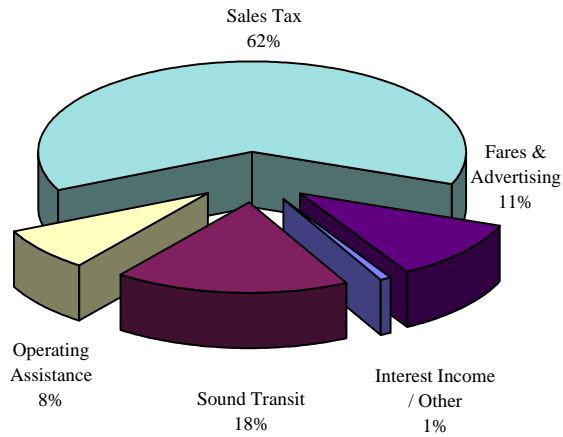
Other – This revenue category includes revenue received from parking fees at the Tacoma Dome Station, revenue from the sale of vehicles at the end of their useful life, and miscellaneous sources. A Job Access and Reverse Commute Program (JARC) grant is included. These funds support van services for Temporary 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.

Beginning Balance – The balance consists of working cash and designated balances for operating, insurance, and depreciation accounts.

The Operating Budget revenues by the above categories as a percent of the total operating revenue and the dollar amounts for 2005 Budget, 2004 Year-End Estimate 2004 Amended Budget, 2003 Year-End Actuals, and the percent change from 2005 to 2004 Year-End Estimates are included in this section.



Operating Revenues



2005 BUDGET OPERATING SUMMARY - REVENUES

(rounded to the nearest \$100)	2003 YEAR-END ACTUALS	2004 AMENDED BUDGET	2004 YEAR-END ESTIMATE	2005 BUDGET	% CHANGE 2005 TO 2004 EST.
OPERATING REVENUES					
OPERATING INCOME					
Fares	\$8,937,800	\$9,068,200	\$9,112,700	\$9,821,400	7.8%
Advertising	673,300	664,000	564,500	763,900	35.3%
SUBTOTAL - INCOME	9,611,100	9,732,200	9,677,200	10,585,300	9.4%
SALES TAX					
OPERATING ASSISTANCE	57,859,100	59,187,800	60,441,500	62,147,200	2.8%
CTR / Vanpool Assistance	407,100	297,900	148,100	305,200	106.1%
ADA Operating Grant	716,000	0	0	0	0.0%
Pierce County Agreement	0	0	0	3,232,400	0.0%
SR 7 Route Grant	0	701,800	701,800	500,000	-28.8%
Special Needs Transportation Grant	0	0	292,700	1,026,100	250.6%
Preventive Maintenance	6,348,800	2,675,000	2,675,000	2,675,000	0.0%
SOUND TRANSIT					
ST Express Reimbursement	12,304,400	14,478,600	14,478,600	16,219,100	12.0%
ST TDS Reimbursement	444,300	525,100	476,000	485,000	1.9%
Special Service Reimbursement	149,600	145,900	145,900	145,900	0.0%
Other Reimbursement	564,500	628,100	511,100	831,200	62.6%
INTEREST INCOME	433,400	539,000	539,000	126,500	-76.5%
OTHER	448,500	657,800	560,500	576,300	2.8%
CURRENT OPERATING REVENUES	89,286,800	89,569,200	90,647,400	98,855,200	9.1%
BEGINNING BALANCE	18,532,500	26,774,400	29,524,100	21,557,800	-27.0%
TOTAL OPERATING REVENUES AND BEGINNING BALANCE	\$107,819,300	\$116,343,600	\$120,171,500	\$120,413,000	0.2%





Expenditures:

Operating expenses are driven primarily by service. The majority of the Agency's resources are used to provide Pierce Transit Fixed Route Services. As shown in the graph, \$51.86 million will be required in 2005 to provide the planned levels of service utilizing 61% of the funds.

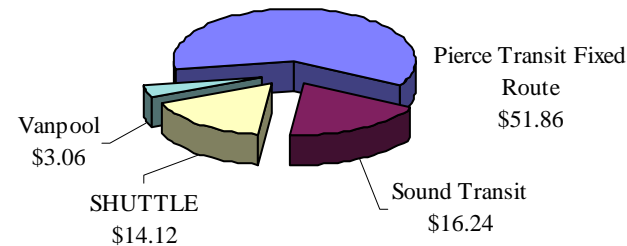
SHUTTLE service, the second largest category, will require \$14.12 million to provide the budgeted level of service.

Sound Transit service will cost \$16.24 million and the Vanpool program will need \$3.06 million to provide the budgeted expenses in 2005.

The Insurance Fund expenditures are included in the Distribution by Service information.

2005 BUDGET OPERATING BUDGET

**2005 Operating Expenditure
Distribution by Service**
(without transfers)
Total: \$85.28 million



The change in Pierce Transit and Sound Transit service hours and miles from 2004 Year-End Estimate to 2005 Budget is shown below.

	2004 Year-End Estimate	2005 Budget	Change	% Change
Hours				
Pierce	565,093	582,111	17,018	3.0%
Sound	175,262	175,776	514	0.3%
Total	740,355	757,887	17,532	2.4%
Miles				
Pierce	7,461,544	7,668,078	206,534	2.8%
Sound	4,476,191	4,489,326	13,135	0.3%
Total	11,937,735	12,157,404	219,669	1.8%



The distribution of resources is the most difficult aspect of budgeting. The staff and Board feel the 2005 budget reflects the best use of the available funds for the efficient and effective provision of service to the community.

The expenditures are categorized by the following functions:

- Personnel
 - Wages and Benefits
- Maintenance and Operations
 - Supplies
 - Services
 - Insurance (Purchased)
 - Utilities
 - Repairs
 - Rentals
 - Purchased Transportation
 - Other
- Debt Service
- Transfers

2005 BUDGET OPERATING BUDGET

Itemization of Budgetary Changes

The 2005 total operations budget is 11.3% above the 2004 year-end estimate. An itemization of this increase, which is comprised of 8.7% in personnel and 2.6% in maintenance and operations expenditures, is shown in the following charts.

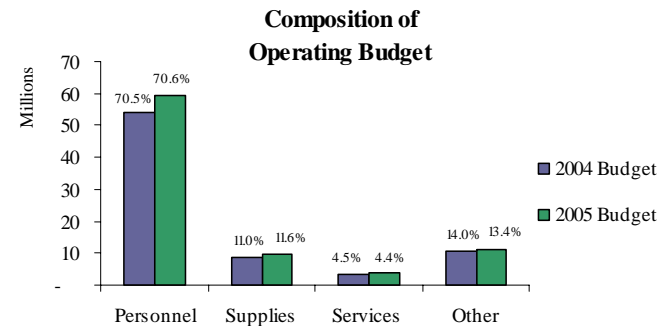
Itemization of Wage & Benefit Changes

Personnel	
Wages	1.7%
Wages - New	1.9%
Wages - Annualization	0.9%
Contract Wages	0.3%
Benefits	0.8%
Benefits - New	0.4%
Benefits - PERS	1.6%
Benefits - Medical	1.1%
Total Personnel	8.7%

Itemization of Budgetary Changes

M&O	
Supplies	0.0%
Fuel	1.3%
Tires & Tubes	0.2%
Services	0.2%
Publicity	0.4%
Security	0.1%
Insurance	-0.2%
Utilities	0.1%
Repairs & Maintenance	0.2%
Other	0.8%
Purchased Transportation	-0.6%
Other Contract Services	0.1%
Total M&O	2.6%

A comparison of the expenditure composition between 2004 and 2005 reflects nearly identical distributions.





**2005 BUDGET
OPERATING BUDGET**

Operating expenses for 2005 are projected to total \$87.3 million. Expenses are increasing \$11.2 million over year-end estimates as a result of service increases for both Pierce Transit and Sound Transit, additional personnel required to meet the increased service levels, wage and benefit labor agreement adjustments, medical and dental premium increases, and maintenance and operating cost increases attributable to the service increases and inflation.

**2005
Operating Budget Summary Analysis
Expenditures By Object**

	2004 Amended <u>Budget</u>	2004 Year-End <u>Estimate</u>	2005 <u>Budget</u>	Year-End Est. Change <u>Amount</u>	<u>%</u>
Wages	\$ 43,737,300	\$ 43,452,900	\$ 47,055,200	\$ 3,602,300	8.3%
Benefits	10,455,900	9,325,800	12,281,800	2,956,000	31.7%
M & O	22,661,200	22,751,600	24,711,600	1,960,000	8.6%
Total Operations	76,854,400	75,530,300	84,048,600	8,518,300	11.3%
Debt Service	490,000	490,000	483,000	(7,000)	-1.4%
Pierce County Agreement	-	80,000	2,805,900	2,725,900	3407.4%
Total	<u>\$ 77,344,400</u>	<u>\$ 76,100,300</u>	<u>\$ 87,337,500</u>	<u>\$ 11,237,200</u>	14.8%

Personnel - The 8.3% change from the 2004 year-end estimate to the 2005 budget is driven primarily by wage increases for personnel, FTE increases, and the annualized cost of 2004 new positions. The Master Agreement with the transit union is for a three-year period, July 1, 2002 through June 30, 2005.

A total of 38 additional position requests for 2005 include 36 for Operations and Maintenance for new service and system growth, and 2 temporary positions to cover retirements. Positions are increasing 4% over 2004.

Benefits - Benefit costs are accelerating due to health premium and retirement contribution increases, and the increase in personnel. Premera Blue Cross, the major medical provider, is increasing premiums nearly 11% in 2005. The Washington State Public Employees Retirement System (PERS) has increased the employer contribution rate from 1.4% to 5.27% of eligible wages effective July 1, 2005.



2005 BUDGET OPERATING BUDGET

Maintenance and Operations - The increase over 2004 is driven primarily by service increases and the general increase in prices. The inflation factor is in line with the CPI increase of 2.2% for the Seattle-Tacoma area.

Supplies - Fuel - The 2005 budget prices shown below reflect the best possible estimates based on the information available. Unleaded and diesel fuel costs continue to be volatile. The fuel expenditures for 2005 are 4% of the total operating budget. Compressed Natural Gas (CNG) comprises 62% of the fuel costs. The Pierce Transit fleet is 100% CNG powered in 2005. The increase in CNG price from \$.61 to .75 per therm in 2005 reflects the expiration of the very favorable price in the prior contract effective November 1, 2003. A new six-month contract reflects the current market conditions at \$.741 per therm. The unleaded and diesel cost estimates are based on the best information available. The costs have been extremely volatile in 2004. While the current prices as of 10/21/04 in these two categories exceed the budgeted estimates, it is anticipated that these costs will level off in 2005.

Fuel Prices

	2004 Amended Budget	2004 as of 10/21/04	2005 Budget
CNG	\$0.61	\$0.61	\$0.75
Diesel	\$0.96	\$1.68	\$1.62
Unleaded	\$1.23	\$1.67	\$1.60



2005 BUDGET OPERATING BUDGET

Services - Publicity expenditures are included to conduct surveys and community outreach research to identify improvements to service and materials and promotions to support service changes. Utility provider rates are increasing and costs are included for the addition of the South Base facility in 2005. Purchased Transportation expenditures are decreasing as a result of the elimination of the taxi service contract. The service will be provided internally or with an existing service provider.

Insurance -The insurance market has stabilized and for the first time in three years there will not be an increase in the Agency's excess liability insurance rate. Savings of approximately \$140,000 will result from the decision to self-insure the Vanpool liability program.

Debt Service – Debt service consists of principal and interest on the 1999 Limited Sales Tax General Obligation Bonds which were issued to refinance a 1992 limited bond issue. This bond issue serially matures through December 1, 2011 with an early call provision on June 1, 2009 for the 2010 and 2011 maturities. The debt service remains relatively constant through 2011. Additional information on debt may be found in the Debt service section of this document.

The allocation of funds is managed through departments and divisions. The department sections of this document provide the breakdown as follows:

Executive - Administration, and Public Relations

Operations - Administration, Safety & Training, Service Coordination, Specialized Transportation, Transit Public Safety, and Transit Services

Maintenance - Administration, Facilities Maintenance, Maintenance Automotive, Maintenance Bus, Maintenance Safety, and Maintenance Training



The Operating Budget expenditures by function as a percent of the total operating expenditures and the dollar amounts for the 2005 Budget, 2004 Year-End Estimate, 2004 Amended Budget, 2003 Year-End Actuals, and the percent change from 2005 to 2004 Year-End Estimates are found in this section.

2005 BUDGET OPERATING BUDGET

Technology & Transit Development – Administration, Capital & Grants Administration, Capital Development & Construction Projects, Community Services (ADA, CTR, and Vanpool), Information Systems, Marketing, Operations Planning, and Project Management

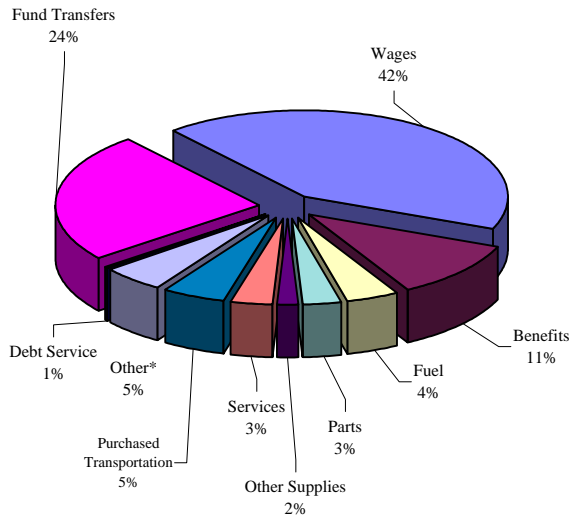
Human Resources - Human Resources and Risk Management

Finance & Administration - Administration, Accounting, Administrative Services, Budgeting, and Purchasing & Warehousing



**2005 BUDGET
OPERATING SUMMARY - EXPENDITURES**

Operating Expenditures & Transfers

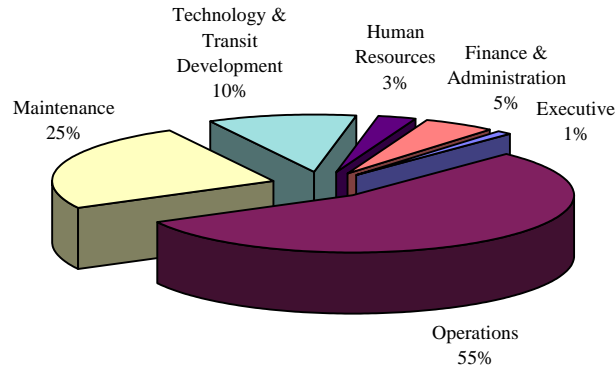


(rounded to the nearest \$100)	2003 YEAR-END ACTUALS	2004 AMENDED BUDGET	2004 YEAR-END ESTIMATE	2005 BUDGET	% CHANGE 2005 TO 2004 EST.
OPERATING EXPENDITURES					
OPERATING					
Wages	\$39,665,800	\$43,737,300	\$43,452,900	\$47,055,200	8.3%
Benefits	8,263,900	10,455,900	9,325,800	12,281,800	31.7%
SUBTOTAL - PERSONNEL	47,929,700	54,193,200	52,778,700	59,337,000	12.4%
Supplies	7,176,000	8,482,000	8,633,100	9,764,900	13.1%
Services	2,520,100	3,455,200	3,206,600	3,690,200	15.1%
Insurance (Purchased)	720,000	889,700	923,900	787,200	-14.8%
Utilities	607,600	713,200	695,600	792,200	13.9%
Repairs	704,800	1,335,800	1,164,300	1,284,400	10.3%
Rentals	170,500	249,200	247,600	253,100	2.2%
Purchased Transportation	4,747,300	5,688,200	6,133,700	5,680,500	-7.4%
Other	1,524,900	1,847,900	1,746,800	2,459,100	40.8%
SUBTOTAL - MAINTENANCE AND OPERATING	18,171,200	22,661,200	22,751,600	24,711,600	8.6%
SUBTOTAL - OPERATING	66,100,900	76,854,400	75,530,300	84,048,600	11.3%
Debt Service	569,600	490,000	490,000	483,000	-1.4%
Pierce County Agreement	0	0	80,000	2,805,900	3407.4%
CURRENT EXPENDITURES	66,670,500	77,344,400	76,100,300	87,337,500	14.8%
TRANSFERS					
Capital Transfer	519,900	16,754,500	5,013,600	10,909,100	117.6%
Liability and Other Insurance Transfer	1,239,100	1,455,400	1,426,900	497,200	-65.2%
Workers' Comp. Transfer	2,146,300	1,186,100	1,162,900	415,100	-64.3%
Base Sinking Fund Transfer	0	12,000,000	12,000,000	0	-100.0%
Depreciation Transfer	10,003,400	2,910,000	2,910,000	15,387,200	428.8%
SUBTOTAL - TRANSFERS	13,908,700	34,306,000	22,513,400	27,208,600	20.9%
CURRENT EXPENDITURES AND TRANSFERS	80,579,200	111,650,400	98,613,700	114,546,100	16.2%
ENDING BALANCE	27,240,100	4,693,200	21,557,800	5,866,900	-72.8%
TOTAL OPERATING EXPENDITURES AND ENDING BALANCE	\$107,819,300	\$116,343,600	\$120,171,500	\$120,413,000	0.2%

* Includes: Utilities, rentals, repairs, purchased insurance, and other miscellaneous expenses.



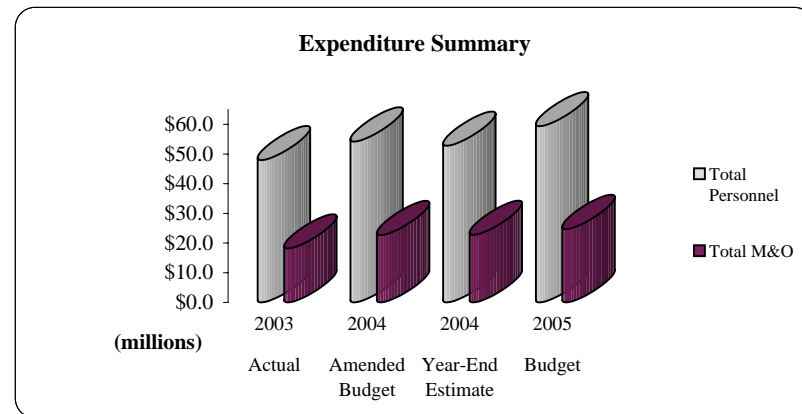
Agency Operating Budget



**2005 OPERATING BUDGET
AGENCY EXPENDITURE COMPARISON**

Description	2003 Actual	2004 Amended Budget	2004 Year-End Estimate	2005 Budget	% Change 2005 Budget to 2004 YE EST.	% Change 2005 Budget to 2004 Budget
Personnel						
Wages	\$ 39,665,831	\$ 43,737,306	\$ 43,452,932	\$ 47,055,168	8.29%	7.59%
Benefits	8,263,947	10,455,856	9,325,772	12,281,801	31.70%	17.46%
Personnel	47,929,778	54,193,162	52,778,704	59,336,969	12.43%	9.49%
Maintenance and Operations						
Supplies	7,175,948	8,482,036	8,633,133	9,764,892	13.11%	15.12%
Services	2,520,125	3,455,154	3,206,613	3,690,152	15.08%	6.80%
Insurance	719,983	889,707	923,865	787,165	-14.80%	-11.53%
Utilities	607,578	713,248	695,565	792,196	13.89%	11.07%
Repairs and Maintenance	704,845	1,335,821	1,164,258	1,284,444	10.32%	-3.85%
Rentals	170,520	249,174	247,567	253,085	2.23%	1.57%
Other	6,272,196	7,536,097	7,880,561	8,139,690	3.29%	8.01%
Maintenance and Operations	18,171,195	22,661,237	22,751,562	24,711,624	8.62%	9.05%
TOTAL OPERATING *	\$ 66,100,973	\$ 76,854,399	\$ 75,530,266	\$ 84,048,594	11.28%	9.36%
Total FTE's	822.9	854.1	854.1	899.9		
Total Positions	862.0	892.0	892.0	930.0		

* does not include Debt Service, Transfers or Insurance Expenditures





Microchip card enables regional transit coordination

In 2004, more than 27% of the Pierce County workforce was employed in the Seattle area. No wonder weekday traffic congestion along the I-5 corridor ranks number two in the nation. As more people travel north from the Tacoma area to the Seattle area for work, business, entertainment, and recreation, public transportation is a popular option for commuters. The Seattle Express, operated by Pierce Transit for Sound Transit, provides an average of 6,200 rides each weekday. As part of a regional transportation network, Pierce Transit provides a vital link in the transportation system by making connections with other regional transportation agencies.

The region's public transportation agencies are committed to the development and use of electronic fare collection, or "smart card" system. The primary objective of the "smart card" program is to further promote the integration of the region's transit systems and reduce the number of other fare media with which customers and operators have to contend. Customers will be able to purchase and revalue smart cards at our existing customer service locations as well as from machines at select transit stations, online, and at retail stores and participating employers throughout the four-county region.

Customers will simply pass a microchip-implemented card by an electronic reader on buses, ferry terminals, and train platforms. The reader instantly validates the fare transaction and deducts the appropriate fare. Intersystem transfers will be handled electronically with little or no operator or customer interaction and help facilitate the use of multiple transit services. In addition, the system will provide more accurate ridership data to help with future scheduling and route development.

*Executive*Department





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2005 BUDGET
DEPARTMENT DESCRIPTION
EXECUTIVE

In Brief:

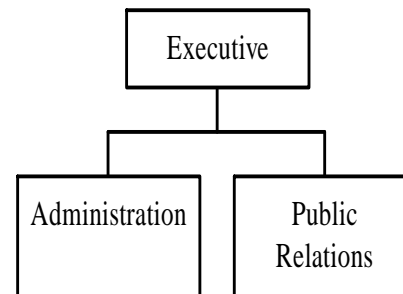
The Executive Department is responsible for carrying out the Agency's mission under the direction and authority of the Board of Commissioners. The Executive Department head Don S. Monroe, Chief Executive Officer since 1981, marshals all of the resources – internal and external – necessary for achieving the Agency's mission to deliver outstanding transportation services that match our customers' needs. The department is comprised of six positions in two divisions:

Administration
Public Relations

The divisions have a specific area of responsibility toward accomplishing the goals.

Overview:

The Executive Department consists of the following:



Administration The division is responsible for the implementation of the policies approved by the Board of Commissioners and the overall direction, supervision, and coordination of the Agency's activities and day-to-day management.

Public Relations The division is responsible for non-advertising related internal and external communications with the news media, our customers, the community, elected officials, and employees. The Public Relations Officer advises Agency leadership on communications strategies related to specific issues and opportunities, and functions as agency spokesperson. This division provides and/or approves content for internal and external newsletters and publications, website, telephone hotline, on-line news alerts, news announcements, and supports the Marketing Division on selected brochures, ads, direct mail, and other customer information pieces. This division represents the Agency at a variety of community meetings, events, and activities.

