

BEN FRANKLIN TRANSIT

RESOLUTION 51-2015

A RESOLUTION ADOPTING THE FISCAL YEAR 2016 OPERATING AND CAPITAL BUDGET AND

WHEREAS, the governing authority of Ben Franklin Transit is required by law to adopt a budget for FY 2016 prior to incurring expenses in FY 2016, and

WHEREAS, the Board was presented the preliminary budget on October 8, 2015 and was subsequently open to public review, and

WHEREAS, staff has considered Board and public comments, and

WHEREAS, Table I (Operating) and Table II (Capital) references as Exhibit A along with Exhibit B attached to this resolution show a detailed breakdown of the budget proposals discussed.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF BEN FRANKLIN TRANSIT

THAT, Table I FY 2016 Operating Budget and Table II FY 2016 Capital Budget (which are attached to this Resolution as Exhibit A) along with Exhibit B, 2016 Operating & Capital Budget Summary and incorporated herein by reference, are hereby adopted by Ben Franklin Transit effective January 1, 2016.

THAT, the Board hereby authorizes the Interim General Manager to file the FY 2016 Federal and State grants in an amount not to exceed BFT's apportionment sufficient to claim all available current and prior year funds available for BFT.

APPROVED AT A REGULAR BEN FRANKLIN TRANSIT BOARD OF DIRECTORS MEETING held Thursday, November 12, 2015, at 1000 Columbia Park Trail, Richland, Washington

ATTEST:


Secretary


Matt Watkins, Chairman

APPROVED AS TO FORM BY:


For: Patrick T. Roach, Legal Counsel

Exhibit A

Table I				
	Total	Operating	Capital	Reserves
Revenues				
Local				
Fares	3,872,069	3,872,069		
Contracted Services	158,000	158,000		
Sales Tax	30,183,712	26,391,619	1,216,061	2,576,032
Other	702,000	702,000		
Capital Reserves				
State				
Special Needs	568,030	568,030		
Federal				
FFY 2015 5307/5340 Formula	6,249,101	2,200,000	4,049,101	
FFY 2015 5310 Mobility/Disabilities	-		-	
FFY 2015 5339 Bus/Facilities Formula	815,141		815,141	
Total Revenues	42,548,053	33,891,718	6,080,303	2,576,032
Operating Expenditures				
Bus Operations	11,467,427	11,467,427		
Dial A Ride	10,086,083	10,086,083		
General Demand	887,066	887,066		
Vanpool	2,277,937	2,277,937		
Maintenance	1,430,453	1,430,453		
Human Resources	1,302,022	1,302,022		
General Administration	2,684,442	2,684,442		
Service Development	3,756,289	3,756,289		
Total Operating Expenditures	33,891,718	33,891,718	-	-

Table II				
2016 Capital Budget (\$)				
	Local	State	Federal	Total
Fleet Program	1,066,861		4,267,442	5,334,303
Facilities Program	124,000		256,000	380,000
Equipment Program	38,200		72,800	111,000
Transit Technologies Program	26,000		104,000	130,000
Safety & Security Program	-		-	-
Planning Program	25,000		100,000	125,000
Other Program	-		-	-
Contingency	-		-	-
Total Capital Projects	1,280,061	0	4,800,242	6,080,303



2016

Operating & Capital Budget

Summary

2015 Budget Forecast as of September 30, 2015

	Revised Budget	September	Forecast	Variance	Var %
Revenues (Local)					
Fares	3,871,219	2,887,836	3,850,447	(20,771)	-0.5%
Contracted Services	157,558	118,340	157,787	229	0.1%
Sales Tax	30,042,971	23,229,772	30,042,971	-	0.0%
Other	1,278,881	1,093,203	1,278,881	-	0.0%
Reserves	-	-	-	-	0.0%
Revenues (State)					
Operating State Grants (RCW 6.68.390)	193,457	193,457	193,457	-	0.0%
FY 2015-2017 Paratransit Special Needs Grants 1583	-	-	-	-	0.0%
FY 2013-2015 Regional Mobility - Capital 1511	593,000	80,833	593,000	-	100%
Revenues (Federal)					
FFY 2013 5307 Formula X521	1,893,383		1,893,383	-	100.0%
FFY 2013 5339 Bus/Facilities Formula 003	541,810		541,810	-	100.0%
FFY 2014 5307 Formula X575	2,142,121		2,142,121	-	100.0%
FFY 2014 5339 Bus/Facilities Formula 005	930,686		930,686	-	100.0%
FFY 2015 5307/5340 Formula	-		-	-	0.0%
FFY 2015 5339 Bus/Facilities Formula	-		-	-	0.0%
FFY 2015 5310 Mobility/Disabilities	-		-	-	0.0%
Total Revenues	41,645,086	27,603,440	41,624,543	(20,543)	0.0%

Operating Expenditures

Directly Operated Transportation					
Bus	10,858,111	8,285,425	11,046,070	187,959	1.7%
Dial-A-Ride	9,497,382	7,375,559	9,867,343	369,961	3.9%
Prosser	694,484	502,248	669,663	(24,821)	-3.6%
Vanpool	2,066,624	1,543,276	2,057,701	(8,923)	-0.4%
Maintenance	1,476,649	1,183,335	1,577,132	100,483	6.8%
Purchased Transportation					
Night Service	1,545,159	1,153,866	1,538,488	(6,671)	-0.4%
Taxi Feeder Service	129,462	96,309	128,412	(1,050)	-0.8%
Finley Service	111,707	80,249	106,999	(4,708)	-4.2%
Sunday Service	306,915	232,938	310,584	3,669	1.2%
Administration					
Human Resources	1,067,733	752,266	1,018,021	(49,712)	-4.7%
Administrative Services	2,521,343	1,629,845	2,383,311	(138,032)	-5.5%
Planning/Service Development	1,227,975	781,565	1,217,239	(10,736)	-0.9%
Total Operating Expenditures	31,503,543	23,616,880	31,920,963	417,420	1.3%

(Over)/Under **10,141,543** **3,986,560** **9,703,580** **(437,962)**

Capital Expenditures

Vehicles	5,751,750	2,752,555	5,751,750	-	0.0%
Capital Projects	1,231,038	770,016	1,231,038	-	0.0%
Total Capital Expenditures	6,982,788	3,522,571	6,982,788	-	0.0%

	Federal	State	Local	Total
Fleet Program	4,514,058		1,237,712	5,751,770
Facilities Program	338,108		84,527	422,635
Equipment Program	237,600		59,400	297,000
Safety & Security Program	24,000		6,000	30,000
Planning Program	100,000		25,000	125,000
Other Program	60,000		15,000	75,000
Contingency	225,112		56,281	281,393
Total Capital Projects	5,498,878	-	1,483,920	6,982,798
Local Jurisdictional Projects	-	-	-	-
Total Local Jurisdictional Projects	-	-	-	-

Effects on Reserves **3,158,755** **2,720,792**

BFT 2016 Budget

Major Objectives

Primary

Address Community Growth
Maximize Community Outreach & Involvement
Implement Succession Planning & Staff Development

Secondary

Address Community Demographics
Participate Economic Development
Plan for Para-Transit Demographic Shifts
Integrate Technology
Pursue Environmentally Friendly Buses

Major Assumptions

<u>Service Level</u>				
<i>Directly Operated</i>				
	Revenue Hours	Revenue Miles	Boardings	
Fixed route	132,266	2,150,876	2,759,007	
Dial A Ride (Incls Prosser)	109,869	1,919,413	330,253	
Vanpool	85,427	3,984,400	814,751	
<i>Purchased Transportation</i>				<i>Annual Amount</i>
Dial A Ride	1,363	35,952	4,020	\$ 130,000
Night Service	22,792	501,562	81,655	1,750,000
Taxi Feeder	1,570	34,812	13,130	150,000
Finley	1,415	41,909	9,516	115,000
Sunday Service	4,126	93,483	17,167	325,000
ARC	16,262	265,293	73,123	928,000
	375,091	9,027,700	4,102,623	\$ 3,398,000

	2015	2016	
<u>Revenue</u>			
Fares	\$ 4,015,867	\$ 4,030,069	
Sales Tax - Incr 3.2% over 2015 Revised Estimate	\$ 30,042,971	\$ 30,183,712	
<u>Expense</u>			
Force Account	<i>Current</i>	<i>Proposed</i>	<i>Change</i>
Operations	114.0	114.0	-
DAR	91.5	91.5	-
General Demand	8.5	8.5	-
Van Pool	5.0	5.0	-
Maintenance	32.0	32.0	-
Human Resource	4.5	4.5	-
Administration	12.5	12.5	-
Service Development	11.0	11.0	-
	279	279	-
Salary / Wage Increase	\$ 21,058,895	\$ 21,922,812	\$ 863,917
Salary / Wage	\$ 12,191,122	\$ 12,843,008	\$ 651,886
Benefits	\$ 8,867,773	\$ 9,079,805	\$ 212,032
Health Insurance	\$ 1,208	\$ 1,260	\$ 91,971
State Industrial Insurance per Hour	\$0.1364/1.3102	\$0.11475/1.06905	\$ (32,842)
Retirement Contribution (%)	11.18%	11.18%	\$ 176,129
Utility	\$ 238,000	\$ 252,600	\$ 14,600
PL / PD Insurance (WSTIP)	\$ 840,651	\$ 984,446	\$ 143,795
Fuel Pricing (blended rate) Per Gallon	\$ 1.95	\$ 2.50	\$ 0.55

