

**REGIONAL TRANSIT AUTHORITY**

**RESOLUTION NO. 69**

A RESOLUTION of the Board of the Regional Transit Authority for the Pierce, King and Snohomish Counties region amending the Authority's adopted Budget and Work Plan for the Fiscal Year 1996 to extend through the period December 31, 1996.

WHEREAS, a Regional Transit Authority ("RTA") has been created for the Pierce, King and Snohomish Counties region by action of their respective county councils pursuant to RCW 81.112.030; and

WHEREAS, by Resolution No. 26, adopted April 22, 1994, the RTA Board authorized the filing of applications with and acceptance of grants offered by the U.S. Department of Transportation for Federal Administration funds; and

WHEREAS, by Resolution No. 45, adopted December 16, 1994, and by Resolution No. 46, adopted January 13, 1995, the RTA Board respectively approved a six month budget to complete fiscal year 1995 and authorized a Contract for 1995 Support Services and Funding with King County; and

WHEREAS, by Resolution No. 57, adopted February 10, 1995, the RTA Board authorized a Contract for 1995 Support Services and Funding with Pierce Transit; and

WHEREAS, by Resolution No. 58, adopted February 10, 1995, the RTA Board authorized the filing of applications for state and federal grants administered by the Washington State Department of Transportation and the acceptance of any such grant award; and

WHEREAS, by Resolution No. 67, adopted June 23, 1995, the RTA Board adopted a Fiscal Year 1996 Budget and Work Plan for the period of July 1, 1995 through June 30, 1996; and

WHEREAS, the RTA Board anticipates the possibility of negotiation and execution of contracts or contract amendments for support services for 1996 with King County, Pierce Transit and Community Transit; and

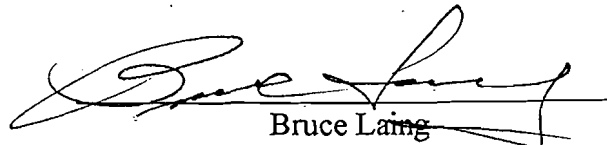
WHEREAS, the Finance Committee of the Board has reviewed and recommends amending the Authority's adopted Budget and Work Plan to extend through December 31, 1996;

NOW THEREFORE BE IT RESOLVED by the Board of the Regional Transit Authority as follows:


Section 1. An eighteen month Budget and Work Plan substantially as shown in Exhibit A and attached hereto, is hereby adopted by the Board of the Regional Transit Authority for the period July 1, 1995 through December 31, 1996.

Section 2. The adopted budget shall be reviewed on a periodic basis and may be further modified by the Finance Committee as necessary to reflect significant changes in the Authority's anticipated work program, revenue sources or financial obligations following a report on such modifications to the Board.

ADOPTED by the Board of the Regional Transit Authority for the Pierce, King and Snohomish Counties region at a regular meeting thereof held on the 3rd day of November 1994.

  
Bruce Laing  
Chair of the Board

ATTEST:

  
Marcia Walker  
Board Administrator

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**CENTRAL PUGET SOUND  
REGIONAL TRANSIT AUTHORITY**

**FY 1996 REVISED BUDGET PROPOSAL**

**JULY 1, 1995 - DECEMBER 31, 1996**

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# FY 1996 REVISED BUDGET PROPOSAL

July 1, 1995 - December 31, 1996

## Request for Action

- With RTA Board review on October 13, the Finance Committee is scheduled to take action on the revised budget package at their November 2 meeting, and present the package to the Board for adoption on November 3.

