

Whatcom Transportation Authority 2020 ANNUAL BUDGET



November 21, 2019

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Whatcom Transportation Authority (WTA)
2020 Annual Budget
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General Manager's Budget Message

In 2020, WTA will remain dedicated to our primary mission: to provide safe, reliable, efficient and friendly service to our community.

Our 2020 budget will allow us to:

- Create WTA's first "Transit Master Plan". This work will provide the framework to develop our services over the next 20 years.
- Complete the roll out of "Smart Bus" technology, including real-time bus arrival information.
- Introduce automated "Call Ahead" notification for our paratransit riders.
- Continue enhancement of our "Touch Pass" system to allow riders can easily re-load their smart card on-line.
- Introduce of WTA's first two all-electric buses.
- Partner with Western Washington University to develop its Lincoln Creek Transportation Center site.
- Continue our commitment to maintaining vehicles and facilities in a state of good repair.

We look forward to another year of service to our community.

Peter L. Stark

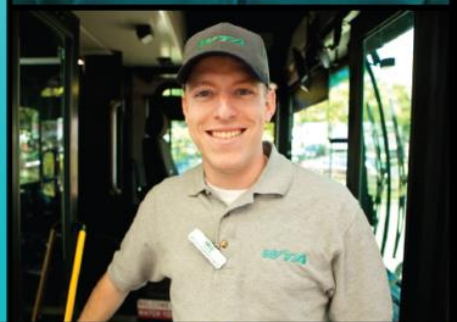
General Manager





At WTA, our mission is to enhance our community by:

- Delivering safe, reliable, efficient and friendly service.
- Offering environmentally sound transportation choices.
- Providing leadership in creating innovative transportation solutions.
- Partnering with our community to improve transportation systems.



Vision for Whatcom Transportation Authority Destination 2020

...to be a vital and permanent element of Whatcom County's transportation infrastructure.

This means WTA will:

- Provide public transportation services that best meet the community's mobility needs.
- Contribute to the economic vitality of the County.
- Make capital investments that enhance efficiency and prevent future problems.
- Provide a practical alternative to single occupancy vehicles.

...to maintain our commitment to service excellence.

This means WTA will:

- Respond to our customers' needs.
- Strive to achieve the highest level of customer service, efficiency and reliability.
- Attract, hire and retain employees who reflect our community and agency values.
- Maintain strong fiscal controls.

...to be a leader in an integrated regional transportation system that supports vibrant, livable communities.

This means WTA will work with others to:

- Build and maintain effective partnerships.
- Integrate transportation, land-use and growth management goals.
- Increase access to jobs, education and other community resources.

...to apply the relevant innovations in public transportation services to local and regional needs.

This means WTA will:

- Apply proven technology solutions to improve customer experience.
- Demonstrate environmental leadership.
- Coordinate with other providers and organizations to maximize use of limited resources.

Overall Economic Outlook

WTA begins 2020 with healthy cash balances and a projection of stable but slower growing revenue. Whatcom County added 800 jobs since July 2018 however, people moving to our area are not changing the job participation rate significantly.

The county is seeing home sales declining in Bellingham while growth is occurring in certain parts of the county. Overall Whatcom County home prices are declining which should contribute to a growth in housing inventory into 2020.

Unemployment in the county as of August 2019 was 5.6%, the highest percentage since July 2018.

Service, Routes and Ridership

No significant service changes are expected in 2020. Instead, the focus will be on utilizing data from Smart Bus to evaluate system performance and prepare for future improvements. Minor changes will be made to schedules, stops and routes in order to address short-term issues.

Ridership continues on a gradual decline, mirroring national trends. Since no new service is planned in 2020 and other external factors like gas prices are likely to be the same, this trend is projected to continue into the foreseeable future.

Paratransit ridership is flat and anticipated to remain the same during 2020 despite a 4% increase in hours during 2019.

The vanpool program continues with decreasing numbers of vans in the program. WTA is ordering new vans with updated features to attract new vanpool customers.

WTA will begin preparing a Long-Range Plan to set a 20-year framework of service based on a robust community engagement process. The project will provide goals and actions around fixed route, paratransit and other service, fleet and infrastructure, and funding. The project is expected to take 18 months to complete.

Revenue

WTA anticipates collecting sales tax revenues at 6% over the 2018 budget during 2019 and expects this revenue source being stable in 2020 although at a slower rate. The 2020 budget is for an increase of 5% over the 2019 budget. The growth is occurring primarily in the retail and management, education and health services sector.

Although WTA increased service, fare revenue remains flat as do capital grant revenues. The passage of I-976 impacts WTA with a reduction of approximately \$1,000,000 in annual revenue used to support paratransit service and provide travel training on fixed route service beginning in 2021. The agency will receive the full amount of funding in 2020 and plans to continue the same level of service next year. WTA has been advised to expect severe funding cuts for the 2021-2023 biennium and beyond. If the funds are not replaced, WTA will experience an anticipated drain in cash reserves in future years, and expenses will need to be reduced to maintain the current level of service.

