



# 2020 Annual Budget



**Proposed**

**November 5, 2019**

## Table of Contents

<b>Jefferson Transit Authority Mission Statement.....</b>	<b>3</b>
<b>Overall Economic Outlook .....</b>	<b>4</b>
<b>Budget Summary – All Departments .....</b>	<b>7</b>
<b>Capital Projects .....</b>	<b>9</b>
<b>Capital Budget.....</b>	<b>11</b>
<b>Service, Routes, and Ridership .....</b>	<b>13</b>
<b>Revenue .....</b>	<b>13</b>
<b>Jefferson Transit Staff .....</b>	<b>14</b>
<b>Jefferson Transit Organization Chart.....</b>	<b>15</b>
<b>Operation Department Budget .....</b>	<b>16</b>
<b>Haines Place Transit Center Department Budget.....</b>	<b>17</b>
<b>Vehicle Maintenance Department Budget.....</b>	<b>18</b>
<b>Facility Maintenance Department Budget .....</b>	<b>19</b>
<b>Administration Department Budget.....</b>	<b>20</b>
<b>Jefferson Transit Olympic Connection Budget .....</b>	<b>21</b>
<b>5-Year Projections.....</b>	<b>22</b>
<b>Cash Flow Projections.....</b>	<b>24</b>

## **Jefferson Transit Authority Mission Statement**

At Jefferson Transit our mission is to provide safe, reliable, comfortable public transportation service in Jefferson County which is cost effective, reduces energy consumption and contributes to the cultural and economic betterment of the residents of Jefferson County.

### **Jefferson Transit Core Values:**

#### **Acknowledgment and Support**

Jefferson Transit is the product of the concerted efforts of the employees, the Board, WSDOT, other transit agencies and the volunteers who devote time to improving Jefferson Transit. We also acknowledge the citizens of Jefferson County, the tax payers, and our passengers for their support of Jefferson Transit. Thank you.

#### **Accountability**

We take responsibility for the direction and image of Jefferson Transit. We display fairness, trust and good judgment.

#### **Shared Responsibility**

We are responsible for the direction and image of the agency.

#### **Communication**

We recognize that good communication, compromise and diversity of opinion will strengthen Jefferson Transit.

#### **Professionalism**

We take pride in our skills and abilities to provide the community with safe, friendly and reliable transportation. We strive for a positive impact through our demeanor and appearance.

**Jefferson Transit is proud to present the 2020 budget to the public. We are committed to providing safe, reliable and SUSTAINABLE public transit services far into the future.**

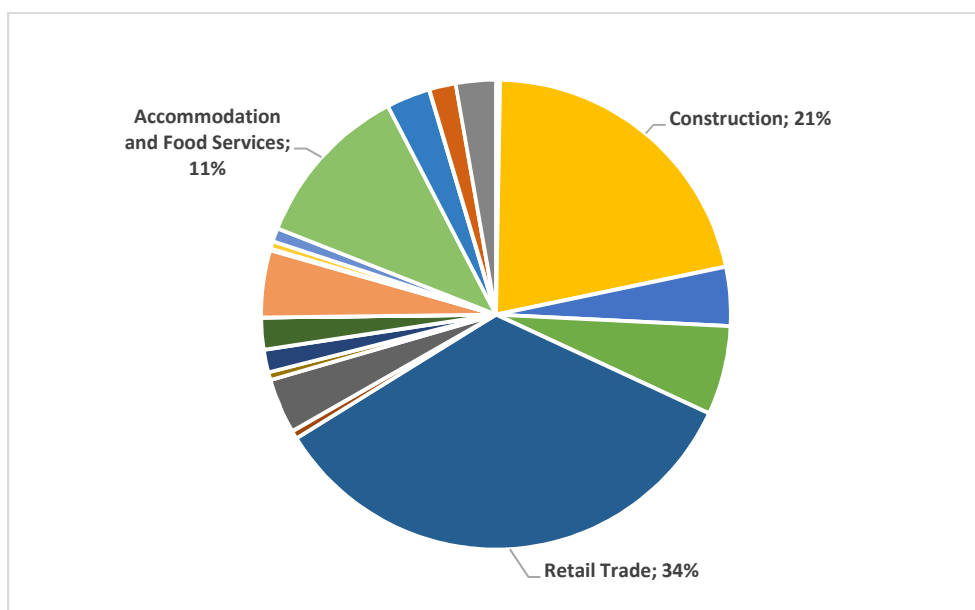
## Overall Economic Outlook (Or Finance Manager's Message)

Economic uncertainty is consistently on Jefferson Transit's (JTA) horizon. Fortunately, JTA created a Reserve Funding Policy in 2011 that ensures the necessary time to react to a loss in funding and plan for potential service cuts. The reserve policy will be discussed in detail later in this message.

In 2020, Economic Recession and Initiative 976 (I-976) are the economic uncertainties that make budgeting for 2020 difficult.

### Recession

Economists have been predicting a recession since early 2019, and thankfully, it has not happened. According to Simon Moore writing for Forbes magazine, (<https://www.forbes.com/sites/simonmoore/2019/08/20/what-key-recession-indicators-are-telling-us-today/#6091839a2156>) there are still indicators of uncertainty in the economy. The yield curve inversion is deeper and broader and global growth is slowing. On the positive side, unemployment is still very low. In fact, the chances of NOT being in recession in the next year are greater than the chances of being in recession. This is good news but not great news because the split is about 60/40 – 60 percent chance the economy will not move into recession, 40 percent chance that the economy will move into recession. The recession indicators must be monitored closely because JTA receives approximately 75% of all revenue from sales tax. The majority of that sales tax comes from three sources: Retail Sales, Construction, and Food Service/Accommodations. The following pie chart shows the portion of sales tax that JTA has received in 2019 from these three categories. These categories are the ones that experience the biggest loss of revenue in a recession.



Source: WA Department of Revenue Jefferson Transit Sales Tax Received through September 2019 (Cash Basis)

## **I-976**

I-976 is an initiative that would repeal or remove authority to impose certain vehicle taxes and fees, including charges funding mass-transit or regional transportation; change vehicle-valuation laws; and limit motor-vehicle-license fees to \$30, except voter approved charges (Washington Voter Pamphlet). I-976 is problematic for JTA because we receive funding for special needs transportation from this funding source.

We do not know what impact I-976 will have on JTA's budget, however, we feel the need to present a "Yes on I-976" (the initiative passes) budget and a "No on I-976" (the initiative does not pass) budget. The Washington State OFM has addressed in general terms on the total loss in funding, but not how it will affect grant recipients. So...uncertainty. Because we must plan the "Yes on I-976" budget assumes at a minimum JTA will lose all state grant funding in the 2019-2021 biennium. In the operating fund, 31% of all expenses are paid with grant revenue, 7% of that grant revenue is state grant funding. Because we are unsure of the funding impact of I-976, the "Yes on I-976" budget expense budget does not include any service expansion. The "No on I-976" budget includes a "pilot service expansion project" for a fixed route run to meet the Kingston Fast Ferry two times a day (Monday through Friday).

