



2017 Annual Budget

Proposed

October 13, 2016

INTRODUCTION

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

2017 BUDGET ASSUMPTIONS

The following assumptions are incorporated into the preliminary budget.

Operating Revenue

- Ridership is trending above 2016 budgeted amounts; however with no significant changes to service in 2017, fare revenue is expected to remain at current levels. Skokomish Tribe pilot project funding will be exhausted at the end of 2016. This service will continue as Route 11; costs for operating this route will be absorbed by agency. Worker/Driver and Vanpool ridership has experienced a decrease; assuming it is due to gas prices remaining low.
- 2016 sales tax revenue is projected to exceed the 2016 budgeted amount by 2.2%. With no foreseeable indicators to push sales tax revenue higher in 2017, budgeted amount will be conservative at 2016 levels.
- 2017-2019 operating grant funding is anticipated to remain consistent with current levels per WSDOT. The 2017-2019 biennium request will be consistent with the 2015-2017 award.
- Rental income is expected to increase with full tenant occupancy expected in 2017 at the T-CC. Event usage is expected to increase as well now that the facility is well established.
- Investment income reflects a significant increase 2016. 2017 budgeted to maintain this trend without further growth.

Operating Expenses

- A net increase of 1.4 full-time equivalents (FTE's): .50 Accounting/HR Specialist (to be hired in 2017) to accommodate HR succession planning (offset by retiring Human Resources Manager); .50 Dispatch/Scheduler; 3.4 FTE additional drivers to cover compliance with the Affordable Care Act (ACA), a net decrease of 1 as the T-CC Assistant position remained vacant and was filled with the existing full-time custodian) and the reduction of 1 customer service rep as this position was moved to dispatch; a decrease of two Operations Supervisor (one moved to Operations Compliance position, the second replaced by 4 lead drivers).
- Medical premiums increasing by 4.5%
- No cost increase for Public Employee Retirement System (PERS) expected in 2017.
- Wages are still being negotiated for Collective Bargaining Units (CBU's); however the wages and salary budget is projected with an average 2% increase.
- Fuel prices forecasted to remain at 2016 levels. Increased fuel costs will be the result of transitioning to bio-fuel.
- Labor attorney costs are anticipated at approximately \$45,800. This will be an annual ongoing cost for contracts negotiations and renegotiations.

Mason Transit Authority
2017 Preliminary Budget - Operating

| | 2014 Actual | 2015 Actual | 2016 Year- end Projection | 2016 Budget | 2017 Budget | Notes | 2016 vs 2017 % Change- Budget |
|-----------------------------------|--------------------|--------------------|---------------------------------|------------------|------------------|-------------|--|
| REVENUE | | | | | | | |
| Passenger Fares | 98,175 | 92,665 | 97,302 | 93,500 | 98,300 | | 4.9% |
| PSNS Worker/Driver & Vanpool | 396,622 | 352,146 | 284,401 | 388,000 | 295,000 | | -31.5% |
| Special Contract Fares - Local | 128,248 | 12,120 | 101,631 | - | - | | |
| Operating Revenue (Fares) | 623,045 | 456,931 | 483,334 | 481,500 | 393,300 | (1) | -26.64% |
| Sales Tax | 3,480,456 | 3,835,605 | 3,958,121 | 3,871,659 | 3,858,621 | (2) | -0.34% |
| Operating Grants | 3,068,064 | 2,039,497 | 2,832,016 | 2,819,236 | 2,832,430 | (3) | 0.47% |
| Rental Income | 18,577 | 69,383 | 127,217 | 172,724 | 158,860 | (4) | -8.73% |
| Investment Income | 6,113 | 5,094 | 13,800 | 4,800 | 13,800 | (5) | 65.22% |
| Other Non-operating Revenue | 167,404 | 64,930 | 52,586 | 68,100 | 52,300 | (6) | -30.21% |
| Non-Operating Revenue | 6,740,613 | 6,014,509 | 6,983,740 | 6,936,519 | 6,916,011 | | 26.41% |
| Total Revenue | 7,363,658 | 6,471,440 | 7,467,074 | 7,418,019 | 7,309,311 | | -0.23% |
| EXPENSES | | | | | | | |
| Wages and Benefits | 4,550,769 | 5,188,984 | 5,223,108 | 5,483,991 | 5,591,017 | (7) | 1.91% |
| Contracted services | 151,536 | 226,777 | 256,219 | 310,926 | 292,129 | (8) | -6.43% |
| Purchased Transportation | 71,872 | 65,767 | 1,794 | 66,000 | - | (9) | #DIV/0! |
| Fuel | 483,001 | 321,965 | 275,000 | 440,202 | 350,000 | (10) | -25.77% |
| Vehicle/Facility Repair & Mainten | 178,986 | 252,917 | 316,677 | 275,259 | 323,165 | (11) | 14.82% |
| Insurance | 174,283 | 183,596 | 196,746 | 196,750 | 231,789 | (15) | 15.12% |
| Intergovernmental - Audit Fees | 23,184 | 20,797 | 27,000 | 25,000 | 27,000 | (12) | 7.41% |
| Facility Rent and Park & Ride | 11,050 | 5,925 | 17,425 | 9,625 | 27,480 | (14) | 64.97% |
| Utilities | 88,799 | 109,250 | 135,284 | 133,159 | 141,846 | (8) | 6.12% |
| Supplies | 149,636 | 252,240 | 103,474 | 181,615 | 129,130 | (8) | -40.65% |
| Training & Meetings | 42,483 | 62,260 | 34,779 | 70,555 | 45,400 | (13) | -55.41% |
| Other operating expenses | 99,146 | 136,860 | 123,850 | 171,702 | 150,076 | (8) | -14.41% |
| Total OPERATING EXPENSES | 6,050,538 | 6,827,338 | 6,711,356 | 7,364,784 | 7,309,032 | | -0.76% |
| Net Income (Loss) from | \$1,313,119 | (\$355,898) | \$755,718 | \$53,235 | \$279 | | 0.53% |