Interest rates are projected at 1.9% annually while advertising revenue is expected to decline slightly.

The agency is currently reviewing the fare structure for fixed route and youth fares and plan to review paratransit, vanpool and bulk pass programs with recommendations to the board during 2020.

Personnel

WTA entered into a three (3) year contract with the Amalgamated Transit Union Local 843 which represents the majority of our employees in 2019. Both union and non-represented employees will receive a 3.25% Cost of Living Adjustment (COLA) in 2020.

The following new positions are included in the 2020 budget:

- 1 Electronics Technician
- 1 Hostler
- .3 increase for Transit Planning Coordinator

Capital and Infrastructure

The following projects are included in the 2020 budget:

- Smart Bus – computer aided dispatch, real time passenger information, and automatic stop announcements
- Purchase property to accommodate expansion of the Maintenance, Operations and Administrative base
- Replace 3 fixed route diesel buses
- Receive 2 electric buses
- Install electric bus charging equipment
- Replace 9 Paratransit buses
- Replace 3 vanpool vans
- Install various technology and back office improvements

Cash

WTA's undesignated cash balance at January 1, 2020 is estimated at \$10,883,000. Undesignated cash supports the daily operations of WTA and is projected to decrease to \$8,523,000 by the end of 2020 as we continue to support new technology needs, address space constraints, hire and train employees, and meet the agency's daily operating needs.

Total internally designated reserves are estimated \$18,670,000, as of January 1, 2020, a decrease of \$4,590,000. These funds are required by policy to maintain the operating reserve, provide WTA's share of federally funded revenue vehicles and meet the increased capital needs of the agency.

Conclusion

WTA's financial position is positive heading into 2020. The agency is embarking on a plan to assess what long term service to our community looks like and how to prepare to continue delivering safe, reliable, efficient, and friendly service to Whatcom County.

Whatcom Transportation Authority Revenue and Expenditures

	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals
Revenues				
Fixed Route Revenue	\$ 2,625,471	\$ 2,321,389	\$ 2,579,321	\$ 2,507,904
Paratransit Revenue	111,350	102,851	108,211	96,130
Vanpool Revenue	118,900	122,186	143,589	182,460
Total Operating Revenues	2,855,721	2,546,426	2,831,121	2,786,494
Sales Tax Income	30,893,068	29,571,207	29,421,970	28,038,850
Operating Grants	1,038,580	1,037,063	1,021,636	1,155,426
Investment Income	461,764	580,077	403,025	536,450
Other Revenue	170,000	246,245	178,992	303,262
Total Revenues	35,419,133	33,981,018	33,856,744	32,820,482
Expenses				
Wages & Salaries	17,138,728	16,457,530	16,328,274	14,872,518
Paid Sick Leave	567,000	594,784	589,981	689,411
Paid Vacation Leave	1,695,781	1,141,989	1,606,068	1,329,398
Employee Benefits	9,488,894	8,659,329	8,918,584	6,510,815
Outside Services	2,473,331	1,725,273	2,167,262	1,474,680
Supplies & Materials	2,744,117	2,298,979	2,724,092	2,222,468
Fuel	1,407,590	1,289,989	1,476,096	1,389,975
Utilities	435,722	356,004	412,205	339,794
Insurance & Claims	741,723	625,274	635,376	561,738
Education, Meetings & Travel	338,350	276,583	289,721	248,148
General Expense	240,505	213,161	212,827	206,590
Total Operating Expenses	37,271,741	33,638,895	35,360,486	29,845,535
Net Operating (Loss)/Income	(1,852,608)	342,123	(1,503,742)	2,974,947
Capital Expenditures	9,468,870	8,894,214	10,875,176	3,275,777
Grants & Contributions	4,695,900	3,915,761	3,579,560	(86,103)
Net Capital Expense	4,772,970	4,978,453	7,295,616	3,361,880
Net (Loss)	\$ (6,625,578)	\$ (4,636,330)	\$ (8,799,358)	\$ (386,933)



