

**Meeting Location: Teleconference**  
**Phone: 253-215-8782**  
**Meeting ID: 890 1166 1597**

### Virtual Meeting Participation Information:

Due to the COVID-19 Pandemic and the Governor Proclamation 20-28 that is in effect, a physical meeting location will not be provided for this meeting. The public is welcome to attend the meeting by calling 1-253-215-8782 or 1-669-900-6833 and entering Meeting ID No. 890 1166 1597, or by accessing <https://us02web.zoom.us/j/89011661597>

**The Regular Board Meeting will be held subsequently after this meeting at 4:00 p.m.**

---

#### Call to Order

#### Roll Call

#### CEO's Comments

Sue Dreier  
Chief Executive Officer

#### Presentation/Discussion

1. 2021 Proposed Budget  
Brett Freshwaters  
Executive Director of Finance
2. Discussion Pertaining to Selecting or Appointing a Committee to Oversee the Recruitment and Transition Process for Hiring a New Chief Executive Officer  
Chair Victoria Woodards

#### Executive Session

#### Adjournment

American Disability Act (ADA) accommodations are available with a 72-hour notice. Please contact the Clerk's office at 253-581-8066 for special accommodations.

# Pierce Transit

Lakewood, Washington

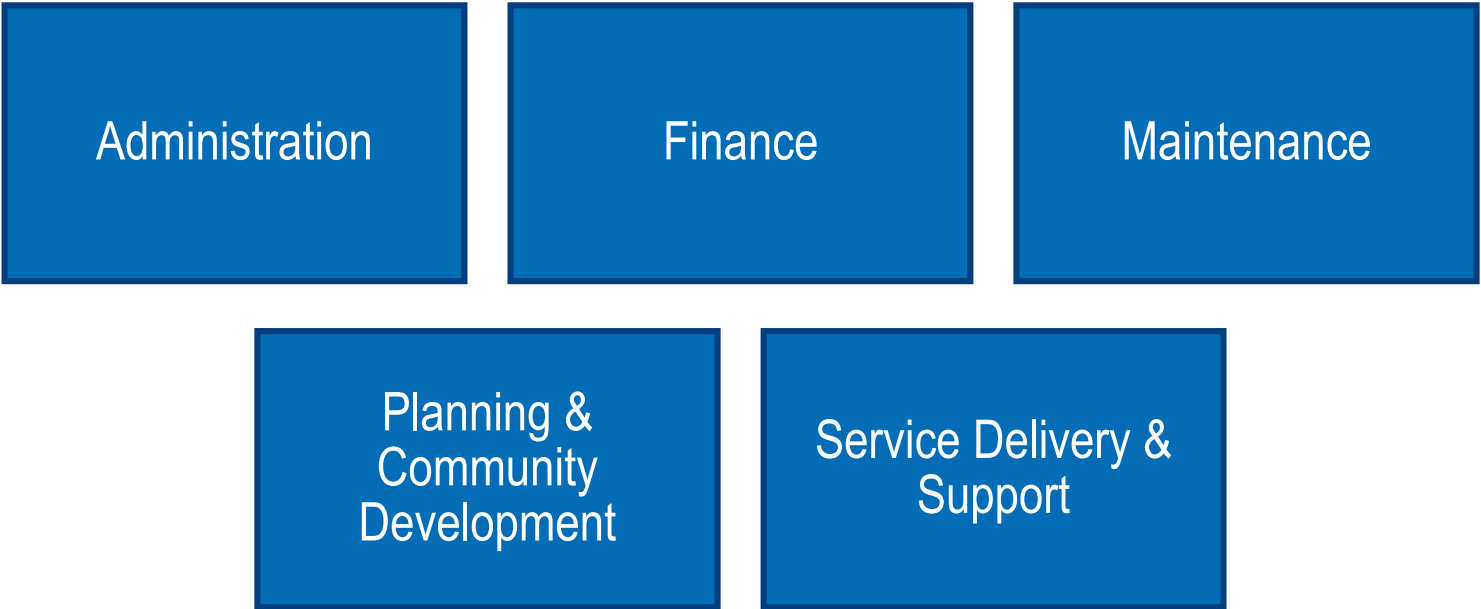
2021 Budget



*"Connecting You with Life"*



# Division Strategic Initiatives



# Strategic Initiatives

## Administration Division Highlights

- Enhance employee development programs
- Enhance Diversity, Equity, and Inclusion and EEO programs
- Increase employee retention rate
- Increase awareness and opportunities for employees to participate in Wellness activities
- Focus on Lean projects to increase efficiency and decrease costs



# Strategic Initiatives

## Finance Division Highlights

- Provide exemplary internal customer service
- Continue to provide meaningful data and reports in improve informed decisions
- Implement processes that will lead to cost savings/increase efficiencies
- Implement process/programs to improve financial accountability and reduce risk of loss



# Strategic Initiatives

## Maintenance Division Highlights

- Launch Bus Stop Shelter Refurbishment Program
- Improve bus availability
- Develop quality assurance mindset
- Promote, support and sustain a positive, productive work environment



# Strategic Initiatives

## Planning & Community Development Division Highlights

- Improve perception of Pierce Transit
- Recover ORCA for Business and vanpool accounts
- Advance Stream BRT system
- Implement better customer engagement tools
- Update equity analysis practices



# Strategic Initiatives

## Service Delivery & Support Division Highlights

- Improve public confidence in the safety of the system
- Increase focus on innovative ways to attract new ridership
- Increase efficiency of service and streamline system (bus stop balancing)
- Improve the safe operations of our services and Agency
- Increase focus on enhancing the customer experience





