

PROPOSED

# 2025 BUDGET



# 2024 Board of Directors

Board Chair - *Tom Merrill*  
Board Vice Chair - *Sid Roberts*  
Board Secretary - *Christine Frizzell*  
Board Member - *Jan Schuette*  
Board Member - *Jared Mead*  
Board Member - *Joe Marine*  
Board Member - *Jon Nehring*  
Board Member - *Kim Daughtry*  
Board Member - *Lance Norton*  
Board Member - *Strom Peterson*

## Board Alternates

Board Alternate - *Heather Fulcher*  
Board Alternate - *Kyoko Matsumoto Wright*  
Board Alternate - *Megan Dunn*  
Board Alternate - *Mike Gallagher*  
Board Alternate - *Susan Paine*

# 2024 Executive Leadership Team

Chief Executive Officer - *Ric Ilgenfritz*  
Chief of Staff and Public Affairs Officer - *Deb Osborne*  
Chief Communications Officer - *Geoff Patrick*  
Chief People and Financial Officer - *Eunjoo Greenhouse*  
Chief Information Officer - *Chas Stearns*  
Chief Innovation and Customer Experience Officer - *Molly Marsicek*  
Chief Operating Officer - *Roland Behee*  
Chief Planning and Development Officer - *Melissa Cauley*

# Table of Contents

Board of Directors and Executive Leadership Team	2	Executive	71
Table of Contents	3	Communications, Marketing, and Engagement	76
Navigation Guide	4	Customer Experience	82
		Employee Engagement	89
		Finance and Administration	94
Executive Summary	10	Information Technology	100
Service Plan	15	Planning and Development	106
General Fund Revenues	18	Operations Administration	113
General Fund Expenses	25	Facilities Maintenance	116
Interfund Transfers	36	Safety, Security, and Sustainability	121
Cash and Reserves	38	Transportation	126
Capital Program	43	Vehicle Maintenance	130
Debt Service and Debt Capacity	52		
<b>Agency Overview</b>		<b>Supplemental Data and Reference</b>	
Agency Profile	54	Statistical and Supplemental Data	135
Region and Economy	55	Planning Cycle and Annual Budget Process	143
Service Area	58	Funds List	149
Governing Body	59	Financial Policies	151
Strategic Goals and Priorities	60	Glossary: Terms and Acronyms	159
<b>Department Overview</b>		Distinguished Budget Presentation Award	167
Organizational Chart	61	Board Resolution Adopting the Budget	168
Department Budget Summary	62	Vision, Mission, Core Values	172
Department Operating Budgets			
Board of Directors	66		

# Navigation Guide

Below is a short summary of the information available in each section of this document. In the electronic version, click on a section to go that part of the document.

	Section	Description
<b>Intro</b>	CEO Message	An introduction to the budget from Chief Executive Officer (CEO) Ric Ilgenfritz.
	Executive Summary	A high-level overview of the budget. Contains short explanations of information discussed in more detail in other parts of the document.
<b>Budget Summary Section</b>	Service Plan	Information on service hours, ridership, and future plans.
	General Fund Revenues	Details the agency's sources of income.
	General Fund Expenses	Discusses the agency's expenditures; focuses on operating expenses.
	Interfund Transfers	Details transfers between the funds that Community Transit uses to categorize and manage its internal budget.
	Cash and Reserves	Provides information on the agency's cash (available money) and reserves (these are like savings accounts).
	Capital Program	Defines "capital asset" for Community Transit and provides detail on the agency's projects, and expenses in this category.
	Debt Service and Capacity	Discusses Community Transit's debts.
	<b>Agency Overview</b>	Agency Profile
Region and Economy		Discusses the Region and economy in Snohomish County, Washington. Includes population, demographics, unemployment rates, and other economic data.
Service Area		Includes a map of Community Transit's service area.
Governing Body		Provides an overview of the governing body of Community Transit. Includes agency Strategic Goals & Priorities.
<b>Department Overview</b>	Department Overview	Shows the agency's structure, and the operating budget by department. Includes an organizational chart.
	Department Budget Sections	Describes the purpose, structure, budget, staffing plan, and priorities for each department.

<b>Supplemental Data and Reference Section</b>	Statistical and Supplemental Data	Contains information about Community Transit and the agency's performance over time.
	Planning Cycle and Annual Budget Process	Describes the planning and budgeting process. There are references to plans and planning tools throughout the document. Includes a budget calendar.
	Funds List	Details the funds that Community Transit uses to manage its budget. Funds are one of several tools used to identify and track categories of expenses.
	Financial Policies	Gives an overview of the policies that Community Transit uses as a framework to guide financial decision-making.
	Glossary: Terms and Acronyms	Defines many of the acronyms and terms used in the budget document. Items are listed alphabetically. This is where readers can learn the difference between the TDP and NTD, and what an FTE is.
	Distinguished Budget Presentation Award	Displays the agency's most recent budget award from the Government Finance Officers Association of the United States and Canada (GFOA).
	Board Resolution Adopting the Budget	The official document adopting the annual budget. It is only available in the final version (not the proposed version) of this document. The final version is published after the budget is adopted, typically in December for the next year.
	Vision, Mission, Core Values	These define the agency's purpose, direction, and culture.

# CEO Budget Message

## Proposed 2025 Budget

For Community Transit 2024 was all about delivering: new projects, a new network, and new services benefitting travelers across Snohomish County. We started the year with the successful launch of Swift Orange Line, and followed the historic arrival of light rail in Snohomish County in September by putting in place the all-new 2024 and Beyond bus network. We will finish the year launching ZIP on-demand service in three new communities. These improvements to our network to better connect people and communities within Snohomish County represented the largest service change in our history.

2025 will center on innovation and adaptation. Success in 2024 puts us in the exciting position to adapt and grow our new service network over the next four service changes; we will closely observe how customers respond and apply what we learn to refining our service offerings to optimally meet our customers' needs. We will monitor the success of three new microtransit pilots, advance our testing and understanding of zero emission fleet technology, and define the scope of Swift Gold Line to bring bus rapid transit service to north Snohomish County for the first time. And we will continue investing in, and refining, our approach to safety and security within the transit network to provide a safe, positive experience for customers and employees.

Under this Proposed 2025 Budget, highlights of Community Transit's work over the coming year include but are not limited to:

- Adding more than 116,000 hours across all service modes (not including Sound Transit) to refine and improve the network planned for 2025, along with continued investment in bus stop enhancements. We will look for opportunities to refine our network through monitoring the results of our last service change and listen to input.
- Continuing work to build out the Swift BRT network, with focus on Blue and Green line station retrofits; our Green Line extension to UW Bothell; and continuing Gold Line community engagement as we advance our environmental process.
- Implementing further safety improvements for our customers, including the proposed expansion of our transit security officer (TSO) program, more live CCTV cameras at stations and introducing text messaging options for communicating with our new Security Operations Center (SOC).
- Providing safety improvements for employees includes continued work toward installing driver door barriers on all our coaches, and investments in expanded employee fall protection for buildings and maintenance bays.
- Continued work to advance our Zero Emissions goals includes preparation to make our first large battery electric bus order in early 2025. We will also continue to advance consideration of facility design options including electric bus charging stations at the Hardeson Campus, hydrogen storage at Kasch Park, and options for potential hydrogen production.

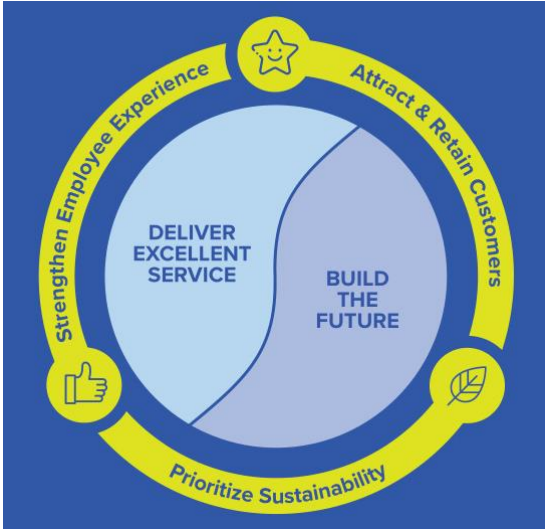
- Following launch of microtransit service in Arlington, Lake Stevens and Darrington, developing a long-term strategy for planning and identifying further microtransit expansion to new markets.
- Advancement of Facilities Master Plan Phase 3B, improving the Hardeson Campus Vehicle Maintenance Offices and Parts Department.
- Rollout of a Sustainability Action Plan that further focuses our work to grow our environmental, financial, and organizational sustainability.

## Strategic Priorities

Community Transit’s 2025 activities will continue to be guided by two overarching themes — delivering excellent service and building the future — and continuation of our three strategic priorities:

- Attract & Retain Customers
- Strengthen Employee Experience
- Prioritize Sustainability

Carrying over these 2023-2024 themes and priorities will guide our continued progress for Snohomish County communities, informing each department’s work. This continuing framework will support our work to report, measure and evaluate organizational performance, keeping all oars rowing in the same direction.



## Service Transformation



Community Transit kicked off 2024 by launching its third bus rapid transit line, Swift Orange Line. In September, we continued by leveraging the arrival of congestion-free light rail in Shoreline, Mountlake Terrace, and Lynnwood to move bus service hours out of rising I-5 traffic and into major service enhancements within Snohomish County.

This historic transformation was the beginning of an ongoing improvement of transit service focused within the county. Over

the next two years, the agency will make adjustments to the new network, add frequency to bus routes, and increase the span of the service day to enhance local and regional travel.

While continuing to implement these gains we will continue to advance improvements to the ways we:

- Collect and use data for planning service;
- Recruit drivers, mechanics, and key staff;
- Engage our riders and community members digitally and in-person;
- Evaluate and procure contracts to be more inclusive of small and historically disadvantaged businesses; and
- Exercise responsible stewardship of taxpayer funds.

## Transformative Technology

Technology continues to shape how Community Transit plans its service, informs and engages its riders, and operates and maintains its vehicles.



Advancement of our “side by side” pilot test of two zero emissions buses will inform the technology the agency uses to power its buses in the future. The agency’s first battery electric bus (BEB) and hydrogen fuel cell electric bus (FCEB) will transport customers throughout our service area, while mechanics and planners gather data on how those technologies work relative to each other and to traditional diesel-powered buses.

## 2024 Accomplishments

- Opening Swift Orange Line on time and under budget
- Executing the 2024 & Beyond Network restructure and connections to light rail at Lynnwood City Center Station, Mountlake Terrace Station, and Shoreline North/185th Street Station
- Opening the Swift Blue Line extension to Shoreline North/185th Station
- Opening the new Ride Store at Lynnwood
- Launching new microtransit service in Arlington, Darrington, and Lake Stevens
- Launching the Security Operations Center (SOC) and continuing to advance the new Transportation Security Officer (TSO) program
- Overcoming challenging labor market conditions to achieve targets for hiring new coach operators, mechanics and other employees
- Advancement of vanpool vehicle replacements and expansion, including the introduction of pilot electric vehicles
- Introducing Swift signage and ticket vending machine replacements along the Blue and Green lines
- Opening the Hardeson Campus Service and Operations building
- Completing the expansion and remodel of the Hardeson Campus Vehicle Maintenance building
- Refreshing the Snohomish Park & Ride and Lake Stevens Transit Center
- Establishing our Long-Range Financial Model and Staffing Plan
- Publishing the agency’s first-ever Sustainability Action Plan
- Increasing ridership across all services: as of September 2024, we are forecasting 19% growth (or about 1.4 million riders) over 2023 ridership



Community Transit has made a commitment to transition its bus fleet to zero emissions technology by 2044. With each purchase and operation of new BEB and FCEB buses, the agency will learn more about their efficacy in our operating environment.

Similarly, changes in our data collection methods give the agency both real-world operational data from our buses, and ongoing feedback from riders and non-riders about our service decisions. This increased feedback helps to improve our service on the bus, at our bus stops, and online.

## Sustainable Financial Planning

Community Transit carefully considers the future impact of current year decisions. When the agency plans service growth, new programs, or facilities expansion, we ensure that we can continue to deliver on these plans in the long term.

Over the past year, the agency has developed new forecasting and planning tools to assess long-term financial sustainability and inform resource allocation risks, choices and decisions. The agency uses these tools to assess long-term financial health and establish a financially constrained six-year planning horizon for the annual Transit Development Plan (TDP) update.

Updating the TDP each year enables us to propose annual budgets based on strategic choices about where to invest time, funds, and resources, focusing both on the short-term and on maintaining sustainable cost growth, staying within the bounds of forecasted mid-term and long-term resources.

Together, the 2025 budget and six-year TDP focus on addressing the risks and opportunities of growth, balancing expenses with revenues, and maintaining healthy reserves to support sustained operations to 2050 and beyond.

This proposed budget includes information on potential implications from a statewide ballot measure to repeal the Climate Commitment Act. Should the measure pass in November, the agency could lose nearly \$200 million in state funds through 2038. We will update our budget and plans after we know the outcome of the election.

Community Transit's staff is deeply committed to serving our communities. We look forward to joining with you to make 2025 an amazing year.

Sincerely,

Ric Ilgenfritz

# Budget Summary

## Executive Summary

Community Transit has proposed a balanced budget for 2025, which is defined as a budget in which operating revenues exceed operating expenditures, all reserves are fully funded, and capital expenditures sustainably meet the plan defined in the six-year Transit Development Plan. Total 2025 budgeted operating revenues equal \$278.1 million. Total 2025 budgeted operating expenditures equal \$248.6 million. Interfund transfers of \$30.8 million from the general fund provide funding for capital projects, reserves, workers' compensation, and debt service. The 2025 capital budget totals \$205.6 million. For detailed information on revenues, expenses, the capital plan, and 2025 service, please read the sections that follow the Executive Summary.

The 2025 budget carries out year one of Community Transit's Transit Development Plan. If the Transit Development Plan is the roadmap, then the 2025 budget is the trip itinerary for the year. This budget allocates and assigns the resources that will bring to life the vision put forth in Journey 2050 and the 2024-2029 Transit Development Plan. In building this year's budget, many elements of the capital plan come together to support Community Transit's delivery of new service and its network changes well into the future.

The 2025 budget continues funding for implementation of Community Transit's 2024 and Beyond bus network. This plan, which is currently underway, increases service in phases and



allows for connections to the Lynnwood light rail extension that opened in 2024. Vanpool services have entered a growth mode again as many employees have returned to the workplace in a hybrid or on-location arrangement. There is now a waiting list for new vanpools, which Community Transit addresses in the 2025 budget. This budget also anticipates both the continued piloting and expansion of innovative services such as microtransit in several locations in Snohomish County.

Community Transit strives to make investments to deliver excellent service and build the agency's future. In 2025, work is being done to expand the Swift Blue Line and Green Line, and design work will occur for the Swift Gold Line. The budget also includes funding for zero emissions projects, including 29 zero emissions buses, planning work for zero emissions utility infrastructure, and design efforts that will incorporate zero emissions technology at both the Hardeson Campus and Kasch Park operating bases.

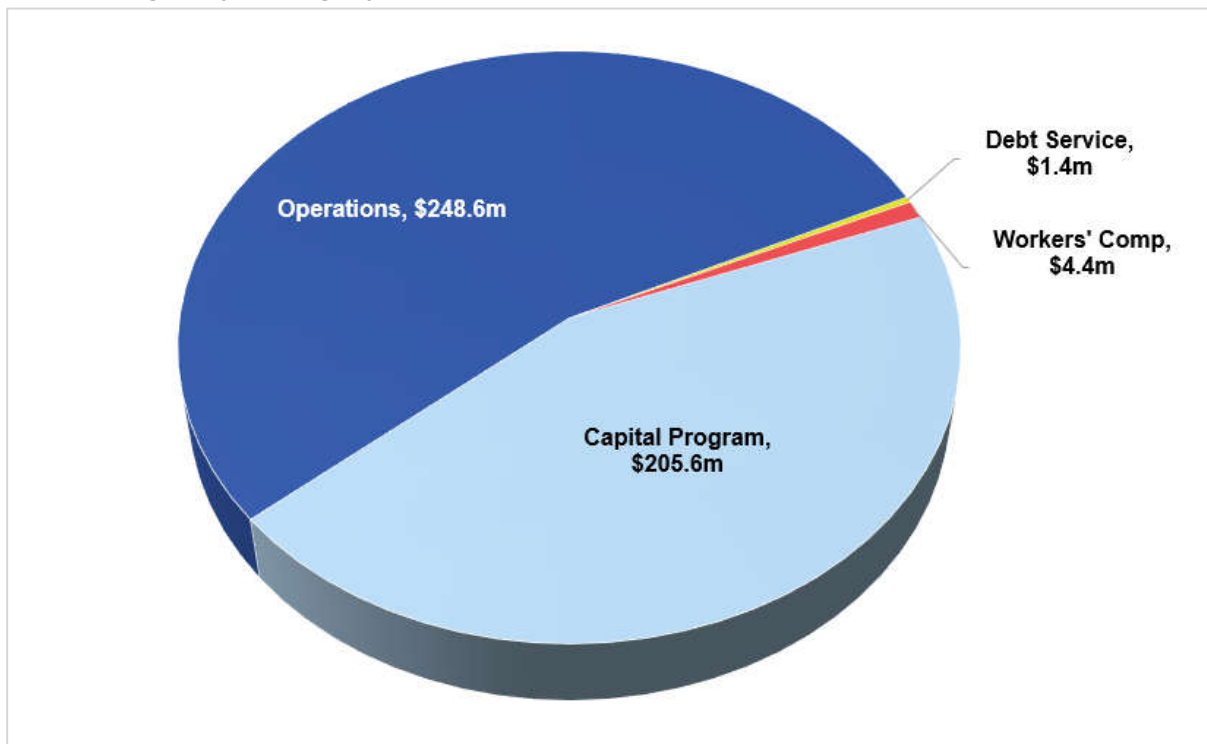
Customer and employee safety remain strong features in the 2025 budget. Community Transit will expand its transit security staffing significantly and make a number of bus and system enhancements to make operations safer. These include coach operator barriers that will be installed on buses, a new-to-the-agency safety management system, and upgrades for cameras and security systems.