JTA will continue to be conservative in budgeting and will continue to monitor all expenses carefully. The "Yes" 2020 expense budget has increased over the 2019 budget by 7.81% primarily due to Represented wage increases and retroactive wage payments and Non-Represented wage step increases. The "No" 2020 expense budget has increased over the 2019 budget by 11.15% because of the proposed pilot project to Kingston and the wage increases.

## **Reserve Policies**

JTA's Operating Fund Reserve and Fund Balance are designed to keep JTA at a stable level of service until service reductions can be made in the event of an economic downturn. After 2016 we were able to fully fund the Operating Reserve which is set at 3 months expenses in the current year budget. We have added funding each year as the budget has expanded. Service reductions, when it is determined they are necessary, must follow the Service Change Policy, which includes the requirement for several public meetings. The Operating Reserve and Fund Balance give JTA the funding cushion to make informed decisions based on data and public participation.

JTA set up its capital reserve fund policy to set aside funds for future grant fund match. In order to maintain high quality vehicles that are both fuel-efficient and economically maintained, vehicles must be replaced on an ongoing basis. JTA began setting aside funding in a Vehicle Replacement Reserve in 2017 to enable the purchase of a large fixed route vehicle every four years that is funded completely by JTA. JTA will

utilize the Vehicle Reserve to purchase a new bus in 2020. Additionally, JTA was awarded four new buses in the 2019-2021 Consolidated Grant cycle. Those buses are scheduled to be delivered in 2020. In the 2008 recession, JTA depleted all of its funding maintaining operations on the road. Maintaining both the fleet, facility, and operations are now possible because we took steps to ensure that reserve funding would be available for both operations and capital purchases.

In 2018, JTA set up an Information Technology (IT) Reserve Fund to ensure that IT resources are up-to-date and provide a level of funding sufficient to cover the replacement cost of PCs, laptops and servers. The IT Reserve Fund also allows for expansion/replacement of technology enhancements (new operating software).

Finally, JTA has two funds that are required by RCW and Bond Covenant. The Unemployment Compensation Reserve Fund is required by RCW 50.44.060. The Debt Service Reserve Fund (consisting of the Bond Reserve and Bond Payment Reserve) was required when we held bond debt. In October 2019, JTA called all outstanding bonds and in December 2019 the Authority Board will be asked to pass a resolution to return the funds in the Debt Service Reserve Fund to the Operating Fund Balance.

JTA's overall future financial position is positive due to the sensible reserve policies and careful control over expenses.

## Operating Budget Summary – All Departments

**“Yes” on I-976 – Meaning the initiative passes and we assume we lose state funding.**

### JEFFERSON TRANSIT AUTHORITY

#### Statement of Operating Revenues, Expenses and Nonoperating Revenues

#### 2020 Supplemental Operating Budget - Yes I-976

	2020 Budget Compared to 2019 Budget	2019 Budget	2020 Budget
OPERATING REVENUES:			
PASSENGER FARES FOR TRANSIT SERVICES	1.43%	172,072	174,530
OTHER TRANSIT FARES	0.00%	0	0
CHARTER SERVICE REVENUES	0.00%	0	0
AUXILIARY TRANSPORTATION REVENUES	0.00%	0	0
	0.00%		
Total Operating Revenues	1.43%	172,072	174,530
OPERATING EXPENSES:			
LABOR	8.78%	2,339,110	2,544,442
BENEFITS	5.93%	1,765,333	1,870,104
SERVICES AND USER FEES	23.33%	336,454	414,952
MATERIALS AND SUPPLIES CONSUMED	6.07%	626,760	664,810
UTILITIES	2.20%	86,253	88,153
CASUALTY AND LIABILITY COSTS	10.34%	145,000	160,000
TAXES	0.65%	7,319	7,366
DEBT INTEREST	0.00%	10,800	0
MISCELLANEOUS EXPENSES	(6.57%)	105,325	97,410
LEASES AND RENTALS	1.19%	21,220	21,472
Total Operating Expenses	7.81%	5,443,574	5,868,710
OPERATING INCOME (LOSS)	0.00%	(5,271,502)	(5,695,180)
NONOPERATING REVENUES (EXPENSES)			
NONTRANSPORTATION REVENUES	27.60%	76,176	97,200
TAXES LEVIED DIRECTLY BY TRANSIT SYSTEM	3.33%	4,435,490	4,583,000
LOCAL GRANTS AND CONTRIBUTIONS	2.86%	17,500	18,000
STATE GRANTS AND CONTRIBUTIONS	0.00%	295,508	0
FEDERAL GRANTS AND CONTRIBUTIONS (OPERATING)	21.04%	1,060,104	1,283,160
Total Nonoperating Revenues (Expenses)	1.64%	5,884,778	5,981,360
NET INCOME (LOSS) BEFORE TRANSFERS IN (OUT)	0.00%		287,180

## Operating Budget Summary – All Departments

**“No” on I-976 – Meaning the initiative fails and we assume no loss of state funding.**

### JEFFERSON TRANSIT AUTHORITY

#### Statement of Operating Revenues, Expenses and Nonoperating Revenues

#### 2020 Supplemental Operating Budget - No I-976

	2020 Budget Compared to 2019 Budget	2019 Budget	2020 Budget
OPERATING REVENUES:			
PASSENGER FARES FOR TRANSIT SERVICES	1.43%	172,072	174,530
OTHER TRANSIT FARES	0.00%	0	0
CHARTER SERVICE REVENUES	0.00%	0	0
AUXILIARY TRANSPORTATION REVENUES	0.00%	0	0
	0.00%		
Total Operating Revenues	1.43%	172,072	174,530
OPERATING EXPENSES:			
LABOR	11.98%	2,339,110	2,614,434
BENEFITS	9.91%	1,765,333	1,948,871
SERVICES AND USER FEES	23.33%	336,454	414,952
MATERIALS AND SUPPLIES CONSUMED	9.92%	626,760	688,936
UTILITIES	2.20%	86,253	88,153
CASUALTY AND LIABILITY COSTS	14.45%	139,800	160,000
TAXES	0.65%	7,319	7,366
DEBT INTEREST	0.00%	10,800	0
MISCELLANEOUS EXPENSES	-4.67%	105,325	100,410
LEASES AND RENTALS	1.19%	21,220	21,472
Total Operating Expenses	11.15%	5,438,374	6,044,595
OPERATING INCOME (LOSS)	0.00%	(5,266,302)	(5,870,065)
NONOPERATING REVENUES (EXPENSES)			
NONTRANSPORTATION REVENUES	27.60%	76,176	97,200
TAXES LEVIED DIRECTLY BY TRANSIT SYSTEM	3.33%	4,435,490	4,583,000
LOCAL GRANTS AND CONTRIBUTIONS	2.86%	17,500	18,000
STATE GRANTS AND CONTRIBUTIONS	-15.24%	295,508	250,464
FEDERAL GRANTS AND CONTRIBUTIONS (OPERATING)	20.84%	1,060,104	1,281,000
Total Nonoperating Revenues (Expenses)	5.86%	5,884,778	6,229,664
NET INCOME (LOSS) BEFORE TRANSFERS IN (OUT)	0.00%		359,599



## Capital Projects

If I-976 passes, JTA will continue to plan for expansion, but will not act on the developed plans unless funding is available. Similar to the Operating Budget, there are two Capital Budgets, one for Yes I-976 and one for No I-976.