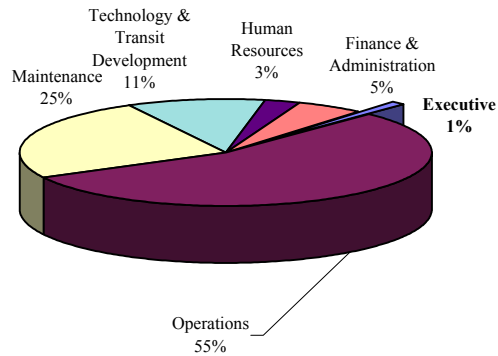




**2005 OPERATING BUDGET
DEPARTMENT EXPENDITURE SUMMARY**

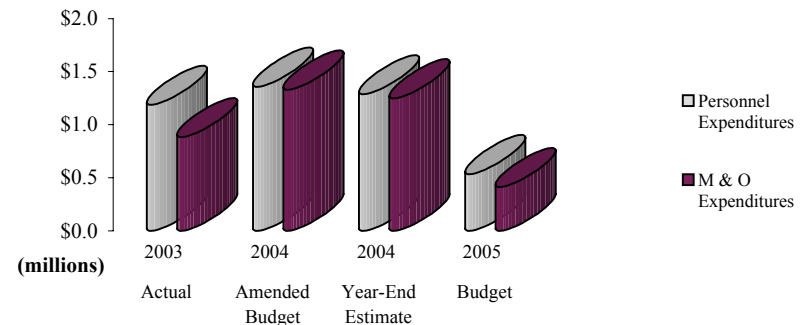
DEPARTMENT: EXECUTIVE

Operating Budget by Department



Description	2003 Actual	2004 Amended Budget	2004 Year-End Estimate	2005 Budget	% Change 2005 Budget to 2004 YE EST.	% Change 2005 Budget to 2004 Budget
Personnel						
Wages	\$ 1,017,338	\$ 1,119,695	\$ 1,104,262	\$ 422,173	-61.8%	-62.3%
Benefits	169,586	237,236	182,704	112,898	-38.2%	-52.4%
Personnel	1,186,924	1,356,931	1,286,966	535,071	-58.4%	-60.6%
Maintenance and Operations						
Supplies	174,347	310,047	281,138	5,088	-98.2%	-98.4%
Services	230,192	373,157	320,556	242,785	-24.3%	-34.9%
Repairs and Maintenance	6,443	6,500	6,500	0	-100.0%	-100.0%
Rentals	1,163	0	0	0	0.0%	0.0%
Other	470,452	639,778	640,513	163,728	-74.4%	-74.4%
Maintenance and Operations	882,597	1,329,482	1,248,707	411,601	-67.0%	-69.0%
TOTAL OPERATING	\$ 2,069,521	\$ 2,686,413	\$ 2,535,673	\$ 946,672	-62.7%	-64.8%
<i>FTE'S</i>	<i>14.0</i>	<i>16.5</i>	<i>16.5</i>	<i>4.1</i>	<i>-75.2%</i>	<i>-75.2%</i>
<i>Positions</i>	<i>16.0</i>	<i>18.0</i>	<i>18.0</i>	<i>6.0</i>	<i>-66.7%</i>	<i>-66.7%</i>

Expenditure Summary





**2005 OPERATING BUDGET
EXECUTIVE DEPARTMENT EXPENDITURE**

Object Number	Description	Division		Department Total
		Administration 10-111000-	Public Relations 10-112000	
PERSONNEL				
61100	Salaries	\$ 322,341	\$ 99,832	\$ 422,173
62500	Benefits	82,739	29,709	112,448
62800	Auto Allowance	450	-	450
	SUBTOTAL	405,530	129,541	535,071
SUPPLIES				
63110	Books & Periodicals	3,236	580	3,816
63120	Office Supplies	652	620	1,272
	SUBTOTAL	3,888	1,200	5,088
SERVICES				
64110	Professional Services	129,774	5,000	134,774
64120	Legal Costs	42,316	-	42,316
64130	Training	3,277	1,365	4,642
64160	Publicity & Public Relations	-	16,500	16,500



**2005 OPERATING BUDGET
EXECUTIVE DEPARTMENT EXPENDITURE**

Object Number	Description	Division		Department Total
		Administration 10-111000-	Public Relations 10-112000	
64210	Postage	1,819	300	2,119
64330	Travel & Subsistence	31,816	1,965	33,781
64340	Advertising	3,378	-	3,378
64350	Printing & Binding	275	5,000	5,275
	SUBTOTAL	212,655	30,130	242,785
OTHER				
64910	Association Dues	162,497	1,025	163,522
64990	Other Miscellaneous Expenses	206	-	206
	SUBTOTAL	162,703	1,025	163,728
TOTAL OPERATIONS		\$ 784,776	\$ 161,896	\$ 946,672
<i>FTE's</i>		<i>2.7</i>	<i>1.4</i>	<i>4.1</i>
<i>Positions</i>		<i>4.0</i>	<i>2.0</i>	<i>6.0</i>



**2005 OPERATING BUDGET
NARRATIVE**

Department: Executive
Division: Administration

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 339,919	\$ 405,530	Salary/wages and benefits for Chief Executive Officer, Clerk of the Board, and Executive Secretary/Deputy Clerk of the Board. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	3,739	3,888	Includes various subscriptions, supplements to the Revised Code of Washington and the Washington Administrative Code, an annual update of the Pierce Transit Code (\$3,236), and office supplies (\$652).
Services	160,931	212,655	Professional services (\$129,774), legal costs (\$42,316), training (\$3,277), estimated expenses for department staff and the Board of Commissioners to attend specific seminars, conferences, and professional association meetings (\$31,816), legal advertisements (\$3,378), printing (\$275), and postage (\$1,819).
Other	166,861	162,703	Includes association dues to the Washington State Transportation Association (\$30,620), Puget Sound Regional Council (\$46,568), American Public Transportation Association (\$17,476), WSDOT Hero Program (\$7,500), Rotary (\$283), Tacoma Chamber of Commerce (\$2,019), other association dues (\$306), Transportation Choices Coalition (\$7,725), APTA PT2 membership dues (\$50,000), and miscellaneous expenses (\$206).
TOTAL OPERATIONS	\$ 671,450	\$ 784,776	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Executive
Divison: Administration

Position Title	2004 Budget		2005 Budget		Salaries	2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions		Benefits		
Chief Executive Officer	1.0	1.0	1.1	2.0	\$ 156,225	\$ 35,010	\$	191,235
Clerk of the Board	1.0	1.0	1.0	1.0	69,992	16,713		86,705
Executive Secretary / Deputy Clerk of the Board	0.6	1.0	0.6	1.0	26,757	12,495		39,252
SUBTOTAL	2.6	3.0	2.7	4.0	252,974	64,218		317,192
Supplemental Retirement					384	-		384
Retirement Expense					66,983	3,521		70,504
Transition Housing					2,000	-		2,000
Moving Expense					-	15,000		15,000
Auto Allowance					-	450		450
TOTAL	2.6	3.0	2.7	4.0	\$ 322,341	\$ 83,189	\$	405,530



**2005 OPERATING BUDGET
NARRATIVE**

Department: Executive
Division: Public Relations

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 104,042	\$ 129,541	Salary/wages and benefits for Public Relations Officer, and Executive Secretary. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	1,200	1,200	Includes publication subscriptions (\$580) and miscellaneous office supplies (\$620).
Services	23,730	30,130	Professional services (\$5,000), publicity (\$16,500), postage (\$300), printing & binding (\$5,000), travel (\$1,965), and training (\$1,365).
Other	1,175	1,025	Association dues (\$1,025).
TOTAL OPERATIONS	\$ 130,147	\$ 161,896	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Executive
Division: Public Relations

Position Title	2004 Budget		2005 Budget		2005 Budget		
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	TOTAL
Public Relations Officer	1.0	1.0	1.0	1.0	\$ 81,994	\$ 17,984	\$ 99,978
Executive Secretary	0.4	1.0	0.4	1.0	17,838	11,725	29,563
TOTAL	1.4	2.0	1.4	2.0	\$ 99,832	\$ 29,709	\$ 129,541



Innovative transit design for rural communities

Prior to the February 2001 election that asked voters for additional sales tax support, Pierce Transit made numerous presentations throughout the 450 square mile service area. The agency restated its commitment to maintaining the community trust that their tax dollars are being well used. A positive vote would allow the agency to preserve current levels of service and provide for modest growth. Pierce Transit promised a thorough review of existing service, the use of smaller buses where appropriate, and the introduction of innovative services in previously underserved rural areas.

Bus PLUS was born on Monday, September 29, 2003, in the Key Peninsula area. Unlike a traditional bus service that operates only along a designated route, Bus PLUS stops at scheduled times at specific locations and adjusts its route to serve additional locations by customer request. The service uses 24-foot long vans that allow for more efficient operation and flexibility in a rural environment. The success of Bus PLUS on the Peninsula has led to the service being introduced in other parts of our service area.

Pierce Transit recently received grant funding from the State of Washington to provide limited transportation services in the rural mid-county area of Pierce County. The program is available to the general public and operates on a "by request" basis. Riders can use stops located in their neighborhoods, possibly in front of their own home. The service is designed to connect riders with other Pierce Transit buses or paratransit service and/or take them to key destinations within the area.

Operations Department





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In Brief:

The overall goal of the Operations Department is support of Pierce Transit's mission to deliver outstanding transportation services that match our customers' needs. The department's goal of providing the highest quality service is accomplished through effective and responsive management. The department is lead by Vice President Jane Seymore and is comprised of 638 positions in six divisions:

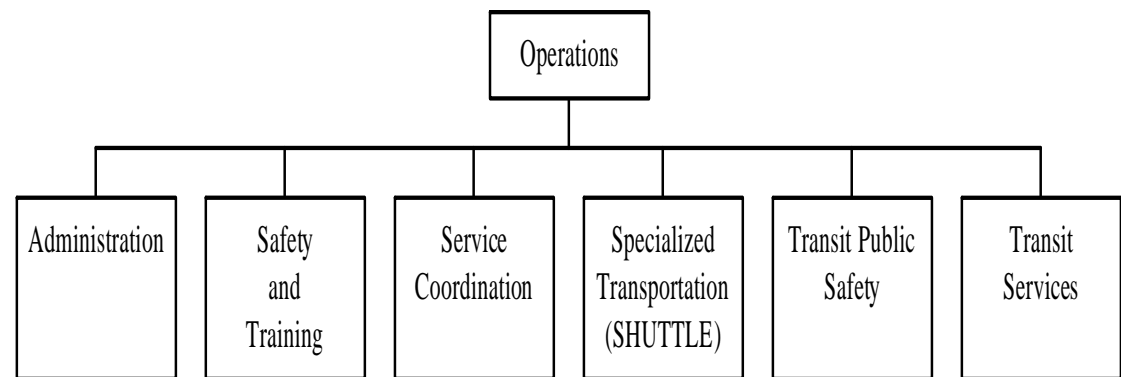
Administration
Safety and Training
Service Coordination
Specialized Transportation
(SHUTTLE)
Transit Public Safety
Transit Services

The divisions each have a specific area of responsibility toward accomplishing the goals.

2005 BUDGET DEPARTMENT DESCRIPTION OPERATIONS

Overview:

The Operations Department consists of the following:



Administration The division oversees and directs the activities of the divisions in the department.

Safety and Training The division is responsible for providing individualized instruction to the department's transit operators and other Agency personnel. This division also administers the department's vehicle and industrial safety programs, safety incentive and recognition programs, and provides safety training programs to other departments.

Service Coordination The division is responsible for the system radio communications, fixed route dispatch, service supervision, and providing transit operator and customer assistance. Service Coordination also manages special events, construction-related detours, and coordination of emergency transportation needs. This division provides oversight and enforcement of the park and ride lots including the Tacoma Dome Station.



2005 BUDGET
DEPARTMENT DESCRIPTION
OPERATIONS

Specialized Transportation (SHUTTLE) The division is responsible for providing accessible transportation services for Pierce Transit customers who are unable to use the fixed route system due to a disability. Included within this division are the administrative functions associated with managing directly provided SHUTTLE service, dispatching, customer service, and contracted service delivery. The division provides shared-ride trips on a reservation basis.

Transit Public Safety The division is responsible for developing, implementing, and monitoring policies and procedures to protect and prevent harm to employees, customers, and property. This includes responsibility for all security issues at all Pierce Transit facilities and on all vehicles. The Security Division also administers the department's contracts with public law enforcement agencies and private security companies.

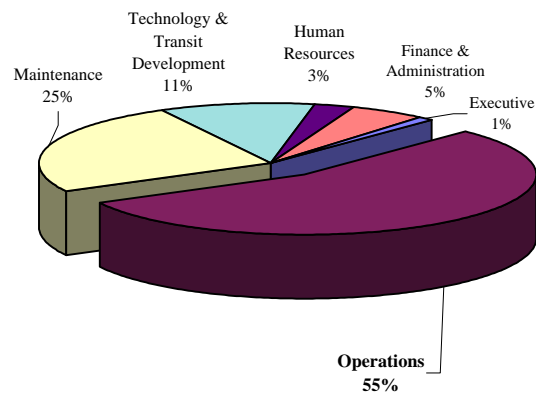
Transit Services The division is responsible for managing and coordinating all the activities of the transit operators. This division also evaluates and controls the quality of fixed route services provided to the community by the transit operators.



**2005 OPERATING BUDGET
DEPARTMENT EXPENDITURE SUMMARY**

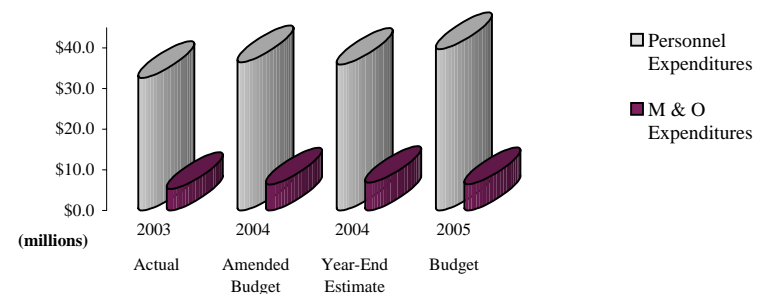
DEPARTMENT: OPERATIONS

Operating Budget by Department



Description	2003 Actual	2004 Amended Budget	2004 Year-End Estimate	2005 Budget	% Change 2005 Budget to 2004 YE EST.	% Change 2005 Budget to 2004 Budget
Personnel						
Wages	\$ 27,083,387	\$ 29,520,090	\$ 29,631,694	\$ 31,497,949	6.3%	6.7%
Benefits	5,571,954	6,990,116	6,280,785	8,224,867	31.0%	17.7%
Personnel	32,655,341	36,510,206	35,912,479	39,722,816	10.6%	8.8%
Maintenance and Operations						
Supplies	69,418	109,929	99,179	106,486	7.4%	-3.1%
Services	390,807	518,088	504,619	561,704	11.3%	8.4%
Utilities	0	1,750	1,750	1,750	0.0%	0.0%
Repairs and Maintenance	16,839	16,600	14,717	16,600	12.8%	0.0%
Rentals	2,683	6,186	5,920	6,336	7.0%	2.4%
Purchased Transportation	4,747,297	5,688,162	6,133,716	5,680,546	-7.4%	-0.1%
Other	26,001	41,414	34,985	48,593	38.9%	17.3%
Maintenance and Operations	5,253,045	6,382,129	6,794,886	6,422,015	-5.5%	0.6%
TOTAL OPERATING	\$ 37,908,386	\$ 42,892,335	\$ 42,707,365	\$ 46,144,831	8.0%	7.6%
<i>FTE'S</i>	<i>561.6</i>	<i>580.7</i>	<i>580.7</i>	<i>615.0</i>	<i>5.9%</i>	<i>5.9%</i>
<i>Positions</i>	<i>592.0</i>	<i>610.0</i>	<i>610.0</i>	<i>638.0</i>	<i>4.6%</i>	<i>4.6%</i>

Expenditure Summary







**2005 OPERATING BUDGET
OPERATIONS DEPARTMENT EXPENDITURE**

Object Number	Description	Division							Department Total
		Administration 10-646000-	Safety & Training 10-643000-	Service Coordination 10-644000-	Spec. Trans. (SHUTTLE) 10-64X000 *	Transit Public Safety 10-645000-	Transit Services 10-64X000- *		
PERSONNEL									
61100	Salaries	\$ 152,568	\$ 510,972	\$ 3,450,749	\$ 3,469,462	\$ 119,350	\$ 20,011,866	\$ 27,714,967	
61160	Safety & Attendance	-	2,000	32,400	25,278	-	244,834	304,512	
61190	Contract Salaries	-	-	-	-	750,168	-	750,168	
61200	Overtime	-	13,000	212,657	219,902	12,000	2,270,743	2,728,302	
62500	Benefits	34,653	112,322	785,706	889,448	53,486	6,145,216	8,020,831	
62900	Uniforms	-	-	41,753	900	-	161,383	204,036	
	SUBTOTAL	187,221	638,294	4,523,265	4,604,990	935,004	28,834,042	39,722,816	
SUPPLIES									
63110	Books & Periodicals	631	959	2,115	2,061	1,500	247	7,513	
63120	Office Supplies	593	2,650	3,390	5,525	5,600	380	18,138	
63290	General Operating Supplies	-	3,650	17,643	2,175	1,500	1,716	26,684	
63310	Small Tools & Equipment	-	3,250	2,151	-	3,750	-	9,151	
63360	Repair & Maint. Comm. Equip.	-	-	-	-	45,000	-	45,000	
	SUBTOTAL	1,224	10,509	25,299	9,761	57,350	2,343	106,486	



**2005 OPERATING BUDGET
OPERATIONS DEPARTMENT EXPENDITURE**

Object Number	Description	Division						Department Total
		Administration 10-646000-	Safety & Training 10-643000-	Service Coordination 10-644000-	Spec. Trans. (SHUTTLE) 10-64X000 *	Transit Public Safety 10-645000-	Transit Services 10-64X000- *	
SERVICES								
64110	Professional Services	-	560	37,265	-	6,100	7,383	51,308
64130	Training	425	7,600	6,775	1,700	4,045	3,125	23,670
64140	Security	-	-	-	-	406,532	-	406,532
64160	Publicity & Public Relations	-	2,500	-	-	-	-	2,500
64210	Postage	-	100	75	11,700	-	840	12,715
64330	Travel & Subsistence	6,530	12,795	6,885	4,385	750	8,045	39,390
64350	Printing & Binding	-	1,105	12,525	6,270	3,200	2,489	25,589
SUBTOTAL		6,955	24,660	63,525	24,055	420,627	21,882	561,704
PUBLIC UTILITY SERVICES								
64560	Electricity	-	-	1,750	-	-	-	1,750
SUBTOTAL		-	-	1,750	-	-	-	1,750
REPAIRS & MAINTENANCE								
64620	Repairs & Maintenance - Commercial Equipment	-	-	16,600	-	-	-	16,600
SUBTOTAL		-	-	16,600	-	-	-	16,600



**2005 OPERATING BUDGET
OPERATIONS DEPARTMENT EXPENDITURE**

Object Number	Description	Division						Department Total
		Administration 10-646000-	Safety & Training 10-643000-	Service Coordination 10-644000-	Spec. Trans. (SHUTTLE) 10-64X000 *	Transit Public Safety 10-645000-	Transit Services 10-64X000- *	
RENTALS								
64730	Equipment	-	3,100	-	-	-	-	3,100
64790	Other	-	-	736	-	2,500	-	3,236
	SUBTOTAL	-	3,100	736	-	2,500	-	6,336
OTHER								
64910	Association Dues	100	3,150	395	500	500	-	4,645
64960	Purchased	-	-	-	5,680,546	-	-	5,680,546
64970	Transportation Other Contract	-	-	-	-	4,000	-	4,000
64990	Services Other Miscellaneous Expenses	225	12,450	1,700	13,300	3,500	8,773	39,948
	SUBTOTAL	325	15,600	2,095	5,694,346	8,000	8,773	5,729,139
TOTAL OPERATIONS		\$ 195,725	\$ 692,163	\$ 4,633,270	\$ 10,333,152	\$ 1,423,481	\$ 28,867,040	\$ 46,144,831
	FTE's	2.0	8.5	60.0	73.3	2.0	469.2	615.0
	Positions	2.0	8.0	57.0	68.0	2.0	501.0	638.0

* X in account number indicates division has multiple account numbers.



**2005 OPERATING BUDGET
NARRATIVE**

Department: Operations
Division: Administration

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 163,653	\$ 187,221	Salary/wages and benefits for Vice President Operations and Executive Assistant. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	575	1,224	Books and periodicals (\$631) and office supplies (\$593).
Services	5,500	6,955	Travel (\$6,530) and training (\$425).
Other	325	325	Association dues (\$100) and miscellaneous meeting expenses (\$225).
TOTAL OPERATIONS	<u>\$ 170,053</u>	<u>\$ 195,725</u>	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Operations

Division: Administration

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
VP Operations	1.0	1.0	1.0	1.0	\$ 101,525	\$ 19,789	\$ 121,314
Executive Assistant	1.0	1.0	1.0	1.0	51,043	14,864	65,907
TOTAL	2.0	2.0	2.0	2.0	\$ 152,568	\$ 34,653	\$ 187,221



**2005 OPERATING BUDGET
NARRATIVE**

Department: Operations
Division: Safety & Training

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 622,416	\$ 638,294	Salary/wages and benefits for Safety and Training Manager, Instructors, and Relief Instructors. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	10,952	10,509	Books and periodicals (\$959), office supplies (\$650), film processing (\$2,000), first aid supplies (\$3,450), general supplies (\$200), lumbar and back supports (\$2,500), and bloodborne pathogen supplies (\$750).
Services	26,781	24,660	Professional services (\$560), postage (\$100), Roadeo pins and shirts (\$2,500), training (\$7,600), travel (\$12,795), and printing and binding (\$1,105).
Rentals	3,020	3,100	Rentals for the annual bus and van Roadeo (\$3,100).
Other	15,770	15,600	Association dues to the National Safety Council, Evergreen Safety Council and the Safety Pays program (\$3,150), Safety Awards (\$5,200), Safety Committee and classroom supplies/refreshments (\$400), mentoring program (\$1,500), Roadeo miscellaneous (\$350), Roadeo meals/refreshments (\$2,500), Roadeo entertainment (\$1,000), and Roadeo awards (\$1,500).
TOTAL OPERATIONS	\$ 678,939	\$ 692,163	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Operations
Division: Safety & Training

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Safety and Training Manager	1.0	1.0	1.0	1.0	\$ 90,355	\$ 18,699	\$ 109,054
Instructors	7.0	7.0	7.0	7.0	382,491	90,831	473,322
SUBTOTAL	8.0	8.0	8.0	8.0	472,846	109,530	582,376
Relief Instructors *	0.5	0.0	0.5	0.0	38,126	2,004	40,130
Safety & Attendance					2,000	105	2,105
Overtime					13,000	683	13,683
TOTAL	8.5	8.0	8.5	8.0	\$ 525,972	\$ 112,322	\$ 638,294



**2005 OPERATING BUDGET
NARRATIVE**

Department: Operations
Division: Service Coordination

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 4,373,367	\$ 4,523,265	Salary/wages and benefits for Service Coordination Manager, Service Coordination Assistant Managers, Division Assistant, Service Supervisors, Special Events Coordinator, and Communications Coordinator. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	29,269	25,299	Supervisory periodicals, film and processing, maps and office supplies (\$5,505), general operating supplies, such as radio batteries, accident investigation tools, van supplies, and small tools and equipment (\$19,794).
Services	50,637	63,525	Parking management contract for the Tacoma Dome Station (\$29,000), skill improvements and training for program staff (\$6,775), CISM training (\$5,265), Evergreen Safety Council/Hazmat (\$3,000), travel (\$6,885), printing including transfers, temporary bus stop signs, supervisor's manual, forms, reports, and decals (\$12,525), and postage (\$75).
Utilities	1,750	1,750	This expenditure is for Pierce Transit's portion of costs at South Hill Mall Transit Center for additional lighting during the Puyallup Fair (\$1,750).
Repairs & Maintenance	14,717	16,600	Repairs of portable radios and other communication equipment not covered by the maintenance contract (\$16,600).
Rentals	400	736	Tent rental for the 4th of July service (\$500) and aerial cable rental (\$236).
Other	2,104	2,095	Association dues (\$395) and staff recognition and miscellaneous supplies (\$1,700).
TOTAL OPERATIONS	\$ 4,472,244	\$ 4,633,270	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Operations

Division: Service Coordination

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Service Coordination Manager *	1.0	1.0	1.0	1.0	\$ 85,654	\$ 18,241	\$ 103,895
Service Coordination Assistant Manager	3.0	3.0	3.0	3.0	227,760	51,873	279,633
Division Assistant	1.0	1.0	1.0	1.0	41,995	13,981	55,976
Service Supervisor	48.4	49.0	50.0	50.0	2,769,520	651,319	3,420,839
Special Events Coordinator	1.0	1.0	1.0	1.0	57,262	13,153	70,415
Communications Coordinator	1.0	1.0	1.0	1.0	57,262	13,153	70,415
SUBTOTAL	55.4	56.0	57.0	57.0	3,239,453	761,720	4,001,173
Relief Supervisors	3.7	0.0	3.0	0.0	157,061	8,255	165,316
Safety & Attendance					32,400	1,703	34,103
Longevity					19,077	1,003	20,080
Severance					35,158	1,848	37,006
Overtime					212,657	11,177	223,834
Uniforms						41,753	41,753
TOTAL	59.1	56.0	60.0	57.0	\$ 3,695,806	\$ 827,459	\$ 4,523,265

* 2005 - Position reclassified from Senior Transportation Manager.



**2005 OPERATING BUDGET
NARRATIVE**

Department: Operations

Division: Specialized Transportation (SHUTTLE) - Admin

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 2,152,295	\$ 2,536,855	Salary/wages and benefits for Specialized Transportation Manager, Specialized Transportation Assistant Managers, Customer Services Supervisor, Division Assistant, Service Supervisors, Dispatch Coordinator, Standing Files Supervisor, Specialized Transportation Dispatchers, and Customer Service Representatives. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	7,965	9,761	Replacement map books for operators/office staff (\$1,200), ADA publications (\$764), WA State legal personnel program (\$97), miscellaneous office supplies (\$2,300), appointment books/calendars (\$425), recognition & award supplies (\$150), SHUTTLE & Supervisor vehicle supplies (\$775), file cabinets (\$400), SHUTTLE Operator training supplies (\$2,500), Building 5 reference racks (\$150), Waiting Area Signs (\$500), and scanner (\$500).
Services	24,845	24,055	Postage for newsletters, rider handbooks, rider alert literature, and miscellaneous monthly mailings (\$11,700), skills training (\$1,700), travel (\$4,385), and printing for business cards and SHUTTLE Rider Handbooks (\$6,270).
Other	6,139,461	5,694,346	Purchased Transportation (\$5,680,546), SHUTTLE Bucks Employee Recognition Program (\$8,000), miscellaneous memberships, subscription dues, staff meetings (\$1,000), and independent SHUTTLE audits (\$4,800).
TOTAL OPERATIONS	\$ 8,324,566	\$ 8,265,017	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Operations

Division: Spec. Trans.(SHUTTLE) - Admin

Position Title	2004 Budget		2005 Budget		Salaries	2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions		Benefits		
Specialized Transportation Manager	0.0	0.0	1.0	1.0	\$ 85,654	\$ 18,241	\$	103,895
Specialized Transportation Asst. Mngr.	2.0	2.0	2.0	2.0	151,798	34,578		186,376
Division Assistant	1.0	1.0	1.0	1.0	41,995	13,981		55,976
Service Supervisor	4.0	4.0	4.0	4.0	221,978	52,134		274,112
Dispatch Coordinator (SHUTTLE)	1.0	1.0	1.0	1.0	57,242	13,151		70,393
Lead CSR	1.0	1.0	0.0	0.0	-	-		-
Customer Service Supervisor	0.0	0.0	1.0	1.0	57,117	15,457		72,574
Standing Files Supervisor	1.0	1.0	1.0	1.0	58,282	13,222		71,504
Specialized Trans. Dispatcher	11.0	11.0	11.0	11.0	606,549	143,105		749,654
Customer Service Representatives - Full-time	14.0	16.0	8.0	8.0	293,696	94,116		387,812
Customer Service Representatives - Part-time	0.0	0.0	6.0	8.0	208,416	88,354		296,770
Customer Service Representative Mid-County	1.0	1.0	1.0	1.0	36,712	11,764		48,476
SUBTOTAL	36.0	38.0	37.0	39.0	1,819,439	498,103		2,317,542
Relief Dispatcher	1.5	0.0	2.0	0.0	101,629	6,866		108,495
Contract Administrator PASS Replacement					42,000	4,097		46,097
Safety & Attendance					11,300	594		11,894
Longevity					4,462	235		4,697
Premium Overtime					35,215	1,851		37,066
PASS Replacement Overtime					23,635	1,242		24,877
Overtime					61,563	3,236		64,799
Capital Reduction PASS Replacement Relief					(27,570)	(1,863)		(29,433)
Dispatcher Wages								
Capital Reduction PASS Replacement Acting-up					(2,887)	(195)		(3,082)
Assistant Manager Wages								
Capital Reduction PASS Replacement Contract					(42,000)	(4,097)		(46,097)
Administrator Project 02610								
TOTAL	37.5	38.0	39.0	39.0	\$ 2,026,786	\$ 510,069	\$	2,536,855



**2005 OPERATING BUDGET
NARRATIVE**

Department: Operations

Division: Specialized Transportation (SHUTTLE) - Ops

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 2,033,021	\$ 2,068,135	Salary/wages and benefits for Shuttle Operators. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
TOTAL OPERATIONS	<u>\$ 2,033,021</u>	<u>\$ 2,068,135</u>	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Operations

Division: Spec. Trans.(SHUTTLE) - Ops

Position Title	2004 Budget		2005 Budget		2005 Budget		
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	TOTAL
Shuttle Operators	31.0	29.0	31.0	29.0	\$ 1,428,232	\$ 365,733	\$ 1,793,965
SUBTOTAL *	31.0	29.0	31.0	29.0	1,428,232	365,733	1,793,965
Relief Operators**	3.3	0.0	3.3	0.0	122,522	6,440	128,962
Safety & Attendance					13,978	735	14,713
Premium Overtime					4,049	213	4,262
Overtime					119,075	6,258	125,333
Raincoats						900	900
TOTAL	34.3	29.0	34.3	29.0	\$ 1,687,856	\$ 380,279	\$ 2,068,135

* The FTE's include vacation replacement hours. The positions do not include vacation replacement operators.
These positions are carried in Transit Services.

