



2021 Operating/Capital Budget

Budget Workshop

November 3, (the year who must
not be named)



Schedule

- November 3rd – Budget Workshop
- November 17th – 1:30pm 1st Public Hearing
- December 4th – 1:30pm 2nd Public Hearing
(Public Hearing Closes)
- December 15th – 1:30pm Authority Board Meeting – Resolution to Authorize the 2021 Budget



Budget Message

Cautiously Optimistic...

Kingston Connection Pilot Project - July 2021

Capacity Expansion – Facilities Maintenance
Building and Bus Training Area



What are our Challenges in 2021?

- Recession still a possibility
 - Sales Tax as a funding source not reliable
 - Sales Tax Down in current year - Retail Sales UP, Construction, and Accommodation and Food Services down
- I-976 Over-turned by Supreme Court
 - Legislature may decide to enact legislation anyway



What are our Challenges in 2021?

- COVID Response
 - Will additional equipment purchases be required?
 - Social Distance Requirements
 - Shadow Service
 - More Labor Expense
 - Cleaning
 - Operators



Reserve Fund Status

Reserve Funding Status - Board Policy

- Capital Reserve-2021 Beg Balance Estimate \$4.4M
 - Minimum annual funding level \$100K
 - Max level is \$100K plus TDP project grant fund match for 6-year planning period (currently \$5,021,099 - will be 88% funded)
- Operational Reserve – 2021 Beg Bal \$2.03M
 - COVID bump in 2020 due to economic uncertainty
 - 3-Months expenses or 25% of the annual expense budget
 - For 2021 that total is \$1.48M
 - Fully funded
- Unemployment Reserve – 2020 \$ 15.25K



Reserve Fund Status

Reserve Funding Status - Board Policy

- Vehicle Replacement Reserve - 2021 Beg Bal \$125K
 - Minimum annual funding \$125,000
 - provided capital reserve funding is available and operating reserve fund is fully funded
- Technology Replacement Reserve in 2021 Beg Bal \$75K
- Operating Fund Balance
 - Funds that are used to operate daily
 - Minimum should be no less than one month average expenses (2021 = \$495K)
 - More responsible way to meet cash flow fluctuations is a fund balance = \$750K to \$1M
 - JTA currently meets this requirement



Economic Outlook

- Sales Tax
 - 2021 Projections 3% higher than 2020 Budgeted
- 2021 Expense Budget is 1% higher than 2020 Expense Budget
- CARES Act funding provided JTA with 100% operating funding for 2 quarters
 - Funding available to examine Pilot Project Kingston Connection
 - Begin Capacity Expansion Projects with Facilities Maintenance Move



Capital Projects

- On-Going Planning Projects
 - Comprehensive Plan
 - Wrap-Up EV Feasibility Study
 - 3rd Maintenance Bay Design
 - HPTC Bus Loop Expansion
- On-Going Projects
 - Maynard Mountain Radio Repeater
 - Security Cameras
 - New Shelters
 - Major Component Replacement
 - Finance Software Upgrade





Capital Projects

- Fixed Route Replacement Vehicles
 - 1 Full Sized Gillig - STP/Flex Funding
 - DES Bus Purchase Contract Seriously Delayed - WSDOT has offered to assist with OUT OF STATE Purchasing Contract “Rider”
 - 1 Full Size JTOC Cut-away (Consolidated Grant)
- Facilities Maintenance Building and Bus Training Area
 - Utilizing the 111 4 Corners Property
 - Necessary to move Facilities work area to make way for 3rd Mntce Bay Project, which is necessary for service expansion
- Service Equipment
 - Small Tractor with Attachments
- Service Vehicle – Field Supervisor SUV
- Social Media Notification Software



Service, Routes, Ridership

- Service Levels
 - Pilot Project for meeting Kingston Connection (tentative start date July 2021)
- Routes
 - Minor Adjustments expected in Regular Routes
- Ridership