JTA had several planning projects on the 2019 budget that will be continued into the 2020. These projects are the HPTC Reconfigure Bus Loop Project; the Electric Vehicle (EV) Infrastructure Project, and the 3rd Maintenance Bay Project. As stated in the first paragraph, the planning will continue because we are at capacity, but the project may not be acted on if there is not funding available for the project. These projects are on both the “Yes” and “No” Capital budget.

The JTA 20-Year Comprehensive Plan contract has been awarded to Fehr and Peers and work will begin in November 2019. This project will involve public outreach as well as a great deal of staff time to determine the direction that JTA will take to plan for services over the next 20 years. This project is on both the “Yes” and “No” Capital Budget.

JTA has included “Other Building and Structures” projects in the 2020 capital budget that were in the 2019 budget but were not completed these are: the Maynard Mountain Repeater project and the security camera project. There is also ongoing funding included for shelter replacement. These projects are on both the “Yes” and “No” Capital budget.

JTA was awarded Capital Vehicle funding from the surface transportation program to replace one fixed route bus. The funding for this bus will not be available for obligation until 2020 and we will not be able to order this bus until after the Department of Enterprise Services (DES) contract is awarded in May 2020. Most likely this bus will not arrive until 2021, we added it to the 2020 budget just in case we are able to receive it in 2020. JTA has a vehicle replacement reserve with the goal of funding one vehicle replacement every four years. That vehicle was ordered in anticipation of a fully funded reserve in 2020. That vehicle will arrive in early 2020. JTA applied for and was awarded 4 fixed route buses in the 2019-2021 grant biennium. We were able to order these buses before the current DES contract expired and expect to receive them in 2020. Included in the revenue vehicles budget is a “Trolley” style bus for the uptown/downtown shuttle route. Also included is ongoing funding for major component replacement and bus wraps (formerly bus painting). These projects are on both the “Yes” and “No” Capital budget.

JTA Facilities has a 1993 Chevrolet flatbed truck that should be replaced. This project is on the “No” budget only.

JTA has three projects on the “No” budget for Service Equipment. These are a purchase a small tractor and Zero-Turn Lawn Mower for Facilities Maintenance; and

purchase Column Lifts for Vehicle Maintenance. The “Yes” budget includes only the Column Lifts for Vehicle Maintenance. The Column Lift project has been identified as essential because if the current lifts fail, we will be down to only one the in-ground lift which is not acceptable to use for some vehicle maintenance tasks.

Finally, in the Office Furniture and Equipment budget the Finance/Maintenance Software is carried forward from 2019, the project will be bid in late 2019, but is not expected to be installed until 2020. A new modular desk for the Haines Place Customer Service Area is planned for 2020. Both of these projects are on the “Yes” and “No” Capital Budget. On the “No” Capital Budget there is an additional project for Customer Service at 63 4 Corners Customer Service. This project is the purchase of a new Badge ID Maker. Currently, we must send people requesting a reduced fare pass, annual pass purchasers, and new employees to Haines Place for badges. Purchasing an additional Badge ID Maker will allow 63 4 Corners Customer Service to perform these services at 4 Corners.

**See next page for Capital Budget**

**“Yes” on I-976 – Meaning the initiative passes and we assume loss of state funding.**

**Statement of Capital Outlays, Revenues and Contributions**

**2020 Capital Budget - I-976 Passes**

**Capital Expenditures and Nonoperating Revenues**

	Allocated Funding Year	Total JTA Outlay	Total Contributed Capital Grants	Total
<b>CAPITAL EXPENSES</b>				
<b>Capital Project – Facility</b>				
Engineering/Design - 63 4 Corners Feasibility Study EV, EV Chargers & Infrastructure	2019	75,000	0	75,000
Engineering/Design - 63 4 Corners Additional Maintenance Bay	2019	150,000	0	150,000
Engineering/Design - HP Transit Center Bus Loop Configuration Plan	2019	150,000	0	150,000
		375,000	0	375,000
<b>Capital Project - System Wide</b>				
Jefferson Transit Comprehensive Plan	2019	200,000		200,000
		200,000	0	200,000
<b>Capital Assets - Other Building &amp; Structures</b>				
Radio Project - Maynard Mountain Repeater	2017	31,840		31,840
Security Cameras (HPTC/63 4 Corners)	2018	35,000	2,500	37,500
New Shelters	Ongoing	25,000		25,000
		91,840	2,500	94,340
<b>Capital Assets - Revenue Vehicles</b>				
1 Full size 30' Fixed route buses (STP-Flex, Replacement)	2020/2021	65,440	419,301	484,741
1 Full size 30' Fixed route buses (JTA Funded)	2020	487,121		487,121
2 Full Size 30' Fixed Route Buses (Consolidated Capital Grant)	2020/2021	188,140	752,861	941,001
2 Full Size 35' Fixed Route Buses (Consolidated Capital Grant)	2020/2021	203,819	814,975	1,018,794
1 Trolley-Style Fixed Route Bus (JTA Funded)	2019	350,000		350,000
Bus Wrap	Ongoing	25,000		25,000
Major Component Replacement	Ongoing	150,000		150,000
		1,469,520	1,987,137	3,456,657
<b>Capital Assets - Service Equipment</b>				
Column Lifts for Vehicle Repair (Back-Up)	2020	55,000		55,000
		55,000	0	55,000
<b>Capital Assets - Office Furniture &amp; Equipment</b>				
New Finance/Maintenance Software	2017	175,000		175,000
New Desk and Customer Service Area HPTC	2020	8,000		8,000
		183,000	0	183,000
<b>TOTAL CAPITAL EXPENSES</b>		<b>2,374,360</b>	<b>1,989,637</b>	<b>4,363,997</b>