Internally, as the agency grows and evolves, staff continue to implement systems and process improvements to support a more robust and complex operation. Consistent with the past year, many of Community Transit’s technology initiatives involve system modernization and replacement. The budget includes funding to update various office systems, as well as technology to support and enhance the customer experience. This budget continues support for community outreach and continues to seek understanding of customer needs. There is continued funding for data enhancements, marketing, and increased awareness toward Community Transit’s services.

Looking ahead to 2025, Community Transit will have unique opportunities to connect with its partner agencies. The services added, from new BRT lines to new fixed routes, to new, innovative modes of service, will continue to transform the way Snohomish County travelers move from one point to another. These will redefine the future of public transportation services in Snohomish County. Through the budget, the agency has assigned resources and developed the blueprint to move forward with new services, new facilities, and light rail connections.

## 2025 Budget Summary and Highlights

2025 Budget by Category — Dollars in Millions



## 2025 Budget Summary and Highlights

	2022 Actual	2023 Actual	2024 Amended Budget	2025 Proposed Budget	Change 2025 vs. 2024	% Change
<b>General Fund (40)</b>						
Fund 40 Operating Revenue	\$ 280,516,870	\$ 300,388,740	\$ 273,252,471	\$ 278,088,966	\$ 4,836,495	1.8%
Fund 40 Operating Expense	\$ 160,058,554	\$ 171,749,141	\$ 231,566,301	\$ 248,555,058	\$ 16,988,757	7.3%
<b>Operating Margin<sup>1</sup></b>	<b>\$ 120,458,316</b>	<b>\$ 128,639,599</b>	<b>\$ 41,686,170</b>	<b>\$ 29,533,908</b>	<b>\$ (12,152,262)</b>	<b>-29.2%</b>
<b>Other Funds</b>						
Workers' Compensation	\$ 2,348,102	\$ 2,829,404	\$ 3,744,014	\$ 4,404,834	\$ 660,820	17.7%
Debt Service	\$ 1,432,750	\$ 1,429,250	\$ 1,428,252	\$ 1,429,500	\$ 1,248	0.1%
<b>Capital Program</b>						
Budget amounts include funds appropriated in prior years for projects that are still in progress.						
Capital Program <sup>2</sup>	\$ 60,342,648	\$ 88,365,302	\$ 230,978,974	\$ 205,580,210	\$ (25,398,764)	-11.0%
<b>Statistics</b>						
Actual / Planned Service Hours <sup>3</sup>	452,653	490,272	577,189	739,296	162,107	28.1%
FTE <sup>4</sup> Employees - General Fund	800.9	864.7	931.1	1,042.8	111.7	12.0%
FTE Employees - Capital Funds	32.2	41.9	48.4	50.8	2.4	5.0%

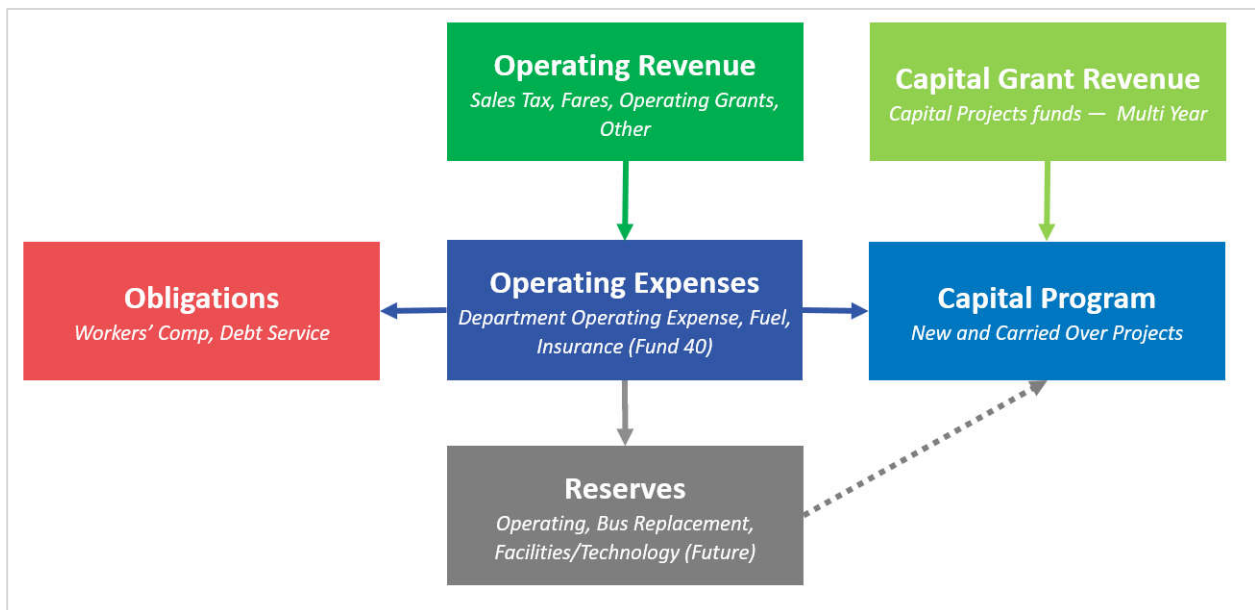
<sup>1</sup> The operating margin funds workers' compensation, debt service, the capital program, and reserves.

<sup>2</sup> The capital program varies from year to year based on service needs, projects in progress, and available funding. Each year's capital budget includes new and carryover projects. Actuals reflect actual capital program expenditures. Starting in 2022, the capital program includes personnel costs for staff working on the capital program. The 2024 decrease is due to completion of several major projects.

<sup>3</sup> Service hours do not include Sound Transit.

<sup>4</sup> Full-Time Equivalent (FTE) employee counts for all years are authorized FTEs.

### Sources and Uses of Funds



The graphic above illustrates the flow of funds. Later sections contain more details.

## Agencywide Revenues and Expenses

### Budget and Actuals – 4-year Summary (All Funds)

	2022 Actuals	2023 Actuals	2024 Amended Budget	2025 Proposed Budget	Change 2025 vs. 2024	% Change
<b>Revenues:</b>						
Sales Tax Revenue	198,489,857	200,281,643	206,692,000	207,290,000	598,000	0.3%
Fare Revenues	8,939,269	9,549,782	8,993,717	10,970,075	1,976,358	22.0%
Sound Transit Commuter Service	19,848,650	20,957,108	21,158,490	23,738,400	2,579,910	12.2%
Federal Grants (FTA)	48,809,902	57,386,989	59,929,518	62,687,653	2,758,135	4.6%
State Grants and Contributions	6,104,560	37,856,482	18,561,365	8,020,478	(10,540,887)	-56.8%
Local Contributions	2,461,203	2,428,829	2,350,028	2,420,000	69,972	3.0%
Investment Income	5,309,585	14,818,253	14,246,736	22,005,000	7,758,264	54.5%
Miscellaneous Revenue	1,618,616	1,278,682	1,031,500	911,500	(120,000)	-11.6%
<b>Total Revenues</b>	<b>\$ 291,581,642</b>	<b>\$ 344,557,767</b>	<b>\$ 332,963,354</b>	<b>\$ 338,043,106</b>	<b>\$ 5,079,752</b>	<b>1.5%</b>
<b>Expenses:</b>						
Personnel	99,670,538	109,284,834	139,091,506	151,814,274	12,722,768	9.1%
Services	21,633,008	24,279,170	55,117,125	57,814,279	2,697,154	4.9%
Intergovernmental Services	6,641,901	4,364,425	9,461,791	9,991,444	529,653	5.6%
Purchased Transportation	27,257,139	30,061,640	42,015,027	42,493,732	478,705	1.1%
Supplies	19,729,785	19,413,085	25,480,668	28,777,794	3,297,126	12.9%
Capital Expenditures	45,113,744	73,041,405	180,273,699	155,297,716	(24,975,984)	-13.9%
Insurance Expenditures	2,703,189	2,499,289	3,330,356	3,842,215	511,859	15.4%
Cost Pools			14,819,117	8,509,000	(6,310,117)	-42.6%
Debt Service	1,432,750	1,429,250	1,428,252	1,429,500	1,248	0.1%
Budget Offset Contra Account			(3,350,000)		3,350,000	-100.0%
<b>Total Expenses</b>	<b>\$ 224,182,054</b>	<b>\$ 264,373,097</b>	<b>\$ 467,667,541</b>	<b>\$ 459,969,952</b>	<b>\$ (7,697,589)</b>	<b>-1.6%</b>

#### Notes:

In 2024, the budget included a contra account, which is a tool to limit agency budget growth. A contra account reduces a budget without cutting specific line items.

Purchased Transportation expense increased in the 2024 amended budget over 2023 due to the inclusion of Innovative Services such as Zip Microtransit and related service pilots.

Capital Expenditures shown in this table do not reflect the full scope of the capital program. Expenditures shown include only those that do not fit into another table category, such as construction, equipment, or vehicles. Capital program expenses for personnel, supplies, and services are shown in those categories.

The capital program budget is a multi-year budget. Projects are budgeted in full when approved, and unspent funds are carried forward from year to year. Prior year actuals reflect just the expenditures for that year. The 2025 decrease is due to completion of several major projects.

# Transit Development Plan and Budget Development

Annually, Community Transit creates a six-year Transit Development Plan according to agency policy and per Washington State Department of Transportation requirements. The plan guides and prioritizes the activities of Community Transit in developing and maintaining its transit system, including service to be provided, as well as priorities and strategies for delivering transit services. These strategic priorities fall into two categories: deliver excellent service and build the future.

The higher-level planning activities occurring in the Transit Development Plan help govern budget development for the upcoming budget year. The plan’s financial model provides a blueprint for cash flow, fund balances and reserve requirements for the current year, the budget year, and the four years following. The budget plans for available resources and reserves and assigns them to specific priorities and initiatives. For the board-adopted Transit Development Plan, please see: <https://www.communitytransit.org/transit-development-plan>.

The 2025 budget fills in the details and provides the plan to implement the six-year blueprint. With the input and buy-in from departments across the agency, the budget represents an attainable and specific plan to implement the strategies and priorities outlined in the Transit Development Plan. Below is a summary of the six-year financial plan for the general fund.

## General Fund – 6-year Forecast

	2024 Forecast <sup>1</sup>	2025 Budget	2026	2027	2028	2029
			Transit Development Plan - Financial Plan			
Sales Tax	\$ 198,856,000	\$ 207,290,000	\$ 215,582,000	\$ 224,205,000	\$ 233,173,000	\$ 242,500,000
Fares	9,972,795	10,970,075	11,134,626	11,301,646	11,471,170	11,643,238
Other Revenues	48,156,407	59,828,891	64,182,219	36,342,448	33,436,162	32,842,140
<b>Total Revenues</b>	<b>256,985,202</b>	<b>278,088,966</b>	<b>290,898,845</b>	<b>271,849,094</b>	<b>278,080,332</b>	<b>286,985,378</b>
Department Operating Exp <sup>2</sup>	214,828,270	240,536,058	265,268,843	252,533,002	269,588,121	279,707,171
Other Operating	3,928,250	4,459,850	5,731,003	5,912,124	4,662,133	4,828,414
Cost Pools/Contingency	-	8,019,000	-	-	-	-
<b>Total Expenses</b>	<b>218,756,520</b>	<b>253,014,908</b>	<b>270,999,846</b>	<b>258,445,126</b>	<b>274,250,254</b>	<b>284,535,585</b>
<b>Surplus</b>	<b>\$ 38,228,682</b>	<b>\$ 25,074,058</b>	<b>\$ 19,898,999</b>	<b>\$ 13,403,968</b>	<b>\$ 3,830,078</b>	<b>\$ 2,449,793</b>
Interfund Transfers, Net <sup>3</sup>	87,373,891	25,204,394	20,917,884	22,876,870	22,209,606	13,384,889
<b>Net Change to Cash Balance</b>	<b>(49,145,209)</b>	<b>(130,336)</b>	<b>(1,018,885)</b>	<b>(9,472,902)</b>	<b>(18,379,527)</b>	<b>(10,935,096)</b>
<b>Projected Ending Cash Balance</b>	<b>\$ 111,335,906</b>	<b>\$ 111,205,570</b>	<b>\$ 110,186,685</b>	<b>\$ 100,713,783</b>	<b>\$ 82,334,255</b>	<b>\$ 71,399,159</b>

<sup>1</sup> The 2024 Forecast was used in this table, in lieu of the amended budget, to more closely approximate the ending cash balance.

<sup>2</sup> Department Operating Expenses include Fuel Expense and Insurance; includes Sound Transit costs and reimbursements through 2026.

<sup>3</sup> Transfers for Workers' Compensation and Debt Service are included in Other Operating for consistency with the Transit Development Plan. 2025 interfund transfers include funds for capital projects and related staff costs, less returned funds for completed projects.

### Other Assumptions:

Sales Tax declines .7% in 2024 in from 2023 actuals; increases by 4% annually thereafter.

Fare Revenues increase based on annualized actuals and reflect some ridership growth 2024-2028.

Expenses grow 2.5% for inflation plus adjustments for or service expansion.

# Service Plan

Each year, Community Transit updates the six-year Transit Development Plan. The plan forecasts our finances and outlines the services we plan to provide. The 2024-2029 Transit Development Plan is focused on delivering excellent service and building the future.

The plan summarizes accomplishments from the past calendar year, documents agency goals and strategies for the current and following five years, identifies needed resources, and provides a financial overview and plan.

Community Transit’s vision and mission reflect the ongoing evolution of our services, as well as the needs and expectations of the communities we serve. Our core values describe how we approach our work and our interactions with others.

Through careful planning, coordination with regional partners, and continuous innovation based on the changing needs of the community, the agency offers service that supports its mission: to help people get from where they are, to where they want to be.

In addition to the multiple modes of transit service discussed below, the agency offers transportation demand management and educational services to help riders get the maximum benefit from regional public transit options.

## Service Modes

Community Transit provides Swift Bus Rapid Transit, Regular Bus Service, Express Bus Service, Microtransit (Zip Alderwood Shuttle), Paratransit (DART), and Vanpool.

Swift Bus Rapid Transit (BRT) Service provides frequent bus service on routes serving high-density corridors with robust, all-day demand for travel.



Regular bus service provides frequent connections between various centers in the urbanized areas of Snohomish County, less frequent routes that link smaller-scale destinations, and rural routes that provide important connections to outlying communities.

Express routes have limited stops that run between key residential areas and major transit hubs to provide faster travel times. They typically operate during weekday AM and PM peak travel times, often in peak direction only.

Microtransit is an on-demand shared ride service that enables customers to use a smartphone app or call to book a ride on-demand within a defined service area.

Paratransit (DART) offers service to customers who cannot use bus service due to a disability. This service is directly tied to the local bus service network.

Vanpools serve commuters whose schedule or origin/destination are not conducive to regular bus service.

# Service Budget and Hours

During 2025, the agency expects to deliver over 116,000 more hours across all modes than in the current 2024 forecast.

In anticipation of light rail extending to Lynnwood, Community Transit adopted the Transit Changes in 2024 and Beyond plan to enhance bus service throughout the county. This represents a multi-year vision that will reconfigure Community Transit’s bus service network to include 35 bus routes operating with approximately 480,000 annual service hours. The plan increases service to about one third more than what is currently being delivered and was developed based on feedback gathered from people living and traveling in the Snohomish County community.

Summary of 2025 Service Hours by Service Mode

Service Mode	2023	2024	2025 Budget	Change	
	Actual	Projected		2025 vs 2024	
Directly Operated	317,943	388,191	453,884	65,693	17%
Contracted Commuter	27,651	31,260	29,912	(1,348)	-4%
Paratransit	67,929	81,000	81,000	-	0%
Microtransit	4,014	35,000	80,000	45,000	129%
Vanpool	76,750	87,060	94,500	7,440	9%
<b>CT Operated Subtotal</b>	<b>494,286</b>	<b>622,511</b>	<b>739,296</b>	<b>116,785</b>	<b>19%</b>
Sound Transit	65,371	70,777	70,755	-	0%
<b>Total</b>	<b>559,658</b>	<b>693,288</b>	<b>810,051</b>	<b>116,763</b>	<b>17%</b>

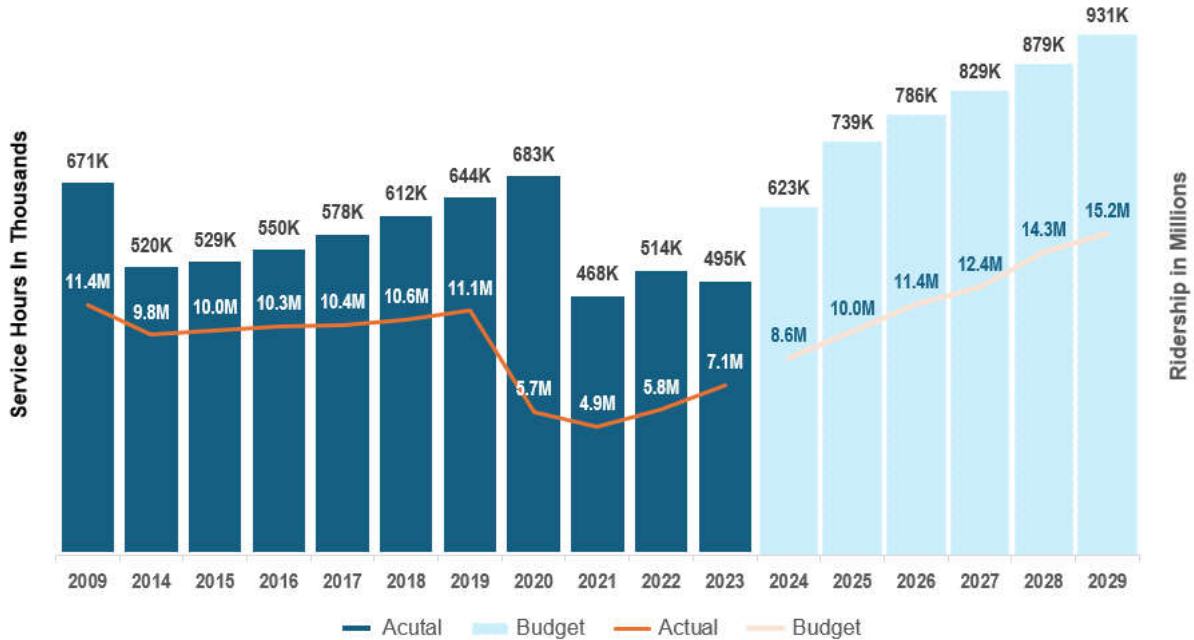
For more information about Community Transit’s service plan, please review the 2024 - 2029 Transit Development Plan.<sup>1</sup>

<sup>1</sup> The transit development plan is available online at <https://www.communitytransit.org/transit-development-plan>.