## Background

- In recent RTA Board discussions, Boardmembers have expressed interest in alternative budgets that would allow more flexibility in choosing a ballot date.
- The budget proposal's purpose is to provide the Board the utmost flexibility provided within the RTA's current funding picture. Such flexibility is likely to be an important consideration as the Board moves toward decisions regarding the scope of the next ballot proposal, the ballot date, and implications for work program and schedule.
- The proposal would extend the currently adopted 12-month budget, July 1, 1995 to June 30, 1996, through the 18-month period, July 1, 1995 to December 31, 1996.
- While the current adopted budget reflected a 62 percent decrease in RTA planning efforts, a 40 percent drop in staff positions, and close to a 100 percent decrease in consultant support, the revised budget would set more rigorous targets by further reducing staff and operations.
- The management steps necessary to achieve these targets have been put in place during the past two weeks.

## Revised Budget Proposal

- Four tables follow:
  - \* Current adopted budget;
  - \* September 1996 proposal;
  - \* November 1996 revised budget proposal; and
  - \* Revised budget expense detail, for July 1, 1996 through December 31, 1996.

**Current Adopted Budget**

- Table 1 provides the cash flow projection for the current adopted budget, built around a spring 1996 special election. It assumes that the RTA would require operating funds through June 30, 1996.
- For the 12-month period, revenues for RTA operations are projected at \$4.2 million, and expenses at \$4.8 million. The gap is funded through a cash reserve accumulated following the unsuccessful ballot; the cash reserve is held to fund election costs. The budget reflects the drop in RTA FTEs from 50 to 29.
- The adopted budget projects a reserve of \$170,000 at budget year end. The reserve is thus available for combination with \$300,000 of unexpended federal STP grant dollars, to fund other purposes or future operations.

**Table 1. Cash Flow Projection for Current Adopted Budget  
May 1996 Election**

Period of July 1, 1995 through December 31, 1996  
Assumes operations continue through June 30, 1996

	1995		1996				Total
	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	
Balance Forward (1)	850,000	(242,000)	(84,000)	471,000	367,000	170,000	
<b>Revenues:</b>							
HCT Grant	316,000	450,000	484,000	575,000	576,000		2,401,000
King County Loan		620,000					620,000
STP Grant(2)			233,000	233,000	234,000		700,000
CR Demo Grant			750,000				750,000
Use of cash reserve					850,000		850,000
<b>Sub-total</b>	<b>316,000</b>	<b>828,000</b>	<b>1,383,000</b>	<b>1,279,000</b>	<b>2,027,000</b>	<b>170,000</b>	<b>5,321,000</b>
<b>Expenditures:</b>							
Staff	328,000	492,000	492,000	492,000	164,000	0	1,968,000
Board	8,000	12,000	12,000	12,000	4,000	0	48,000
Operations	222,000	333,000	333,000	333,000	114,000	0	1,335,000
<b>Sub-total</b>	<b>558,000</b>	<b>837,000</b>	<b>837,000</b>	<b>837,000</b>	<b>282,000</b>	<b>0</b>	<b>3,351,000</b>
STP grant/DMS (3)		75,000	75,000	75,000	75,000		300,000
Election (4)					1,500,000	0	1,500,000
<b>Sub-total</b>	<b>0</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>1,575,000</b>	<b>0</b>	<b>1,800,000</b>
<b>End Balance</b>	<b>(242,000)</b>	<b>(84,000)</b>	<b>471,000</b>	<b>367,000</b>	<b>170,000</b>	<b>170,000</b>	<b>170,000</b>

(1) 1st Quarter balance forward is held for election costs, and is net of June 1995 expenses.

(2) Assumes \$300,000 of \$1 million grant remains for other purposes or future operations.

(3) Portion of STP grant supporting returned DMS employees (4.5 FTES).

(4) Election is partially funded through beginning balance cash reserve.