2015 Year-end Estimates / 2016 Proposal

		Boardings	Revenue Hours	Revenue Miles
<i>Total</i>				
	Total 2015 Budget	4,303,830	373,733	9,401,831
	Total 2015 Estimate	4,053,665	370,728	8,922,128
	Total 2016 Proposed	4,102,623	375,091	9,027,700
	Proposed % Change Over Estimate	1.21%	1.18%	1.18%
<i>Directly Operated</i>				
Fixed Route	2015 Budget	2,903,426	130,879	2,128,502
	2015 Estimate	2,731,690	132,266	2,150,876
	Proposed % Change Over Estimate	1%	0%	0%
	2016 Proposed	2,759,007	132,266	2,150,876
DAR Tri-Cities	2015 Budget	250,000	92,430	1,585,362
	2015 Estimate	278,885	98,775	1,686,675
	Proposed % Change Over Estimate	3%	3%	3%
	2016 Proposed	287,252	101,738	1,737,276
Prosser	2015 Budget	43,126	8,289	192,940
	2015 Estimate	43,001	8,131	182,138
	Proposed % Change Over Estimate	0%	0%	0%
	2016 Proposed	43,001	8,131	182,138
Vanpool	2015 Budget	918,286	94,273	4,489,363
	2015 Estimate	806,685	84,581	3,944,950
	Proposed % Change Over Estimate	1%	1%	1%
	2016 Proposed	814,751	85,427	3,984,400
<i>Purchased</i>				
Arc Total miles and hours	2015 Budget	67,500	15,300	274,500
	2015 Estimate	72,399	16,101	265,293
	Proposed % Change Over Estimate	1%	1%	0%
	2016 Proposed	73,123	16,262	265,293
Night Service	2015 Budget	82,934	24,160	531,572
	2015 Estimate	79,277	22,566	491,727
	Proposed % Change Over Estimate	3%	1%	2%
	2016 Proposed	81,655	22,792	501,562
Taxi Feeder	2015 Budget	8,822	1,317	28,511
	2015 Estimate	11,937	1,495	33,154
	Proposed % Change Over Estimate	10%	5%	5%
	2016 Proposed	13,130	1,570	34,812
Finley Feeder	2015 Budget	9,679	1,214	34,365
	2015 Estimate	9,422	1,323	38,804
	Proposed % Change Over Estimate	1%	7%	8%
	2016 Proposed	9,516	1,415	41,909
Sunday Service	2015 Budget	15,057	4,171	90,716
	2015 Estimate	16,349	4,126	92,558
	Proposed % Change Over Estimate	5%	0%	1%
	2016 Proposed	17,167	4,126	93,483
Taxi Demand Response	2015 Budget	5,000	1,700	46,000
	2015 Estimate	4,020	1,363	35,952
	Proposed % Change Over Estimate	0%	0%	0%
	2016 Proposed	4,020	1,363	35,952

*Utilizing July Data / Utilizing June Data for Vanpool

2016 Budget Build Analysis

					2016 Proposed	2015 over 2016 Proposed
Operating Expense	2013 Actuals	2014 Actuals	2015 Budgeted	2015 Forecast	Budget	Var%
Salaries & Wages	11,967,604	12,754,153	12,191,122	12,651,096	12,843,008	5.3%
Employee Benefits	7,718,423	8,331,679	8,867,773	8,648,853	9,079,805	2.4%
Total Labor	19,686,027	21,085,832	21,058,895	21,299,949	21,922,812	4.1%
Professional Services	1,560,525	1,297,457	1,649,098	1,692,289	2,633,479	59.7%
Fuel & Lubricants	3,829,025	3,734,298	2,650,950	2,526,755	2,828,500	6.7%
Tires & Tubes	333,477	275,813	262,000	236,013	254,700	-2.8%
Materials & Supplies	1,186,007	1,190,064	1,329,822	1,471,453	1,274,458	-4.2%
Utility	201,363	213,171	238,000	183,455	252,600	6.1%
Insurance and Liability	918,014	904,235	840,651	869,261	984,446	17.1%
Purchased Transportation	2,470,594	2,997,471	3,050,443	3,249,071	3,399,200	11.4%
Rentals	31,791	38,040	36,180	36,358	48,600	34.3%
Miscellaneous	251,816	347,513	387,505	356,360	292,923	-24.4%
Total Non-Labor	10,782,613	10,998,063	10,444,649	10,621,014	11,968,906	14.6%
Total Operating Expense	30,468,641	32,083,895	31,503,544	31,920,963	33,891,718	7.6%

					2016 Proposed	2015 over 2016 Proposed
Operating Expenditures	2013 Actuals	2014 Actuals	2015 Budget	2015 Forecast	Budget	Var%
Directly Operated Transportation						
Fixed Route	10,795,182	11,011,143	10,858,111	11,046,070	11,467,427	5.6%
Dial-A-Ride	8,976,076	9,618,489	9,497,382	9,867,343	10,086,083	6.2%
General Demand (Prosser)	773,918	732,133	694,484	669,663	887,066	27.7%
Vanpool	2,377,281	2,457,676	2,066,624	2,057,701	2,277,937	10.2%
Maintenance	1,834,563	1,855,852	1,476,649	1,577,132	1,430,453	-3.1%
Purchased Transportation						
Night Service	1,256,234	1,523,356	1,545,159	1,538,488	1,750,000	13.3%
Taxi Feeder Service	61,701	99,539	129,462	128,412	150,000	15.9%
Finley Service	108,574	91,844	111,707	106,999	115,000	2.9%
Sunday Service	62,491	289,918	306,915	310,584	325,000	5.9%
Administration						
Human Resources	1,022,297	944,932	1,067,733	1,018,021	1,302,022	21.9%
Administrative Services	2,238,853	2,413,657	2,521,343	2,383,311	2,684,442	6.5%
Planning/Service Development	961,471	1,045,356	1,227,975	1,217,239	1,416,289	15.3%
Total Operating Expenditures	30,468,641	32,083,895	31,503,544	31,920,963	33,891,718	7.6%

Fixed Route Operations

2015 Major Accomplishments

- 1 More than tripled positive customer service calls over prior year, 131 vs 38
 - 2 Improved relationship with union office as illustrated by a 20% reduction in grievances, 8 vs 10
 - 3 In efforts to meet the diversity of our community and our customer's needs we were successful in hiring 3 bi-lingual operators and have 2 bi-lingual trainees
 - 4 As a cost saving and efficiency measure, chose not to fill vacant Road Supervisor position allowing for an IT Analyst position in Administration
 - 5 Completed a total of 5 passenger counts, four of the counts were a week long and one was a three-day summer count
-

2016 Goals

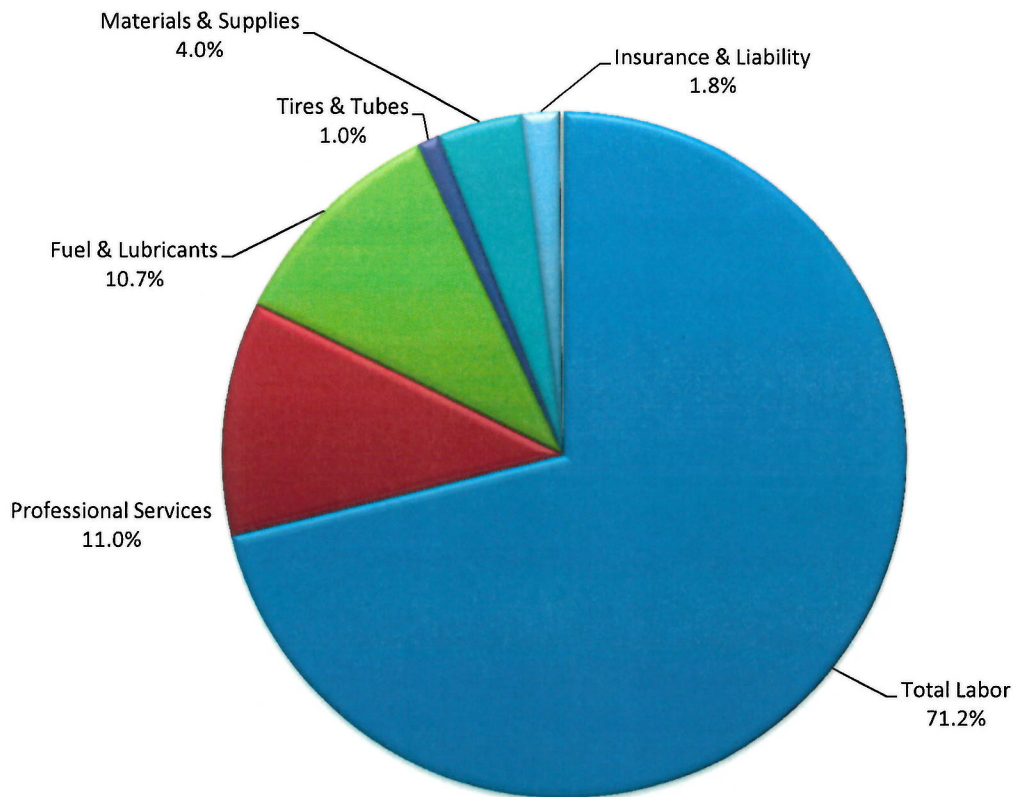
- 1 Continue to identify and address safety and risk factors
 - 2 Meet current service demands by promoting the appropriate mode of service
 - 3 Continually coordinate, strengthen, and grow relationships with outside agencies
 - 4 Cross train dispatchers and supervisors with Dial-A-Ride to improve unity and efficiencies
 - 5 Stay apprised of new technologies
 - 6 Complete Phases 1 - 3 of FranklinCovey training
-

2016 Detailed Goals

- 1 Continue to identify and address safety and risk factors**
 - Provide annual operator refresher training to 75% of operators by May 31, 2016
 - Reduce accidents in the yard by 50% as compared to 2015
- 2 Meet current service demands by promoting the appropriate mode of service**
 - On Time Performance percentage at 90%
 - Utilize Comprehensive Service Plan Study to realize efficiencies and improved service on the street
- 3 Continually coordinate, strengthen, and grow relationships with outside agencies**
 - Attend 5 community events with Marketing to assist in educating our community about transit services
 - Attend at least two Leadership Tri-Cities functions
- 4 Cross train dispatchers and supervisors with Dial-A-Ride to improve unity and efficiencies**
 - All Road Supervisors will have Class B w/passenger endorsements by June 30, 2016.
 - 20 operators will ride four hours with DAR operators by May 31, 2016.
- 5 Stay apprised of new technologies**
 - Make informed recommendations to the IT Committee
- 6 Complete Phases 1 - 3 of FranklinCovey training**
 - Recognize all operators with 20 and 30 years accident-free driving
 - Praise operators through the National Safety Council program and update award lists by August 1, 2016
 - 100% participation and support of Phase 1 - 3 of staff development

Fixed Route Operations

2016 Proposed Budget



Expense	2013 Actuals	2014 Actuals	2015 Budget	2016 Proposed Budget	2015 to 2016 Var %
Salaries & Wages	4,453,613	4,746,178	4,616,022	4,783,034	3.6%
Employee Benefits	3,029,396	3,210,149	3,442,111	3,383,918	-1.7%
Total Labor	7,483,009	7,956,327	8,058,133	8,166,952	1.4%
Professional Services	895,095	819,463	1,045,854	1,260,279	20.5%
Fuel & Lubricants	1,634,690	1,499,404	1,067,207	1,230,000	15.3%
Tires & Tubes	159,785	138,732	125,000	120,000	-4.0%
Materials & Supplies	434,415	401,051	344,650	461,650	33.9%
Utilities	-	-	-	-	0.0%
Insurance & Liability	172,678	175,951	182,567	209,846	14.9%
Purchased Transportation	-	-	-	-	0.0%
Rentals	-	-	300	300	0.0%
Miscellaneous	15,509	20,215	34,400	18,400	-46.5%
Total Non-Labor	3,312,173	3,054,816	2,799,978	3,300,475	17.9%
Total Operating Expenses	10,795,182	11,011,143	10,858,111	11,467,427	5.6%