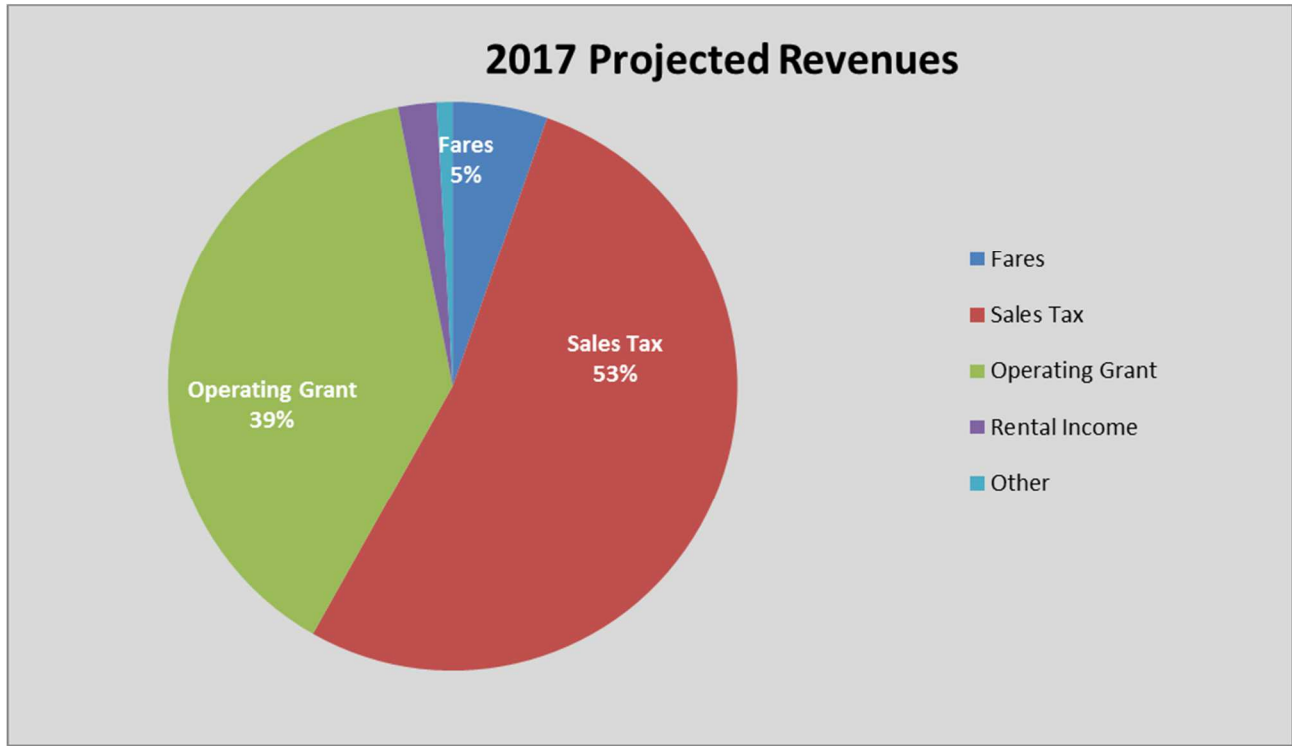
The Operating Budget does not include Capital expenditures (see Capital Budget below).