FTE Staffing by Department

	2019 Budget	2020 Budget	2020 vs. 2019
General Manager	1.00	1.00	0.00
Executive Assistant II	1.00	1.00	0.00
Executive Administration	2.00	2.00	0.00
Community Relations & Marketing	1.00	1.00	0.00
Human Resources Director	1.00	1.00	0.00
Human Resources Analyst	1.00	1.00	0.00
Benefits & HR Generalist	1.00	0.00	-1.00
Human Resources Coordinator	0.00	1.00	1.00
Department Assistant	1.00	1.00	0.00
Human Resources	4.00	4.00	0.00
Operations Director	1.00	1.00	0.00
Operations / Field Supervisors	8.00	8.00	0.00
Dispatch Supervisor	1.00	1.00	0.00
Safety & Training Supervisor	1.00	1.00	0.00
Executive Assistant I	1.00	1.00	0.00
Department Assistant I	1.00	1.00	0.00
Transit Administration	13.00	13.00	0.00
Dispatch Manager	1.00	1.00	0.00
Dispatchers	4.00	6.00	2.00
Training Coordinator	1.00	1.00	0.00
Trainer	2.00	2.00	0.00
Trainees	3.00	3.00	0.00
Lead Customer Service Rep	0.33	0.33	0.00
Fixed Route Customer Service Reps	3.00	3.00	0.00
Fixed Route Transit Operators	128.00	126.00	-2.00
Terminal Expeditors	4.00	4.00	0.00
Fixed Route Operations	146.33	146.33	0.00
Paratransit Manager	1.00	1.00	0.00
Mobility Coordinator	1.00	1.00	0.00
Travel Trainer	0.00	1.00	1.00
Paratransit Dispatchers	7.00	6.00	-1.00
Paratransit Dispatch Coordinator	1.00	1.00	0.00
Lead Customer Service Rep	0.67	0.67	0.00
Paratransit Customer Service Reps	4.00	4.00	0.00
Paratransit Transit Operators	43.00	43.00	0.00
Paratransit Operations	57.67	57.67	0.00
Finance Director	1.00	1.00	0.00
Procurement & Grants Coordinator	1.00	1.00	0.00
Finance	2.00	2.00	0.00
Accounting Manager	1.00	1.00	0.00
Payroll Specialist	1.00	1.00	0.00
Accounting Technicians (I & II)	2.00	2.00	0.00
Accounting	4.00	4.00	0.00
Revenue Manager	1.00	1.00	0.00

FTE Staffing by Department, continued

	2019 Budget	2020 Budget	2020 vs. 2019
IT Director	1.00	1.00	0.00
IT Systems Technician	1.00	1.00	0.00
IT Systems Administrator	1.00	1.00	0.00
IT Applications Administrator	3.00	3.00	0.00
Department Assistant	1.00	1.00	0.00
Information Technology	7.00	7.00	0.00
Planning Director	1.00	1.00	0.00
Fare Policy Coordinator	0.10	0.00	-0.10
Transit Planners	2.00	2.00	0.00
Transit Planning Coordinator	0.00	0.70	0.70
Department Assistant	1.00	1.00	0.00
Planning	4.10	4.70	0.60
Vanpool & Rideshare	0.60	0.30	-0.30
Fleet and Facilities Director	0.50	0.50	0.00
Fleet Maintenance Manager	1.00	1.00	0.00
Administrative Supervisor	0.35	0.35	0.00
Department Assistant	1.00	1.00	0.00
Lead Fleet Maintenance Technicians	2.00	2.00	0.00
Fleet Maintenance Technicians	13.00	13.00	0.00
Lead Fleet Electronics Technician	0.00	1.00	1.00
Fleet Electronics Technician	1.00	1.00	0.00
Fleet Maintenance	18.85	19.85	1.00
Service Section Supervisor	0.33	0.33	0.00
Lead Hostler	1.00	1.00	0.00
Hostlers	4.00	5.00	1.00
Vehicle Servicing	5.33	6.33	1.00
Administrative Supervisor	0.35	0.35	0.00
Lead Storekeeper	1.00	1.00	0.00
Storekeeper	2.00	2.00	0.00
Warehouse	3.35	3.35	0.00
Service Section Supervisor	0.33	0.33	0.00
Lead Routes Technician	1.00	1.00	0.00
Routes Technician	2.00	2.00	0.00
Facilities Maintenance Worker	0.50	0.50	0.00
Routes Maintenance	3.83	3.83	0.00
Fleet and Facilities Director	0.50	0.50	0.00
Service Section Supervisor	0.34	0.34	0.00
Administrative Supervisor	0.30	0.30	0.00
Facilities Maintenance Worker	0.50	0.50	0.00
Facilities Technicians	2.00	2.00	0.00
Facilities Maintenance	3.64	3.64	0.00
Total FTEs	276.70	279.00	2.30