Dial-A-Ride Operations

2015 Major Accomplishments

- 1 Held annual refresher training for 100% of our 75 drivers with an emphasis on safety
 - 2 Provided education and outreach to 15 residential care and rehabilitation facilities
 - 3 Implemented an in-home accessibility assessment for 11 new passengers that reside in their own homes and use a wheelchair for mobility
 - 4 Initiated a recertification process for DAR eligible passengers with 10% of the 6,342 customers recertified so far this year
 - 5 An ADA Coordinator has been appointed and will become ADA Certified by the end of the year
 - 6 Upgraded our system-wide software map used by scheduling, dispatch and drivers to improve on-time performance and route efficiencies
 - 7 Completed first time installation of cameras on 40 vehicles in the Tri-Cities. We are currently tracking statistics on accidents, incidents and validating customer complaints
-

2016 Goals

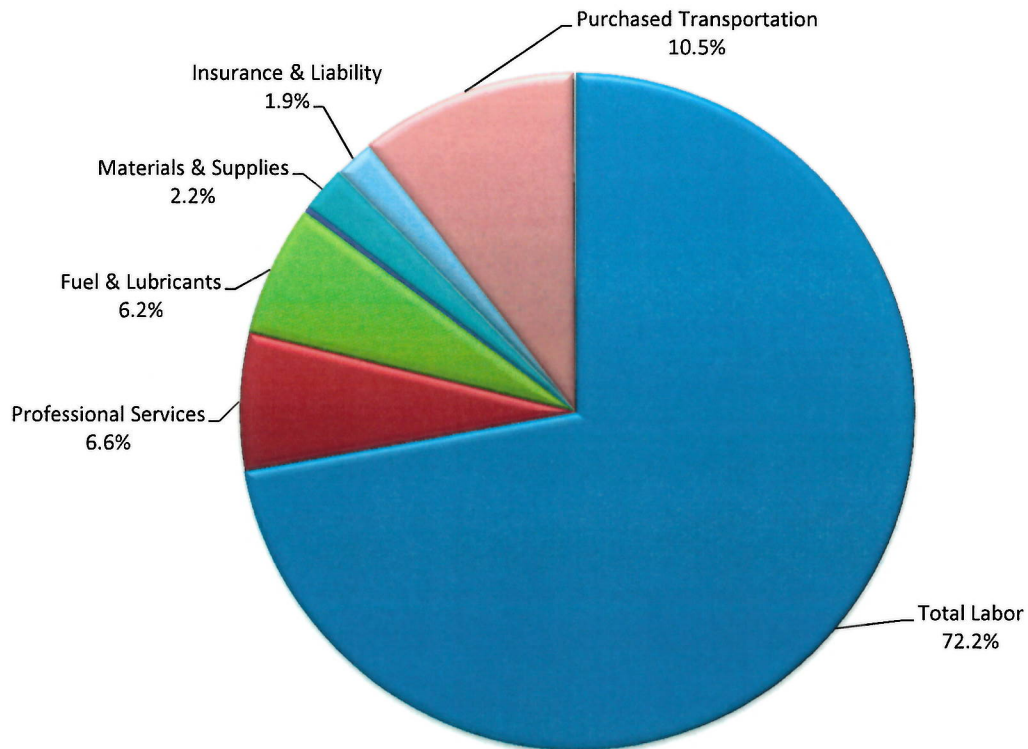
- 1 Will provide annual driver refresher training for 75 Tri-Cities drivers with an emphasis on safety
 - 2 Will strive to recertify 15% of all DAR passengers in the DAR data base
 - 3 Will provide 2 monthly outreach and educational visits to residential care and rehabilitation facilities
 - 4 Cross train all dispatchers and supervisors with Fixed Route to improve unity and efficiencies
 - 5 Complete Phases 1 - 3 of FranklinCovey training for all employees
-

2016 Detailed Goals

- 1 Will hold annual operator refresher training**
100% participation in the annual operator refresher training to include Wheelchair Securement Best Practices
- 2 Will continue the recertification process of all DAR passengers**
Recertify an additional 15% of all passengers in 2016
- 3 Will reach out to the community to educate on transit services and understand needs**
Provide at least two outreach sessions per month to educate the community, care providers and facilities on DAR transportation
- 4 Cross train dispatchers and supervisors with Fixed Route to improve unity and efficiencies**
By the end of 2016 all BFT Road Supervisors and Dispatchers will be cross-trained in DAR and Fixed Route
- 5 Complete Phases 1 - 3 of FranklinCovey training**
100% participation and support of Phase 1 - 3 of staff development

Dial-A-Ride Operations

2016 Proposed Budget



Expense	2013 Actuals	2014 Actuals	2015 Budget	2016 Proposed Budget	Revised 2015 to 2016 Var
Salaries & Wages	3,693,044	4,107,336	3,911,383	4,224,941	8.0%
Employee Benefits	2,459,505	2,714,080	2,896,126	3,054,569	5.5%
Total Labor	6,152,549	6,821,416	6,807,509	7,279,510	6.9%
Professional Services	489,668	425,746	637,812	663,706	4.1%
Fuel & Lubricants	932,636	946,599	671,832	629,100	-6.4%
Tires & Tubes	39,178	40,061	30,000	30,000	0.0%
Materials & Supplies	198,840	210,210	194,100	219,700	13.2%
Utilities	-	-	-	-	0.0%
Insurance & Liability	164,021	167,130	163,753	193,042	17.9%
Purchased Transportation	980,001	992,176	956,000	1,058,000	10.7%
Rentals	3,466	3,090	4,500	5,000	11.1%
Miscellaneous	15,717	12,062	31,876	8,025	-74.8%
Total Non-Labor	2,823,527	2,797,073	2,689,873	2,806,573	4.3%
Total Operating Expenses	8,976,076	9,618,489	9,497,382	10,086,083	6.2%

General Demand (Prosser)

2015 Major Accomplishments

- 1 Held annual operator refresher training for 6 drivers out of 7 with emphasis on safety
 - 2 Relocated Prosser office and parking lot after notification in June of 30 day termination of our office and maintenance agreement. We will be looking for a long term solution for the office and parking
 - 3 Completed first time installation of cameras on 4 new vehicles. We are currently tracking statistics on accidents, incidents and validating customer complaints
-

2016 Goals

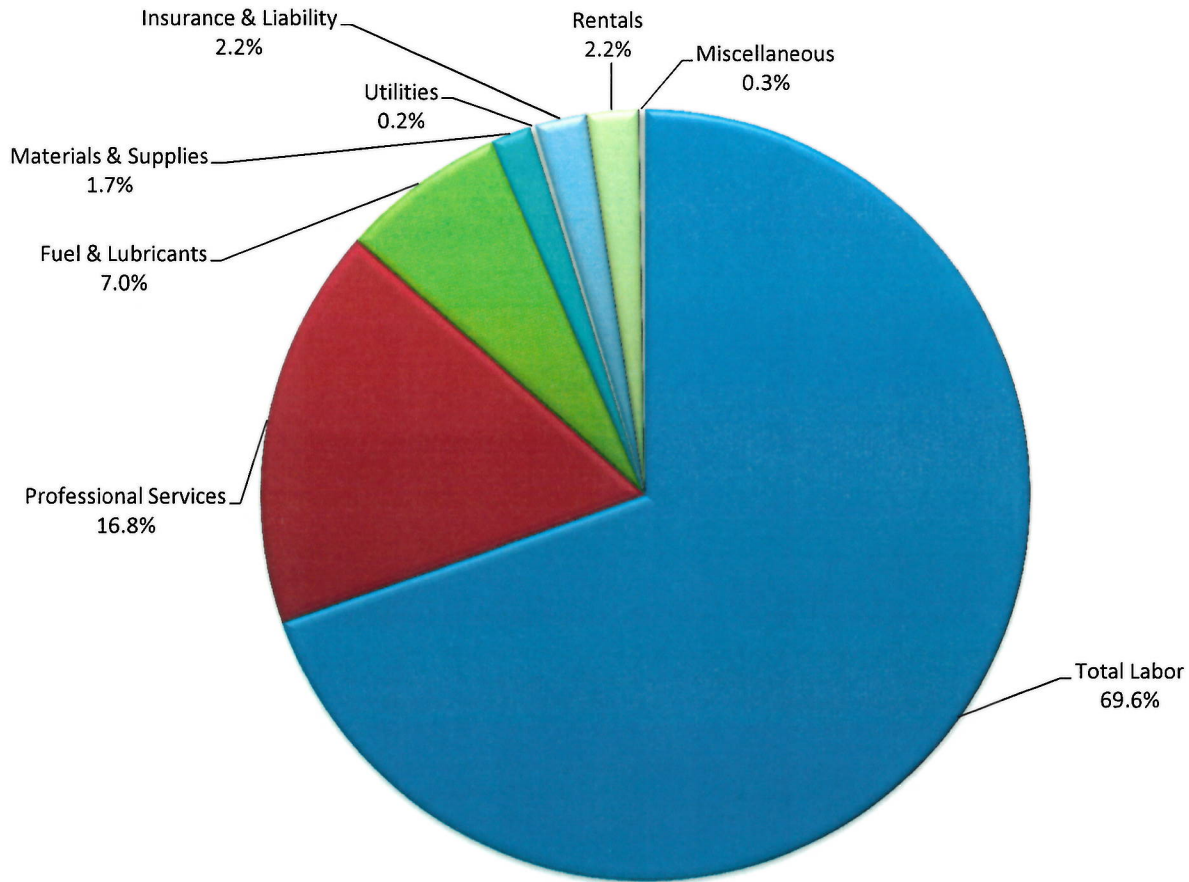
- 1 With the assistance of our ADA Coordinator and Travel Trainers we will implement a process to educate and train ADA passengers to use Route 170 when applicable while traveling to and from the Tri-Cities
 - 2 Install bus stop signs in the city limits
 - 3 Complete Phases 1 - 3 of FranklinCovey training for all employees
-

2016 Detailed Goals

- 1 **Will utilize Route 170 more for ADA passengers traveling from Prosser to Tri-Cities**
Educate, screen, and train both passengers and operators on using Fixed Route 170 more for ADA passengers traveling back and forth from Prosser to Tri-Cities
- 2 **Install bus stop signs in the city**
Will install 10 new bus stop signs within the city limits of Prosser targeting schools, medical facilities and common locations
- 3 **Complete Phases 1 - 3 of FranklinCovey training**
100% participation and support of Phase 1 - 3 of staff development

General Demand (Prosser)