**“No” on I-976 – Meaning the initiative fails and we assume no loss of state funding.**

**Statement of Capital Outlays, Revenues and Contributions**

**2020 Capital Budget - I-976 Does Not Pass**

**Capital Expenditures and Nonoperating Revenues**

	Allocated Funding Year	Total JTA Outlay	Total Contributed Capital Grants	Total
<b>CAPITAL EXPENSES</b>				
<b>Capital Project – Facility</b>				
Engineering/Design - 63 4 Corners Feasibility Study EV, EV Chargers & Infrastructure	2019	75,000	0	75,000
Engineering/Design - 63 4 Corners Additional Maintenance Bay	2019	150,000	0	150,000
Engineering/Design - HP Transit Center Bus Loop Configuration Plan	2019	150,000	0	150,000
		375,000	0	375,000
<b>Capital Project - System Wide</b>				
Jefferson Transit Comprehensive Plan	2019	200,000		200,000
		200,000	0	200,000
<b>Capital Assets - Other Building &amp; Structures</b>				
Radio Project - Maynard Mountain Repeater	2017	31,840		31,840
Security Cameras (HPTC/63 4 Corners)	2018	35,000	2,500	37,500
New Shelters	Ongoing	25,000		25,000
		91,840	2,500	94,340
<b>Capital Assets - Revenue Vehicles</b>				
1 Full size 30' Fixed route buses (STP-Flex, Replacement)	2020/2021	65,440	419,301	484,741
1 Full size 30' Fixed route buses (JTA Funded)	2020	487,121		487,121
2 Full Size 30' Fixed Route Buses (Consolidated Capital Grant)	2020	188,140	752,861	941,001
2 Full Size 35' Fixed Route Buses (Consolidated Capital Grant)	2020	203,819	814,975	1,018,794
1 Trolley-Style Fixed Route Bus (JTA Funded)	2019	350,000		350,000
Bus Wrap	Ongoing	25,000		25,000
Major Component Replacement	Ongoing	150,000		150,000
		1,469,520	1,987,137	3,456,657
<b>Capital Assets - Service Vehicles</b>				
Replace Vehicle 01 - Ford F350 with Removable Dump Bed	2020	55,000	0	55,000
		55,000	0	55,000
<b>Capital Assets - Service Equipment</b>				
Small Tractor for Facilities Maintenance	2020	20,000	0	20,000
Column Lifts for Vehicle Repair (Back-Up)	2020	55,000		55,000
Zero-Turn Lawn Mower for Facilities	2020	8,000		8,000
		83,000	0	83,000
<b>Capital Assets - Office Furniture &amp; Equipment</b>				
New Finance/Maintenance Software	2017	175,000		175,000
New Desk and Customer Service Area HPTC	2020	8,000		8,000
New Badge System (ID Maker for 63 4 Corners)	2020	2,500		2,500
		185,500	0	185,500
<b>TOTAL CAPITAL EXPENSES</b>		<b>2,459,860</b>	<b>1,989,637</b>	<b>4,449,497</b>

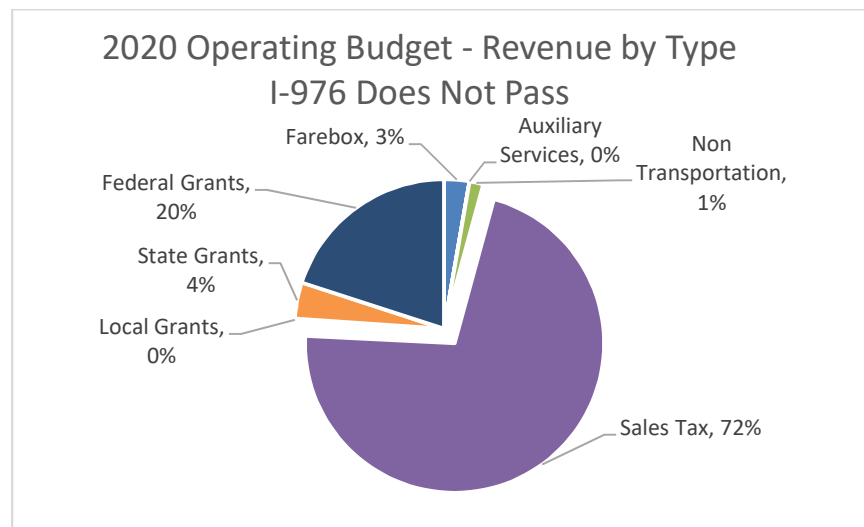
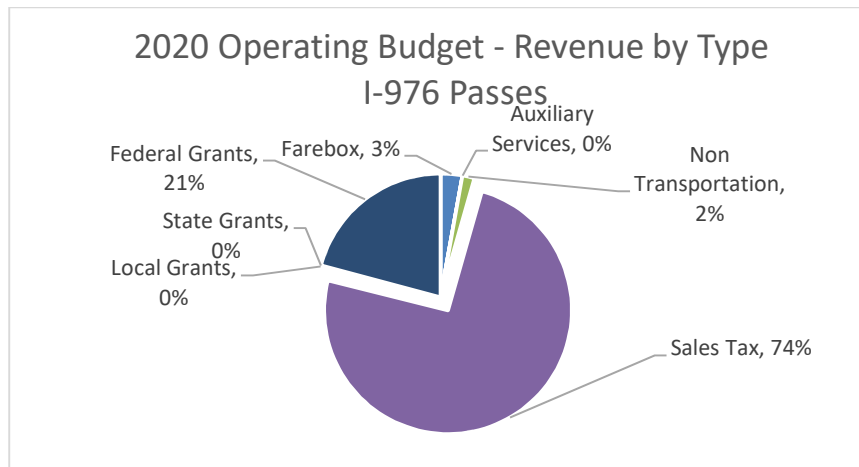
## Service, Routes and Ridership

Service levels are expected to remain the same with minor timing adjustments if I-976 passes. Expansion service to Kitsap Transit's Kingston Fast Ferry will be implemented in 2020 if I-976 does not pass.

Ridership had been decreasing for several years, however, in 2018 with the restoration of service lost during the 2008 Recession, ridership has been steadily increasing.

## Revenue

Sales tax receipts are projected to be 10% higher (\$416,901 more) than budgeted for 2019. The breakdown for all of Jefferson Transit's revenue streams appears below.

