

2025 Budget



Pierce Transit Lakewood, WA

2025 Budget

Fiscal Year January 1 through December 31, 2025
Mike Griffus, Chief Executive Officer

Prepared by
The Finance Division

Christopher Schuler, Chief Financial Officer
Lisa McVay, Budget Supervisor
Julie Stutzke, Budget Coordinator

3701 96th Street SW
Lakewood, WA 98496-0070
253.581.8000

For more information about Pierce Transit, visit www.PierceTransit.org

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Pierce Transit

505 East 25th Street



Stream COMMUNITY LINE

WELCOME



Pierce Transit

MultiCare



CEO Budget Message

December 9, 2024

TO: Pierce Transit Board of Commissioners, Community Members and Employees

FROM: Mike Griffus, Chief Executive Officer

I am pleased to present Pierce Transit's 2025 budget, which reflects our balanced approach to recovering services while ensuring long-term sustainability. This budget serves as a financial roadmap and a testament to our commitment to meeting the needs and expectations of our riders and communities while adapting to future challenges.

This year's budget focuses on several key priorities:

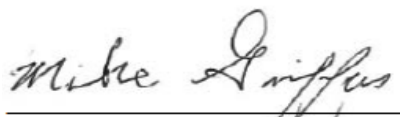
1. **Balancing Service Recovery with Long-Term Sustainability:** We are focused on restoring service levels to meet current demands while simultaneously planning for long-term sustainability. By managing resources effectively and improving operational efficiencies, we aim to ensure that our transportation services remain reliable and accessible for years to come.
2. **Pursuing Zero Emission Goals:** Pierce Transit continues to prioritize its zero emission goals through strategic investments in both fleet and infrastructure. This includes the addition of electric charging infrastructure to service more electric buses and support vehicles and continued pursuit of funding opportunities to accelerate our transition to a greener, more sustainable future.
3. **Elevating the Customer Experience:** We believe that meaningful improvements start with listening to our customers. We are committed to improving the customer experience by focusing on better outreach and feedback mechanisms. In addition, we are advancing projects like accessible, Braille signage to create a more inclusive system and wayfinding improvements at Tacoma Dome Station to ensure riders can navigate our facilities and transit system more easily.
4. **Enhanced Facility and Safety Investments:** This budget includes additional personnel in targeted areas to keep our transit facilities secure, clean, and in good repair. We are also investing in base facilities projects to maintain safety and compliance standards. Furthermore, we are laying the groundwork for an improved southern transit hub, providing better regional connectivity.

These initiatives reflect our ongoing commitment to delivering safe, reliable, and accessible transportation services while addressing the evolving needs of our community. We also remain focused on creating a supportive work environment for our staff, being responsible stewards of public resources, and ensuring the sustainability of our agency's resources, infrastructure, and environmental impact.

I would like to thank the Pierce Transit Finance and Budget professionals for their thoughtful preparation of the agency's 2025 Budget. The budget provides a plan that allows Pierce Transit to serve its communities not only in 2025 but well into the future.

I also extend my gratitude to the Pierce Transit Board of Commissioners for their continued commitment to public transportation in our communities.

Together, these initiatives position Pierce Transit to not only meet the challenges of today but to build a resilient, innovative public transportation system that will serve our community well into the future.



Mike Griffus, Chief Executive Officer



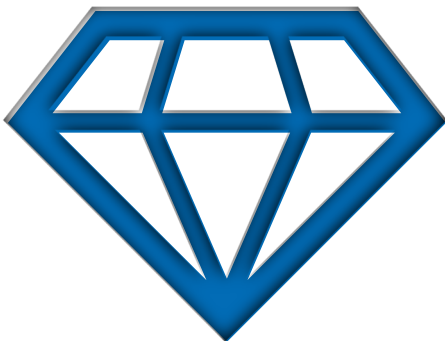
VISION

Connecting Our Communities



MISSION

Improve people's quality of life by providing safe, reliable, and accessible transportation service that are locally based and regionally connected.



VALUES

Innovation, Driven, Responsible, Equitable

Our Strategic Priorities

STRATEGIC PRIORITIES



Adopt a “Customer First” mindset.

Metrics:

- 6% ridership growth per year
- 20% increase of satisfied riders
- 25% walkable high-frequency bus routes
- 85% on-time performance



Engage with the community through outreach, partnerships, and listening opportunities.

Metrics:

- 10% increase favorable opinion of Pierce Transit
- 25% increase in ORCA business accounts



Elevate the employee experience.

Metrics:

- 85% retention rate
- 60% survey response rate



Assure sustainability of agency’s finance, infrastructure, and environment

Metrics:

- 40% reduction of CO2 emissions from 2017 levels
- 75% of facilities within useful life or good repair
- 95% of fleet within useful life or good repair

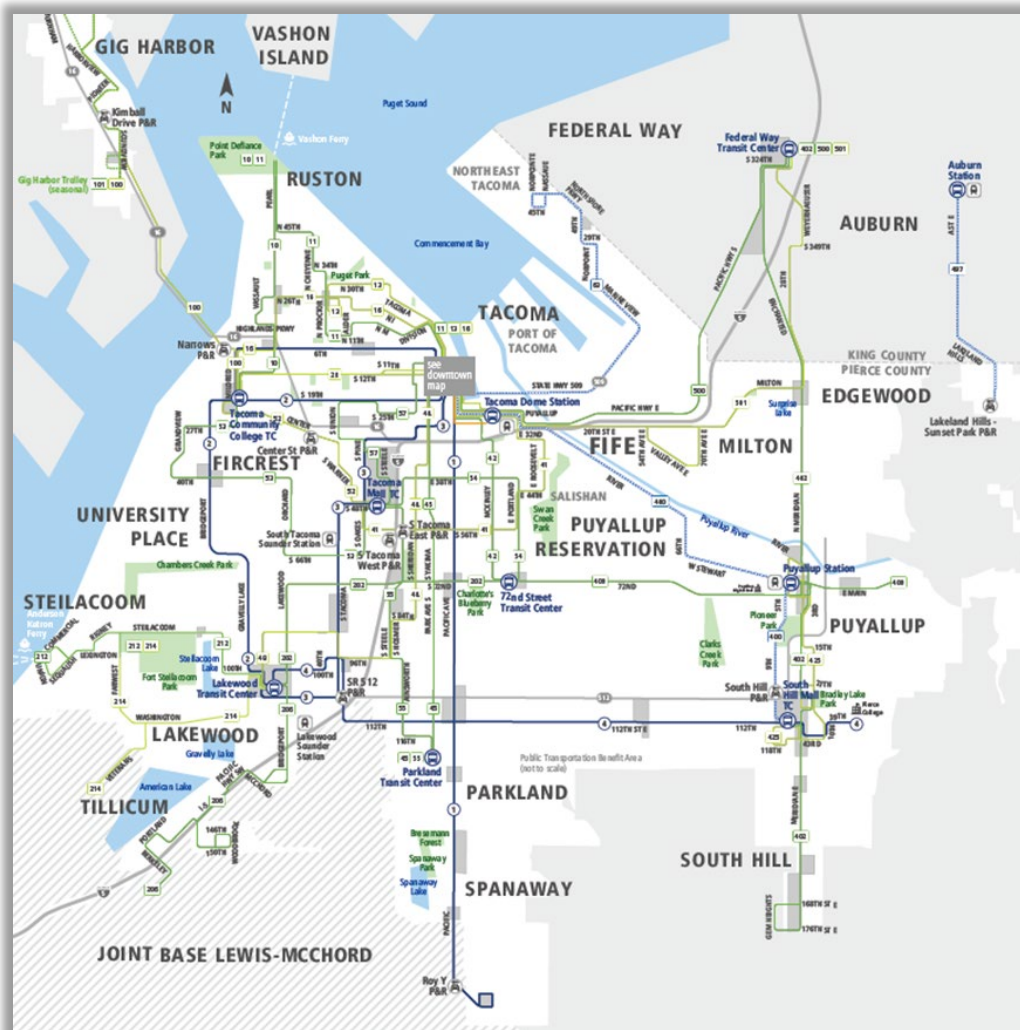
To see how Pierce Transit is performing at meeting our strategic goals, visit [Strategic Plan Dashboard](#).

About Pierce Transit

Pierce Transit was established by a vote of the people on November 6, 1979, to expand the public transportation system from Tacoma city limits to greater Pierce County. Over the years, we have adapted our service as opportunities have risen to meet the needs of our community. Currently, Pierce Transit serves approximately 292 square miles and 70 percent of the population, north to Federal Way, east to Puyallup, south to Spanaway and west to Gig Harbor.

Pierce Transit offers four transportation modes: bus transportation that follows one of 31 routes on a schedule; SHUTTLE paratransit, which provides transportation for those with a qualifying disability within $\frac{3}{4}$ of a mile of our bus routes; RideShare service, which allows groups of three or more whose journey has a common beginning and ending location and begins or ends within Pierce County to commute together to reduce traffic; and RUNNER service, which allows patrons to use a mobile app or call for on-demand trips within specific microtransit zones in the agency's service area. Additionally, Pierce Transit contracts with Sound Transit to provide regional service from Pierce County to King County.

For more information on Pierce Transit, visit the agency's public dashboard at PierceTransit.org/PT-Key-Performance-Indicators.



A Brief History



Pierce Transit Established
Voters approved establishing a public transportation system for Pierce County funded by a 0.3% Sales Tax

1979



Switch to Natural Gas
Pierce Transit unveils the nation's first two natural gas-fuel buses

1986



Vanpool Launched
Vanpool, known today as Rideshare, is introduced to provide another transit option for commuters

1986



Tacoma Dome Station (TDS) Opens
TDS begins operations as a central bus hub

1997



Partners with Sound Transit
Pierce Transit begins operating regional service for Sound Transit

1999



Real-Time Bus Info
Real-time bus arrival info becomes available to riders via the One Bus Away collaboration

2010



It's Electric
Pierce Transit purchases its first three battery electric buses

2018



Improved Connectivity
Runner on-demand service added to connect customers with local attractions and other transit services

2020



Youth Ride Free
On September 1, Pierce Transit implements free rides for all youth ages 18 and under on all Pierce Transit services

2022



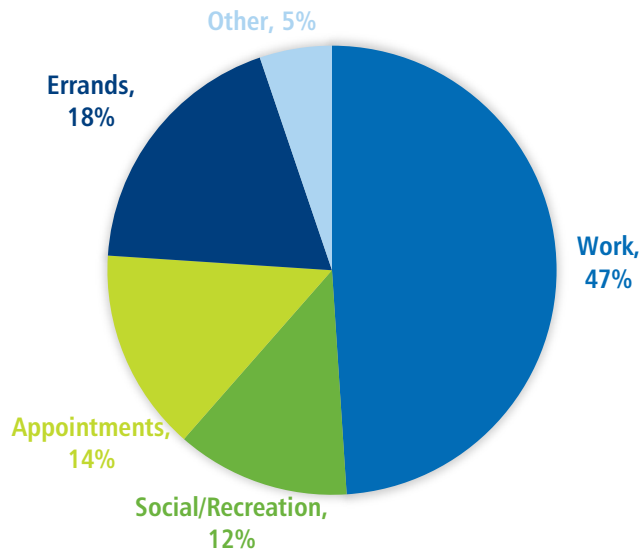
ORCA LIFT Implemented
On April 1, ORCA LIFT reduced fares are implemented for income-qualified riders

2023

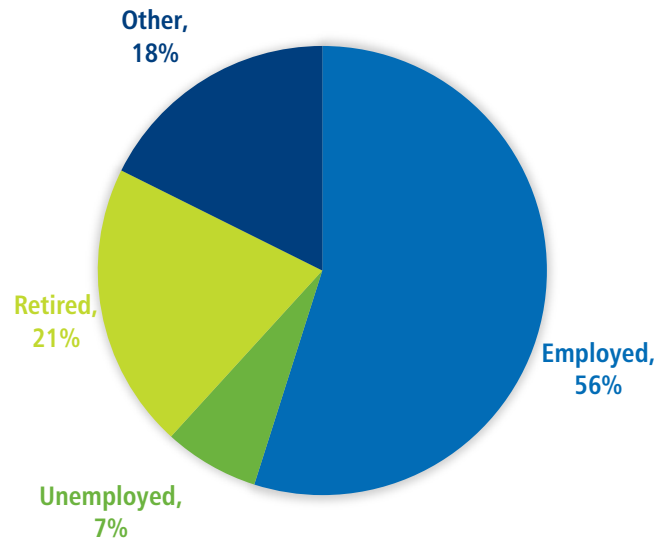
Our Customers

Pierce Transit routinely performs customer surveys, conducted by a third-party vendor. Our most recent survey was conducted September 12th through October 26th, 2022, and received 712 responses, with 440 being current riders. The survey allows Pierce Transit to collect ridership data and assess current customer and potential customer awareness of and attitudes towards Pierce Transit. The following charts are representative of the information collected on current riders.

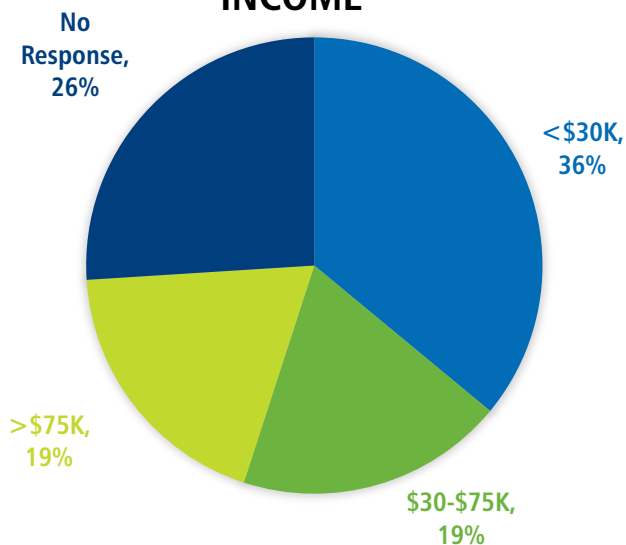
TRIP PURPOSE



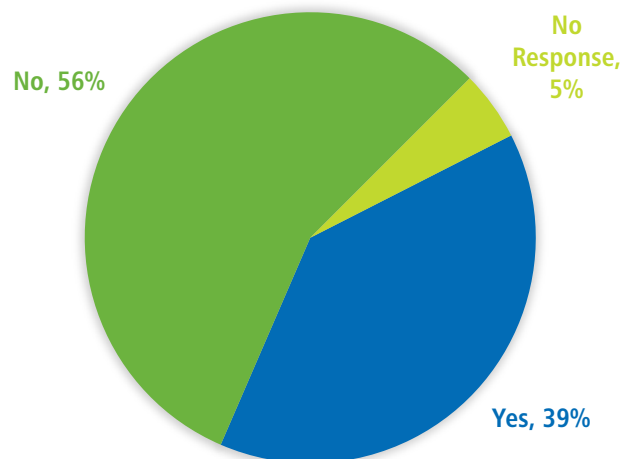
EMPLOYMENT



ANNUAL HOUSEHOLD INCOME



VEHICLE ACCESS



Board of Commissioners



Commissioner
Kristina Walker, Chair
Deputy Mayor of
Tacoma
Tacoma



Commissioner
Jason Whalen, Vice
Chair
Mayor of Lakewood
Lakewood



Commissioner
Marty Campbell
Pierce County Council
Pierce County



Commissioner
Olgy Diaz
Tacoma City Council
Tacoma



Commissioner
Jim Kastama
Mayor of Puyallup
Puyallup



Commissioner
Doug Fagundes
Fife City Council
Auburn, Edgewood,
Fife, Milton, Pacific,
Ruston, and Steilacoom