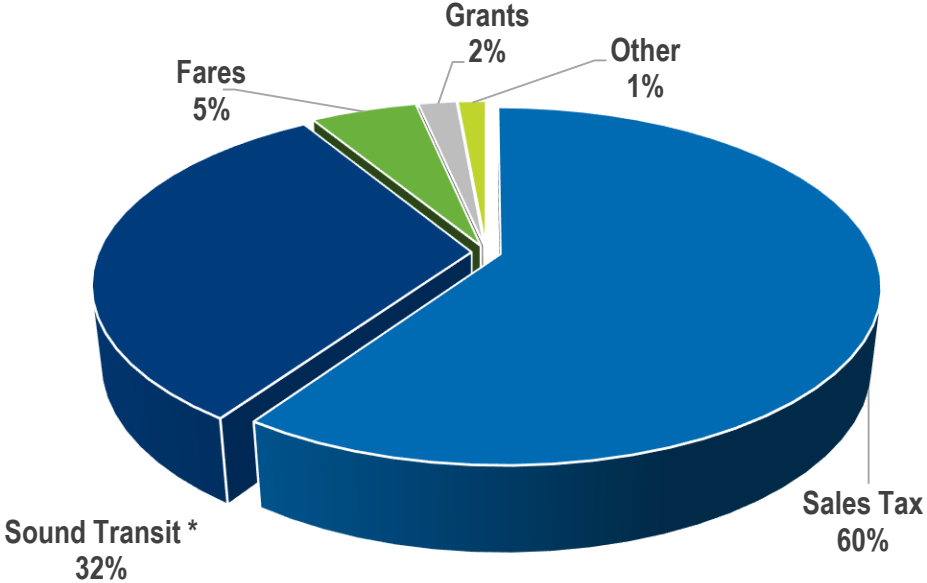
# Where Our Revenue Comes From

## 2021 Operating Revenue

Sales Tax	\$ 95,760,000
Sound Transit*	\$ 50,814,788
Fares	\$ 8,677,844
Grants	\$ 3,110,127
Other	\$ 2,279,288
<b>Total Operating Revenue</b>	<b>\$ 160,642,047</b>

\* Sound Transit contracts with Pierce Transit to provide Regional transit service

### 2021 Budget Operating Revenue

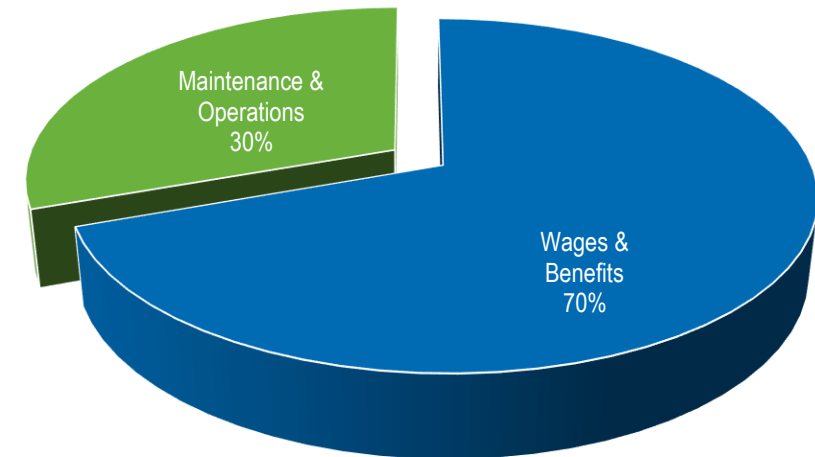


# Where Our Revenue is Spent

## 2021 Operating Expenditures

Wages	\$ 73,573,643
Benefits	\$ 28,834,826
<u>Maintenance &amp; Operations</u>	<u>\$ 44,867,386</u>
Subtotal	\$ 147,275,855
Non-Operating	\$ 1,143,054
<u>Transfer to Other Funds</u>	<u>\$ 20,647,692</u>
<i>(self insurance and capital)</i>	
<b>Total Operating Expenditures</b>	<b>\$ 169,066,601</b>

2021 Budget Operating Expenditures  
(excluding Non-Operating & Transfers)



*Note that Total Operating Revenue is \$8.4 million less than Expenditures.*



# Operations



# Service by the Numbers

## 2021 Operating Statistics

- Transit Service Hours: 1,017,701
  - **One year of Service Hours = 116 years**
- Transit Service Miles: 17,507,589
  - **One year of Service Miles = 1,215 times summiting Mt. Rainier**
- Transit Service Rides: 10,688,868
  - **One year of Passenger Rides = 465 times the Tacoma Dome capacity**

### Community Events

Pierce Transit is out and about throughout the year, so come out and visit us and learn more about the services we provide! Look for us at these upcoming events:

National Drive Electric Week

Touch A Truck • Transit to Trails

Downtown to Defiance

Fife Harvest Festival

Truck and Tractor Day • Spring Fair

Ethnic Fest • Puyallup Santa Parade

6th Avenue Santa Parade

Milton Santa Parade • Taste of Tacoma

SummerFEST • Washington State Fair

Downtown On The Go Events

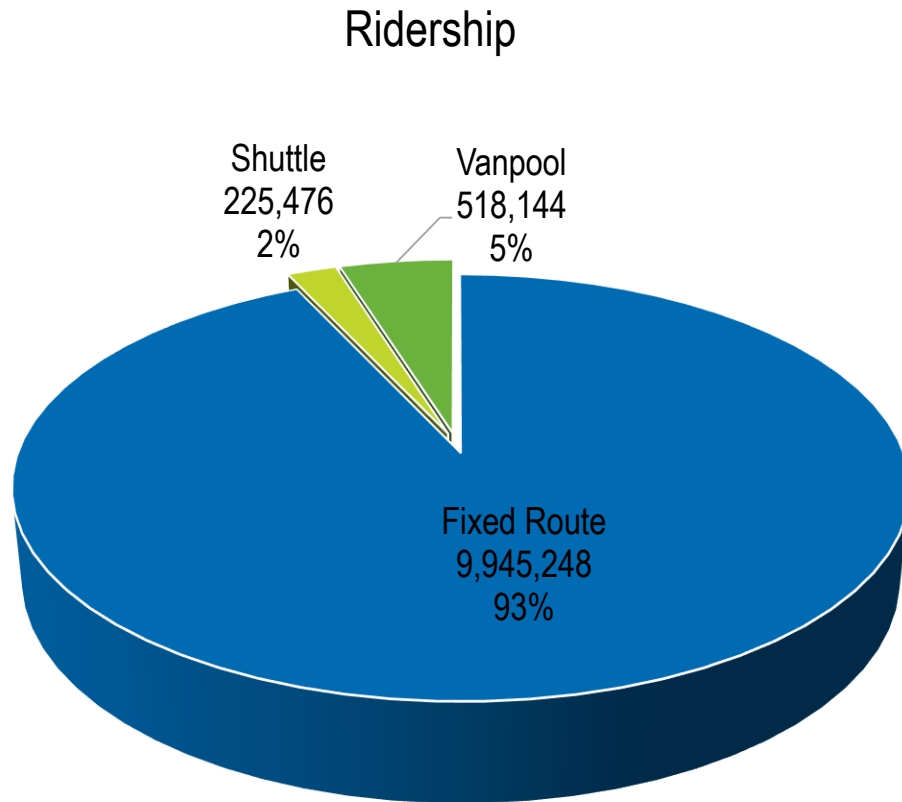
Farmers Markets

Our staff hosts a Pierce Transit booth and shares information about riding the bus, joining a vanpool and using other services our agency provides. Visit [PierceTransit.org](http://PierceTransit.org) for more details.