COMPARISON OF 2017 VS 2016 BUDGET

| | |
|------|---|
| (1) | Ridership is trending above 2016 budgeted amounts, however with no significant changes to service in 2017 fare revenue is expected to remain at current levels. Skokomish Tribe pilot project funding will be exhausted at the end of 2016. This service will continue as Route 11; costs for operating this route will be absorbed by agency. Worker/Driver and Vanpool ridership has seen a decrease as gas prices have remained low. |
| (2) | 2016 sales tax revenue is projected to exceed the 2016 budgeted amount by 2.2%. With no foreseeable indicators to push sales tax revenue higher in 2017, budgeted amount will be conservative at 2016 levels. |
| (3) | 2017-2019 operating grant funding is anticipated to remain consistent with current levels per WSDOT. The 2017-2019 biennium request will be consistent with the 2015-2017 award. |
| (4) | Rental income is expected to increase with full tenant occupancy expected in 2017 at the T-CC. Event usage is expected to increase as well now that the facility is well established. |
| (5) | Investment income reflects a significant increase 2016. 2017 budgeted to maintain this trend |
| (6) | No changes to non-operating revenue are expected in 2017. |
| (7) | The Wages and Benefits increase is due to a variety of factors: <ul style="list-style-type: none"> • There has been no PERS rate change announced for 2017 • A 4.5% increase in medical benefit • A 1.4 increase in FTE's (explanation below) • Wages are still being negotiated for CBU's, however the wage and salary budget is based on an average 2% increase. |
| (8) | Contract Services, supplies, utilities, and other expenses reflect the T-CC at full occupancy in 2017. |
| (9) | After School Activities program discontinued at the end of 2015. |
| (10) | Increase in Fuel reflects the transition to bio-fuel in 2017. |
| (11) | Vehicle and Facility Repair & Maintenance is expected to increase slightly with an aging fleet and 3% inflation. |
| (12) | Estimate for 2017 fee was quoted from the State Auditor's recent exit conference for the 2016 audit |
| (13) | Travel & Meeting expense reduced in 2017, some conferences will be attended every other year. |
| (14) | Facility Rent & Park & Ride increased to include lease on temporary Belfair Park & Ride location. |
| (15) | Insurance increase reflects WSTIP quoted premium for 2017. |

OPERATING REVENUES

Total operating revenue budget of \$7,308,741 is projected to decline from 2016 budget levels by \$56,043 or 0.25%. Major revenue sources include sales taxes collected in Mason County and grant funding.



Sales Taxes

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

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

The following chart shows actual sales tax revenue for 2010 through July 2016, along with the 2016 projections for August through December (based on 2016 budget).

Historical and Projected Sales Tax Revenue

| | 2010 Actual | 2011 Actual | 2012 Actual | 2013 Actual | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Budget |
|-------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| JAN | 223,403 | 220,895 | 223,999 | 219,231 | 237,528 | 279,122 | 246,415 | 240,204 |
| FEB | 220,311 | 213,228 | 241,132 | 217,929 | 227,815 | 281,559 | 262,925 | 256,297 |
| MAR | 263,166 | 271,661 | 257,893 | 260,652 | 278,053 | 307,482 | 328,665 | 320,381 |
| APR | 247,785 | 239,498 | 240,541 | 236,931 | 260,396 | 286,903 | 312,635 | 304,755 |
| MAY | 238,633 | 283,554 | 262,716 | 265,167 | 274,641 | 347,236 | 332,428 | 324,049 |
| JUN | 283,691 | 297,471 | 280,801 | 282,753 | 323,498 | 354,920 | 391,485 | 381,618 |
| JUL | 280,582 | 265,454 | 280,429 | 291,925 | 329,201 | 350,290 | 360,375 | 351,291 |
| AUG | 278,377 | 298,329 | 282,521 | 292,782 | 323,336 | 336,522 | 359,679 | 350,613 |
| SEP | 310,007 | 286,873 | 301,658 | 306,051 | 349,872 | 348,805 | 389,198 | 379,388 |
| OCT | 260,011 | 260,452 | 252,888 | 285,612 | 296,170 | 309,042 | 329,460 | 321,155 |
| NOV | 258,127 | 259,066 | 234,915 | 243,571 | 249,648 | 261,713 | 277,708 | 270,709 |
| DEC | 304,470 | 302,470 | 290,378 | 312,900 | 330,297 | 367,053 | 367,423 | 358,162 |
| Total | 3,168,563 | 3,198,952 | 3,149,871 | 3,215,506 | 3,480,456 | 3,830,645 | 3,958,396 | 3,858,621 |