2016 Proposed Budget



Expense	2013 Actuals	2014 Actuals	2015 Budget	2016 Proposed Budget	Revised 2015 to 2016 Var
Salaries & Wages	315,502	315,789	279,300	354,626	27.0%
Employee Benefits	216,370	201,243	221,163	263,060	18.9%
Total Labor	531,872	517,032	500,463	617,685	23.4%
Professional Services	93,491	87,728	105,006	149,169	42.1%
Fuel & Lubricants	102,587	92,375	50,000	62,000	24.0%
Tires & Tubes	-	-	-	-	0.0%
Materials & Supplies	37,494	22,178	22,300	15,150	-32.1%
Utilities	1,826	1,645	-	1,800	0.0%
Insurance & Liability	2,319	2,363	2,315	19,462	740.7%
Purchased Transportation	-	-	-	-	0.0%
Rentals	3,300	7,425	8,600	19,500	126.7%
Miscellaneous	1,029	1,387	5,800	2,300	-60.3%
Total Non-Labor	242,046	215,101	194,021	269,381	38.8%
Total Operating Expenses	773,918	732,133	694,484	887,066	27.7%

Vanpool

2015 Major Accomplishments

- 1 Completed Winter Safe Driving Campaign
- 2 Replaced and trained 1 Vanpool Coordinator and 1 Vanpool Administrative Assistant due to transfers within the organization
- 3 Conducted over 38 driver workshops training over 163 new volunteer Vanpool drivers
- 4 Staff closed 35 Vanpool groups, started 14 new groups and swapped 32 groups to different vans. This has resulted in a 7.6% or a 21 van decrease in the number of vans in service since the first of the year

2016 Goals

- 1 Develop and promote a comprehensive Vanpool outreach program
- 2 Facilitate over 350 Vanpool driver refresher trainings
- 3 Write and/or update Vanpool reference manuals, forms, and policies creating better efficiencies in the department
- 4 Complete Phases 1 - 3 of FranklinCovey training

2016 Detailed Goals

1 Perform Vanpool driver refresher training

- Train Vanpool staff to use online system in Jan 2016
- Identify and contact drivers that need refresher training by March 2016
- Have 100 drivers through refresher training by end of June 2016
- Have all required drivers through refresher training by end 2016 as set in the WSTIP Vanpool Best Practices

2 Promote Vanpool to new and current employers

- Participate in the Washington State Rideshare Organization (WSRO) to learn how to better promote ridesharing and vanpooling to employers have a different staff member attend one of the WSRO conferences in 2016
- Participate in the Washington State Rideshare Organization Wheel Options campaign promoting vanpooling, riding the bus and ridesharing spring 2016
- Communicate and work with Mission Support Alliance to promote Vanpooling on the Hanford Site throughout the year with newsletters and emails to the Hanford Site employees
- Attend the Hanford Health and Safety Expo in Spring 2016 promoting all BFT services
- Update and develop vanpool fliers and information to promote the program in Spring 2016
- Attend the Ag Expo at the TRAC February 2016

3 Write and update Vanpool reference manual and forms drafts by June 2016

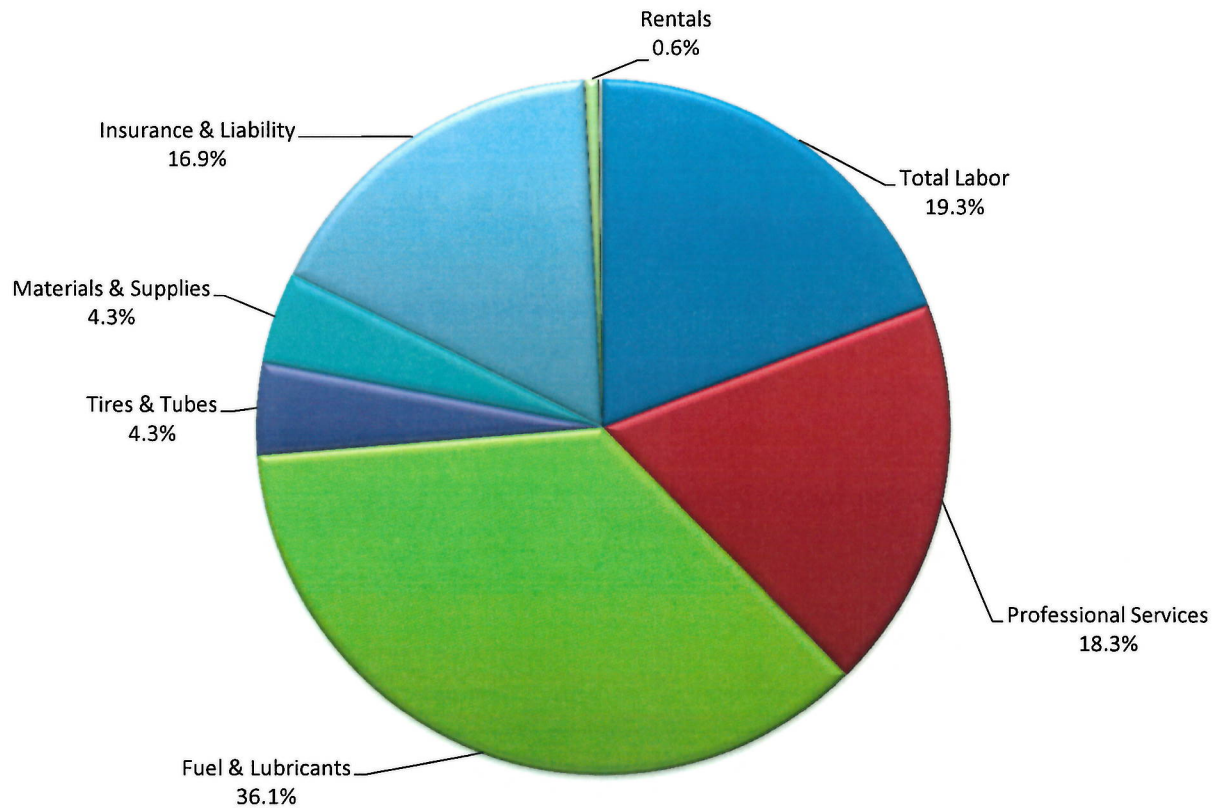
- Update the driver and participant manual draft by April 2016
- Match Vanpool forms to the updated driver manual drafts May 2016

4 Complete Phases 1 - 3 of FranklinCovey training

- 100% participation and support of Phase 1 - 3 of staff development

Vanpool

2016 Proposed Budget



Expense	2013 Actuals	2014 Actuals	2015 Budget	2016 Proposed Budget	Revised 2015 to 2016 Var
Salaries & Wages	244,070	237,214	247,173	259,103	4.8%
Employee Benefits	152,654	193,400	174,355	179,419	2.9%
Total Labor	396,724	430,615	421,528	438,522	4.0%
Professional Services	265,091	277,245	301,820	417,097	38.2%
Fuel & Lubricants	1,045,377	1,087,302	745,911	823,400	10.4%
Tires & Tubes	131,123	94,050	103,000	97,700	-5.1%
Materials & Supplies	99,115	133,569	129,962	97,165	-25.2%
Utilities	-	-	-	-	0.0%
Insurance & Liability	407,173	408,749	341,323	384,428	12.6%
Purchased Transportation	1,593	639	1,200	1,200	0.0%
Rentals	15,177	16,178	14,280	14,800	3.6%
Miscellaneous	15,909	9,328	7,600	3,625	-52.3%
Total Non-Labor	1,980,557	2,027,061	1,645,096	1,839,415	11.8%
Total Operating Expenses	2,377,281	2,457,676	2,066,624	2,277,937	10.2%

Maintenance

2015 Major Accomplishments

- 1 No safety related incidents for 2015
 - 2 Completed Tulip Lane Park and Ride Lot
 - 3 Maintained a "no grievance" working environment
 - 4 Processed 44 new Dial-A-Ride vehicles and 11 Gillig coaches
 - 5 Hosted WSTA Maintenance Forum in May of 2015
-

2016 Goals

- 1 Maintain a safe working environment
 - 2 Ratify union contract with Teamsters
 - 3 Continue testing alternative fuel vehicles
 - 4 Neutralize or remove underground antifreeze storage tank
 - 5 Update and upgrade security at 3 Rivers Transit Center
 - 6 Complete Phases 1 - 3 of FranklinCovey training
-

2016 Detailed Goals

1 Maintain a safe work environment

Provide safety training each quarter

Daily supervision to ensure safe practices are followed, measured by internal violations written

Fleet safety and performance is measured by miles traveled between mechanical failures.

Goals: fixed route 8,000 miles: Dial-A-Ride 35,000 miles: Vanpool 65,000 miles between failures.

2 Ratify union contract with Teamsters

3 Continue testing alternative fuel vehicles

Continue to study research and development of alternative fuel vehicles.

Demo alternative fuel vehicles when possible.

Continue Partnership with PNNL in the evaluation process.

4 Neutralize or remove underground antifreeze storage tank

Develop a risk mitigation plan.

Eliminate accountability to underground contamination.

Eliminate licensing costs and staff training requirements.

Request an RFP in Jan. 2016.

Neutralize April 2016.

5 Upgrade security at 3 Rivers Transfer Station

Address staff's security concerns.

Implement concerns with A&E firm throughout design phase.

Complete scope of work.

Request an RFP Feb. 2016.