** These positions are carried in Transit Services.



**2005 OPERATING BUDGET
NARRATIVE**

Department: Operations
Division: Transit Public Safety

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 806,425	\$ 935,004	Salary/wages and benefits for Transit Public Safety Manager, Transit Security Specialist, Contract Police Officers, and Contract Security Assistant. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	47,014	57,350	Supplies include security periodicals and books (\$1,500), office supplies (\$5,600), general operating supplies (\$1,500), small tools and equipment (\$3,750), and repair and maintenance of surveillance camera systems (\$45,000).
Services	374,170	420,627	Services include professional services (\$6,100), private security contract services provided at TDS and the base headquarters (\$406,532), training (\$4,045), travel (\$750), and printing & binding of various manuals, plans, and forms (\$3,200).
Rentals	2,500	2,500	Rental contract for emergency response vehicle (\$2,500).
Other	4,217	8,000	Association dues (\$500), security alarm fees (\$4,000), and miscellaneous and awards program (\$3,500).
TOTAL OPERATIONS	\$ 1,234,326	\$ 1,423,481	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Operations
Division: Transit Public Safety

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Transit Public Safety Manager	1.0	1.0	1.0	1.0	\$ 75,296	\$ 17,230	\$ 92,526
Transit Security Specialist	1.0	1.0	1.0	1.0	44,054	14,182	58,236
SUBTOTAL	2.0	2.0	2.0	2.0	119,350	31,412	150,762
Contract/Liaison Police Officers					724,272	10,502	734,774
Contract Security Assistant					25,896	11,245	37,141
Contract Overtime					8,000	116	8,116
Overtime					4,000	210	4,210
TOTAL	2.0	2.0	2.0	2.0	\$ 881,518	\$ 53,486	\$ 935,004



**2005 OPERATING BUDGET
NARRATIVE**

Department: Operations
Division: Transit Services - Admin

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 591,864	\$ 660,282	Salary/wages and benefits for Senior Transportation Manager, Assistant Managers, and Division Assistants. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	3,404	2,343	Supervisory periodicals (\$247), office supplies (\$380), miscellaneous office machines (\$57), and operator seat cushions (\$1,659).
Services	22,686	21,882	Professional services for system audits (\$7,383), postage (\$840), printing (\$2,489), training (\$3,125), and travel (\$8,045).
Other	6,824	8,773	Employee recognition and miscellaneous supplies (\$3,473), uniform dry cleaning (\$300), and TTAD expenses (\$5,000).
TOTAL OPERATIONS	\$ 624,778	\$ 693,280	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Operations
Division: Transit Services - Admin

Position Title	2004 Budget		2005 Budget		2005 Budget		
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	TOTAL
Senior Transportation Manager	1.0	1.0	1.0	1.0	\$ 97,573	\$ 19,403	\$ 116,976
Division Assistant	1.0	1.0	1.8	2.0	70,470	26,643	97,113
Assistant Managers	5.0	5.0	5.0	5.0	361,504	84,689	446,193
TOTAL	7.0	7.0	7.8	8.0	\$ 529,547	\$ 130,735	\$ 660,282



**2005 OPERATING BUDGET
NARRATIVE**

Department: Operations
Division: Transit Services - Operations

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 25,169,438	\$ 28,173,760	Salary/wages and benefits for Transit Operators and Relief Transit Operators. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
TOTAL OPERATIONS	<u>\$ 25,169,438</u>	<u>\$ 28,173,760</u>	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Operations
Division: Transit Services - Operations

Position Title	2004 Budget		2005 Budget		2005 Budget		
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	TOTAL
Transit Operators	367.6	380.0	385.0	390.0	\$ 16,097,882	\$ 4,708,418	\$ 20,806,300
Relief Transit Operators*	62.7	88.0	76.4	103.0	2,645,680	1,135,018	3,780,698
SUBTOTAL	430.3	468.0	461.4	493.0	18,743,562	5,843,436	24,586,998
Special Event Service					166,912	8,773	175,685
Safety & Attendance					244,834	12,868	257,702
Spread Time					84,748	4,454	89,202
Longevity					41,184	2,165	43,349
Severance					117,793	6,191	123,984
Delay Overtime					135,919	7,144	143,063
Scheduled Overtime					352,571	18,531	371,102
Unscheduled Overtime					791,801	41,616	833,417
Holiday Overtime					511,755	26,897	538,652
Travel Overtime					478,697	25,160	503,857
Trainee Wages					328,120	17,246	345,366
Uniforms						161,383	161,383
TOTAL	430.3	468.0	461.4	493.0	\$ 21,997,896	\$ 6,175,864	\$ 28,173,760

* Relief positions do not include relief operators in training. Also, the number of relief positions represent the minimum requirement throughout the year.



Pierce Transit 100 percent clean

The distinctive humps on the roofs readily identify Pierce Transit buses as “Clean Machines” fueled by clean-burning compressed natural gas (CNG) that helps improve air quality for the Puget Sound region. What began, in 1986, as a demonstration project to test the feasibility of CNG as a fuel source for the bus fleet, has resulted in an organizational commitment to clean air that likewise has proven economic benefits. CNG buses significantly reduce carbon monoxide and nitrogen oxide emissions, and virtually eliminate particulate emissions, when compared to diesel vehicles. In addition, CNG engines run quieter, helping curb noise pollution in neighborhoods. Pierce Transit has purchased only CNG-powered buses since 1992.

Pierce Transit began rolling out 20 new 30-foot buses into regular service in April. These smaller buses are a better match for the needed seat capacity and operating conditions encountered in these rural areas. Twenty new 40-foot buses were also placed into service throughout December. These new low-floor buses have a contemporary design and eye-catching color scheme along with colorful cloth upholstery, air-conditioning, and improved destination signs that make them a big hit with customers. They are also equipped with bike racks, wheelchair ramps, and improved wheelchair tie-down mechanisms.

Pierce Transit is recognized as a national and world leader in the operation of a CNG bus fleet for public transportation and has led the way for improved fuel and engine systems for the industry while helping to improve air quality for the Puget Sound region.

*Maintenance*Department





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**2005 BUDGET
DEPARTMENT DESCRIPTION
MAINTENANCE**

In Brief:

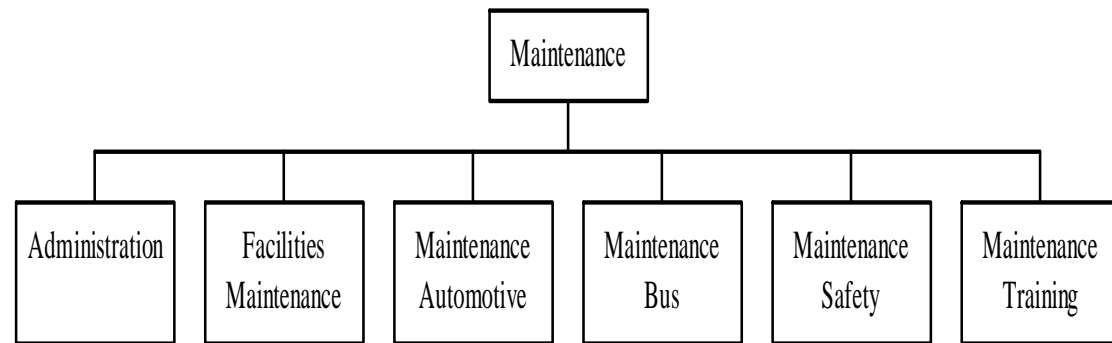
The overall goal of the Maintenance Department is support of Pierce Transit's mission to deliver outstanding transportation services that match our customers' needs. The department's goal of providing the highest quality service is accomplished through effective and responsive management. The department is lead by Acting Vice President Jay Rosapepe and is comprised of 160 positions in six divisions:

Administration
Facilities Maintenance
Maintenance Automotive
Maintenance Bus
Maintenance Safety
Maintenance Training

The divisions each have a specific area of responsibility toward accomplishing the goals.

Overview:

The Maintenance Department consists of the following:



Administration The division oversees and directs the activities of the divisions in the department.

Facilities Maintenance The division is responsible for all of the Agency's facilities. These include transit centers, park and ride lots, passenger shelters, benches, route signage, trash receptacles, the twenty acre maintenance and operations base which serves as Pierce Transit's operational and administrative headquarters at South Tacoma Way, the Commerce Street Turnaround, and the Tacoma Dome Station. Responsibility begins with the construction/placement of these facilities, and continues with cleaning, repair, and maintenance throughout the existence of the facility.



**2005 BUDGET
DEPARTMENT DESCRIPTION
MAINTENANCE**

Maintenance Automotive and Maintenance Bus These divisions are responsible for all of the Agency's rolling stock, which includes buses, Specialized Transportation (SHUTTLE) vans, vanpool vans, and support vehicles. This responsibility begins with the development of specifications to acquire new vehicles and then administering the contract for the acquisitions, taking delivery and placing vehicles into service, maintaining the vehicles throughout their useful life, decommissioning and taking vehicles out of service, and surplus vehicles when they have reached the end of their useful life. A full service shop is operated which includes body repair, component rebuild, a machine shop, a tire shop, an upholstery shop, and repair/service bays to accomplish preventive, as well as demand maintenance.

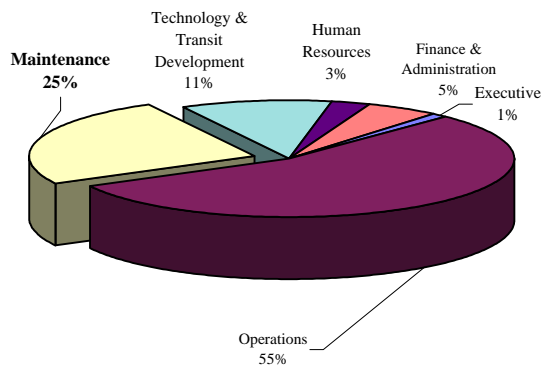
Maintenance Safety and Maintenance Training The divisions conduct safety programs through the Maintenance Safety Coordinator, as well as training through the Maintenance Training Coordinator. These two programs ensure a safe working environment for the employees in the department, as well as ensuring compliance with all regulatory agencies. The Training Division develops and coordinates technical and safety training for all the department's employees.



**2005 OPERATING BUDGET
DEPARTMENT EXPENDITURE SUMMARY**

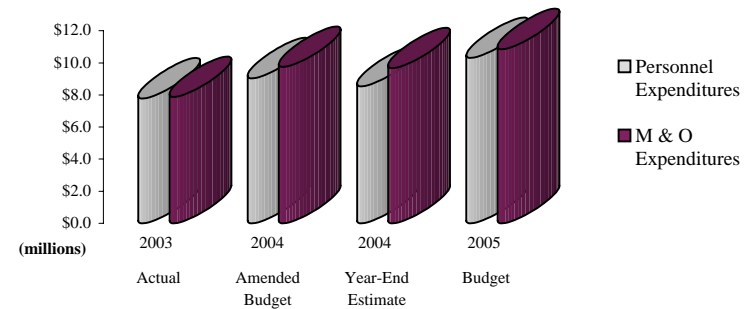
DEPARTMENT: MAINTENANCE

Operating Budget by Department



Description	2003 Actual	2004 Amended Budget	2004 Year-End Estimate	2005 Budget	% Change 2005 Budget to 2004 YE EST.	% Change 2005 Budget to 2004 Budget
Personnel						
Wages	\$ 6,341,762	\$ 7,219,673	\$ 6,922,907	\$ 8,154,169	17.8%	12.9%
Benefits	1,440,915	1,820,144	1,613,878	2,154,796	33.5%	18.4%
Personnel	7,782,677	9,039,817	8,536,785	10,308,965	20.8%	14.0%
Maintenance and Operations						
Supplies	6,386,752	7,392,664	7,473,120	8,513,797	13.9%	15.2%
Services	183,148	308,183	332,388	271,014	-18.5%	-12.1%
Utilities	607,578	711,498	693,815	790,446	13.9%	11.1%
Repairs and Maintenance	629,885	1,233,244	1,065,447	1,177,617	10.5%	-4.5%
Rentals	29,636	76,883	75,542	77,144	2.1%	0.3%
Other	38,546	23,981	28,434	27,301	-4.0%	13.8%
Maintenance and Operations	7,875,545	9,746,453	9,668,746	10,857,319	12.3%	11.4%
TOTAL OPERATING	\$ 15,658,222	\$ 18,786,270	\$ 18,205,531	\$ 21,166,284	16.3%	12.7%
<i>FTE'S</i>	<i>143.8</i>	<i>148.6</i>	<i>148.6</i>	<i>159.1</i>	<i>7.1%</i>	<i>7.1%</i>
<i>Positions</i>	<i>146.0</i>	<i>151.0</i>	<i>151.0</i>	<i>160.0</i>	<i>6.0%</i>	<i>6.0%</i>

Expenditure Summary







**2005 OPERATING BUDGET
MAINTENANCE DEPARTMENT EXPENDITURE**

Object Number	Description	Division						Department Total	
		Administration 10-654000-	Facilities Maintenance 10-653000-	Maintenance Automotive 10-651000-	Maintenance Bus 10-652000-	Maintenance Safety 10-655000-	Maintenance Training 10-656000-		
PERSONNEL									
61100	Salaries	\$ 322,799	\$ 1,294,448	\$ 1,316,724	\$ 4,676,625	\$ 69,992	\$ 66,602	\$ 7,747,190	
61160	Safety & Attendance	-	20,300	18,900	65,000	-	-	104,200	
61190	Contract Salaries	-	55,500	-	-			55,500	
61200	Overtime	-	55,100	72,179	120,000	-	-	247,279	
62500	Benefits	71,029	409,759	370,115	1,222,704	16,713	16,382	2,106,702	
62900	Uniforms	-	11,451	7,243	29,400	-	-	48,094	
	SUBTOTAL	393,828	1,846,558	1,785,161	6,113,729	86,705	82,984	10,308,965	
SUPPLIES									
63110	Books & Periodicals	250	3,444	326	1,300	1,350	300	6,970	
63120	Office Supplies	2,270	548	570	-	-	500	3,888	
63250	Fuel	-	-	410,482	3,463,128	-	-	3,873,610	
63260	Lube & Oil	-	-	40,506	200,000	-	-	240,506	
63280	Tires & Tubes	-	-	25,999	563,792	-	-	589,791	
63290	General Operating Supplies	1,000	60,871	14,571	149,950	35,639	-	262,031	
63310	Small Tools & Comm. Equip.	-	19,650	19,920	58,114	-	2,500	100,184	



**2005 OPERATING BUDGET
MAINTENANCE DEPARTMENT EXPENDITURE**

Object Number	Description	Division						Department Total
		Administration 10-654000-	Facilities Maintenance 10-653000-	Maintenance Automotive 10-651000-	Maintenance Bus 10-652000-	Maintenance Safety 10-655000-	Maintenance Training 10-656000-	
63380	Snow Supplies	-	4,198	4,200	-	500	-	8,898
63390	General Repair & Maintenance Supplies	-	233,277	286,052	2,908,590	-	-	3,427,919
	SUBTOTAL	3,520	321,988	802,626	7,344,874	37,489	3,300	8,513,797
SERVICES								
64110	Professional Services	-	6,000	-	87,825	84,764	-	178,589
64130	Training	-	-	-	-	-	46,540	46,540
64210	Postage	250	-	-	-	-	-	250
64330	Travel & Subsistence	34,405	-	-	-	-	-	34,405
64350	Printing & Binding	350	10,880	-	-	-	-	11,230
	SUBTOTAL	35,005	16,880	-	87,825	84,764	46,540	271,014
PUBLIC UTILITY SERVICES								
64510	Heating	-	76,137	-	-	-	-	76,137
64560	Electricity	-	560,532	-	-	-	-	560,532
64570	Water	-	84,700	-	-	-	-	84,700
64580	Garbage	-	69,077	-	-	-	-	69,077
	SUBTOTAL	-	790,446	-	-	-	-	790,446



**2005 OPERATING BUDGET
MAINTENANCE DEPARTMENT EXPENDITURE**

Object Number	Description	Division						Department Total
		Administration 10-654000-	Facilities Maintenance 10-653000-	Maintenance Automotive 10-651000-	Maintenance Bus 10-652000-	Maintenance Safety 10-655000-	Maintenance Training 10-656000-	
REPAIRS & MAINTENANCE								
64610	Repairs & Maintenance - Building	-	902,511	-	-	-	-	902,511
64620	Repairs & Maintenance - Commercial Equipment	-	-	5,910	107,500	-	-	113,410
64650	Repairs & Maintenance - General Equipment	-	106,695	38,501	66,500	-	-	211,696
64690	Warranty Credit	-	-	-	(50,000)	-	-	(50,000)
	SUBTOTAL	-	1,009,206	44,411	124,000	-	-	1,177,617
RENTALS								
64720	Buildings	-	47,508	-	-	-	-	47,508
64730	Equipment	-	7,514	-	-	-	-	7,514
64790	Other	-	22,122	-	-	-	-	22,122
	SUBTOTAL	-	77,144	-	-	-	-	77,144
OTHER								
64910	Association Dues	1,195	850	-	-	-	-	2,045
64970	Other Contract Services	-	-	-	13,300	-	-	13,300
64990	Other Miscellaneous Expenses	3,036	-	-	-	4,250	4,670	11,956
	SUBTOTAL	4,231	850	-	13,300	4,250	4,670	27,301
TOTAL OPERATIONS		\$ 436,584	\$ 4,063,072	\$ 2,632,198	\$ 13,683,728	\$ 213,208	\$ 137,494	\$ 21,166,284
	FTE's	3.8	31.5	28.0	93.8	1.0	1.0	159.1
	Positions	4.0	32.0	28.0	94.0	1.0	1.0	160.0



**2005 OPERATING BUDGET
NARRATIVE**

Department: Maintenance
Division: Administration

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 290,296	\$ 393,828	Salary/wages and benefits for Vice President Maintenance, Executive Assistant, and Information System Specialist. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	2,135	3,520	Books and periodicals (\$250), office supplies (\$2,270), and maintenance systems supplies (\$1,000).
Services	5,751	35,005	Postage (\$250), travel (\$34,405), and printing & binding (\$350).
Other	5,731	4,231	Association dues (\$1,195) and team building activities (\$3,036).
TOTAL OPERATIONS	\$ 303,913	\$ 436,584	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Maintenance
Division: Administration

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
VP Maintenance	1.0	1.0	1.8	2.0	\$ 211,686	\$ 40,420	\$ 252,106
Executive Assistant	1.0	1.0	1.0	1.0	51,043	14,864	65,907
Information Systems Specialist	1.0	1.0	1.0	1.0	60,070	15,745	75,815
TOTAL	3.0	3.0	3.8	4.0	\$ 322,799	\$ 71,029	\$ 393,828



**2005 OPERATING BUDGET
NARRATIVE**

Department: Maintenance
Division: Facilities Maintenance

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 1,439,284	\$ 1,846,558	Salary/wages and benefits for Maintenance Manager, Assistant Maintenance Manager, Division Assistant, Lead Maintenance Mechanics, Maintenance Mechanics, Facilities Custodians II, and Facilities Custodians I. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	315,368	321,988	Books and periodicals (\$3,444), office supplies (\$548), restroom and general cleaning supplies (\$60,871), small tools and equipment (\$19,650), snow supplies (\$4,198), and repair and maintenance supplies (\$233,277).
Services	56	16,880	Professional services lighting design (\$6,000) and scanning as-built drawings (\$10,880).
Utilities	693,815	790,446	Gas for heating (\$76,137), electricity (\$560,532), water, sewer and storm water (\$84,700), and garbage (\$69,077).
Repairs and Maintenance	861,812	1,009,206	Repair and maintenance-buildings (\$902,511) and repair and maintenance-general equipment (\$106,695).
Rentals	75,542	77,144	Building rentals (\$47,508), equipment rentals (\$7,514), and other rentals (\$22,122).
Other	13,413	850	Association dues (\$850).
TOTAL OPERATIONS	\$ 3,399,290	\$ 4,063,072	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Maintenance
Division: Facilities Maintenance

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Maintenance Manager	0.8	1.0	1.0	1.0	\$ 85,301	\$ 18,206	\$ 103,507
Assistant Maintenance Manager	1.0	1.0	1.0	1.0	65,042	16,230	81,272
Division Assistant	1.0	1.0	1.0	1.0	40,290	13,815	54,105
Lead Maintenance Mechanic	2.0	2.0	2.0	2.0	109,450	25,963	135,413
Maintenance Mechanic	6.0	6.0	7.5	8.0	364,728	98,915	463,643
Facilities Custodian II	11.0	11.0	11.0	11.0	389,875	128,466	518,341
Facilities Custodian I	5.5	6.0	8.0	8.0	231,962	89,945	321,907
SUBTOTAL	27.3	28.0	31.5	32.0	1,286,648	391,540	1,678,188
Facilities Project Coordinator Contract					55,500	12,696	68,196
Safety and Attendance					20,300	1,067	21,367
Certification Pay					6,240	328	6,568
Shift Differential					1,560	82	1,642
Overtime					55,100	2,896	57,996
Uniforms						11,451	11,451
Tool Allowance						1,150	1,150
TOTAL	27.3	28.0	31.5	32.0	\$ 1,425,348	\$ 421,210	\$ 1,846,558



**2005 OPERATING BUDGET
NARRATIVE**

Department: Maintenance
Division: Maintenance Automotive

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 1,544,749	\$ 1,785,161	Salary/wages and benefits for Maintenance Manager, Assistant Maintenance Manager, Lead Maintenance Mechanic, Vehicle Custodians, Automotive Technicians, and Service Station Attendants. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	695,545	802,626	Books and periodicals (\$326), office supplies (\$570), fuel (\$410,482), lubricants and oils (\$40,506), tires (\$25,999), cleaning and miscellaneous supplies (\$14,571), small tools and equipment (\$19,920), snow supplies (\$4,200), and repair and maintenance supplies (\$286,052).
Repairs & Maintenance	48,377	44,411	Repair and maintenance-communication equipment (\$5,910) and repair and maintenance-general equipment (\$38,501).
TOTAL OPERATIONS	\$ 2,288,671	\$ 2,632,198	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Maintenance
Division: Maintenance Automotive

Position Title	2004 Budget		2005 Budget		Salaries	2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions		Benefits		
Maintenance Manager	0.8	1.0	1.0	1.0	\$ 85,301	\$ 18,206		\$ 103,507
Assistant Maintenance Manager	1.0	1.0	1.0	1.0	75,317	17,232		92,549
Lead Maintenance Mechanic	1.0	1.0	1.0	1.0	54,725	12,981		67,706
Vehicle Custodian	3.0	3.0	3.0	3.0	127,296	45,737		173,033
Automotive Technician	6.0	6.0	6.0	6.0	319,738	77,307		397,045
Service Station Attendant	15.0	15.0	16.0	16.0	628,659	191,020		819,679
SUBTOTAL	26.8	27.0	28.0	28.0	1,291,036	362,483		1,653,519
Safety & Attendance					18,900	993		19,893
Certification Pay					12,480	656		13,136
Shift Differential					13,208	694		13,902
Overtime					72,179	3,794		75,973
Tool Allowance						1,495		1,495
Uniforms						7,243		7,243
TOTAL	26.8	27.0	28.0	28.0	\$ 1,407,803	\$ 377,358		\$ 1,785,161



**2005 OPERATING BUDGET
NARRATIVE**

Department: Maintenance
Division: Maintenance Bus

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 5,118,044	\$ 6,113,729	Salary/wages and benefits for Maintenance Manager, Assistant Maintenance Managers, Maintenance Technical Coordinator, Division Assistant, Lead Mechanics, Journey Level Mechanics, Machinist, Mechanic I, Equipment Body Repairers, Service Station Attendants, Vehicle Custodians, Data Specialist, Administrative Specialist I, Apprentices, Upholsterers, and Laborers. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	6,420,707	7,344,874	Books and periodicals (\$1,300), fuel (\$3,463,128), lubricants and oils (\$200,000), tires and tubes (\$563,792), general operating supplies (\$149,950), small tools and equipment (\$58,114), and general repair and maintenance supplies (\$2,908,590).
Services	201,500	87,825	Oil, coolant and fuel sampling (\$27,825) and hands mic retrofit (\$60,000).
Repairs and Maintenance	155,258	124,000	Repair and maintenance of communication equipment (\$107,500), repair and maintenance general equipment (\$66,500), and warranty credit (-\$50,000).
Other	4,552	13,300	Temporary laborers (\$5,000) and front end alignments (\$8,300).
TOTAL OPERATIONS	\$ 11,900,061	\$ 13,683,728	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Maintenance
Division: Maintenance Bus

Position Title	2004 Budget		2005 Budget		Salaries	2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions		Benefits		
Maintenance Manager	1.0	1.0	1.0	1.0	\$ 93,683	\$ 19,024	\$	112,707
Assistant Maintenance Manager	2.0	2.0	2.0	2.0	152,006	34,598		186,604
Maintenance Technical Coordinator	1.0	1.0	1.0	1.0	70,283	16,741		87,024
Division Assistant	1.0	1.0	1.0	1.0	39,998	13,786		53,784
Lead Mechanic	4.0	4.0	4.0	4.0	234,208	52,960		287,168
Journey Level Mechanic	41.0	41.0	42.0	42.0	2,233,795	540,852		2,774,647
Machinist	1.0	1.0	1.0	1.0	53,290	12,884		66,174
Mechanic I	1.0	1.0	1.0	1.0	46,363	12,416		58,779
Equipment Body Repairer	6.0	6.0	6.8	7.0	359,705	89,291		448,996
Service Station Attendant	7.0	7.0	7.0	7.0	269,651	83,207		352,858
Vehicle Custodian	9.0	9.0	10.0	10.0	339,456	115,776		455,232
Administrative Specialist I	1.0	1.0	1.0	1.0	37,773	11,836		49,609
Data Specialist	1.0	1.0	1.0	1.0	37,773	11,836		49,609
Apprentice	2.8	4.0	4.0	4.0	179,130	49,239		228,369
Upholsterer	2.8	3.0	3.0	3.0	143,146	37,524		180,670
Laborer	8.0	8.0	8.0	8.0	232,794	90,001		322,795
SUBTOTAL	89.6	91.0	93.8	94.0	4,523,054	1,191,971		5,715,025
Safety & Attendance					65,000	3,416		68,416
Certification Pay					114,400	6,013		120,413
Longevity					10,279	540		10,819
Shift Differential					28,892	1,519		30,411
Overtime					120,000	6,307		126,307
Tool Allowance						12,938		12,938
Uniforms						29,400		29,400
TOTAL	89.6	91.0	93.8	94.0	\$ 4,861,625	\$ 1,252,104	\$	6,113,729



**2005 OPERATING BUDGET
NARRATIVE**

Department: Maintenance
Division: Maintenance Safety

2004		2005		
Object Description	Year-End Estimate		Budget	Description
Personnel	\$ 73,425	\$	86,705	Salary/wages and benefits for Maintenance Safety Coordinator. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	38,465		37,489	Books and periodicals (\$1,350), general operating supplies (\$35,639), and snow supplies (\$500).
Services	75,581		84,764	Professional services (\$84,764).
Other	1,538		4,250	Safety and attendance award plaques and incentives for safety performance (\$4,250).
TOTAL OPERATIONS	\$ 189,009	\$	213,208	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Maintenance
Division: Maintenance Safety

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Safety Coordinator	1.0	1.0	1.0	1.0	\$ 69,992	\$ 16,713	\$ 86,705
TOTAL	1.0	1.0	1.0	1.0	\$ 69,992	\$ 16,713	\$ 86,705



**2005 OPERATING BUDGET
NARRATIVE**

Department: Maintenance
Division: Maintenance Training

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 70,987	\$ 82,984	Salary/wages and benefits for Maintenance Training Coordinator. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	900	3,300	Books and periodicals (\$300), office supplies (\$500), and small tools & equipment (\$2,500).
Services	49,500	46,540	Training (\$46,540).
Other	3,200	4,670	JATC apprenticeship dues (\$1,320), ASE certification (\$700), training software (\$350), roadeo expenses (\$1,000), Ramsey tests and materials (\$1,000), and electrical exam facilities (\$300).
TOTAL OPERATIONS	\$ 124,587	\$ 137,494	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Maintenance
Division: Maintenance Training

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Training Coordinator	1.0	1.0	1.0	1.0	\$ 66,602	\$ 16,382	\$ 82,984
TOTAL	1.0	1.0	1.0	1.0	\$ 66,602	\$ 16,382	\$ 82,984



Statewide vanpool educational campaign has local flavor

The World has the Nobel Prize, the Olympics have the Gold Medal, motion pictures have the Oscar, and public transportation has the AdWheels - awards that recognize not only creative excellence but positive results as well. The in-house Pierce Transit Marketing staff has won three first place AdWheel awards in each of the last two years!