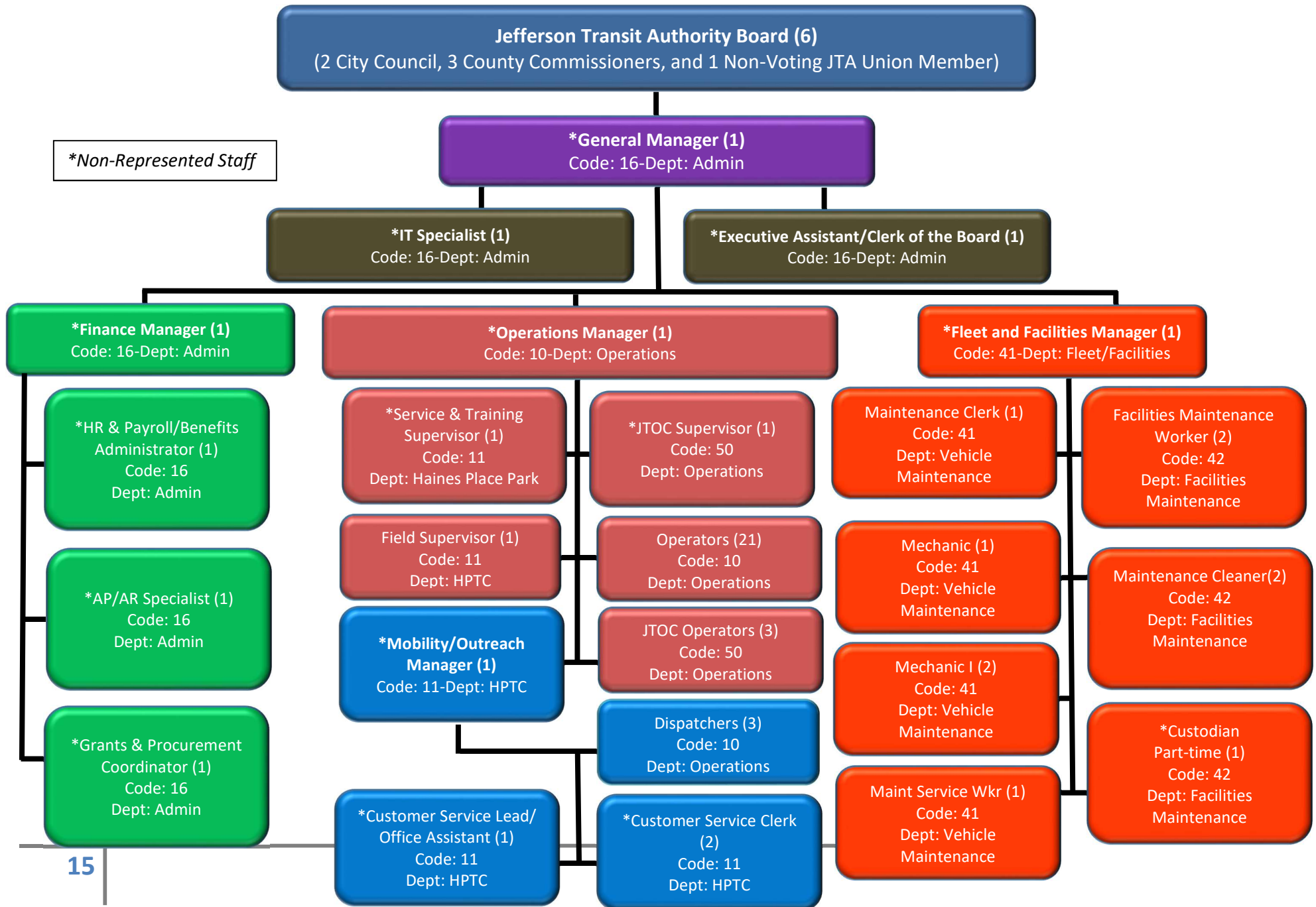


## JTA Staff

JTA added one facilities maintenance position and increased a part-time position for AP/AR to full time. In 2020 JTA will add two Operator positions for service expansion to the Kingston Fast Ferry if I-976 does not pass. The following table lists the FTE (Full Time Equivalent) and EE (Employee Headcount) numbers since 2015 and the projected numbers for 2020 (Assuming I-976 does not pass). FTEs are calculated by projecting the number of employees and dividing that number by the typical hours available in a work year. There are 2080 hours in a typical working year.

Position	2020		2019		2018		2017		2016		2015	
	FTE	EE	FTE	EE	FTE	EE	FTE	EE	FTE	EE	FTE	EE
Transit Operators – FR	18.3	21	17.2	19	17.6	19	13.6	16	13.8	15	13.8	15
Transit Operators – DAR	2	2	2	2	2	2	2	2	2.7	3	3.6	4
Transit Operators - JTOC	2.9	3	2.9	3	2.8	3	2.8	3	2.6	3	2.5	3
Vehicle Maintenance	5	5	5	5	5	5	4	4	4	4	4	4
Facility Maintenance	4.5	5	4.5	5	3.5	4	3.6	4	3.9	4	3.1	4
Dispatchers/Field Supervisor	3.9	4	3.7	4	3.9	4	2.8	3	4	4	4	4
Customer Service	2.4	3	2.4	3	2.6	3	2.3	3	2.6	3	2.5	3
Admin Support Staff (Incl JTOC Spvr)	7	7	7	7	6.1	7	6.5	7	5.5	7	5	6
Management	5	5	5	5	5	5	5	5	5	5	5	5
<b>Total</b>	<b>51</b>	<b>55</b>	<b>49.7</b>	<b>53</b>	<b>48.5</b>	<b>52</b>	<b>42.6</b>	<b>47</b>	<b>44.1</b>	<b>48</b>	<b>43.6</b>	<b>48</b>

## JTA Authority Organizational Chart 2019



## OPERATIONS Department

The Operations Department is the largest department at JTA. The Operations Department consists of the Transit Operators, Dispatchers, and the Operations Manager. The Operations Department is the front-line department tasked with providing the safe, reliable, and friendly transit service for which JTA is known.

Overall, the Operations Department budget has increased 7.23% (Yes I-976)/14.1% (No I-976) in 2020. The increase is attributed to wages and benefits assuming ratification of the 2018-2021 contract and retro-active wages. If I-976 does not pass JTA will be adding service to meet the Kingston Fast Ferry twice daily.

### JEFFERSON TRANSIT AUTHORITY OPERATIONS - Yes I-976

	2020 Budget	2019 Budget	2019 Forecast	2018 Actuals
OPERATING EXPENSES:				
LABOR	1,215,663	1,108,183	991,827	1,035,509
BENEFITS	967,085	932,773	802,858	794,045
SERVICES AND USER FEES	56,200	56,200	7,116	9,220
MATERIALS AND SUPPLIES CONSUMED	39,100	39,100	38,055	20,859
UTILITIES	23,100	21,800	21,601	19,578
CASUALTY AND LIABILITY COSTS	0	0	0	0
TAXES	0	0	0	0
MISCELLANEOUS EXPENSES	23,050	29,365	4,949	8,027
DEBT SERVICE	0	0		0
LEASES AND RENTALS	0	0	0	0
Total Operating Expenses	2,324,197	2,187,421	1,866,407	1,887,238

### JEFFERSON TRANSIT AUTHORITY OPERATIONS No I-976

	2020 Budget	2019 Budget	2019 Forecast	2018 Actuals
OPERATING EXPENSES:				
LABOR	1,285,655	1,108,183	991,827	1,035,509
BENEFITS	1,045,851	932,773	802,858	794,045
SERVICES AND USER FEES	56,200	56,200	7,116	9,220
MATERIALS AND SUPPLIES CONSUMED	39,100	39,100	38,055	20,859
UTILITIES	23,100	21,800	21,601	19,578
CASUALTY AND LIABILITY COSTS	0	0	0	0
TAXES	0	0	0	0
MISCELLANEOUS EXPENSES	23,050	29,365	4,949	8,027
DEBT SERVICE	0	0		0
LEASES AND RENTALS	0	0	0	0
Total Operating Expenses	2,472,956	2,187,421	1,866,407	1,887,238



## HAINES PLACE TRANSIT CENTER Department

Services provided for passengers are attributed to the Haines Place Transit Center (HPTC) department. The Mobility Coordinator, Service and Training Supervisor, Customer Service Clerks, and Field Supervisor wages and benefit expenses are captured in this department.

HPTC's budget has increased 7.97%. The increase is attributed to wages and benefits, custodial services and supplies for the HPTC bathroom, and an increase in utilities for internet expenses. The budget is the same for both Yes and No on I-976.