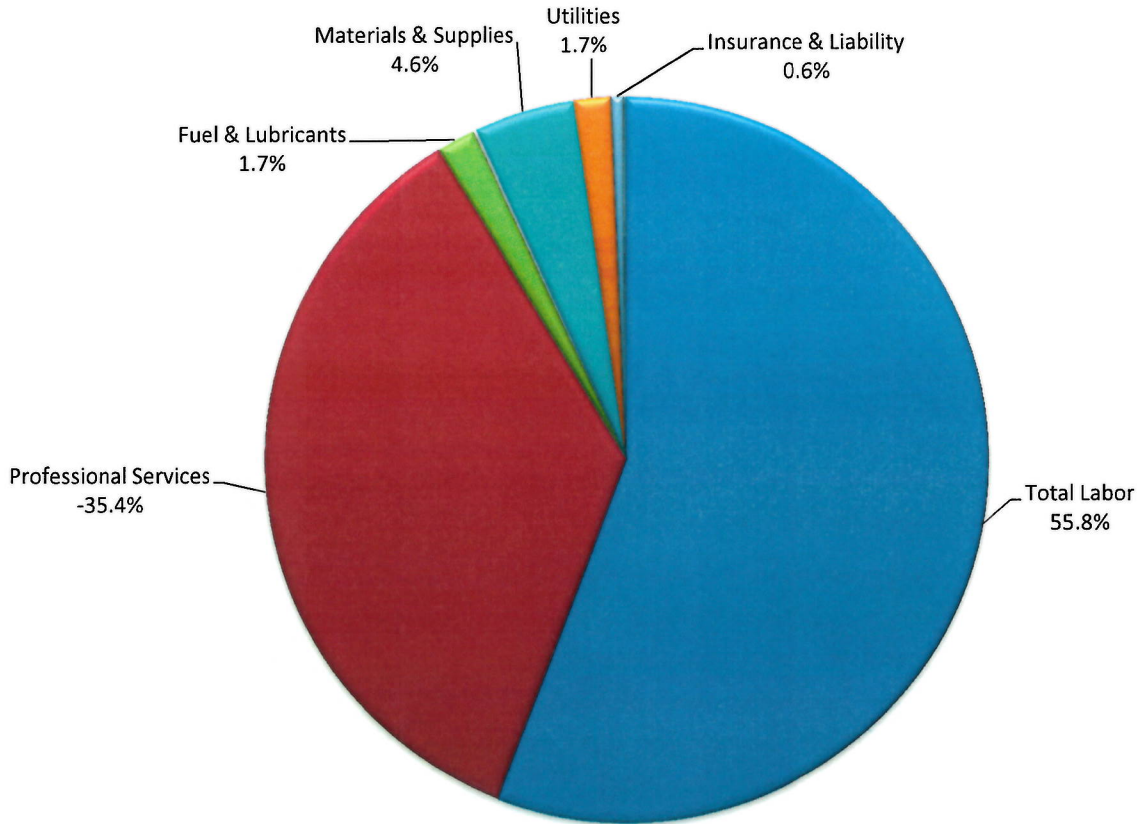
Upgrade security Apr. 2016

6 Complete Phases 1 - 3 of FranklinCovey training

100% participation and support of Phase 1 - 3 of staff development

Maintenance

2016 Proposed Budget



Expense	2013 Actuals	2014 Actuals	2015 Budget	2016 Proposed Budget	Revised 2015 to 2016 Var
Salaries & Wages	1,550,898	1,573,016	1,548,437	1,573,153	1.6%
Employee Benefits	1,006,947	1,040,121	1,159,294	1,166,240	0.6%
Total Labor	2,557,844	2,613,137	2,707,731	2,739,393	1.2%
Professional Services	(1,198,527)	(1,191,726)	(1,719,017)	(1,737,972)	1.1%
Fuel & Lubricants	113,735	108,617	116,000	84,000	-27.6%
Tires & Tubes	3,391	2,970	4,000	7,000	75.0%
Materials & Supplies	228,756	207,675	224,084	224,200	0.1%
Utilities	72,921	71,097	85,000	82,500	-2.9%
Insurance & Liability	23,962	24,416	24,581	27,782	13.0%
Purchased Transportation	-	-	-	-	0.0%
Rentals	2,559	4,507	3,000	3,000	0.0%
Miscellaneous	29,923	15,159	31,270	550	-98.2%
Total Non-Labor	(723,281)	(757,285)	(1,231,082)	(1,308,940)	6.3%
Total Operating Expenses	1,834,563	1,855,852	1,476,649	1,430,453	-3.1%

Human Resources

2015 Major Accomplishments

- 1 LNI claims filed were down from 22 in 2014 to 10 in 2015, a reduction of 54.5%
 - 2 Decreased number of workdays lost from 116 in 2014 to 88 in 2015, a decrease of 24%
 - 2 Maloney O'Neill provided Affordable Care Act (ACA) training to 97 Coach Operators and 4 HR staff and Completed an ACA compliance audit on the company's benefit plans
 - 3 Bargaining Power, a negotiation software tool, was purchased and installed. 5 Staff were trained on the software. Data has been entered into the software
 - 4 Contracted with Vivid Learning System (VLS) for web-based safety and HR related training for 52 non-represented employees. In 2014, 28 participated (46%) and in 2015, 20 participated (38%) with a 4 month interruption due to contract renewal delay
-

2016 Goals

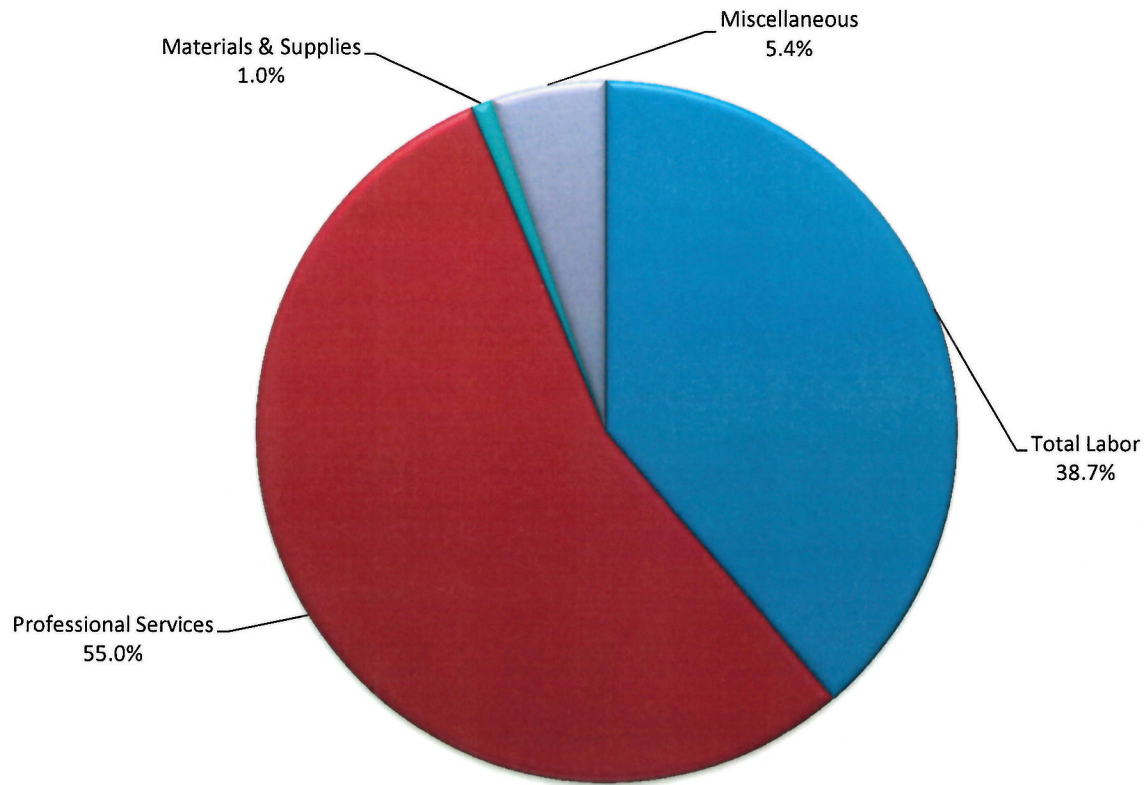
- 1 Complete negotiations between BFT and Local Union 839 Teamsters by May 31
 - 2 Begin a Comprehensive Employee Program review to include Staff Development, Job Analysis and Job Description Audit, and Succession Planning
 - 3 Complete Phases 1 - 3 of FranklinCovey training program
-

2016 Detailed Goals

- 1 Complete negotiations between BFT and Local Union 839 Teamsters by May 31**
 - Collect and generate wage and benefit data
 - Review external factors and comparable transit's compensation and benefit packages
 - Review previous negotiations
 - Review impacts of prior negotiations on efficiencies and effectiveness on the agency
 - Develop manager's strategies with assistance from Labor Relations Legal Counsel
- 2 Begin a Comprehensive Employee Program review to include Staff Development, Job Analysis and Job Description Audit, and Succession Planning**
 - Review revised job descriptions from Segal audit and determine if there are any new positions or desk audits needed by April
 - Approve updated job descriptions by May
 - Update job classifications and create new classifications as needed by June
 - Develop succession planning process document by May
 - Determine if company will use succession planning software and research best options by February
 - Determine if succession planning efforts will be for "high potential individuals" or for everyone by February
 - Identify key roles and define skills and experience needed for these key roles by May
 - Assess employee's current performance and identify skill and experience gaps for future roles by August
 - Survey employees to obtain career goal information
 - Create training, mentoring, and leadership opportunities for top talent to close skill and experience gaps identified above
- 3 Complete Phases 1 - 3 of FranklinCovey training**
 - Facilitate and fully support the training program

Human Resources

2016 Proposed Budget



Expense	2013 Actuals	2014 Actuals	2015 Budget	2016 Proposed Budget	Revised 2015 to 2016 Var
Salaries & Wages	418,212	480,105	316,058	311,107	-1.6%
Employee Benefits	209,081	203,428	193,775	192,366	-0.7%
Total Labor	627,293	683,532	509,833	503,474	-1.2%
Professional Services	363,817	196,881	400,425	716,100	78.8%
Fuel & Lubricants	-	-	-	-	0.0%
Tires & Tubes	-	-	-	-	0.0%
Materials & Supplies	10,053	12,360	35,966	12,700	-64.7%
Utilities	-	-	-	-	0.0%
Insurance & Liability	-	-	-	-	0.0%
Purchased Transportation	-	-	-	-	0.0%
Rentals	-	-	-	-	0.0%
Miscellaneous	21,134	52,159	121,509	69,748	-42.6%
Total Non-Labor	395,004	261,400	557,900	798,548	43.1%
Total Operating Expenses	1,022,297	944,932	1,067,733	1,302,022	21.9%

Administrative Services

2015 Major Accomplishments

- 1 Migrated banking services realizing cost savings of 56.8% or about \$42,000 and implemented Fleet-Net Bank Reconciliation function
 - 2 Received zero recommendations from WA State Federal and Financial Audits
 - 3 Filed for and received \$584,000 diesel fuel tax refund
 - 4 Commenced BFT Financial Policies review and update
 - 5 Maintained core business practices/integrity throughout Executive Office transitions
-