So, when the Washington State Department of Transportation decided to sponsor a cooperative, statewide educational campaign with all the state transit agencies to promote vanpool programs, they looked to the Pierce Transit creative team for leadership. Pierce Transit Marketing spearheaded the creative design of outdoor advertising billboards and exterior bus advertising posters. The design features a vanpool van positioned in the foreground of recognizable locations across the state and includes the campaign theme message, "Freewheeling. Vanpooling is your trip, your way."

The goal of the campaign is to build awareness among commuters and employers of the benefits of vanpools. The objective is to create new vanpool ridership and sustain existing ridership by promoting vanpooling as a chosen lifestyle.

Employers will be sent "toolkits," full of a variety of materials and sample messages to be used for promoting the program. In conjunction with Freewheeling, RideshareOnline.com has been expanded statewide.

To motivate commuter participation in the program, incentives will be offered. Through July 31, 2005, new vanpool riders, drivers, and bookkeepers can register to receive a MasterCard Gift Card worth up to \$250. In addition, incentives will be available to motivate employers to distribute materials to their employees.

Technology & Transit Development Department





**2005 BUDGET
TECHNOLOGY & TRANSIT DEVELOPMENT DEPARTMENT
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TECHNOLOGY & TRANSIT DEVELOPMENT DEPARTMENT
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In Brief:

The overall goal of the Technology & Transit Development Department is support of Pierce Transit's mission to deliver outstanding transportation services that match our customers' needs. The department's goal of providing the highest quality service is accomplished through effective and responsive management. The department is lead by Vice President Susan Lang and is comprised of 78 positions in eight divisions:

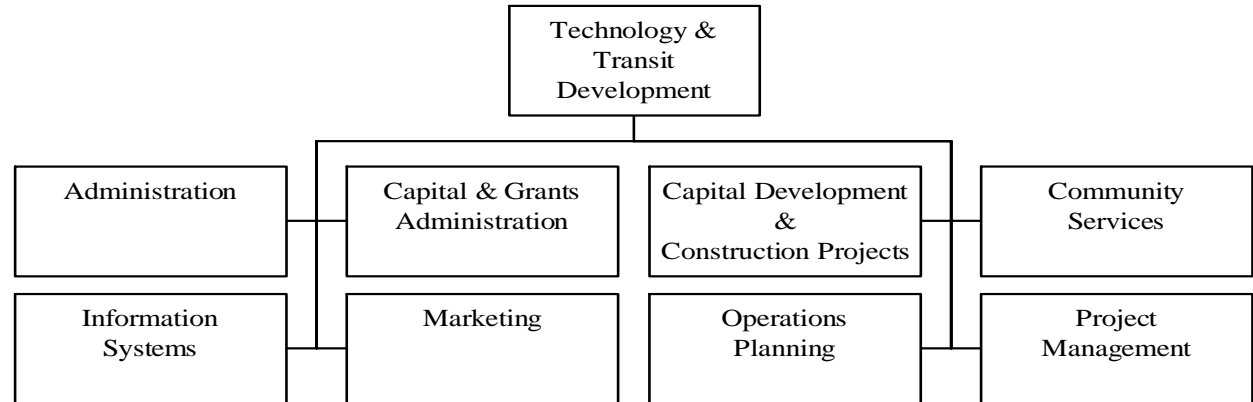
Administration
Capital & Grants Administration
Capital Development & Construction Projects
Community Services
Information Systems
Marketing
Operations Planning
Project Management

The divisions have a specific area of responsibility toward accomplishing the goals.

2005 BUDGET DEPARTMENT DESCRIPTION TECHNOLOGY & TRANSIT DEVELOPMENT

Overview:

The Technology & Transit Development Department consists of the following:



Administration This division oversees and directs the activities of the divisions in the department that provides essential support to other departments in the Agency and direct commute services and traveler information to employers and customers.

Capital & Grants Administration This division manages the programming and acquisition of state and federal capital grants. The Capital and Grants Administrator coordinates with local, state, regional, and federal jurisdictions on transportation funding.

Capital Development & Construction Projects This division manages the design, development, and construction of capital facilities and long term service improvement projects. This division includes coordination with local, state, regional, and federal jurisdictions on development issues beneficial to public transportation, land use programs that will affect the future Pierce Transit operating environment, and regional transit planning projects.



**2005 BUDGET
DEPARTMENT DESCRIPTION
TECHNOLOGY & TRANSIT DEVELOPMENT**

Community Services This division provides ridematching services, vanpool services, employer and transit demand management services, regional services, Americans with Disabilities Act (ADA) coordination, and ADA eligibility certification for Specialized Transportation (SHUTTLE). These services complement our fixed route and SHUTTLE services with commuting options, especially for long-distance commuters. The division maintains contact with federal, national, state, and local agencies for improvements and coordination.

Information Systems and Project Management This division is responsible for technology and information systems throughout the Agency. Information Systems staff is responsible for the Agency network, information systems, printers, and desktop computers. They support over 200 agency computer users 24 hours a day, 7 days a week. The division also coordinates computer software, project management, and basic and advanced technical training opportunities for the Agency. The Information Technology Project Managers are responsible for the day-to-day management and successful completion of major technology projects.

Marketing This division supports the entire Agency by making the public aware of Pierce Transit's services. This includes promotion of current and future services, advertisement of special event services, publication of passenger information materials (on-street information and Ride Guides), and implementation of programs focused on increasing ridership. In addition to work seen by the public, Marketing provides communications, consultations, and support to all divisions of Pierce Transit as they communicate within the Agency and to their specific audiences. The division is responsible for providing graphic services, developing and implementing marketing program and market research. Customer service functions in the division include telephone operators, pass sales, the Bus Shop outlets that sell passes and provide schedule information, travel training services, and assistance to banks, retail outlets, and employers who sell passes and accept pass by mail sales.



**2005 BUDGET
DEPARTMENT DESCRIPTION
TECHNOLOGY & TRANSIT DEVELOPMENT**

Operations Planning This division takes the lead in activities intended to make public transportation more available, to make it a more viable alternative for new customers, and to continue serving our current customers. This function is accomplished through implementation of system development plans, by improving cost effectiveness of services, by giving priority to safe operations, timeliness and customer convenience, by strengthening internal and external relationships which contribute to customer and employee satisfaction, through provision of information which guides recommendations and decisions, and through supporting compliance with regulatory requirements. The division coordinates transit service planning, Sound Transit service development, statistical analysis, route planning, route schedules, and coach operator work assignments.

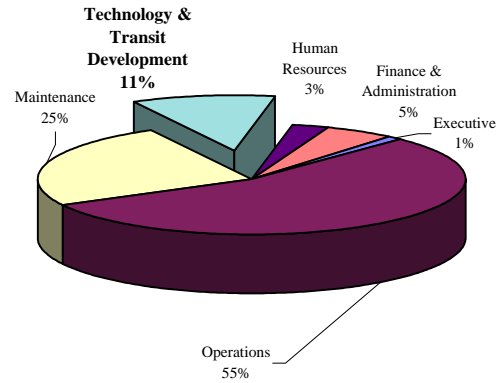




**2005 OPERATING BUDGET
DEPARTMENT EXPENDITURE SUMMARY**

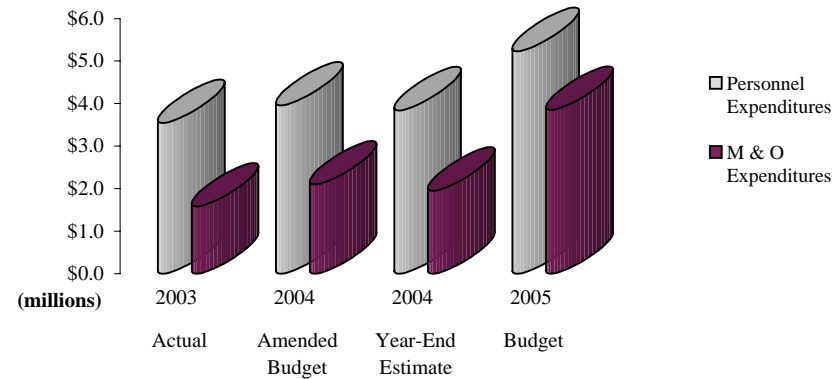
DEPARTMENT: TECHNOLOGY & TRANSIT DEVELOPMENT

Operating Budget by Department



Description	2003 Actual	2004 Amended Budget	2004 Year-End Estimate	2005 Budget	% Change 2005 Budget to 2004 YE EST.	% Change 2005 Budget to 2004 Budget
Personnel						
Wages	\$ 2,928,993	\$ 3,174,853	\$ 3,155,338	\$ 4,149,088	31.5%	30.7%
Benefits	612,858	781,584	684,421	1,082,898	58.2%	38.6%
Personnel	3,541,851	3,956,437	3,839,759	5,231,986	36.3%	32.2%
Maintenance and Operations						
Supplies	411,827	436,365	554,028	978,784	76.7%	124.3%
Services	1,061,411	1,444,114	1,252,281	1,760,711	40.6%	21.9%
Repairs and Maintenance	2,914	750	1,000	9,250	825.0%	1133.3%
Other	103,736	215,490	141,495	1,101,143	678.2%	411.0%
Maintenance & Operations	1,579,888	2,096,719	1,948,804	3,849,888	97.6%	83.6%
TOTAL OPERATING	\$ 5,121,739	\$ 6,053,156	\$ 5,788,563	\$ 9,081,874	56.9%	50.0%
FTE'S	58.5	62.0	62.0	75.5	21.8%	21.8%
Positions	61.0	65.0	65.0	78.0	20.0%	20.0%

Expenditure Summary





**2005 OPERATING BUDGET
TECHNOLOGY & TRANSIT DEVELOPMENT DEPARTMENT EXPENDITURE**

		Division										Department Total							
		Administration 10-431000-	Capital & Grants Administration 10-421000-	Capital Development & Construction Projects 10-411000-	Community Services 10-46X000- *	Information Systems 10-262000-	Marketing 10-441000-	Operations Planning 10-451000-	Project Management 10-263000-										
Object Number	Description																		
PERSONNEL																			
61100	Salaries	\$	162,115	\$	77,147	\$	308,711	\$	931,239	\$	630,843	\$	1,114,261	\$	751,839	\$	35,423	\$	4,011,578
61160	Safety & Attendance		-		-		-		-		-		3,000		1,000		-		4,000
61190	Contract Salaries		-		-		36,010		-		18,500		12,000		35,000		-		101,510
61200	Overtime		-		-		-		-		8,000		20,000		4,000		-		32,000
62500	Benefits		35,584		17,411		91,555		249,000		156,837		338,878		185,235		8,398		1,082,898
62900	Uniforms		-		-		-		-		-		-		-		-		-
SUBTOTAL			197,699		94,558		436,276		1,180,239		814,180		1,488,139		977,074		43,821		5,231,986
SUPPLIES																			
63110	Books & Periodicals		200		-		900		1,945		650		450		200		450		4,795
63120	Office Supplies		50		-		2,000		-		400		-		1,940		-		4,390
63250	Fuel & Lubricants		-		-		-		601,401		-		-		-		-		601,401
63290	General Operating Supplies		-		100		4,000		5,500		130,532		17,400		-		50		157,582
63310	Small Tools & Equipment		-		-		-		-		210,216		-		-		-		210,216
63390	General Repair & Maint. Supplies		-		-		-		-		400		-		-		-		400
SUBTOTAL			250		100		6,900		608,846		342,198		17,850		2,140		500		978,784



**2005 OPERATING BUDGET
TECHNOLOGY & TRANSIT DEVELOPMENT DEPARTMENT EXPENDITURE**

Object Number	Description	Division								Department Total
		Administration	Capital & Grants Administration	Capital Development & Construction Projects	Community Services	Information Systems	Marketing	Operations Planning	Project Management	
		10-431000-	10-421000-	10-411000-	10-46X000- *	10-262000-	10-441000-	10-451000-	10-263000-	
SERVICES										
64110	Professional Services	-	-	25,000	32,000	105,600	210,300	51,000	-	423,900
64130	Training	-	1,495	1,595	2,100	28,500	9,200	4,700	8,500	56,090
64160	Publicity & Public Relations	-	-	-	232,331	-	949,475	-	-	1,181,806
64210	Postage	-	-	650	-	250	5,400	50	200	6,550
64330	Travel & Subsistence	5,005	360	14,925	8,195	9,950	9,010	7,710	3,500	58,655
64350	Printing & Binding	-	-	1,700	16,260	-	12,250	3,500	-	33,710
SUBTOTAL		5,005	1,855	43,870	290,886	144,300	1,195,635	66,960	12,200	1,760,711
REPAIRS & MAINTENANCE										
64650	Repairs & Maintenance - General Equipment	-	-	-	-	7,000	2,250	-	-	9,250
SUBTOTAL		-	-	-	-	7,000	2,250	-	-	9,250
OTHER										
64910	Association Dues	3,000	-	1,150	650	-	-	1,500	-	6,300
64970	Other Contract Services	-	-	-	80,533	582,864	-	-	-	663,397
64990	Other Miscellaneous Expenses	500	50	550	74,000	500	-	355,846	-	431,446
SUBTOTAL		3,500	50	1,700	155,183	583,364	-	357,346	-	1,101,143
TOTAL OPERATIONS		\$ 206,454	\$ 96,563	\$ 488,746	\$ 2,235,154	\$ 1,891,042	\$ 2,703,874	\$ 1,403,520	\$ 56,521	\$ 9,081,874
FTE's		2.0	1.0	9.0	16.0	9.5	24.3	11.8	2.0	75.5
Positions		2.0	1.0	9.0	16.0	10.0	26.0	12.0	2.0	78.0

* X in account number indicates division has multiple account numbers.



**2005 OPERATING BUDGET
NARRATIVE**

Department: Technology & Transit Development
Division: Administration

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ -	\$ 197,699	Salary/wages and benefits for Vice President Technology & Transit Development, and Executive Assistant. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel. This division was established in 2005.
Supplies	-	250	Books and periodicals (\$200) and office supplies (\$50).
Services	-	5,005	Travel (\$5,005).
Other	-	3,500	Association dues (\$3,000) and miscellaneous (\$500).
TOTAL OPERATIONS	\$ -	\$ 206,454	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Technology & Transit Development
Division: Administration

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
VP Technology & Transit Development	0.0	0.0	1.0	1.0	\$ 123,531	\$ 21,936	\$ 145,467
Executive Assistant	0.0	0.0	1.0	1.0	38,584	13,648	52,232
TOTAL	0.0	0.0	2.0	2.0	\$ 162,115	\$ 35,584	\$ 197,699



**2005 OPERATING BUDGET
NARRATIVE**

Department: Technology & Transit Development
Division: Capital & Grants Administration

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 308,008	\$ 94,558	Salary/wages and benefits for Planning & Grants Administrator. The decrease is a result of positions transferring to Capital Development and Construction Projects Division.
Supplies	1,550	100	General operating supplies (\$100).
Services	31,950	1,855	Training (\$1,495) and travel (\$360).
Other	601	50	Miscellaneous (\$50).
TOTAL OPERATIONS	\$ 342,109	\$ 96,563	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Technology & Transit Development
Division: Capital & Grants Administration

Position Title	2004 Budget		2005 Budget		2005 Budget		
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	TOTAL
Capital Development Manager	1.0	1.0	0.0	0.0	\$ -	\$ -	\$ -
Principal Planner	1.0	1.0	0.0	0.0	-	-	-
Senior Planner	1.0	1.0	0.0	0.0	-	-	-
Planning and Grants Administrator	1.0	1.0	1.0	1.0	77,147	17,411	94,558
Planner I	0.5	1.0	0.0	0.0	-	-	-
Capital Projects Grants Coordinator	1.0	1.0	0.0	0.0	-	-	-
TOTAL	5.5	6.0	1.0	1.0	\$ 77,147	\$ 17,411	\$ 94,558



**2005 OPERATING BUDGET
NARRATIVE**

Department: Technology & Transit Development
Division: Capital Development & Construction Projects

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 331,929	\$ 436,276	Salary/wages and benefits for Construction Projects Manager, Construction Projects Supervisor, Principal Planner, Senior Planner, Project Assistant, Planning Assistant, Planner II, Planner I, and Planning Intern. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	4,990	6,900	Books and periodicals (\$900), office supplies, project binders (\$2,000), and general operating supplies (\$4,000).
Services	6,755	43,870	Professional services for design and survey (\$25,000), postage (\$650), printing & binding (\$1,700), travel (\$14,925), and training (\$1,595).
Other	575	1,700	Association dues (\$1,150), and miscellaneous expenses (\$550).
TOTAL OPERATIONS	\$ 344,249	\$ 488,746	



**2005 BUDGET
PERSONNEL SUMMARY**

**Department: Technology & Transit Development
Division: Capital Development & Construction Projects**

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Construction Projects Manager	1.0	1.0	1.0	1.0	\$ 82,264	\$ 17,910	\$ 100,174
Construction Projects Supervisor	1.0	1.0	1.0	1.0	69,992	16,713	86,705
Principal Planner	0.0	0.0	1.0	1.0	76,232	17,321	93,553
Senior Planner	0.0	0.0	1.0	1.0	67,496	16,469	83,965
Project Assistant	1.0	1.0	1.0	1.0	35,256	13,324	48,580
Planning Assistant	1.0	1.0	1.0	1.0	41,683	13,951	55,634
Planner II	1.0	1.0	1.0	1.0	63,544	16,084	79,628
Planner I	1.0	1.0	1.0	1.0	50,752	14,836	65,588
Intern, Planning	0.0	0.0	1.0	1.0	46,779	12,445	59,224
SUBTOTAL	6.0	6.0	9.0	9.0	533,998	139,053	673,051
Contract					36,010	13,397	49,407
Capital Reduction Bus Stop Intern, 1 FTE					(46,779)	(12,445)	(59,224)
Capital Reduction Bus Stop Project Assistant 0.4 FTE					(14,102)	(5,329)	(19,431)
Capital Reduction Bus Stop Planner II 0.77 FTE					(48,929)	(12,384)	(61,313)
Capital Reduction Bus Stop Planner I 0.57 FTE					(28,929)	(8,456)	(37,385)
Capital Reduction Bus Stop Construction Projects Supervisor 0.2 FTE					(13,998)	(3,342)	(17,340)
Capital Reduction Base Expansion Project Assistant 0.4 FTE					(14,102)	(5,329)	(19,431)
Capital Reduction Base Expansion Construction Projects Manager 0.2 FTE					(16,453)	(3,582)	(20,035)
Capital Reduction Base Expansion Construction Projects Supervisor 0.6 FTE					(41,995)	(10,028)	(52,023)
TOTAL	6.0	6.0	9.0	9.0	\$ 344,721	\$ 91,555	\$ 436,276





**2005 OPERATING BUDGET
DIVISION EXPENDITURE
COMMUNITY SERVICES - COMBINED**

Object Number	Description	Community Services			Combined Total
		ADA 10-461000-	CTR 10-462000-	Vanpool 10-463000-	
PERSONNEL					
61100	Salaries	\$ 182,082	\$ 189,381	\$ 559,776	\$ 931,239
61190	Contract Salaries	-	-	-	-
62500	Benefits	47,417	48,129	153,454	249,000
SUBTOTAL		229,499	237,510	713,230	1,180,239
SUPPLIES					
63110	Books & Periodicals	1,580	110	255	1,945
63250	Fuel & Lubricants	-	-	601,401	601,401
63290	General Operating Supplies	3,000	500	2,000	5,500
SUBTOTAL		4,580	610	603,656	608,846
SERVICES					
64110	Professional Services	32,000	-	-	32,000
64130	Training	1,300	300	500	2,100
64160	Publicity & Public Relations	-	232,331	-	232,331
64330	Travel & Subsistence	2,450	4,795	950	8,195
64350	Printing & Binding	2,675	7,785	5,800	16,260
SUBTOTAL		38,425	245,211	7,250	290,886
OTHER					
64910	Association Dues	-	650	-	650
64970	Other Contract Services	-	10,533	70,000	80,533
64990	Other Miscellaneous Expenses	-	-	74,000	74,000
SUBTOTAL		-	11,183	144,000	155,183
TOTAL OPERATIONS		\$ 272,504	\$ 494,514	\$ 1,468,136	\$ 2,235,154



**2005 OPEARTING BUDGET
NARRATIVE**

Department: Technology & Transit Development
Division: Community Services - ADA

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 198,762	\$ 229,499	Salary/wages and benefits for Community Services Manager, Community Services Assistant Manager, ADA Eligibility Coordinator, and ADA Eligibility Assistants. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	3,356	4,580	Includes books (\$1,580) and general operating supplies (\$3,000).
Services	22,325	38,425	Professional services for third party eligibility assessments (\$13,000), appeals (\$13,000), ADA video (\$6,000), printing & binding (\$2,675), travel (\$2,450), and training (\$1,300).
TOTAL OPERATIONS	\$ 224,443	\$ 272,504	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Technology & Transit Development

Division: Community Services - ADA

Position Title	2004 Budget		2005 Budget		2005 Budget		
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	TOTAL
Community Services Manager *	0.2	0.0	0.2	0.0	\$ 18,092	\$ 1,765	\$ 19,857
Community Services Assistant Manager *	0.1	0.0	0.1	0.0	6,804	664	7,468
ADA Eligibility Coordinator	1.0	1.0	1.0	1.0	66,664	16,388	83,052
ADA Eligibility Assistant	2.0	2.0	2.0	2.0	90,522	28,600	119,122
TOTAL	3.3	3.0	3.3	3.0	\$ 182,082	\$ 47,417	\$ 229,499

* Position is carried in Community Services Vanpool



**2005 OPERATING BUDGET
NARRATIVE**

Department: Technology & Transit Development
Division: Community Services - CTR

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 171,961	\$ 237,510	Salary/wages and benefits for Community Services Manager, Community Services Assistant Manager, Employer Services Coordinator, Employer Program Specialist, and Rideshare Specialist. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	330	610	Includes periodicals (\$110) and general operating supplies (\$500).
Services	82,406	245,211	Includes employer promotions (\$2,500), agency promotional items (\$2,500), Smart Moves campaign (\$1,500), Rideshare Week campaign (\$1,500), preferential parking signs (\$400), Partners promotion (\$300), commuter information centers (\$2,000), miscellaneous expenses (\$400), ETC relax rewards (\$11,000), four CTR grants (\$62,447, \$34,184, \$43,600, and \$70,000), printing expenses (\$7,785), travel (\$4,795), and training (\$300).
Other	10,888	11,183	Includes association dues (\$650), regional ridematch computer (\$10,333), and emergency ride home program (\$200).
TOTAL OPERATIONS	\$ 265,585	\$ 494,514	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Technology & Transit Development
Division: Community Services - CTR

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Community Services Manager *	0.3	0.0	0.3	0.0	\$ 27,138	\$ 2,648	\$ 29,786
Community Services Assistant Manager *	0.2	0.0	0.1	0.0	6,804	664	7,468
Employer Services Coordinator	1.0	1.0	1.0	1.0	64,813	16,207	81,020
Employer Program Specialist	1.0	1.0	1.0	1.0	45,469	14,320	59,789
Rideshare Specialist	0.5	1.0	1.0	1.0	45,157	14,290	59,447
TOTAL	3.0	3.0	3.4	3.0	\$ 189,381	\$ 48,129	\$ 237,510

* Position is carried in Community Services Vanpool



**2005 OPERATING BUDGET
NARRATIVE**

Department: Technology & Transit Development
Division: Community Services - VP

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 598,636	\$ 713,230	Salary/wages and benefits for Community Services Manager, Community Services Assistant Manager, Vanpool Coordinators, and Rideshare Specialists. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	523,934	603,656	Books and periodicals (\$255), fuel (\$601,401), and general operating supplies (\$2,000).
Services	6,599	7,250	Printing & binding (\$5,800), travel (\$950), and training (\$500).
Other	128,231	144,000	Miscellaneous vanpool expenses (\$39,000), MVRs (\$10,000), credit reports (\$575), background checks (\$200), film development (\$250), miscellaneous supplies (\$100), participant appreciation (\$3,875), formation incentives (\$20,000), and Jobs Access van project grant (\$70,000).
TOTAL OPERATIONS	\$ 1,257,400	\$ 1,468,136	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Technology & Transit Development
Division: Community Services - VP

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Community Services Manager *	0.5	1.0	0.5	1.0	\$ 45,230	\$ 14,297	\$ 59,527
Community Services Assistant Manager *	0.8	1.0	0.8	1.0	54,429	15,194	69,623
Vanpool Coordinator	6.0	6.0	7.0	7.0	414,960	109,673	524,633
Rideshare Specialist	2.0	2.0	1.0	1.0	45,157	14,290	59,447
TOTAL	9.3	10.0	9.3	10.0	\$ 559,776	\$ 153,454	\$ 713,230

* FTE is split to Community Services ADA and Community Services CTR.