Service, Routes, Ridership

Jefferson Transit Long-Range Plan



STAFFING

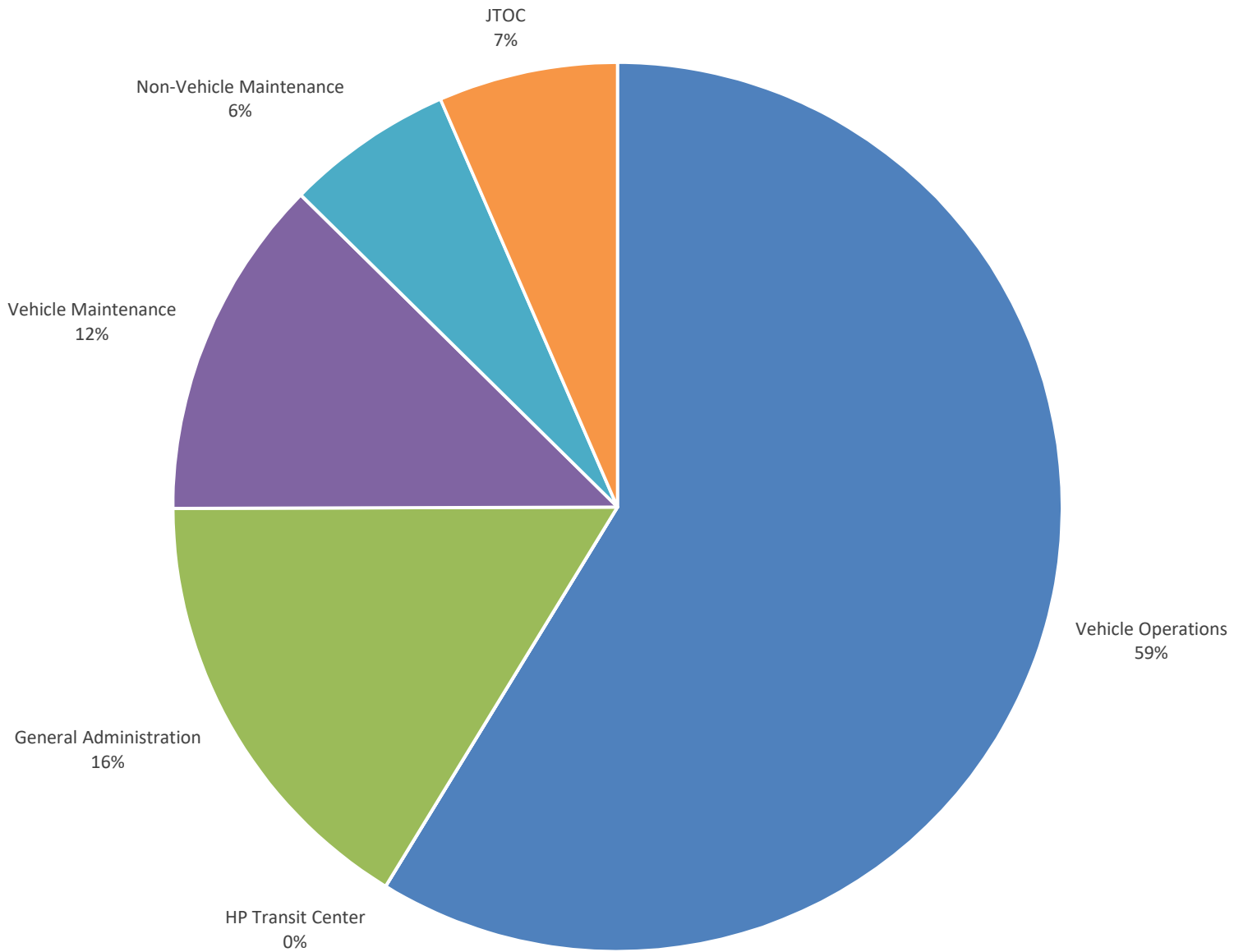
- Operators
 - Four operators have left JTA employment – Run cut changes at the request of ATU leave back filling unnecessary
 - Two operators to be hired to fill vacancies created by Kingston Connection
- Moving all staffing from HPTC to Operations
 - No value added in breaking out – All Operations Personnel
 - Will maintain HPTC Department to track Facility costs
 - Changing Customer Service position classification to Customer Service/Office Assistant (similar to 4-C position)
- No changes to staffing levels in Maintenance
- No changes to staffing levels in JTOC



Salaries & Wages

- 3% Contracted wage increase for Represented Employees
- Non-Represented Employees will receive a 2% COLA increase – conservative due to economic uncertainty