2016 Goals

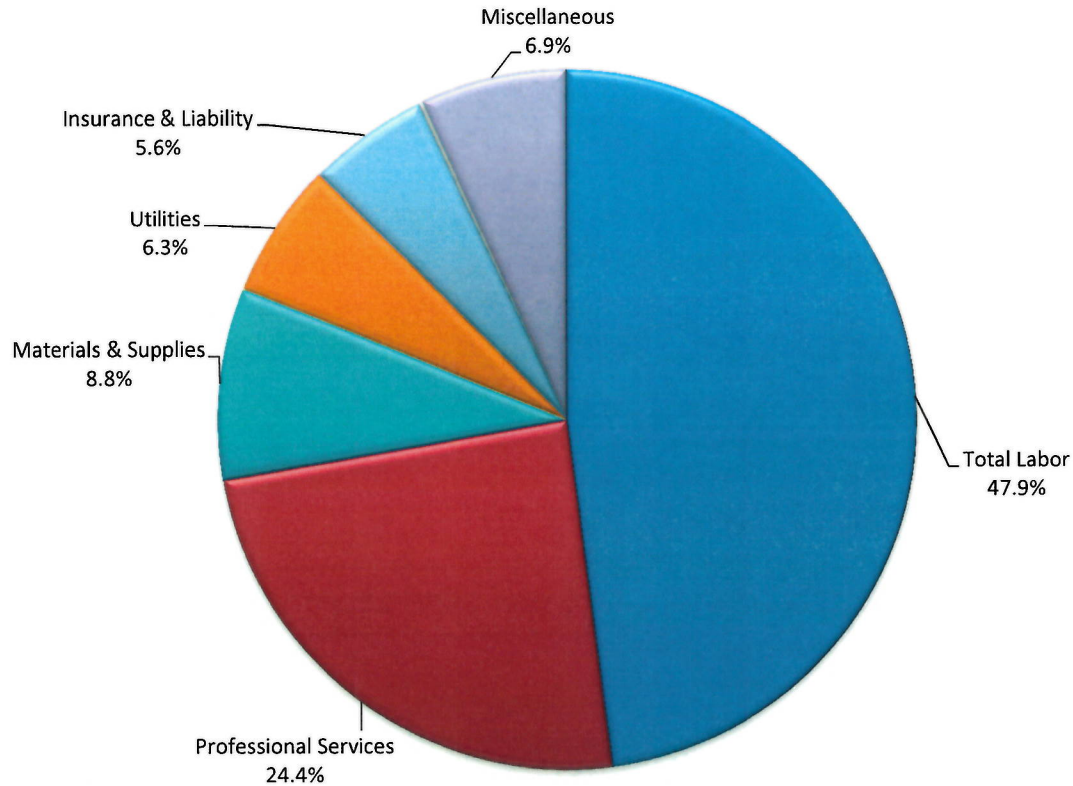
- 1 Clean and timely Audits
 - 2 Address technology needs throughout BFT
 - 3 Continued system-wide software efficiencies
 - 4 Continue to develop and/or update core financial policies and procedures
 - 5 Support major initiatives; Comprehensive Service Plan Study (CSPS), union negotiations, and Triennial Review
 - 6 Complete Phases 1 - 3 of FranklinCovey training
-

2016 Detailed Goals

- 1 **Clean and Timely Audits**
- 2 **Address Technology Needs Throughout BFT**
 - Automatic Vehicle Location (AVL)
 - Hire web design firm in Dec 2015/Jan 2016 to design and implement new website leveraging current technologies while laying the backbone for future technologies. New site rollout by 04/30/2016
 - Hire transit consulting firm to examine current Enterprise Resource Program (ERP) system and make recommendations on replacement product. Scope of work for ERP RFP to be completed by 7/30/2016.
 - Provide training to all employees (current and new) regarding IT Best Practices Policy and require employee acknowledgment by June 30, 2016
 - Continued Participation in State-wide IT Committee and Local IT Committee
- 3 **Continued System Wide Software Efficiencies**
 - Implement General Ledger and Work Order Class Code Restructure
 - Revenue and Ridership Data Collection
- 4 **Continued Core Financial Policy and Procedures Review and Update**
 - Financial Forecasting and Model Build
 - Revenue Collection Review and Analysis
- 5 **Support Major Initiatives; Comprehensive Service Plan Study (CSPS), Negotiations, and Triennial Review**
 - Provide financial data and support during union negotiations utilizing negotiations software and Budget Labor Model
 - Provide cost analysis, feasibility data, procurement services, and IT Support during CSPS Implementation
 - Provide grant, financial, and other data and IT support during the Triennial Review
- 6 **Complete Phases 1 - 3 of FranklinCovey training**
 - 100% participation and support of Phase 1 - 3 of staff development

Administrative Services

2016 Proposed Budget



Expense	2013 Actuals	2014 Actuals	2015 Budget	2016 Proposed Budget	Revised 2015 to 2016 Var
Salaries & Wages	756,165	746,888	758,941	807,969	6.5%
Employee Benefits	341,763	441,859	441,380	477,994	8.3%
Total Labor	1,097,928	1,188,747	1,200,321	1,285,963	7.1%
Professional Services	585,041	539,273	521,600	654,100	25.4%
Fuel & Lubricants	-	-	-	-	0.0%
Tires & Tubes	-	-	-	-	0.0%
Materials & Supplies	133,812	184,681	371,760	236,893	-36.3%
Utilities	126,616	140,430	153,000	168,300	10.0%
Insurance & Liability	147,861	125,626	126,112	149,886	18.9%
Purchased Transportation	-	-	-	-	0.0%
Rentals	6,510	6,125	5,500	5,000	-9.1%
Miscellaneous	141,084	228,775	143,050	184,300	28.8%
Total Non-Labor	1,140,925	1,224,910	1,321,022	1,398,479	5.9%
Total Operating Expenses	2,238,853	2,413,657	2,521,343	2,684,442	6.5%

Planning/Service Development

2015 Major Accomplishments

- 1 Completed Phase 1 of the Comprehensive Service Plan Study by selecting a firm
- 2 Cultivated partnerships and collaborated on projects throughout the community
- 3 Coordinated a Ground Breaking and a Ribbon Cutting Ceremony for Tulip Lane
- 4 Represented BFT at over 25 community events
- 5 Expanded Water Follies Service which included Additional Bus Service, Public Outreach to Area Hotels, and Implementation of the Volunteer Ambassador Program

2016 Goals

- 1 Manage, develop, and implement phase 2 of BFT's Comprehensive Service Plan Study (CSPS) in 2016. Phase 3, (2-3 years) and phase 4, (4-10 years) will be ongoing
- 2 Coordinate with each of the cities on future growth throughout the Tri-Cities. Staff will attend a minimum of 48 partner agency meetings.
- 3 Update the Title VI Plan for approval by May 2016
- 4 Update the Transit Development Plan (TDP) for approval by July 2016
- 5 Review and make recommendations to the Board in regards to the Citizens Advisory Committee (CAC) Standing Rules and Bylaws for approval in 2016
- 6 Marketing outreach to a minimum of 30 agencies, organizations and events
- 7 Lead in Federal Transit Administration (FTA) Triennial Review
- 8 Complete Phases 1 - 3 of FranklinCovey training

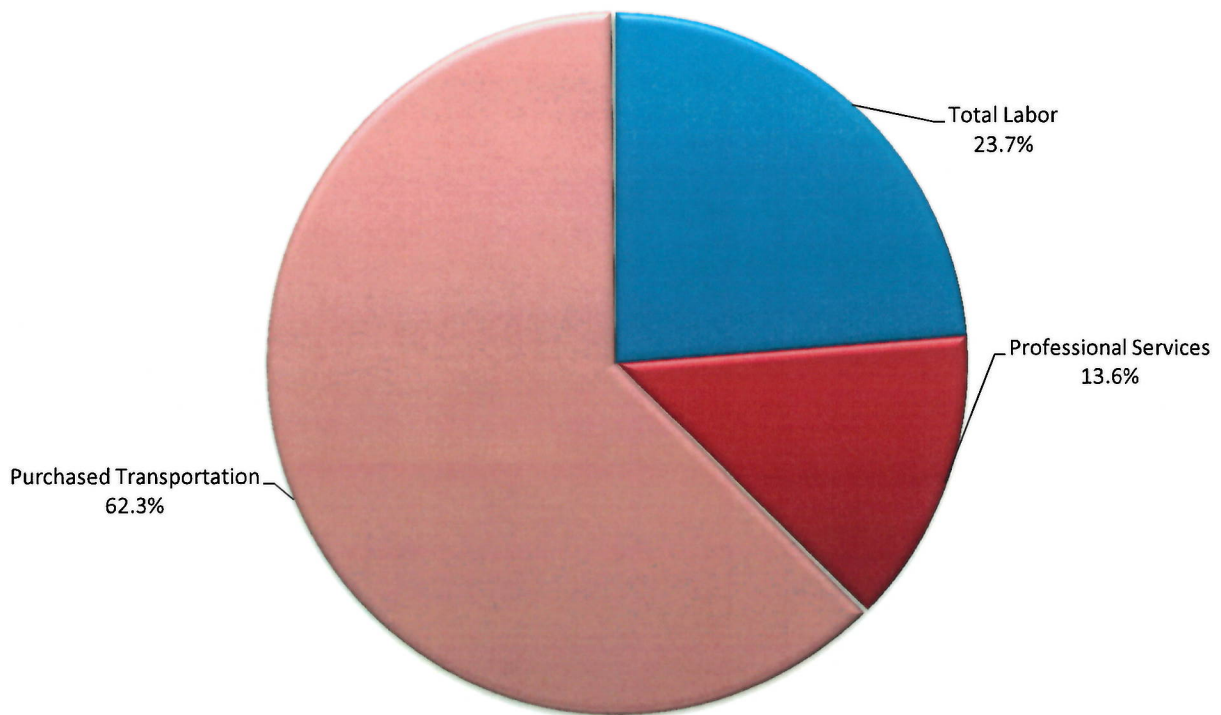
2016 Detailed Goals

- 1 **Manage, develop, and implement phase 2 of BFT's Comprehensive Service Plan Study (CSPS) in 2016. Phase 3, (2-3 years) and phase 4, (4-10 years) will be ongoing.**
 - Monthly Updates Given to the Board
 - CSPS Presented to the Board in May
 - Pending approval by the board, CSPS Implemented in September
- 2 **Coordinate future growth and planning through the Tri-Cities. Planning Staff will attend a minimum of 48 partner agency meetings in 2016. Partner agencies may include;**

City of Richland	Port of Benton
City of Kennewick	Port of Pasco
City of Pasco	Port of Kennewick
City of Prosser	Franklin County
City of West Richland	Benton County
Benton City	Council of Governments
- 3 **Update the Title VI Plan for approval by May.**
 - Title VI Plan process begins in January
 - Title VI Plan Draft completed in April
 - Title VI Planned Approved in May
- 4 **Update the Transit Development Plan (TDP) for approval by July.**
 - TDP process begins February
 - TDP draft due in May
 - TDP approved in July
- 5 **Review CAC Standing Rules and Bylaws**
 - Solicit Rules and bylaws from other transit agencies by October 2015
 - Progress report to the Board in December 2015
 - Recommendations to the Board in January 2016
 - Articulate changes to current CAC members in February 2016
 - Recruit membership that represents a cross section of the community, ongoing
- 6 **Outreach to agencies, organizations and events**
 - Attend Chamber of Commerce monthly meetings
 - Participate in a minimum of 25 events or presentations
 - Expand on the BFT Ambassador program
 - Partner with other organizations on marketing and branding endeavors
- 7 **Lead in FTA Triennial Review**
- 8 **Complete Phases 1 - 3 of FranklinCovey training**
 - 100% participation and support of Phase 1 - 3 of staff development