**2005 OPERATING BUDGET
NARRATIVE**

Department: Technology & Transit Development
Division: Information Systems

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 809,380	\$ 814,180	Salary/wages and benefits for Information Systems Manager, Senior Systems Analysts, Systems Analysts, Network Administrator, Information Systems Specialists, Systems Intern, and Work Study. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	275,699	342,198	Books and periodicals (\$650), office supplies (\$400), general operating supplies including PC components, paper, back-up tapes/CDs, networking hardware (\$130,532), small tools & equipment including new software and upgrades, printers, and hardware (\$210,216), and repair & maintenance supplies (\$400).
Services	124,195	144,300	Technical support for the following systems: SHUTTLE's PASS (\$1,000), Network support (\$3,000), Oracle and Access (\$15,000), Giro scheduling (\$5,500), High Line PR/HR (\$15,000), Intranet development (\$25,000), Maintenance (\$15,000), and Finance (\$15,000). ITS America dues (\$1,200), Trapeze annual site visit (\$4,000), SpiderInfo Para-transit report (\$2,500), Infotech Internet advisory service (\$400), Alien processing fees (\$3,000), Agency computer training (\$6,000), I/S staff training (\$22,500), I/S staff travel (\$9,950), and postage (\$250).



**2005 OPERATING BUDGET
NARRATIVE**

Department: Technology & Transit Development
Division: Information Systems

Object Description	2004 Year-End Estimate	2005 Budget	Description
Repairs and Maintenance	6,500	7,000	Contracted PC/MAC and printer repair services (\$5,500), script changes for check printing program (\$500), and Novell Network support (\$1,000).
Other	472,477	583,364	Off-site storage (\$4,950), NFuse certificate (\$460), High Line Oracle upgrade (\$5,000), Microsoft Software Contract (\$79,050), Studio NET Software assurance (\$2,000), employee recognition (\$500), email spam software (\$500), palm (\$300), other licenses (\$5,920), and the following support: Amerion Internet Hostline (\$9,200), Hastus (\$74,232), Giro Hastus Max Vehicle License (\$40,256), High Line (\$26,800), Vertex Tax Tables (\$4,500), SHUTTLE (\$50,000), Finance System (\$52,660), Maintenance System 5-year (\$39,771), Fleetwatch System (\$5,000), MSDS (\$3,300), E-commerce web site (\$3,195), MSDN Universal (\$3,000), POS (\$1,800), Cisco Router (\$8,250), Network switch (\$2,500), Oracle Database (\$26,400), Check Printer Software (\$750), Citrix (\$14,210), ATIS (\$24,500), Antivirus (\$7,260), Microsoft Technet (\$800), Help Desk (\$5,000), Report Writing (\$2,000), Internet Manager (\$2,000), SpiderInfo (\$1,500), Macintosh support (\$20,000), Marketing printers (\$5,000), MapInfo (\$6,500), UPS (\$4,200), Dell Laptop (\$8,250), PIX Firewall (\$1,150), and Dell servers (\$6,900), Novell license (\$8,350), GroupWise license (\$8,575), and ZenWorks (\$6,875).
TOTAL OPERATIONS	\$ 1,688,251	\$ 1,891,042	





**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Technology & Transit Development
Division: Information Systems

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
CIO	1.0	1.0	0.0	0.0	\$ -	\$ -	\$ -
Manager	1.0	1.0	1.0	1.0	94,869	19,140	114,009
Senior Systems Analysts	3.0	3.0	3.0	3.0	227,074	51,806	278,880
Systems Analyst	2.0	2.0	2.0	2.0	143,686	33,786	177,472
Network Administrator	1.0	1.0	1.0	1.0	70,283	16,741	87,024
Information Systems Specialist	2.0	2.0	2.0	2.0	103,875	29,902	133,777
Systems Intern	0.5	1.0	0.5	1.0	28,902	12,704	41,606
SUBTOTAL	10.5	11.0	9.5	10.0	668,689	164,079	832,768
Overtime					8,000	420	8,420
Work Study (2)					18,500	972	19,472
Capital Reduction Smart Card							
Senior Systems Analyst 0.5 FTE					(37,846)	(8,634)	(46,480)
TOTAL	10.5	11.0	9.5	10.0	\$ 657,343	\$ 156,837	\$ 814,180



**2005 OPERATING BUDGET
NARRATIVE**

Department: Technology & Transit Development
Division: Marketing

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 1,367,602	\$ 1,488,139	Salary/wages and benefits for Marketing Manager, Customer Services Assistant Manager, Marketing Design Specialists, Senior Marketing Design Specialist, Senior Marketing Specialist/Webmaster, Market Development Supervisor, Marketing Services Coordinator, Marketing Services Representatives, Travel Trainer, Lead Customer Services Representative, Customer Services Representatives II, Customer Services Representatives I, Contract Personnel, and Work Study. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	18,128	17,850	Books, periodicals and maps (\$450), and general office supplies (\$17,400).
Services	1,044,016	1,195,635	Professional Services: promotional support (\$60,000), web-site consultation (\$5,000), photography (\$4,000), research (\$70,000), and travel training (\$51,000). Professional services to support Customer Service functions: armored transport (\$8,300), VISA/MC maintenance fees (\$11,000), and E-Commerce administration (\$1,000). Training: customer service training (\$3,000), design specialist training (\$4,000), Marketing to Hispanics (\$200), and web training (\$2,000).



**2005 OPERATING BUDGET
NARRATIVE**

Department: Technology & Transit Development
Division: Marketing

Object Description	2004 Year-End Estimate	2005 Budget	Description
			<p>Basic Passenger Information: The Bus Stops Here/system map printing & special schedules (\$287,100), passes/tickets (\$60,270), on-street signage (\$81,580), travel training materials (\$2,500), outlet support (\$17,000), information updates (\$18,500), and information displays (\$7,980).</p> <p>Promotions: Commerce (\$5,000), Way To Go (\$28,000), Statewide Vanpool Education (\$31,770), 25th Anniversary (\$22,500), Seniors (\$1,375), Route Promotion Campaigns (\$319,000), and Hispanic Outreach (\$6,150).</p> <p>Special Event Support: Sound to Narrows (\$2,500), Taste of Tacoma (\$1,500), Tall Ships (\$3,000), Pacific Rim Games (\$1,500), A-Boards (\$1,600), Fourth of July (\$18,050), and Puyallup Fair (\$28,850).</p> <p>Miscellaneous: APTA AdWheel Awards (\$750), SEARCH Support (\$500), Rodeo (\$500), and graphics standards manual (\$2,000).</p> <p>Postage: pass/ticket re-order reply mail (\$4,400) and general postage (\$1,000).</p> <p>Travel: APTA Marketing Conference (\$6,660), Travel Training (\$400), WSDOT Conference (\$750), and Local Travel (\$1,200).</p> <p>Printing & Binding: standard literature (\$12,250).</p>
Repairs and Maintenance	1,000	2,250	General repair and maintenance for camera (\$600), HP 4000 plotter (\$900), and laminator (\$750).
TOTAL OPERATIONS	\$ 2,430,746	\$ 2,703,874	





**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Technology & Transit Development
Division: Marketing

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Marketing Manager	1.0	1.0	1.0	1.0	\$ 94,869	\$ 19,140	\$ 114,009
Customer Services Assistant Manager	1.0	1.0	1.0	1.0	69,722	16,686	86,408
Marketing Design Specialist	2.0	2.0	2.0	2.0	103,418	29,858	133,276
Senior Marketing Design Specialist	1.0	1.0	1.0	1.0	51,979	14,955	66,934
Senior Marketing Specialist / Webmaster	1.0	1.0	1.0	1.0	64,813	16,207	81,020
Market Development Supervisor	1.0	1.0	1.0	1.0	75,899	17,289	93,188
Marketing Services Coordinator	1.0	1.0	1.0	1.0	58,344	15,576	73,920
Marketing Services Representative	2.0	2.0	2.0	2.0	76,461	23,734	100,195
Travel Trainer	1.0	1.0	1.0	1.0	39,894	11,979	51,873
Lead Customer Services Representative	1.0	1.0	1.0	1.0	39,894	11,979	51,873
Customer Services Representatives II	9.8	10.0	9.8	10.0	357,536	116,997	474,533
Customer Services Representatives	2.5	4.0	2.5	4.0	81,432	42,638	124,070
SUBTOTAL	24.3	26.0	24.3	26.0	1,114,261	337,038	1,451,299
Safety & Attendance					3,000	158	3,158
Overtime					20,000	1,051	21,051
Work Study					12,000	631	12,631
TOTAL	24.3	26.0	24.3	26.0	\$ 1,149,261	\$ 338,878	\$ 1,488,139



**2005 OPERATING BUDGET
NARRATIVE**

Department: Technology & Transit Development
Division: Operations Planning

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 862,861	\$ 977,074	Salary/wages and benefits for Senior Operations Planning Manager, Scheduling Supervisor, Principal Planner, Senior Planner, Planners, Schedulers, Service Quality Specialist, and Intern. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	1,740	2,140	Books & periodicals (\$200) and office supplies (\$1,940).
Services	58,230	66,960	Interpreter services (\$1,000), professional services (\$50,000), travel (\$7,710), training (\$4,700), postage (\$50), and printing (\$3,500).
Other	1,200	357,346	Association dues (\$1,500) and unprogrammed expenditures for WSDOT Special Needs Grant (\$355,846).
TOTAL OPERATIONS	\$ 924,031	\$ 1,403,520	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Technology & Transit Development
Division: Operations Planning

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Senior Operations Planning Manager	1.0	1.0	1.0	1.0	\$ 97,573	\$ 19,403	\$ 116,976
Scheduling Supervisor	1.0	1.0	1.0	1.0	59,301	15,670	74,971
Principal Planner	0.8	1.0	1.8	2.0	136,063	33,043	169,106
Senior Planner	2.0	2.0	1.0	1.0	70,574	16,769	87,343
Planner	3.0	3.0	3.0	3.0	181,646	47,374	229,020
Scheduler	2.0	2.0	2.0	2.0	107,619	25,839	133,458
Intern	0.0	0.0	1.0	1.0	45,219	12,339	57,558
Service Quality Specialist	1.0	1.0	1.0	1.0	38,709	11,899	50,608
SUBTOTAL	10.8	11.0	11.8	12.0	736,704	182,336	919,040
Safety & Attendance					1,000	53	1,053
Retirement Expense					12,935	680	13,615
Contract Employee					35,000	1,840	36,840
Longevity					2,200	116	2,316
Overtime					4,000	210	4,210
TOTAL	10.8	11.0	11.8	12.0	\$ 791,839	\$ 185,235	\$ 977,074



**2005 OPERATING BUDGET
NARRATIVE**

Department: Technology & Transit Development
Division: Project Management

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 33,625	\$ 43,821	Salary/wages and benefits for Project Managers. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	500	500	Books & periodicals (\$450) and general operating supplies (\$50).
Services	11,700	12,200	Services include postage (\$200), training (\$8,500), and travel (\$3,500).
TOTAL OPERATIONS	\$ 45,825	\$ 56,521	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Technology & Transit Development
Division: Project Management

Position Title	2004 Budget		2005 Budget		Salaries	2005 Budget Benefits	TOTAL
	FTEs	Positions	FTEs	Positions			
Project Manager	2.0	2.0	2.0	2.0	\$ 141,690	\$ 33,592	\$ 175,282
SUBTOTAL	2.0	2.0	2.0	2.0	141,690	33,592	175,282
Capital Reduction Smart Card Project Manager 0.8 FTE					(56,676)	(13,437)	(70,113)
Capital Reduction Mobile Communication, Project Manager 0.7 FTE					(49,591)	(11,757)	(61,348)
TOTAL	2.0	2.0	2.0	2.0	\$ 35,423	\$ 8,398	\$ 43,821



Transit employees walk 17,249 miles at work

Throughout the day, employees on their work breaks can be seen walking the six-tenth of a mile long path that encircles the bus lot and maintenance building. This not only refreshes them for their return to work but provides valuable health benefits as well.

Early in its history, Pierce Transit recognized the importance of maintaining a healthy workforce and established an employee wellness program. An employee wellness advisory committee plans activities that promote healthy lifestyle choices and partners with the American Heart Association, American Cancer Society, and other community organization to design strategies for providing education, information, and additional opportunities for employees to maintain their physical and emotional well being.

Company-wide fundraising activities, along with agency support, have provided and equipped two fitness workout areas and the walking path. The employee committee provides incentive rewards for participants who reach major distance milestones in walking, running, or bicycling. Two annual health fairs focus on health and wellness topics as well as periodic health assessments, such as blood pressure and cholesterol checks. Fun events such as the annual salmon and chicken barbecue and salad sale provide an opportunity to experience tasty food that is low in fat and healthy. The annual Holiday Stress Break helps employees deal with stress levels that are detrimental to their overall health. All this provides opportunities for employees to learn ways they can take control of their own health and well-being both at work and at home.

*Human Resources*Department





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**2005 BUDGET
DEPARTMENT DESCRIPTION
HUMAN RESOURCES**

In Brief:

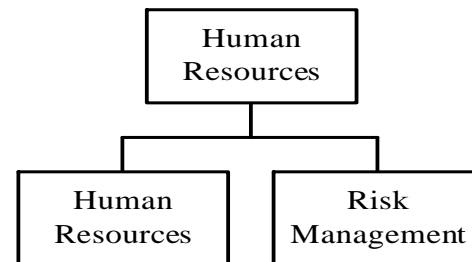
The overall goal of the Human Resources Department is support of Pierce Transit's mission to deliver outstanding transportation services that match our customers' needs through the development and use of the policies, principles, and practices necessary for effective human resources management. The department is lead by Vice President Marnie Slakey and is comprised of 11 positions in two divisions:

Human Resources
Risk Management

The divisions have a specific area of responsibility toward accomplishing the goals.

Overview:

The Human Resources Department consists of the following:



The Human Resources Department is responsible for directing and coordinating programs and policies for Agency personnel. The department provides service to meet this responsibility in six functional areas.

Recruitment and Employment - Human Resources hires quality candidates in a timely manner, and designs and administers job related, valid, bias-free selection devices. The department supports and monitors equal employment opportunity compliance and establishes and monitors the Affirmative Action Plan. It maintains up-to-date personnel records and issues/monitors the personnel rules necessary to assure compliance with both state and federal labor and employment laws.



**2005 BUDGET
DEPARTMENT DESCRIPTION
HUMAN RESOURCES**

Benefits and Compensation - Human Resources oversees the Agency's salary, wage and classification systems, assists with the defining of job responsibilities and qualifications, and periodically reviews job classifications. It ensures a competitive and equitable salary structure. This function audits the payroll to ensure correct hourly rates, correct deductions, and administers and interprets the wage provisions of the labor contract. It also administers employee benefits for health, life and disability, deferred compensation, pension programs, and flexible spending accounts. It monitors costs of the health and dental programs and recommends cost-effective changes that may be necessary.

Training and Staff Development - This function orients new employees and initiates and coordinates Agency-wide training to ensure a high quality and productive workforce. This function conducts training needs assessment and designs/coordinates training in managerial and supervisory skills, Americans with Disabilities Act, sexual harassment, communication skills, and other non-technical training. It works with managers to investigate and resolve sexual harassment and other complaints. It coordinates activities related to the Agency's quality improvement efforts. It coordinates the tuition reimbursement program and incentive/recognition policies. It provides counseling to employees and supervisors on performance or other issues and helps to resolve personnel problems at an early stage.

Health and Welfare - Human Resources provides services designed to promote and retain a healthy workforce, offering wellness/fitness programs and contracting for resources to assist employees with work/life issues. This function conducts mandated alcohol and drug testing, and employee pre-employment and fit for duty physicals. It coordinates the family medical leave policy, dependent care programs, and the employee suggestion program. It manages the Employee Assistance Program. This function promotes employee morale and recommends policies to promote a positive working environment. It also administers the unemployment insurance fund.



**2005 BUDGET
DEPARTMENT DESCRIPTION
HUMAN RESOURCES**

Labor Relations - The Vice President provides coordination of collective bargaining policies as outlined in the Master Agreement with the local labor union, investigates and responds to grievances, conducts labor relations training, negotiates labor contracts and side agreements, manages and provides oversight in arbitrations and other disputes, and provides advice to various departments regarding the interpretation and administration of contract provisions. The department also coordinates the response to employment related lawsuits and to complaints filed with the Human Rights Commission, the Public Employment Relations Commission, and the Equal Opportunity Commission.

Risk Management - The Risk Management Division is responsible for the overall risk management needs of the Agency including monitoring and controlling the Agency's losses and exposures associated with the self-insurance programs. This requires proper placement of casualty and property insurance coverage or alternative financing of risk, administration of workers' compensation and the light duty return to work programs, liability claims forecasting, monitoring, evaluation, and settlement, identification and resolution of safety issues, and assistance and support of safety programs. This division also oversees the Agency's insurance reserves.

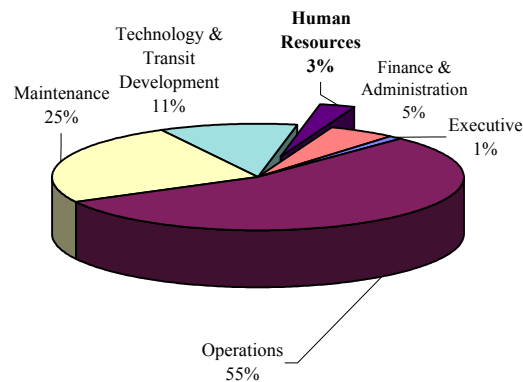




**2005 OPERATING BUDGET
DEPARTMENT EXPENDITURE SUMMARY**

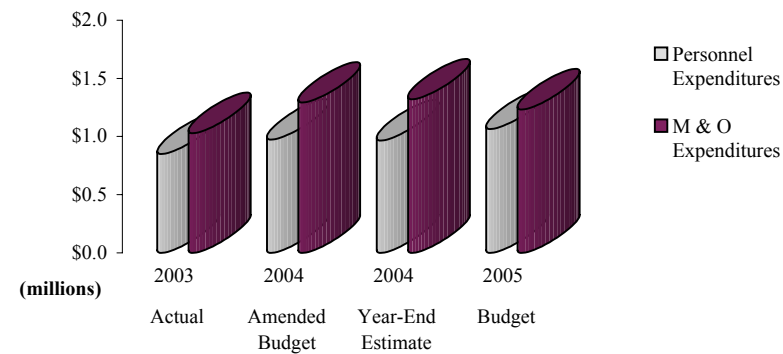
DEPARTMENT: HUMAN RESOURCES

Operating Budget by Department



Description	2003 Actual	2004 Amended Budget	2004 Year-End Estimate	2005 Budget	% Change 2005 Budget to 2004 YE EST.	% Change 2005 Budget to 2004 Budget
Personnel						
Wages	\$ 720,324	\$ 808,873	\$ 792,849	\$ 874,045	10.2%	8.1%
Benefits	130,002	164,852	172,985	189,489	9.5%	14.9%
Personnel	850,326	973,725	965,834	1,063,534	10.1%	9.2%
Maintenance and Operations						
Supplies	10,627	32,675	34,675	39,275	13.3%	20.2%
Services	292,634	353,680	349,980	394,940	12.8%	11.7%
Insurance	719,983	889,707	923,865	787,165	-14.8%	-11.5%
Rentals	0	1,000	1,000	1,500	50.0%	50.0%
Other	6,123	14,440	9,790	10,340	5.6%	-28.4%
Maintenance and Operations	1,029,367	1,291,502	1,319,310	1,233,220	-6.5%	-4.5%
TOTAL OPERATING	\$ 1,879,693	\$ 2,265,227	\$ 2,285,144	\$ 2,296,754	0.5%	1.4%
FTE'S	11.0	11.0	11.0	11.0	0.0%	0.0%
Positions	11.0	11.0	11.0	11.0	0.0%	0.0%

Expenditure Summary





**2005 OPERATING BUDGET
HUMAN RESOURCES DEPARTMENT EXPENDITURE**

Object Number	Description	Division		Department Total
		Human Resources 10-121000-	Risk Management 10-122000-	
PERSONNEL				
61100	Salaries	\$ 620,201	\$ 201,884	\$ 822,085
61190	Contract Salaries	32,000	19,960	51,960
62500	Benefits	139,092	50,397	189,489
	SUBTOTAL	791,293	272,241	1,063,534
SUPPLIES				
63110	Books & Periodicals	2,000	700	2,700
63120	Office Supplies	500	1,600	2,100
63290	General Operating Supplies	16,875	15,000	31,875
63310	Small Tools & Equipment	1,000	1,600	2,600
	SUBTOTAL	20,375	18,900	39,275
SERVICES				
64110	Professional Services	195,700	61,240	256,940
64120	Legal Costs	70,000	-	70,000
64130	Training	2,700	2,500	5,200
64210	Postage	5,000	1,100	6,100
64330	Travel & Subsistence	12,900	4,500	17,400
64340	Advertising	35,000	-	35,000
64350	Printing & Binding	4,000	300	4,300
	SUBTOTAL	325,300	69,640	394,940



**2005 OPERATING BUDGET
HUMAN RESOURCES DEPARTMENT EXPENDITURE**

Object Number	Description	Division		Department Total
		Human Resources 10-121000-	Risk Management 10-122000-	
INSURANCE				
64410	Liability	-	603,665	603,665
64420	Fire	-	128,000	128,000
64430	Performance Bond	-	500	500
64470	Workers Compensation Ins.	-	55,000	55,000
	SUBTOTAL	-	787,165	787,165
RENTALS				
64720	Buildings	1,500	-	1,500
	SUBTOTAL	1,500	-	1,500
OTHER				
64910	Association Dues	1,965	1,975	3,940
64990	Other Miscellaneous Expenses	900	5,500	6,400
	SUBTOTAL	2,865	7,475	10,340
TOTAL OPERATIONS		\$ 1,141,333	\$ 1,155,421	\$ 2,296,754
	FTE's	8.0	3.0	11.0
	Positions	8.0	3.0	11.0



**2005 OPEARTING BUDGET
NARRATIVE**

Department: Human Resources

Division: Human Resources

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 739,831	\$ 791,293	Salary/wages and benefits for Vice President Human Resources and Labor Relations, Employee Relations Coordinator, Employment Manager, Benefits and Compensation Manager, Human Resources Analysts, Human Resources Specialist, and contracted hours for recruitment interviewer. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	18,775	20,375	Resource materials and subscriptions to technical, benefits, and labor reporting services as well as employee library additions (\$2,000), retirement, service and suggestion recognition items, SEARCH Committee activities, and health and employee event materials (\$16,875), general office supplies (\$500), and small equipment purchases (\$1,000).
Services	293,940	325,300	Services include pre-employment physicals/background checks (\$31,300), recruitment expenses (\$5,000), flexible spending account administration (\$7,000), retirement education (\$2,000), Employee Assistance Program (\$20,000), health and welfare programs (\$6,000), health management program (\$1,000), drug testing (\$33,000), tuition reimbursement (\$26,000), human relations (\$10,000), new employee orientation program (\$5,000), management/supervisory training (\$8,000), team development (\$8,000), communication skills (\$3,000), Increasing Human Effectiveness training (\$13,000), Verbal Judo training (\$5,000), labor relations (\$3,500), interest based negotiating training (\$3,000), other miscellaneous training (\$5,900), legal costs (\$70,000), postage (\$5,000), advertising (\$35,000), printing & binding (\$4,000), travel (\$12,900), and training (\$2,700).
Rentals	1,000	1,500	Facility rental for testing (\$1,500).
Other	2,865	2,865	Association dues (\$1,965) and miscellaneous training expenses (\$900).
TOTAL OPERATIONS	\$ 1,056,411	\$ 1,141,333	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Human Resources

Division: Human Resources

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
VP Human Resources	1.0	1.0	1.0	1.0	\$ 117,603	\$ 21,358	\$ 138,961
Employee Relations Coordinator	2.0	2.0	2.0	2.0	144,019	33,819	177,838
Employment Manager	1.0	1.0	1.0	1.0	81,952	17,879	99,831
Benefits and Compensation Manager	1.0	1.0	1.0	1.0	81,952	17,879	99,831
Human Resources Analyst	1.0	1.0	2.0	2.0	133,328	32,776	166,104
Human Resources Specialist	2.0	2.0	1.0	1.0	56,347	15,381	71,728
SUBTOTAL	8.0	8.0	8.0	8.0	615,201	139,092	754,293
Contract: Interviewer					32,000		32,000
Service Excellence and Suggestion Awards					5,000		5,000
TOTAL	8.0	8.0	8.0	8.0	\$ 652,201	\$ 139,092	\$ 791,293



**2005 OPERATING BUDGET
NARRATIVE**

Department: Human Resources
Division: Risk Management

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 226,003	\$ 272,241	Salary/wages and benefits for Risk Manager, Claims Representative, Risk Management Assistant and Workstudy. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	15,900	18,900	Reference materials (\$700), office supplies (\$1,600), ergonomic equipment (\$15,000), and small tools and equipment (\$1,600).
Services	56,040	69,640	Postage (\$1,100), printing & binding (\$300), WSTIP Association Services (\$9,240), Broker's fees (\$52,000), training (\$2,500), and travel (\$4,500).
Insurance	923,865	787,165	General liability insurance (\$603,665), property insurance (\$128,000), performance bond (\$500), and worker's compensation excess liability insurance (\$55,000).
Other	6,925	7,475	Association dues (\$1,975), safety improvements and Hepatitis B vaccinations (\$3,000), and emergency supplies (\$2,500).
TOTAL OPERATIONS	\$ 1,228,733	\$ 1,155,421	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Human Resources

Division: Risk Management

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Risk Manager	1.0	1.0	1.0	1.0	\$ 90,355	\$ 18,699	\$ 109,054
Claims Representative	1.0	1.0	1.0	1.0	66,934	16,414	83,348
Risk Management Assistant	1.0	1.0	1.0	1.0	44,595	14,235	58,830
SUBTOTAL	3.0	3.0	3.0	3.0	201,884	49,348	251,232
Risk Management Work Study					19,960	1,049	21,009
TOTAL	3.0	3.0	3.0	3.0	\$ 221,844	\$ 50,397	\$ 272,241





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New Finance and Maintenance computer systems up and running

On September 1, thanks to months of planning and training, Pierce Transit smoothly transitioned to a new computer system that will track and manage our financial and maintenance information. The Mitchell Humphrey system which provides support for our purchasing, general ledger, accounts payable, and accounts receivable functions, is connected through an interface to the Spear system which manages vehicle and facilities work orders and maintenance inventory.