Commissioner
John Hines
Tacoma City Council
Tacoma



Commissioner
Ryan Mello
Pierce County Council
Pierce County

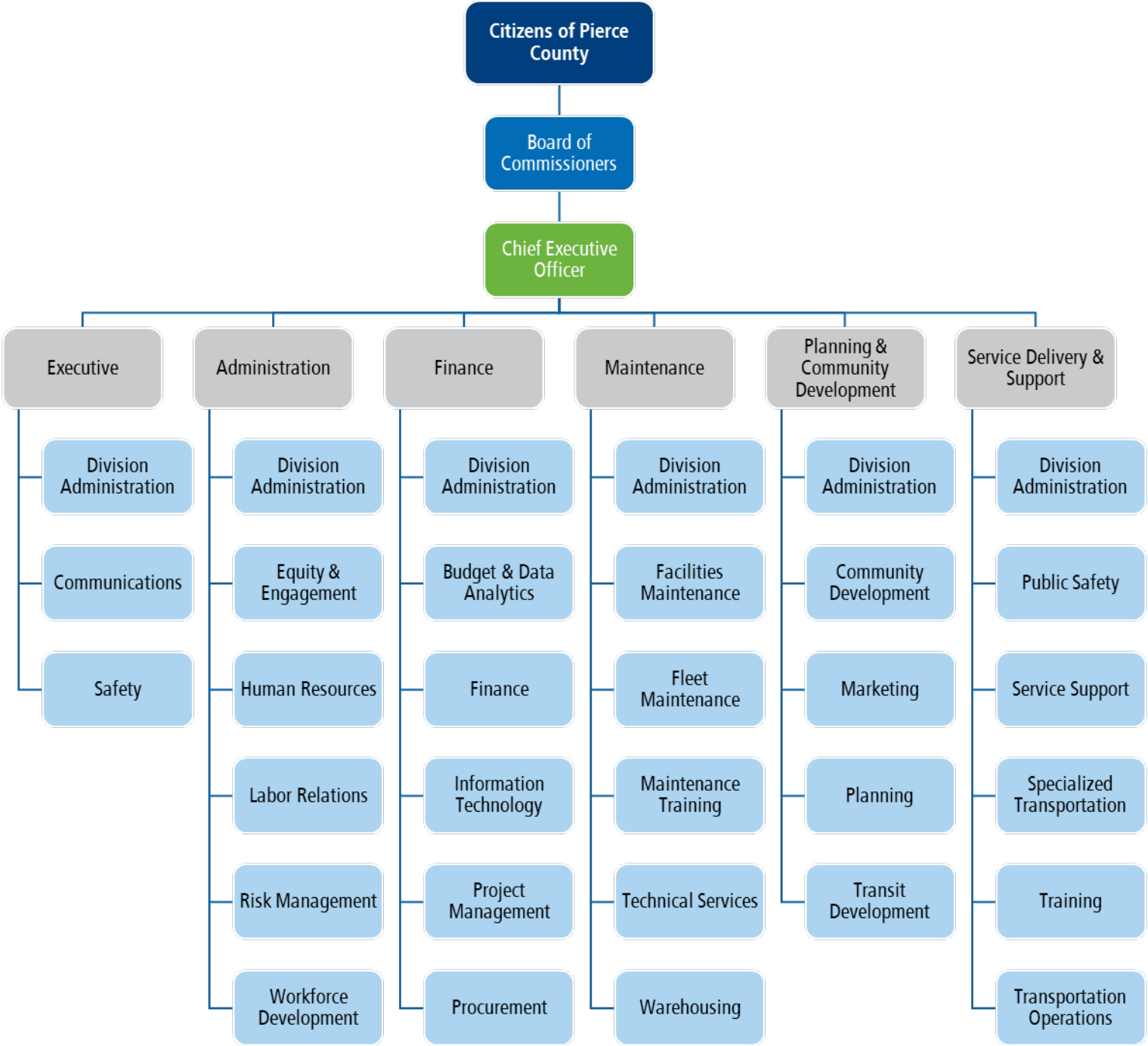


Commissioner
Shannon Reynolds
Fircrest City Council
Fircrest, Gig Harbor,
and University Place



John Hoheusle
Non-Voting Labor
Representative

Organizational Chart



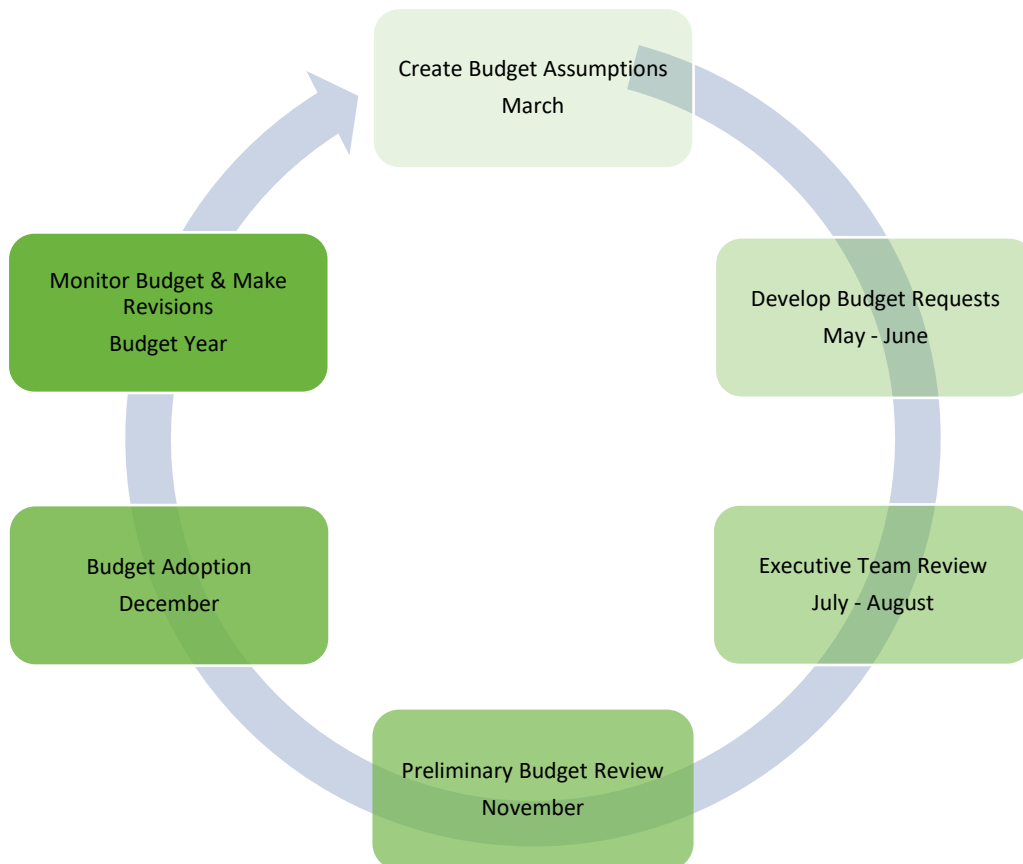
Reserve Policy & Budget Process

RESERVE POLICY

- Operating Reserve – Will maintain at a minimum of two months of the agency's annual operating expenditures. *(Pierce Transit Municipal Code 3.63.020 B)*
- Insurance Reserve – Reviewed annually and set at a level adequate to protect the agency from self-insurance risks. *(Pierce Transit Municipal Code 3.63.030)*
- Capital Reserve – The capital reserve shall be maintained at no less than 50% of the previous three years' average annual asset depreciation at any time in the six-year financial plan. At the end of the six-year financial plan, the capital reserve shall be at least 100% of the previous three years' average annual asset depreciation. *(Pierce Transit Municipal Code 3.63.040 B)*

BUDGET CYCLE

The budget cycle begins by making assumptions of what should be captured in the budget. The assumptions made each year are the level of service to provide, anticipated revenue, impacts of wage adjustments and collective bargaining agreements, benefit costs and trends, and capital investment needs.



Economic Conditions & Budget Summary

ECONOMIC CONDITIONS

Compared to recent years, the economic environment is showing a positive trend. This improvement is attributed to reduced inflation, lower unemployment rates, and the Federal Reserve's initial rate cuts, signaling a shift in the country's economic policy. Although interest rates may still be too high to trigger a significant increase in spending, these positive factors contribute to a more favorable economic perception among households. Consequently, the current economic environment presents opportunities in several key areas.

- Reduced, stable inflation rates allow for more consistency in pricing and budgeting, which will positively impact our financial planning.
- Green transportation funding opportunities support the replacement of outdated infrastructure and help us achieve our carbon emissions goals.
- Retaining staff in hard-to-fill Operator positions will ensure we maintain a skilled and dedicated workforce, essential for delivering high-quality services.

Although Pierce Transit has successfully navigated the challenges of the past four years, it continues to face significant hurdles in the current economic landscape. Key challenges include revenue collection, staffing vacancies, and the high costs associated with replacing or improving our existing infrastructure.

- The growth of sales tax, our primary source of operating revenue, has significantly slowed and continues to lag inflation.
- The high vacancy rate in maintenance positions is impacting our ability to provide optimal service levels and keep pace with operational demands.
- Funding is required to retrofit the maintenance building to accommodate new vehicle types, such as Sound Transit's double-decker fleet, and to restore the building to state of good repair.

BUDGET SUMMARY

The 2025 budget emphasizes a renewed commitment to best serve our communities. This includes identifying efficiencies, conducting outreach to understand the most effective ways to deliver our services, and enhancing system infrastructure. The 2025 budgeted expenditures for all components are approximately \$367 million, balanced by expected revenues and reserves. Sales tax is expected to generate \$113 million in revenue, making up 81.1 percent of total budgeted operating revenues in 2025, excluding the revenue from our contract to provide Sound Transit regional service. Sales tax collections are projected to increase throughout our six-year plan, however at a much more modest rate of 2.37 percent average annual increase, well below our historical average annual increase of 5.6 percent. Operating expenditures are increasing by 13.3 percent over projected 2024 levels, due primarily to filling vacant positions, expanding contract with Pierce County Sheriff's Department, and adding minor service recovery. The budget includes 981 full-time equivalents (FTE) or 984 positions. Pierce Transit fixed-route service hours for 2025 are planned to be maintained at 482,000. Overall, the budget presented strives to balance providing service and maintaining infrastructure within the constraints of the available resources.

BUDGET OBJECTIVES

- **Additional personnel to keep transit facilities secure, clean, and in good repair:** We believe that our facilities are the front door to our service and in this mindset, we want to provide clean bus stops and transit centers that have minimal repairs needed. We are investing in two additional positions that will be tasked with cleaning and repairing facilities as well as one position dedicated to maintaining and repairing security devices such as cameras throughout our system.
- **Investment in a southern transit hub:** We are progressing with the construction of our newest transit center at the southern end of our system, situated between 204th & 208th on Mountain Highway/SR 7. This strategic investment will provide our customers with additional options, including dedicated parking spaces and enhanced access to our transit system.
- **More inclusive system:** Adding braille signage at bus stops and transit centers will offer numerous benefits, enhancing accessibility for individuals who are visually impaired. It allows individuals to independently navigate the transit system by providing essential information such as bus stop identification and routes. This promotes inclusivity and ensures that all community members can utilize public transportation with confidence and ease.
- **Wayfinding improvement at Tacoma Dome Station:** We are committed to enhancing the rider experience by improving wayfinding at the Tacoma Dome Station. Clear signage and information systems will make it easier for transit passengers to navigate the station, find their bus or train, and make seamless connections to their destinations.
- **Additional electric charging infrastructure to service more electric support vehicles:** As part of our commitment to sustainability and reducing our carbon footprint, we will seek funding to increase our electric charging infrastructure. This investment would support our growing fleet of electric vehicles, ensuring they remain operational and contribute to a cleaner environment.
- **Support for a modern Enterprise Resource Planning (ERP) system:** We recognize the importance of efficient business operations and data-driven decision-making. Investing in a modern ERP system will streamline our internal processes, improve data visibility and financial transparency, and empower us to make more informed choices to benefit our riders and the community.

TITLE: A Resolution of the Board of Commissioners of Pierce Transit Adopting the Annual Budget for Fiscal Year 2025 and Associated Salary Table for Non-Represented Employees

DIVISION: Finance

SUBMITTED BY: Chris Schuler, Executive Director of Finance & Information Technology (CFO)

RELATED ACTION: N/A

ATTACHMENTS: Proposed Resolution
Exhibit A, proposed 2025 Budget
Exhibit B, 2025 Non-Represented Salary Table

RELATION TO STRATEGIC PLAN: Financial

2025 Budget Appropriations

	Sources	Uses
Operating Budget		
Operating	68,554,990	200,016,600
Non-Operating	113,686,660	1,293,540
Contributions	18,230,380	
Transfers		5,475,890
Use of Reserves	6,314,000	
	<u>206,786,030</u>	<u>206,786,030</u>
Capital Budget		
Operating	97,641,090	166,052,330
Transfers	5,475,890	
Use of Reserves	62,935,350	
	<u>166,052,330</u>	<u>166,052,330</u>
Total Appropriations	372,838,360	372,838,360
Less Transfers	<u>(5,475,890)</u>	<u>(5,475,890)</u>
Net Budget	<u>367,362,470</u>	<u>367,362,470</u>

BACKGROUND:

The 2025 Budget is ready for adoption. It has been submitted and reviewed at the Board of Commissioner's Study Session and Public Hearing on November 18, 2024, and was also reviewed with the Community Transportation Advisory Group at their August 22, and October 24, 2024, meetings.

The budget is balanced, sustainable, and meets Board-adopted reserve requirements. The Agency's budget is \$367,362,470. The two components that make up this amount are the Operating (55%) and Capital (45%).

The budget includes Pierce Transit fixed route service hours totaling 482,000. SHUTTLE hours are budgeted at 204,505. Runner service hours are budgeted at 47,995. RideShare service hours are budgeted at 107,500. Pierce Transit anticipates providing 273,000 service hours for Sound Transit Regional Transit Service.

To provide the projected level of service, the 2025 Budget includes 984 positions and 981 full-time equivalent employees (FTEs), removing eighteen (18) vacant positions. The budget has a wage adjustment placeholder, including eligible step and general wage adjustments for represented employees. Actual wage adjustments will follow the terms of the collective bargaining agreements. Eligible step and general wage adjustments will be applied in January for non-represented employees.

Capital projects for 2025 are budgeted at \$166,052,330. Approved but unspent projects are carried over to the following budget year. The 2025 budget contains \$128,913,030 of prior year budgeted funds (carryover). Included are funds for vehicles, facilities, technology, and equipment.

STAFF RECOMMENDATION:

Authorize adoption of the annual budget for fiscal year 2025 as presented at the November 18, 2024, Board of Commissioners' Study Session and Public Hearing.

ALTERNATIVES:

Modify the budget. The Board may at any time throughout the budget year make modifications to the budget.

PROPOSED MOTION:

Move to: Approve Resolution No. 2024-018, adopting the Annual Budget for Fiscal Year 2025 and associated Salary Table for Non- Represented Employees in substantially the same form as Exhibits A and B.

RESOLUTION NO. 2024-018

A RESOLUTION of the Board of Commissioners of Pierce Transit Adopting the Annual Budget for Fiscal Year 2025 with Attendant Wage Adjustments and Approval for up to 984 Positions

WHEREAS, the Chief Executive Officer has prepared a preliminary budget for fiscal year 2025; and

WHEREAS, the Community Transportation Advisory Group has reviewed the preliminary budget at its August 22, 2024, and October 24, 2024, meetings; and

WHEREAS, the Board of Commissioners of Pierce Transit has reviewed the preliminary budget at its November 18, 2024, Special Study Session Meeting; and

WHEREAS, the Board of Commissioners of Pierce Transit held a public hearing on the preliminary budget at its November 18, 2024, Special Study Session Meeting; and

WHEREAS, the Board of Commissioners of Pierce Transit has now determined that the preliminary budget provides for the efficient and effective delivery of public transportation services within the financial capacity of Pierce Transit for 2025; and

WHEREAS, the Budget proposes service to provide 1,115,000 service hours for fixed route, SHUTTLE, Vanpool, Runner, and Sound Transit services, requiring a workforce of up to 984 positions; and

WHEREAS, Pierce Transit seeks to be an employer of choice in Pierce County and a general wage adjustment for non-represented employees should assist in hiring and retention of quality employees; and

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

Section 1. The Board of Commissioners hereby authorizes the annual budget for Pierce Transit for Fiscal Year 2025, which was reviewed by the Board of Commissioners in its final form and content in substantially the same form as Exhibit A.

Section 2. The summary of the total estimated expenditures and resources for the appropriations are as follows:

	Sources	Uses
Appropriation Before Use of Fund Balance	303,589,010	372,838,360
Use of Reserves	69,249,350	
Total Appropriation	372,838,360	372,838,360
Less Transfers	(5,475,890)	(5,475,890)
Net Budget	367,362,470	367,362,470

Section 3. The Chief Executive Officer is hereby authorized to staff up to 984 positions.

Section 4. The Board affirms continuing the Classification and Compensation Program for Non-Represented positions with an annual step increase adjustment as presented in Exhibit B.

Section 5. A General Wage Adjustment of 4.3% is hereby authorized for non-represented employees.

ADOPTED by the Board of Commissioners of Pierce Transit at their regular meeting thereof held on the 9th day of December 2024.