## September 1996 Election

- Table 2 provides a September 1996 election and operations until October 31, 1996, by adding the unexpended \$300,000 federal STP grant to the revenue picture.
- Several reductions have taken place on the expenditure side:
  - \* Staff positions have been cut an additional 20 percent, from 29 to 24 FTEs;
  - \* Engineering consultant services will be reduced as of January 1;
  - \* Operating costs, to include office supplies, the disparity study, postage, printing, and so on, are reduced by just under \$7,000 per month or 8 percent.
- Also, the move of the election from a special spring ballot to a primary ballot would reduce its cost significantly, from \$1.5 million to \$750,000, and help fund identified needs, the voters' brochure (a legislative requirement) and public/governmental outreach.
- These revisions would provide the RTA with a \$450,000 reserve as of October 31.

**Table 2. Revised Cash Flow Projection  
July 1, 1995 through December 31, 1996  
September 1996 Election**

Assumes operations continue through October 31, 1995

	1995 3rd Qtr	4th Qtr	1996 1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
Balance Forward (1)	850,000	(262,000)	6,431	706,948	698,465	547,982	
<b>Revenues:</b>							
HCT Grant	316,000	450,000	484,000	575,000	576,000		2,401,000
King County Loan		620,000					620,000
STP Grant (2)			233,000	233,000	234,000	300,000	1,000,000
CR Demo Grant			750,000				750,000
Use of cash reserve						850,000	850,000
<b>Sub-total</b>	<b>316,000</b>	<b>808,000</b>	<b>1,473,431</b>	<b>1,514,948</b>	<b>1,508,465</b>	<b>1,697,982</b>	<b>5,621,000</b>
<b>Expenditures:</b>							
Staff	348,000	408,829	373,743	373,743	367,743	245,162	2,117,220
Board	8,000	12,000	12,000	12,000	12,000	8,000	64,000
Operations	222,000	305,740	305,740	305,740	305,740	203,827	1,648,787
<b>Sub-total</b>	<b>578,000</b>	<b>726,569</b>	<b>691,483</b>	<b>691,483</b>	<b>685,483</b>	<b>456,989</b>	<b>3,830,007</b>
STP grant/DMS (3)		75,000	75,000	75,000	75,000		300,000
Election (4)						750,000	750,000
<b>Sub-total</b>	<b>0</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>750,000</b>	<b>1,050,000</b>
Voters' brochure (4)					150,000		150,000
Public/governmental outreach				50,000	50,000	50,000	150,000
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>200,000</b>	<b>50,000</b>	<b>300,000</b>
<b>End Balance</b>	<b>(262,000)</b>	<b>6,431</b>	<b>706,948</b>	<b>698,465</b>	<b>547,982</b>	<b>440,993</b>	<b>440,993</b>

(1) 1st Quarter balance forward is held for election costs, and is net of June 1995 expenses.

(2) Assumes \$300,000 of \$1 million grant is used to continue operations.

(3) Portion of STP grant supporting returned DMS employees (4.5 FTES).

(4) Election and Voters' brochure are funded mostly through beginning balance cash reserve.

### November 1996 Election

- Table 3 presents the proposal for a November vote, with RTA operations funded through December 31. Cash flow projections have been adjusted accordingly.
- The projection indicates potential \$16,000 over-spending, which could be readily absorbed by adjusting expenditures downward.
- Either the September Election proposal or the November Election proposal would reduce calendar year 1996 RTA expenditures to a range of \$3.6 million to \$4 million. This compares to calendar year 1994's spending of \$10.2 million, which did not include funding an election.