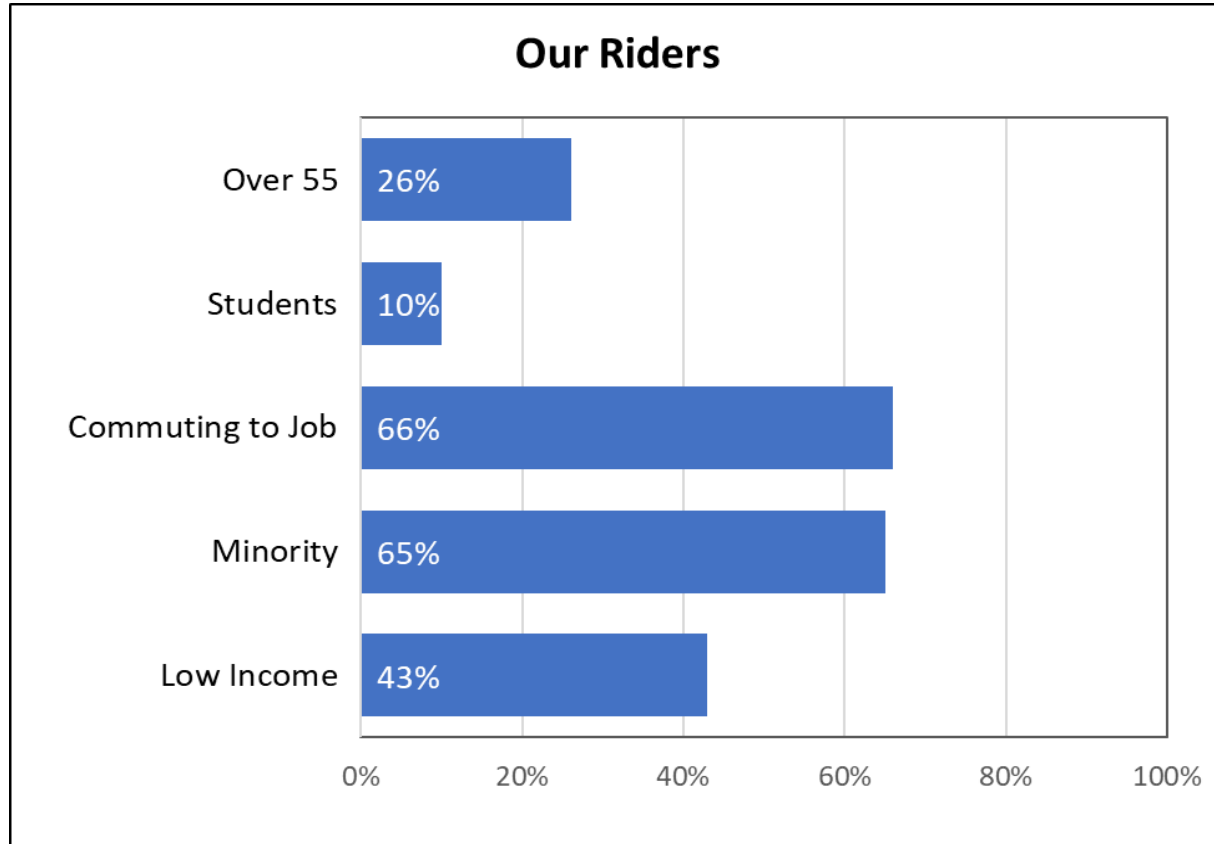
# Types of Service We Provide

2021 Operating Statistics – Ridership by Mode



# Who We Serve

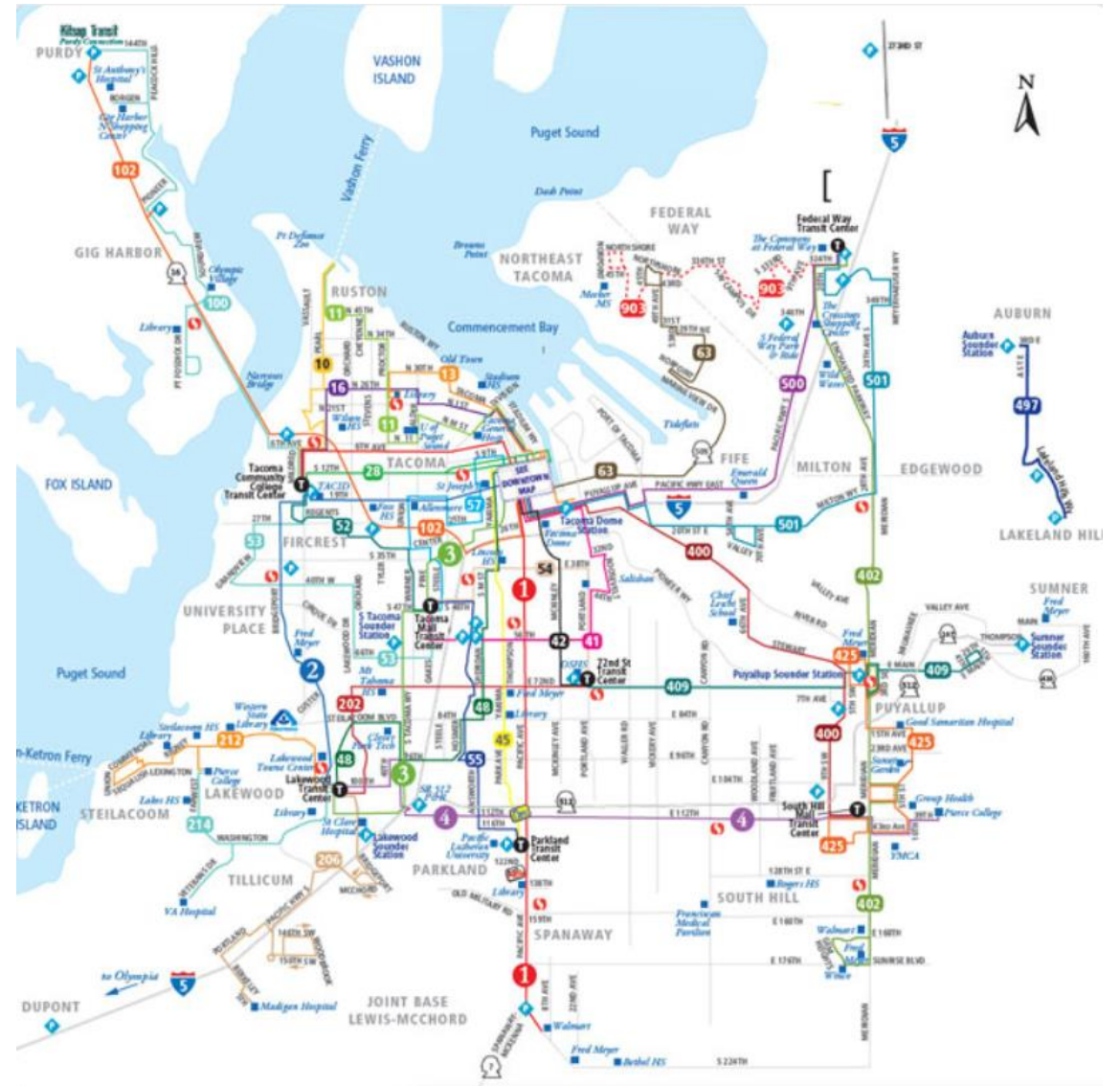
From Customer Survey Fall 2017



# Where We Serve

## Fixed Route and SHUTTLE

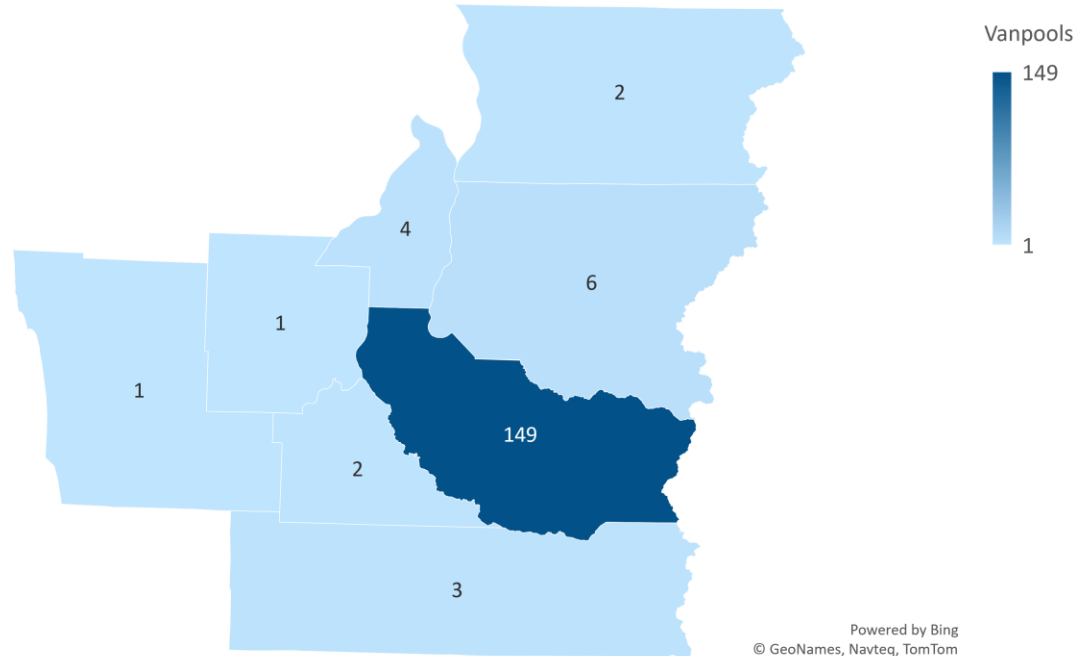
- Auburn
- Edgewood
- Fife
- Fircrest
- Gig Harbor
- Lakewood
- Milton
- Pacific
- Puyallup
- Ruston
- Steilacoom
- Tacoma
- Unincorporated Pierce County
- University Place
- Contracted routes with Sound Transit
  - Lakewood to Seattle with stops in between