PIERCE TRANSIT

Kristina Walker

Kristina Walker, Chair
Board of Commissioners

ATTEST/AUTHENTICATED

Deanne Jacobson

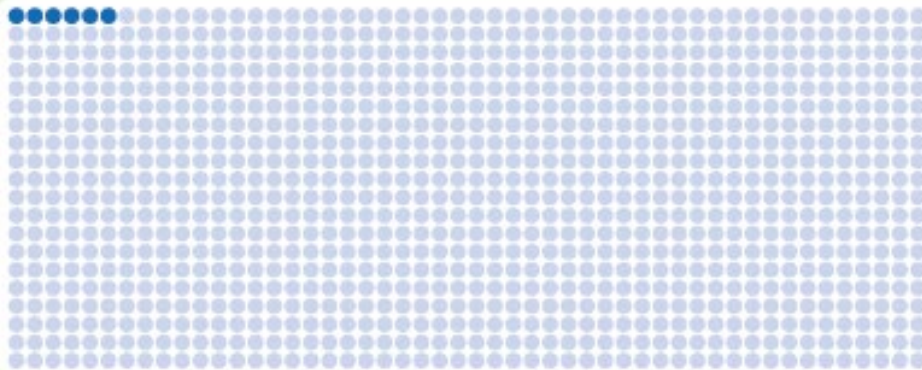
Deanne Jacobson, CMC
Clerk of the Board

2025 Budget Highlights

Budget Breakdown

Ongoing Operations	+	Capital Improvements	=	Total Budget
\$201M		\$166M		\$367M

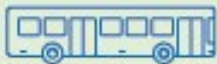
Sales Tax is Pierce Transit's #1 Revenue Source. *We collect 6¢ for every \$10 spent within our benefit area. Sales tax projects to be \$113M in 2025.*



we're removing
18 **vacant positions**
compared to 2024



Projected Service for 2025



Fixed Route*

10,006,010
Ridership

755,000
Service Hours

11,745,902
Service Miles



SHUTTLE

333,724
Ridership

204,505
Service Hours

2,834,515
Service Miles

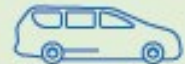


Rideshare

410,500
Ridership

107,500
Service Hours

3,600,000
Service Miles



Runner

45,113
Ridership

47,995
Service Hours

461,300
Service Miles

**Local and Regional*

Annual Budget



Operating Budget

REVENUES

Operating Revenues include both Operating Income, Non-Operating Income, and Contributions to pay for ongoing transportation operations. The type of revenue and percent change from 2024 Year-End Estimate are included in the table below.

Fares – Revenues are estimated based on ridership and average fare per boarding projections. The average fare per boarding is expected to be \$0.71 per fixed route boarding. Average fare per boarding varies due to factors such as number of boardings and the percentage of boardings by fare type and category. There is no projected fare increase included in the 2025 Budget. The last adult fare increase was November 2010. The current Adult Fare for Local PT Service (one-ride) is \$2.00 or a Local PT Service All Day Pass is \$5.00. The current Discounted Fare for Local PT Service (one-ride) is \$1.00 or a Local PT Service All Day Pass is \$2.50. As of September 1, 2022, no fares will be collected for riders aged 18 and under on local Pierce Transit services. ORCALift became available on Pierce Transit for those that qualify effective April 1, 2023.

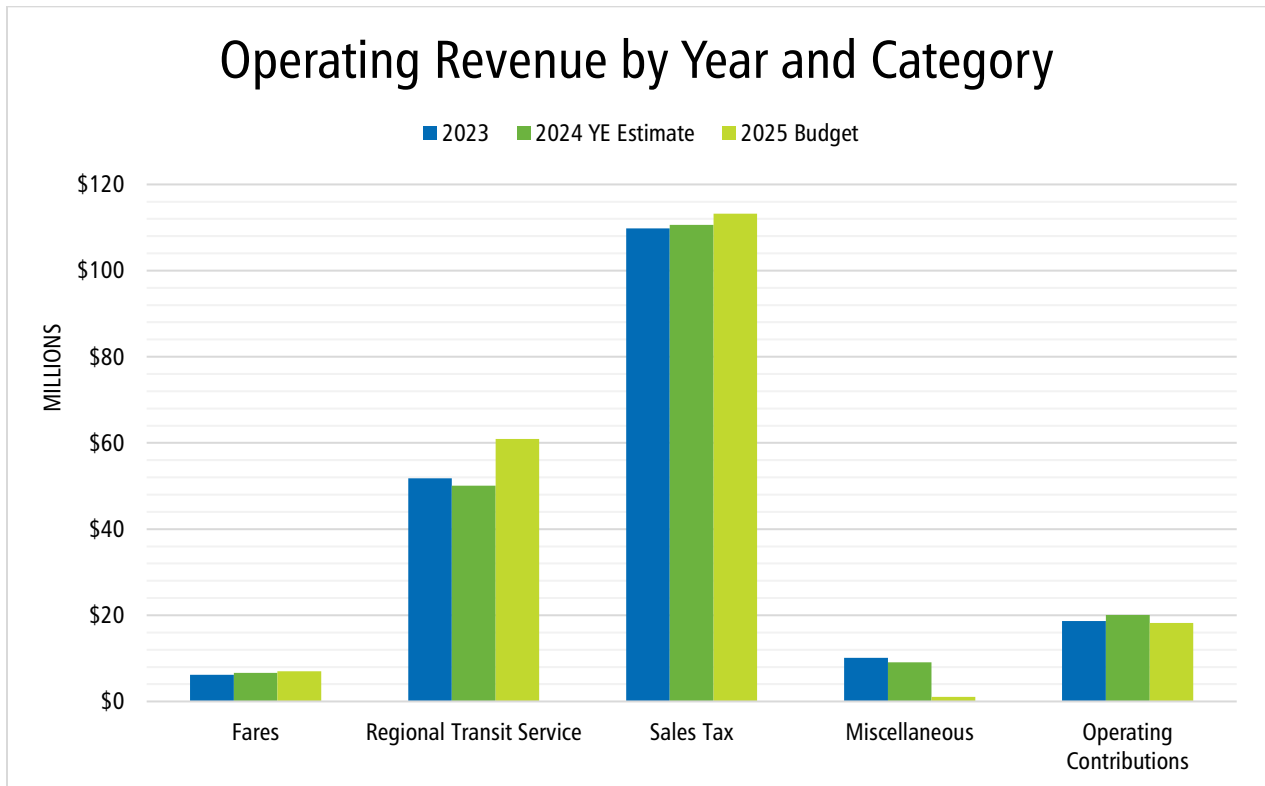
Sound Transit – Regional Transit Service budgeted revenue totals \$60,919,470 in 2025 a 22.3 percent increase from 2024 Year-End Estimate. Pierce Transit is under contract with Sound Transit to provide regional express transit services. Sound Transit reimburses Pierce Transit for the cost of operating its service. For 2025, Sound Transit service hours are increasing to 273,000. In addition to Express Service reimbursement, Sound Transit reimburses for their share of costs associated with security, liability insurance, and special services for operating Tacoma Dome Station and reimbursable ADA services to assist Sound Transit with FTA requirements for their Hilltop light rail extension.

Sales Tax – Sales tax projections are based on economic conditions and analysis of activity in the jurisdictions in the Public Transportation Benefit Area (PTBA). Consumer spending plays a major role in the generation of sales tax revenue which is Pierce Transit's primary operating revenue source. Sales tax represents 81.1 percent of the operating budget revenue excluding Sound Transit. In 2025, sales tax is expected to total \$113,220,060, a 2.4 percent increase over the 2024 Year-End Estimate and in line with current growth trends.

Miscellaneous – Includes revenues such as earned interest, advertising, gains on disposed assets, Lakeland Hill transportation services, and parking fees.

Operating Contributions – Operating Contributions are funds from partnering agencies. They include Federal Transportation Administration (FTA) for ADA Services and Low-No; Washington State Department of Transportation (WSDOT) for Special Needs, Transit Support, and Runner programs; and Pierce County for Behavioral Health funding.

	<u>2023 Actuals</u>	<u>2024 YE Estimate</u>	<u>2025 Budget</u>	<u>Year-End Estimate vs Budget</u>	
				<u>\$ Change</u>	<u>% Change</u>
Operating Income					
Fares	6,218,947	6,633,250	7,030,520	397,270	6.0%
Regional Transit Service	51,777,942	49,799,090	60,919,470	11,120,380	22.3%
Non-Operating Income					
Sales Tax	109,798,330	110,579,340	113,220,060	2,640,720	2.4%
Miscellaneous	10,152,693	9,065,960	1,071,600	(7,994,360)	-88.2%
Contributions	18,657,061	20,063,230	18,230,380	(1,832,850)	-9.1%
	<u>196,604,973</u>	<u>196,140,870</u>	<u>200,472,030</u>	<u>4,331,160</u>	<u>2.2%</u>



EXPENDITURES

Operating expenditures are funds paid for providing and administering transportation services including wages, benefits, and Maintenance & Operations (M&O). Non-Operating Expenditures are funds for Pierce County Agreement grant exchange funds.

Operating expenses are projected to total \$201,310,140 a 13.3 percent increase from the 2024 Year-End Estimate. The large increase is due to vacant positions not filled in 2024 that we expect to fill in 2025 plus wage increases. The changes from the 2024 Year-End Estimate to the 2025 Budget are as follows:

Wages – The 2025 Budget includes 984 positions and 981 full-time equivalents (FTEs). The 9.1% increase in wages includes general wage adjustments and eligible step increases. The increase in wages also includes projected wages and salaries for filling vacant positions from the prior year in addition to the three new positions. Represented employees are 83% of the total Agency workforce. The master agreements with the Amalgamated Transit Union (ATU) expires December 31, 2026, and International Association of Machinists (IAM) are currently in negotiations. A placeholder for IAM has been assumed in the budget; however, the actual amounts will be set in the final master agreements.

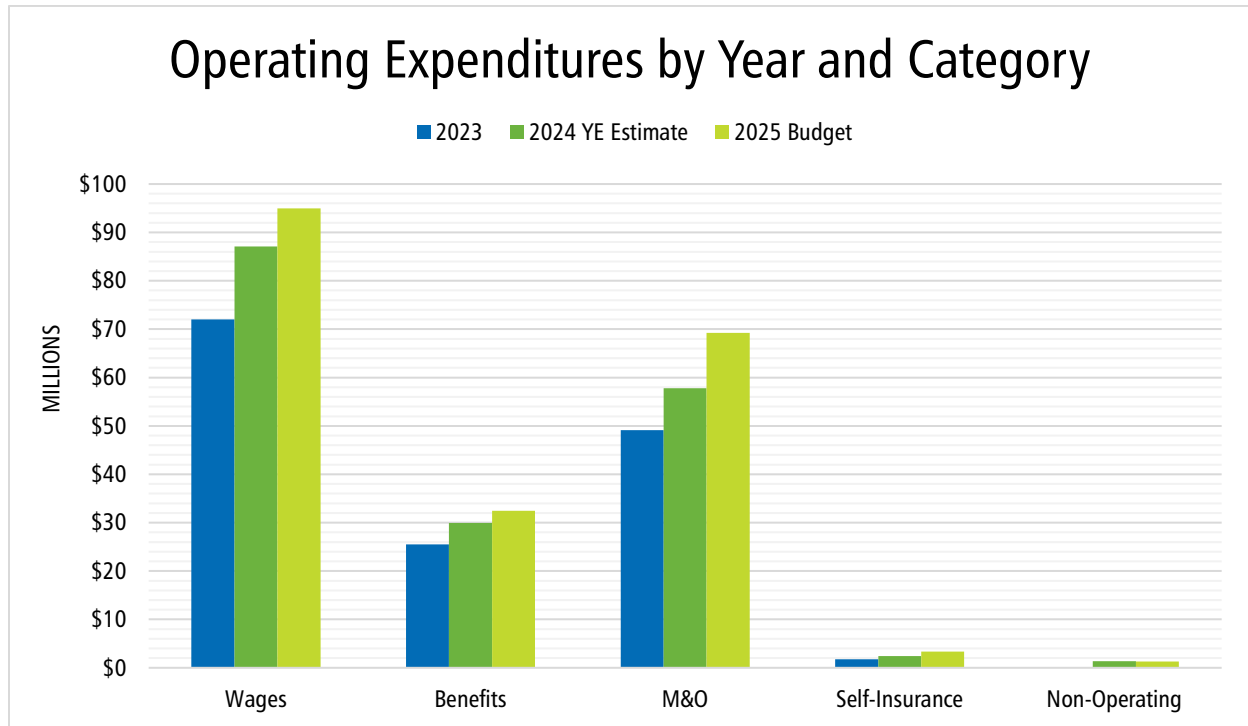
Benefits – The increase in benefits of 8.5 percent or \$2,531,840 is a result of a five percent projected medical, dental, and vision premium increases, percentage-based benefits that increase with wages, and filling prior year vacancies and new positions with the most expensive benefit package.

Maintenance and Operations – The 2025 Maintenance and Operations (M&O) Budget is \$69,212,000 The expenditures support service, maintenance of equipment, and technology system needs. This is an increase of \$12,317,260 or 21.6 percent higher than the 2024 Year-End Estimate. The increases in expenses are impacted by the planned number of service hours and miles operated as well as inflation on key items such as expanded police contract with Pierce County Sheriff's Department, fuel, electricity, and insurance. In addition, \$1,900,000 is included for a one-time cost for Stream System Expansion Study for future Bus Rapid Transit (BRT) lines that is covered 100% by grant funding.

Self-Insurance – The 2025 self-insurance budget is \$3,374,080. The expenditures cover the cost of claims that arise from workers' compensation and unemployment.

Non-Operating Expenditures – 2025 Non-Operating Expenditures are for payment of \$1,293,540 for Pierce County Agreement grant exchange funds. Pierce County Ferries receives 80% of their portion of FTA funding. The remainder is held by Pierce Transit as an administrative fee.

	<u>2023 Actuals</u>	<u>2024 YE Estimate</u>	<u>2025 Budget</u>	<u>Year-End Estimate vs Budget</u>	
				<u>\$ Change</u>	<u>% Change</u>
Wages	72,031,633	87,055,190	94,961,010	7,905,820	9.1%
Benefits	25,481,168	29,937,670	32,469,510	2,531,840	8.5%
M&O	49,135,292	56,894,740	69,212,000	12,317,260	21.6%
Self-Insurance	1,767,311	2,442,000	3,374,080	932,080	38.2%
Total Operating Expenditures	148,415,404	176,329,600	200,016,600	23,687,000	13.4%
Non-Operating Expenditures	-	1,357,400	1,293,540	(63,860)	-4.7%
Total Expenditures	148,415,404	177,687,000	201,310,140	23,623,140	13.3%



RESERVE BALANCE

Pierce Transit defines the operating reserve balance as reserves maintained to provide enough working capital to finance cash flow requirements, meet unanticipated downturns in revenue, and provide funds for emergency expenditures. This balance must be maintained at a level of reserves that meets or exceeds the Agency's required reserve policy of two months of operating expenses.

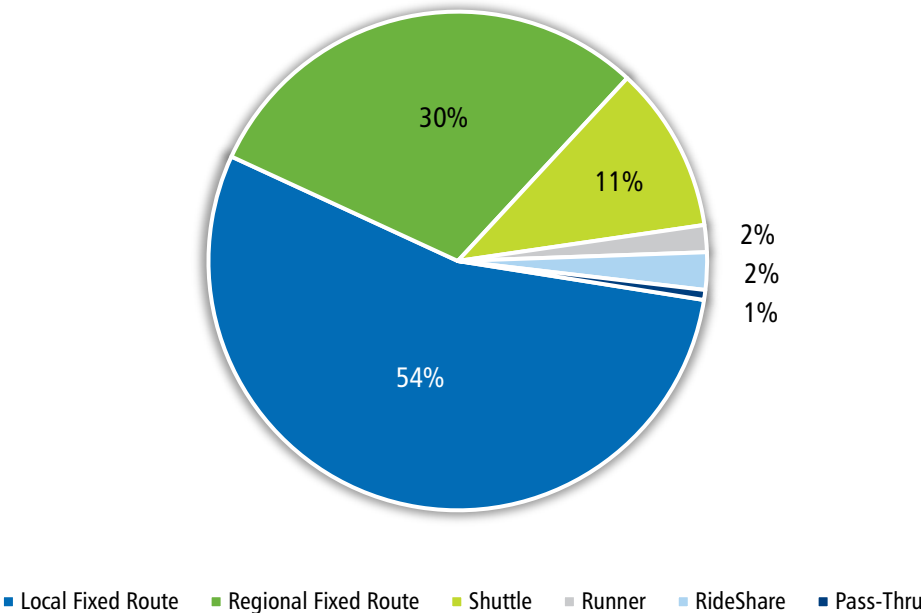
The 2025 budget includes operating and non-operating revenues of \$200.5 million which funds operating and non-operating expenses of \$201.3 million for 1,115,000 hours of service and contributes to the capital program. In addition, the budget fully funds and maintains all reserve balances at levels required by the Board adopted reserve policy.