Grant Revenues

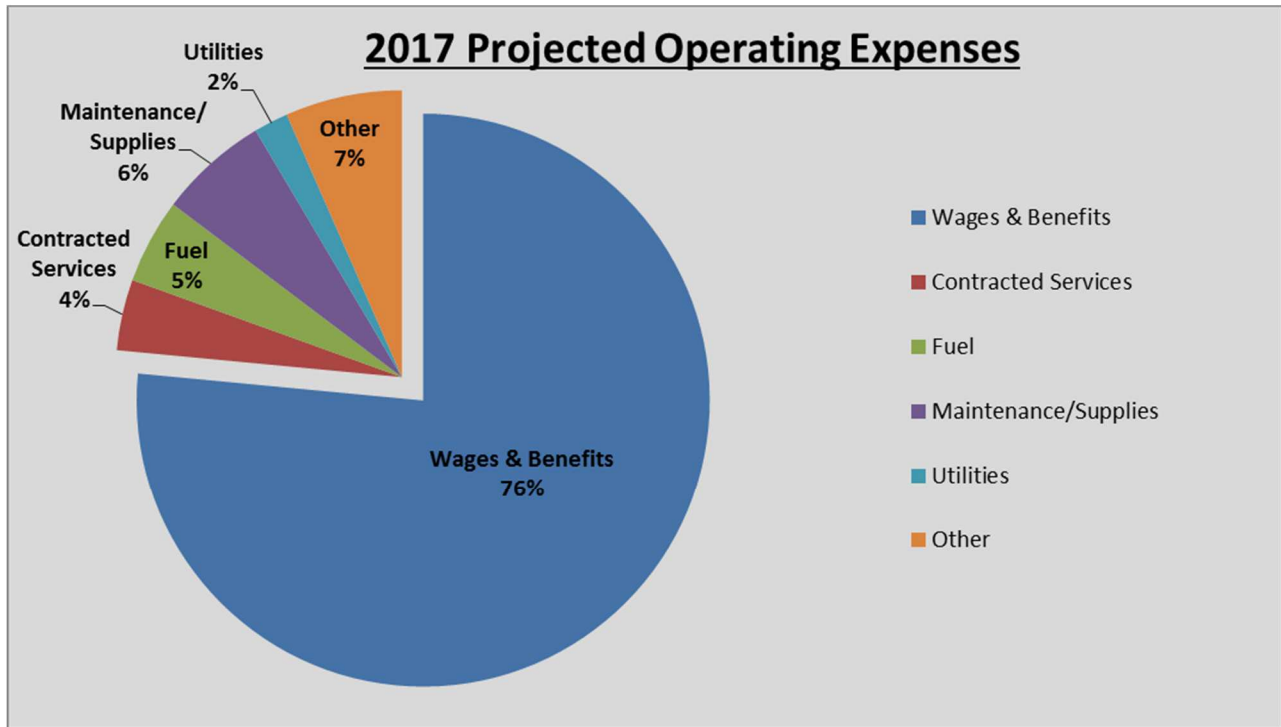
Operating grants comprise 39% of the operating expenditures. MTA received grant funding for the 2015-2017 Biennium to assist with operating service. 2017-2019 operating grant funding is anticipated to remain consistent with current levels per WSDOT. The 2017-2019 biennium request will be consistent with the 2015-2017 award.

Transit-Community Center Revenues

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

OPERATING EXPENSES

Total operating expenses for 2016 are projected at \$7,309,032, a decrease of 0.76 % or \$55,752.