# Service Hours and Ridership

Community Transit Service: 12-year History and 5-year Projection  
(Excludes Sound Transit Service)



## Ridership

For the last full year of data available, Community Transit provided 7.1 million passenger trips in 2023 on bus, Zip Shuttle, DART paratransit, and vanpool services.

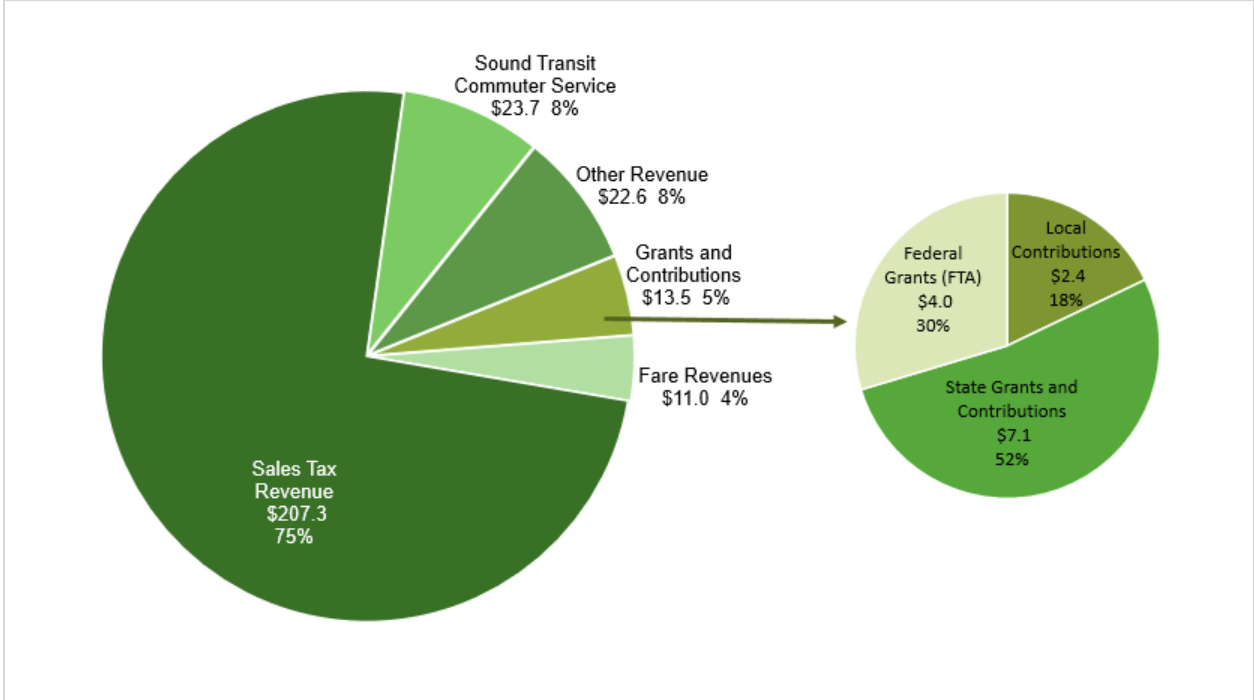
Overall ridership increased by approximately 23% from 5.8 million in 2022. Bus boardings also increased by 23% from 5.4 million to 6.6 million. Vanpool boardings increased by 35% from 281,000 in 2022 up to 381,000 in 2023. Transit demand (DART) boardings increased 16% from 105,000 in 2022 to 121,000 in 2023.

Weekday ridership averaged 23,000 boardings (a 24% increase from 19,000 boardings in 2022). Saturday ridership increased by 24% (an average of 12,100 boardings in 2023 compared to 9,800 boardings in 2022). Sunday ridership increased by 23% (9,000 boardings in 2023 up from 7,400 boardings in 2022). The statistical section of this report contains additional detailed operating information about service miles and fares.

# General Fund Revenues

Retail sales tax in the amount of 1.2% on retail sales made within Community Transit’s public transportation benefit area in Snohomish County funds the greatest share of Community Transit’s operations. Other sources of revenue include passenger fares and contributions from federal, state, and local governmental entities. In addition, the agency receives income from a contract with Sound Transit and from miscellaneous sources such as bus advertising, sale of surplus equipment, and interest earned on investments.

Major Sources of General Fund Operating Revenue — \$278.1 (in millions)



## Revenue Type by Category

Revenue Type	2022 Actuals	2023 Actuals	2024 Forecast	2025 Budget	Change Over/Under 2024 Forecast	% Change Over/Under 2024 Forecast
Sales Tax Revenue	198,489,857	200,281,643	198,856,000	207,290,000	8,434,000	4.2%
Fare Revenues	8,939,269	9,549,782	9,972,795	10,970,075	997,280	10.0%
Sound Transit Commuter Service	19,848,650	20,957,108	21,536,240	23,738,400	2,202,160	10.2%
Federal Grants (FTA)	41,454,932	18,613,575	5,500,000	4,004,671	(1,495,329)	-27.2%
State Grants and Contributions	3,513,290	33,320,743	603,667	7,084,320	6,480,653	1073.5%
Local Contributions	2,434,589	2,428,829	2,410,000	2,420,000	10,000	0.4%
Miscellaneous Revenue	5,836,283	15,237,060	18,106,500	22,581,500	4,475,000	24.7%
<b>Revenues</b>	<b>280,516,870</b>	<b>300,388,740</b>	<b>256,985,202</b>	<b>278,088,966</b>	<b>21,103,764</b>	<b>8.2%</b>
Transfers from other Funds						
Interfund Revenues		19,224,046	5,488,855	1,142,158	(4,346,697)	-79.2%
<b>Total Revenue</b>	<b>280,516,870</b>	<b>319,612,786</b>	<b>262,474,057</b>	<b>279,231,124</b>	<b>16,757,067</b>	<b>6.4%</b>

# Sales Tax

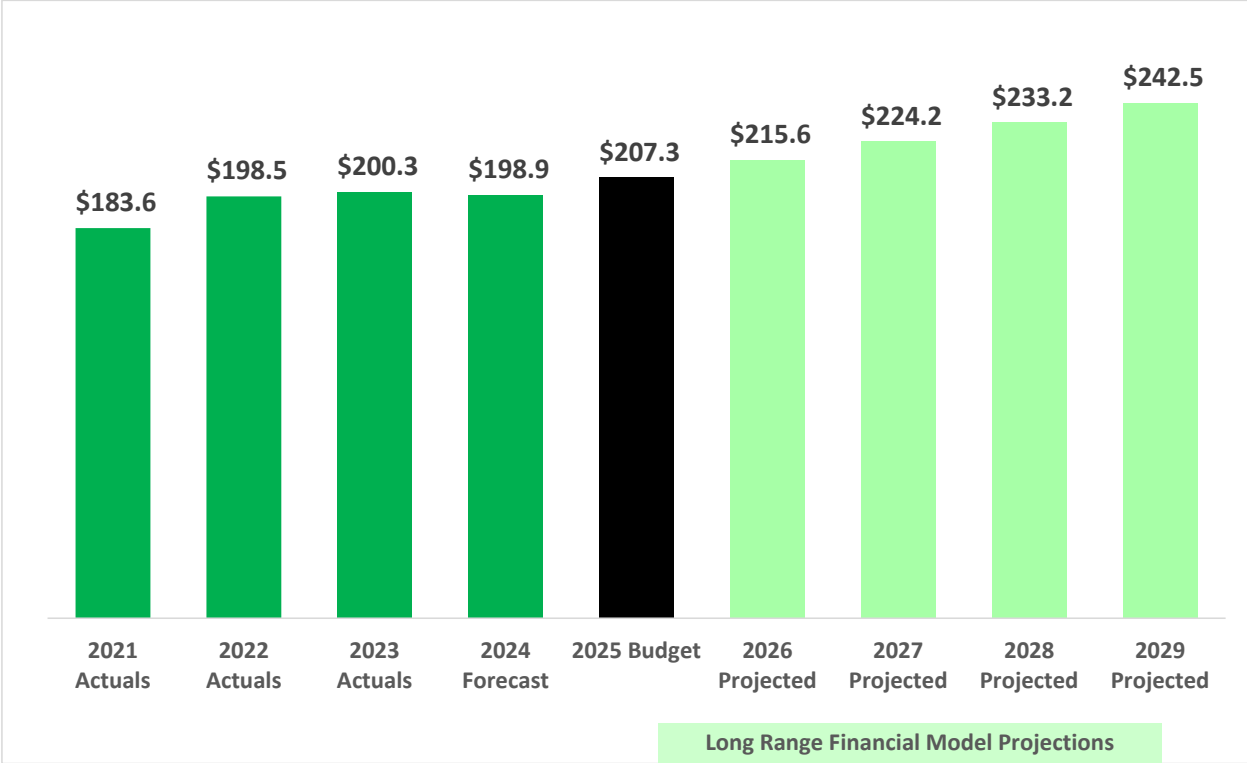
Community Transit receives the largest portion of its funding from local retail sales tax—about 75% of its total operating revenues in 2025.

After several years of strong growth in sales tax collections, Community Transit has experienced flat sales tax collections in 2024; the expectation is that this revenue source will decline by nearly 1% from 2023 actual collections. After several years of unexpectedly strong consumer and business spending in Snohomish County, we have seen a slowdown in collections of sales tax during the current year. The 2025 budget predicts a return to modest growth in sales tax collections.

Sales tax has increased as a percentage of total operating revenue from what it was in the years 2020-2023. During those years, Community Transit was awarded and billed significant amounts of federal Coronavirus Aid, Relief, and Economic Security Act (CARES) funds, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) funds, and American Rescue Plan Act (ARPA) funds. As those funding sources wind down, sales tax has shifted back to being three quarters of Community Transit’s funding for its operations.

The adopted TDP similarly assumes slower growth into 2025 – 4.2% growth in sales collections from the 2024 forecasted amount. Community Transit’s future sales tax growth is anticipated to return to the historic average of 4% annual growth for the years 2026 through 2029.

Sales Tax: Historical Perspective and Future Forecast (in millions)



# Fares

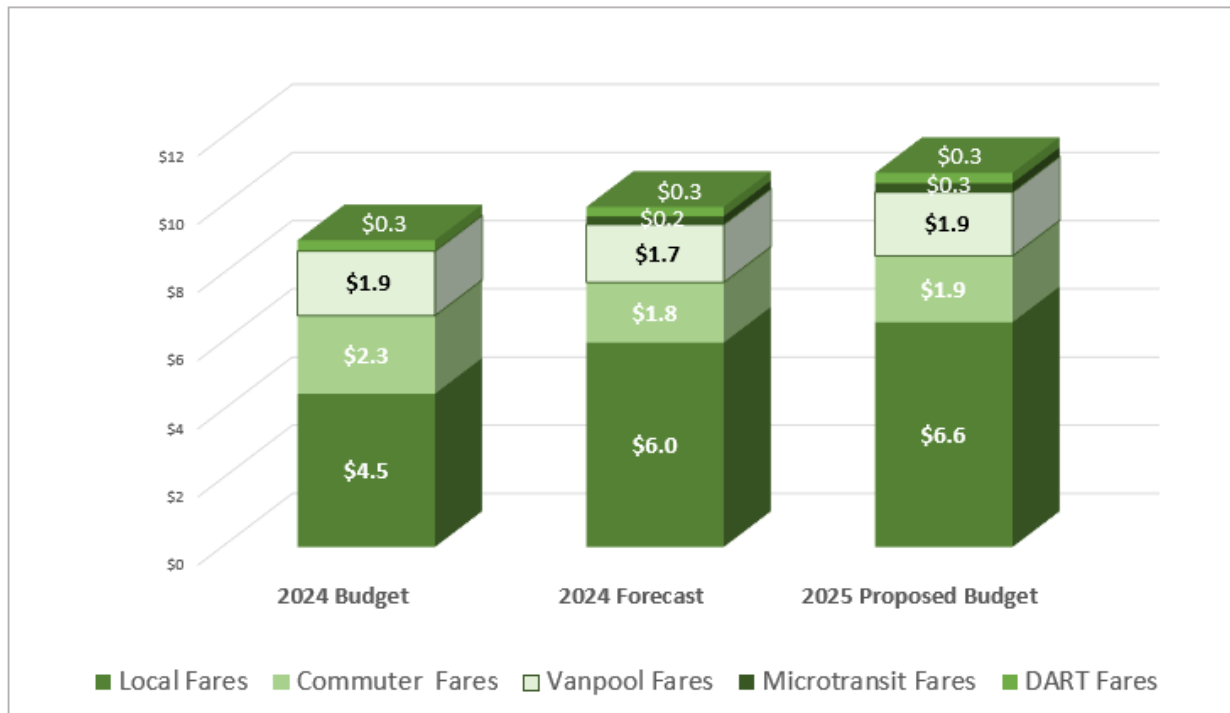
Community Transit estimates that 2025 fare revenue will total \$11.0 million. This will represent a 10% increase from the current 2024 fare forecast of nearly \$10.0 million. The agency has seen a gradual but sustained increase in ridership since the dramatic decrease in ridership that occurred in 2020 at the onset of the COVID-19 pandemic. Increased ridership from new service, such as Swift Orange Line, is also beginning to boost fare revenues.

Some of the variables that factor in when estimating fare revenues include the agency’s continued network restructuring activities in the 2025 and 2026 timeframe, as well as the introduction and expansion of new services, including microtransit.

Ridership is forecasted to grow by about 20% in 2024 and another 17% in 2025. This does not precisely correlate with fare growth, however, because some of the ridership growth is from customers utilizing reduced or free fare programs. In the case of youth ridership, we anticipate that many of these riders will adopt transit as a long-term solution for their transportation needs. The agency may see minor impacts to this budget estimate resulting from the implementation of proposed changes to Community Transit’s reduced fare categories.

## Fare Revenues by Type

Fare Revenues – Dollars in Millions



Discussions of each fare type follow.

## Local Directly Operated Fixed-Route Fares

Local passenger fares remain the largest portion of Community Transit’s fare revenue at 60% of the 2025 total, and stem from routes known as “core” and “community” bus service. These include Swift BRT service and routes that connect communities with Community Transit’s network. Local fares are expected to increase considerably in 2025 from the 2024 budget at a higher rate than the overall passenger fare revenue increase.



## Commuter Fares

Commuter service is bus service provided during peak periods to and from major activity centers such as downtown Seattle and the Boeing plant in Everett. Commuter fares make up about 18% of the total passenger fare revenue and are expected to decrease as a percentage of the total fares. As light rail has become an option for commuters, commuter fare revenues are not expected to increase.

## Paratransit Fares

Paratransit serves customers who cannot use Community Transit’s regular service due to a disability. Paratransit service requirements are directly tied to the local bus service network so that registered customers can access a comparable service to Community Transit’s community and core routes. Paratransit fares make up about 3% of the total passenger fare revenue. These are also expected to increase slightly in 2025 from the 2024 forecast.

## Vanpool Fares

Vanpool service provides a shared commute option for customers who start or end their travel in Snohomish County. Vanpool fares make up 17% of passenger fares. During 2024, Community Transit saw a rebound in Vanpool ridership and thus a modest increase in Vanpool fare revenues is expected.

## Microtransit Fares

Microtransit fare revenues represent a new fare category in Community Transit’s 2025 budget. Microtransit became a full-fledged Community Transit Service in the fourth quarter of 2023, and 2024 is the first full year of recording fares in this category. These fares, though a small portion of total fare revenues, are anticipated to grow as more Microtransit zones are added to Community Transit’s portfolio of services.

## Sound Transit

Sound Transit contracts with Community Transit to deliver commuter services that start in Snohomish County and primarily transport commuters to their jobs in King County. Community Transit expects 2024 contracted commuter service revenues to increase from 2025 forecasted levels by \$2.6 million, or about 12%, to a total of \$23.7 million. Contract rates partially drive this increase, as well as additional revenue anticipated from billing costs to Sound Transit for transit integration efforts.

## Operating Grants and Contributions

Community Transit receives federal, state, and local operating grants and contributions. Operating grants and contributions amount to \$13.5 million and contribute 4.9% to operating revenues. This is down from \$21.4 million, or 7.8% of total 2024 budgeted operating revenues. Community Transit anticipates reductions in federal and state grant funding in 2025, compared to the 2024 budget.

### Federal Grants

Federal Transit Administration (FTA) grant rules allow grantees to use grant funds for vehicle maintenance and paratransit service and to identify which portions of their grant funds they choose to use for such purposes. During the 2008 recession, Community Transit shifted most federal grant funds into operations for use in maintenance and paratransit service to avoid further service cuts and because additional bus purchases were not necessary when service was not increasing. Once the recession ended, Community Transit began shifting its federal funds into the capital program to fund bus replacements and other needs that were delayed by the recession.