Capital and Grants

Carryover Projects	2020 Budget	Grants	WTA Share
Mobile Data Terminals	\$ 40,000	\$ -	\$ 40,000
IT Space Remodel	45,000	-	45,000
Fuel Dispenser Installation	72,000	-	72,000
Ferndale Station LED Lighting Retrofit	75,000	-	75,000
Vanpool Vans	114,000	-	114,000
Smart Bus Project	950,000	-	950,000
Property Purchase	1,600,000	-	1,600,000
Total Carryover Projects	2,896,000	-	2,896,000
2020 Projects	2020 Budget	Grants	WTA Share
Asset Management Software	15,000	-	15,000
Accessible Vehicle for Travel Trainer	44,000	-	44,000
Bus Shelter Replacements	94,000	-	94,000
3 Vanpool Vans	114,000	-	114,000
Paratransit Notification Software	108,000	-	108,000
Staff Vehicles	145,000	-	145,000
Facilities Infrastructure	150,000	-	150,000
Electric Bus Charging Facilities	477,000	377,575	99,425
9 Paratransit Buses	1,200,000	1,020,000	180,000
3 Diesel Buses	1,809,855	1,385,900	423,955
2 Electric Buses	2,416,015	1,912,425	503,590
Total 2020 Projects	6,572,870	4,695,900	1,876,970
Total carryover and new projects	\$ 9,468,870	\$ 4,695,900	\$ 4,772,970



Department/Division Expense Budgets

Operations Division

	2020 Budget	2019 Forecast	2019 Budget	Actuals 2018
Salaries & Wages	\$ 14,424,506	\$ 13,429,991	\$ 13,930,099	\$ 12,386,611
Employee Benefits	7,103,591	6,535,057	6,812,051	5,858,057
Outside Services	182,091	162,097	150,125	137,179
General Expense	15,200	9,876	17,313	6,338
Supplies & Materials	152,140	113,284	153,409	150,549
Professional Fees	0	0	0	2,255
Utilities	20,944	17,581	18,300	15,957
Insurance & Claims	536,787	456,239	464,784	411,219
Education, Meetings & Travel	112,575	90,864	80,625	67,628
Total Operating Expense	\$ 22,547,834	\$ 20,814,989	\$ 21,626,706	\$ 19,035,793

The Operations Division is responsible for delivering safe, reliable, efficient, and friendly transportation services to our passengers. Fixed Route operates our regularly scheduled transit service as outlined in the Transit Guide. Paratransit provides complementary scheduled transportation services for passengers who are unable to fully access Fixed Route.

Dispatchers support Operations by performing primary communication, coordination, and organizational duties required to deliver transportation service on a daily basis. Dispatchers schedule and coordinate rides while supporting Operators on the radio and mobile data tablets. Dispatchers are the first point of contact in an emergency.

Customer Service Representatives book rides, sell passes, and provide information to the public.

Expeditors ensure the safe and efficient operation of activities at the transit stations.

The Training Department creates, evaluates, and updates WTA training programs. They provide refresher, remedial, and other required trainings to new and experienced Operators and staff.

Operations Management ensures compliance with WTA policies, the American with Disabilities Act, and the labor contract with the Amalgamated Transit Union. Operator and staff support are their primary focus. They oversee data systems, auxiliary purchased service, and Information Technology integration. They provide field support, accident management, and address passenger-related concerns

Fleet and Facilities Division

	2020 Budget	2019 Forecast	2019 Budget	Actuals 2018
Salaries & Wages	\$ 2,514,874	\$ 2,326,552	\$ 2,251,475	\$ 2,151,164
Employee Benefits	1,221,347	1,108,699	1,099,638	1,015,317
Outside Services	669,400	426,989	584,115	465,781
General Expense	48,600	37,141	33,600	45,037
Supplies & Materials	1,601,116	1,487,976	1,595,656	1,316,597
Repairs & Maintenance	131,100	74,303	131,100	71,529
Professional Fees	0	1,208	0	5,955
Fuel	1,407,590	1,289,989	1,476,096	1,389,975
Utilities	292,600	255,799	293,700	252,581
Insurance & Claims	42,948	37,296	37,296	37,440
Education, Meetings & Travel	52,046	31,660	48,656	42,241
Total Operating Expense	\$ 7,981,621	\$ 7,077,612	\$ 7,551,332	\$ 6,793,617

The Fleet and Facilities Division oversees Fleet Maintenance, Fleet Service, Route Maintenance, Facilities Maintenance and the Warehouse.

The Fleet Maintenance and Service Departments ensure WTA vehicles and equipment are safe and maintained in a state of good repair. Other responsibilities include the effective management of vehicle specification, purchase, acceptance, inspection, modification, appearance, fueling, detailing and washing.

Route Maintenance ensures fixed route bus stops and amenities are safe and clean. They also install, repair and maintain bus stops, shelters, route signage and information strips.

Facilities Maintenance ensures that the Maintenance, Operations and Administrative Base and four transit stations are maintained and in a state of good repair. They also manage facility modifications and renovations.

The Warehouse Department orders, stocks and maintains parts and materials inventory required to maintain and repair vehicles and facilities, and supply all other departments.