Salaries, Wages, and Benefits

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

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

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

| Mason Transit Authority | | | | | | |
|--|-------------------------------|-------------|-------------------------------|--------------------------|-------------|--------------------------|
| Staff Positions and Full-Time (FTE) Equivalent Position Detail - 2016 & 2017 Budgets | | | | | | |
| Department | 2016 Budget - Positions | Change | 2017 Budget - Positions | 2016 Budget - FTEs | Change | 2017 Budget - FTEs |
| <u>Administration</u> | | | | | | |
| General Manager | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| HR Manager ⁽¹⁾ | 1.0 | -0.5 | 0.5 | 1.0 | -0.5 | 0.5 |
| Development Manager | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| Outreach Manager | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| Executive Assistant | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| Administrative Assistant | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| Total Administration | 6.0 | -0.5 | 5.5 | 6.0 | -0.5 | 5.5 |
| <u>Finance</u> | | | | | | |
| Finance Manager ⁽¹⁾ | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| Accounting Specialist | 2.0 | 0.0 | 2.0 | 2.0 | 0.0 | 2.0 |
| Accounting/HR Specialist ⁽²⁾ | 0.0 | 0.5 | 0.5 | 0.0 | 0.5 | 0.5 |
| Total Finance | 3.0 | 0.5 | 3.5 | 3.0 | 0.5 | 3.5 |
| <u>Maintenance/Facilities</u> | | | | | | |
| Maintenance Manager | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| Maintenance Support Technician | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| Lead Mechanic | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| Mechanics | 3.0 | 0.0 | 3.0 | 3.0 | 0.0 | 3.0 |
| Detailer | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| Maintenance Technician | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| Custodian | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| Total Maintenance/Facilities | 9.0 | 0.0 | 9.0 | 9.0 | 0.0 | 9.0 |
| <u>Operations</u> | | | | | | |
| Operations Manager | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| Operations Supervisor ⁽³⁾ | 5.0 | -2.0 | 3.0 | 5.0 | -2.0 | 3.0 |
| Operations Compliance Coordinator ⁽⁴⁾ | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 | 1.0 |
| Operations Coordinator | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| Dispatcher/Scheduler/CSR ⁽⁵⁾ | 8.0 | 0.0 | 8.0 | 7.5 | 0.5 | 8.0 |
| Drivers ⁽⁶⁾ | 46.0 | 0.0 | 46.0 | 40.4 | 3.4 | 43.8 |
| Worker/Drivers ⁽⁷⁾ | 11.0 | -2.0 | 9.0 | 2.5 | -0.5 | 2.0 |
| Total Operations | 72.0 | -3.0 | 69.0 | 57.4 | 2.4 | 59.8 |
| <u>Transit-Community Center</u> | | | | | | |
| T-CC Manager | 1.0 | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 |
| T-CC Assistant/Custodian ⁽⁸⁾ | 0.0 | 1.0 | 1.0 | 0.0 | 1.0 | 1.0 |
| Customer Service Reps | 2.0 | -2.0 | 0.0 | 1.0 | -1.0 | 0.0 |
| Custodian ⁽⁸⁾ | 1.0 | -1.0 | 0.0 | 1.0 | -1.0 | 0.0 |
| Total Transit-Community Center | 4.0 | -2.0 | 2.0 | 3.0 | -1.0 | 2.0 |
| TOTAL | 94.0 | -5.0 | 89.0 | 78.4 | 1.4 | 79.8 |

1) It is anticipated that the HR Manager will retire mid-year 2017. The succession plan is to move duties to other staff as appropriate with the managerial duties incorporated into the Finance Manager's responsibility. The job title for the Finance Manager will be changed to Administrative Services Manager,