Planning / Service Development

2016 Proposed Budget



Expense	2013 Actuals	2014 Actuals	2015 Budget	2016 Proposed Budget	Revised 2015 to 2016 Var
Salaries & Wages	536,101	547,625	513,808	529,075	3.0%
Employee Benefits	302,707	327,400	339,569	362,239	6.7%
Total Labor	838,808	875,025	853,377	891,314	4.4%
Professional Services	66,850	142,847	355,598	511,000	43.7%
Fuel & Lubricants	-	-	-	-	0.0%
Tires & Tubes	-	-	-	-	0.0%
Materials & Supplies	43,522	18,340	7,000	7,000	0.0%
Utilities	-	-	-	-	0.0%
Insurance & Liability	-	-	-	-	0.0%
Purchased Transportation	1,489,000	2,004,656	2,093,243	2,340,000	11.8%
Rentals	780	715	-	1,000	100.0%
Miscellaneous	11,511	8,429	12,000	5,975	-50.2%
Total Non-Labor	1,611,663	2,174,987	2,467,841	2,864,975	16.1%
Total Operating Expenses	2,450,471	3,050,012	3,321,218	3,756,289	13.1%

2016 Capital Budget - Proposed

Capital Projects	Local	State	Federal	Total
Fleet Program	\$ 1,066,861	\$ -	\$ 4,267,442	\$ 5,334,303
Fixed Route - 10	900,000		3,600,000	4,500,000
Vanpool - 25	147,500		590,000	737,500
Non-Revenue Service Vehicles - 4	19,361		77,442	96,803
Facilities Program	124,000	-	256,000	380,000
Maintenance Facility Upgrades	80,000		80,000	160,000
Passenger Amenities	19,000		76,000	95,000
Property Acquisition	25,000		100,000	125,000
Equipment Program	38,200	-	72,800	111,000
Bus Camera Retro Fit - 13	18,200		72,800	91,000
Portable Steam Cleaner	20,000			20,000
Transit Technologies Program	26,000	-	104,000	130,000
Data Collection	20,000		80,000	100,000
MOA Security	6,000		24,000	30,000
Planning/Studies Program	25,000	-	100,000	125,000
Passenger Amenities Study	25,000		100,000	125,000
Total	\$ 1,280,061	\$ -	\$ 4,800,242	\$ 6,080,303

Capital Projects Details

Completed Projects

Budget Yr	Project#	Project Description	QTY	Total Project Budget	LTD Expenses (inc. projected 2015)	2016 Project Budget	Remaining Project Budget
Fleet Program							
2013	FLT0001	BUS Contract 907A (2) & 919 (4)	6	2,690,324	2,597,191		93,133
2013	FLT0002	DAR-Contract 916	44	3,770,000	3,640,735		129,265
2013	FLT0003	VAN-Contract 932	35	995,354	979,728		15,626
2014	FLT0004	VAN-Contract 943 (24) (6)	30	705,000	694,909		10,091
Equipment Program							
2014	EQP0001	BUS Radio Retro Fit (61 Retro Fit)		120,000	99,937		20,063
2014	EQP0002	DAR Radio Retro Fit		60,000	58,115		1,885
2014	EQP0003	BUS/DAR Camera Upgrade		22,600	16,730		5,870


Open and New Projects

Budget Yr	Project#	Project Description	QTY	Total Project Budget 1	LTD Expenses (inc. projected 2015)	2016 Project Budget 2	Remaining Project Budget
Fleet Program							
2014	FLT0005	BUS-Contract 945 (7) & 957 (3 Trolleys)	10	4,924,669			4,924,669
2015	FLT0006	NON-REVENUE Service Vehicles	5	125,000	28,197	96,803	96,803
2015	FLT0007	DAR	21	1,908,608			1,908,608
2016		BUS	10	4,500,000		4,500,000	4,500,000
2016		VAN 15 Passenger	25	737,500		737,500	737,500
Facilities Program							
2014	FAC0001	Tulip Lane PNR		807,664	211,071		596,593
2014	FAC0002	Maint Facility Upgrade Hoist, Auto Fluid Disp, DEF, Maint Bays Upgrade,		213,235	53,235	160,000	160,000
2014	FAC0003,0007,0009	Transit Centers - Renovation 22nd, Knight, 3 Rivers		713,016	53,286		659,730
2014	FAC0004	Bus Stop Upgrades/Pads/Benches/Shelters/Art/Communications		192,631	97,631	95,000	95,000
2015	FAC0005	MOA Offices Upgrade		40,000	5,373		34,627
2016		Property Acquisition		125,000		125,000	125,000
Equipment Program							
2014	EQP0004	DAR MDTs (53)		178,174	167,485		10,689
2016	EQP0003	BUS Camera Retro Fit (13)		91,000		91,000	91,000
2016		Portable Steam Cleaner		20,000		20,000	20,000
Transit Technologies Program							
2014	TEC0001	Data Collection - APC, GPC, Fare Collection		297,000	-	100,000	297,000
	TEC0003	MOA Security		30,000	-	30,000	30,000
Planning / Studies							
2015	PLN0001	Passenger Amenities Study		125,000	-	125,000	125,000
Other Program							
2015	OTH0001	ERMS Needs Analysis/Project Scoping		75,000	-		75,000
		TOTAL:		15,103,497	616,279	6,080,303	14,487,218
		New Project Needing Board Approval					
		1) Red lettering in 2016 Projected Budgeted indicates funding program					
		2) Red lettering in Total Project Budget indicates an increase to the project amount					

Memorandum

Date: October 19, 2015

To: Ben Franklin Transit Board of Directors

From: Kevin Hebdon, Interim Administrative Services Manager 

RE: Adopt Fiscal Year 2016 Operating and Capital Budget

Background

The Ben Franklin Transit Board of Directors met on October 8, 2015 at 4:30 PM for a 2016 Budget Meeting. At that meeting BFT Staff presented the proposed Fiscal Year 2016 Operating and Capital Budget. At the Regular Board meeting that followed the Board authorized the release of the proposed Fiscal Year 2016 Operating and Capital Budget for a 30 day public review and comment period. To date, BFT has received no public comments. Meanwhile, staff has continued to refine expenses and monitor revenue projections since its first presentation to the Board in October and has made the following changes and/or revisions:

Operating

1. Increased contracted services for the Arc contract by \$178,000 for the cost of the annual summer program "Partners N Pals"
2. Increased miscellaneous expenses in maintenance by \$550
3. Reduced fuel costs agency-wide by \$88,500
4. Reduced the budget for Covey training by \$50,000 to align with total contract amount of \$350k
5. Reduced BFT's employer contribution for medical insurance premiums by \$24,015
6. Reduced the WSTIP insurance assessed premium by \$13,096
7. Reduced travel and training expenses in Prosser and Dial-a-Ride by \$7,845
8. Reduced rental costs in Vanpool by \$2,925
9. Reduced professional services by an adjustment within the maintenance allocation of \$2,833

The net effect of these changes on the budget is an overall decrease of **\$10,664**.

Capital

No changes

The proposed FY 2016 Operating budget of \$33,891,718 and Capital budget of \$6,080,303 as presented is balanced with current year revenues; the use of reserves is not expected.

In January 2015, the Board approved the BFT Strategic Plan with primary and secondary objectives consistent with BFT's Mission Statement and Core Values. The primary and secondary objectives are:

Primary

- Address Community Growth
- Maximize Community Outreach & Involvement
- Implement Succession Planning & Staff Development

Secondary

- Address Community Demographics
- Participate in Economic Development
- Plan for Para-Transit Demographic Shifts
- Integrate Technology
- Pursue Environmentally Friendly Buses

These objectives serve as the core basis in developing our agency-wide 2016 goals and major initiatives which are further developed with measurable outcomes at the department and employee level.

2016 Goals and Major Initiatives

- Safety First (Fleet / Service)
- Comprehensive Service Plan Study
- Citizen's Advisory Committee Review
- Succession Planning and Staff Development Training
- Transit Technology Implementation
- Comprehensive Employee Program Review
- Facilities Upgrades

2016 Service Assumptions

1. **Service** is budgeted at a slight increase over 2015 levels. The 1.2% increase in revenue hours represents overall increases in contract services (Taxi), no change in Fixed Route and General Demand (Prosser) services, and a 2.7% and 1.0% increase in Dial-A-Ride and Vanpool, respectively. BFT will provide 375,091 revenue hours and 9,027,700 revenue miles across all modes in 2016.

Service Levels

	Revenue Miles			Revenue Hours		
	2015 Estimate	2016 Proposed	Var %	2015 Estimate	2016 Proposed	Var %
Fixed Route	2,150,876	2,150,876	0.0%	132,266	132,266	0.0%
Dial-A-Ride	1,987,920	2,038,521	2.6%	116,239	119,363	2.7%
Vanpool	3,944,950	3,984,400	1.0%	84,581	85,427	1.0%
General Demand	182,138	182,138	0.0%	8,131	8,131	0.0%
Night Service	491,727	501,562	2.0%	22,566	22,792	1.0%
Taxi Feeder	33,154	34,812	5.0%	1,495	1,570	5.0%
Sunday Service	92,558	93,483	1.0%	4,126	4,126	0.0%
Finley Service	38,804	41,909	8.0%	1,323	1,415	7.0%
Total Miles/Hours	8,922,128	9,027,700	1.2%	370,728	375,091	1.2%

2. **Ridership** is projected to reach 4,102,623 for 2016, representing a 1.2% increase from forecasted 2015 levels across all modes. This reflects increases in contracted services to meet demand, slight increases in Dial-A-Ride and even smaller increases in Fixed Route and Vanpool boardings.

	Boardings		
	2015 Estimate	2016 Proposed	Var %
Fixed Route	2,731,690	2,759,007	1.0%
Dial-A-Ride	355,305	364,395	2.6%
Vanpool	806,685	814,751	1.0%
General Demand	43,001	43,001	0.0%
Night Service	79,277	81,655	3.0%
Taxi Feeder	11,937	13,130	10.0%
Sunday Service	16,349	17,167	5.0%
Finley Service	9,422	9,516	1.0%
Total Miles/Hours	4,053,665	4,102,623	1.2%

3. **Comprehensive Service Plan Study:** BFT is currently in the process of selecting a consultant to perform a Comprehensive Service Plan Study (CSPS). Considering the scope of the project and yet to be determined service changes to the system, there is an uncertain impact on the 2016 budgeted ridership, miles, and hours mentioned above. However, at first blush, BFT has the capacity to place additional and financially sustainable service on the street, whatever the mode may be, in an estimated amount of \$2,576,032, which is reflected as reserves in Attachment I, Table I of the 2016 Budget.