Finance Division

	2020 Budget	2019 Forecast	2019 Budget	Actuals 2018
Salaries & Wages	\$ 630,944	\$ 622,516	\$ 599,461	\$ 589,906
Employee Benefits	265,806	235,517	230,087	217,022
Outside Services	170,935	44,049	202,378	50,262
General Expense	57,235	52,354	55,514	48,376
Supplies & Materials	139,921	141,648	307,066	80,568
Repairs & Maintenance	1,232	0	500	0
Professional Fees	70,000	63,644	56,996	38,276
Utilities	3,228	681	600	297
Insurance & Claims	109,272	76,848	78,324	70,455
Education, Meetings & Travel	44,039	31,842	46,180	33,291
*Adjust for GASB 68	0	0	0	(1,330,366)
Total Operating Expense	\$ 1,492,612	\$ 1,269,099	\$ 1,577,106	\$ (201,913)

**GASB 68 went into effect in 2015 establishing new financial reporting requirements for local governments providing their employees with pension benefits. The amount of the adjustment is not estimable for 2019 and 2020 and will be recorded at year end.*

The Finance Division is responsible for budget preparation and monitoring, financial analysis, accounting and financial reporting, internal control oversight, and Agency compliance with local, state and Federal regulatory requirements. The division participates in strategic planning and promotes long-term fiscal stability.

The Accounting Department is responsible for all financial reporting, grant accounting, cash management, payroll, accounts payable, accounts receivable, fixed asset accounting, and agency archives. The department also manages most federal and state reporting, financial audits, National Transit Database (NTD) reporting, and Federal Transportation Administration (FTA) triennial reviews.

The Revenue Department manages the fare systems, social service agency sales, and retail vendor sales, pass inventory, the coordination of fare system functions, and oversees cash handling.

Procurement responsibilities include managing competitive solicitations, vendor contract management, coordinating the Disadvantaged Business Enterprise (DBE) program, and equipment surplus and disposal programs.

Information Technology Division

	2020 Budget	2019 Forecast	2019 Budget	Actuals 2018
Salaries & Wages	\$ 681,264	\$ 599,855	\$ 573,292	\$ 652,011
Employee Benefits	260,224	235,266	220,496	241,709
Outside Services	528,155	375,215	586,448	337,552
General Expense	200	201	500	75
Supplies & Materials	589,707	471,545	437,451	476,856
Repairs & Maintenance	24,291	0	0	0
Professional Fees	0	557	0	44
Utilities	116,080	79,151	96,900	68,316
Education, Meetings & Travel	47,000	43,835	47,000	50,534
Total Operating Expense	\$ 2,246,921	\$ 1,805,625	\$ 1,962,087	\$ 1,827,097

The Information Technology (IT) Division provides leadership and customer service in support of WTA's use of technology to solve business needs. IT does this through innovation, strategic planning and partnering with stakeholders.

IT manages the WTA portfolio of technology systems and services including:

- Data and voice communications
- Enterprise computing
- Enterprise applications
- Department application support
- User computing
- Facilities technology
- Fleet technology
- Public information services
- IT service delivery

The Intelligent Transportation Systems (ITS) department includes the implementation and maintenance of transit technology systems. These include vehicle location tracking, video surveillance, transit operator workforce management and next bus arrival systems.

Planning Division				
	2020 Budget	2019 Forecast	2019 Budget	Actuals 2018
Salaries & Wages	\$ 423,463	\$ 416,669	\$ 466,981	\$ 415,275
Employee Benefits	207,628	158,246	173,754	149,759
Outside Services	268,250	42,757	49,100	74,413
General Expense	3,620	1,279	3,500	1,779
Supplies & Materials	65,120	54,651	61,200	63,160
Utilities	1,000	1,046	1,000	909
Insurance & Claims	52,716	54,891	54,972	42,624
Education, Meetings & Travel	27,840	17,710	16,320	15,450
Total Operating Expense	\$ 1,049,637	\$ 747,249	\$ 826,827	\$ 763,369

The Planning Division manages long and short-range planning, service planning and performance evaluation for the Fixed Route and Vanpool programs and supports Paratransit Operations. Other responsibilities include:

- Vanpool Program management
- Customer Information
- Ensuring compliance with Title VI of The Civil Rights Act
- Liaison to the City and County planning departments, Western Washington University, Washington State Department of Transportation (WSDOT) and other organizations with an interest in transportation-related planning
- Planning and conducting public forums and meetings to gather public and customer input
- Oversight of fare policy changes
- Ridership forecasting and tracking of data related to ridership generation
- Special transit planning studies
- Ensure service compliance with State and Federal agency rules
- Liaison to developers planning significant commercial or residential projects

Human Resources				
	2020 Budget	2019 Forecast	2019 Budget	Actuals 2018
Salaries & Wages	\$ 370,419	\$ 357,423	\$ 350,833	\$ 361,548
Employee Benefits	290,792	237,951	245,792	232,810
Outside Services	368,500	317,093	308,100	237,534
General Expense	9,750	9,251	9,500	12,941
Supplies & Materials	23,340	13,203	21,810	52,590
Professional Fees	24,000	36,628	18,000	35,803
Utilities	500	480	500	453
Education, Meetings & Travel	33,500	40,676	33,500	22,344
Total Operating Expense	\$ 1,120,801	\$ 1,012,705	\$ 988,035	\$ 956,023