Operating Grants

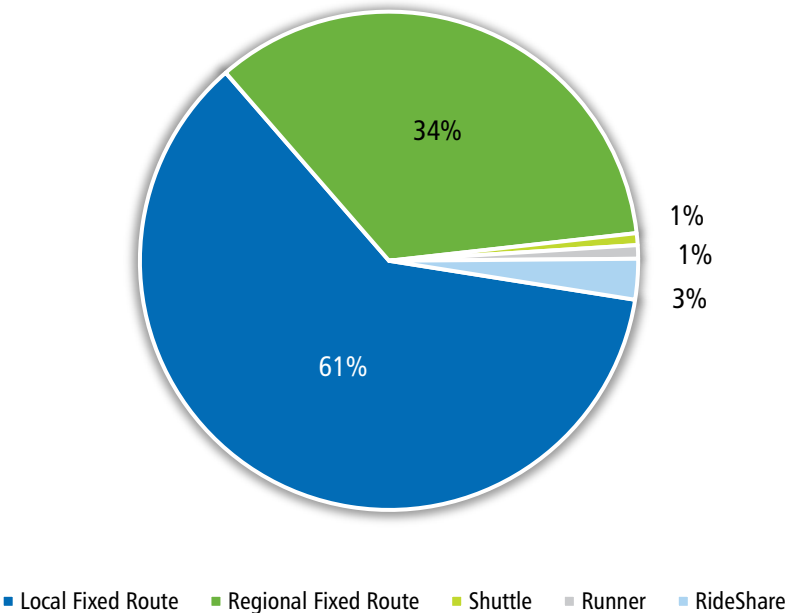
Activity	Grantor	Grant Funding	Required Match	Additional Local	Activity Cost
2025					
Battery Electric Bus Training	FTA	157,600	39,400	-	197,000
Paratransit Purchased Transportation	FTA	1,616,920	404,230	2,220,730	4,241,880
Preventative Maintenance	FTA	6,147,780	1,536,950	3,119,580	10,804,310
HART Behavioral Health	Pierce County	305,300	-	-	305,300
Paratransit Purchased Transportation	WSDOT	3,506,330	876,580	4,815,710	9,198,620
Puyallup Runner	WSDOT	423,420	105,860	174,540	703,820
Transit Support Grant - Operating	WSDOT	4,173,030	-	-	4,173,030
Transit Support Grant - SSES II	WSDOT	1,900,000	-	-	1,900,000
2026					
Paratransit Purchased Transportation	FTA	1,656,260	414,070	2,340,820	4,411,150
Preventative Maintenance	FTA	7,673,450	1,918,360	1,888,850	11,480,660
Paratransit Purchased Transportation	WSDOT	3,506,330	876,580	4,955,570	9,338,480
Puyallup Runner	WSDOT	563,060	140,770	-	703,830
Transit Support Grant - Operating	WSDOT	8,346,060	-	-	8,346,060
2027					
Paratransit Purchased Transportation	FTA	1,323,450	330,860	2,200,000	3,854,310
Preventative Maintenance	FTA	6,131,540	1,532,890	4,305,310	11,969,740
Paratransit Purchased Transportation	WSDOT	3,506,330	876,580	5,828,650	10,211,560
Puyallup Runner	WSDOT	212,150	53,040	-	265,190
Transit Support Grant - Operating	WSDOT	8,346,060	-	-	8,346,060
2028					
Paratransit Purchased Transportation	FTA	1,323,450	330,860	2,288,650	3,942,960
Preventative Maintenance	FTA	6,131,540	1,532,890	4,815,220	12,479,650
Paratransit Purchased Transportation	WSDOT	3,506,330	876,580	6,063,520	10,446,430
Transit Support Grant - Operating	WSDOT	8,346,060	-	-	8,346,060
2029					
Paratransit Purchased Transportation	FTA	1,323,450	330,860	2,379,340	4,033,650
Preventative Maintenance	FTA	6,131,540	1,532,890	5,346,850	13,011,280
Paratransit Purchased Transportation	WSDOT	3,506,330	876,580	6,303,780	10,686,690
Transit Support Grant - Operating	WSDOT	8,346,060	-	-	8,346,060
2030					
Paratransit Purchased Transportation	FTA	1,323,450	330,860	2,472,110	4,126,420
Preventative Maintenance	FTA	6,131,540	1,532,890	5,901,130	13,565,560
Paratransit Purchased Transportation	WSDOT	3,506,330	876,580	6,549,580	10,932,490
Transit Support Grant - Operating	WSDOT	8,346,060	-	-	8,346,060

Budget by Mode

2025 Operating Budget - \$201,310,140



2025 Staffing - 984 Positions

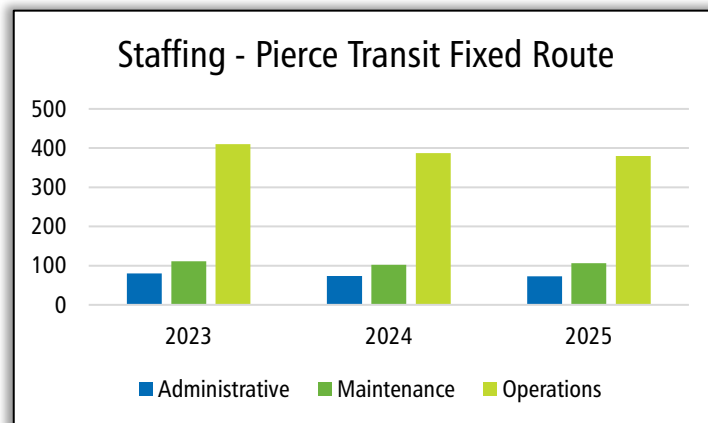


Budget by Mode

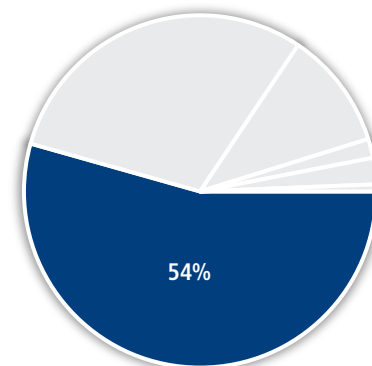
LOCAL FIXED ROUTE

Local fixed route service consists of 31 routes and approximately 2,000 bus stops. Total costs of \$109.5 million to operate this service.

	Local Fixed Route - Pierce Transit			
	2023 Actuals	2024 Budget	2024 YE Est	2025 Budget
Wages	38,050,843	54,629,840	49,011,020	55,594,860
Benefits	14,044,684	20,735,890	18,087,580	20,517,350
Supplies	10,501,607	13,142,360	13,505,270	15,319,480
Services	5,898,010	8,403,110	9,414,030	10,678,650
Insurance	2,331,692	3,600,570	2,998,370	3,401,150
Utilities	600,489	1,208,740	772,920	876,750
Repairs	174,838	347,330	225,240	255,500
Rentals	250,319	386,680	321,910	365,150
Other	1,298,526	2,119,900	1,671,460	1,895,990
Contracted Services	388,527	494,670	500,380	567,600
Other Improvements	-	12,900	-	-
Total	73,539,535	105,081,990	96,508,180	109,472,480



Percent of 2025 Operating Budget



Measure	2024 Year-End Estimate	2025 Budget	Change
Ridership	6,488,384	6,983,902	7.6%
Service Hours	454,047	482,000	6.2%
Service Miles	5,344,095	5,673,099	6.2%

2024 Accomplishments

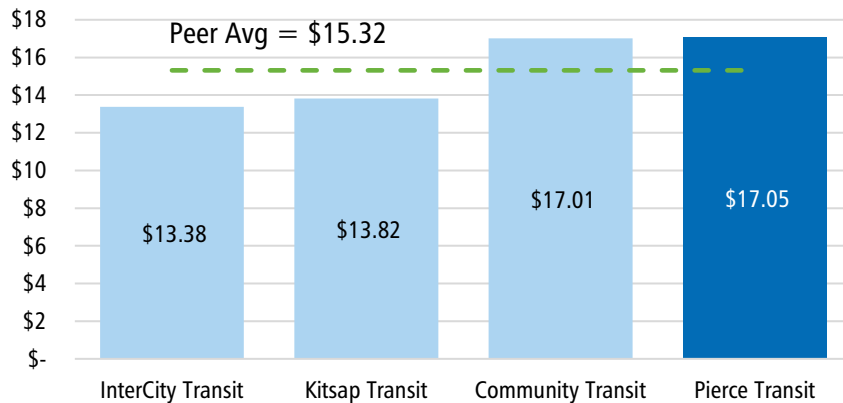
- Overhauled scheduling to make routes more efficient
- Implemented campaign for On-Time Performance
- Completed Phases 1 & 2 of recovery plan

2025 Goals

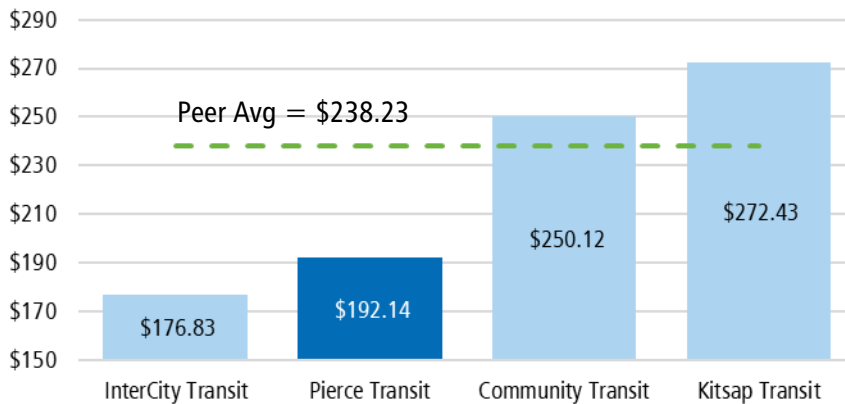
- Continue recovery plan to 482,000 service hours
- Staff all budgeted positions
- Achieve and maintain a minimum 85% On-Time Performance

Budget by Mode

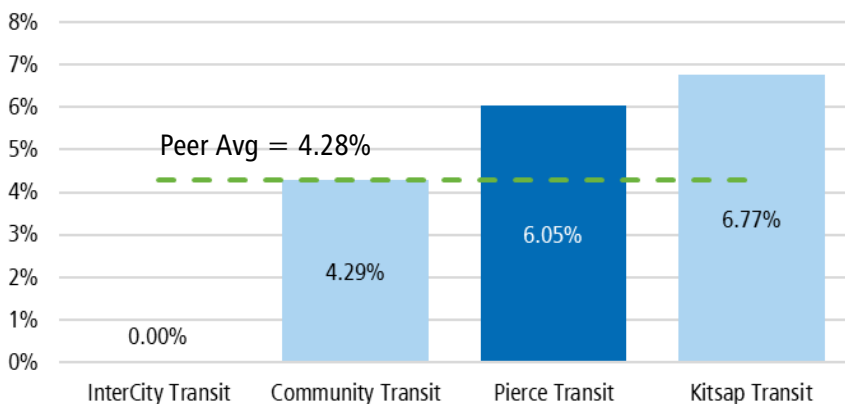
Operating Expense per Vehicle Revenue Mile



Operating Expense per Revenue Hour



Fare Recovery



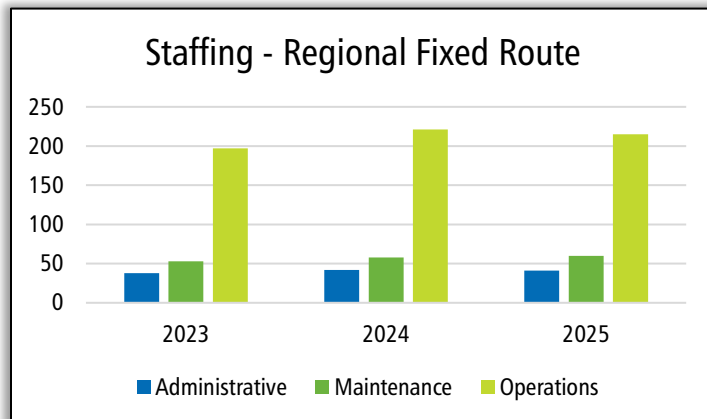
These graphs illustrate the performance of fixed-route bus services, also known as motorbus directly operated (MBDO) in the National Transit Database (NTD) reporting, based on 2022 agency profiles. Utilizing NTD data allows for standardized reporting, enabling more accurate unit-to-unit comparisons. Compared to our peers, Pierce Transit ranks last in cost per revenue mile, at 11% above the group average, second in cost per revenue hour at 19% below the group average, and second in fare recovery at 41% above the group average. Due to InterCity's fare-free policy, the average fare recovery among those charging a fare is 5.70%, placing Pierce Transit 6% above the group average.

Budget by Mode

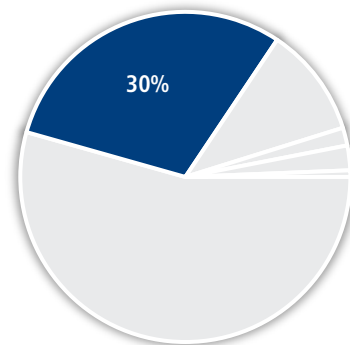
REGIONAL FIXED ROUTE

Contracted service between Pierce Transit and Sound Transit to provide regional bus services between Pierce and King Counties. Total costs of \$60.4 million to operate the service, reimbursed by Sound Transit.

	Regional Service - Sound Transit			
	2023 Actuals	2024 Budget	2024 YE Est	2025 Budget
Wages	28,243,066	32,052,700	28,517,460	32,348,320
Benefits	10,524,554	12,361,950	10,628,690	12,056,480
Supplies	6,726,849	6,714,600	6,797,410	7,710,530
Services	3,240,487	4,428,710	4,200,390	4,764,640
Insurance	1,714,563	2,099,360	1,732,440	1,965,160
Utilities	424,880	628,590	429,730	487,460
Repairs	138,637	230,050	140,090	158,910
Rentals	-	-	-	-
Other	457,529	673,460	461,860	523,900
Contracted Services	352,334	367,920	356,220	404,070
Other Improvements	-	7,370	-	-
Total	51,822,899	59,564,710	53,264,290	60,419,470



Percent of 2025 Operating Budget



Measure	2024 Year-End Estimate	2025 Budget	Change
Ridership	2,689,877	3,022,108	12.4%
Service Hours	242,988	273,000	12.4%
Service Miles	5,405,195	6,072,803	12.4%

2024 Accomplishments:

- Canceled trips decreased by an average of 0.2%
- Executed contract with Sound Transit to include T-Link Paratransit

2025 Goals:

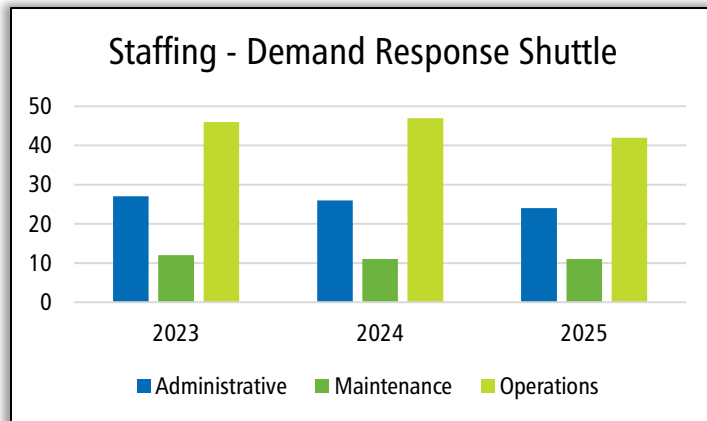
- Restore service hours paused in March 2024
- Meet On-Time Performance Sound Transit standard of greater or equal 85%

Budget by Mode

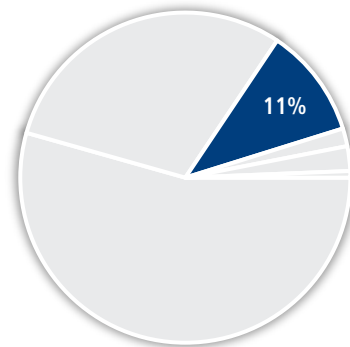
DEMAND RESPONSE - SHUTTLE

To use our SHUTTLE service, you must apply and qualify. Shuttle service operates within $\frac{3}{4}$ of a mile of our local fixed route service, plus a small area near Sound Transit's T line service in the Hilltop area. Total costs of \$21.7 million to operate this service.