Federal operating grant revenues for 2025 include \$4 million in FTA grants. This amount includes \$500,000 in Congestion Mitigation and Air Quality (CMAQ) grants and \$3.5 million in federal formula funds that are expected to be billed in 2025.



### State Grants and Contributions

Community Transit became eligible to receive the Transit Support Grant (TSG) when it implemented a free youth fare policy. This grant and the Special Needs Operating grant became available when Washington's legislature and governor adopted the Climate Commitment Act (CCA). The CCA established certain revenue and grant programs for public transit due to the environmental benefits that transit provides. However, in November 2024, state voters will consider an initiative to repeal the CCA, which could have adverse funding implications for

Community Transit and other agencies that receive revenue from the CCA. Due to this possibility, Community Transit has budgeted in 2025 to receive approximately 50% of what was expected in 2024.

The 2025 budget for the Special Needs operating grant is estimated level at \$1.3 million. In addition, Community Transit will receive a \$140,000 Commute Trip Reduction/Transit Demand Management grant from the state. Contributions from the state total about \$7.1 million and make up 2.5% of Community Transit's operating revenues.

## Local and County Contributions

In recognition of the value Swift Blue Line brings, the City of Everett signed a partnership agreement with Community Transit in December 2007 whereby Everett contributes one-half of 1% of Everett's retail sales tax revenue to Community Transit. The 2025 budget includes \$2.3 million from this revenue source. It is expected that the City of Everett's sales tax collections will mirror countywide sales tax collections and this revenue source will grow by a nominal percentage. In addition, Community Transit will continue to receive funds from the City of Everett to handle Everett Transit's information phone calls and paratransit eligibility checks.

## Miscellaneous Revenues

### Interest Income

Community Transit invests the portion of its funds not needed immediately for operations or cash flow in the Washington State Treasurer's Local Government Investment Pool (LGIP) and other investments allowed by state law and agency policy. The LGIP is a voluntary investment vehicle operated by the State Treasurer. The pool was started in 1986 to provide safe, liquid, and competitive investment options for local governments pursuant to RCW 43.250. The LGIP allows local governments to use the state Treasurer's program to safely invest their funds while



utilizing the economies of scale. For fiscal year 2024, the average balance in the LGIP's portfolio<sup>1</sup> is estimated to be \$23.7 billion, maintained by over 500 county, city, education, and other public participants.

While the LGIP is a very safe, very liquid way to invest, the rate of return for funds invested in the LGIP has historically been quite low. As the Federal Reserve has raised rates in the past two years to counteract inflation trends, the LGIP has risen to an 5.4% estimated rate of return for fiscal year 2024, reflecting an inverted yield curve. The 2025 budget projects interest income of about \$21.7 million, which was estimated using a slightly more moderate rate of return but a higher cash balance than in the previous budget calculation.

<sup>1</sup> <https://tre.wa.gov/lqip-average-daily-balance-fiscal-year>

## Advertising

Community Transit expects to receive about \$550,000 in advertising revenues for 2025, which is slightly higher than the revenue budgeted for 2024. This source of revenue is derived from bus-based advertising and has returned to pre-pandemic levels as riders have resumed using transit services.

## Miscellaneous

The 2025 budget for other miscellaneous revenues totals \$331,500 and includes warranty claims from bus manufacturers, annual Ride Store sales of passenger amenities, bike locker fees, purchase card rebates, surplus equipment sales, and insurance recoveries. This is slightly lower than the forecasted miscellaneous revenue for 2024 and anticipates more conservative warranty repair reimbursements and insurance recoveries.

## Interfund Transfers

The 2025 budget includes interfund transfer revenues from the Replacement Reserve, the Infrastructure Preservation fund, and the Local Capital Projects fund totaling \$1.1 million. The interfund transfer revenue consists of relatively small dollar amounts from a variety of technology and vehicle acquisition projects that were completed under budget, or else projects that have not yet started and are being deferred to a future year to reflect current priorities. The returned funds, all originally local funds assigned to capital projects, will be reprogrammed toward other projects or operations.

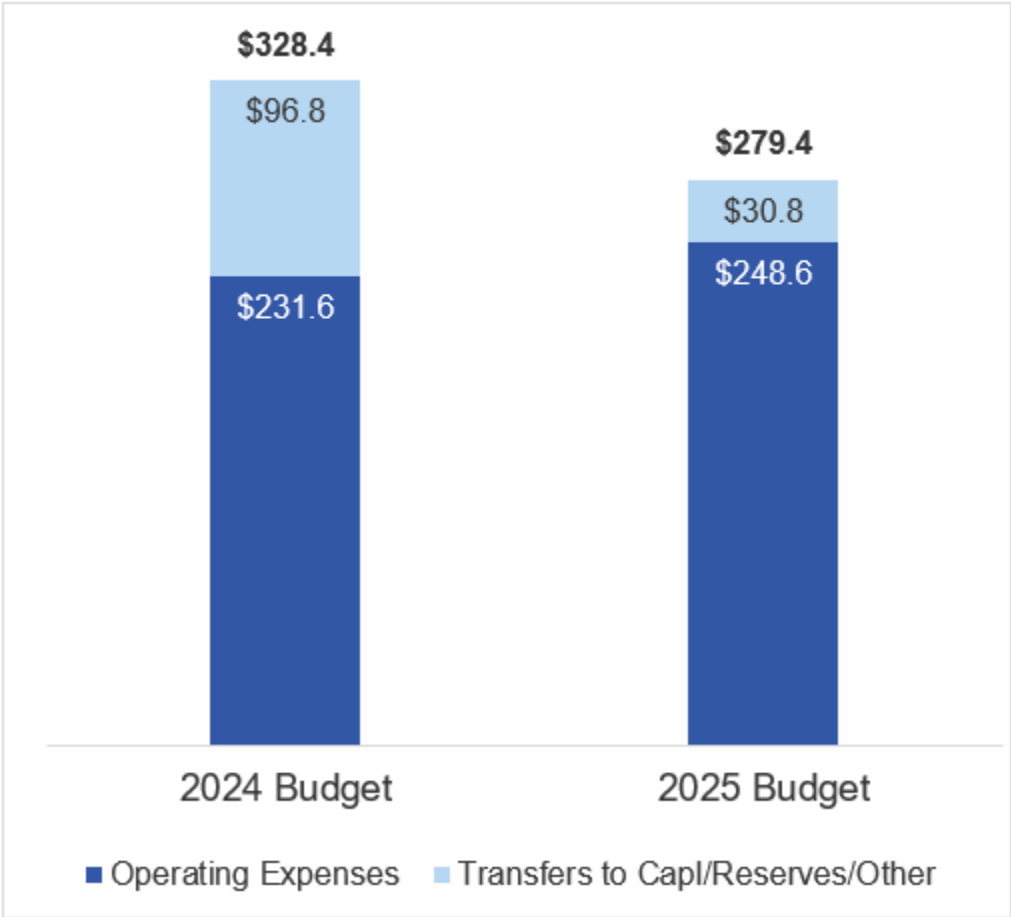


# General Fund Expenses

The 2025 general fund budget includes operating expenses of \$248.6 million and transfers to other funds totaling \$30.8 million. Operating expenses consist of costs incurred by Community Transit departments, fuel, insurance, and cost pools for salary/wage adjustments, professional services, and contingencies. Cost increases for operating expenses address ongoing economic inflation, network changes and service expansion, as well as increased efforts towards network integration and coordination with other agencies. A high-level discussion follows. Please see the CEO message and department budget discussions for more details.

The chart below shows 2024 and 2025 budget general fund (fund 40) expenses, with interfund transfers to capital projects and other expenses such as insurance, workers' compensation, and debt service. Transfers to reserves, capital, and other programs fluctuate annually due to resources required by specific projects and initiatives planned in a specific fiscal period.

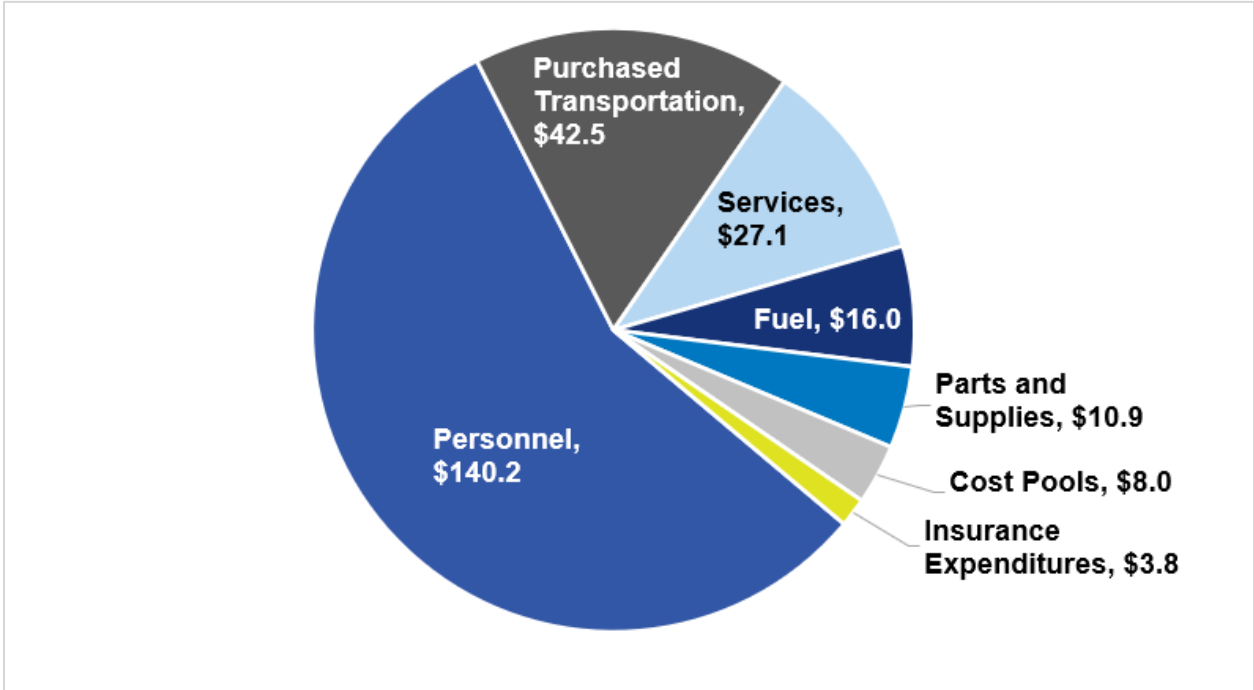
General Fund Expense by Category – Dollars in Millions



# Operating Expenses

The 2025 operating budget of \$248.6 million includes all department-related operating expenses plus insurance costs, fuel, and the salary and professional services pools. The total 2025 operating budget proposal shows an increase of \$17 million, or 17.3%, as compared to operating expenses in the 2024 amended budget.

General Fund (Fund 40) Operating Expenses by Category – Dollars in millions



High level discussion of each category can be found below. Further discussion of operating expenses at the department level can be found in the department budget summaries later in this document.

## Personnel Expense and Staffing

Community Transit measures staff in Full-Time Equivalent (FTE) units. One FTE is equivalent to 2080 hours of paid employee time.

## Staffing and Expense by Fund

Community Transit tracks employee costs and FTE counts as they relate to capital project efforts separately from operations-related staffing. The agency charges FTEs that directly support capital projects to capital funds. This reflects the difference in those activities, whether in the direct operation of transit and related services, or to build or acquire projects that will become Community Transit assets. These assets ultimately support Community Transit’s ability to deliver service in the long-term.

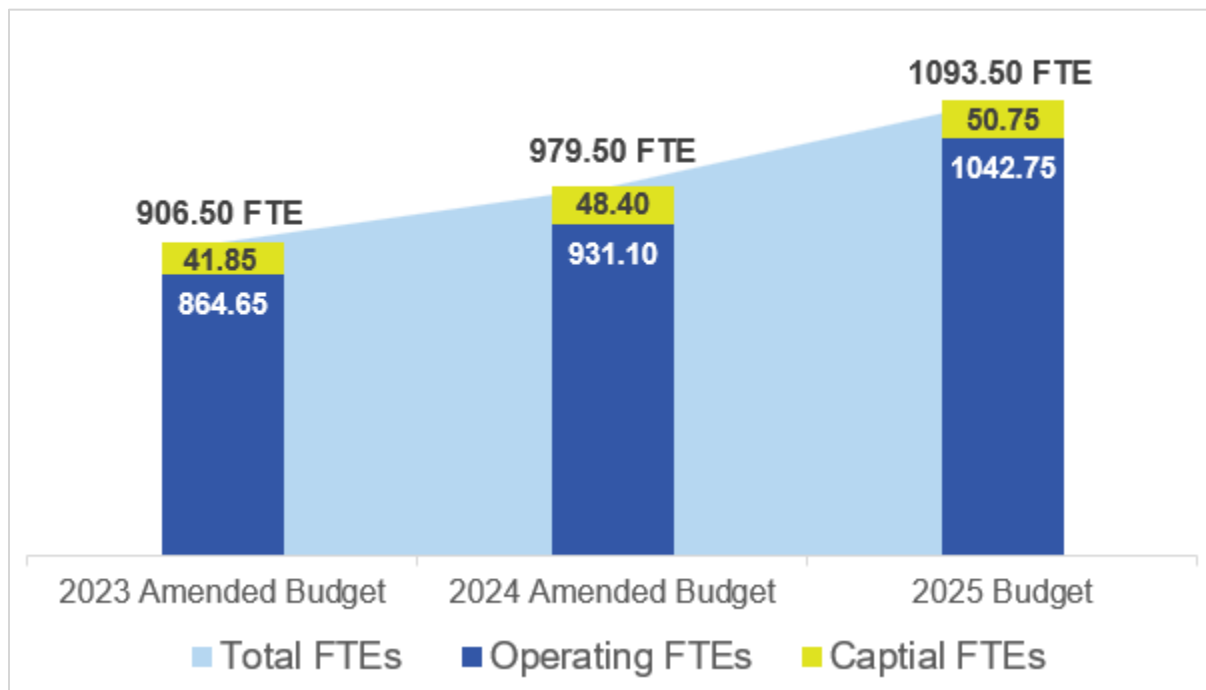
Although this section focuses on general fund expenses, information on employee expense and FTE counts in all funds is provided for clarity.

#### Personnel Expense by Fund

Employee Expense by Fund	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Fund 40: General Fund	\$ 102,207,273	\$ 128,306,776	\$ 140,199,256	\$ 11,892,480	9%
Fund 05: Capital Funds	\$ 5,379,419	\$ 8,287,730	\$ 8,585,017	\$ 297,287	4%
<b>Total Employee Expense</b>	<b>\$ 107,586,692</b>	<b>\$ 136,594,506</b>	<b>\$ 148,784,274</b>	<b>\$ 12,189,768</b>	<b>9%</b>

The table above shows total agency personnel expense, with capital-related expenses and general fund expenses listed separately. Most employee expense, 94.2% or \$140.2 million, is categorized as operational and charged to the general fund. The chart below shows FTE counts by fund.

#### FTEs by Fund



Over the past several years, the agency’s total FTE count has been increasing to support service changes and growth in the capital program. Capital projects supported include the Facilities Master Plan, Zero Emissions Technology, and bus rapid transit design and construction.

More information about FTEs and staffing can be found in the Department budget sections.

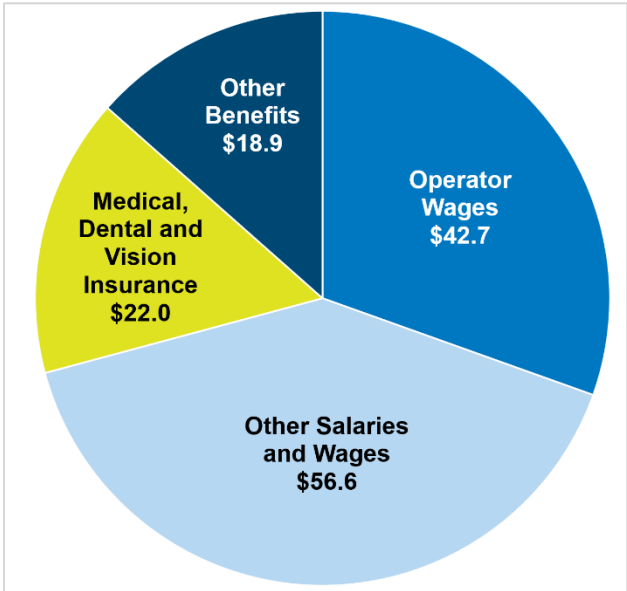
# General Fund Staffing and Expense

## Salaries, Wages, and Benefits

In the general fund, costs for salaries, wages, and benefits have increased by about 9%, or \$11.9 million, over the 2024 amended budget. The increase results from both operational and economic influences.

The employment cost index for salaries and wages in the Seattle Metro area has increased by 4.3% annually as of June 2024. At the same time, agency staffing is increasing to support service growth. Placeholders are included in the budget for possible wage increases or settlements, depending on various economic factors in 2025.

Employee Expense<sup>1</sup> by Category – General Fund (Dollars in Millions)



Agencywide costs for medical, vision, and dental insurance rates are budgeted to increase by about 5% from 2024 to 2025.