### JEFFERSON TRANSIT AUTHORITY HAINES PLACE TRANSIT CENTER - Yes on I-976/No on I-976

	2020 Budget	2019 Budget	2019 Forecast	2018 Actuals
OPERATING EXPENSES:				
LABOR	234,920	229,115	212,272	181,000
BENEFITS	153,326	148,331	133,865	140,496
SERVICES AND USER FEES	21,525	10,605	2,739	4,057
MATERIALS AND SUPPLIES CONSUMED	14,950	6,950	4,183	2,678
UTILITIES	24,800	20,400	19,500	21,109
CASUALTY AND LIABILITY COSTS	0	0	0	0
TAXES	0	0	0	0
MISCELLANEOUS EXPENSES	9,884	6,600	6,509	3,848
DEBT SERVICE	0	0	0	0
LEASES AND RENTALS	3,000	1,800	3,720	2,510
Total Operating Expenses	<u>462,404</u>	<u>423,801</u>	<u>382,788</u>	<u>355,698</u>

## VEHICLE MAINTENANCE Department

The Vehicle Maintenance Department is responsible for the maintenance and safety of all JTA vehicles. This department is tasked with the responsibility of parts and fuel procurement and inventory tracking. Included in this department are Mechanics, Maintenance Service, Maintenance Clerk, and Maintenance and Facilities Manager.

The “Yes on I-976” budget increased by 6.31%. The increases are mainly in wages and benefits, however, there is also an increase in supplies for additional fuel costs. In the “Yes “ budget the additional cost is due to increased fuel costs, not additional revenue service capacity.

The “No on I-976” budget increased by 8.43%. In addition to those increases listed above in the “Yes” budget, Supplies increased for fuel for both cost and increased fuel for additional service to the Kingston Fast Ferry. In Miscellaneous Expenses the “No” budget allows for two employees to attend the RTA software conference.

### JEFFERSON TRANSIT AUTHORITY VEHICLE MAINTENANCE - Yes on I-976

	2020 Budget	2019 Budget	2019 Forecast	2018 Actuals
OPERATING EXPENSES:				
LABOR	351,350	313,190	281,964	255,163
BENEFITS	256,084	250,130	197,681	193,441
SERVICES AND USER FEES	46,818	46,600	18,218	19,650
MATERIALS AND SUPPLIES CONSUMED	467,700	442,400	408,898	405,534
UTILITIES	11,983	11,983	9,613	10,381
CASUALTY AND LIABILITY COSTS	0	0	0	0
TAXES	0	0	0	0
MISCELLANEOUS EXPENSES	20,745	21,845	18,022	9,604
DEBT SERVICE	0	0	0	0
LEASES AND RENTALS	0	0	0	0
Total Operating Expenses	1,154,680	1,086,149	934,396	893,773

### JEFFERSON TRANSIT AUTHORITY VEHICLE MAINTENANCE - No on I-976

	2020 Budget	2019 Budget	2019 Forecast	2018 Actuals
OPERATING EXPENSES:				
LABOR	351,350	313,190	281,964	255,163
BENEFITS	256,084	250,130	197,681	193,441
SERVICES AND USER FEES	46,818	46,600	18,218	19,650
MATERIALS AND SUPPLIES CONSUMED	487,700	442,400	408,898	405,534
UTILITIES	11,983	11,983	9,613	10,381
CASUALTY AND LIABILITY COSTS	0	0	0	0
TAXES	0	0	0	0
MISCELLANEOUS EXPENSES	23,745	21,845	18,022	9,604
DEBT SERVICE	0	0	0	0
LEASES AND RENTALS	0	0	0	0
Total Operating Expenses	1,177,680	1,086,149	934,396	893,773

## FACILITY MAINTENANCE Department

The Facility Maintenance Department is responsible for the day-to-day maintenance and repair of JTA facilities including the Administration and Maintenance facility, Haines Place Transit Center and all bus shelters. The Facility Maintenance Workers have the huge task of ensuring that all facilities are clean and in good repair.

Because this task is huge, we determined in 2019 that it is too big for one person. In the past 10 years we have added a facility that requires regular lawn and building maintenance, a wellness trail that must be maintained, purchased an adjoining property and added bus shelters. The budget for Facility Maintenance has increased by 34.58%, this is due to increased wages for an additional FTE, for Services we moved the painting of HPTC and other maintenance type upgrades to the operating fund (not appropriate in the capital budget if it maintains as opposed to adding value), and for Supplies we increased the overall Maintenance and Cleaning supply budget as well as the Safety and Emergency Supply budget. Facilities Miscellaneous expenses increased due to training for Facilities employees. The budget is the same for both Yes and No on I-976.

### JEFFERSON TRANSIT AUTHORITY NON-VEHICLE MAINTENANCE Yes on I-976 and No on I-976

	2020 Budget	2019 Budget	2019 Forecast	2018 Actuals
OPERATING EXPENSES:				
LABOR	155,437	121,825	114,754	107,610
BENEFITS	127,672	93,900	86,969	83,187
SERVICES AND USER FEES	96,165	59,764	53,667	29,079
MATERIALS AND SUPPLIES CONSUMED	19,600	17,850	17,135	34,789
UTILITIES	3,850	3,850	2,649	2,898
CASUALTY AND LIABILITY COSTS	0	0	0	0
TAXES	0	0	0	0
MISCELLANEOUS EXPENSES	7,450	6,950	380	1,121
DEBT SERVICE	0	0	0	0
LEASES AND RENTALS	2,500	2,500	663	38
Total Operating Expenses	412,673	306,639	276,217	258,722



## ADMINISTRATION Department

The Administration Department is responsible for the oversight, coordination and management of JTA in order to meet its mission of providing safe, reliable, comfortable public transportation service in Jefferson County. The Administration Department includes the General Manager, Finance/HR Manager, IT, Grants/Procurement, Payroll, and AP/AR positions.

Overall, the budget for the Administration Department has increased 4.2% in 2020 for the "Yes on I-976" budget; and 4.59% for the "No on I-976" budget. The increases are attributed to wage and benefit increases, increased Professional Services for legal services; increased Casualty and Liability Costs and in the "No on I-976" budget an increase to Material and Supplies for Computer Supplies.

### JEFFERSON TRANSIT AUTHORITY General Administration - Yes on I-976

	2020 Budget	2019 Budget	2019 Forecast	2018 Actuals
OPERATING EXPENSES:				
LABOR	409,091	399,843	380,595	355,967
BENEFITS	253,526	237,181	223,200	202,206
SERVICES AND USER FEES	174,395	163,435	141,014	150,195
MATERIALS AND SUPPLIES CONSUMED	29,770	26,770	23,323	14,793
UTILITIES	19,820	20,620	18,342	17,249
CASUALTY AND LIABILITY COSTS	160,000	143,200	144,932	125,558
TAXES	7,366	7,319	3,924	4,123
MISCELLANEOUS EXPENSES	33,177	34,177	26,308	24,640
DEBT SERVICE	0	10,800	10,800	10,370
LEASES AND RENTALS	1,320	1,320	175	0
Total Operating Expenses	1,088,465	1,044,664	979,635	905,101

### JEFFERSON TRANSIT AUTHORITY General Administration - No on I-976

	2020 Budget	2019 Budget	2019 Forecast	2018 Actuals
OPERATING EXPENSES:				
LABOR	409,091	399,843	380,595	355,967
BENEFITS	253,526	237,181	223,200	202,206
SERVICES AND USER FEES	174,395	163,435	141,014	150,195
MATERIALS AND SUPPLIES CONSUMED	33,896	26,770	23,323	14,793
UTILITIES	19,820	20,620	18,342	17,249
CASUALTY AND LIABILITY COSTS	160,000	143,200	144,932	125,558
TAXES	7,366	7,319	3,924	4,123
MISCELLANEOUS EXPENSES	33,177	34,177	26,308	24,640
DEBT SERVICE	0	10,800	10,800	10,370
LEASES AND RENTALS	1,320	1,320	175	0
Total Operating Expenses	1,092,591	1,044,664	979,635	905,101

## JTA OLYMPIC CONNECTION (JTOC)

The JTA Olympic Connection is responsible for the operation of the West Jefferson County “lifeline” service from Forks to Amanda Park. There are three Transit Operator positions and one part-time supervisory position in JTOC.