The new maintenance system, Spear, provides support for preventive maintenance inspections by assigning vehicles to maintenance patterns that are guided by vehicle mileage and time. The system automatically creates the correct work order as a vehicle approaches its mileage-driven due date. Fueling and mileage information is sent daily by the Fleetwatch system, our fuel and fluid management system, directly to the Spear system, eliminating hours of manual data entry.

A new Project Financial Tracking module, which is a part of the Mitchell Humphrey system, will be installed in the financial management system early this year that will provide detailed project expenditure and funding tracking to support Pierce Transit's many capital and operating projects.

The system supports Pierce Transit's commitment to a series of interconnected information technology projects that will be implemented during the next five years. While they vary in scope and cost, they all are designed to utilize technology as a means of making existing services more efficient, thereby increasing productivity and controlling costs.

*Finance & Administration*Department





In Brief:

The overall goal of the Finance and Administration Department is support of Pierce Transit's mission to deliver outstanding transportation services that match our customers' needs. The department's goal of providing the highest quality service is accomplished through effective and responsive management. The department is lead by Vice President Wayne Fanshier and is comprised of 37 positions in five divisions:

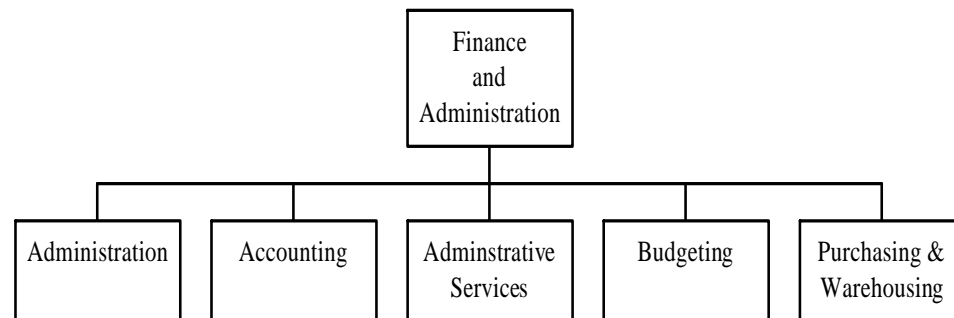
Administration
Accounting
Administrative Services
Budgeting
Purchasing and Warehousing

The divisions have a specific area of responsibility toward accomplishing the goals.

2005 BUDGET DEPARTMENT DESCRIPTION FINANCE AND ADMINISTRATION

Overview:

The Finance and Administration Department consists of the following:



Administration The division oversees and directs the activities of the divisions in the department.

Accounting The division performs the function of recording Agency financial transactions in conformance with state and federal accounting regulations as well as generally accepted accounting principals. This division provides accounts payable, accounts receivable, revenue processing, and payroll services for the Agency, develops and maintains internal controls over these functions in order to safeguard Agency assets, produces internal and external financial reports, coordinates internal and external audits, administers the investment portfolio, and manages financial activities with external agencies.



**2005 BUDGET
DEPARTMENT DESCRIPTION
FINANCE AND ADMINISTRATION**

Administrative Services The division provides support activities for all departments and divisions in the Agency. Responsibilities include word processing and data entry, maintenance of centralized files, telephone and guest reception, photo reproduction, processing of incoming/outgoing mail and internal memoranda, monitoring and control of operating costs for telecommunications services and custodial services, vehicle licensing and payment of miscellaneous taxes and assessments, and meeting the daily demands of the operation of the headquarters facility.

Budgeting The division develops the Agency's budget programs, goals, and requirements, prepares the Agency's annual budget document, monitors revenues and expenditures, prepares budget variance reports, and develops long range financial plans.

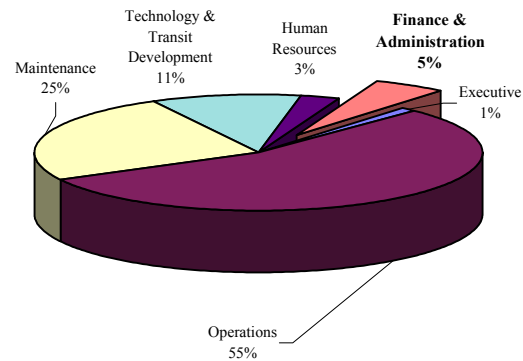
Purchasing and Warehousing The division directs and controls the purchase of materials and services for the entire Agency. This includes the ordering, stocking, shipping, and distribution of parts used in maintaining and repairing Agency vehicles, establishing appropriate stocking levels for parts to ensure that revenue vehicles are not out of service due to lack of parts availability, and maintenance of fuel inventories. This division also monitors and refines contract specifications, coordinates Disadvantaged Business Enterprise (DBE) programs, and assures contract compliance.



**2005 OPERATING BUDGET
DEPARTMENT EXPENDITURE SUMMARY**

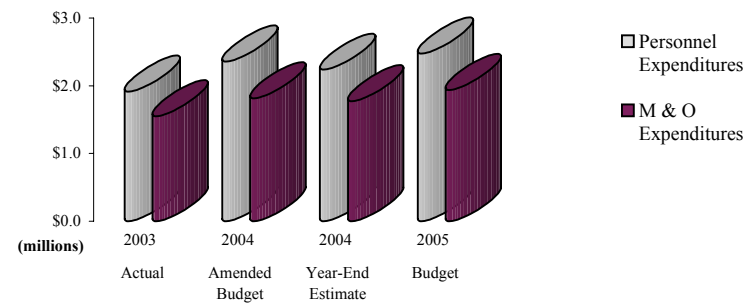
DEPARTMENT: FINANCE & ADMINISTRATION

Operating Budget by Department



Description	2003 Actual	2004 Amended Budget	2004 Year-End Estimate	2005 Budget	% Change 2005 Budget to 2004 YE EST.	% Change 2005 Budget to 2004 Budget
Personnel						
Wages	\$ 1,574,027	\$ 1,894,122	\$ 1,845,882	\$ 1,957,744	6.1%	3.4%
Benefits	338,632	461,924	390,999	516,854	32.2%	11.9%
Personnel	1,912,659	2,356,046	2,236,881	2,474,598	10.6%	5.0%
Maintenance and Operations						
Supplies	122,977	200,356	190,993	121,463	-36.4%	-39.4%
Services	361,933	457,932	446,789	458,998	2.7%	0.2%
Repairs and Maintenance	48,764	78,727	76,594	80,977	5.7%	2.9%
Rentals	137,038	165,105	165,105	168,105	1.8%	1.8%
Other	880,041	912,832	891,628	1,108,039	24.3%	21.4%
Maintenance and Operations	1,550,753	1,814,952	1,771,109	1,937,582	9.4%	6.8%
TOTAL OPERATING	\$ 3,463,412	\$ 4,170,998	\$ 4,007,990	\$ 4,412,180	10.1%	5.8%
FTE'S	34.0	35.3	35.3	35.3	0.0%	0.0%
Positions	36.0	37.0	37.0	37.0	0.0%	0.0%

Expenditure Summary







**2005 OPERATING BUDGET
FINANCE & ADMINISTRATION DEPARTMENT EXPENDITURE**

Object Number	Description	Division					Total	
		Administration 10-211000-	Accounting 10-241000-	Administrative Services 10-253000-	Budgeting 10-261000-	Purchasing/ Warehousing 10-231000-		
PERSONNEL								
61100	Salaries	\$ 117,603	\$ 637,041	\$ 276,786	\$ 146,619	\$ 691,995	\$ 1,870,044	
61160	Safety & Attendance	-	2,500	2,400	-	5,000	9,900	
61190	Contract Salaries	-	-	15,600	-	25,000	40,600	
61200	Overtime	-	20,000	1,200	-	16,000	37,200	
62500	Benefits	21,358	187,539	87,576	34,073	183,108	513,654	
62900	Uniforms	-	-	-	-	3,200	3,200	
	SUBTOTAL	138,961	847,080	383,562	180,692	924,303	2,474,598	
SUPPLIES								
63110	Books & Periodicals	993	465	2,105	100	800	4,463	
63120	Office Supplies	50	3,800	2,000	450	79,100	85,400	
63290	General Operating Supplies	-	800	-	-	500	1,300	
63310	Small Tools & Equipment	-	-	100	-	30,200	30,300	
	SUBTOTAL	1,043	5,065	4,205	550	110,600	121,463	



**2005 OPERATING BUDGET
FINANCE & ADMINISTRATION DEPARTMENT EXPENDITURE**

Object Number	Description	Division					Total
		Administration 10-211000-	Accounting 10-241000-	Administrative Services 10-253000-	Budgeting 10-261000-	Purchasing/ Warehousing 10-231000-	
SERVICES							
64110	Professional Services	-	49,415	-	550	1,000	50,965
64130	Training	2,900	7,250	-	1,300	5,200	16,650
64210	Postage	30	3,800	31,911	150	2,500	38,391
64220	Telephone	-	-	301,315	-	-	301,315
64330	Travel & Subsistence	3,200	8,580	300	1,400	9,700	23,180
64340	Advertising	-	-	13,797	-	5,000	18,797
64350	Printing & Binding	-	4,700	500	3,500	1,000	9,700
SUBTOTAL		6,130	73,745	347,823	6,900	24,400	458,998
REPAIRS & MAINTENANCE							
64610	Repairs & Maintenance - Building	-	-	165	-	-	165
64650	Repairs & Maintenance - General Equipment	-	2,600	25,622	-	52,590	80,812
SUBTOTAL		-	2,600	25,787	-	52,590	80,977



**2005 OPERATING BUDGET
FINANCE & ADMINISTRATION DEPARTMENT EXPENDITURE**

Object Number	Description	Division					Total
		Administration 10-211000-	Accounting 10-241000-	Administrative Services 10-253000-	Budgeting 10-261000-	Purchasing/ Warehousing 10-231000-	
RENTALS							
64720	Buildings	-	-	-	-	86,000	86,000
64730	Equipment	-	-	1,230	-	14,200	15,430
64790	Other	-	-	875	-	65,800	66,675
	SUBTOTAL	-	-	2,105	-	166,000	168,105
OTHER							
64910	Association Dues	175	740	-	130	300	1,345
64950	Taxes	-	78,250	58,733	-	1,200	138,183
64970	Other Contract Services	-	659,872	79,494	-	24,000	763,366
64990	Other Miscellaneous Expenses	150	600	195	200,400	3,800	205,145
	SUBTOTAL	325	739,462	138,422	200,530	29,300	1,108,039
TOTAL OPERATIONS		\$ 146,459	\$ 1,667,952	\$ 901,904	\$ 388,672	\$ 1,307,193	\$ 4,412,180
	FTE's	1.0	12.3	7.0	2.0	13.0	35.3
	Positions	1.0	14.0	7.0	2.0	13.0	37.0



**2005 OPERATING BUDGET
NARRATIVE**

Department: Finance & Administration
Division: Administration

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 129,614	\$ 138,961	Salary/wages and benefits for Vice President Finance & Administration. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	1,043	1,043	Departmental subscriptions to various financial publications (\$993) and miscellaneous office supplies (\$50).
Services	6,130	6,130	Included are funds for training (\$2,900), travel (\$3,200), and postage (\$30).
Other	280	325	Association dues (\$175) and miscellaneous expenses (\$150).
TOTAL OPERATIONS	\$ 137,067	\$ 146,459	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Finance & Administration
Division: Administration

Position Title	2004 Budget		2005 Budget		2005 Budget		
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	TOTAL
VP Finance & Administration	1.0	1.0	1.0	1.0	\$ 117,603	\$ 21,358	\$ 138,961
TOTAL	1.0	1.0	1.0	1.0	\$ 117,603	\$ 21,358	\$ 138,961



**2005 OPERATING BUDGET
NARRATIVE**

Department: Finance & Administration
Division: Accounting

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 745,515	\$ 847,080	Salary/wages and benefits for Finance Manager, Accounting Supervisor, Senior Accountants, Central Projects/Grants Coordinator, Account Clerks, Payroll Specialists, and Clerical Assistants. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	4,800	5,065	Included are books and subscriptions (\$465), operating supplies (\$800), and office supplies (\$3,800).
Services	60,679	73,745	Included are audits (\$49,000), CAFR review fee (\$415), travel (\$8,580), postage (\$3,800), printing of checks and various financial documents (\$4,700), and training (\$7,250).
Repairs and Maintenance	2,517	2,600	Maintenance of money counting equipment (\$2,600).
Other	728,290	739,462	Included are fees associated with collection of sales tax revenue (\$621,472), association dues (\$740), Business & Occupation taxes (\$68,250), leasehold taxes (\$10,000), banking services (\$38,400), and employee recognition meetings (\$600).
TOTAL OPERATIONS	\$ 1,541,801	\$ 1,667,952	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Finance & Administration
Division: Accounting

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Finance Manager	1.0	1.0	1.0	1.0	\$ 94,869	\$ 19,140	\$ 114,009
Accounting Supervisor	1.0	1.0	1.0	1.0	71,718	16,881	88,599
Senior Accountant	2.0	2.0	2.0	2.0	126,048	32,066	158,114
Central Projects / Grants Coordinator	1.0	1.0	1.0	1.0	52,478	15,004	67,482
Account Clerk	3.0	3.0	4.0	4.0	158,746	47,862	206,608
Payroll Specialist	2.0	2.0	2.0	2.0	90,730	24,698	115,428
Administrative Specialist I	1.0	1.0	0.0	0.0	-	-	-
Clerical Assistant	1.3	3.0	1.3	3.0	41,452	30,653	72,105
SUBTOTAL	12.3	14.0	12.3	14.0	636,041	186,304	822,345
Safety & Attendance					2,500	131	2,631
Overtime					20,000	1,051	21,051
Relief Payroll Specialist					1,000	53	1,053
TOTAL	12.3	14.0	12.3	14.0	\$ 659,541	\$ 187,539	\$ 847,080



**2005 OPERATING BUDGET
NARRATIVE**

Department: Finance & Administration
Division: Administrative Services

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 319,675	\$ 383,562	Salary/wages and benefits for Administrative Services Manager, Administrative Specialists II, Administrative Specialists I, and Clerical Assistant. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	4,205	4,205	Reference materials (\$2,105), office supplies (\$2,000), and miscellaneous small tools (\$100).
Services	355,703	347,823	Postage and permit fees (\$4,874), postage for Community Services (\$22,037), ADA recerification mailings (\$5,000), telecommunications system and use costs (\$301,315), telephone directory advertising (\$13,797), travel (\$300), and printing & binding (\$500).
Repairs & Maintenance	25,787	25,787	Telephone system maintenance contract and Radio T-1 service contract (\$25,622) and building repair (\$165).
Rentals	2,105	2,105	Postage meter rental (\$1,230) and Post Office Box Caller Service (\$875).
Other	135,808	138,422	Taxes and assessments as follows: Vehicle licensing (\$1,700), surface water assessments (\$3,979), BIA assessments (\$5,254), and fire protection services (\$47,800). Other contract services as follows: custodial services (\$65,840), alarm monitoring fees (\$1,024), recycling service (\$4,708), braille service (\$500), cable connections (\$1,052), temporary employee (\$6,370), employee recognition/meetings (\$150), and national notary association membership (\$45).
TOTAL OPERATIONS	\$ 843,283	\$ 901,904	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Finance & Administration
Division: Administrative Services

Position Title	2004 Budget		2005 Budget		2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	
Administrative Services Manager	1.0	1.0	1.0	1.0	\$ 75,899	\$ 17,289	\$ 93,188
Administrative Specialist II	3.0	3.0	3.0	3.0	109,138	35,226	144,364
Administrative Specialist I	2.0	2.0	2.0	2.0	64,064	22,897	86,961
Clerical Assistant	1.0	1.0	1.0	1.0	27,685	11,155	38,840
SUBTOTAL	7.0	7.0	7.0	7.0	276,786	86,567	363,353
Contract					15,600	820	16,420
Safety & Attendance					2,400	126	2,526
Overtime					1,200	63	1,263
TOTAL	7.0	7.0	7.0	7.0	\$ 295,986	\$ 87,576	\$ 383,562



**2005 OPERATING BUDGET
NARRATIVE**

Department: Finance & Administration
Division: Budgeting

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 171,110	\$ 180,692	Salary/wages and benefits for Budget Manager and Financial Technician. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	495	550	Periodicals (\$100) and office supplies including budget document materials (\$450).
Services	5,477	6,900	Budget fee (\$550), travel (\$1,400), training (\$1,300), postage (\$150), and printing (\$3,500).
Other	350	200,530	Association dues (\$130), contingency (\$200,000), employee recognition (\$50), and budget retreats (\$350).
TOTAL OPERATIONS	\$ 177,432	\$ 388,672	



**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Finance & Administration
Division: Budgeting

Position Title	2004 Budget		2005 Budget		2005 Budget		
	FTEs	Positions	FTEs	Positions	Salaries	Benefits	TOTAL
Budget Manager	1.0	1.0	1.0	1.0	\$ 85,176	\$ 18,194	\$ 103,370
Financial Technician	1.0	1.0	1.0	1.0	61,443	15,879	77,322
TOTAL	2.0	2.0	2.0	2.0	\$ 146,619	\$ 34,073	\$ 180,692



**2005 OPERATING BUDGET
NARRATIVE**

Department: Finance & Administration
Division: Purchasing / Warehousing

Object Description	2004 Year-End Estimate	2005 Budget	Description
Personnel	\$ 870,967	\$ 924,303	Salary/wages and benefits for Purchasing Manager, Purchasing Coordinators, Assistant Manager of Inventory, Purchasing Agent, Warehouse Technician II, Warehouse Technicians I, Warehouse Assistant, and Warehouse Courier. The increase is a result of salary/wage adjustments, health premium costs, and any change in personnel.
Supplies	180,450	110,600	Reference materials (\$800), office supplies (\$31,000), laminate supplies (\$1,100), toner (\$9,000), paper and printed supplies (\$5,000), computer supplies (\$12,000), ergonomic supplies (\$3,000), miscellaneous furniture (\$18,000), small tools, shelving (\$30,200), and forklift tires (\$500).
Services	18,800	24,400	Space planning (\$1,000), postage (\$2,500), bid advertising (\$5,000), printing (\$1,000), travel (\$9,700), and training (\$5,200).
Repairs and Maintenance	48,290	52,590	Copier repair (\$29,500), typewriter, fax machine, calculator, dictation and postage equipment maintenance (\$3,090), and dictaphone radio channel recorder maintenance (\$20,000).
Rentals	163,000	166,000	Building rentals: Lakewood Training Center (\$26,000) and Marketing Office (\$60,000). Equipment Rental: copiers for Marketing and Operations (\$14,200), miscellaneous rentals: park & ride lot rental (\$900), Goldspar Communications (\$17,000), Motorola Radio Site (\$20,000), Pierce County Radio Room (\$7,700), and South Hill Mall (\$20,200).



**2005 OPERATING BUDGET
NARRATIVE**

Department: Finance & Administration
Division: Purchasing / Warehousing

Object Description	2004 Year-End Estimate	2005 Budget	Description
Other	26,900	29,300	Association dues (\$300), Lakewood Mall Common Area charges (\$12,000), South Hill Mall CAM (\$13,200), Washington Office of Minority and Women Business Enterprises (\$1,500), employee recognition/meetings (\$300), and State Purchasing Fee (\$2,000).
TOTAL OPERATIONS	\$ 1,308,407	\$ 1,307,193	





**2005 OPERATING BUDGET
PERSONNEL SUMMARY**

Department: Finance & Administration
Division: Purchasing / Warehousing

Position Title	2004 Budget		2005 Budget		Salaries	2005 Budget		TOTAL
	FTEs	Positions	FTEs	Positions		Benefits		
Purchasing Manager	1.0	1.0	1.0	1.0	\$ 90,355	\$ 18,699	\$ 109,054	
Purchasing Coordinator	2.0	2.0	2.0	2.0	127,837	32,240	160,077	
Assistant Manager of Inventory	1.0	1.0	1.0	1.0	75,296	17,230	92,526	
Purchasing Agent	1.0	1.0	1.0	1.0	47,986	14,566	62,552	
Warehouse Technician II	1.0	1.0	1.0	1.0	49,067	12,599	61,666	
Warehouse Technician I	5.0	5.0	5.0	5.0	227,760	61,809	289,569	
Warehouse Assistant	1.0	1.0	1.0	1.0	39,832	11,975	51,807	
Warehouse Courier	1.0	1.0	1.0	1.0	33,862	11,572	45,434	
SUBTOTAL	13.0	13.0	13.0	13.0	691,995	180,690	872,685	
Safety & Attendance					5,000	263	5,263	
Overtime					16,000	841	16,841	
Uniforms						3,200	3,200	
Contract Personnel					25,000	1,314	26,314	
TOTAL	13.0	13.0	13.0	13.0	\$ 737,995	\$ 186,308	\$ 924,303	



Energy efficiency reflected in new building design

Beginning in 1986, Pierce Transit made a significant commitment to clean air in the Puget Sound Region with the long-term development of the nation's first clean-burning compressed natural gas powered transit fleet. The agency continues its conservation efforts with paper recycling, the proper disposal of vehicle waste fluids, and the use of solar-powered shelter lighting and solar-powered passenger signaling lights. When the decision was made to expand the agency's office space capacity, methods were explored to enhance the new building's energy efficiency.

With minimal additional construction cost, design features improve ambient light levels while reducing electrical consumption and improving the work environment for employees. Larger than standard light shelves were incorporated into the exterior design of the building that will reflect sunlight inward. The ceiling slopes upward from the windows allowing the light to travel to the inner parts of the office space. Energy efficient dimmable fluorescent lights compliment the design.

The office/training building that is scheduled for occupancy in the summer of 2005 will include general office space, training and classroom space, a public meeting room, and other related spaces. The two-story, 26,000 square-foot building will be located across the street from the main administration building in the front portion of a parking lot currently used for employee vehicles, supervisor vans, and reserve buses. The expanded administrative space was necessary to accommodate a growing number of staff that has 930 positions budgeted for 2005. The new building will house communications, community services, safety and training, marketing, and specialized transportation customer services.

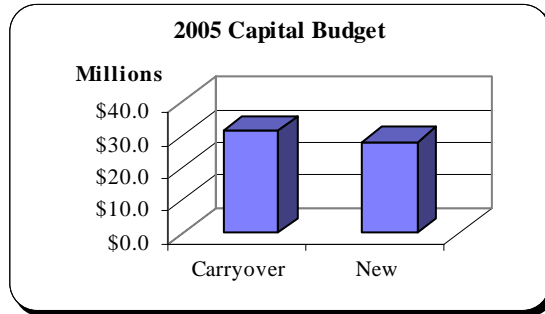
Capital Budget





2005 BUDGET CAPITAL BUDGET

In brief:



- Aggressive plan for capital development
- Some projects span more than one year
- Investment supports public transportation needs in Pierce County
- Provides infrastructure for the future

The Capital Budget presents the revenues and expenditures associated with capital acquisition. It includes funds for vehicles, construction, administrative and maintenance equipment, and off-site improvements. In addition, salaries 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 and projected useful life (greater than one year). Federal grants are the Agency's primary source of capital revenue. Local match of 20% is generally required. The remaining funding for new and replacement capital items is in the form of a transfer from the Operating Fund, depreciation reserves, and the interest earnings on those reserves. The 2005 Budget is presented below by major categories of expenditures. Prior year budgeted but unspent amounts are shown as carryovers in the 2005 Budget. No additional debt is planned for 2005.

