



## Notes to the Condensed Profit & Loss Statement

1. Fares are anticipated to remain consistent with 2019, with some minimal growth to be captured from pass price increases that occurred in Q4 of 2019.
2. Vanpool service has declined so we realigned our expectation going into 2020. However, Worker/Driver fares have remained healthy and we expect them to perform at the same level of 2019 with some minimal growth.
3. Sales Tax has shown high levels of growth through the past few years, but to remain conservative we applied a 3% growth rate from 2019's budget. Excess sales tax revenue received over what is budgeted will be set aside in reserves to allocate to assist with operations, if necessary, or additional capital expenditures.
4. Operating grant revenue is based off the 2019-2021 biennium contract awards. We anticipate receiving state funding in 2020. However, should state grant funding be lost in 2020, the impact of the loss would be approximately \$1.4m.
5. The rental income is based upon current fixed leases through the majority of 2020. The increase of 25% over 2019's budget is due to Telecare's intent to renew their lease at the TCC, which was omitted from the 2019 budget due to the uncertainty of them renewing.
6. The treasury pool investment account continues to grow as well as interest rates. Budgeted amount for 2020 remained conservative, as interest rates may fluctuate.
7. The Regional Mobility Grant is no longer in effect resulting in a significant decrease to other income. The expectation is that LMTAAA will continue providing \$38k of funding for 2020 and we will continue to commit an additional \$10k of our funds to support the program and its demand. In addition to the RMG funding halting, we are no longer accepting bus ads on our vehicles, further reducing this revenue line.
8. Salary and wages have been under an agency-wide wage analysis as reflected with the high growth level. Health benefit premiums had minimal increases. Of the two medical plans offered, only Kaiser had an increase of 1.9% and of the two dental plans offered, only Willamette had an increase in premium of 9%. No other insurance changes were quoted for 2020.
9. No large contracted projects are intended to occur in 2020 so this account remains lean, accommodating for those contracts and services that have already been established and are necessary.
10. Fuel is projected to come in under budget. As such we have adjusted our fuel expectations in 2020 as no major changes in service hours are expected. We continue to carry a fuel reserves should fuel trend upward unexpectedly.
11. A decrease in the budget for Repairs and Maintenance has been made as many major projects on the JP Facility have been completed recently. However, the account remains significant to accommodate for repairs and maintenance for both the facilities and fleet.
12. WSTIP Insurance coverage is quoted to increase by 3% due to premium rate increases.
13. Audit fees have historically increased by roughly 6% annually, as such we have budgeted this increase accordingly.
14. The decrease from supplies largely comes from the reduction in spending on IT related items. 2019 was a year where we replaced all desktop computers, and monitors, and made additional IT-related purchases to aid operations and service.
15. Trainings and meetings expense have decreased from prior year as only meetings and trainings that are necessary to maintain an educated staff have been budgeted.
16. Employee Recognition has increased to accommodate for a newly created driver annual safety award.
17. Other Operating expenses are anticipated to decrease as we reduce advertisement and dues/subscription spending.
18. The budget shows an allocation from reserves that was specifically established for future revenue needs. The allocation could potentially be larger should a loss of state grant funding occur sooner than anticipated due to the passage of I-976.