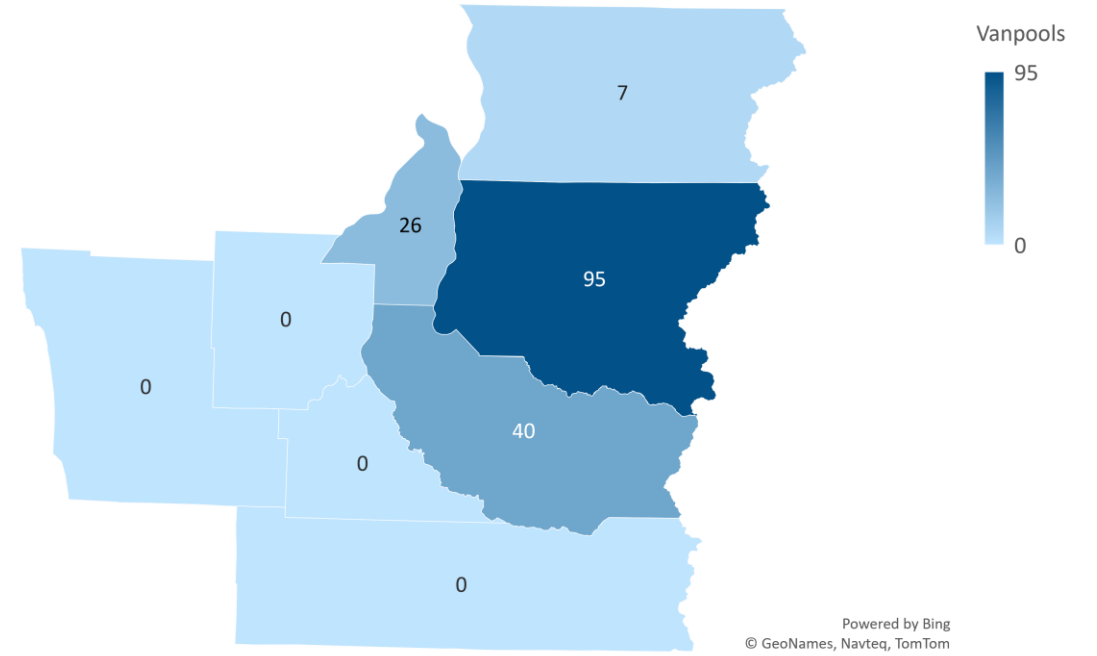
# Where We Serve

*Vanpool*

Vanpool by Originating County



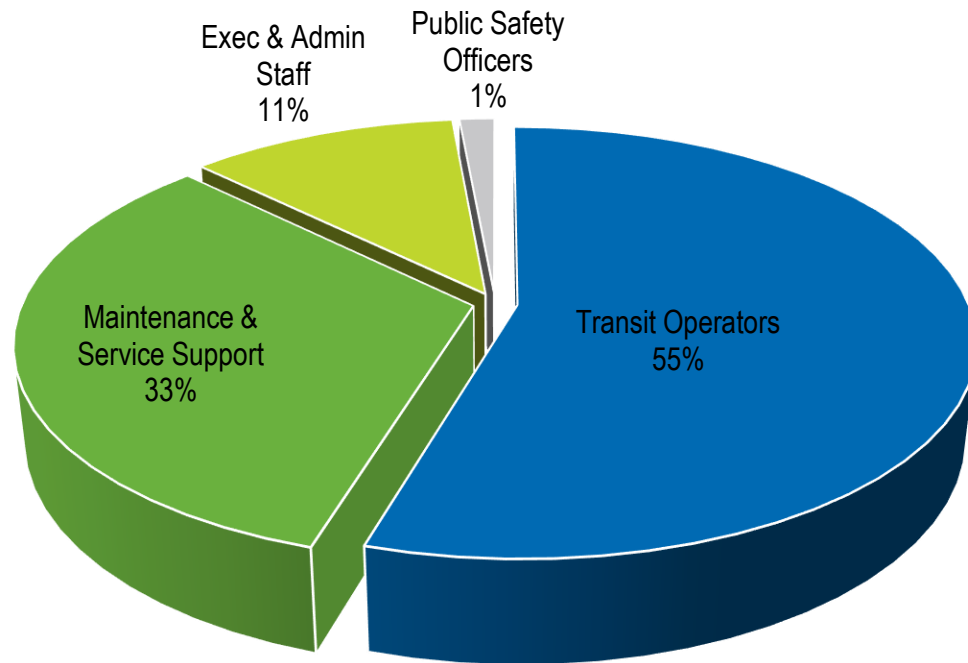
Vanpool by Destination County





# Our Employees

2021 Budget Workforce



- 960 Positions  
942.50 Full Time Equivalents (FTEs)