Capital Expenditures – 2005

	Carryover	New	Total
Revenue Vehicles	\$ 4,207,845	\$ 9,888,395	\$ 14,096,240
(Buses – 15 replacement, 5 expansion Vanpool Vans – 44 replacement, 10 expansion Shuttle Vehicles – 15 replacement)			
Passenger Facilities	5,612,839	4,326,482	9,939,321
(Parkland Transit Center/SR-7 improvements, Peninsula Park and Ride land acquisitions and design, Roy Y Park and Ride redevelopment design, Bus Stop replacements and improvements)			
Base Facilities Expansion	9,347,554	455,222	9,802,776
(Base Expansion (South Base), Training and Administration Building construction, Base Expansion (East Base) design, CNG 4 th Compressor)			
Information Systems	6,912,631	13,081,529	19,994,160
(Mobile Communications Systems, Shuttle Software Replacement)			
Other	5,043,099	217,019	5,260,118
(Regional Fare Integration (Smart Card), Support Vehicles, Maintenance and Administrative Equipment)			
Total	\$ 31,123,968	\$ 27,968,647	\$ 59,092,615



2005 BUDGET CAPITAL IMPROVEMENTS SUMMARY

In brief:

The 2005 Capital Budget is comprised of the following categories:

Revenue Vehicles – 24%

Provide customers a comfortable and reliable mode of transportation

Passenger Facilities – 17%

Serve as the front door to the transit system

Base Facilities Expansion – 17%

Support the growth of the Agency

Information Systems – 33%

Improve information and services to the public

Other – 9%

Maintain equipment

Revenue Vehicles - Pierce Transit currently operates a fleet of 162 buses, 97 Shuttle vehicles, five Bus Plus vehicles and 274 vanpool vans. Vehicles are replaced on a regular cycle. The Federal Transit Administration requires that a bus be in service for 12 years or 500,000 miles before replacement. As of January 2005, the average age of the existing Pierce Transit bus fleet will be 5.8 years. In 2005, Pierce Transit is replacing 15 buses and purchasing five expansion buses. The replacement buses will consist of ten 30 ft buses and five 40 ft buses. The expansion buses will all be 40 ft buses, supporting service growth of about 2% per year as called for in the Strategic Business Plan. In 2005, there will be 15 replacement SHUTTLE vehicles. The vanpool program will have 44 replacement vehicles and 10 expansion vehicles.

Passenger Facilities - The 2005 capital program supports Route 1 with several capital projects in the SR-7 corridor. Pierce Transit is carrying out a cooperative project with the Washington State Department of Transportation, which provides for extensive pedestrian improvements, passenger shelters, bus pullouts along SR-7 and improvements to the Parkland Transit Center. Additionally, design work for a redeveloped Roy Y Park and Ride will be undertaken in 2005. This project is being carried out in cooperation with Pierce County. Environmental work for a Peninsula Park and Ride lot is underway and funding is included for land acquisition and design work. The bus stop program replaces shelters that exceed ten years and 30 shelters are planned to be replaced in 2005. The bus stop expansion program is scheduled to construct 25 new standard design shelters and 61 ad shelters on SR-7 and SR-161 in 2005.

Base Facilities Expansion - The construction of the new administration/training building on the South Base is underway. Completion of the new building is scheduled for late spring 2005. The 4th CNG compressor should also be completed in 2005.



2005 BUDGET CAPITAL IMPROVEMENTS SUMMARY

Information Systems - The most far-reaching capital project in 2005 is the mobile communication system. This project will replace and upgrade radios on the Pierce Transit fleet. The current radio system is over 14 years old and at the end of its useful life and is experiencing significant problems. The new system will provide wider and more reliable radio coverage, computer aided dispatching, and automatic vehicle location for both fixed route and demand response service. Due to the size of the investment required, Pierce Transit will budget for this project over multiple years. Approval of the 2005 budget also constitutes approval of the funds for this project to be budgeted in 2006 and 2007. The total Mobile Communication Project cost is estimated at \$31,000,000. Of this amount \$5,793,450 is carryover funds, \$12,603,275 is new 2005 funds, \$9,603,275 is planned for 2006 and \$3,000,000 is planned for 2007. The Shuttle and Bus Plus Scheduling and Software replacement project will provide software for scheduling, dispatch, customer reservations, and ADA eligibility management.

Other - Other capital improvements include support vehicles and maintenance and administrative equipment. The Regional Fare Integration Project (Smart Card) is continuing implementation.

Carryover Funds - Funds are carried over from the previous budget year for projects in process. For example, the construction of the new administration/training building on the South Base is under contract but construction will continue into 2005.



2005 BUDGET CAPITAL IMPROVEMENTS SUMMARY

A Capital Summary reflecting the comparison of the 2005 Budget with 2004 and 2003, a Capital Budget Summary by Department, a distribution of projects by division indicating carryover, new, local, and grant funds with information for the 2005 budget, 2004 estimated expenditures and 2003 actual expenditures, and a listing of Capital Budget Operating Costs follows. The total project budget shows expenditures to date but do not reflect planned expenditures beyond 2005.

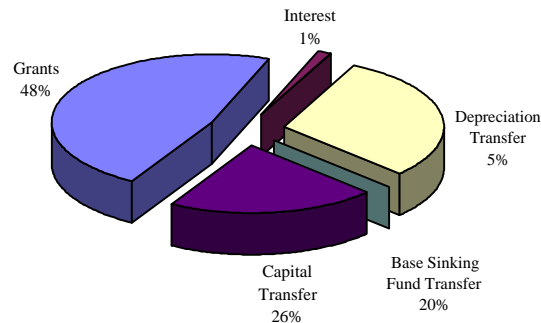
Changes to 2005 Capital Budget Development Process

Pierce Transit instituted several changes to the 2005 Capital Budget development process. A business case, which discussed the project plan, schedule, and costs, was required for all new projects in the 2005 Budget. Additionally, a business case was required for all projects using 2003 or earlier funds. Carryover projects were not automatically carried over but were prioritized with new project requests. If a project was no longer a priority, it was not carried over into the 2005 Budget. If a project was completed under budget, the funds were returned to the Agency reserves.

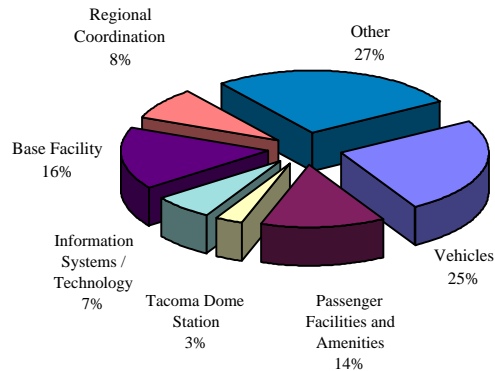
Project readiness was one of three criteria used to evaluate capital projects. Use of this criterion seeks to ensure that budgeted projects are ready for implementation in the budget year, thereby reducing future carryover. The other criteria were the project implemented the Agency's Strategic Business Plan or the project was necessary to maintain the existing system.



Capital Revenues & Transfers



Capital Expenditures

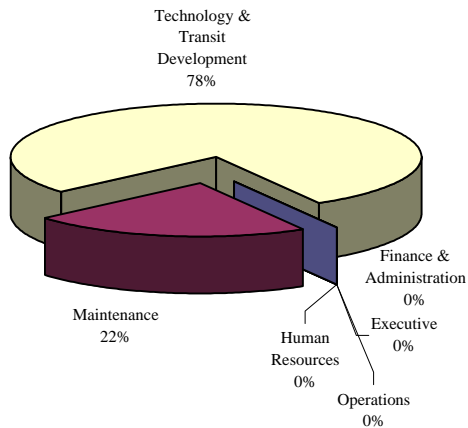


2005 BUDGET CAPITAL SUMMARY

(rounded to the nearest \$100)	2003 YEAR-END ACTUALS	2004 AMENDED BUDGET	2004 YEAR-END ESTIMATE	2005 BUDGET	% CHANGE 2005 TO 2004 EST.
CAPITAL REVENUES					
CURRENT REVENUES					
Grants	\$3,137,400	\$29,334,900	\$15,624,000	\$24,339,200	55.8%
Depreciation Fund Interest	175,900	549,100	596,700	725,900	21.7%
CAPITAL REVENUE	3,313,300	29,884,000	16,220,700	25,065,100	54.5%
TRANSFERS					
Capital	519,900	16,754,500	5,013,600	10,909,100	117.6%
Base Sinking Fund	0	12,000,000	12,000,000	0	-100.0%
Depreciation	10,003,400	2,910,000	2,910,000	15,387,200	428.8%
CAPITAL REVENUES AND TRANSFERS	13,836,600	61,548,500	36,144,300	51,361,400	42.1%
BEGINNING BALANCES					
Depreciation	14,880,900	25,499,700	23,837,000	36,492,800	53.1%
TOTAL CAPITAL REVENUE AND BEGINNING BALANCES	28,717,500	87,048,200	59,981,300	87,854,200	46.5%
CAPITAL EXPENDITURES					
CAPITAL ACQUISITION					
Vehicles	1,727,200	22,986,500	18,231,300	14,729,400	-19.2%
Maintenance Equipment	69,300	562,600	112,000	278,900	149.0%
Passenger Facilities and Amenities	918,800	5,094,800	1,291,200	8,130,000	529.6%
Tacoma Dome Station	6,000	1,879,300	70,000	1,809,300	2484.7%
Base Facility	1,080,300	10,681,100	1,045,400	9,566,400	815.1%
Regional Coordination	1,206,300	5,738,300	724,000	4,938,200	582.1%
Communication Systems and Administrative Equipment	456,800	3,609,000	511,200	15,773,000	2985.5%
Information Systems / Technology	540,500	4,892,500	1,503,400	3,867,400	157.2%
CAPITAL EXPENDITURES	6,005,200	55,444,100	23,488,500	59,092,600	151.6%
ENDING BALANCES					
Depreciation	22,712,300	31,604,100	36,492,800	28,761,600	-21.2%
TOTAL CAPITAL EXPENDITURES AND ENDING BALANCES	\$28,717,500	\$87,048,200	\$59,981,300	\$87,854,200	46.5%



2005 Total Capital Budget



2005 CAPITAL BUDGET SUMMARY BY DEPARTMENT

Department	2005 Capital Budget			2005 Funding	
	2004 Carryover Amount	2005 New	2005 Total Budget	Local	Grant
Operations	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance	4,238,831	8,774,824	13,013,655	4,648,207	8,365,448
Technology & Transit Development	26,882,239	19,128,823	46,011,062	30,037,270	15,973,792
Executive	-	-	-	-	-
Finance & Administration	2,898	65,000	67,898	67,898	-
Human Resources	-	-	-	-	-
Agency Total	\$ 31,123,968	\$ 27,968,647	\$ 59,092,615	\$ 34,753,375	\$ 24,339,240

Department	Prior Years Expenditures	2004 YE Estimate	Costs through 12/31/04	Project Grand Total
Operations	\$ 267,217	\$ 206,065	\$ 473,282	\$ 473,282
Maintenance	6,599,642	17,595,502	24,195,144	37,208,799
Technology & Transit Development	10,333,017	5,593,494	15,926,511	62,331,275
Executive	-	-	-	-
Finance & Administration	-	93,380	93,380	96,278
Human Resources	-	-	-	-
Agency Total	\$ 17,199,876	\$ 23,488,441	\$ 40,688,317	\$ 100,109,634



2005 CAPITAL BUDGET BY DIVISION / PROJECT

Department / Division / Project Title	Project Number	Project Grand Total	Prior Years Expenditures	2004 YE Estimate	2005 Project Budget			2005 Project Funding	
					2004 Carryover Amount	New 2005 Projects	Total 2005 Budget	Local	Grant
OPERATIONS									
<u>Service Coordination (64040)</u>									
1. Mobile Modems	26405	\$ 2,500	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ -	\$ -
2. Portable Radios Replacement	28113	10,160	-	10,160	-	-	-	-	-
Division Subtotal		12,660	-	12,660	-	-	-	-	-
<u>Transit Public Safety (64050)</u>									
3. Base and HQ Security Improvements	06409	186,422	137,411	49,011	-	-	-	-	-
4. Commerce Security	06411	111,000	84,481	26,519	-	-	-	-	-
5. Emergency Preparedness	40401-40404	50,000	45,325	4,675	-	-	-	-	-
6. TDS Surveillance System	06420	108,000	-	108,000	-	-	-	-	-
7. Varda Camera	28136	5,200	-	5,200	-	-	-	-	-
Division Subtotal		460,622	267,217	193,405	-	-	-	-	-
Department Total		473,282	267,217	206,065	-	-	-	-	-
MAINTENANCE									
<u>Training (65060)</u>									
8. CNG Training Aid	64214	23,500	20,551	2,949	-	-	-	-	-
Division Subtotal		23,500	20,551	2,949	-	-	-	-	-
<u>Facilities Maintenance (65030)</u>									
9. Passenger Facility Renovation Project:									
Replacement	06545	250,000	-	-	250,000	-	250,000	250,000	-
Expansion	96936	75,000	19,913	19,648	35,439	-	35,439	7,088	28,351
10. Engine Test Cell Upgrades	28102	50,000	-	50,000	-	-	-	-	-
11. Headquarters Roof	06548	650,000	-	-	650,000	-	650,000	650,000	-
12. Liquid Deicing	06513	7,500	-	7,500	-	-	-	-	-
13. Replace AC Computer Closet	06514	5,000	-	5,000	-	-	-	-	-
14. Server Room A/C	06549	70,000	-	-	70,000	-	70,000	70,000	-
15. Trash Compactor	06550	41,800	-	-	41,800	-	41,800	41,800	-
Division Subtotal		1,149,300	19,913	82,148	1,047,239	-	1,047,239	1,018,888	28,351
<u>Maintenance: Bus (65020)</u>									
16. Bus Acquisition - 30'									
Expansion	24606	600,000	16,167	583,833	-	-	-	-	-
Replacement (local repayment)	06540	1,092,283	254,372	837,911	-	-	-	-	-
Replacement	24607	1,020,000	-	1,020,000	-	-	-	-	-
Replacement	28124	2,263,125	-	2,263,125	-	-	-	-	-
Replacement	28125	376,876	-	376,876	-	-	-	-	-
Replacement	29901	1,325,110	-	1,325,110	-	-	-	-	-



2005 CAPITAL BUDGET BY DIVISION / PROJECT

Department / Division / Project Title	Project Number	Project Grand Total	Prior Years Expenditures	2004 YE Estimate	2005 Project Budget			2005 Project Funding	
					2004 Carryover Amount	New 2005 Projects	Total 2005 Budget	Local	Grant
17. Bus Acquisition - 40'									
Expansion	91102	2,293,215	-	1,345,611	947,604	-	947,604	161,093	786,511
Replacement	91101	1,032,834	-	1,032,834	-	-	-	-	-
Replacement	29906	1,338,966	-	1,338,966	-	-	-	-	-
Replacement	31601	2,260,200	687	2,259,513	-	-	-	-	-
Replacement	99328	260,694	-	260,694	-	-	-	-	-
Replacement	22301	4,974,421	4,525,574	448,847	-	-	-	-	-
Replacement	22311	1,415,673	656,901	758,772	-	-	-	-	-
Expansion	92602	1,855,000	-	-	-	1,855,000	1,855,000	250,425	1,604,575
Replacement	06553	50,000	-	-	-	50,000	50,000	50,000	-
Replacement	91101	2,110,240	-	-	-	2,110,240	2,110,240	358,741	1,751,499
Replacement	92601	3,654,760	-	-	-	3,654,760	3,654,760	621,309	3,033,451
18. Maintenance Equipment:									
Component Cleaning Machine	06517	80,000	49,419	-	30,581	-	30,581	30,581	-
Milling Machine	28127	30,000	-	30,000	-	-	-	-	-
Production Band Saw	28126	16,324	-	16,324	-	-	-	-	-
Wrecker	28128	175,000	-	-	175,000	-	175,000	35,000	140,000
Floor Scrubber	28139	12,000	-	-	-	12,000	12,000	2,400	9,600
Division Subtotal		28,236,721	5,503,120	13,898,416	1,153,185	7,682,000	8,835,185	1,509,548	7,325,637
Maintenance: Automotive (65010)									
19. Support Vehicle Acquisition:									
Admin vehicles (7)	28133	133,700	-	112,600	21,100	-	21,100	4,220	16,880
Custodian Vehicles (8)	06552	245,300	-	101,400	143,900	-	143,900	143,900	-
Maintenance Vehicle (1)	28129	25,000	-	25,000	-	-	-	-	-
Service Truck	28131	35,000	-	35,000	-	-	-	-	-
Supervisor Vans (5)	28132	136,100	-	25,688	110,412	-	110,412	22,082	88,330
Warehouse Vehicle (1)	28130	24,100	-	-	24,100	-	24,100	4,820	19,280
Replacement 2005	28137	67,668	-	-	-	67,668	67,668	67,668	-
Expansion 2005	28138	72,351	-	-	-	72,351	72,351	72,351	-
20. Shuttle & Bus Plus Acquisition:									
Replacement 2003 (20)	26400	3,803,654	1,056,058	2,747,596	-	-	-	-	-
Replacement 2004 (27)	06551	925,000	-	4,705	920,295	-	920,295	920,295	-
Replacement 2004 (17)	24608	560,000	-	560,000	-	-	-	-	-
Bus Plus Vehicles	73938	800,000	-	-	800,000	-	800,000	-	800,000
Shuttle & Bus Plus Replacement 2005	91106	90,113	-	-	-	90,113	90,113	18,023	72,090
Shuttle & Bus Plus Replacement 2005	06554	862,692	-	-	-	862,692	862,692	862,692	-
21. Maintenance Equipment:									
Tire Changer	28134	18,600	-	-	18,600	-	18,600	3,720	14,880
Division Subtotal		7,799,278	1,056,058	3,611,989	2,038,407	1,092,824	3,131,231	2,119,771	1,011,460
Department Total		37,208,799	6,599,642	17,595,502	4,238,831	8,774,824	13,013,655	4,648,207	8,365,448



2005 CAPITAL BUDGET BY DIVISION / PROJECT

Department / Division / Project Title	Project Number	Project Grand Total	Prior Years Expenditures	2004 YE Estimate	2005 Project Budget			2005 Project Funding	
					2004 Carryover Amount	New 2005 Projects	Total 2005 Budget	Local	Grant
TECHNOLOGY & TRANSIT DEVELOPMENT									
<u>Construction Projects (41010)</u>									
22. Base Facility Expansion:									
Phase II - Admin/Training Building 5									
Base Facility Expansion	12311	232,331	228,212	4,119	-	-	-	-	-
Base Facility Expansion	04116	967,922	-	152,434	815,488	-	815,488	815,488	-
Base Facility Expansion	24800	2,595,731	2,237,357	-	358,374	-	358,374	-	358,374
Base Facility Expansion	24803	1,187,500	-	2,039	1,185,461	-	1,185,461	237,092	948,369
Base Facility Expansion	32500	700,547	495,237	-	205,310	-	205,310	-	205,310
Base Facility Expansion Phase II	32502	3,688,798	-	52,268	3,636,530	-	3,636,530	727,306	2,909,224
Phase III - East Base:									
Phase III - East Base	04117	1,899,020	-	2,347	1,896,673	-	1,896,673	1,896,673	-
23. Roy Y Park & Ride Redevelopment	04104	298,750	-	-	-	298,750	298,750	298,750	-
24. BRT Study (ST)	04267	9,971	-	9,971	-	-	-	-	-
25. Mid-County P&R	04272	309,000	-	-	309,000	-	309,000	309,000	-
26. Park & Ride Study (ST)	04268	13,900	-	13,900	-	-	-	-	-
27. Parkland Transit Center:									
Design	04265	100,000	-	190	99,810	-	99,810	99,810	-
Construction	92605	2,000,000	-	-	2,000,000	-	2,000,000	400,000	1,600,000
28. Peninsula Park & Ride:									
Design/Site Selection	24900	300,000	3,162	65,179	231,659	-	231,659	31,274	200,385
Project Support	04271	22,294	-	-	22,294	-	22,294	22,294	-
Acquire Land	24902	1,800,000	-	-	-	1,800,000	1,800,000	243,000	1,557,000
Environmental/Design	24903	674,566	-	-	-	674,566	674,566	91,066	583,500
29. SR-167 Study	61009	50,000	48,643	1,357	-	-	-	-	-
30. Tacoma Dome Station Streetscapes:									
Tac Dome Sta Streetscapes	24701	2,387,283	1,024,794	52,227	1,310,262	-	1,310,262	176,885	1,133,377
Tac Dome Sta Streetscapes	61003	160,000	81,692	-	78,308	-	78,308	-	78,308
Tac Dome Sta Streetscapes	61004	246,000	135,848	-	110,152	-	110,152	-	110,152
Tac Dome Sta Streetscapes	64207	110,000	96,953	-	13,047	-	13,047	-	13,047
Tac Dome Sta Streetscapes	64208	220,000	99,146	-	120,854	-	120,854	-	120,854
31. TDS Bike Stations	24703	176,658	-	-	176,658	-	176,658	13,849	162,809
32. TDS Retail [Ground Water Monitoring]	04257	180,706	162,921	17,785	-	-	-	-	-



2005 CAPITAL BUDGET BY DIVISION / PROJECT

Department / Division / Project Title	Project Number	Project Grand Total	Prior Years Expenditures	2004 YE Estimate	2005 Project Budget			2005 Project Funding	
					2004 Carryover Amount	New 2005 Projects	Total 2005 Budget	Local	Grant
33. Bus Stop Program:									
Expansion	04252	2,388,049	108,217	820,000	562,537	722,003	1,284,540	1,284,540	-
Expansion	92106	111,795	92,011	19,784	-	-	-	-	-
Expansion	96937	100,000	1,731	1,731	96,538	-	96,538	19,308	77,230
Replacement	91105	87,900	-	-	-	87,900	87,900	11,867	76,034
Transit Center/P&R Shelters	04115	252,000	-	130,000	122,000	-	122,000	122,000	-
Transit Enhancements	28117	113,699	36,004	70,000	7,695	-	7,695	1,539	6,156
Transit Enhancements	29902	119,011	-	62,261	56,750	-	56,750	11,350	45,400
Transit Center Style Shelters	91104	250,000	-	-	-	250,000	250,000	33,750	216,250
Advertising Shelters for SR-7 & SR-161	04120	187,963	-	-	-	187,963	187,963	187,963	-
34. CNG Fueling/Compressor:									
CNG Fueling/SEP (WSU)	64215	207,000	56,938	94,000	56,062	-	56,062	18,669	37,393
CNG Fueling 4th Compressor	31602	498,477	1,162	400,000	97,315	-	97,315	19,463	77,852
Compressor	96916	1,050,000	925,258	201	124,541	-	124,541	24,908	99,633
35. SR-7 Pacific Avenue	92108	100,000	89,090	1,074	9,836	-	9,836	1,328	8,508
36. Headquarters Gate Enhancements	06421	360,000	-	150,000	210,000	-	210,000	210,000	-
37. Pedestrian Signal @ Allenmore	04118	135,300	-	-	-	135,300	135,300	135,300	-
38. SR-7 Wal-Mart Layover	04119	170,000	-	-	-	170,000	170,000	170,000	-
39. Lakewood Mini Bus Shop	04107	455,222	-	-	-	455,222	455,222	455,222	-
Division Subtotal		26,917,393	5,924,376	2,122,867	13,913,154	4,781,704	18,694,858	8,069,694	10,625,164
Community Services-Vanpool (46030)									
40. Vanpool Vehicle Acquisition:									
Expansion 02 (17)	31604	250,407	147,685	102,722	-	-	-	-	-
Expansion 03 (12)	04610	373,931	284,030	89,901	-	-	-	-	-
Expansion 03 (8)	26402	250,407	7,126	183,685	59,596	-	59,596	59,596	-
Expansion 04 (20)	04612	480,000	-	55,650	424,350	-	424,350	424,350	-
Replacement 03 (2)	26401	50,401	12,133	38,268	-	-	-	-	-
Replacement 03 (42)	04611	1,216,465	919,509	296,956	-	-	-	-	-
Replacement 04 (44)	04613	1,056,000	-	-	1,056,000	-	1,056,000	1,056,000	-
Replacement 05	91107	62,500	-	-	-	62,500	62,500	12,500	50,000
Replacement 05	04615	971,500	-	-	-	971,500	971,500	971,500	-
Expansion 05	74307	450,000	-	-	-	231,590	231,590	-	231,590
Division Subtotal		5,161,611	1,370,483	767,182	1,539,946	1,265,590	2,805,536	2,523,946	281,590
Marketing (44010)									
41. Transit Center Signage	04422	100,000	-	100,000	-	-	-	-	-
Division Subtotal		100,000	-	100,000	-	-	-	-	-
Operations Planning (45010)									
42. Downtown Tacoma Corridor Tech	61014	600,000	-	-	600,000	-	600,000	-	600,000
43. Signal Priority	22309	2,121,000	1,649,968	400,000	71,032	-	71,032	-	71,032
Division Subtotal		2,721,000	1,649,968	400,000	671,032	-	671,032	-	671,032