The Human Resources Department manages and administers employment programs including:

- Compliance with labor laws and regulations
- A competitive and equitable compensation system
- Employee health benefit programs
- Fit for Work program (including drug and alcohol testing)
- Family and Medical Leave Act (FMLA) administration
- Employee relations
- Staff training and development
- Workers' Compensation
- Equal Employment Opportunity
- Employee performance reviews

Human Resources participates in strategic planning, administers and negotiates the labor contract, and promotes employee morale and recognition.

Community Relations and Marketing

	2020 Budget	2019 Forecast	2019 Budget	Actuals 2018
Salaries & Wages	\$ 110,482	\$ 107,003	\$ 107,001	\$ 109,434
Employee Benefits	50,353	45,957	46,982	44,441
Outside Services	171,000	157,581	191,000	83,595
General Expense	45,500	45,957	37,500	40,979
Supplies & Materials	13,750	13,068	13,500	9,166
Utilities	720	636	555	705
Education, Meetings & Travel	5,500	3,132	3,840	9,537
Total Operating Expense	\$ 397,305	\$ 373,334	\$ 400,378	\$ 297,857

Community Relations & Marketing plans and implements programs to increase ridership and promote WTA throughout the community. This includes:

- WTA advertising and promotion
- Smart Trips advertising and promotion
- Managing the transit advertising program
- Writing grant proposals
- Proactive media relations
- Community outreach and events
- Collaboration with community partners
- Citizen Advisory Committee coordination



Executive Administration

	2020 Budget	2019 Forecast	2019 Budget	Actuals 2018
Salaries & Wages	\$ 245,557	\$ 334,295	\$ 245,181	\$ 225,377
Employee Benefits	89,153	102,635	89,784	82,068
Outside Services	21,000	23,153	21,000	0
General Expense	60,400	57,101	55,400	51,064
Supplies & Materials	2,400	3,604	2,400	1,453
Professional Fees	0	0	0	6,034
Utilities	650	630	650	577
Education, Meetings & Travel	15,850	16,864	13,600	7,124
Total Operating Expense	\$ 435,010	\$ 538,282	\$ 428,015	\$ 373,697

The General Manager (GM) is the primary liaison with WTA's Board of Directors and our community. The GM represents WTA to employees, passengers, customers, community leaders, and the general public, and welcomes input from all groups.

The GM provides strategic direction for the agency and leads the Executive Team. The General Manager bears ultimate responsibility for all WTA activities.



Cash Reserves

WTA maintains cash reserves to protect its ability to provide public transit service. Reserves ensure that the agency can withstand economic disruptions, unanticipated expenditure demands, capital requirements, and meet other non-recurring needs.

Each reserve account has a minimum balance and a recommended balance. The reserve accounts meet all recommended balances specified in the Reserve Policy.

Reserve account balances may change only with Board of Directors approval. Recommended 2020 reserve balance changes are summarized below:

Cash Reserves			
(in thousands)			
	2020	2019	
Reserve	Recommended Reserves	Current Reserves	Increase (Decrease)
Operating	9,300	8,850	450
Capital	4,870	6,110	(1,240)
Fleet	4,500	8,300	(3,800)
	\$18,670	\$23,260	(\$4,590)

Operating Reserve

The Operating Reserve accumulates funds to protect against unforeseen operating demands. It is calculated as 25% of the current year's budgeted operating expenditures.

Operating Reserve	2020	2019
Expenditures	\$37,271	\$35,390
Reserve Rate	25%	25%
Calculated Reserve	\$9,318	\$8,848
Recommended Reserve	\$9,300	\$8,850

Capital Reserve

The Capital Reserve ensures that capital assets (excluding fleet) can be replaced or acquired as needed. These long-term assets include building components, equipment, non-revenue vehicles, software, and technology. The minimum capital reserve is the next 2 years of WTA's required local share of identified projects, or \$4,870,000.

Fleet Replacement/Expansion Reserve

The Fleet Replacement/Expansion Reserve ensures that WTA can pay to replace revenue vehicles to maintain a state of good repair or expand the fleet as needed in the future. WTA develops the cost to replace the entire fleet over its established useful life. The reserve balance is funded proportionally each year to accumulate the full replacement cost of the vehicle by the year of replacement for Fixed Route, Paratransit and Vanpool revenue vehicles. The local match is approximately 20% of the vehicle cost.