# Capital



# Infrastructure it Takes

## Vehicle Inventory

322 Fixed Route\*  
118 Shuttle  
380 Vanpool  
116 Non-Revenue

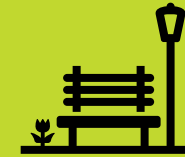


## Technology

27 Core Systems  
500 PCs, Laptops, & Tablets  
160 Physical & Virtual Servers

## Passenger Facilities & Amenities

8 Transit Centers  
4 Park & Ride Lots  
2,187 Bus Stops



## Base Facilities

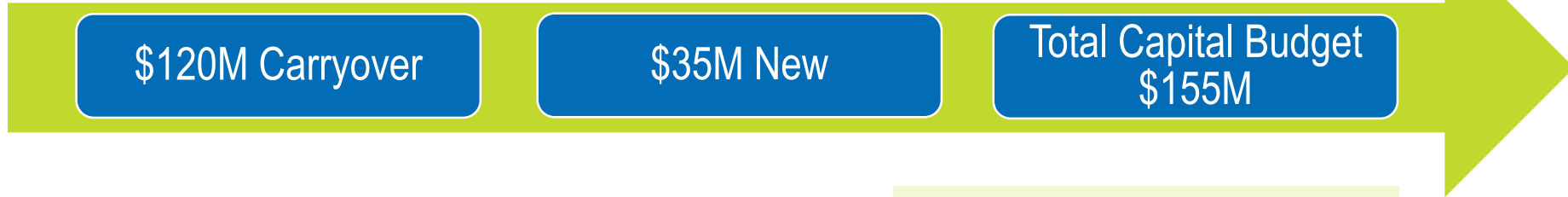
7 Administrative Buildings  
Totaling 167,841 square feet