	Shuttle			
	2023 Actuals	2024 Budget	2024 YE Est	2025 Budget
Wages	3,664,527	5,114,050	4,287,490	4,863,440
Benefits	1,332,016	1,923,820	1,558,450	1,767,800
Supplies	349,485	385,920	409,820	464,870
Services	291,301	529,220	340,080	385,760
Insurance	136,102	237,550	159,850	181,320
Utilities	30,334	64,840	35,170	39,890
Repairs	14,007	21,090	16,280	18,470
Rentals	184,249	238,300	216,380	245,450
Other	10,316,462	11,476,010	12,115,170	13,742,650
Contracted Services	16,830	21,430	19,370	21,970
Other Improvements	-	-	-	-
Total	16,335,313	20,012,230	19,158,060	21,731,620



Percent of 2025 Operating Budget



Measure	2024 Year-End Estimate	2025 Budget	Change
Ridership	315,113	333,724	5.9%
Service Hours	193,697	204,505	5.6%
Service Miles	2,679,896	2,834,515	5.8%

2024 Accomplishments

- Implemented new software
- Answered over 220,000 calls
- Provided over 300,000 passenger trips

2025 Goals

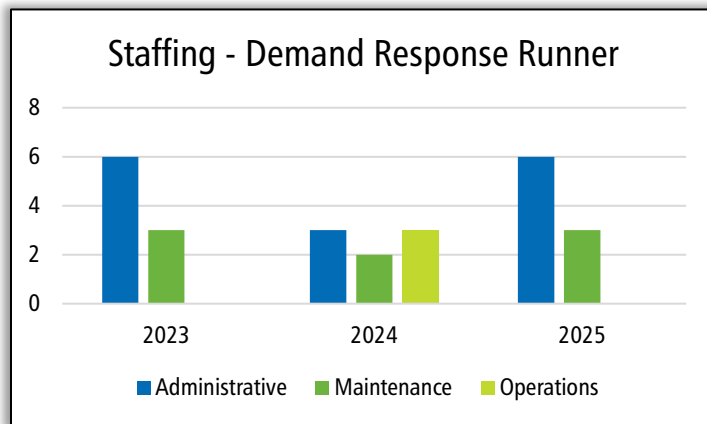
- Deploy new customer facing application to allow riders to manage and track trips
- Achieve 92% On-Time Performance
- Answer 99% of calls within 3 minutes

Budget by Mode

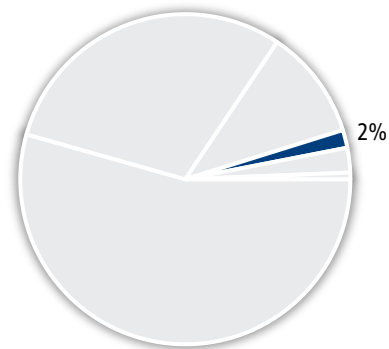
DEMAND RESPONSE - RUNNER

On demand service, also known as Runner, assist within communities by connecting them to connection points within the service area, such as transit centers. Total costs of \$3.5 million to operate this service. Compared to our other modes, On Demand Service is expected to grow considerably due to the addition of the Gig Harbor zone and increased service in other zones.

	Runner			
	2023 Actuals	2024 Budget	2024 YE Est	2025 Budget
Wages	141,263	175,210	188,600	213,940
Benefits	55,994	72,200	74,940	85,010
Supplies	52,104	51,790	70,980	80,520
Services	28,152	49,710	37,970	43,070
Insurance	15,565	20,660	21,230	24,080
Utilities	5,040	9,360	6,780	7,690
Repairs	2,643	4,280	3,560	4,040
Rentals	-	-	-	-
Other	1,976,323	1,765,060	2,696,370	3,058,580
Contracted Services	3,250	4,520	4,350	4,940
Other Improvements	-	-	-	-
Total	2,280,334	2,152,790	3,104,780	3,521,870



Percent of 2025 Operating Budget



Measure	2024 Year-End Estimate	2025 Budget	Change
Ridership	41,007	45,113	10.0%
Service Hours	41,826	47,995	14.7%
Service Miles	417,365	461,300	10.5%

2024 Accomplishments

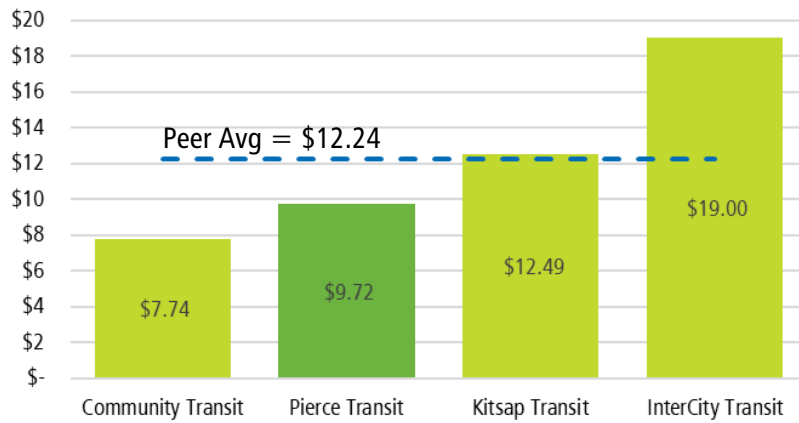
- Added a new zone in Gig Harbor
- Increased span for Ruston and Tideflats zones

2025 Goals

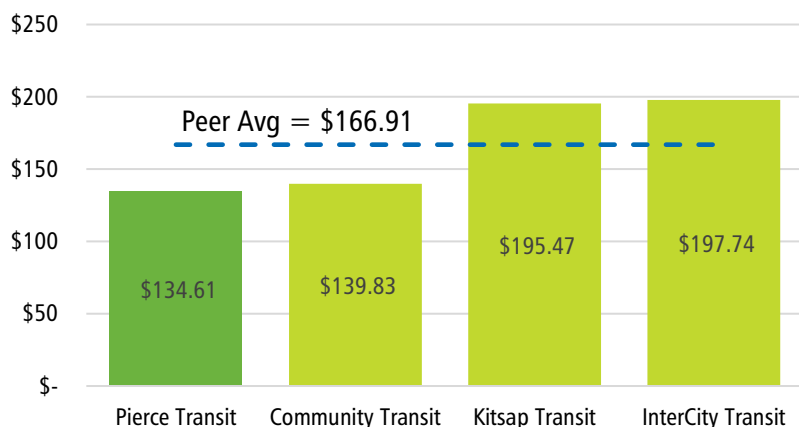
- Acquire funding for 2025-27 for continued service
- Better efficiencies with corner-to-corner service

Budget by Mode

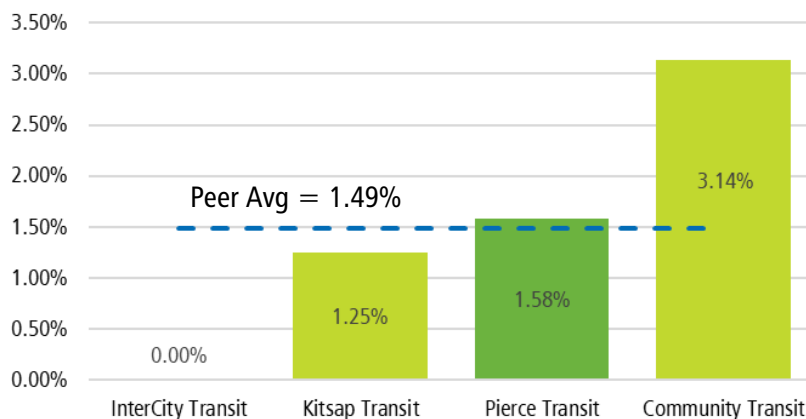
Operating Expense per Vehicle Revenue Mile



Operating Expense per Revenue Hour



Fare Recovery



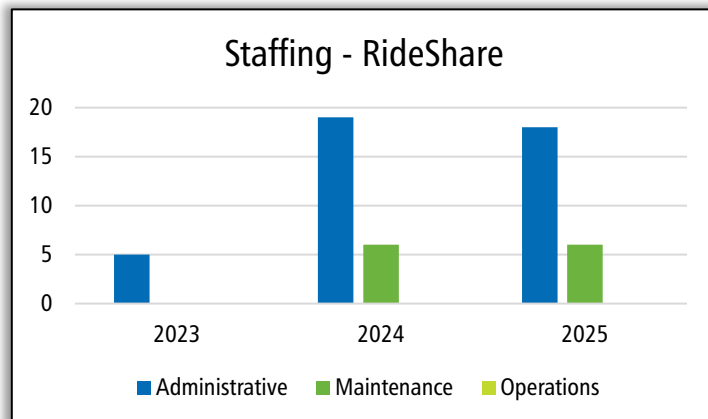
These graphs illustrate the performance of paratransit and on demand services, also known as demand response directly operated (DRDO) and demand response purchased transportation (DRPT) in the National Transit Database (NTD) reporting, based on 2022 agency profiles. Utilizing NTD data allows for standardized reporting, enabling more accurate unit-to-unit comparisons. Compared to our peers, Pierce Transit ranks second in cost per revenue mile, at 21% under the group average, first in cost per revenue hour at 19% below the group average, and second in fare recovery at 6% above the group average. Due to InterCity's fare-free policy, the average fare recovery among those charging a fare is 2.99%, placing Pierce Transit 47% below the collecting group average.

Budget by Mode

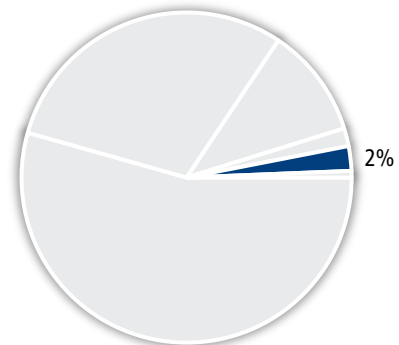
RIDESHARE

RideShare, formerly Vanpool, groups individuals that have a common starting and ending journey to decrease single occupancy vehicles and reduce congestion. Total costs of \$4.9 million to operate this service.

	RideShare			
	2023 Actuals	2024 Budget	2024 YE Est	2025 Budget
Wages	1,838,320	2,150,490	1,763,540	2,000,440
Benefits	681,970	860,010	654,900	742,880
Supplies	1,394,322	1,523,180	1,367,530	1,551,240
Services	391,553	439,090	294,970	334,590
Insurance	57,270	73,770	56,200	63,750
Utilities	43,453	59,670	42,030	47,680
Repairs	-	43,000	29,200	33,120
Rentals	-	-	-	-
Other	30,436	69,210	60,260	68,350
Contracted Services	-	33,960	25,660	29,110
Other Improvements	-	-	-	-
Total	4,437,323	5,252,380	4,294,290	4,871,160



Percent of 2025 Operating Budget



Measure	2024 Year-End Estimate	2025 Budget	Change
Ridership	406,000	410,500	1.1%
Service Hours	105,000	107,500	2.4%
Service Miles	3,508,000	3,600,000	2.6%

2024 Accomplishments

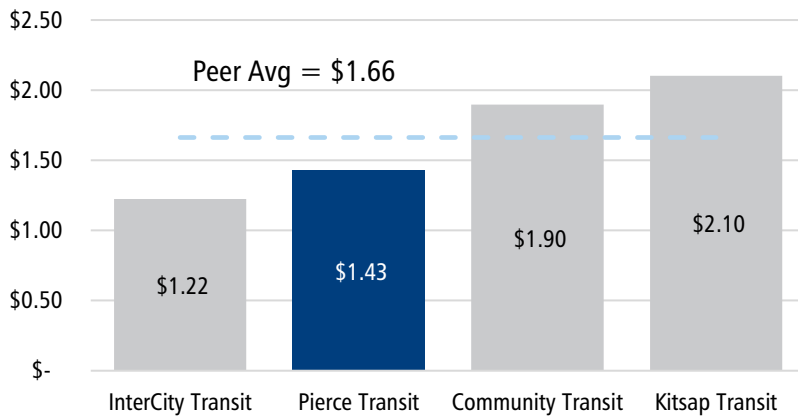
- Diversified fleet by adding electric vehicles
- Replaced 68 RideShare vehicles ensuring a more reliable, modern fleet

2025 Goals

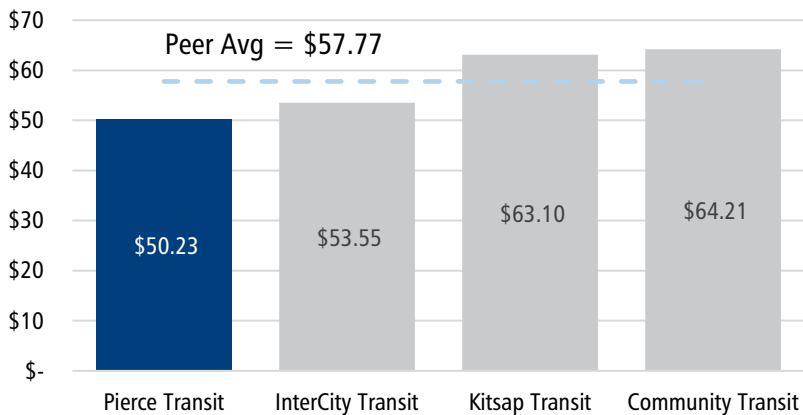
- Achieve a 6% growth in ridership compared to previous year
- Develop and launch a customer satisfaction survey to gather feedback and improve service

Budget by Mode

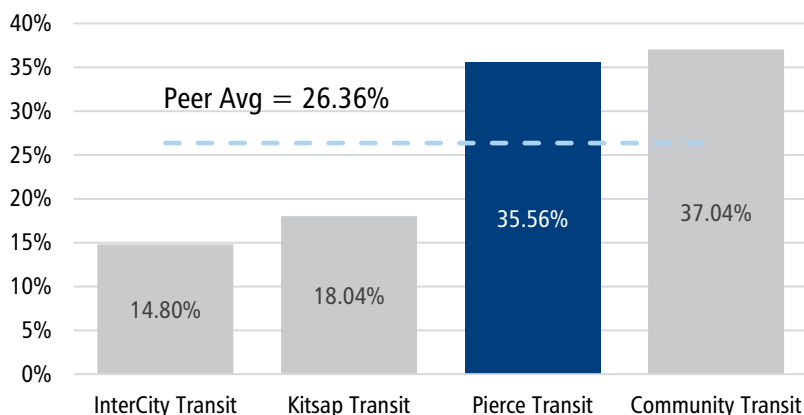
Operating Expense per Vehicle Revenue Mile



Operating Expense per Revenue Hour



Fare Recovery



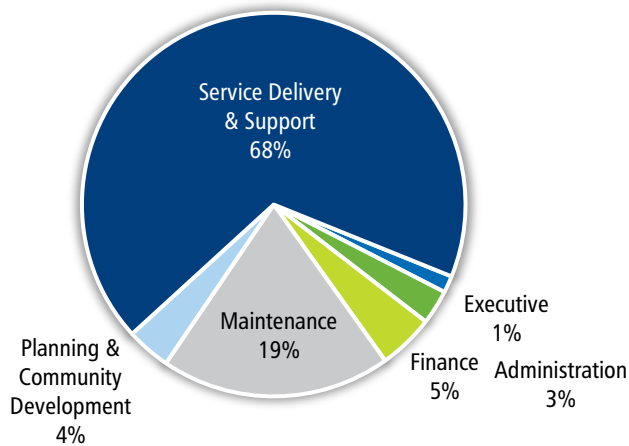
These graphs illustrate the performance of RideShare, also known as Vanpool directly operated (VPDO) in the National Transit Database (NTD) reporting, based on 2022 agency profiles. Utilizing NTD data allows for standardized reporting, enabling more accurate unit-to-unit comparisons. Compared to our peers, Pierce Transit ranks second in cost per revenue mile, at 14% below the group average, first in cost per revenue hour at 13% below the group average, and second in fare recovery at 35% above the group average.

Operating by Division

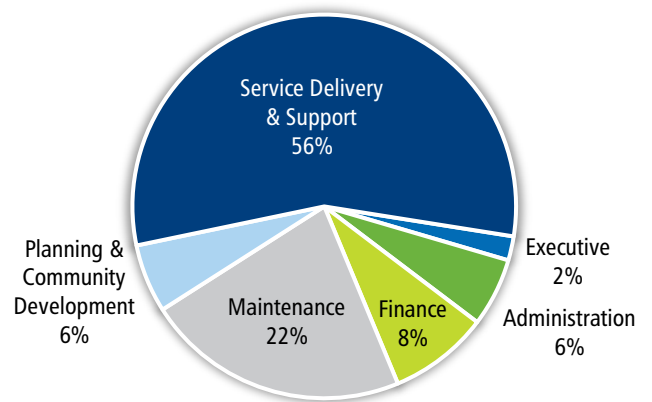
	Executive	Administration	Finance	Maintenance	Planning & Community Development	Service Delivery & Support	Total
Full-Time Equivalent	14.00	28.50	46.00	190.00	36.50	666.00	981.00
Wages	2,130,720	3,376,740	5,877,010	17,455,030	4,114,410	62,007,110	94,961,020
Benefits	535,430	1,119,740	1,907,680	6,545,120	1,205,490	21,156,040	32,469,500
Total Personnel	2,666,150	4,496,480	7,784,690	24,000,150	5,319,900	83,163,150	127,430,520
Supplies	110,500	149,400	6,900,290	16,445,490	1,083,090	437,870	25,126,640
Services	1,024,050	1,138,110	665,320	572,600	3,435,000	9,209,830	16,044,910
Insurance	-	5,533,170	-	-	-	-	5,533,170
Utilities	-	-	460,300	990,760	8,400	-	1,459,460
Repairs	-	3,050	12,500	446,100	8,400	-	470,050
Rentals	-	4,700	-	70,000	535,910	-	610,610
Other	203,900	26,210	736,210	181,580	957,150	16,834,420	18,939,470
Contracted Services	1,790	-	-	1,010,900	-	15,000	1,027,690
Other Improvements	-	-	-	-	-	-	-
Total M&O	1,340,240	6,854,640	8,774,620	19,717,430	6,027,950	26,497,120	69,212,000
Total Expenditures	4,006,390	11,351,120	16,559,310	43,717,580	11,347,850	109,660,270	196,642,520

The difference between the total operating budget of \$201,310,140 and the operating budget by division of \$196,642,520 is \$4,667,620. This is the cost of self-insurance, \$3,374,080, and pass thru to Pierce County Ferries, \$1,293,540, which are considered non-departmental expenditures.