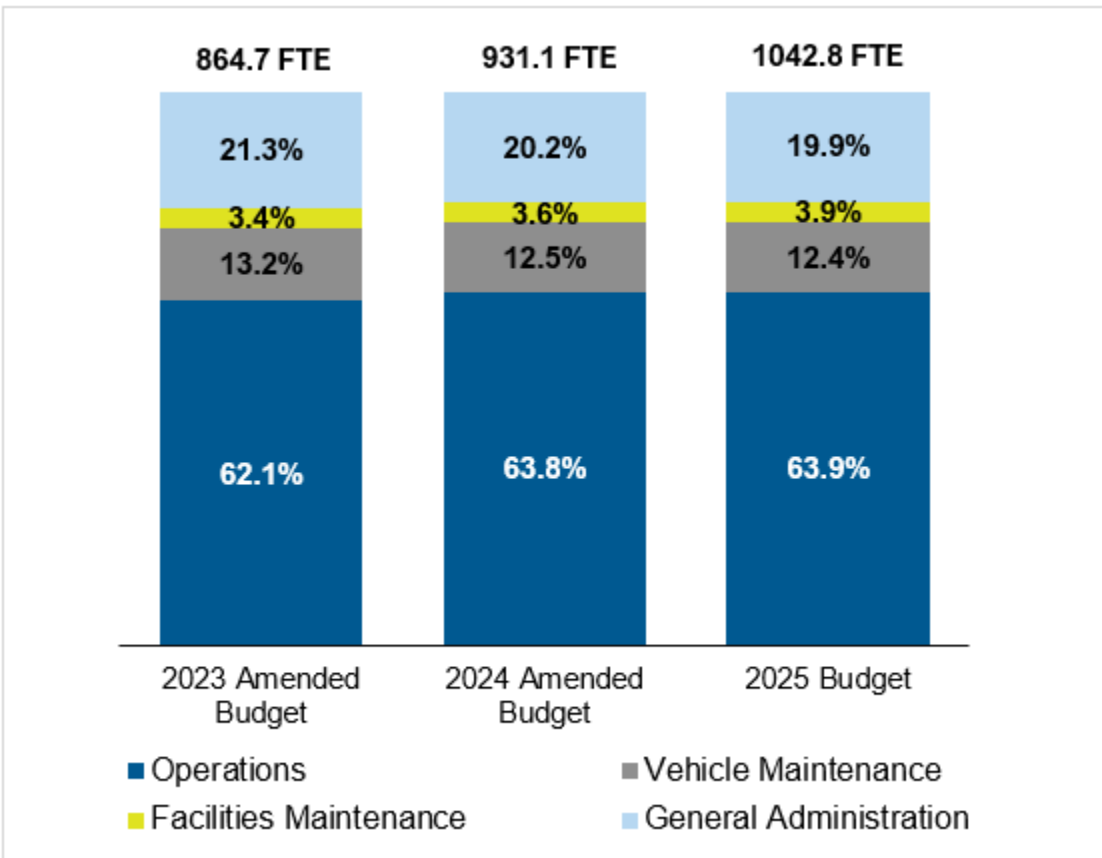
Community Transit participates in the Public Employees' Retirement System (PERS), managed by the Washington State Department of Retirement Systems (DRS). Employer contribution rates for PERS plans are often published after Community Transit has completed its annual budget process. For budgeting purposes, the agency uses an average contribution rate, adjusted for projected changes as published by the Washington State Office of the State Actuary, or other reputable sources. In 2025, the PERS employer contribution rate is expected to decrease slightly, by less than one percentage point from the 2024 average rate.

<sup>1</sup> Excludes both workers' compensation claims, and employee expense charged to the capital program.

## Job Categories

As a recipient of federal grant funds, Community Transit reports FTEs according to job content, as defined in the Federal Transit Administration’s National Transit Database (NTD). The NTD includes four job categories: operations, vehicle maintenance, facility maintenance, and general administration. These categories make it easier to compare staffing among different transit providers. The actual number of active FTEs in each category as of December 31<sup>st</sup> is included in the agency’s annual NTD report.

Budgeted Operating FTEs by NTD Category<sup>2</sup>



As part of strategic planning and budgeting, Community Transit monitors the ratio of FTEs in each category. The agency goal for many years has been an approximate 20/80 ratio of general administration employees to the combined total of employees in the operations, vehicle maintenance, and facilities maintenance categories.

<sup>2</sup> FTEs charged to the capital program are reported separately and are excluded from the chart.

## Services

Expenses in the services category include intergovernmental services, utilities, advertising, legal services, professional and temporary services, leases and rentals, travel & training, contracted maintenance services, software (both owned and leased) and other similar costs.

Overall, Community Transit's expenses for services, including intergovernmental services, will increase by 14.0% (\$3.3 million) in 2025 as compared to the 2024 budget. The largest contributors to the change are discussed below.

Intergovernmental services will increase by \$1.0 million, or 22.7%. This is primarily due to increasing labor costs associated with the Snohomish County Sheriff's contract, as well as the cost of a social worker, also contracted from Snohomish County.

Professional services are budgeted to increase by \$1.6 million (13.2%). This category includes advertising, contract maintenance services, research, auditing, legal services, and other professional and temporary services. Categories with the largest increases include research and contract maintenance services, which include contract repairs, lot sweeping services, janitorial for bus stops and shelters, and IT contracts such as VMWare software, network hardware, and ticket vending machine credit card processing for the new Swift Orange Line. Increases in other professional services categories are partially offset by a decrease in advertising expense. Advertising expense will decrease by 21.8% (\$0.5 million) as several significant initiatives in 2024 wind down. These initiatives included network changes and the opening of Swift Orange Line.

Software lease costs will increase by \$300,000 (14.0%) from the 2024 budget. This largely reflects agency requirements for specialty software and website management.



# Fuel

The fuel budget varies from year to year based on service hours and anticipated fluctuations in fuel prices. Employees in both Finance and Maintenance track the fuel economy and market, both locally and internationally. The fuel reserve in the general fund remains at \$5.5 million for 2025 and provides a buffer for fluctuations in fuel prices; this amount is not included in the budget and could be accessed only with Board approval.

The total fuel budget for 2025 is \$16.0 million, an increase of about \$1.5 million (10.2%) over the 2024 budget. This includes \$13.8 million in diesel fuel, \$1.1 million for DART fuel, and \$1.1 million for other fuel.

Service hours are increasing, thus gallons of diesel for directly operated service will increase.

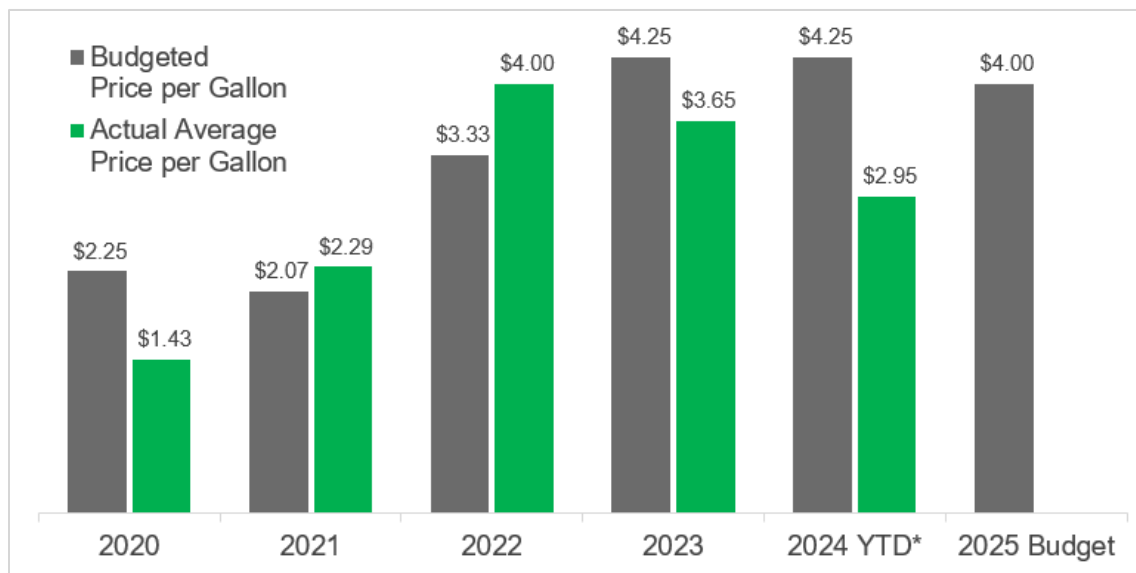
## Diesel, DART, and Other Fuel

The budget projects gasoline to average \$4.40 per gallon for DART and support vehicles; this fuel is purchased via a contract with the State of Washington. Fuel for Vanpool vehicles is not on the state contract and is budgeted at \$6.00 per gallon. The budget for vanpool fuel is increasing by \$300,000 (45.8%) over the 2024 budget to account for expansion of this program.

## Diesel Fuel

The 2025 budget anticipates diesel rates at \$4.00 per gallon. Community Transit now purchases renewable diesel (R99) fuel from a Community Transit awarded contract with the ability to purchase via a State of Washington contract should supply be interrupted.

Diesel Fuel Budget vs. Actuals

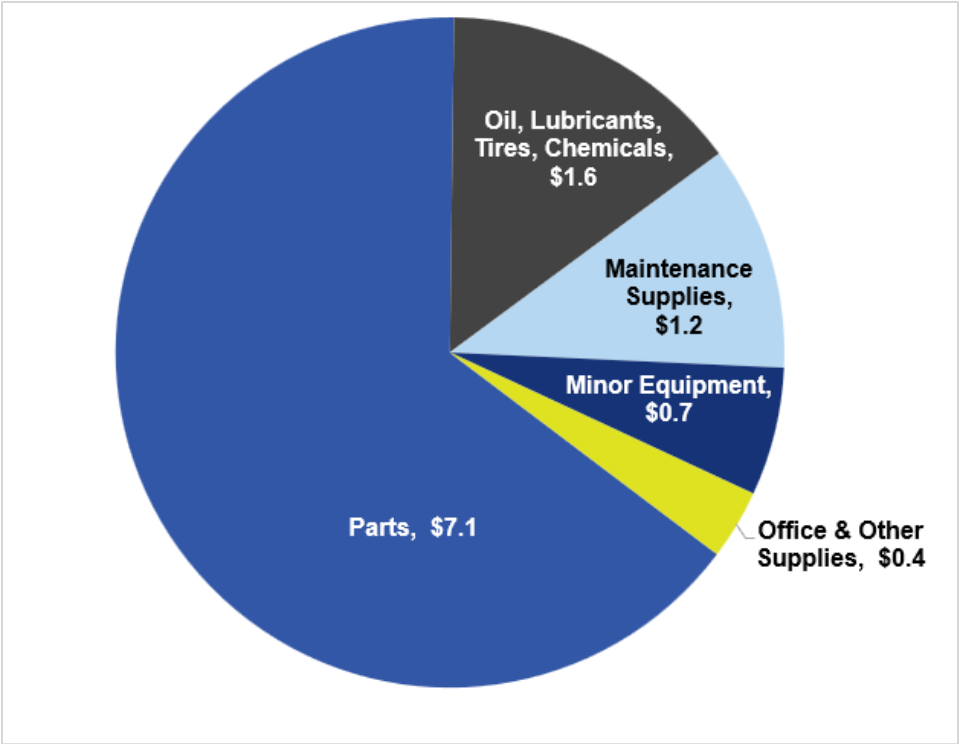


\*Amended Budget and YTD actuals through August 2024

# Parts and Supplies

In the general fund, parts and supplies, excluding diesel fuel and gasoline, are funded at just over \$10.9 million. This represents an increase of just under \$2.6 million (30.8%) over the 2024 amended budget. Most of the increase is for maintenance-oriented supplies such as parts, tires, oil, and small tools.

Parts and Supplies by Category – Dollars in Millions

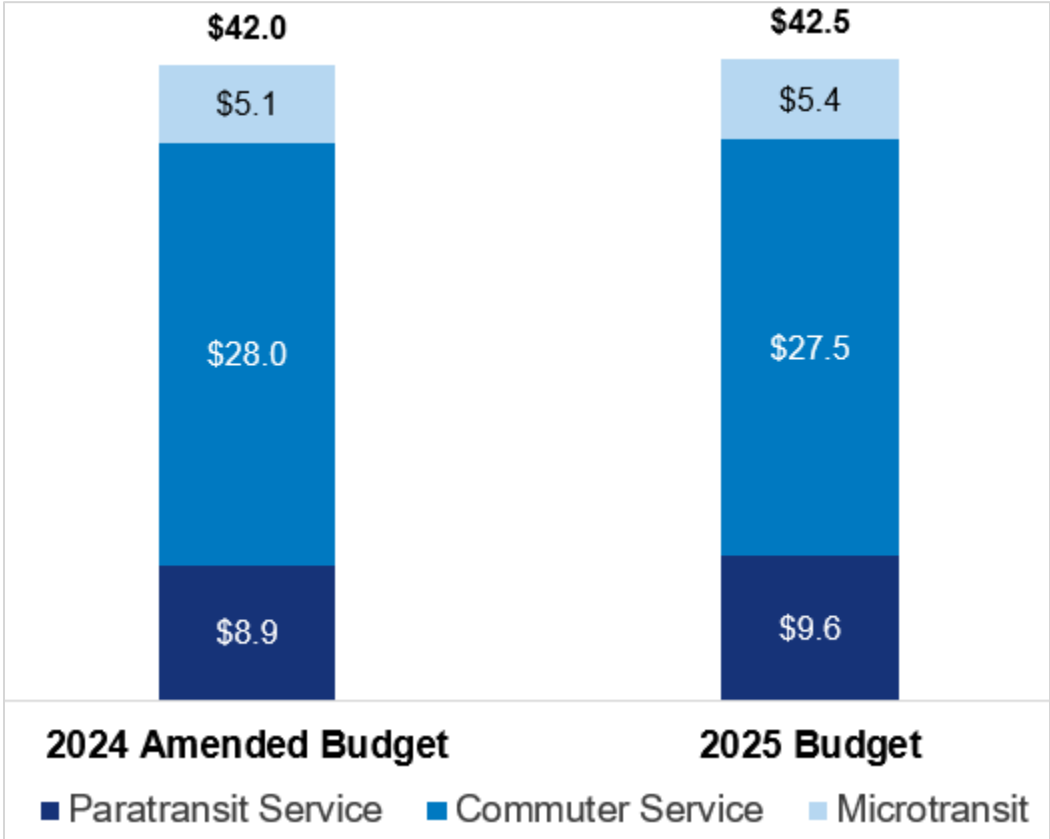




# Purchased Transportation

Community Transit contracts with other service providers for paratransit services, microtransit services, and a significant portion of Community Transit's commuter bus service.

Purchased Transportation by Category – Dollars in Millions



In aggregate, purchased transportation costs will increase by 1.1% (\$500,000) in 2025 as compared to the 2024 amended budget.

The budget for paratransit service will increase by 7.2%; this is related to anticipated ridership volume.

Commuter service's budget will decrease by 1.7%. Service hours in this category are expected to decrease as Community Transit transitions its service model to include more local and express bus service. Community Transit has begun working with its contractor, Transdev, to transition contracted commuter services in-house by 2026. The 2025 budget does not address this transition.

Microtransit service is budgeted to increase by 5.9% as more hours and areas are added to this new service, which first became operational in late 2023.

# Other Operating Expenses

## Insurance

Community Transit's insurance, purchased through the Washington State Transit Insurance Pool, provides general liability coverage for the agency's vehicles and property, pollution liability, crime and fidelity, and other related coverages. Vehicle mileage, directly related to the number of service hours operated, drives the allocation of the Washington State Transit Insurance pool costs amongst its members.

The 2025 insurance budget of \$3.8 million represents a 15.4% increase from the 2024 budget. The major factors driving the insurance cost growth are increased revenue vehicle miles and growth in headcount, as well as economic factors driving up insurance rates industry wide.

## Cost Pools

Cost Pools set aside funds for expenses that are expected, but have some uncertainty associated with them. In 2025, there are three cost pools: Service Innovation Contingency, Professional Services Pool, and Salary Pool.

### Salary Cost Pool

The salary pool funds anticipated employee salary adjustments, including increases to the administrative employee pay plan and any union contract settlements pending during the year, as well as associated payroll taxes, Public Employees' Retirement System, and other benefits. The salary pool also funds the voluntary paid time-off payout program for all employees. The 2025 salary pool is budgeted at \$6.0 million, which reflects expected employment-related inflation.

### Professional Services Cost Pool

Community Transit maintains a professional services cost pool as a contingency for unanticipated professional and other services needed during the year that could not be identified at the time the budget was prepared.

The 2025 professional services cost pool is funded in the amount of \$0.5 million. Community Transit budgets this cost pool to cover the unknown but does not distribute the budget to operating departments until or unless the need is identified. Examples of items previously funded from the professional services cost pool include human resources consulting, unanticipated legal costs, temporary staff to cover shortages, internal audits, and various consulting tasks, including a transportation services analysis and IT professional services.