**Consolidated 2020 Budget**

			2019		Budget %		
	2017 Actual	2018 Actual	Projection	2019 Budget	2020 Budget	Change YoY	
<b>Operating Revenue (Fares)</b>							
Passenger Fares	98,224	101,791	96,112	103,500	105,000	1%	1
WD/VP	265,129	254,753	244,427	265,000	260,000	-2%	2
	363,353	356,544	340,539	368,500	365,000	-1%	
<b>Non-Operating Revenue</b>							
Sales Tax	4,258,175	4,807,028	5,078,401	3,936,179	4,054,264	3%	3
Operating Grants	2,913,315	3,378,164	3,769,161	3,189,554	3,049,288	-4%	4
Rental Income	181,205	180,439	186,624	143,227	179,520	25%	5
Investment Income	44,156	106,978	161,636	45,000	50,000	11%	6
Other income	277,418	350,089	221,424	199,233	61,510	-69%	7
	7,674,269	8,822,698	9,417,246	7,513,193	7,394,582	-2%	
Operating Reserves Allocation					158,802		17
<b>Total Revenue</b>	<b>8,037,622</b>	<b>9,179,242</b>	<b>9,757,785</b>	<b>7,881,693</b>	<b>7,918,384</b>	<b>0%</b>	
<b>Expenses</b>							
Wages & Benefits	5,127,618	4,975,696	5,342,072	5,919,743	6,282,900	6%	8
Contracted Services	254,849	353,117	217,736	208,223	160,475	-23%	9
Fuel	331,502	389,011	340,544	400,250	377,450	-6%	10
Vehicle/Facility Repair & Maintenance	268,631	319,553	325,153	351,750	315,076	-10%	11
Insurance Premium	238,034	238,506	211,906	235,477	242,000	3%	12
Intergovernmental - Audit Fees	26,604	29,411	34,177	31,000	33,000	6%	13
Facility Rent and Park & Ride	27,662	28,930	30,431	32,000	32,500	2%	
Utilities	117,810	124,471	124,812	139,781	137,508	-2%	
Supplies	93,803	109,087	265,909	132,220	123,801	-6%	14
Training & Meetings	26,433	29,439	38,908	74,705	47,035	-37%	15
Other Operating Expenses	131,735	253,846	117,287	174,363	166,639	-4%	16
<b>Total Expense</b>	<b>6,644,681</b>	<b>6,851,067</b>	<b>7,048,935</b>	<b>7,699,512</b>	<b>7,918,384</b>	<b>3%</b>	
<b>Net Income (Loss)</b>	<b>1,392,941</b>	<b>2,328,175</b>	<b>2,708,850</b>	<b>182,181</b>	<b>-</b>		
Operating Reserves Allocation		(699,494)		(120,000)			17
<b>Net Income (Loss) Net Reserves Allocated</b>	<b>1,392,941</b>	<b>1,628,681</b>	<b>2,708,850</b>	<b>62,181</b>	<b>-</b>		

## 2020 Budgeted Revenues

	2017 Actual	2018 Actual	2019 Projection	2019 Budget	2020 Budget	Budget % Change YoY
Fares: Out of County	65,282	71,682	71,753	70,000	73,000	4%
Fares: Adult Pass	28,544	26,265	20,609	29,000	28,000	-3%
Fares: Reduced Pass	2,394	2,486	2,232	2,500	2,500	0%
Fares: Youth Pass	2,003	1,358	1,519	2,000	1,500	-25%
Fares: Vanpool	73,306	59,174	59,963	70,000	60,000	-14%
Fares: Worker/Driver	191,824	195,579	184,464	195,000	200,000	3%
LMTAAA Volunteer Donations	2,798	2,429	1,010	2,000	1,000	-50%
Sales of Maintenance Services	5,325	4,167	4,597	5,000	5,000	0%
Rental of Bldgs and Other Property	10,397	17,597	21,118	17,597	21,500	22%
TCC Event Rental	30,895	26,266	27,056	25,000	32,020	28%
TCC Tenant Rental	139,913	136,577	138,449	100,630	126,000	25%
Investment Interest Income	44,156	106,978	161,636	45,000	50,000	11%
Insurance Recoveries	11,104	36,346	15,754	2,500	2,500	0%
Sales Tax Interest Income	3,640	6,785	6,884	2,323	3,000	29%
Other Non-Transportation Revenue	28,561	33,093	35,059	33,000	6,600	-80%
Sales and Use Tax Revenue	4,258,175	4,807,028	5,078,401	3,936,179	4,054,264	3%
WSTIP Safety, Training, Recognition	2,500	2,500	4,859	2,500	4,500	80%
Other State Grants	194,390	226,000	122,027	113,000	-	
Operating Grant	2,913,315	3,378,164	3,769,161	3,189,554	3,049,288	-4%
DSHS TitleIII LMTAAA Volunteer Program	29,100	38,768	31,180	38,910	38,910	0%
	8,037,622	9,179,242	9,757,785	7,881,693	7,759,582	-2%
Operating Reserves Allocation					158,802	
Total Revenue	8,037,622	9,179,242	9,757,785	7,881,693	7,918,384	