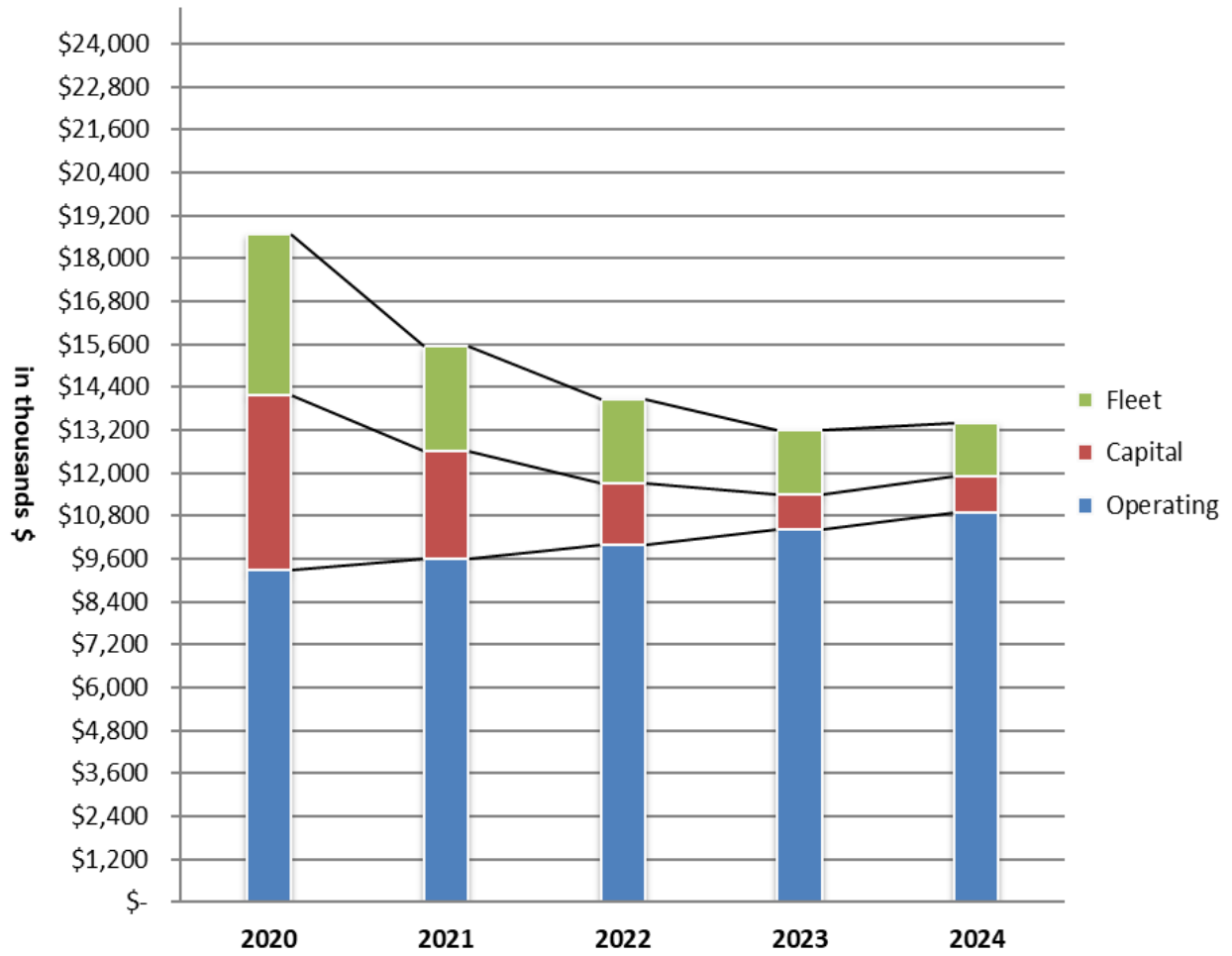
Vehicles purchased via the Fleet Reserve are generally procured on 12-16 (Fixed Route) and 6 (Paratransit and vans) year cycles. Actual life is dependent on mileage, equipment condition, and federal grant requirements. The recommended Fleet Reserve for 2020 is \$4,500,000.