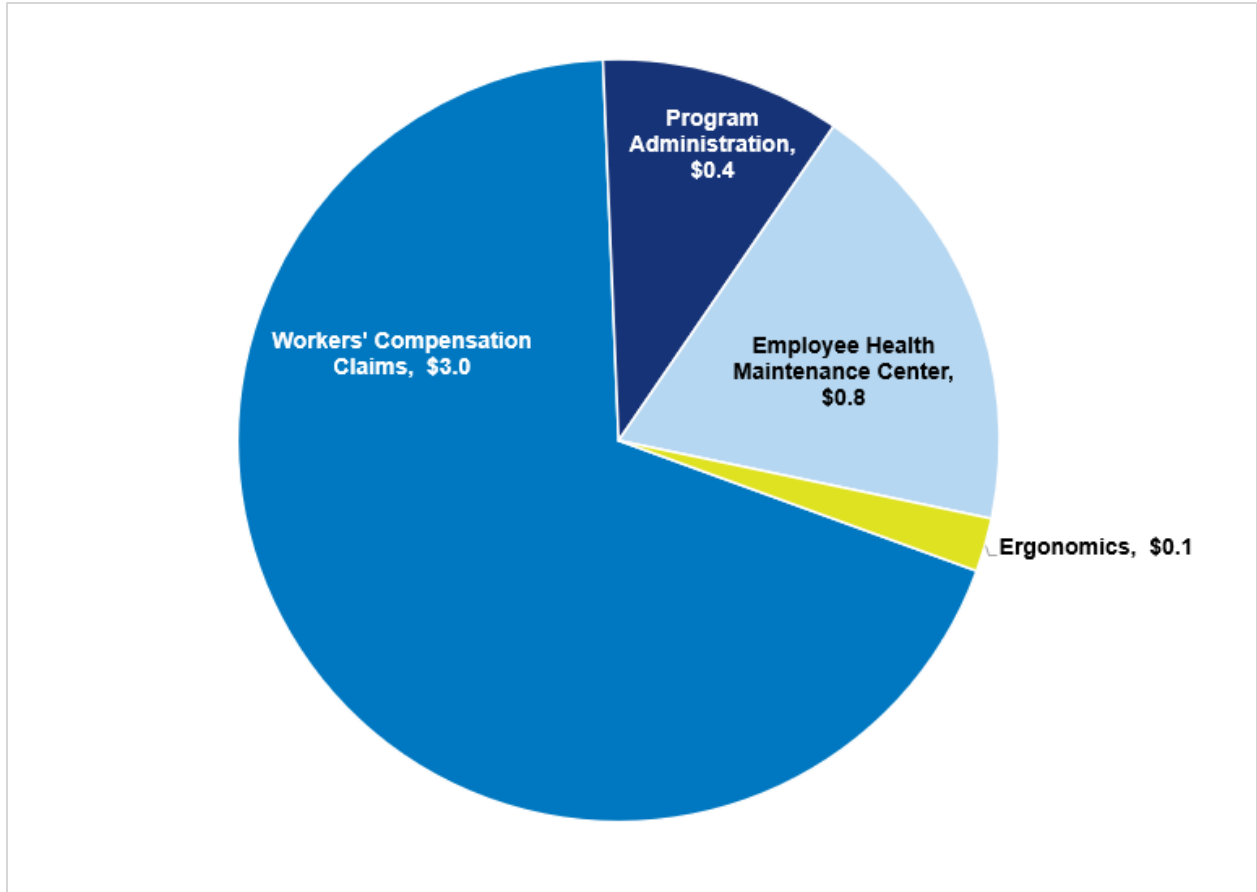
### Service Innovation Contingency Cost Pool

Community Transit continues to maintain a contingency for new service innovation in 2025, which, at \$1.5 million, has been set aside to cover the costs for development of new service areas.

# Workers' Compensation Program

Community Transit tracks and manages its self-insured Workers' Compensation Program in a separate fund (fund 43). The costs covered by this fund include workers compensation claims expense, management fees for the administration of the program, ergonomics equipment, and employee health maintenance centers. Community Transit budgets based on claims paid, rather than claims incurred, which can lead to year over year variance in expense. Budget growth corresponds with growth in agency staffing.

Workers' Compensation Budget – Dollars in Millions



# Interfund Transfers

Interfund transfers are a budget management tool used by Community Transit to balance funds and provide for the workers’ compensation program, debt service, reserves, and capital needs from the General Fund (Fund 40). Interfund transfers may also occur back to the General Fund when capital projects close out or when a reserve is overfunded. Transfers between capital funds often occur when projects or assets are moved from one fund to another. Since interfund transfers depend on specific situations and balance adjustments, the amounts per year may vary greatly.

## Interfund Transfers – 3-year Summary

	2023 Actual	2024 Amended Budget	2025 Proposed Budget	Change 2025 vs. 2024	
<b>Transfers from Fund 40: General Fund</b>					
Fund 41: Replacement Reserve Fund	\$ 3,100,000	\$ 1,975,000	\$ 3,036,000	\$ 1,061,000	54%
Fund 42: Infrastructure Preservation	6,322,638	4,300,000	2,700,000	(1,600,000)	-37%
Fund 43: Workers' Compensation Fund	2,500,000	2,500,000	3,030,000	530,000	21%
Fund 44: State Capital Projects Fund	-	3,061,000	409,994	(2,651,006)	-87%
Fund 45: FTA Capital Projects Fund	-	5,256,619	5,086,448	(170,171)	-3%
Fund 46: Local Capital Projects Fund	7,896,488	5,657,883	10,577,706	4,919,823	87%
Fund 48: Facilities and Technology Fund	116,552,413	72,612,244	4,536,404	(68,075,840)	-94%
Fund 50: Bond Debt Service Fund	1,428,833	1,428,250	1,429,850	1,600	0%
<b>Total provided by Fund 40: General Fund</b>	<b>\$ 137,800,372</b>	<b>\$ 96,790,996</b>	<b>\$ 30,806,402</b>	<b>\$ (65,984,594)</b>	<b>-68%</b>
<b>Transfers back to Fund 40: General Fund</b>					
Fund 41: Replacement Reserve Fund	-	148,386	198,523	50,137	34%
Fund 42: Infrastructure Preservation	3,068,775	4,157,912	805,635	(3,352,277)	-81%
Fund 45: FTA Capital Projects Fund	3,187,144	-	-	-	-
Fund 46: Local Capital Projects Fund	12,968,127	1,182,557	138,000	(1,044,557)	-88%
<b>Total returned to Fund 40: General Fund</b>	<b>\$ 19,224,046</b>	<b>\$ 5,488,855</b>	<b>\$ 1,142,158</b>	<b>\$ (4,346,697)</b>	<b>-79%</b>
<b>Transfers between capital funds</b>					
From Fund 48 to Fund 45	-	45,597,808	4,257,905	-	0%
<b>Total transfers between capital funds</b>	<b>\$ -</b>	<b>\$ 45,597,808</b>	<b>\$ 4,257,905</b>	<b>\$ (41,339,903)</b>	<b>-91%</b>
<b>Total Interfund Transfers</b>	<b>\$ 157,024,418</b>	<b>\$ 147,877,659</b>	<b>\$ 36,206,465</b>	<b>\$ (111,671,194)</b>	<b>-76%</b>

Interfund transfers to the Replacement Reserve, Infrastructure Preservation Reserve, and Facilities and Technology Expansion funds in the 2025 budget follow the plan for reserve balances as outlined in the 2024-2029 Transit Development Plan.

Transfers made to the State Capital Projects, FTA Capital Projects, and Local Capital Projects funds address local funding required to complete Community Transit’s approved capital projects. Local match for grant-funded projects comprises the 2025 transfers to the State Capital Projects and FTA Capital Projects funds totaling \$410,000 and \$5.0 million, respectively. The transfer of \$10.6 million budgeted to the Local Capital Projects fund is to cover for new 2025 projects.

During 2025, transfers to Facilities and Technology Fund are planned in the amount of \$4.5 million. Included are the transfers of \$150,000 to Project Control and \$4.4 million for personnel costs.

Contributions to the Workers' Compensation fund amounting to \$3.0 million in the 2025 budget, cover usual, ongoing costs including workers' compensation claims and injury prevention efforts.

Community Transit's most recent limited sales tax general obligation bond issue occurred in June 2017. The \$1.4 million transfer to the Bond Debt Service fund covers the principal and interest payments due in 2025 associated with that bond issue.

Capital projects that have closed out and had excess budget are returning \$1.1 million to the General Fund in the 2025 budget. The Facilities and Technology fund transfer \$4.3 million to the FTA Capital Projects Fund in 2025 to cover the non-grant funded portion of the purchases of zero emissions buses that are planned for order in 2025.

#### Summary of Funds

Fund	Fund Name	Type	Purpose
40	General Fund	Operating	Direct operating costs
41	Replacement Reserve	Capital	Vehicle replacements using local revenue
42	Infrastructure Preservation and IT Preservation	Capital	Repair and replacement of aging facilities and technology infrastructure
43	Workers' Compensation Fund	Operating	Worker's compensation claims
44	State Capital Projects	Capital	State Grant Funded Projects
45	FTA Capital Projects	Capital	Federal Grant Funded Projects
46	Local Capital Projects	Capital	Locally Funded Capital Projects
47	Bond Capital Projects Fund	Capital	Bond Projects
48	Facility and Technology Expansion Reserve	Capital	Expansion Infrastructure
49	Bond Debt Service Fund	Debt Service	Bond Payments

For more information on Community Transit's fund structure and descriptions of each fund, please refer to the Funds List in the Reference section.

# Cash and Reserves

Community Transit defines fund balance as modified working capital, in essence, cash and cash equivalents plus accrued revenues and less accrued expenses. Each fund maintains a level of reserves that meets or exceeds Community Transit’s reserve policy (see the Financial Policies section for more information).

## General Fund (Fund 40)

Budgeted Cash Summary — As of December 31, 2025 (Dollars in Millions)

<b>Beginning Cash</b>	<b>\$ 111.3</b>
Total General Fund Revenue	\$ 278.1
Total Current Expenses and Obligations	(248.6)
<b>Operating Margin</b>	<b>29.5</b>
Transfer to Capital/Reserves/Other Funds	(30.8)
Transfer from Capital/Reserves/Other Funds	1.1
<b>Ending Cash</b>	<b>111.2</b>
Operating and Fuel Reserves	(62.9)
<b>Capacity for Sustainability and Expansion</b>	<b>\$ 48.3</b>

The 2025 budget includes operating and nonoperating revenues of \$278.1 million which funds operating expenses of \$248.6 million for 810,051 hours of service (including hours contracted with Sound Transit) and contributes to the 2025 capital program. In addition, the budget fully funds the workers’ compensation program at a level that meets or exceeds actuarial recommendations for claims coverage, funds the 2025 debt service requirement, and maintains all reserve balances at levels required by the Board-adopted transit development plan, internal policy, and any other statutory or contractual requirements.

## Summary of Cash Reserve Balances (All Funds<sup>1</sup>)

Below is a summary table of cash reserve balances. Tables on the following pages show more details of activity and cash balances in each fund.

Budgeted Cash Reserve Balances — As of December 31, 2025

Fund	Cash Balance \$ in Millions
Designated—Operating and Fuel Reserves <sup>2</sup>	\$ 62.9
<b>Total Operating Reserve</b>	<b>111.2</b>
<b>42 Infrastructure Preservation Reserve</b>	<b>27.0</b>
<b>43 Workers' Compensation</b>	
Designated for Future Claims	1.5
<b>50 Bond Fund</b>	<b>0.6</b>
<b>Total as of December 31, 2025</b>	<b>\$ 383.0</b>

<sup>1</sup> Funds not shown have no ending cash balance budgeted for 2025.

<sup>2</sup> Includes three months operating cash flow reserve and \$5.5 million fuel reserve.

# Budgeted Activity and Cash Balances by Fund

Budgeted Activity and Cash Balance by Fund

Funds 40, 41, 42 — Dollars in Millions

Fund	Amount	Discussion
<b>40 - General Fund</b>		
Beginning Cash Balance	\$ 111.3	
Revenues	278.1	
Interfund Transfers In	1.1	Return of unspent project funds
Expenditures	(248.6)	
Interfund Transfer Out	(30.8)	Transfers to fund capital projects, workers' compensation, and additions to capital reserves
Ending Cash Balance	\$ 111.2	
<b>41 - Replacement Reserve Fund</b>		
Beginning Cash Balance	\$ 48.8	
Revenues	0.0	
Interfund Transfers In	3.0	For capital projects and reserves
Expenditures	(5.3)	Scheduled replacement of DART paratransit vehicles
Interfund Transfer Out	(0.2)	Closed project funds returning to the General fund
Ending Cash Balance	\$ 46.4	
<b>42 - Infrastructure Preservation</b>		
Beginning Cash Balance	\$ 31.3	
Revenues	-	
Interfund Transfers In	2.7	For capital projects and reserves
Expenditures	(6.1)	State of good repair and infrastructure preservation projects
Interfund Transfer Out	(0.8)	Closed project funds returning to the General fund
Ending Cash Balance	\$ 27.0	



Budgeted Activity and Cash Balance by Fund (continued)

Funds 43, 44, 45 — Dollars in Millions

Fund	Amount	Discussion
<b>43 - Workers' Compensation Fund</b>		
Beginning Cash Balance	\$ 6.4	
Revenues	0.3	Investment income
Interfund Transfers In	3.0	For recommended workers' compensation reserve
Expenditures	(4.4)	Claims and administrative costs
Interfund Transfer Out	-	
Ending Cash Balance	\$ 5.3	
<b>44 - State Capital Projects Fund</b>		
Beginning Cash Balance	\$ 7.2	
Revenues	-	
Interfund Transfers In	0.4	Local match for state grants
Expenditures	(7.6)	Grant-supported Swift Blue Line expansion and vanpool vehicles
Interfund Transfer Out	-	
Ending Cash Balance	\$ 0.0	
<b>45 - FTA Capital Projects Fund</b>		
Beginning Cash Balance	\$ 47.3	
Revenues	58.7	FTA Grant Revenues
Interfund Transfers In	9.3	Local match for federal grants
Expenditures	(115.3)	Grant-supported Swift Line, facilities, and zero-emission projects
Interfund Transfer Out	-	
Ending Cash Balance	\$ 0.0	

Budgeted Activity and Cash Balance by Fund (continued)

Funds 46, 48, 50 — Dollars in Millions

Fund	Amount	Discussion
<b>46 - Local Capital Projects Fund</b>		
Beginning Cash Balance	\$ 8.7	
Revenues	0.0	
Interfund Transfers In	10.6	Funds capital projects
Expenditures	(19.2)	Locally-funded capital projects, including minor capital
Interfund Transfer Out	(0.1)	Closed project funds returning to the General fund
Ending Cash Balance	\$ (0.0)	
<b>48 - Facilities and Technology Fund</b>		
Beginning Cash Balance	\$ 243.3	
Revenues	0.9	Washington State bus & bus facilities grant
Interfund Transfers In	4.5	Funds capital projects and reserves
Expenditures	(52.0)	Facilities Master Plan and Zero Emissions projects
Interfund Transfer Out	(4.3)	To cover local match for vehicle maintenance facility project transferred to Fund 45
Ending Cash Balance	\$ 192.4	
<b>50 - Bond Debt Service Fund</b>		
Beginning Cash Balance	\$ 0.6	
Revenues	-	
Interfund Transfers In	1.4	Funds required annual debt service
Expenditures	(1.4)	Principal and interest on 2017 bond issue
Interfund Transfer Out	-	
Ending Cash Balance	\$ 0.6	

Note: Fund 47 has no budget for 2025 and is not shown.

# Capital Program

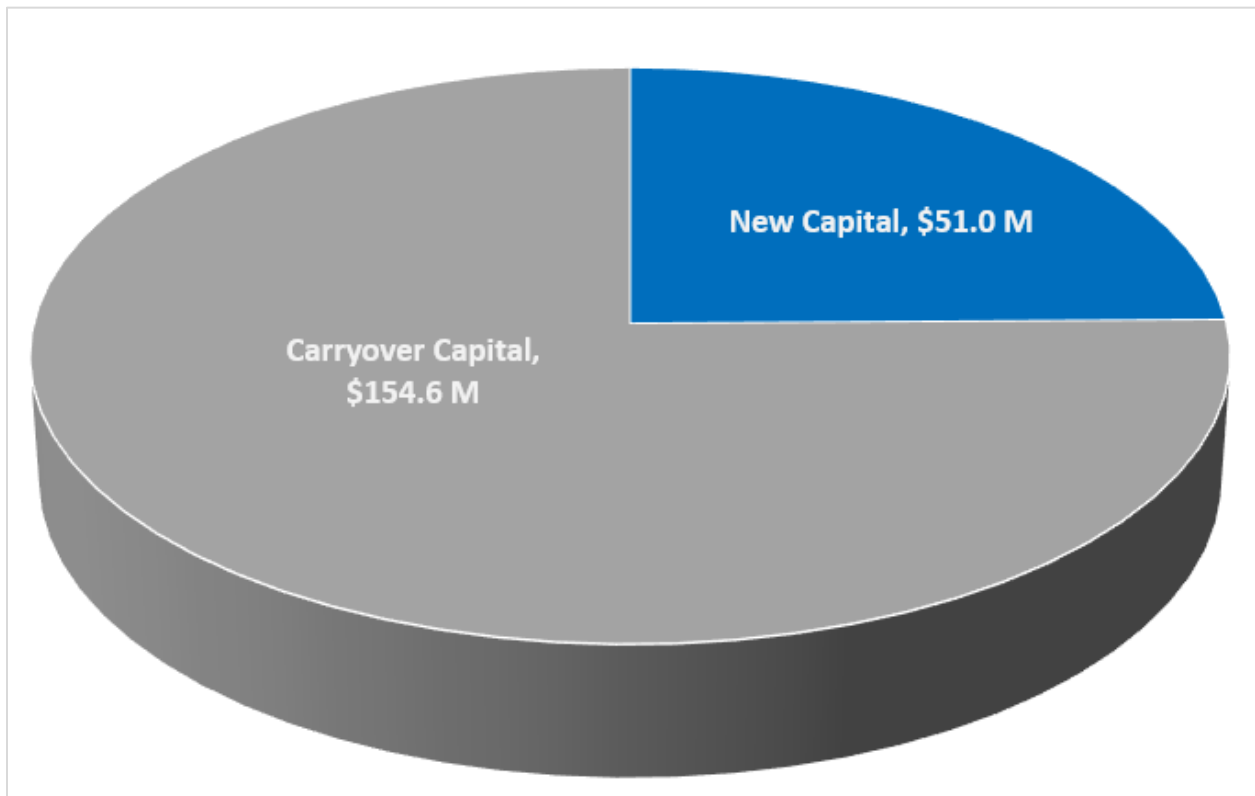
Community Transit defines capital assets as all land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art, infrastructure, and all other tangible or intangible assets having a useful life exceeding one year from the date of acquisition.