2025 Full-Time Equivalent by Division



2025 Expenditures by Division



PROJECT SELECTION

Annually, the Project Oversight Group (POG) performs the Capital Project Selection process to develop the Six-Year Capital Improvement plan. Capital Project Selection is a process during which capital projects are proposed from throughout the Agency, and the POG determines which projects, and order of priority, to recommend to the Executive Team for funding. Current projects that are not completed are automatically carried forward to the next year's budget.



For more information on our current Transit Development Plan, visit Pierce Transit's website [Transit-Development-Plan-2024_Final-Adopted.pdf \(wpcomstaging.com\)](https://www.piercetransit.com/wp-content/uploads/2024/01/Transit-Development-Plan-2024_Final-Adopted.pdf).

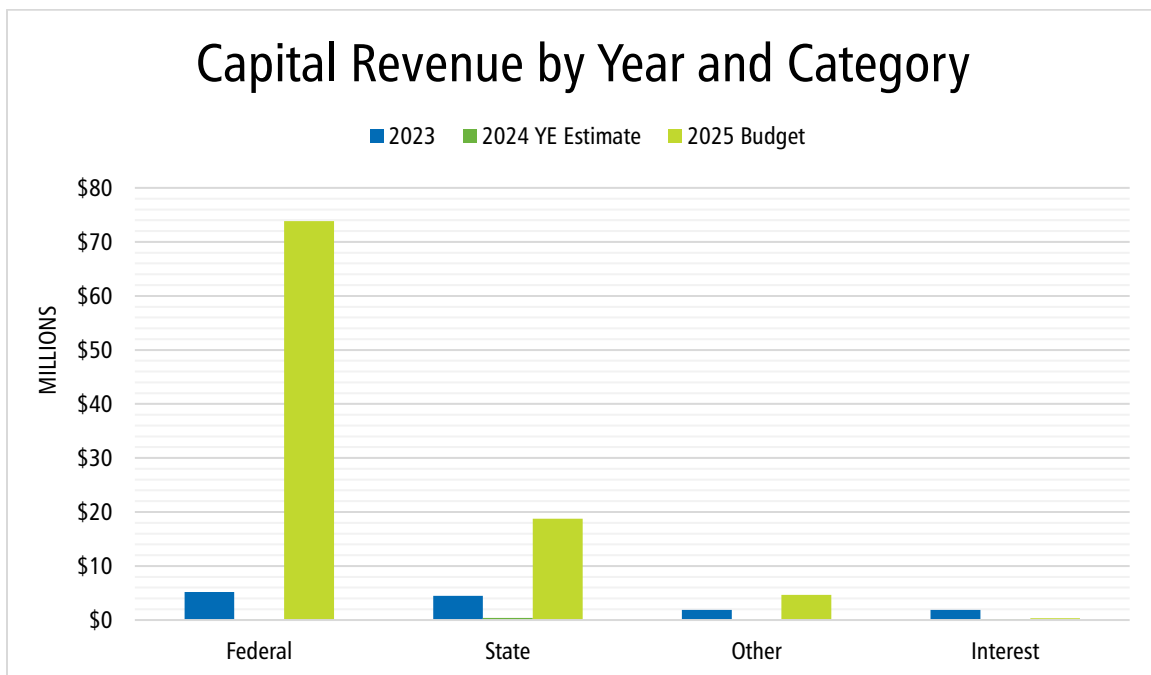
REVENUES

Federal – The majority of Pierce Transit’s federal funding comes from the Federal Transportation Administration (FTA) through formula funds. Formula funds are based on metrics from the urbanized area, allocating a portion of the money to Pierce Transit. Due to the routine nature of formula funds, Pierce Transit often uses them to fund vehicle replacement. The current budget has \$40.9 million funding vehicles, \$8.5 million funding passenger facilities, and \$24.5 million funding other assets such as bus shelters and base charging infrastructure.

State – Similar to federal funding we have one main source for state, Washington State Department of Transportation (WSDOT). Approximately 62% or \$10.9 million of state funding is being used towards the Spanaway Transit Center Parking Lot Expansion and Enhanced Bus projects. The remainder is funding on-route charging infrastructure and vehicles.

Other – All of the \$4.6 million in other funding is from Sound Transit. They fund projects that support their services, such as improvements to Tacoma Dome Station and the communications equipment in the CAD/AVL project.

	<u>2023 Actuals</u>	<u>2024 YE Estimate</u>	<u>2025 Budget</u>	<u>Year-End Estimate vs Budget</u>	
				<u>\$ Change</u>	<u>% Change</u>
Contributions					
Federal	5,188,851	11,150	73,869,580	73,858,430	662407%
State	4,480,322	404,530	18,779,080	18,374,550	4542%
Other	1,899,070	65,400	4,635,750	4,570,350	6988%
Interest	1,890,647	150,000	356,680	206,680	138%
	13,458,890	631,080	97,641,090	97,010,010	15372.06%



Capital Budget

EXPENDITURES

Revenue Vehicles – 39% of the capital budget, this category consists of bus, shuttle, and RideShare vehicle replacement.

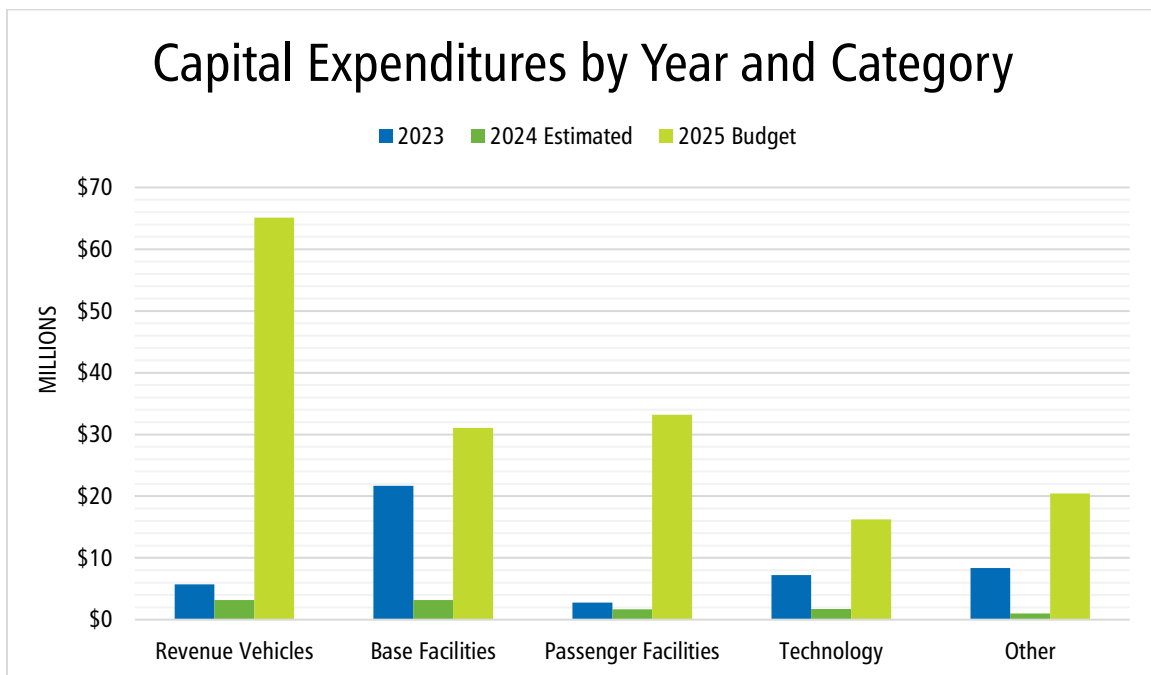
Base Facilities – 19% of the capital budget, projects such as electric vehicle charging infrastructure at our headquarter facilities.

Passenger Facilities – 20% of the capital budget, this category contains improvement projects to Transit Centers and Park and Rides.

Technology – 10% of the capital budget, provide infrastructure and software to improve information and services for staff and the public.

Other – 12% of the capital budget, this category includes support vehicles for maintenance and operations, bus shelters, and equipment that is not fixed to a building.

	<u>2023 Actuals</u>	<u>2024 YE Estimate</u>	<u>2025 Budget</u>	<u>Year-End Estimate vs Budget</u>	
				<u>\$ Change</u>	<u>% Change</u>
Revenue Vehicles	8,873,460	3,158,150	65,135,860	61,977,710	1962.47%
Base Facilities	8,701,929	3,159,330	31,084,400	27,925,070	883.89%
Passenger Facilities	5,067,461	1,680,210	33,199,140	31,518,930	1875.89%
Technology	5,009,328	1,703,890	16,214,370	14,510,480	851.61%
Other	5,071,107	978,510	20,418,560	19,440,050	1986.70%
	32,723,285	10,680,090	166,052,330	155,372,240	1454.78%



Capital Budget

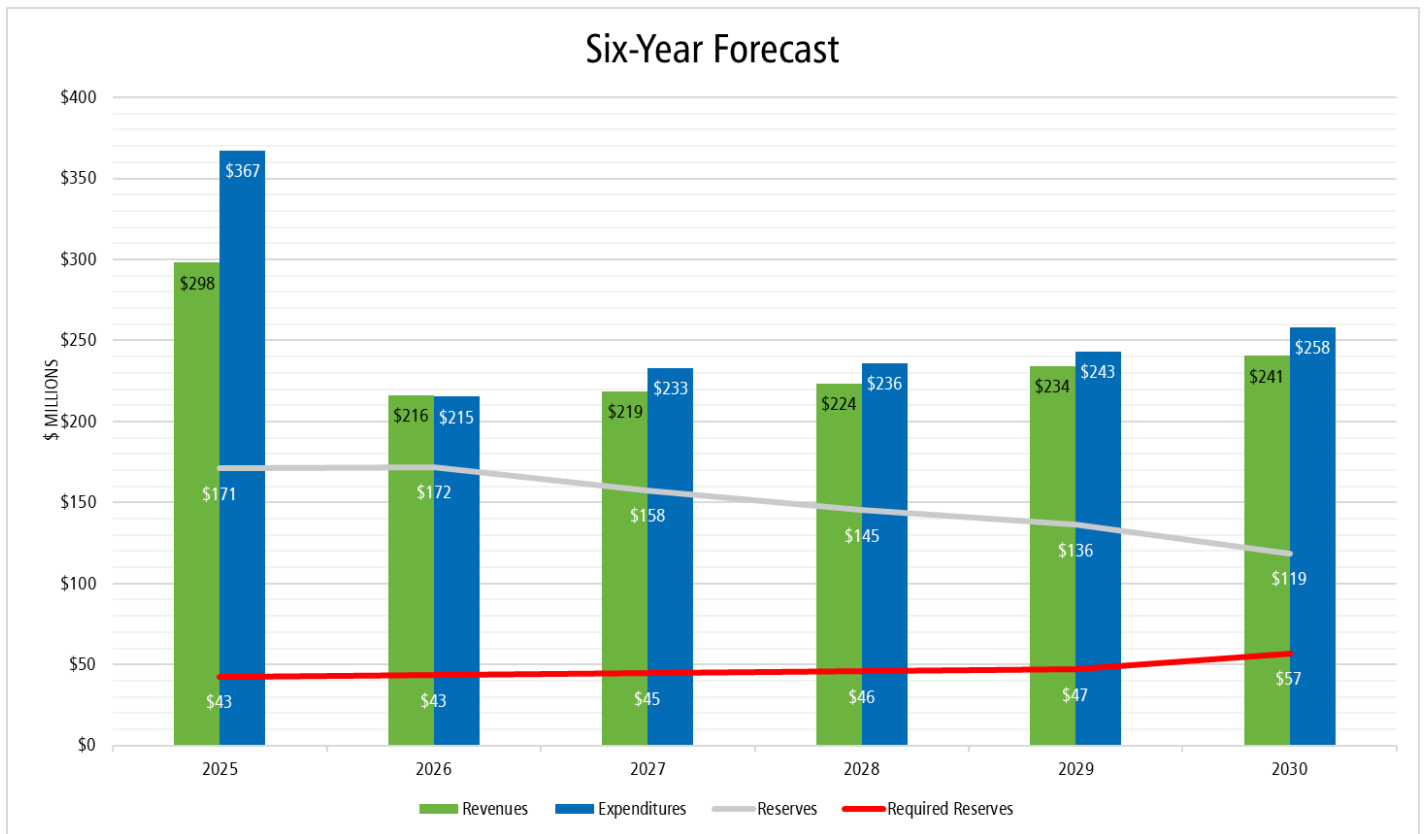
#	Project Name	Project #	Project Budget	Spent Thru 2023	2024 YE Est	2025 Estimated Carryover	2025 New Request	2025 Budget	Local Funding	Grant Funding
1	Maintenance & Operations Base Improvements (MOBI)	525	62,800,000	52,152,103	3,052,810	7,595,087		7,595,090	7,595,090	-
2	Bldg 5 A/V Equipment Replacement	620	220,386	213,990	4,990	1,406		1,410	1,410	-
3	Bldg 5 Exterior Sealing	642	130,000	-	-	130,000		130,000	130,000	-
4	Bldg 4 Exterior Painting	643	273,160	62	30	273,068		273,070	273,070	-
5	Base Battery Electric Bus Charging Expansion to 12 Buses	653	4,444,500	-	-	4,444,500		4,444,500	888,900	3,555,600
6	CNG Compressor Transformers	668	172,500	-	-	172,500		172,500	172,500	-
7	Bldg 4 HVAC Retrofit	671	305,900	-	-	305,900		305,900	305,900	-
8	Bldg 5 Specialized Transportation Work Area Redesign	676	400,400	-	-	400,400		400,400	400,400	-
9	Bldg 1 Training Room Technology Upgrade	677	73,000	-	39,650	33,350		22,250	22,250	-
10	Gantry with Depot Conductive Charging Infrastructure for 30	680	-	-	-	-	16,963,825	16,963,830	2,179,080	14,784,750
11	Bus Lot Emergency Notification System	NEW03					53,530	53,530	53,530	-
12	Bldg 1 Security Cameras and EWS Stations	NEW04					38,755	38,760	38,760	-
13	Fuel and Wash TV Monitor screens	NEW05					17,000	17,000	17,000	-
14	Bldg 1 Tire Shop Office Renovation	NEW12					44,000	44,000	44,000	-
15	Fuel and Wash Electric Vehicle Chargers	NEW16					429,270	429,270	85,850	343,420
16	Bldg 5 Electric Vehicle Charger Expansion	NEW38					192,890	192,890	38,580	154,310
Subtotal Base Facilities Projects			68,819,846	52,366,155	3,097,480	13,356,211	17,739,270	31,084,400	12,246,320	18,838,080
17	Commerce Facility Bus Charging Station	612	2,000,000	871,162	5,120	1,123,718		1,123,720	1,123,720	-
18	Support Vehicle Replacement 2022	624	336,678	166,359	166,780	3,539		3,540	3,540	-
19	Bus Stop Replacement	633	3,125,000	51,199	546,510	2,527,291	1,093,430	3,620,720	174,900	3,445,820
20	Support Vehicle Replacement 2023	639	697,330	299,116	186,830	211,384		211,380	211,380	-
21	Behavioral Health Vehicle	648	78,000	38,813	60	39,127		39,130	39,130	-
22	Public Safety Vehicle Expansion (2)	649	186,330	56,201	5,170	124,959		124,960	124,960	-
23	Enhanced Bus SR7	657	5,672,290	568	58,130	5,613,592		5,613,590	318,040	5,295,550
24	Bldg 1 Paint Booth Controls	658	210,580	-	-	210,580		210,580	210,580	-
25	Bldg 1 Wheel Alignment Machine	661	103,000	-	-	103,000		103,000	103,000	-
26	Bldg 1 Aerosol Can Crusher	663	25,290	-	-	25,290		25,290	25,290	-
27	Bldg 1 Sand Blast Cabinet	664	39,030	-	-	39,030		39,030	39,030	-
28	Support Vehicle Replacement 2024	666	896,150	-	-	896,150		896,150	896,150	-
29	Bldg 1 Heavy Duty Box and Pan Bending Brake	673	13,740	-	-	13,740		13,740	13,740	-
30	Bldg 1 Three Phase Spot Welder	674	50,000	-	-	50,000		50,000	50,000	-
31	Misc Capital Equipment	778						200,000	200,000	-
32	Fleet Maintenance Purchases	NEW06					637,330	637,330	637,330	-
33	Braille Tactile Signs and Real Time Signage Project	NEW07					3,226,581	3,226,580	645,320	2,581,260
34	Marketing Plotter Replacement 2025	NEW18					33,405	33,410	33,410	-
35	Support Vehicle Replacement 2025	NEW20					1,266,876	1,266,880	1,266,880	-
36	Stream Community Line Expansion	NEW33					1,419,525	1,419,530	283,910	1,135,620
37	Stream S. Meridian/SR 161 Transit Signal Prioritization	NEW39					1,560,000	1,560,000	260,000	1,300,000
Subtotal Other Projects			13,433,418	1,483,418	968,600	10,981,400	9,237,147	20,418,560	6,660,310	13,758,250
38	Narrows Park and Ride Renewal	503	1,013,060	134,986	426,920	451,154		451,150	451,150	-
39	Spanaway Transit Center Park and Ride	556	9,242,886	6,738,604	992,820	1,511,462		5,461,460	5,461,460	-
40	South Hill Mall Transit Center Renewal	571	1,807,028	1,691,450	-	115,578		115,580	115,580	-
41	Tacoma Dome Station Elevator Repairs and Upgrades	588	3,451,549	2,738,819	106,720	606,010		606,010	299,360	306,650
42	Spanaway Transit Center Parking Lot Expansion	607	15,493,350	214,223	153,750	15,125,377		15,125,380	1,982,930	13,142,450
43	Tacoma Dome Station Garage Wayfinding Design	608	1,308,837	34,917	-	1,273,920		1,273,920	530,520	743,400
44	TDS HVAC Metasys Bldg Mgmt	669	17,300	-	-	17,300		17,300	6,920	10,380
45	Commerce Tunnel Gate Retrofit	NEW15					120,000	120,000	120,000	-
46	72nd and Portland Transit Center Roof Replacement	NEW22					64,933	64,930	64,930	-
47	Lakewood Transit Center Roof Replacement at Comfort Station	NEW23					25,200	25,200	25,200	-
48	TCC Battery Electric Bus On-Route Charging	NEW36					3,761,407	3,761,410	1,487,970	2,273,440
49	Lakewood Transit Center Inductive Chargers and Support	NEW37					6,176,800	6,176,800	1,235,360	4,941,440
Subtotal Passenger Facilities Projects			32,334,010	11,552,999	1,680,210	19,100,801	10,148,340	33,199,140	11,781,380	21,417,760
50	SHUTTLE Replacement 2019	558	1,051,607	-	763,620	287,987		287,990	287,990	-
51	SHUTTLE Replacement 2022	623	2,928,534	4,305	2,291,220	633,009		633,010	(1,129,920)	1,762,930
52	Barrier Door Install	636	606,580	7,199	8,660	590,721		590,720	590,720	-
53	SHUTTLE Replacement 2023	637	3,114,590	-	-	3,114,590		3,114,590	623,080	2,491,510
54	Bus Fleet Replacement 2023	638	13,541,180	-	-	13,541,180		13,541,180	2,708,240	10,832,940
55	Vanpool Replacement 2023	646	1,933,230	834,892	23,640	1,074,698		1,074,700	1,074,700	-
56	Bus Fleet Replacement 2024	659	13,651,990	-	-	13,651,990		13,651,990	2,730,390	10,921,600
57	SHUTTLE Replacement 2024	660	13,898,430	-	-	13,898,430		13,898,430	10,933,840	2,964,590
58	Rideshare Replacement 2024	665	2,002,300	-	-	2,002,300		2,002,300	1,614,140	388,160
59	SHUTTLE Replacement 2025	NEW01					4,120,340	4,120,340	824,070	3,296,270
60	Bus Fleet Replacement 2025	NEW02					8,796,250	8,796,250	1,759,250	7,037,000
61	Rideshare Replacement 2025	NEW17					3,424,363	3,424,360	3,424,360	-
Subtotal Revenue Vehicle Projects			52,728,441	846,395	3,087,140	48,794,906	16,340,953	65,135,860	25,440,860	39,695,000
62	Security Systems Replacement	452	4,080,769	2,373,642	347,970	1,359,157		1,359,160	1,122,270	236,890
63	ngORCA	482	6,154,834	3,962,213	61,940	2,130,681		2,130,680	2,130,680	-
64	Backup Software Replacement 2018	543	120,000	103,100	-	16,900		16,900	16,900	-
65	CAD-AVL System Replacement 2019	573	11,000,000	8,103,765	996,160	1,900,075		1,900,080	(1,438,350)	3,338,430
66	Storage Area Network 2019	579	294,700	176,381	26,760	91,559		91,560	91,560	-
67	Call Center Software Replacement 2021	604	159,000	144,115	-	14,885		14,880	14,880	-
68	NeoGov HRIS Module	609	150,000	44,616	-	105,384	10,000	115,380	115,380	-
69	ADEPT Upgrade or Replacement 2022	625	2,200,000	2,688	-	2,197,312		2,197,310	2,197,310	-
70	Real Time Sign Refurbishment	645	43,070	-	-	43,070		43,070	43,070	-
71	Managed Cyber Security Services	650	250,000	-	-	250,000		250,000	250,000	-
72	SQL Service DB Monitoring	667	27,310	-	-	27,310		27,310	27,310	-
73	ngORCA Phase 2	670	780,360	-	-	780,360		780,360	780,360	-
74	DriveCam Equipment Replacement 2024	672	264,300	-	254,330	9,970		9,970	9,970	-
75	Finance ERP	675	3,900,000	-	-	3,900,000		3,900,000	3,900,000	-
76	Network Infrastructure Replacement 2024	678	1,646,880	-	-	1,646,880		1,646,880	1,646,880	-
77	Hastus Upgrade 2025	NEW08					824,868	824,870	824,870	-
78	Network Infrastructure Replacement 2025	NEW10					678,040	678,040	678,040	-
79	VOAM Module Interface	NEW19					227,921	227,920	227,920	-
Subtotal Technology Projects			31,071,223	14,910,520	1,687,160	14,473,543	1,740,829	16,214,370	12,639,050	3,575,320
Total Capital Projects			198,386,938	81,159,487	10,520,590	106,706,861	55,206,539	166,052,330	68,767,920	97,284,410