## 2020 Budgeted Expenses

	2017 Actual	2018 Actual	2019 Projection	2019 Budget	2020 Budget	Budget % Change YoY
Salaries and Wages	2,749,041	2,814,811	2,882,801	3,036,106	3,313,525	9%
Salaries and Wages Overtime	53,634	64,833	60,653	60,639	56,604	-7%
Training Wages	-	-	-	-	-	
Retroactive Wages	-	-	-	-	-	
Board Stipends	3,300	3,480	3,564	4,320	4,320	0%
Other Salaries and Wages	13,297	7,084	6,631	-	-	
Employer's FICA Expense	252,638	256,880	258,225	271,128	295,104	9%
PERS Pension Plan	383,668	417,082	426,832	489,639	504,516	3%
Pension Expense	(247,061)	(357,899)	-	-	-	
Medical Insurance	1,081,822	934,487	918,254	1,122,745	1,088,419	-3%
Dental /Vision Insurance	97,141	88,846	85,075	101,727	103,729	2%
Life Insurance/LTD	18,524	18,382	18,839	20,677	22,115	7%
Unemployment Insurance	22,187	40,925	9,818	25,000	15,000	-40%
Labor and Industries Insurance	208,757	214,311	233,090	270,696	283,347	5%
Vacation Pay	221,470	227,359	176,465	218,434	238,851	9%
Holiday Pay	121,595	122,228	97,063	136,149	148,608	9%
Sick Leave Pay	112,793	105,117	121,452	120,485	131,517	9%
Employer's PFML Expense	-	-	-	-	5,789	
Other Paid Absence	33,962	30,602	30,051	31,118	33,796	9%
Other Fringe Benefits	-	-	-	1,500	-	
Wellness Expense	73	1,889	1,234	5,000	15,000	200%
Uniform Allowance	14,385	19,570	15,330	16,800	15,220	-9%
Driver Safety Training	-	-	-	100	100	0%
Tuition Reimbursement	-	-	-	2,500	2,500	0%
Tool Allowance	2,975	2,450	1,512	3,000	3,100	3%
Phone Allowance	1,719	200	-	-	-	
Employee Recognition	3,884	3,984	5,002	6,980	16,740	140%
Publication Fees	2,773	3,502	2,553	2,500	2,850	14%
Professional and Technical Services	25,032	128,731	55,174	6,900	20,300	194%
Legal Services	55,523	27,526	30,863	50,000	32,000	-36%
Temporary Help	-	-	1,161	-	-	
Laundry	2,982	2,675	2,742	3,300	2,900	-12%
Repair/Maintenance by Other	56,241	102,166	101,042	69,650	44,901	-36%
Contract Services	142,916	162,598	99,734	118,630	76,118	-36%
Security Service	900	2,007	548	1,700	475	-72%
Drug & Alcohol Testing	4,792	6,025	4,477	5,193	5,832	12%