For accounting purposes, the current agency policy categorizes purchases of single items costing \$5,000 or more per item as capital purchases. For budgeting purposes, the capital program may include items that will not be classified as capital assets at completion but fit within the capital program or are integral pieces of a larger project.

The capital program budget is a multi-year budget. Projects are budgeted in full when approved, and unspent funds are carried forward from year to year. These are referred to as carryover projects.

The 2025 capital program represents an investment of \$205.6 million and includes new projects, multiyear projects started in prior years, and personnel costs.

2025 Capital Program - \$205.6 (in millions)



## New and Existing Initiatives

The 2025 budget includes funding for new and ongoing initiatives that support Community Transit's effort to roll out new service, including several Swift BRT expansions. As the needs of commuters and other travelers in Snohomish County evolve, Community Transit will prioritize investment in expansion, service innovation, and sustainable technology. Technology may include information and systems for external riders, as well as technology to support internal customers. The agency also seeks to maintain, preserve, and extend the life of prior capital investments to ensure that those assets continue to support Community Transit's needs into the foreseeable future. This includes facilities and physical infrastructure and extends to technology and other improvements and amenities that bring considerable value to the public. Finally, Community Transit endeavors to set aside reserves and contingencies aimed at addressing future infrastructure needs. Highlights from the 2025 capital budget are described in the following discussion.

### Swift Network Buildout

One major emphasis in Community Transit's capital program is how to address customers' evolving travel needs. A major component of Community Transit's strategy for effective and efficient service delivery is to build and operate its Swift bus rapid transit network. Community Transit's Swift network incorporates key elements of bus rapid transit design such as landmark stations, uniquely branded vehicles, off-board fare collection, real-time customer information, priority bus lanes and fast, frequent, and reliable service. The Swift network currently consists of three lines. Swift Blue Line launched in 2009, Swift Green Line followed in 2019, and Swift Orange Line opened for service during 2024.

One significant need is the development of more solutions that allow riders increased access to Sound Transit's Link light rail, a more effective means of traveling south to Seattle and King County. Link light rail opened in Lynnwood in 2024, and access is provided by Swift Orange Line, which runs from the McCollum Park Park & Ride to Edmonds College and stops at Lynnwood City Center Station midway to drop off and pick up riders. Additional Swift Network improvements are planned that will further improve light rail access.

Three Swift network expansion projects are underway during the next year six-year period: the expansion of Swift Blue Line including speed and reliability retrofits, the planning and design for a Swift Green Line extension to the University of Washington's Bothell campus, and the scoping and implementation strategy for Swift Gold Line. Additional Swift enhancements will include speed and reliability improvements and upgrades to Swift stations with updated signage, payment systems, lighting, and security improvements.

Community Transit's first bus rapid transit line, Swift Blue Line, was extended to connect with Link light rail at 185th in Shoreline in 2024. The 2025 budget includes \$1.2 million to complete additional Blue Line work. Speed and reliability improvements are also being made along the existing Blue Line corridor to help riders travel more quickly and predictably. This work includes some state grant funding, including a WSDOT Regional Mobility grant. The majority of the work has been done in 2024, but the 2025 budget completes the remainder of the project.

Swift Gold line will be the fourth line in Community Transit's BRT Network. The plan calls for this line to operate between Smokey Point in Arlington and the Everett Transit Center. Community Transit expects this line to serve north Snohomish County riders in the Arlington and Marysville areas travelling to Everett. A scoping study is currently underway for the Gold Line that will define the scope, schedule and cost, as well as the preferred route alignment and station locations. The study is expected to be completed in 2025 and will include input from the community. The 2025 portion of the Gold Line budget is \$10.7 million.

Swift Green Line expansion will extend the line to downtown Bothell and the University of Washington Bothell and Cascadia College campuses. This project is in the planning stage in coordination with King County Metro, Sound Transit, and the University of Washington, and will be completed in conjunction with the City of Bothell's plans to widen Bothell Way.

### Swift Network Buildout



# Facilities Master Plan

A continuing priority for Community Transit is modernizing and expanding its current base and other facilities to ensure the agency has capacity for growth and operational flexibility. Service and fleet expansion will stretch the capacity of maintenance bays, bus parking, and operational support space at Community Transit’s bases. Expanding and modernizing the current facilities supports employees by giving them an environment that promotes operational excellence and allows employees to perform their jobs well. The 2024-2029 Transit Development Plan includes a multi-phased and multi-year expansion program known as the Facilities Master Plan (FMP), which is currently underway. Work on the FMP started in 2020.

Phases 1 and 2 of the plan, which were the design and renovation of the Cascade Administration building at Kasch Park Casino Road and the conversion of the Hardeson Administration Building to Transportation, were completed between 2022 and 2024.

Phase 3 designs and renovates the Hardeson Operations Base and consists of two distinct efforts. Phase 3A, which increased the capacity for vehicle maintenance and modernized equipment and maintenance processes, was completed in mid-2024. Phase 3B will renovate the maintenance offices, shops, and training areas, and is planned for completion in 2025 and 2026. The project budget for 3B is \$21.3 million and is partly funded by a federal grant.



Facilities Master Plan Phase 4 consists of the renovation of the Kasch Park Campus and is on hold, pending the completion of the Zero Emissions Facilities study.

Phases 5 and 6 are now complete. Phase 5 built a new vehicle storage and training facility and was completed in 2023. Phase 6 redesigned and improved the Ride Store, in conjunction with the opening of Link light rail in Lynnwood.

The new Phases 7 and 8 consist of operations facilities upgrades to incorporate zero emissions infrastructure and technology. Design begins in late 2024 and early 2025.

## Coach and Other Vehicle Replacements

Community Transit’s current fleet consists of 40-foot, 60-foot, bus rapid transit and double-decker buses, as well as vanpool vans and paratransit vehicles. The agency makes replacement and expansion of its fleet a high priority. The 2025 budget contains \$5.3 million for the replacement of DART paratransit vehicles: 15 carried over from an order in 2024, and 13 to be ordered in 2025. Forty vanpool vehicles will also be purchased in 2025 budgeted at \$4.5 million, but partly funded with a state grant. Other planned vehicle replacements consist of several transportation supervisor vehicles, maintenance vehicles, and transit security vehicles.

## Zero Emissions Technology

In 2022, the agency launched a feasibility study for transition to a zero emission fleet. The study helped identify the economic costs, performance issues, risks, and recommended timeline associated with the transition to a zero emission bus fleet, as well as the financial and operational impacts of the technologies available. A pilot program began in 2023 with a leased battery electric bus and a system impact study to gather real world understanding to help inform decisions around fleet mix.

The 2025 budget includes \$65.6 million for the purchase of 19 sixty-foot hybrid fuel cell electric BRT buses and 10 forty-foot battery electric buses. The forty-foot buses are expected to be ordered in 2025, but due to the manufacturing time for zero emissions buses is longer than for diesel they are expected to be received in 2027. Community Transit expects to cover these purchases with a combination of federal formula grants, competitive grants, and local funds.

Project funding in the amount of \$3.3 million covers zero emissions program development, utility infrastructure work, and the remainder of the pilot project. The Facilities Master Plan project budget also \$2 million for Phases 7 and 8, which is the design of zero emissions infrastructure to be incorporated in Community Transit's operating bases.

The 2025 budget also includes the continuation of a contingency reserve of \$28.5 million in the Facilities and Technology Fund for the future development and implementation of a zero emissions fleet. Staff will continue to focus in 2025 on program development, creating a conceptual facility design, visiting regional peer agencies, and finalizing a zero emissions transition plan that will help the agency apply for grant funding.

## Information Technology Projects

Over the next few years, Community Transit will focus on modernizing or replacing many of its key technology systems. These include transit technology systems, safety and security, and back office and administrative systems that support critical business functions.

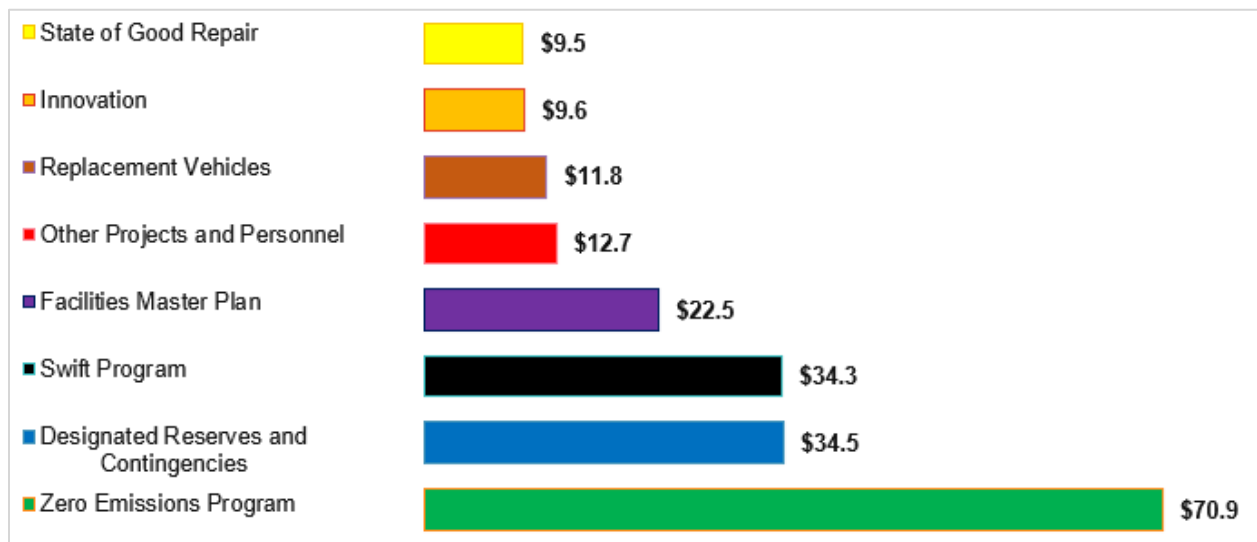
The 2025 budget includes funding for a number of systems enhancements or replacements, many of which will be complex, multi-year projects. These include such systems as the central dispatch system, upgrades to the passenger information control system, digital signage replacement at Ash Way Park & Ride and Lynnwood City Center Station, more licensing for the Trapeze scheduling system, route performance software, and a safety information management system. On the administrative side, projects include the overhaul or replacement for Community Transit's Enterprise Resource Management system, the agency-wide implementation of Microsoft 365, and continued corporate website enhancements.

## State of Good Repair Projects

Community Transit operates and maintains transit facilities consisting of administrative offices, two operating bases, 92 Swift bus rapid transit stations, 22 park & rides and transit centers, 14 park-and-pool lots, and over 1,600 bus stops. As part of maintaining Community Transit's assets in a state of good repair, periodic updates and refreshes occur in the regular course of the capital program. Future service expansion will stretch the agency's capacity, and it is a high priority to preserve and maintain our existing assets. The 2025 budget includes new project funding for replacements of the unleaded and diesel fuel pumps at both operating bases, a feasibility study for improvements to the bus wash and drying facilities at the Hardeson campus, upgrades to the video management system, and a comfort station redesign project to address facilities located at Community Transit Park & Rides. The budget also includes funding to address fall protection and fall arrest requirements to promote safety for employees working at various buildings and transit stations.

## 2025 Capital Program by Type

2025 Capital Program by Type — \$205.6 (in millions)





# 2025 Capital Program, Including Carryover Projects

2025 Capital Program, Including Carryover Projects (continued on next page)

Project Information		Fund	Funding Source		Total
			Grants	CT Local	
<b>Zero Emissions Program</b>					
2318	Zero Emissions Fleet Pilot Project	48		1,429,729	1,429,729
2408	ZE Coaches/Infrastructure - 60'	45	20,000,000	30,533,605	50,533,605
2409	ZE Coaches/Infrastructure - 40'	45	12,051,362	3,012,841	15,064,203
2414	2024 ZE Program Development	48		1,133,000	1,133,000
2415	ZE Utility Infrastructure	48		700,000	700,000
2419	FMP 7 – ZE Improvements Hardeson	48		1,000,000	1,000,000
2420	FMP 8 – ZE Improvements Kasch Park	48		1,000,000	1,000,000
<b>Zero Emissions Program Subtotal</b>			<b>\$ 32,051,362</b>	<b>\$ 38,809,175</b>	<b>\$ 70,860,537</b>
<b>Swift Program</b>					
1850	Swift Orange Line	45		469,364	469,364
2109	Swift Blue Line Expansion	46		165,890	165,890
2250	Swift Orange Line Corridor & Terminals	45		8,045,426	8,045,426
2252	Swift Orange Line OFI	45		656,394	656,394
2253	Swift Orange Line Program	45	2,000,000	3,448,000	5,448,000
2254	Swift Orange Line Incidentals	46		455,276	455,276
2261	Swift Blue Line Construction	44		1,061,212	1,061,212
2262	Swift Blue Line Program	44		108,249	108,249
2263	Swift Gold Line Scoping	46		178,111	178,111
2314	Swift Gold Design/Engineering	45	6,800,000	3,773,928	10,573,928
2315	Swift Green Expansion Design	46		1,850,000	1,850,000
2316	Swift Program Projects	46		4,336,153	4,336,153
2421	UW Bothell Transit Center	45	800,000	150,000	950,000
<b>Swift Program Subtotal</b>			<b>\$ 9,600,000</b>	<b>\$ 24,698,003</b>	<b>\$ 34,298,003</b>
<b>Facilities Master Plan</b>					
2002	FMP 2 – HCSO Renovation	48		592,476	592,476
2011	FMP 3A – HCVM Maintenance Shop	48		150,000	150,000
2015	FMP 6 – Ride Store Renovation	48	936,158	(936,158)	
2017	FMP 5 – Vehicle Storage and Training	48		140,921	140,921
2224	Audio/Visual Needs FMP Projects	48		306,116	306,116
2525	FMP 3B – HCVM Office and Parts Dept	45	17,031,620	4,257,905	21,289,525
<b>Facilities Master Plan Subtotal</b>			<b>\$ 17,967,778</b>	<b>\$ 4,511,260</b>	<b>\$ 22,479,038</b>
<b>Replacement Vehicles</b>					
2319	2023 DART Vehicles	41		2,600,000	2,600,000
2416	2024 Vanpool Vehicles	44		1,965,000	1,965,000
2418	2025 DART Vehicles	41		2,687,785	2,687,785
2509	2025 Vanpool Vehicles	44		4,500,000	4,500,000
<b>Replacement Vehicles Subtotal</b>			<b>\$ -</b>	<b>\$ 11,752,785</b>	<b>\$ 11,752,785</b>
<b>Innovation</b>					
1803	Next Generation ORCA	48		3,819,316	3,819,316
1921	Digital Strategy	46		183,581	183,581
1923	Base Map Implementation	46		51,916	51,916
2214	Electronic Timesheet System	46		45,745	45,745
2225	Audio Visual Needs – Feasibility Studies	48		59,273	59,273
2302	Transit Info Program Research	46		330,000	330,000
2317	Speed and Reliability	46		200,000	200,000
2401	Coach Turn-By-Turn	46		172,800	172,800
2503	Transit Coach Driver Doors	46		2,830,000	2,830,000
2506	Mobile Fall Protection System	46		120,000	120,000
2510	Kasch Park Roof Fall Protection System	46		300,000	300,000
2516	MS 365 Phased Implementation	46		1,080,000	1,080,000
2520	Route Performance Software (Swiftly)	46		414,050	414,050
<b>Innovation Subtotal</b>			<b>\$ -</b>	<b>\$ 9,606,681</b>	<b>\$ 9,606,681</b>

\* Grant funding is primarily federal but may also include funding contributions from the State of Washington and other local jurisdictions.

2025 Capital Program, Including Carryover Projects (continued)

Project Information		Fund	Funding Source		Total
			Grants	CT Local	
<b>State of Good Repair</b>					
1502	IT Corporate Security Upgrade	46		43,950	43,950
1904	IT Service Management System	46		24,115	24,115
2101	Disaster Recovery As A Service	46		156,025	156,025
2202	Lake Stevens TC Refresh	42		9,524	9,524
2203	JPA Upgrade	48		220,000	220,000
2208	Bus Stop Program	48		3,657,500	3,657,500
2223	Performance Mgmt System	42		13,000	13,000
2228	Telephone System Feasibility	46		57,213	57,213
2307	Corp Website Continuous Delivery	42		31,647	31,647
2312	PeopleSoft HCM/Payroll Upgrade	42		169,000	169,000
2321	End User Hardware	42		661,973	661,973
2402	Financial & Human Capital Mgmt Systems Replacement Feasibility	46		112,000	112,000
2405	Telephone System Replacement	42		60,100	60,100
2406	IVR System Lifecycle Replacement	42		429,000	429,000
2407	Corporate Website Continuous Delivery	42		760,000	760,000
2412	PeopleSoft Financials Upgrade	42		150,000	150,000
2417	CAD Central Sys/Dispatch Software/Hardware Replacement	42		300,000	300,000
2424	PeopleSoft HCM Process Improvement and System Overhaul	46		219,000	219,000
2425	Video Management Security Software	42		106,600	106,600
2501	Finance ERP System Replacement	42		1,000,000	1,000,000
2507	Hardeson & Kasch Park Unleaded Pumps and Diesel Transfer Pump	42		210,000	210,000
2512	Hardeson Bus Wash & Drying Feasibility	46		54,000	54,000
2514	Digital Sign Replacement Lynnwood & Ash Way	42		834,000	834,000
2522	Park & Ride / Comfort Station Feasibility	46		190,080	190,080
<b>State of Good Repair Subtotal</b>			\$ -	\$ 9,468,727	\$ 9,468,727
<b>Other Minor Projects</b>					
2226	BRT Coach Operator Barriers	46		226,872	226,872
2423	Passenger Information Control System	46		108,000	108,000
2511	Safety Management Information System	46		180,000	180,000
2517	Trapeze Coach Operator Scheduling & Payroll Licenses	46		480,000	480,000
2524	Project Control Consulting	48		150,000	150,000
FURNCAP	Minor Furniture	46		250,000	250,000
MINCAP	Minor Capital	46		2,194,551	2,194,551
<b>Other Minor Projects Subtotal</b>			\$ -	\$ 3,589,423	\$ 3,589,423
<b>Personnel and Other Costs Allocated to Capital</b>			-	<b>9,075,017</b>	<b>9,075,017</b>
<b>Capital Program Total</b>			\$ 59,619,140	\$ 111,511,071	\$ 171,130,211
<b>Designated Reserves and Contingencies</b>					
9990	Contingency -- Infrastructure	42		200,000	200,000
9991	Contingency -- IT Infrastructure	42		500,000	500,000
9992	Contingency -- Facilities & Technology	48		200,000	200,000
9993	Facilities Master Plan Contingency Reserve	48		4,600,000	4,600,000
9994	Zero Emissions Projects Contingency	48		28,500,000	28,500,000
9996	Local Projects Contingency	46		450,000	450,000
<b>Designated Reserves and Contingencies Subtotal</b>			\$ -	\$ 34,450,000	\$ 34,450,000
<b>Capital Program and Reserve Total</b>			\$ 59,619,140	\$ 145,961,071	\$ 205,580,211

# Estimated Future Operational Budget Impact of Major Capital Projects and New Initiatives

As some capital projects move to operational status, they may have an impact on future operating budgets. The following chart shows the estimated impact of major new initiatives on Community Transit's operating budget.