2005 CAPITAL BUDGET BY DIVISION / PROJECT

					2005 Project Budget			2005 Project Funding	
Department / Division / Project Title	Project Number	Project Grand Total	Prior Years Expenditures	2004 YE Estimate	2004 Carryover Amount	New 2005 Projects	Total 2005 Budget	Local	Grant
Information Systems (26020)									
44. Maintenance Wireless Network	02610	20,000	-	20,000	-	-	-	-	-
45. Network Upgrade	02618	50,000	-	50,000	-	-	-	-	-
46. Payroll Replacement	26406	40,000	5,985	34,015	-	-	-	-	-
47. Regional Trip Planning	64201	251,201	220,763	-	30,438	-	30,438	-	30,438
48. Server Replacement	02605	30,000	15,727	14,273	-	-	-	-	-
49. HASTUS Upgrade:									
HASTUS Upgrade 04	02607	105,500	-	105,500	-	-	-	-	-
HASTUS Upgrade 04	28108	159,500	-	159,500	-	-	-	-	-
50. Data Storage Equipment Upgrade	02603	106,090	-	-	-	106,090	106,090	106,090	-
51. Server Replacement	02611	55,000	-	-	-	55,000	55,000	55,000	-
52. LAN Equipment Replacement	02612	15,000	-	-	-	15,000	15,000	15,000	-
53. Backup System Replacement	02613	83,994	-	-	-	83,994	83,994	83,994	-
54. Recording System Replacement	02614	81,403	-	-	-	81,403	81,403	81,403	-
55. Help Desk Upgrade	02616	23,690	-	-	-	23,690	23,690	23,690	-
Division Subtotal		1,021,378	242,475	383,288	30,438	365,177	395,615	365,177	30,438
Project Management (26030)									
56. Finance/Maintenance System Replacement:									
Financial/Maintenance System 04	02606	1,097,187	-	900,000	197,187	-	197,187	197,187	-
Financial/Maintenance System 04	28106	700,000	484,214	215,786	-	-	-	-	-
57. Mobile Communication System:									
SHUTTLE Onboard System 04	02619	2,200,000	-	-	2,200,000	-	2,200,000	2,200,000	-
Mobile Communication System	02608	12,603,275	-	-	-	12,603,275	12,603,275	12,603,275	-
Communication System	02608	3,513,450	11,622	400,000	3,101,828	-	3,101,828	3,101,828	-
58. SHUTTLE Software Replacement:									
SHUTTLE Software Repl 04	02620	300,000	-	1,605	298,395	-	298,395	298,395	-
SHUTTLE System Repl 04	02610	455,781	17,357	2,682	435,742	-	435,742	435,742	-
SHUTTLE System Repl 04	28107	250,000	200	-	249,800	-	249,800	49,960	199,840
Shuttle Software Repl 05	02610	113,077	-	-	-	113,077	113,077	113,077	-
59. Agency Intranet	26407	8,000	-	-	8,000	-	8,000	1,600	6,400
60. EZ Rider II	64205	633,000	241,759	-	391,241	-	391,241	-	391,241
61. Smart Card:									
Boeing	72001	43,050	-	-	43,050	-	43,050	-	43,050
Fare Integration	98222	1,077,593	390,563	300,084	386,946	-	386,946	77,389	309,557
ITS (ST)	61011	380,729	-	-	380,729	-	380,729	-	380,729
Metro Formula	29905	890,168	-	-	890,168	-	890,168	-	890,168
ST Fare Integ Fund(ST)	61013	1,886,283	-	-	1,886,283	-	1,886,283	-	1,886,283
ST Technology	61012	258,300	-	-	258,300	-	258,300	-	258,300
Division Subtotal		26,409,893	1,145,715	1,820,157	10,727,669	12,716,352	23,444,021	19,078,453	4,365,568
Department Total		62,331,275	10,333,017	5,593,494	26,882,239	19,128,823	46,011,062	30,037,270	15,973,792



2005 CAPITAL BUDGET BY DIVISION / PROJECT

					2005 Project Budget			2005 Project Funding	
Department / Division / Project Title	Project Number	Project Grand Total	Prior Years Expenditures	2004 YE Estimate	2004 Carryover Amount	New 2005 Projects	Total 2005 Budget	Local	Grant
FINANCE AND ADMINISTRATION									
<u>Administrative Services (25030)</u>									
Administrative Equipment:									
62. Postage Meter	02513	519	-	519	-	-	-	-	-
Postage Meter	92110	3,931	-	3,931	-	-	-	-	-
Postage Meter	28119	9,828	-	9,828	-	-	-	-	-
Division Subtotal		14,278	-	14,278	-	-	-	-	-
<u>Purchasing & Warehousing (23010)</u>									
63. Copier Replacement Program:									
Ongoing Copier/fax Replacement	12335	50,000	-	47,102	2,898	65,000	67,898	67,898	-
Ongoing Copier/fax Replacement	28119	32,000	-	32,000	-	-	-	-	-
Division Subtotal		82,000	-	79,102	2,898	65,000	67,898	67,898	-
Department Total		96,278	-	93,380	2,898	65,000	67,898	67,898	-
Grand Total		\$ 100,109,634	\$ 17,199,876	\$ 23,488,441	\$ 31,123,968	\$ 27,968,647	\$ 59,092,615	\$ 34,753,375	\$ 24,339,240



2005 BUDGET CAPITAL BUDGET OPERATING COSTS

In brief:

- Operating budgets have been adjusted according to the capital projects scheduled level of performance.
- Current operating costs have been replaced and/or adjusted as appropriate on replacement equipment.
- Savings associated with capital projects have been recognized.

The Capital Budget estimated operating cost increases for 2005 are included in the Operating Budget of the appropriate division. Operating cost increases in subsequent years will be recognized in the appropriate year and incorporated in the Six-Year Financial Plan.

1. Support vehicle expansion
 - Maintenance costs \$3,000 per vehicle annually including partial FTE
 - Fuel costs \$1,800 per vehicle annually at current utilization level
2. Recording system replacement
 - Service agreement after 1 year \$5,000 annually
 - Training included in acquisition cost \$2,495
3. TDS Bike Station
 - Maintenance of bike racks and related equipment, electricity and heat for the retail space, and regular cleaning of the facility \$1,500 annually
4. Help Desk upgrade
 - Maintenance costs \$5,000 annually
5. Back up system upgrade
 - Support costs for hardware and software \$11,500 annually
6. Bus Stop program expansion
 - Facilities 1 FTE



2005 BUDGET
CAPITAL BUDGET OPERATING COSTS

7. Ad Shelters

Electricity costs \$11 month per shelter

Facilities 1 FTE to maintain these and other new shelters

8. 4th CNG Compressor

Annual:

Electrical \$60,422

Rebuild and maintenance \$15,866

Overhaul and parts and materials \$12,322

Support .25 FTE

Training and calibration \$3,544

9. Deicing Equipment

Equipment preventive maintenance \$70 annually

Pierce Transit investigation team

For Pierce Transit, each weekday begins at 2:47 a.m. at the Lakewood Towne Center with the first run of the day to the Seattle/Tacoma International Airport. Twenty-two hours later, after traveling 41,717 cumulative miles, the fixed route service makes the final drop-off in rural Pierce County. With this many miles on the road - the equivalent of almost three years of private vehicle driving - there is the inevitable fender-bender.

As a self-insured agency, the Pierce Transit Risk Management staff processes all accident and injury claims. As their "eyes" at the scene, the transit field supervisors need to conduct an investigation and provide information about the cause of the incident. It is crucial that all the reports contain the vital details necessary for the agency to properly respond to any claims that may arise.

Knowing how crucial having the proper information was, the Risk Management team responded with an education and instruction process that provided the Communication Center personnel with additional training so they would better be able to provide immediate and concise step-by-step instructions to the operator involved in an incident. They also offered monthly accident investigation training sessions for field supervisors that emphasized every incident, regardless of how large or small, needs to be carefully investigated and documented. Even minor incidents can result in significant injury claims and litigation expense. A digital camera is included in each field supervisor's accident investigation kit to assist with the thorough documentation of the scene. Sessions were offered as well that gave supervisors the opportunity to practice drawing accident scenes diagrams. Due to these new training opportunities, claims are now handled more thoroughly and efficiently.

InsuranceBudget





2005 BUDGET INSURANCE BUDGET

In brief:

Three categories of self-insurance -

Liability

Workers' Compensation

Unemployment Insurance

Reserve Requirement -

\$4,000,000

In 2005 -

Insurance budget increasing
6.8% primarily for estimated
liability claims

The Insurance reserve fund is used exclusively as a means of isolating and identifying all monetary transactions pertaining to administering any self-insurance programs including but not limited to payment of claims, unemployment compensation benefits, and incidental expenses such as attorney fees, supplemental insurance fees, and third party administration charges, and to the accumulation of cash reserves for such purposes.

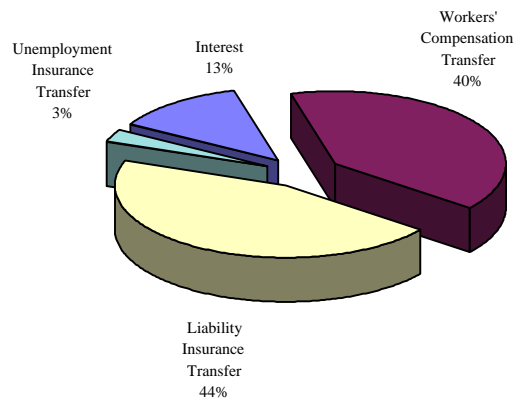
The reserve level is set to adequately protect the Agency from self-insurance risks. The risks associated with self-insurance and the adequacy of the reserve fund level is evaluated annually, with an appropriate contribution made to the insurance reserve to meet continued self-insurance requirements and to insulate the Agency from impacts on the operating budget associated with self-insurance claims. Any transfers, appropriations, or expenditure of the funds deposited in the insurance reserve fund require approval of the Board of Commissioners. The reserves generate interest earnings estimated at \$130,900 in 2005.

To augment the liability insurance fund, the Agency will purchase supplemental liability insurance of \$16 million in excess of \$1 million deductible to ensure that the Agency has sufficient liability coverage to pay unusual and catastrophic claims without impacting operations. In addition, supplemental workers' compensation insurance will be purchased in the amount of \$25 million per occurrence. This insurance is in excess of the \$1 million self-insurance retention (deductible).

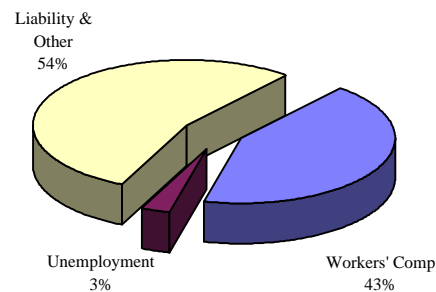
An Insurance Summary provides a comparison of the 2005 Budget with 2004, and 2003. The insurance expenditures by account category are also included. Self-insured liability expenses are projected to increase based on claims experience. Property and liability insurance costs are included in the Operating Budget.



Insurance Revenues



Insurance Expenditures



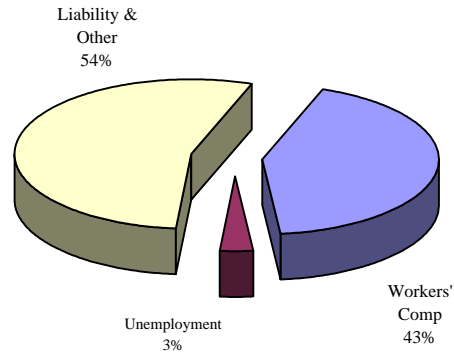
2005 BUDGET INSURANCE SUMMARY

(rounded to the nearest \$100)	2003 YEAR-END ACTUALS	2004 AMENDED BUDGET	2004 YEAR-END ESTIMATE	2005 BUDGET	% CHANGE 2005 TO 2004 EST.
INSURANCE REVENUES					
Liability Insurance Interest	\$58,300	\$62,100	\$87,200	\$71,000	-18.6%
Workers' Comp. Interest	10,900	53,900	79,700	56,200	-29.5%
Unemployment Insurance Interest	5,100	4,000	4,800	3,700	-22.9%
INSURANCE REVENUES	74,300	120,000	171,700	130,900	-23.8%
Liability Insurance Transfer	1,056,300	1,369,400	1,342,500	467,900	-65.1%
Workers Comp. Transfer	2,146,300	1,186,100	1,162,900	415,100	-64.3%
Unemployment Insurance Transfer	182,800	86,000	84,300	29,200	-65.4%
INSURANCE REVENUES AND TRANSFERS	3,459,700	2,761,500	2,761,400	1,043,100	-62.2%
BEGINNING BALANCES					
Liability Insurance	2,595,800	2,618,500	3,157,100	3,227,800	2.2%
Workers' Comp. Insurance	398,000	419,700	1,512,200	1,514,800	0.2%
Unemployment Insurance	960,600	961,800	1,055,100	1,069,300	1.3%
BEGINNING BALANCES	3,954,400	4,000,000	5,724,400	5,811,900	1.5%
TOTAL INSURANCE REVENUES AND BEGINNING BALANCES	7,414,100	6,761,500	8,485,800	6,855,000	-19.2%
INSURANCE EXPENDITURES					
Liability and Other Insurance	553,200	1,431,500	1,359,000	1,550,000	14.1%
Workers' Comp. Insurance	1,043,000	1,240,000	1,240,000	1,225,000	-1.2%
Unemployment Insurance	93,400	90,000	75,000	80,000	6.7%
INSURANCE EXPENDITURES	1,689,600	2,761,500	2,674,000	2,855,000	6.8%
ENDING BALANCES					
Liability Insurance	3,157,200	2,618,400	3,227,700	2,216,800	-31.3%
Workers' Comp. Insurance	1,512,200	419,800	1,514,800	761,100	-49.8%
Unemployment Insurance	1,055,100	961,800	1,069,300	1,022,100	-4.4%
ENDING BALANCES	5,724,500	4,000,000	5,811,800	4,000,000	-31.2%
TOTAL INSURANCE EXPENDITURES AND ENDING BALANCES	\$7,414,100	\$6,761,500	\$8,485,800	\$6,855,000	-19.2%



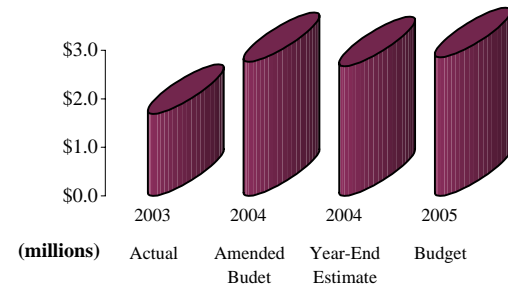
2005 BUDGET INSURANCE EXPENDITURE COMPARISON

Insurance Expenditures



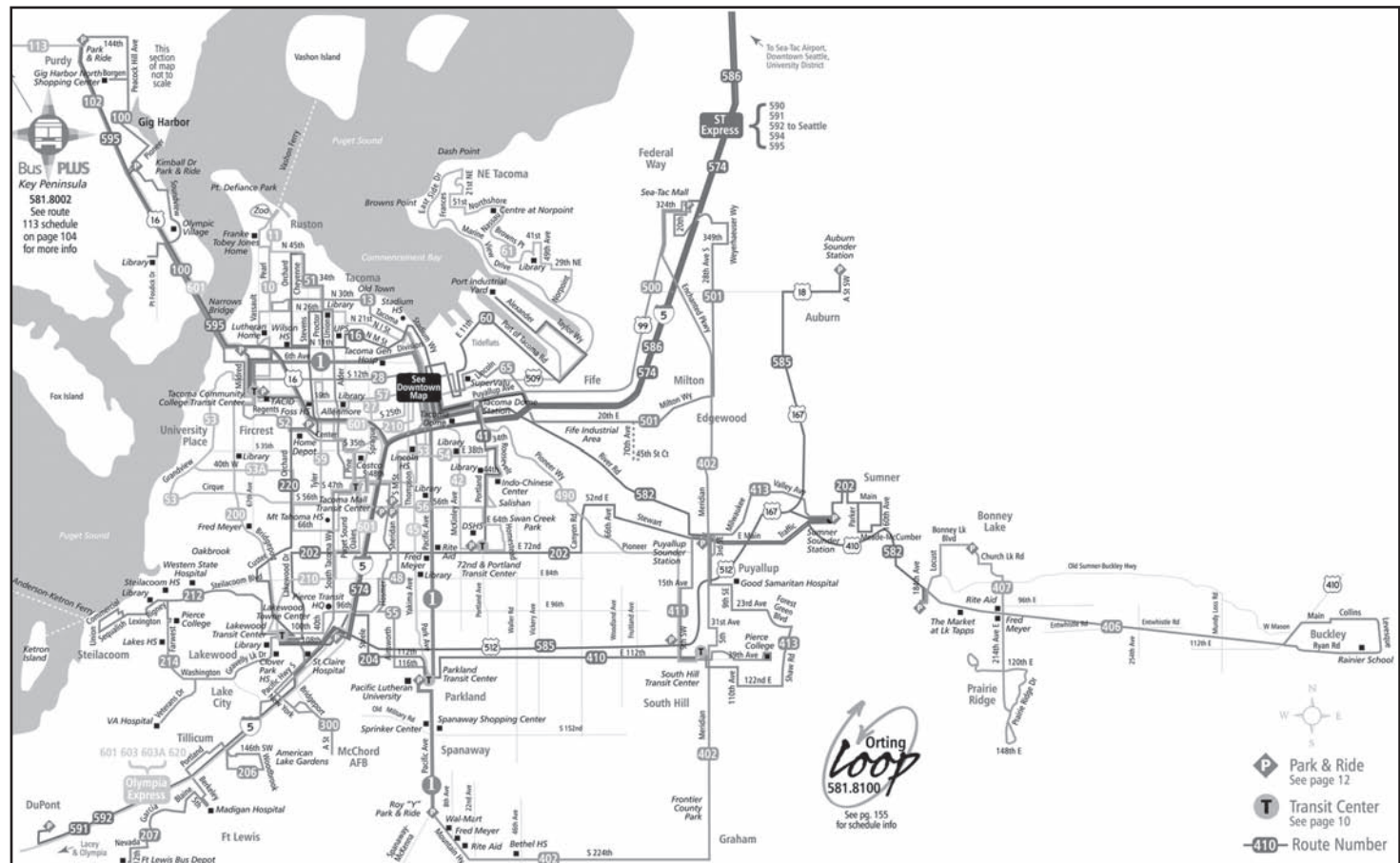
Description	2003 ACTUAL	2004 AMENDED BUDGET	2004 YEAR END ESTIMATE	2005 BUDGET	% Change 2005 Budget to 2004 YE EST.	% Change 2005 Budget to 2004 Budget
Liability and Other Insurance						
Liability	\$ 241,620	\$ 1,050,000	\$ 1,000,000	\$ 1,175,000	17.50%	11.90%
Light Duty	132,378	160,000	165,000	170,000	3.03%	6.25%
Professional Services	57,030	90,000	82,500	83,500	1.21%	-7.22%
Legal Services	122,107	130,000	110,000	120,000	9.09%	-7.69%
Other Expenses	60	1,500	1,500	1,500	0.00%	0.00%
Liability & Other Insurance	553,195	1,431,500	1,359,000	1,550,000	14.05%	8.28%
Workers' Comp. Insurance	1,043,036	1,240,000	1,240,000	1,225,000	-1.21%	-1.21%
Unemployment Insurance	93,398	90,000	75,000	80,000	6.67%	-11.11%
TOTAL SELF-INSURANCE	\$ 1,689,629	\$ 2,761,500	\$ 2,674,000	\$ 2,855,000	6.77%	3.39%

Expenditure Summary





Appendix





2005 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
CAFR – Comprehensive Annual Financial Report
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
PL – Public Law
PT – Pierce Transit
PTBA – Public Transportation Benefit Area
RCW – Revised Code of Washington
SEA-TAC – Seattle Tacoma
SHUTTLE – Specialized Transportation
ST – Sound Transit
SUV – Special Use Van
TANF – Temporary Aid to Needy Families
TDP – Transit Development Plan
TDS – Tacoma Dome Station
UZA – Urbanized Area
VP – Vanpool
WSDOT – Washington State Department of Transportation
YE – Year End





2005 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 expenditures 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.

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



2005 BUDGET GLOSSARY

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 – A hybrid service that does not carry the requirement for complementary ADA paratransit service and is differentiated from fixed route service in that the service permits customer-initiated deviations from route schedules. The service may replace existing fixed route and paratransit service or may be introduced into areas where service has not previously been provided.

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

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

Congestion Mitigation & Air Quality Program – 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.



2005 BUDGET GLOSSARY

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.

Dedicated Funds – A term used to indicate the purposes (insurance or capital) for which the Agency's year-end balances may be used.

Department – An organizational unit responsible for carrying out major Agency functions, such as operations, maintenance, and human resources.

Division – A sub-organizational unit of a Department responsible for achievement of specific Agency objectives such as service coordination, facilities maintenance, and purchasing.

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

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

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.



2005 BUDGET GLOSSARY

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 other express service representing service to Olympia, Federal Way, and the Gig Harbor Peninsula.

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.

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

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

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.

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

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.

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



2005 BUDGET GLOSSARY

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 north to Browns Point and Fife, south to Graham and DuPont, west to University Place and Key Center (on the Gig Harbor Peninsula), and east to Enumclaw and Buckley.

Maintenance and Operation Expenditures – 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.

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 federal grants. All departments are financed through this budget.

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

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.



2005 BUDGET GLOSSARY

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).

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 number of passenger trips by the total amount of fares collected.

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

Sales Tax – This tax is on certain forms of consumption levied by the State 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 – This term refers to the general geographic area between Seattle and Tacoma.

2005 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.

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

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.

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

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.

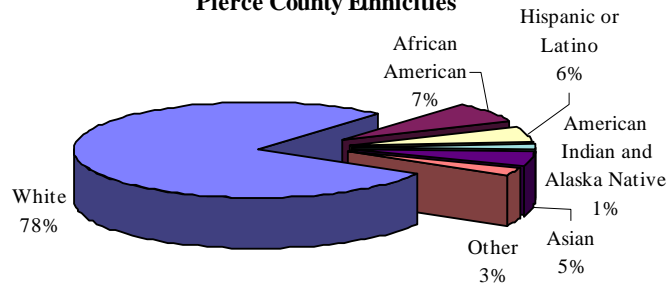
Working Cash – Excess of readily available assets over current liabilities or cash on hand equivalents that may be used to satisfy cash flow needs.





2005 BUDGET OUR COMMUNITY

Pierce County Ethnicities



Pierce County is ideally located in the central Puget Sound region. As a gateway to the Pacific Rim, Pierce County ranges from the shores of Puget Sound to Mount Rainier. The largest city, Tacoma, is located just 36 miles south of Seattle and 28 miles north of the state capital, Olympia.

Pierce County's official 2004 population is 744,000 according to the state Office of Financial Management up from 586,000 in 1990. There is an increase of 10,300 from the prior year, 2% for unincorporated and 1% for the incorporated population.

According to the 2000 Census, the Pierce County population of 733,700 was comprised of 50% female, 34% under 18 years of age, and 10% over 65. Ethnicities include 78% white, 7% black or African American, 5.5% Hispanic or Latino, 1.4% American Indian and Alaska Native, 5.1% Asian, and 3% other persons. Foreign-born persons represent 8% of the population. Eighty-seven percent are high school graduates and 21% have a bachelor's degree or higher.

The diverse and rich culture is evidenced by the African American Museum, Chihuly at Union Station/International Glass Museum, Children's Museum, Tacoma Art Museum, Washington State History Museum, more than 36 denominations and religions with over 600 places of worship, and an estimated 32,000 Indian people served by the Puyallup Tribe.

The English Sea Captain George Vancouver explored Puget Sound in 1792. Later, the Hudson's Bay Company established a fort and trading post. In 1854, Job Carr chose a spot for what he hoped would become the terminus for the Northern Pacific Railroad (NP). The NP arrived in 1873, creating growth for Tacoma to become one of the Pacific Northwest's leading cities. The County of Pierce was created on December 22, 1852 by the Territorial Legislature of Oregon.





2005 BUDGET OUR COMMUNITY



Today, Pierce County with twenty-four cities and towns contains a diverse economy and is home to the deep water Port of Tacoma convenient to Pacific Rim Trade; world class firms including Boeing, Intel, and the Frank Russell Company; and major military installations employing approximately 33,000 military and civilian employees. The major industries include the manufacturing of aerospace equipment, plastics, machinery, food products, and electronics. Wholesale/distributing, healthcare, and tourism also contribute to the vitality of the county. Agricultural products produced include berries, lettuce, beans, cabbage, radishes, and green onions. The county also raises about 50% of the nation's rhubarb supply and is second in the state for tulips and daffodils.

The Pierce County Economic Index reports the rate of job growth in Pierce County during the first half of 2004 was about 1.75% and anticipates 3.4% in the second half of the year. They predict job growth will continue to be fairly strong in the first half of 2005, increasing 3.3% in Pierce County. Slower county economic growth will keep employers cautious but for the year as a whole employment is forecast to increase by 2.5%, just below the 2004 rate. On an annual basis, the Pierce County unemployment rate for 2005 will average 6.4%, similar to the unemployment rate of 2004.

Pierce County's improved economic conditions in 2004 will push up income growth. The stronger growth will come from both labor market earnings and increased transfer payments. Per capita income will continue moving upward in 2005 increasing by 2.3%. The median household money income in 1999, as provided in the 2000 Census data, was \$45,204 and the per capita money income was \$20,948. The average income for a Pierce County resident will be just over \$33,500 by the end of 2005. The cost of living in Tacoma, Pierce County is about 12 percent less expensive than Seattle, King County just north.

Pierce County is a multi-model transportation community supported by two ferry systems, a major port, an extensive transit system, a freight rail network, numerous smaller airports, and a network of state and local roadways. Tacoma Link Light Rail





2005 BUDGET OUR COMMUNITY



runs in downtown Tacoma and an all rail connection from Tacoma to Seattle is provided by the Sounder. A new suspension bridge is being built parallel to the existing Narrows Bridge to create a safer, less-congested access from the Key Peninsula to Interstate 5 (I-5).

The current bridge is one of the longest suspension bridges in the world and connects Tacoma and the Gig Harbor peninsula. I-5 slices through Pierce County from north to south. By 2020, the daily vehicle miles traveled by the population per day is anticipated to grow from its present 13.9 million to 19.2 million trips, a 38% increase. With time being lost for residents and businesses, transportation has reached a critical point. Projects are being identified and, in some cases, funded and completed or are under construction. Transportation is an integral part of making Pierce County more livable.

Educational opportunities abound in the county with a branch campus of the University of Washington, two private university campuses, two technical colleges, two community colleges, and a number of private educational institutions.

A wide variety of entertainment options are available with extensive waterfront development, a Museum of Glass, featuring Chihuly glass, a historic 1,186 seat theater, another 742 seat theater, a professional theater company, the largest wooden domed arena in the world with an exhibition hall that host numerous events, the sixth largest fair in the world, and a Sound to Narrows marathon. There are also excellent skiing conditions with Crystal Mountain Ski Resort located in Pierce County. Recreation areas include Mount Rainier National Park, six state parks located on salt water, Northwest Trek, and Point Defiance Park, second in size to New York City's Central Park.

The Tacoma-Pierce County area is one of the five regions designated America's Most Livable Places for 2004 by the Washington, D.C. based Partners for Livable Communities. Criteria included preparation for the new economy; investments to the civic center or "regional living room"; housing opportunities; regional cooperation; events and celebrations; leadership and teamwork; neighborhood innovations; the environment; resources for human development; and finance.