The budget for JTOC has increased 5.1% over the 2019 budget. The increase is primarily attributed to wages and benefits for represented employees and retroactive pay and increases to the Quillayute School District services (Routine vehicle maintenance and rent of facility space). The budget is the same for both Yes and No on I-976.

### JEFFERSON TRANSIT AUTHORITY JTOC

	2020 Budget	2019 Budget	2019 Forecast	2018 Actuals
OPERATING EXPENSES:				
LABOR	177,981	166,954	151,390	150,051
BENEFITS	112,413	103,018	97,210	94,322
SERVICES AND USER FEES	19,850	19,850	15,890	10,653
MATERIALS AND SUPPLIES CONSUMED	93,690	93,690	53,266	42,016
UTILITIES	4,600	4,600	4,200	4,183
CASUALTY AND LIABILITY COSTS	0	0	0	0
TAXES	0	0	0	0
MISCELLANEOUS EXPENSES	3,104	3,104	0	609
DEBT SERVICE	0	0	0	0
LEASES AND RENTALS	14,652	14,400	14,337	13,852
Total Operating Expenses	426,290	405,616	336,293	315,686



**Five Year Projections**  
**JEFFERSON TRANSIT AUTHORITY**  
**Statement of Operating Revenues, Expenses and Nonoperating**  
**Revenues**  
**2020 Operating Budget - Yes on I-976**  
**Operating - Summary By Department**

		Assumption of 4% Increase in Expenses/3 % Increase in Revenues	Assumption of 4% Increase in Expenses/3 % Increase in Revenues	Assumption of 4% Increase in Expenses/3% Increase in Revenues	Assumption of 4% Increase in Expenses/3% Increase in Revenues	Assumption of 4% Increase in Expenses/3% Increase in Revenues
	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2025 Budget
OPERATING REVENUES:						
Passenger Fares For Transit Services	\$174,530	\$179,766	\$185,159	\$190,714	\$196,435	\$202,328
Other Transit Fares	\$0	\$0	\$0	\$0	\$0	\$0
Charter Service Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Auxiliary Transportation Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Revenues	\$174,530	\$179,766	\$185,159	\$190,714	\$196,435	\$202,328
OPERATING EXPENSES:						
Labor	\$2,544,442	\$2,646,220	\$2,752,068	\$2,862,151	\$2,976,637	\$3,095,703
Benefits	\$1,870,104	\$1,944,908	\$2,022,705	\$2,103,613	\$2,187,757	\$2,275,268
Services And User Fees	\$414,952	\$431,550	\$448,812	\$466,765	\$485,435	\$504,853
Materials And Supplies Consumed	\$664,810	\$691,402	\$719,059	\$747,821	\$777,734	\$808,843
Utilities	\$88,153	\$91,679	\$95,347	\$99,160	\$103,127	\$107,252
Casualty And Liability Costs	\$160,000	\$166,400	\$173,056	\$179,978	\$187,177	\$194,664
Taxes	\$7,366	\$7,661	\$7,968	\$8,286	\$8,618	\$8,962
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous Expenses	\$97,410	\$101,306	\$105,359	\$109,573	\$113,956	\$118,514
Leases And Rentals	\$21,472	\$22,331	\$23,224	\$24,153	\$25,119	\$26,124
Total Operating Expenses	\$5,868,710	\$6,103,458	\$6,347,597	\$6,601,500	\$6,865,560	\$7,140,183
OPERATING INCOME (LOSS)	(\$5,694,180)	(\$5,923,692)	(\$6,162,438)	(\$6,410,787)	(\$6,669,125)	(\$6,937,855)
NONOPERATING REVENUES (EXPENSES)						
Nontransportation Revenues	\$97,200	\$100,116	\$103,119	\$106,213	\$109,399	\$112,681
Taxes Levied By Transit System	\$4,583,000	\$4,720,490	\$4,862,105	\$5,007,968	\$5,158,207	\$5,312,953
Local Grants And Contributions	\$18,000	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867
State Grants And Contributions	\$0	\$0	\$0	\$0	\$0	\$0
Fed Grants And Contrib (Operating)	\$1,283,160	\$1,530,000	\$1,575,900	\$1,623,177	\$1,671,872	\$1,722,028
Total Nonoperating Revenues (Expenses)	\$5,981,360	\$6,369,146	\$6,560,220	\$6,757,027	\$6,959,738	\$7,168,530
NET INCOME (LOSS) BEFORE TRANSFERS IN (OUT)	\$287,180	\$445,454	\$397,783	\$346,240	\$290,613	\$230,675
Transfers In (Out) - Interfund	(\$287,180)	(\$445,454)	(\$397,783)	(\$346,240)	(\$290,613)	(\$230,675)
NET INCOME (LOSS)	\$0	\$0	\$0	\$0	\$0	\$0
2019 Operational Reserve Balance	\$1,350,000	\$1,350,000	\$1,525,865	\$1,586,899	\$1,650,375	\$1,716,390
Transfer to Operational Reserve	\$0	\$ 175,865	\$ 61,035	\$ 63,476	\$ 66,015	\$ 68,656
Operational Reserve Balance	\$1,350,000	\$1,525,865	\$1,586,899	\$1,650,375	\$1,716,390	\$1,785,046
Capital Reserve Transfer	\$287,180	\$269,589	\$336,748	\$282,764	\$224,598	\$162,020



**JEFFERSON TRANSIT AUTHORITY**  
**Statement of Operating Revenues, Expenses and Nonoperating**  
**Revenues**  
**2020 Operating Budget - No on I-976**  
**Operating - Summary By Department**