**Table 3. Revised Cash Flow Projection  
July 1, 1995 through December 31, 1996  
November 1996 Election**

Assumes operations continue through December 31, 1996

	1995		1996				
	3rd Qtr	4th Qtr	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
Balance Forward (1)	850,000	(262,000)	6,431	706,948	698,465	697,982	
<b>Revenues:</b>							
HCT Grant	316,000	450,000	484,000	575,000	576,000		2,401,000
King County Loan		620,000					620,000
STP Grant (2)			233,000	233,000	234,000	300,000	1,000,000
CR Demo Grant			750,000				750,000
Use of cash reserve						850,000	850,000
<b>Sub-total</b>	<b>316,000</b>	<b>808,000</b>	<b>1,473,431</b>	<b>1,514,948</b>	<b>1,508,465</b>	<b>1,847,982</b>	<b>5,621,000</b>
<b>Expenditures:</b>							
Staff	348,000	408,829	373,743	373,743	367,743	490,324	2,362,382
Board	8,000	12,000	12,000	12,000	12,000	16,000	72,000
Operations	222,000	305,740	305,740	305,740	305,740	407,653	1,852,613
<b>Sub-total</b>	<b>578,000</b>	<b>726,569</b>	<b>691,483</b>	<b>691,483</b>	<b>685,483</b>	<b>913,977</b>	<b>4,286,995</b>
STP grant/DMS (3)		75,000	75,000	75,000	75,000		300,000
Election (4)						750,000	750,000
<b>Sub-total</b>	<b>0</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>750,000</b>	<b>1,050,000</b>
Voters' brochure (4)						150,000	150,000
Public/governmental outreach				50,000	50,000	50,000	150,000
<b>Sub-total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>50,000</b>	<b>200,000</b>	<b>300,000</b>
<b>End Balance</b>	<b>(262,000)</b>	<b>6,431</b>	<b>706,948</b>	<b>698,465</b>	<b>697,982</b>	<b>(15,995)</b>	<b>(15,995)</b>

(1) 1st Quarter balance forward is held for election costs, and is net of June 1995 expenses.

(2) Assumes \$300,000 of \$1 million grant is used to continue operations.

(3) Portion of STP grant supporting returned DMS employees (4.5 FTES).

(4) Election and voters' brochure are funded mostly through beginning cash reserve.

**Revised 18-Month Budget, July 1, 1995 to December 31, 1996**

- Table 4 presents the expense detail for the revised 18-month budget, as well as a comparison to the current 12-month adopted budget (for July 1, 1995 to June 30, 1996) and to 1994 actuals.

Table 4  
**Revised Budget Expense Detail**  
**July 1, 1995 through December 30, 1996**  
 With Comparison to FY 1996 Adopted budget and 1994 Actual Expenditures

	FY 1996 Adopted Budget <sup>1</sup>	Fiscal Yr 1996 Revised Budget	3rd & 4th Quarters 1996 budget	Total 18 Month Revised Budget	1994 Actuals
<b>Salaries &amp; Benefits</b>					
Staff	1,969	1,721	740	2,461	3,270
Board	48	48	24	72	48
Subtotal	2,017	1,769	764	2,533	3,318
<b>Supplies</b>					
Office/Operating Supplies	95	78	39	117	162
Equipment	5	3	2	5	46
Subtotal	100	81	41	122	208
<b>Services</b>					
Professional Services <sup>2</sup>	291	320	175	495	3,336
Legal Costs	400	400	200	600	634
Disparity Study	100	75	0	75	0
Postage	35	31	16	47	32
Association Dues	4	4	2	6	4
Insurance	10	10	5	15	0
Travel, etc.	20	15	8	23	117
Advertising	24	18	9	27	24
Printing/Binding	79	62	31	93	79
Subtotal	963	935	446	1,381	4,226
<b>Rentals</b>					
Meetings	9	3	2	5	13
Office Space	183	183	92	275	183
Subtotal	192	186	94	280	196
<b>Other</b>					
Miscellaneous	0	0	0	0	2
HCT Pass-thru	80	145	40	185	2,212
Election Costs	1,500	0	750	750	0
Voter Brochure	0	0	150	150	0
Subtotal	1,580	145	940	1,085	2,214
<b>Total Budget</b>	<b>\$4,852</b>	<b>\$3,116</b>	<b>\$2,285</b>	<b>\$5,401</b>	<b>\$10,162</b>

**Notes:**

- 1) 12-month budget, for period July 1, 1995 to June 30, 1996
- 2) The revised professional services budget includes an additional \$150,000 for governmental and public outreach.