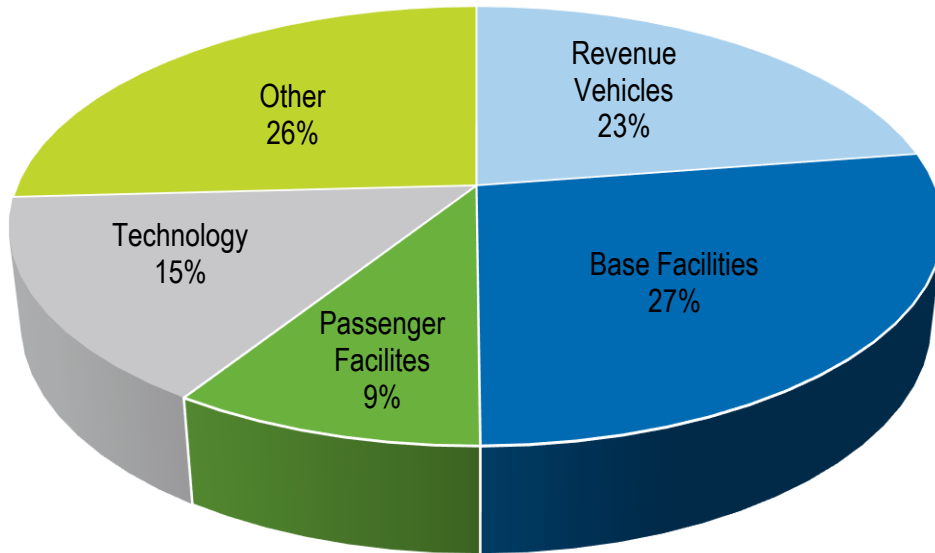
\*Includes Sound Transit

# Capital Projects

2021 Budget

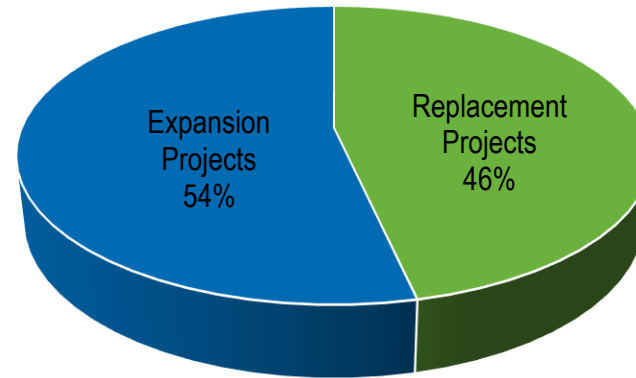


Capital Project Budget by Category



9 projects have Grant funds that total \$69.7M or 45%

Capital Project Budget by Class



# Capital Projects

2021 Budget

Major Capital Projects – Greater than \$5M



Stream - Bus Rapid Transit (BRT) \$33.4M



Maintenance & Operations Base Improvements (MOBI) \$41.1M



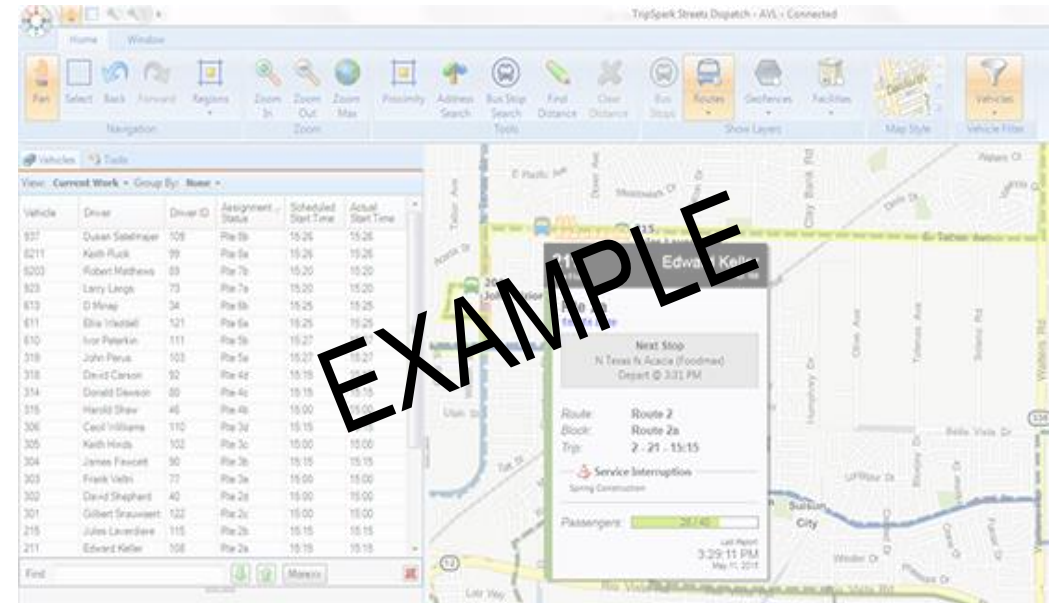
# Capital Projects

2021 Budget

Major Capital Projects – Greater than \$5M, continued



ngORCA \$5.7M



Computer Aided Dispatch/Automated Vehicle Location System (CAD/AVL) \$10.8M



# Capital Projects

*2021 Budget*

## Major Capital Projects – Greater than \$5M, continued



Bus Replacement \$33.1M 2019, 2020, and 2021 replacement included in total

Replacement includes:

- 6 Electric Buses
- 36 CNG Buses



# Six-Year Plan / Budget





# Six-Year Financial Plan

*2021 – 2026 Assumptions*

- Sales Tax Projections
  - 2021 6.4%
  - 2022-2026 3%
- Wage adjustments 3.5%
  - Includes steps, COLA, and performance based
- Benefits
  - Medical and Dental premiums 7%
  - Hold benefits as a percent of wages to 39%
- Fixed Route Service Hours
  - Includes 10,000 hours BRT in 2024 & 2025
  - Projected Sound Transit Service hours decrease 2024 & 2025
- Sustainable



# Six-Year Financial Plan

2021 – 2026 Summary

\$ In Millions (*rounded)	<u>2020 Year-End Estimate</u>	<u>2021 Budget</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
<b>Operating</b>							
Beginning Balance	\$ 56.6	\$ 70.7	\$ 62.2	\$ 25.3	\$ 27.1	\$ 32.8	\$ 35.6
Revenue	172.1	160.6	165.0	170.1	168.3	158.7	163.4
<b>Total</b>	<b>\$ 228.7</b>	<b>\$ 231.3</b>	<b>\$ 227.2</b>	<b>\$ 195.5</b>	<b>\$ 195.4</b>	<b>\$ 191.5</b>	<b>\$ 199.0</b>
Expenditures	\$ 135.8	\$ 148.4	\$ 153.2	\$ 158.3	\$ 157.9	\$ 151.7	\$ 157.0
Transfers from Operating	22.2	20.6	48.7	10.1	4.7	4.2	16.1
<b>Total</b>	<b>\$ 158.0</b>	<b>\$ 169.1</b>	<b>\$ 201.9</b>	<b>\$ 168.4</b>	<b>\$ 162.6</b>	<b>\$ 155.9</b>	<b>\$ 173.0</b>
<b>Operating Ending Balance</b>	<b>\$ 70.7</b>	<b>\$ 62.2</b>	<b>\$ 25.3</b>	<b>\$ 27.1</b>	<b>\$ 32.8</b>	<b>\$ 35.6</b>	<b>\$ 26.0</b>
<b>Required Balance</b>	<b>\$ 22.1</b>	<b>\$ 24.5</b>	<b>\$ 25.3</b>	<b>\$ 26.2</b>	<b>\$ 26.1</b>	<b>\$ 25.1</b>	<b>\$ 26.0</b>
<b>Margin / (Deficit)</b>	<b>\$ 48.6</b>	<b>\$ 37.7</b>	<b>\$ -</b>	<b>\$ 0.9</b>	<b>\$ 6.6</b>	<b>\$ 10.5</b>	<b>\$ -</b>

\* Totals May not add due to rounding



# Budget Comparison

## Operating Revenues

	<u>2020 Year-End Estimate</u>	<u>2021 Budget</u>	<u>% Change</u>
<b>Operating Income</b>			
Fares	\$ 7,815,545	\$ 8,677,844	11.0%
Advertising	500,000	500,000	0%
Regional Transit Service	45,662,327	50,814,788	11.3%
<b>Non-Operating Income</b>			
Sales Tax	90,000,000	95,760,000	6.4%
Miscellaneous	25,065,600	1,779,288	-92.9%
Operating Contributions	3,008,093	3,110,127	3.4%
<b>Total</b>	<b>\$ 172,051,565</b>	<b>\$ 160,642,047</b>	<b>-6.6%</b>

\* Totals May not add due to rounding



# Budget Comparison

## Operating Expenditures

	2020 Year-End Estimate	2021 Budget	% Change
Wages	\$ 66,132,167	\$ 73,573,643	11.3%
Benefits	26,125,185	28,834,826	10.4%
M & O	40,177,895	44,867,386	11.7%
<b>Subtotal</b>	<b>132,435,247</b>	<b>147,275,855</b>	<b>11.2%</b>
Non-Operating	3,403,572	1,143,054	
Transfers	22,189,135	20,647,692	
<b>Total</b>	<b>\$ 158,027,954</b>	<b>\$ 169,066,601</b>	