Cash Reserves Summary

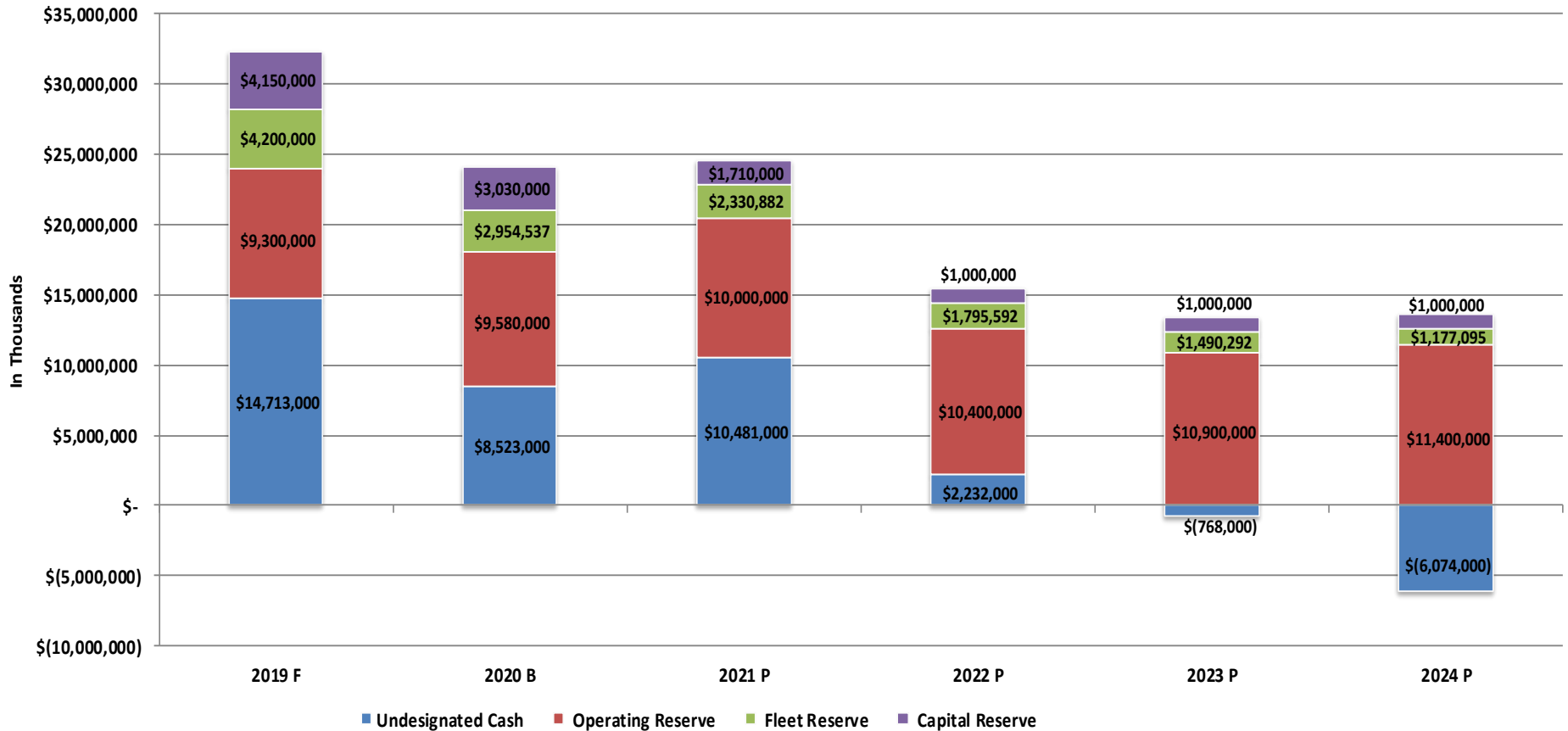
Designated cash reserves will decrease to \$18,670,000 in January 2020, a reduction of \$4,590,000 primarily due to reductions in the capital reserve and policy changes in the fleet replacement/expansion reserve. Total cash reserve requirements are expected to be \$13,200,000 by January 2023.



WTA Designated Reserve Projections



Undesignated Cash and Reserve Balances as of Dec. 31, 20xx



PERFORMANCE DATA BY MODE				
	2020 Budget	2019 Budget	2019 Projected	2019 vs. 2018
Fixed Route				
Boardings	4,696,800	4,696,800	4,360,835	0.00%
Total Revenue Hours	156,593	156,593	156,593	0.00%
Total Revenue Miles	2,185,248	2,185,248	2,185,248	0.00%
Boardings Per Hour	29.99	29.99	27.85	0.00%
Pax Miles per Hour	13.95	13.95	13.95	0.00%
Pax Miles Per Boarding	2.15	2.15	2.00	0.00%
Paratransit				
Boardings	217,057	222,485	211,815	-2.44%
Total Revenue Hours	82,482	74,398	75,132	10.87%
Total Revenue Miles	952,815	951,570	957,545	0.13%
Boardings Per Hour	2.63	2.99	2.82	-12.04%
Pax Miles per Hour	11.55	12.79	12.74	-9.70%
Pax Miles Per Boarding	0.23	0.23	0.22	0.00%
Vanpool				
Boardings	37,866	48,817	31,243	-22.43%
Total Revenue Hours	6,637	8,108	4,644	-18.14%
Total Revenue Miles	359,660	446,560	255,384	-19.46%
Boardings Per Hour	5.710	6.02	6.728	-5.15%
Pax Miles Per Boarding	0.11	0.109	0.122	0.92%

**Zone service provides limited transit service to rural areas of Whatcom County*





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