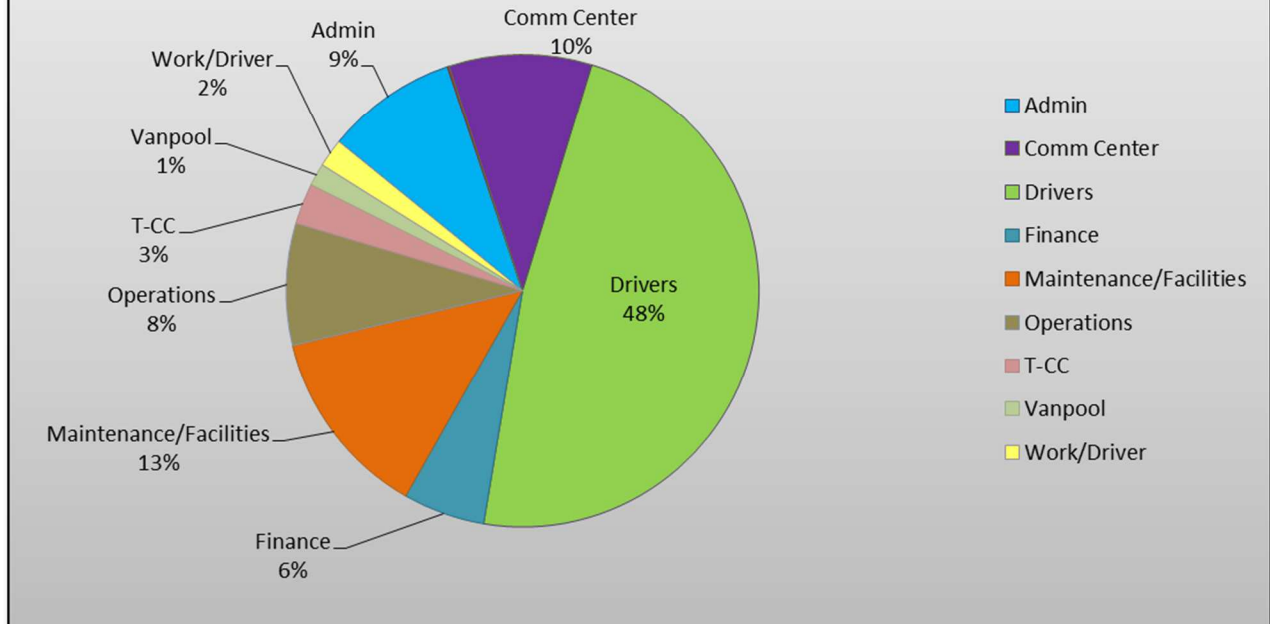
EXPLANATION OF CHANGES

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

Wages and benefits by team are as follows:

| | Salary | Holiday | Personal Leave | PERS | FICA | L&I | Benefits | Total |
|------------------------|------------------|----------------|--------------------|----------------|----------------|----------------|------------------|------------------|
| Admin | 319,991 | 12,745 | 2,968 | 37,565 | 25,681 | 2,464 | 98,753 | 500,167 |
| Board | 5,880 | | | | 450 | | | 6,330 |
| Comm Center | 327,184 | 13,193 | 2,639 | 38,383 | 26,241 | 3,681 | 131,344 | 542,664 |
| Drivers | 1,503,230 | 58,823 | 11,765 | 176,110 | 120,397 | 170,753 | 616,195 | 2,657,274 |
| Finance | 186,516 | 7,449 | 1,576 | 21,881 | 14,959 | 1,725 | 75,954 | 310,060 |
| Maintenance/Facilities | 401,934 | 16,207 | 3,241 | 47,153 | 32,236 | 35,815 | 187,436 | 724,023 |
| Operations | 288,785 | 11,645 | 2,329 | 33,879 | 23,161 | 16,378 | 84,986 | 461,162 |
| T-CC | 93,661 | 3,777 | 755 | 10,988 | 7,512 | 920 | 37,592 | 155,205 |
| Vanpool | 45,427 | 1,832 | 366 | 5,329 | 3,643 | 460 | 27,471 | 84,528 |
| Work/Driver | 79,830 | 3,070 | | 9,277 | 6,342 | 8,265 | | 106,784 |
| Total | 3,252,439 | 128,740 | 25,639 | 380,565 | 260,622 | 240,462 | 1,259,730 | 5,548,197 |
| | | | | | | | | |
| | | | | | | | | |
| | Salary | Holiday | Personal Lv | PERS | FICA | L&I | Benefits | Total |
| 2017 Budgeted Amounts | 3,252,439 | 128,740 | 25,639 | 380,565 | 260,622 | 240,462 | 1,259,730 | 5,548,197 |
| 2016 Budgeted Amounts | 3,244,812 | 127,095 | 24,812 | 378,986 | 259,850 | 235,479 | 1,157,973 | 5,429,008 |
| | 7,627 | 1,645 | 827 | 1,579 | 772 | 4,983 | 101,757 | 119,189 |
| Increase % | 0.24% | 1.29% | 3.33% | 0.42% | 0.30% | 2.12% | 8.79% | 2.20% |