\* Totals May not add due to rounding



# Budget Comparison

## *Personnel*

- 2021 Budget 960 positions / 942.50 Full-Time Equivalents (FTEs)
  - Net decrease of 33 positions from the 2020 Budget

### **5 New Positions**

- 1 Accountant, Senior
- 4 Ambassadors

### **38 Position Reductions**

- 1 General Counsel
- 1 Paralegal
- 1 Contract Analyst
- 1 IT Specialist
- 1 Data Specialist
- 1 Warehouse Courier
- 3 Public Security Officers
- 18 Transit Operators
- 11 Relief Transit Operators



# 2021 Budget Summary

## Appropriations

- Balanced
- Meets Reserve Requirements
- Sustainable for Operations

	<b>2021 Budget</b>
Operating	\$ 148,418,909
Capital	154,926,801
Insurance	2,835,000
<b>Total Appropriations</b>	<b>\$ 306,180,710</b>


Ready to Ride?  
make [PierceTransit.org](http://PierceTransit.org)  
your first stop!


These are some of the features you will find on [PierceTransit.org](http://PierceTransit.org) to help you:



**Use Trip Planner**  
to plan your trip from beginning to end.



**Get real-time bus arrival information**  
that tells you when your bus arrives at your stop.



**Stay Connected**  
by having Route Updates and other news sent directly to your inbox or phone



**Select foreign language translation**  
to view [PierceTransit.org](http://PierceTransit.org) in a different language



**Adjust the type size**  
to your viewing needs on [PierceTransit.org](http://PierceTransit.org)



**Take a virtual trip**  
to see where a route will take you



**Check social media**  
for updates such as service on or around holidays.



**Find your schedule,**  
print your schedule.



**Access interactive maps**  
to spot landmarks or transfer points along your route.

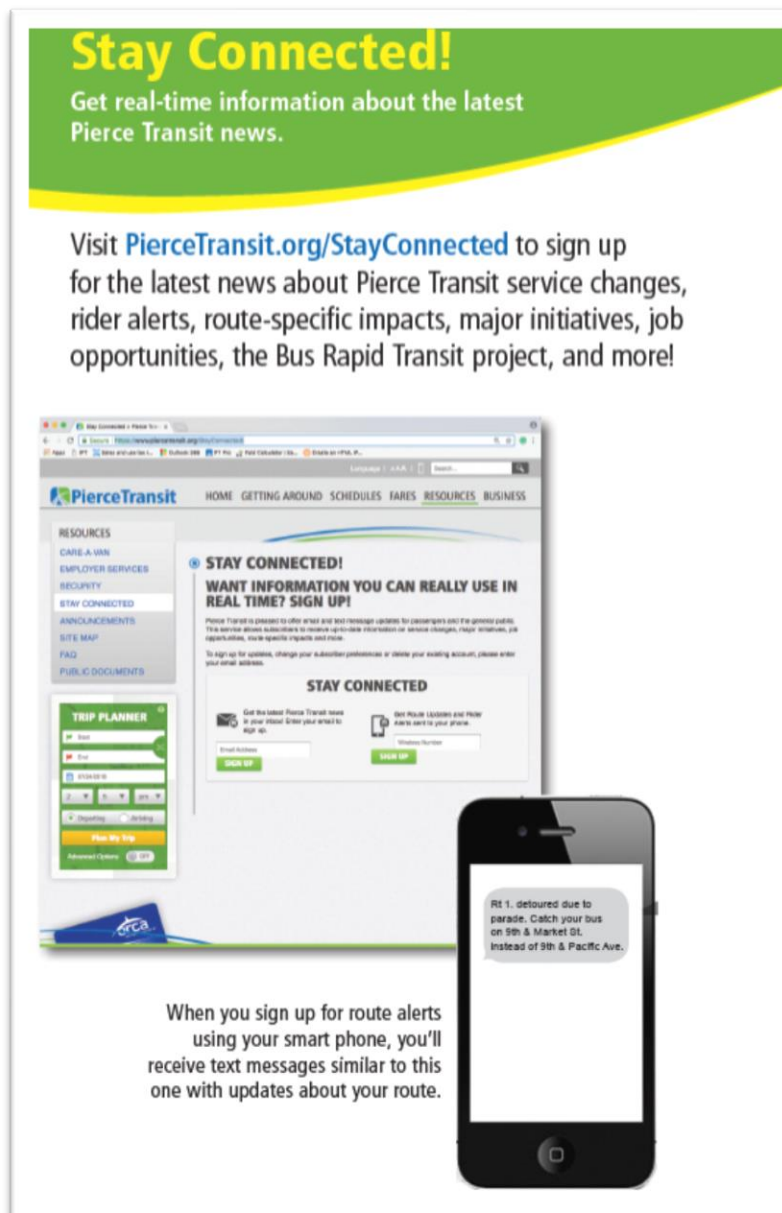




# Next Steps

2021 Budget

- Study Session & Public Hearing 2/8
- Budget Adoption 2/8
- CTAG Presentation 2/25, information review



**Stay Connected!**  
Get real-time information about the latest Pierce Transit news.

Visit [PierceTransit.org/StayConnected](https://PierceTransit.org/StayConnected) to sign up for the latest news about Pierce Transit service changes, rider alerts, route-specific impacts, major initiatives, job opportunities, the Bus Rapid Transit project, and more!

When you sign up for route alerts using your smart phone, you'll receive text messages similar to this one with updates about your route.

Rt 1, detoured due to parade. Catch your bus on 9th & Market St. Instead of 9th & Pacific Ave.