## 2020 Budgeted Expenses

	2017 Actual	2018 Actual	2019 Projection	2019 Budget	2020 Budget	Budget % Change YoY
Printing	27,339	37,058	18,690	24,325	15,025	-38%
Postage	1,784	1,702	1,349	2,040	1,390	-32%
CDL Testing/DMV Check	1,026	1,526	28	3,400	3,400	0%
Other Services	3,938	5,185	3,902	6,240	5,440	-13%
Fuel and Lubricants	331,502	389,011	340,544	400,250	377,450	-6%
Tires and Tubes	38,251	33,082	38,681	42,000	41,600	-1%
Incidental Expense	6	-	-	350	250	-29%
Facility Repair/Maintenance	13,907	30,555	33,242	40,100	19,175	-52%
Operating Supplies	1,051	4,748	1,557	2,350	17,350	638%
Office Supplies	8,910	10,313	14,137	13,875	12,600	-9%
Shop Supplies	10,613	11,922	11,457	13,000	9,000	-31%
Cleaning/Sanitation Supplies	8,933	10,954	11,240	14,100	11,050	-22%
Safety Training Material & Supply	1,512	2,809	1,859	2,010	9,700	383%
Shelter Supplies	978	558	11,902	6,000	2,000	-67%
Vehicle Maintenance Parts	160,233	153,751	152,189	200,000	209,400	5%
Software	2,113	3,114	14,677	3,500	3,200	-9%
Communications Equipment	(342)	1,236	1,623	4,000	2,000	-50%
IT Equipment	17,475	9,526	132,010	18,500	21,125	14%
Small Tools & Equipment	7,709	4,713	26,947	13,600	10,501	-23%
Safety Supplies	2,297	1,634	3,727	1,900	2,751	45%
Small Equipment & Furniture	3,209	7,463	11,556	12,520	5,109	-59%
Small Tools Replacement/Repair	223	1,336	3,174	500	1,000	100%
Water and Sewer	10,115	10,542	10,098	11,150	11,308	1%
Mobile Radio Service	19,932	20,052	20,484	20,000	20,000	0%
Garbage	6,957	8,364	8,836	8,750	8,850	1%
Gas	18,381	19,933	20,464	23,725	23,809	0%
Electric	59,717	60,369	60,083	66,500	65,170	-2%
Telephone Service	19,334	21,597	21,501	25,040	23,441	-6%
Internet Services	3,305	3,667	3,831	4,616	4,930	7%
Insurance Premium	238,034	238,506	211,906	235,477	242,605	3%
Taxes	750	683	357	1,000	250	-75%
Property Tax	54	54	77	100	125	25%
Veh License/Registration Fee	370	936	356	800	800	0%
Leasehold Tax	618	141	-	1,000	-	
Purchased Transportation	-	-	-	-	-	
Dues, Memberships, Subscriptions	32,908	32,368	33,840	37,208	32,849	-12%

## 2020 Budgeted Expenses

	2017 Actual	2018 Actual	2019 Projection	2019 Budget	2020 Budget	Budget % Change YoY
Travel & Meeting Expense MTA	18,378	22,039	29,222	39,350	32,905	-16%
Travel Expense - VD Program	35,653	39,366	31,886	42,000	42,000	0%
Conference Registration	2,330	5,145	5,057	10,280	7,200	-30%
Training / Seminars	5,725	2,255	4,629	25,075	6,930	-72%
Travel Tolls	-	-	6	-	-	
Advertising/Promotion Media	18,139	19,970	21,779	41,265	51,088	24%
Intergovernmental Audit Fees	26,604	29,411	34,177	31,000	33,000	6%
Other Misc Expenses	1,301	100,072	4,499	4,150	3,500	-16%
Bank Service Charges	851	-	-	-	-	
Credit Card Fees	6,729	6,699	6,986	6,800	6,800	0%
Passenger Parking Facilities	24,062	25,054	26,446	27,500	28,000	2%
Rent - Equipment	-	277	-	-	-	
Rent - Office	3,600	3,600	3,985	4,500	4,500	0%
Office Equipment Lease	7,203	5,922	3,754	5,050	5,137	2%
	6,644,681	6,851,067	7,048,935	7,699,512	7,918,989	3%
Net Income	1,392,941	2,328,175	2,708,850	182,181	-	
Operating Reserves Allocation		(699,494)		(120,000)	-	
Net Income (Loss) Net Reserves Allocated	1,392,941	1,628,681	2,708,850	62,181	-	