2017 % of Wages and Benefits by Department



CAPITAL BUDGET - TBD

TRANSIT – COMMUNITY CENTER

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

Mason Transit Authority

Transit-Community Center Budget Breakout

| Revenue | 2017 Community Center Budget | 2017 Transit Budget | 2017 Total Budget |
|-------------------------------------|---------------------------------------|------------------------|----------------------|
| T-CC Event Rental | \$ 11,000 | | \$ 11,000 |
| T-CC Tenant Rental | 137,463 | | 137,463 |
| T-CC Paver | 0 | | 0 |
| Local Funds (Transit) | 0 | 0 | 0 |
| Total Projected Revenue | \$ 148,463 | \$ - | \$ 148,463 |
| EXPENSES | Community Center (71%)^ | Transit (29%)^ | Total Cost |
| Salaries and Benefits* | \$ 131,144 | \$ 24,489 | \$ 155,632 |
| Repair/Maintenance by Other | 710 | 290 | 1,000 |
| Professional and Technical Services | 2,819 | 1,151 | 3,970 |
| Contract Services | 1,448 | 592 | 2,040 |
| Printing | 320 | 131 | 450 |
| Security Services | 71 | 29 | 100 |
| Facility Repair/Maintenance | 1,988 | 812 | 2,800 |
| Office Supplies | 178 | 73 | 250 |
| Cleaning/Sanitation Supplies | 2,840 | 1,160 | 4,000 |
| IT Equipment | - | - | - |
| Water and Sewer | 6,390 | 2,610 | 9,000 |
| Garbage | 2,130 | 870 | 3,000 |
| Gas | 1,593 | 651 | 2,244 |
| Electric | 23,288 | 9,512 | 32,800 |
| Telephone Service | 1,136 | 464 | 1,600 |
| Internet Services | 1,136 | 464 | 1,600 |
| Insurance Premium | 16,457 | 6,722 | 23,179 |
| Dues, Memberships, Subscriptions | 391 | 160 | 550 |
| Travel & Meeting Expense MTA | 355 | 145 | 500 |
| Conference Registration | 355 | 145 | 500 |
| Training / Seminars | 142 | 58 | 200 |
| Advertising/Promotion Media | 1,065 | 435 | 1,500 |
| Other Misc Expenses | 298 | 122 | 420 |
| Office Equipment Lease | 1,435 | 586 | 2,021 |
| Total Expenses | \$ 197,688 | \$ 51,669 | \$ 249,356 |
| Net Revenue (Loss)+ | \$ (49,225) | \$ (51,669) | \$ (100,893) |

^Split 71%/29% unless noted

*Salaries and Benefits are split 36.39% Community Center and 63.61% Transit

+Excess revenue earned by the community center will offset local funds contribution



TEAM GOALS FOR 2016

Development Team Mission Statement

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

Development Team Goals for 2017

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

Revenue Sources and Cost Drivers

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

Significant Changes from 2016 to 2017

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

Finance Team Mission Statement

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

Finance Team Goals for 2017

- Prepare a financial policy manual

- Prepare a long-term projection of MTA’s financial sustainability and align with strategic plan
- Assist human resources with payroll processing
- Continue streamlining processes to promote efficiency and keep costs down
- Ensure cross-training for succession planning
- Begin process of reviewing accounting software for potential change

Revenue Sources and Cost Drivers

- No revenue sources
- Wages/benefits
- Audit costs

Budget Changes from 2016 to 2017

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

Human Resource (HR) Mission Statement

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

HR Goals for 2017

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

Revenue Sources and Cost Drivers

- Labor, training

Significant Changes from 2016 to 2017

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

Information Technology (IT) Team Mission Statement

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

IT Team Goals for 2017

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

Revenue Sources and Cost Drivers

- Scheduled computer replacement.

Budget Changes from 2016 to 2017

- No changes

Maintenance Team Mission Statement

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

Maintenance Team Goals for 2017

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

Revenue & Cost Drivers

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

Significant Changes from 2016 to 2017

- None.
- Following are maintenance challenges:
 - With our coach bus fleet currently averaging 290,000 miles and cutaways at 180,000 miles, we are experiencing major component failures that significantly increase our parts costs. Some of these components consist of: starters, alternators, air-compressors, injectors and

diesel particulate filters. We anticipate at least 50 percent (9) of our coach bus fleet will require some or all of the components requiring replacement within the next year. Repair and maintenance costs continue to rise. With an emphasis on improved fleet appearance and more accurate body damage reporting we have experienced an increase in body shop repairs. When possible we will repair in-house; however, we are not equipped to repair or paint body panels.