Six-Year Forecast



Six-Year Financial Plan

	2025	2026	2027	2028	2029	2030
Beginning Balance	240,504,590	171,255,240	172,000,380	157,655,650	145,222,200	136,325,260
Revenues						
Operating						
Passenger Fares	7,030,520	7,329,330	7,646,220	7,982,290	8,338,690	8,716,650
Advertising	605,000	610,100	615,300	620,610	626,020	631,540
Regional Transit Service	60,919,470	65,705,510	68,460,820	71,331,890	74,326,170	77,446,460
Non-Operating						
Sales Tax	113,220,060	115,940,460	118,716,100	121,532,670	124,380,930	127,234,310
Miscellaneous	823,280	2,038,160	2,053,340	1,993,420	1,943,410	1,911,450
Contributions						
Operating	18,230,380	21,745,160	19,519,530	19,307,380	19,307,380	19,307,380
Capital	97,284,410	2,750,640	1,739,390	772,560	5,374,980	5,378,690
Total Revenue	298,113,120	216,119,360	218,750,700	223,540,820	234,297,580	240,626,480
Expenditures						
Operating						
Wages	94,961,010	100,907,420	105,208,030	109,691,870	114,366,830	119,241,040
Benefits	32,469,510	34,308,560	35,770,710	37,295,250	38,884,710	40,541,960
Maintenance & Operations	72,586,080	69,860,590	71,467,380	73,111,120	74,792,680	76,512,920
Non-Operating	1,293,540	1,325,010	1,058,760	1,058,760	1,058,760	1,058,760
Capital	166,052,330	8,972,640	19,590,550	14,817,270	14,091,540	20,934,260
Total Expenditures	367,362,470	215,374,220	233,095,430	235,974,270	243,194,520	258,288,940
Ending Balance	171,255,240	172,000,380	157,655,650	145,222,200	136,325,260	118,662,800
Required Reserves	42,589,340	43,424,980	44,595,640	45,857,450	47,167,940	56,929,050
Margin(Deficit)	128,665,900	128,575,400	113,060,010	99,364,750	89,157,320	61,733,750



Six-Year Capital Plan

#	Project Name	Project #	2025	2026	2027	2028	2029	2030
1	Security Systems Replacement	452	1,359,160					
2	ngORCA	482	2,130,680					
3	Narrows Park and Ride Renewal	503	451,150					
4	Maintenance & Operations Base Improvements (MOBI)	525	7,595,090					
5	Backup Software Replacement 2018	543	16,900					
6	Spanaway Transit Center Park and Ride	556	5,461,460					
7	SHUTTLE Replacement 2019	558	287,990					
8	South Hill Mall Transit Center Renewal	571	115,580					
9	CAD-AVL System Replacement 2019	573	1,900,080					
10	Storage Area Network 2019	579	91,560					
11	Tacoma Dome Station Elevator Repairs and Upgrades	588	606,010					
12	Call Center Software Replacement 2021	604	14,880					
13	Spanaway Transit Center Parking Lot Expansion	607	15,125,380					
14	Tacoma Dome Station Garage Wayfinding Design	608	1,273,920					
15	NeoGov HRIS Module	609	115,380					
16	Commerce Facility Bus Charging Station	612	1,123,720					
17	Bldg 5 A/V Equipment Replacement	620	1,410					
18	SHUTTLE Replacement 2022	623	633,010					
19	Support Vehicle Replacement 2022	624	3,540					
20	ADEPT Upgrade or Replacement 2022	625	2,197,310					
21	Bus Stop Replacement	633	3,620,720					
22	Barrier Door Install	636	590,720					
23	SHUTTLE Replacement 2023	637	3,114,590					
24	Bus Fleet Replacement 2023	638	13,541,180					
25	Support Replacement 2023	639	211,380					
26	Bldg 5 Exterior Sealing	642	130,000					
27	Bldg 4 Exterior Painting	643	273,070					
28	Real Time Sign Refurbishment	645	43,070					
29	Vanpool Replacement	646	1,074,700					
30	Behavioral Health Vehicle	648	39,130					
31	Public Safety Vehicle Expansion (2)	649	124,960					
32	Managed Cyber Security Services	650	250,000					
33	Base BEB Charging Expansion to 12 Buses	653	4,444,500					
34	Enhanced Bus SR7	657	5,613,590					
35	Bldg 1 Paint Booth Controls	658	210,580					
36	Bus Fleet Replacement 2024	659	13,651,990					
37	SHUTTLE Replacement 2024	660	13,898,430					
38	Bldg 1 Wheel Alignment Machine	661	103,000					
39	Bldg 1 Aerosol Can Crusher	663	25,290					
40	Bldg 1 Sand Blast Cabinet	664	39,030					
41	Rideshare Replacement 2024	665	2,002,300					
42	Support Vehicle Replacement 2024	666	896,150					
43	SQL Service DB Monitoring	667	27,310					
44	CNG Compressor Transformers	668	172,500					
45	TDS HVAC Metasys Building Management	669	17,300					
46	ngORCA Phase 2	670	780,360					
47	Bldg 4 HVAC Retrofit	671	305,900					
48	DriveCam Equipment Replacement 2024	672	9,970					
49	Bldg 1 Heavy Duty Box and Pan Bending Brake	673	13,740					
50	Bldg 1 Three Phase Spot Welder	674	50,000					
51	Finance ERP	675	3,900,000					
52	Bldg 5 Specialized Transportation Work Area Redesign	676	400,400					
53	Bldg 1 Training Room Technology Upgrade	677	22,250					
54	Network Infrastructure Replacement 2024	678	1,646,880					
55	Gantry with Depot Conductive Charging Infrastructure for 30	680	16,963,830					
56	Miscellaneous Capital Equipment	778	200,000					
Subtotal Carryover and Additional			128,913,030	-	-	-	-	-
57	SHUTTLE Replacement 2025	NEW01	4,120,340					
58	Bus Fleet Replacement 2025	NEW02	8,796,250					
59	Bus Lot Emergency Notification System	NEW03	53,530					
60	Bldg 1 Security Cameras and EWS Stations	NEW04	38,760					
61	Fuel and Wash TV Monitor screens	NEW05	17,000					
62	Fleet Maintenance Purchases	NEW06	637,330					
63	Braille Tactile Signs and Real Time Signage Project	NEW07	3,226,580					
64	Hastus Upgrade 2025	NEW08	824,870					
65	Network Infrastructure Replacement 2025	NEW10	678,040					
66	Bldg 1 Tire Shop Office Renovation	NEW12	44,000					
67	Commerce Tunnel Gate Retrofit	NEW15	120,000					
68	Fuel and Wash Electric Vehicle Chargers	NEW16	429,270					
69	Rideshare Replacement 2025	NEW17	3,424,360					
70	Marketing Plotter Replacement 2025	NEW18	33,410					
71	VOAM Module Interface	NEW19	227,920					
72	Support Vehicle Replacement 2025	NEW20	1,266,880					
73	72nd and Portland Transit Center Roof Replacement	NEW22	64,930					
74	Lakewood Transit Center Roof Replacement at Comfort Station	NEW23	25,200					
75	Stream Community Line Expansion	NEW33	1,419,530					
76	TCC Battery Electric Bus On-Route Charging	NEW36	3,761,410					
77	Lakewood Transit Center Inductive Chargers and Support	NEW37	6,176,800					
78	Bldg 5 Electric Vehicle Charger Expansion	NEW38	192,890					
79	Stream S. Meridian/SR 161 Transit Signal Prioritization	NEW39	1,560,000					
Subtotal New Requests			37,139,300	-	-	-	-	-

Six-Year Capital Projects

#	Project Name	Project #	2025	2026	2027	2028	2029	2030
80	Bldg 1 Body Shop Fresh Air System	OUTYEAR01		31,250				
81	Bldg 1 Vertical Band Saw Replacement	OUTYEAR02		38,500				
82	Bldg 1 Wheel and Tire Balancer Replacement	OUTYEAR03		10,000				
83	Bldg 5 State of Good Repair	OUTYEAR04		1,050,180				
84	Bldg 6 RTU HVAC	OUTYEAR05		115,500				
85	Bldg 6 State of Good Repair	OUTYEAR06		443,340				
86	Kimball Park and Ride State of Good Repair	OUTYEAR07		195,350				
87	Network Infrastructure Replacement 2026	OUTYEAR08		1,000,000				
88	Rideshare Replacement 2026	OUTYEAR09		2,031,140				
89	SHUTTLE Replacement 2026	OUTYEAR10		3,114,110				
90	South Hill Transit Center State of Good Repair	OUTYEAR11		24,690				
91	Support Vehicle Replacement 2026	OUTYEAR12		418,220				
92	TCC Transit Center State of Good Repair	OUTYEAR13		68,100				
93	TDS State of Good Repair	OUTYEAR14		314,670				
94	TDS Call Center Furniture Replacement	OUTYEAR15		117,590				
95	512 Park and Ride Seal and Stripe Pavement and Asphalt	OUTYEAR16			99,140			
96	Bldg 1 Transmission Jack Replacement	OUTYEAR17			30,000			
97	Bldg 5 Roof Top Unit HVAC	OUTYEAR18			236,250			
98	Bus Fleet Replacement 2027	OUTYEAR19			12,679,430			
99	Commerce Station State of Good Repair	OUTYEAR20			296,100			
100	Network Infrastructure Replacement 2027	OUTYEAR21			1,000,000			
101	Rideshare Replacement 2027	OUTYEAR22			4,288,790			
102	Support Vehicle Replacement 2027	OUTYEAR24			960,840			
103	Bldg 1 Auto Shop Bench Grinder	OUTYEAR25				10,000		
104	Bus Fleet Replacement 2028	OUTYEAR26				13,134,630		
105	Network Infrastructure Replacement 2028	OUTYEAR27				1,000,000		
106	Support Vehicle Replacement 2028	OUTYEAR30				672,640		
107	72nd and Portland Transit Center State of Good Repair	OUTYEAR31					37,390	
108	Bldg 1 Bench Grinder A Replacement	OUTYEAR32					8,800	
109	Bldg 1 Bench Grinder B Replacement	OUTYEAR33					8,800	
110	Bldg 4 Fire Alarm System	OUTYEAR34					138,290	
111	Bus Fleet Replacement 2029	OUTYEAR35					6,232,340	
112	Network Infrastructure Replacement 2029	OUTYEAR36					1,000,000	
113	Parkland Transit Center State of Good Repair	OUTYEAR37					97,210	
114	Rideshare Replacement 2029	OUTYEAR38					74,690	
115	SHUTTLE Replacement 2029	OUTYEAR39					5,753,020	
116	Support Vehicle Replacement 2029	OUTYEAR40					741,000	
117	72nd Park and Ride Seal Coat and Striping	OUTYEAR41						23,400
118	Bldg 1 Brake Dyno Replacement	OUTYEAR42						250,000
119	Bldg 1 Horizontal Ban Saw Replacement	OUTYEAR43						13,200
120	Bldg 1 Parts Washer Replacement	OUTYEAR44						275,000
121	Bus Fleet Replacement 2030	OUTYEAR45						13,136,180
122	Network Infrastructure Replacement 2030	OUTYEAR46						1,000,000
123	SHUTTLE Replacement 2030	OUTYEAR47						6,031,300
124	Support Vehicle Replacement 2030	OUTYEAR48						205,180
Subtotal Outyear Requests			-	8,972,640	19,590,550	14,817,270	14,091,540	20,934,260
Grand Total			166,052,330	8,972,640	19,590,550	14,817,270	14,091,540	20,934,260
A portion of the project is funded by grants.								