	Assumption of 4% Increase in Expenses/3 % Increase in Revenues	Assumption of 4% Increase in Expenses/3 % Increase in Revenues	Assumption of 4% Increase in Expenses/3 % Increase in Revenues	Assumption of 4% Increase in Expenses/3 % Increase in Revenues	Assumption of 4% Increase in Expenses/3% Increase in Revenues	
	2020 Budget	2021 Budget	2022 Budget	2023 Budget	2024 Budget	2025 Budget
OPERATING REVENUES:						
Passenger Fares For Transit Services	\$174,530	\$179,766	\$185,159	\$190,714	\$196,435	\$202,328
Other Transit Fares	\$0	\$0	\$0	\$0	\$0	\$0
Charter Service Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Auxiliary Transportation Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Revenues	\$174,530	\$179,766	\$185,159	\$190,714	\$196,435	\$202,328
OPERATING EXPENSES:						
Labor	\$2,614,434	\$2,719,011	\$2,827,772	\$2,940,883	\$3,058,518	\$3,180,859
Benefits	\$1,948,871	\$2,026,826	\$2,107,899	\$2,192,215	\$2,279,903	\$2,371,100
Services And User Fees	\$414,952	\$431,550	\$448,812	\$466,765	\$485,435	\$504,853
Materials And Supplies Consumed	\$688,936	\$716,493	\$745,153	\$774,959	\$805,958	\$838,196
Utilities	\$88,153	\$91,679	\$95,346	\$99,160	\$103,127	\$107,252
Casualty And Liability Costs	\$160,000	\$166,400	\$173,056	\$179,978	\$187,177	\$194,664
Taxes	\$7,366	\$7,661	\$7,968	\$8,286	\$8,618	\$8,962
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous Expenses	\$100,410	\$104,426	\$108,603	\$112,948	\$117,465	\$122,164
Leases And Rentals	\$21,472	\$22,331	\$23,224	\$24,153	\$25,119	\$26,124
Total Operating Expenses	\$6,044,594	\$6,286,378	\$6,537,833	\$6,799,347	\$7,071,321	\$7,354,173
OPERATING INCOME (LOSS)	(\$5,870,064)	(\$6,106,612)	(\$6,352,674)	(\$6,608,633)	(\$6,874,885)	(\$7,151,845)
NONOPERATING REVENUES (EXPENSES)						
Nontransportation Revenues	\$97,200	\$100,116	\$103,119	\$106,213	\$109,399	\$112,681
Taxes Levied By Transit System	\$4,583,000	\$4,720,490	\$4,862,105	\$5,007,968	\$5,158,207	\$5,312,953
Local Grants And Contributions	\$18,000	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867
State Grants And Contributions	\$250,464	\$257,978	\$265,717	\$273,689	\$281,899	\$290,356
Fed Grants And Contrib (Operating)	\$1,281,000	\$1,530,000	\$1,575,900	\$1,623,177	\$1,671,872	\$1,722,028
Total Nonoperating Revenues (Expenses)	\$6,229,664	\$6,627,124	\$6,825,938	\$7,030,716	\$7,241,637	\$7,458,886
NET INCOME (LOSS) BEFORE TRANSFERS IN (OUT)	\$359,600	\$520,512	\$473,263	\$422,083	\$366,752	\$307,041
Transfers In (Out) - Interfund	(\$359,600)	(\$520,512)	(\$473,263)	(\$422,083)	(\$366,752)	(\$307,041)
NET INCOME (LOSS)	\$0	\$0	\$0	\$0	\$0	\$0
2019 Operational Reserve Balance	\$1,350,000	\$1,350,000	\$1,571,595	\$1,634,458	\$1,699,837	\$1,767,830
Transfer to Operational Reserve	\$0	\$ 221,595	\$ 62,864	\$ 65,378	\$ 67,993	\$ 70,713
Operational Reserve Balance	\$1,350,000	\$1,571,595	\$1,634,458	\$1,699,837	\$1,767,830	\$1,838,543
Capital Reserve Transfer	\$359,600	\$298,917	\$410,400	\$356,705	\$298,759	\$236,328

## Cash Flow Projections

### JEFFERSON TRANSIT AUTHORITY Statement of Cash Flows 2020 Operating and Capital Budget - Yes I-976

	2018 Actual	2019 Actual (Proj)	2020 Budget
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 100,638	\$ 174,215	\$ 174,530
Payments to Suppliers	(1,041,405)	(1,139,130)	(1,454,164)
Payments to Employees	(3,317,400)	(3,671,023)	(4,414,546)
Change in Accounting method for GASB 68	(291,493)		
Change in Accounting method for GASB 75	57,760		
Net Cash Provided (Used) by Operating Activities	(4,491,900)	(4,635,938)	(5,694,180)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Sales Tax Receipts	5,161,234	4,883,631	4,583,000
Other Nonoperating Receipts	10,376	11,295	0
Operating Grant Receipts	1,365,840	1,216,081	1,283,160
Local Government Assistance Fund Receipts	18,088	15,000	17,500
Net Cash Provided (Used) by Noncapital Financing Activities	6,555,538	6,126,007	5,883,660
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital Contributions	862,073	717,439	1,989,637
Principal Paid on Capital Debt	(50,000)	(360,000)	0
Interest Paid on Capital Debt	(10,370)	(9,000)	0
Purchases of Capital Assets	(2,171,685)	(320,970)	(4,363,997)
Sale of Capital Assets	1,176	12,285	0
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,368,806)	39,754	(2,374,360)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and Dividends	82,551	112,000	96,000
Net Cash Provided by Investing Activities	82,551	112,000	96,000
Net Increase (Decrease) in Sales and Cash Equivalents	777,383	1,641,822	(2,088,880)
Balances - Beginning of the Year	6,408,374	7,185,757	8,827,579
Prior Period Adjustment	0	0	0
Balances - End of the Year	<u>\$ 7,185,757</u>	<u>\$ 8,827,579</u>	<u>\$ 6,738,700</u>



**JEFFERSON TRANSIT AUTHORITY**  
**Statement of Cash Flows**  
**2020 Operating and Capital Budget - No I-976**

	<b>2018 Actual</b>	<b>2019 Actual (Proj)</b>	<b>2020 Budget</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers	\$ 100,638	\$ 174,215	\$ 174,530
Payments to Suppliers	(1,041,405)	(1,139,130)	(1,481,290)
Payments to Employees	(3,317,400)	(3,671,023)	(4,563,305)
Change in Accounting method for GASB 68	(291,493)		
Change in Accounting method for GASB 75	57,760		
Net Cash Provided (Used) by Operating Activities	(4,491,900)	(4,635,938)	(5,870,065)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Sales Tax Receipts	5,161,234	4,883,631	4,583,000
Other Nonoperating Receipts	10,376	11,295	0
Operating Grant Receipts	1,365,840	1,216,081	1,531,464
Local Government Assistance Fund Receipts	18,088	15,000	17,500
Net Cash Provided (Used) by Noncapital Financing Activities	6,555,538	6,126,007	6,131,964
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Capital Contributions	862,073	717,439	1,989,637
Principal Paid on Capital Debt	(50,000)	(360,000)	0
Interest Paid on Capital Debt	(10,370)	(9,000)	0
Purchases of Capital Assets	(2,171,685)	(320,970)	(4,449,497)
Sale of Capital Assets	1,176	12,285	0
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,368,806)	39,754	(2,459,860)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest and Dividends	82,551	112,000	96,000
Net Cash Provided by Investing Activities	82,551	112,000	96,000
Net Increase (Decrease) in Sales and Cash Equivalents	777,383	1,641,823	(2,101,961)
Balances - Beginning of the Year	6,408,374	7,185,757	8,827,580
Prior Period Adjustment	0	0	0
Balances - End of the Year	<u><u>\$ 7,185,757</u></u>	<u><u>\$ 8,827,580</u></u>	<u><u>\$ 6,725,619</u></u>