- Facility repair and maintenance costs may stabilize. With continued predictive maintenance and the addition of a new roof, LED lighting and other upgrades The Johns Prairie Facility is beginning to become less labor and material intensive. Items of continued concern are plumbing issues, especially waste. Electrical systems are another; we are not equipped or certified to repair high voltage circuitry.

Operations Team Mission Statement

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

Goals for 2016

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

Major Revenue and Cost Drivers

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

Significant Budget Changes from 2016 to 2017:

Impact on wages and benefits as a result of the:

- Drivers who average above 30 hours per week must be moved to full-time due to compliance requirements of the Affordable Care Act (ACA).
- Reducing the number of operations supervisors to two, along with the addition of four lead drivers saves one-half the cost of a supervisor.

Outreach Team Mission Statement

The **Outreach team** supports the agency's mission through implementing methods and processes that will inform, educate, and seek input from the communities, residents, and traveling public about the various services and programs MTA offers.

Goals for 2017

- Promotion of Regional Express Commuter services
- Promotion of Vanpool program
- Promote Volunteer Driver Program & Volunteer Recruitment
- Focus on improving customer information:

- Shelter/schedule displays
- Translate from English to Spanish pertinent informational documents such as Rider's Guide, Travel Training, etc.
- Social Media
 - Launch MTA Blog
 - Increase Social Media followers/exposure
 - Launch Facebook Page

Major Revenue and Cost Drivers

- Revenue:
 - Volunteer Driver Program Grant Funding = \$29,100-\$30,000
 - Advertising Revenue
- Cost Drivers:
 - Labor, printing, and advertising

Projected Significant Budget Changes from 2016 to 2017

- No significant changes

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

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

T-CC Team Goals for 2017

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

Major Revenue

- Tenant leases
- Event fees
- Users fees

Budget Changes from 2016 to 2017

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

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| 2017 Work Items |
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| Complete shelter replacement and upgrade project |
| Begin to formalize shift from flag-stop to fixed-stop service in Shelton's urban area |
| Install bus stop signs through Mason County |
| Park & Ride project (through 2019) |
| T-CC parking lot construction |
| Review personal protection equipment requirements. Purchase highly visible safety vest with MTA logo |
| NEMS training and preparedness; create procedures and training for lockdown situations |
| Complete LED headlamp replacement on buses |
| Re-train all drivers on a regular basis in order to provide consistent service and safety |
| Negotiate remaining union contracts |
| Review and update Employee Handbook based on union contracts |
| Establish Driver Awareness and Training Program to encourage reporting of near misses |
| Communicate expectations to staff through Employee Appraisals and Coaching/Counseling; establish consistent practices. |
| Continue to explore new options in hiring practices, positions, organizational structure and retention by looking at other transit agencies' practices and structure as well as working towards efficiency through job description review |
| Review benefit package and medical insurance options in preparation for 2018 changes due to Affordable Care Act Cadillac Tax |
| Implement a review plan for exempt and non-represented staff salaries and benefits |
| Prepare for retirement of HR Manager. Look at other key positions to begin establishing succession planning and establishing an internal process for promoting within first |
| Increase face-to-face time between staff |
| Establish Joint Labor Management Committees for each bargaining unit; establish a meeting schedule |
| Create e-learning and resource library |
| Invest in technical training for staff specific to route planning and development |
| Explore technological advances that can streamline our scheduling process |
| Research automated fueling |
| Create Financial Management Manual |
| Prepare for the 2018 alternative fuel mandate |
| Evaluate the facilities infrastructure with regard to MTA's ability to maintain obligations for current and planned facilities |
| Increase public relations activities and involvement on boards of local non-profit organizations that promote and support the growth of the community |
| Continue to work with City and County on fostering collaborative relationships |
| Respond to LMTAAA RFQ to secure funding for volunteer driver program |
| Develop a route deviation policy |
| Improve current rider materials, specifically the schedule book; translate rider materials into Spanish |
| Research to determine feasibility of bus wash |
| Evaluate available options and pilot implementation of driver tablet use |
| Develop a work plan for parking lot upgrades |
| Develop bridging activities, such as a job shadow program and internships, to create career pathways between youth (high school & college) and MTA |