2016 Revenue Assumptions

1. **Sales Tax Revenue** is projected at \$30,183,712, a 0.47% increase from the 2015 forecast of \$30,042,971. The increase in sales tax revenue reflects consistent economic growth of 3.2% over the last four years. This is due in part to school bond approvals and regional economic growth forecasts. 2015 was a fuel rod change-out at the Columbia Generating Station (Energy Northwest). On average this contributes about \$500,000 to \$800,000 in additional sales tax revenues during the months of June and July. Such activity is not scheduled for 2016 thus reducing the expected amount of sales tax revenue for the year. Of total 2016 sales tax revenue, 87.4% or \$26,391,619 is programmed for the Operating budget and 4.0% or \$1,216,061 is programmed for the Capital budget and \$2,576,032 or 8.5% will add to reserves.
2. **Fares** are expected to remain relatively flat with no expected significant decrease or increase in 2016, subject to changes pending results of the Comprehensive Service Plan Study (CSPS).
3. **Federal Grants** are budgeted in the amount of \$7,064,242 and include 5307 and 5339 formula funding for Federal Fiscal Year 2015. \$2,200,000 will be used for Operating and \$4,864,242 will be used for Capital.
4. **State Grants** of \$568,030 from the Paratransit Special Needs Grant are budgeted for 2016 and will be used for Operating Expenses. There are no local match requirements for these funds.

2016 Expense Assumptions

1. **Force Count** includes no significant changes. Operations chose not to replace a Road Supervisor allowing for an IT Analyst position in Administration in 2015. A slight savings is expected due to the difference in pay grade. This additional IT position was approved in the 2015 mid-year

budget revision approved at the August 2015 Board meeting. Staffing levels are proposed at the 2015 head count of 279 employees.

2. **Wages and Benefits** have been budgeted slightly different from prior years. Prior year budgets reflected 100% labor costs. For 2016, Fixed Route and Dial-A-Ride Operators have been budgeted at 91% and 95% allowing for a 9% and 5% vacancy rate respectively. The 2016 budget also reflects fine-tuning of the allocation methods for maintenance labor costs allocated to the departments. The costs of three employees in maintenance administration have been added to the allocation method in accordance with Federal Transit Administration reporting requirements.
3. **Negotiations of bargaining groups** are scheduled to start in March 2016 as current contracts expire June 30, 2016. This process could potentially impact the 2016 budget as unknown factors may increase wages and benefits for the second half of the 2016 fiscal year. The proposed budget accounts for normal step progression through the salary scale for represented and non-represented employees, but does not include any increases that may come as a result of contract negotiations.
4. **Health Insurance/Pension** rates from the Washington Teamsters Welfare Trust for 2016 show and average premium increase of 4.3%. The annual trend has been a 5% increase. Current negotiated contract language identifies an increase as of January 1, 2016 of no less than 3%, but no more than 5%. The proposed budget includes a 4.3% increase in employer medical contributions. This would increase the employer contributions for all BFT employees from \$1,207.50 to \$1,260.00. The mandated employer contribution rates for PERS are set at 11.18% of earnings for 2016.
5. **Travel and Training** costs have been significantly reduced in support of the recently Board approved FranklinCovey training. Only safety and compliance related travel and training is approved in the 2016 budget. As compared to prior years, this year's travel and training budget averages a savings of about \$50,000, excluding the FranklinCovey training.
6. **Liability Insurance** costs are increasing due to a 5% rate increase. Staff has worked closely with the Washington State Transit Insurance Pool (WSTIP) and reevaluated estimated total vehicle mileage to arrive at the budgeted \$980,446 which is a 13.2% (\$114,224) increase from the prior year. BFT has learned that the WSTIP Board has made a strategic commitment to strive for a \$5M self-insured retention by 2023. This will allow for independence from the commercial insurance market place and guarantee a certain amount of coverage for all members. This commitment will involve a 5% rate adjustment for the Pool every year until 2023.
7. **Utilities** are expected to increase for 2016 as BFT received notice from the City of Richland that effective January 1, 2016 there will be rate increases. BFT's estimated rate increase, reflected in the budget, is 9.2%.
8. **Fuel** consumption is based on BFT's service plan, taking into consideration estimated vehicle miles, vehicle fuel economy, and fuel prices for 2016. The Energy Information Administration (EIA) projects the average retail price of gasoline in 2016 to be \$2.39 per gallon. The 2016 Operating Budget contains considerations for a blended rate of gasoline and diesel of \$2.50 per gallon.

9. **Professional Services** are expected to increase in 2016 due to measures of the Strategic Plan and major goals and objectives. The Professional Services included in the 2016 budget are:
- \$100k for Maintenance Contingencies
 - \$250k for FranklinCovey employee development
 - \$41k in Legal Services to assist with union negotiations
 - \$25k for Document Archiving services
 - \$80k for Miscellaneous Consulting Services in Admin Services
 - \$100k for Website Development/Upgrades/Updates
 - \$8k in additional Auditing Services
 - \$175k for the Comprehensive Service Plan Study
 - Staff has fine-tuned the maintenance labor allocation methodology which increases Prof. Services for Fixed Route, Dial-a-Ride, Prosser, and Vanpool.
10. **Farebox Recovery Ratio** for combined modes is proposed at 11.4%. This reflects a slight decrease from the 2015 budgeted rate of 12.3%.

Departmental Impacts

1. **Bus Operations** increases 5.6% or \$609,316 over the FY 2015 budget due to slight increased costs of labor, expected parts usage for 6 diesel engine replacements, fuel, insurance, and fully allocating maintenance labor costs to the department. Revenue miles are budgeted at 2,150,876, revenue hours at 132,266 and boardings at 2,759,007.
2. **Dial-A-Ride Operations** increases 6.2% or \$588,701 over the FY 2015 budget due to increased costs of labor and benefits, insurance, purchased transportation, and fully allocating maintenance labor costs to the department. Revenue miles are budgeted at 2,038,521, revenue hours at 119,363 and boardings at 364,395. Dial-A-Ride performs all eligibility application processing to determine service eligibility; roughly 85.0% of eligible applicants are new users of the service.

Dial-A-Ride Application Processing

	Applications Processed	Annual Change in Applications Processed	Number of Eligible Applicants
2013 Actual	2,080		1,888
2014 Actual	2,795	34.4%	2,484
2015 Forecast	3,107	11.2%	2,761
2016 Proposed	3,419	10.0%	3,039

3. **General Demand (Prosser) Operations** increases 27.7% or \$192,582 from the FY 2015 budget as a result of increases in labor and benefits, fuel, fully allocating maintenance labor costs, loss of Benton County maintenance contract and a new operations facility lease adding significant costs, and insurance. Revenue miles are budgeted at 182,138, revenue hours at 8,131 and boardings at 43,001.

4. **Vanpool Operations** increases 10.2% or \$211,313 over the FY 2015 budget as a result of increased costs of labor and benefits, fully allocating maintenance labor costs to the department, fuel, and insurance costs. Revenue miles are budgeted at 3,984,400, revenue hours at 85,427 and boardings at 814,751.
5. **Night Service** is capped at \$1,750,000, a 13.3% or \$204,841 increase from the FY 2015 budget. The increase is due to demand for the services. Revenue miles are budgeted at 501,562, revenue hours at 22,792 and boardings at 81,655.
6. **Sunday Service** increases 5.9% or \$18,085 over the FY 2015 budget as a result of demand. Revenue miles are budgeted at 93,483, revenue hours at 4,126, and boardings at 17,167.
7. **Finley Service** is budgeted at \$115,000, a 2.9% or \$3,293 increase over the FY 2015 budget. Revenue miles are budgeted at 41,909, revenue hours at 1,415 and boardings at 9,516.
8. **Taxi Feeder Service** is budgeted at \$150,000, a 15.9% or \$20,538 increase over the FY 2015 budget, again due to demand for the services. Revenue miles are budgeted at 34,812, revenue hours at 1,570 and boarding at 13,130.
9. **Maintenance Department** decreases 3.1% or \$46,196 from the FY 2015 budget as the result of ongoing system configuration corrections and the correct allocation of maintenance labor across all directly operated modes; Bus, Dial-A-Ride, General Demand, Vanpool and Non-Revenue as shown below. A contingency amount of \$100,000 reduces the amount of the decrease. This amount is for unexpected items requiring facility maintenance.

Maintenance Labor Allocation

	Maintenance Labor Allocation	Wash/Clean & Fuel	Preventative Maintenance	Repair
Fixed Route	55.05%	27.8%	17.2%	55.0%
Dial-A-Ride	22.19%	29.4%	18.2%	52.4%
General Demand	4.72%	0.0%	3.4%	96.6%
Vanpool	15.26%	0.0%	48.5%	51.5%
Non-Revenue	2.78%	0.0%	33.5%	66.5%

10. **Human Resources** increases 21.9% or \$234,289 over the FY 2015 budget primarily due to leadership training and staff development scheduled with FranklinCovey, and additional legal representation for labor negotiations in March.
11. **General Administration** increases 6.5% or \$163,099 over the FY 2015 budget due to increased costs of labor and benefits for the IT Analyst position, utilities, insurance, BFT website design and document archiving services.
12. **Service Development** increases 15.3% or \$188,314 over the FY 2015 budget primarily due to increased costs of labor and benefits, and major initiative costs related to marketing/advertising needed to implement changes that may come from the Comprehensive Service Plan Study.
13. **Capital Program** totals \$6,080,303 and includes;

- \$5.33M for fleet replacement - 10 Coach Vehicles, 25 Vanpool vehicles, and 4 Non-Revenue vehicles
- \$380K for facility projects
- \$111K for Equipment projects
- \$130K in Transit Technologies
- \$125K for Planning Projects
- Ongoing development of operations building refurbishment, storm water drainage, underground storage tank remediation, and other non-vehicle projects have not yet been fully developed and staff anticipates revisions to the capital budget once these projects have a fully defined scope, schedule, and cost estimate. See attached Capital Project Document for details.

14. **Overall Effect on Reserves from Operating and Capital Budget** is expected at a \$2,576,032 increase for FY 2016; current year revenues are expected to fund current year operating expenses and capital purchases.

Funding

Budgeted:	No	
Budget Source:	Operating/Capital	
Funding Source:	Various	
Total Budget:	Operating	\$33.9 million
	Capital	\$ 6.1 million
	Reserves	<u>\$ 2.5 million</u>
Total Amount:		\$42.5 million

Recommendation

Staff recommends the Board adopt the Fiscal Year 2016 Operating and Capital Budget as summarized in Exhibit A and B. Staff also recommends the Board delegate authority to the Interim General Manager to file the FY 2016 Federal and State grants in an amount not to exceed BFT's apportionment sufficient to claim all available current and prior year funds available to BFT.

Forwarded as presented:



 Gloria Boyce, Interim General Manager