The six-year financial table and chart above illustrate the forecasted trajectory of the agency's finances. In 2025, both revenues and expenditures are higher compared to the subsequent years. This is primarily due to the outstanding capital projects carried forward from 2024. Although the full amount of these projects is budgeted in the first year of the plan, larger construction-type projects typically incur expenses over multiple years.

From 2026 through 2030, while our revenues show a year-over-year increase, expenditures continue to outpace revenues. This trend results in a gradual decrease in our reserves each year. However, it is important to note that we maintain reserves higher than those required by our municipal code throughout the entire six-year plan.

While the list of capital projects for the outyears includes those that we routinely replace, such as vehicles, each year we conduct a comprehensive evaluation of projects across the entire agency. This process may result in the addition of new projects to future budgets that are not currently listed.

Appendix



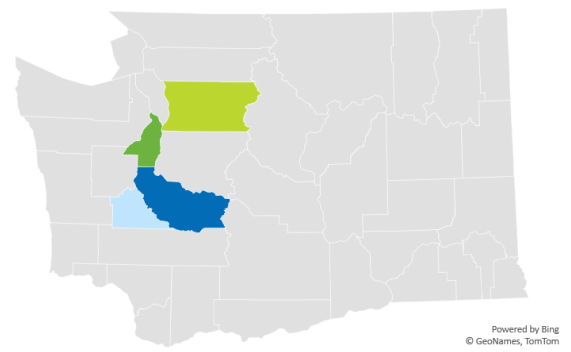
Service Summary

All Modes				% Change 2024
	2023 Actual	2024 YE Estimate	2025 Budget	YE Estimate - 2025 Budget
Pierce Transit - Fixed Route				
Ridership	6,096,759	6,488,384	6,983,902	7.6%
Service Hours	424,009	454,047	482,000	6.2%
Service Miles	4,951,925	5,344,095	5,673,099	6.2%
Sound Transit - Fixed Route				
Ridership	2,821,392	2,689,877	3,022,108	12.4%
Service Hours	255,055	242,988	273,000	12.4%
Service Miles	5,642,694	5,405,195	6,072,803	12.4%
Total Fixed Route				
Ridership	8,918,151	9,178,261	10,006,010	9.0%
Service Hours	679,064	697,035	755,000	8.3%
Service Miles	10,594,619	10,749,290	11,745,902	9.3%
SHUTTLE				
Ridership	262,611	315,113	333,724	5.9%
Service Hours	169,071	193,697	204,505	5.6%
Service Miles	2,320,309	2,679,896	2,834,515	5.8%
Runner				
Ridership	22,903	41,007	45,113	10.0%
Service Hours	5,850	41,826	47,995	14.7%
Service Miles	89,524	417,365	461,300	10.5%
Rideshare				
Ridership	414,614	406,000	410,500	1.1%
Service Hours	102,419	105,000	107,500	2.4%
Service Miles	3,306,292	3,508,000	3,600,000	2.6%
AGENCY TOTAL				
Ridership	9,618,279	9,940,381	10,795,347	8.6%
Service Hours	956,404	1,037,558	1,115,000	7.5%
Service Miles	16,310,744	17,354,551	18,641,717	7.4%

Peer Comparison

Agency	Agency Profile				Sales Tax Rate	Local Fares		
	Service Population	Service Area (Sq Mi)	FTA Urbanized Zone Area	Vehicles Operated at Maximum Service		Adult	Discounted	Adult Monthly
Pierce Transit	575,963	292	Seattle	351	0.6%	\$ 2.00	\$ 1.00	\$ 62.00
Kitsap Transit	254,183	396	Bremerton	213	0.8%	\$ 2.00	\$ 1.00	\$ 50.00
InterCity Transit	198,000	101	Olympia	233	1.2%	\$ -	\$ -	\$ -
Community Transit	804,287	258	Seattle	505	1.2%	\$ 2.50	\$ 1.25	\$ 90.00

Agency	Motor Bus				
	Operating Expenses	Vehicle Revenue Miles	Vehicle Revenue Hours	Unlinked Trips	Fare Revenue
Pierce Transit	69,288,838	4,558,354	407,561	4,363,241	4,462,149
Kitsap Transit	26,646,477	2,036,360	116,731	946,001	1,889,919
InterCity Transit	29,694,801	2,342,918	180,687	2,287,878	-
Community Transit	79,800,613	6,311,028	440,436	4,000,232	3,706,721
Agency	SHUTTLE				
	Operating Expenses	Vehicle Revenue Miles	Vehicle Revenue Hours	Unlinked Trips	Fare Revenue
Pierce Transit	13,266,088	1,367,836	96,105	163,024	204,661
Kitsap Transit	13,128,283	974,582	63,255	153,020	160,240
InterCity Transit	14,371,857	857,985	78,734	115,286	-
Community Transit	7,725,100	877,538	50,919	85,059	223,654
Agency	Vanpool				
	Operating Expenses	Vehicle Revenue Miles	Vehicle Revenue Hours	Unlinked Trips	Fare Revenue
Pierce Transit	3,485,434	2,583,536	73,511	323,089	1,321,152
Kitsap Transit	847,124	363,404	11,950	63,723	134,449
InterCity Transit	2,316,905	1,435,516	37,400	178,904	301,631
Community Transit	2,844,848	1,582,130	48,425	227,847	1,784,087



Our peers were selected by the location and services of the providing agency. They serve similar areas considered to be city and suburban and offer fixed route, demand response, and RideShare modes. The following charts breaks down the spending on a per unit basis to make comparisons easier to determine utilizing the last completed year of NTD data, currently 2022. The definitions below will assist you in understanding what is being measured in the charts.

Revenue Mile: The total miles driven while the vehicle is in service providing passenger trips, not including the miles from base to the first stop or the last stop returning to base.

Revenue Hour: The total hours driven while the vehicle is in service providing passenger trips, not including the time from base to the first stop or the last stop returning to base.

Unlinked Passenger Trip: The total number of passengers who board public transportation vehicles counted each time they board.

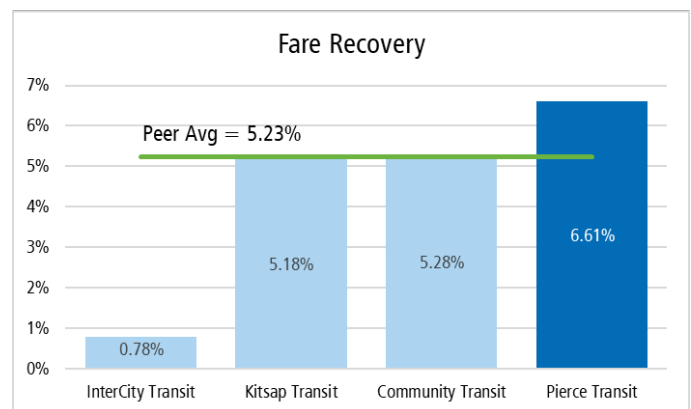
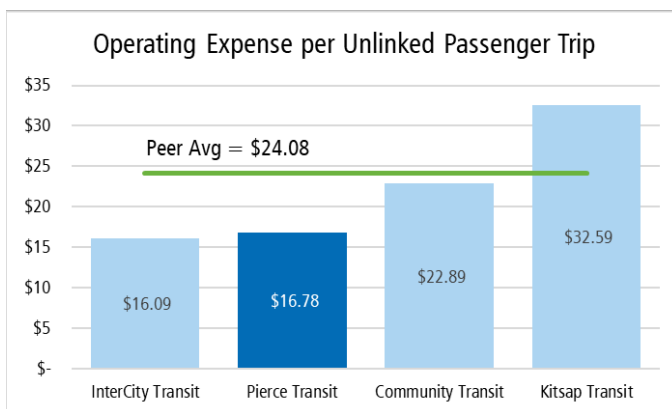
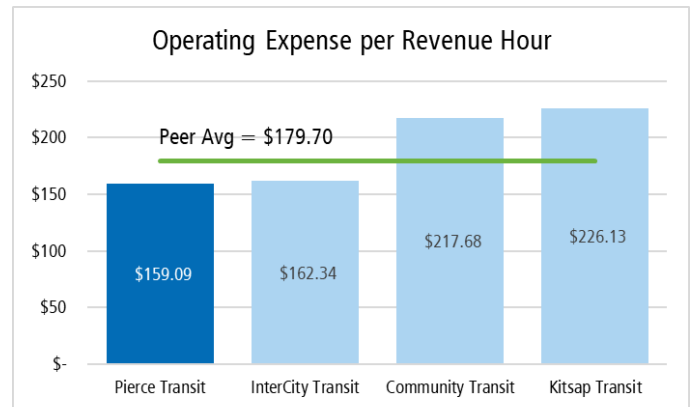
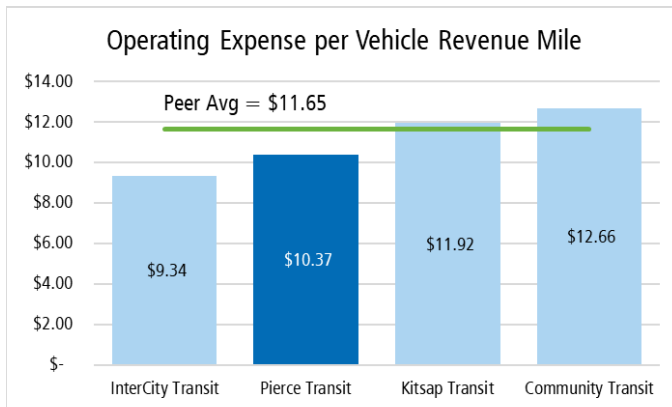
Fare Recovery: The amount of money collected by the specific mode to offset the costs of operating the mode.

Peer Comparison

ALL MODES

It is important to compare how well we are doing year-over-year to ourselves, but it is equally important to see how compare with our peers. Pierce Transit performs well compared to peers, being under the average in all the costs per unit calculations. We also, have the highest fare recovery of the agencies.

Information by specific mode can be found in the Budget by Mode section of this budget document.



Acronyms

Acronyms are words formed from the initial letters of other words most used in the context of the budget.

BEB – Battery Electric Bus

FTA – Federal Transit Administration

FTE – Full-Time Equivalent

FY – Fiscal Year

M&O – Maintenance and Operations

MOBI – Maintenance & Operations Base Improvements

ngORCA – Next Generation One Regional Card for All

NTD – National Transit Database

PT – Pierce Transit

PTBA – Public Transportation Benefit Area

SSES – Stream System Expansion Study

ST – Sound Transit

TDS – Tacoma Dome Station

WSDOT – Washington State Department of Transportation

YE – Year End

Glossary

Accrual Basis of Accounting – A method of accounting that matches revenues and expenditures with the period to which they relate rather than received or distributed.

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.

Appropriation – A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes.

Beginning Balance – The fund balance as of January 1.

Benefits – Employer paid costs provided for employees such as retirement contributions, medical and dental insurance premiums, and workers’ compensation.

Boardings – Passengers are counted each time they board revenue vehicles no matter how many vehicles they use to travel from their origin to their destination. The official name of this statistic in National Transit Database (NTD) terms is “unlinked passenger trip.”

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

Budget – A financial plan for the operation of a program or organization for a specific timeframe or through project completion.

Budget Amendment – A budget amendment is a formal action of the Board of Commissioners to approve additional appropriations after the initial budget adoption.

Budget Revision – A budget revision is a record of change to the budget with no financial impact.

Bus Rapid Transit – Bus Rapid Transit systems are designed to carry larger numbers of riders with greater speed, reliability, and frequency than a standard fixed-route bus.

Capital – Purchase or construction project that has a cost of greater than \$5,000, or \$50,000 aggregate, and a useful life of greater than one year.

Capital Budget – A portion of the annual budget that appropriates funds for the purchase of capital items.

Consumer Price Index (CPI) – A statistical description of price levels provided by the U.S. Department of Labor that measures the change in the cost of goods purchased in comparative timeframes.

Cost per Passenger – The cost of carrying each passenger 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 determined by dividing the total cost of providing service by the total number of miles traveled.

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

Glossary

Debt Service – The annual debt service requirements and future debt service schedule associated with the bonds currently outstanding as determined by the debt policy. Debt service includes the principal and interest payment obligations for the defined periods.

Division – An organizational unit of the Agency responsible for carrying out Agency functions.

Ending Balance – The fund balance as of December 31.

Enterprise Fund – An enterprise fund is a type of proprietary fund used to account for a government's business-type activities and used to report any activity for which a fee is charged to external users for goods or services.

Expenditure – The payment of cash or the transfer of property or services for the purpose of acquiring an asset, service, or materials.

Expenses – Decreases in net total assets that represent the total cost of operations during a period regardless of the timing of related expenditures.

Farebox Recovery Ratio – The total fares collected divided by total costs to operate the service.

Fiscal Year – The fiscal year for Pierce Transit is the calendar year January 1 through December 31.

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

Full-time Equivalents (FTEs) – A unit used for measuring personnel according to the percentage of hours worked annually, based on a 40-hour workweek / 52 weeks / 2080 hours.

Fund – A fiscal or accounting entity with a self-balancing set of accounts, established for the purpose of carrying on specific activities.

Grants – A contribution by a government or other organization to support a particular function.

Insurance Budget – A portion of the annual budget that appropriates funds for Workers' Compensation and Unemployment claims.

Insurance Reserve – Reserves set at a level to adequately protect the Agency from self- insurance risks that is evaluated annually.

Key Performance Indicators (KPI) – Measures by which Pierce Transit evaluates the effectiveness and efficiency of its operations.

Maintenance and Operation Expenditures (M&O) – This term refers to expenditures paid to obtain goods or services, including services, supplies, fuel, utilities, insurance, etc. This category does not include personnel or capital expenditures.

On Demand Services – Allows user to ride-hail on-demand trips within a specific microtransit zone using a mobile app.

One Regional Card for All (ORCA) – The seamless fare system for the region's customers, enabling agencies to offer transit fare options, reduce media confusion, and improve interagency fare revenue reconciliation through an apportionment process.

Operating Budget – A portion of the annual budget that appropriates funds for continued operations.

Glossary

Personnel – This item includes the cost of all salaries, wages, overtime, and benefits associated with the Agency's staff.

Reserve – Reserves maintained to provide a sufficient working capital and balance to finance cash flow requirements, unanticipated downturns in revenues, and provide funds for emergency expenditures set by Board of Commissioners.

Revenue – Income received by the agency in support of its program of services to the community.

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

RideShare (formally Vanpool) – A group of 3 to 15 people sharing the ride in an 8, 12, or 15-passenger van.

Ridership – The total number of passenger boardings on fixed route, SHUTTLE, or rideshare in a year.

Sales Tax – Tax on certain forms of consumption levied by the State of Washington within the service district for the Agency in the amount of six-tenths of one percent (0.6 percent) effective 7/1/02.

Self-insurance – The items determined to be administered by the Agency rather than covered by an insurance policy.

Service Hours – A calculation of service based on the number of hours a vehicle is on the road, includes revenue, recovery, and deadhead 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 – A program whereby transportation services are provided to those with a qualifying disability within $\frac{3}{4}$ of a mile of our fixed bus routes.

Single-Enterprise Fund – A self-supporting government fund whose activities include selling goods and/or services to the public for a charge or fee.

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.

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