2021 Operating Budget - Labor by Cost Center





Operations 19.7% Increase

- Operations Wages and Benefits:
 - Increase due to moving HPTC personnel to Operations
 - Operator Wages actually less because we paid Retroactive wages in 2020
 - Increases for Additional Dispatch Hours for Training
 - Increase for Administrative Asst Position (from general Customer Service Position)
 - Increase in Management Salaries due to combination FR/DAR Manager positions – not backfilling Mobility Coordinator
- Materials:
 - Increase due to additional schedule printing costs for Kingston Connection
- Miscellaneous:
 - Increase in Travel/Training - Moved from HPTC
 - Increase to add COVID Related Expenses



HPTC 86.5% Decrease

- **HPTC Wages and Benefits**
 - Moved personnel to Operations
- **HPTC Services**
 - Moved Vanpool Services to Operations
- **HPTC Utilities**
 - Decreased Phone & Internet
- **HPTC Miscellaneous**
 - Moved Training Expenses
 - Added COVID Related Expenses
- **HPTC Leases**
 - Increased cost of Port-a-Potty



Vehicle Maintenance 5.2% Decrease

- VM Wages and Benefits
 - No Retro – result is lower wages in 2021
- VM Materials & Supplies
 - Decreased Fuel
 - Decrease in general due to New Buses
 - Decrease Office Supplies
 - Increases in Cleaning Supplies, Safety Supplies
- VM Miscellaneous
 - Increase due to Training and COVID Expenses



Facility Maintenance 8.6% Decrease

- FM Wages and Benefits
 - Increases for potential overtime for festivals
- FM Services
 - Increased Prof Serv for Fire Suppression Inspection
 - Removed Painting HPTC – Project on Hold



Administration 3.3% Increase

- Admin Wages & Salaries
 - 2% General – Under-budgeted 2020
- Admin Services
 - General increases in most categories
 - Increase in Software Mntce for Smarsh and Zoom Meeting Software
- Admin Liability Costs
 - Decrease in WSTIP due to lower miles in 2019 – expect 2022 to be lower as well due to 2020 lower miles for COVID
- Admin Taxes
 - Reduced fares = Reduced Taxes



JT-Olympic Connection 6.2% Decrease

- JTOC Wages and Benefits
 - No Retro results in reduced expense
- JTOC Materials & Supplies
 - Decreased fuel expense
- JTOC Leases & Rentals
 - Facilities rent increase



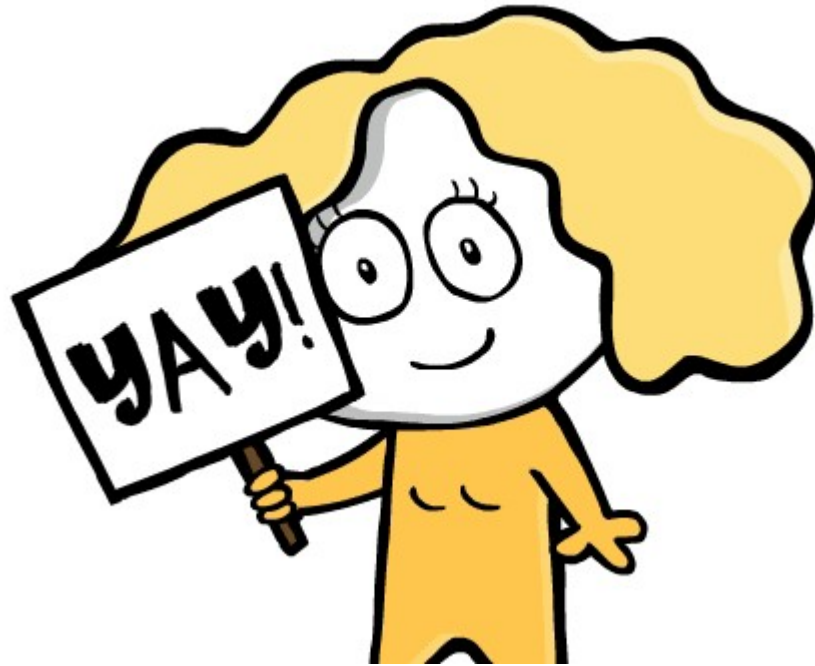
5-Year Outlook

- Calculated using 3% increase in Expenses and 3% increase in Revenue
- Minimum \$100K Capital Reserve Transfer annually by policy
- Continue to watch sales tax trends



Cash Flow

Cash flow will be sufficient through 2021 to cover all operating expenses and maintain capital expenditures



Questions?