Estimated Impact of Major New Service Initiatives on the Operating Budget<sup>1</sup>

Project		2025	2026	2027	2028	2029
Zip Microtransit in Lynnwood, Arlington, Darrington, Lake Stevens	New Service Innovation — On Demand Transportation	Contract for Service -- \$5,837,000	\$ 7,698,544	\$ 8,657,210	\$ 9,738,106	\$ 10,934,368
New Service Pilots (2024: Lake Stevens, Arlington, Darrington; 2025-2028 TBD)	New Service Innovation — Mode To be Determined	Pilot Programs - \$1,000,000 Pilot Studies -- \$200,000	Pilot Programs - \$1,000,000 Pilot Studies -- \$200,000	Pilot Programs - \$1,000,000 Pilot Studies -- \$200,000	Pilot Programs - \$1,000,000 Pilot Studies -- \$200,000	Pilot Programs - \$1,000,000 Pilot Studies -- \$200,000
2024-2028: Swift Orange Line Bus Rapid Transit 2024, Network Changes 2024-2026, Swift Gold Line Bus Rapid Transit 2027-2028 <sup>2</sup>	New Service Hours	64,000 New Revenue Hours \$ 14,147,707	12,000 New Revenue Hours \$ 2,772,861	62,000 New Revenue Hours \$ 14,396,236	29,000 New Revenue Hours \$ 6,899,670	34,000 New Revenue Hours \$ 8,293,685
Operating Costs for new Zero Emissions Technology <sup>3</sup>	Initial Deployment occurs in 2027					\$ 1,046,205
	<b>Estimated Cumulative Cost of All New Services Added</b>	<b>\$ 21,184,707</b>	<b>\$ 11,671,404</b>	<b>\$ 24,253,446</b>	<b>\$ 17,837,776</b>	<b>\$ 21,474,258</b>

<sup>1</sup> Microtransit and other modes of transportation falling under the category of "Innovative Services" are estimations, based on contract costs and estimated hours.

<sup>2</sup> Service hours for Bus Service and Cost/hour are based on service plan outlined in the TDP, using cost per service hour for Local Bus/Swift, from Community Transit's long range financial model used in the 2024-29 TDP.

<sup>3</sup> Zero Emissions operating costs represent early cost estimates and are subject to change as more information is obtained. 2029 is the year fuel cell electric buses were modeled in the long-range financial model.

# Debt Service and Debt Capacity

## Debt Service

In June 2017, Community Transit issued \$11.0 million in limited sales tax general obligation bonds, which were sold with a premium of \$2.1 million. The proceeds were used to help fund the purchase of 26 forty-foot coaches and cover the bond issue costs.

During 2025, the principal due is \$1.2 million and the interest due is \$194,500, resulting in total debt service payments of \$1.4 million. The total principal due after the 2025 bond payments have been made will be \$2.7 million, with a remaining unamortized premium of \$100,000. These bonds are subject to federal arbitrage rules. At its last review, S&P Global affirmed its AAA rating of Community Transit’s bonds.

The 2017 bonds are the only debt of Community Transit, and Community Transit does not anticipate issuing additional debt in the near term.

### Debt Service Coverage

Debt Service Coverage	2025 Budget
Operating Revenue	\$ 278,088,966
Operating Expense	\$ (248,555,058)
Net Available for Debt Service	29,533,908
Required Debt Service Payments	1,429,500
<b>Debt Service Coverage</b>	<b><u>20.7 times</u></b>

Community Transit’s net revenues after operating expenses cover the annual bond principal and interest payments due in 2025 more than 20 times.

Future annual debt service requirements are in the table below.

### Future Annual Debt Service

Year	Principal	Interest	Total Debt Service
2026	\$ 1,295,000	\$ 132,750	\$ 1,427,750
2027	1,360,000	68,000	1,428,000
<b>Total</b>	<b><u>\$ 2,655,000</u></b>	<b><u>\$ 200,750</u></b>	<b><u>\$ 2,855,750</u></b>

# Debt Capacity

Community Transit’s debt is subject to a legal debt limit. This limit is calculated at 0.375% of assessed property values within the agency’s boundaries. Larger amounts may be approved with a public vote.

This data is not yet available for the 2025 tax year. For the 2024 tax year, the calculated debt limit is below.

## 2024 Calculated Debt Limit

<b>Legal Debt Margin Information</b>		<b>(\$ in Millions)</b>	
for the most recent valuation year (2023)			
Assessed valuation in 2023 for collection of taxes in 2024	\$	170,632.7	
Nonvoted debt limit 0.375 percent of valuation		639.9	
Less outstanding bond issues - net		(5.4)	
<b>Nonvoted Debt Capacity Remaining</b>	<b>\$</b>	<b>634.5</b>	

Outstanding bonds are shown as of December 31, 2023, as per Community Transit’s last Annual Comprehensive Financial Report. The table above includes the most recent assessed property valuation provided by the Snohomish County Assessor’s Office, with an estimated adjustment for the public transportation benefit area.

# Agency Overview

## Agency Profile

Community Transit is a special purpose municipal corporation providing public transportation services. In 1976, Snohomish County voters created Community Transit with an approved sales tax to support a public transportation benefit area (PTBA). The PTBA is the area that Community Transit serves.

Agency Profile as of December 31, 2023<sup>1</sup>

Date of Incorporation	1976
Form of Government	Public Transportation Benefit Area Corporation (PTBA)
Began Operation	October 4, 1976
Number of Board of Directors	10—nine voting and one nonvoting
Type of Tax Support	Local sales tax 1.2 percent
County in Which PTBA Operates	Snohomish County
Population - County	859,800
Population - PTBA	663,281

### Community Transit PTBA - Communities by Year Joined

Year	Communities Added to Community Transit's Service Area
1976	Edmonds, Lynnwood, Marysville, Mountlake Terrace, Brier, Snohomish, and Woodway
1977	Lake Stevens and Monroe
1979	Granite Falls, Mukilteo, Stanwood, and Sultan
1980	Arlington
1981	Goldbar, Index, and Startup
1982	Oso and Darrington
1983	Mill Creek
1992	Snohomish County portion of Bothell
1997	Silver Firs and the Tulalip Indian Reservation

Visit us online at <https://www.communitytransit.org/about> for more information about our history.

<sup>1</sup> The year ending December 31, 2023, was the last complete year of actual service and fiscal results at the time this budget document was drafted.

# Region and Economy

Community Transit operates in Snohomish County, the third most populous county in Washington State. The two most populous counties, King County and Pierce County, lie just to the south, with King County sandwiched between Snohomish and Pierce. The northern border is shared with Skagit County; Skagit is the 11<sup>th</sup> most populous out of Washington’s 39 counties.<sup>2</sup>

To the west, Puget Sound surrounds Island County, while to the east, Snohomish County shares a mountainous border with Chelan County.

Due to its location relative to other populous counties in the state, regional transit connections are important to Snohomish County residents. Community Transit’s network includes connections with several partner agencies at a variety of regional transit centers and terminals. Agency service connects with ferries, trains, light rail, and more.

Through regular, ongoing coordination and integration with partner agencies, Community Transit works to maintain and improve inter-system connections to provide a convenient regional transit experience for the riding public.



Learn more about our involvement in regional planning coordination in the Transit Development Plan (TDP): <https://www.communitytransit.org/transit-development-plan>.

<sup>2</sup> Municipal Research and Services Center (MSRC) ([mrsc.org](http://mrsc.org)), data as of April 1, 2024.

# Washington State Economy

Economic indicators are used to help the agency forecast retail sales tax revenue, which is Community Transit’s primary operating revenue source. Retail sales tax is driven by personal income, consumer confidence, local business purchases, and construction projects. More information about sales tax revenues can be found in the Revenues section of this document.

## Washington State Economic Indicators

<b>Washington State Economic Indicators</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Unemployment	4.1%	4.9%	4.9%	4.9%	4.9%	4.7%
Percent Change in Real Per Capita Income	1.7%	1.8%	2.1%	3.1%	2.5%	2.2%
Percent Change in Personal Income	5.9%	5.3%	5.5%	6.5%	5.5%	5.3%

The Washington State Economic and Revenue Forecast Council<sup>3</sup> measures and forecasts change in the state’s economy. The table above contains statistics from the June 2024 forecast.

# Snohomish County<sup>4</sup>

In addition to economic indicators, the agency uses population and demographic statistics to help predict the need for transit service in the area.

## Snohomish County Population and Demographic: 4-year History<sup>5</sup>

<b>Year</b>	<b>County Population</b>	<b>PTBA Population</b>	<b>Age Distribution for Snohomish County</b>		
			<b>0-19</b>	<b>20-64</b>	<b>65+</b>
2020	827,957	607,522	24.9%	60.7%	14.4%
2021	837,800	613,289	24.8%	60.4%	14.9%
2022	847,300	621,930	24.7%	60.0%	15.3%
2023	859,800	663,281	24.6%	59.6%	15.8%

Snohomish County’s population grew by about 9.2% between 2020 and 2023. The population has a median age of 39 years and includes a workforce of around 400,000 people.

The county has a diversity index score of 64.4, meaning that in a random sample of any two people in the county, there is a 64.4% chance that the individuals would identify with different racial or ethnic backgrounds.

Over 22,000 businesses call Snohomish County home, ranging from small family farms to large, well known employers including Boeing and Philips. It is the manufacturing center of

<sup>3</sup> Table data from <https://erfc.wa.gov/forecasts/economic-forecast>, September 2023 Forecast, Table A1.3.

<sup>4</sup> Section data from Economic Alliance Snohomish County ([economicalliancesc.org](http://economicalliancesc.org)).

<sup>5</sup> Table data source: Washington State Office of Financial Management (OFM) <https://ofm.wa.gov>.



Washington State and has the highest concentration of aerospace jobs in the country.

In neighboring counties, headquarters for other global employers such as Microsoft, Amazon, T-Mobile, and Starbucks strengthen the need for regional transit connections to support commuters. Including out of county residents, Snohomish County has about 411,300 commuters ages 16 and over. The average commute time within Snohomish County is 32 minutes.

Snohomish County Airport-Paine Field (PAE) is located within Community Transit's service area. Paine Field supports an estimated 46,000 jobs and has an economic output of about \$60 billion annually.<sup>6</sup> Paine Field began offering scheduled commercial service to destinations around the country in 2019.

Community Transit's Swift Green Line serves Paine Field. Riders can find tips for taking Swift to Paine Field on Community Transit's website: [Take the bus to Paine Field | Community Transit](#).



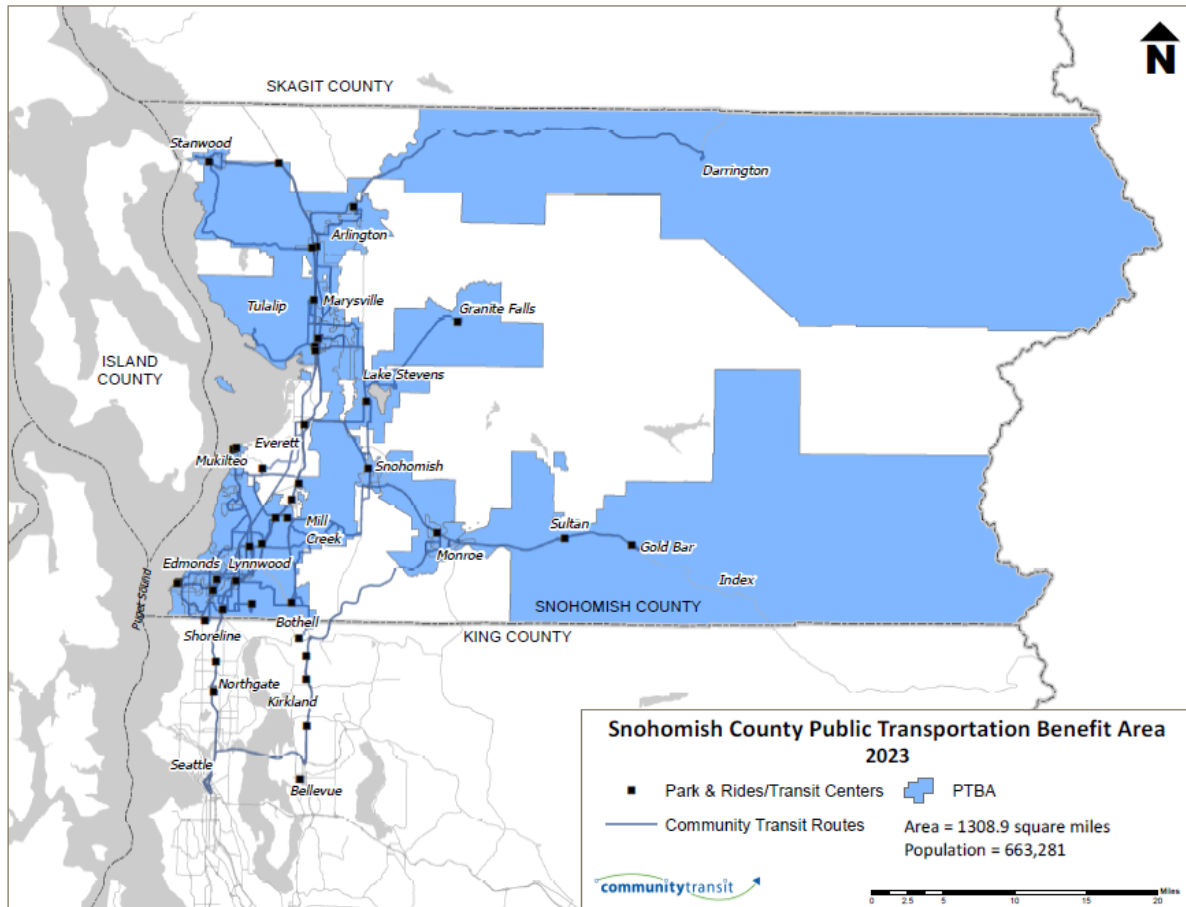
<sup>6</sup> Paine Field data comes from the Paine Field website: <https://www.painefield.com/27/About-Our-Airport>.

# Service Area

As of September 2023, Community Transit’s service area had more than 663,000 residents, or more than 77% of Snohomish County’s population. Today, the PTBA encompasses most of urbanized Snohomish County, excluding the city of Everett.

Although the City of Everett is not part of Community Transit’s service area and taxing authority, Community Transit provides Swift Blue Line bus rapid transit service to Everett Station and receives payment from the City of Everett for this service.

Service Area as of September 2023



# Governing Body

## Board of Directors

Community Transit is governed by a Board of Directors consisting of nine voting members and five alternates from within the PTBA, and one nonvoting member. Voting board members and alternates are elected officials appointed by their respective jurisdictions and elected to two-year terms by representatives from similarly sized jurisdictions. Voting board members include:

- Two (2) members and one (1) alternate from the governing body of Snohomish County.
- Three (3) members and one (1) alternate from the component cities with populations of 35,000 or more.
- Two (2) members and two (2) alternates from the component cities with populations between 15,000 and 35,000.
- Two (2) members and an alternate from the component cities with populations less than 15,000.

The nonvoting board member is a labor representative selected as specified in the Revised Code of Washington (RCW) 36.57A.050 by the bargaining units who represent more than 70% of Community Transit's workforce.

The Chair, Vice-Chair, and Secretary are elected from among the voting Board members. During 2024, the Board members in these positions were:

- Board Chair – Council Member Tom Merrill from the City of Snohomish.
- Board Vice Chair – Mayor Sid Roberts from the City of Stanwood.
- Board Secretary – Mayor Christine Frizzell from the City of Lynnwood.

Learn more about the Board of Directors in the Department section of this document. For current board members, board alternates, and board meeting information, visit <https://www.communitytransit.org/board-of-directors>.

## Executive Leadership Team

Community Transit's Chief Executive Officer (CEO), Ric Ilgenfritz, is responsible for overall administration of the agency as directed through policy guidance issued by the Board of Directors. In addition to the CEO, the agency's principal officers in 2024 were:

- Chief Communications Officer – Geoff Patrick
- Chief Information Officer – Chas Stearns
- Chief Innovation and Customer Experience Officer – Molly Marsicek
- Chief of Staff and Public Affairs Officer – Deb Osborne
- Chief Operating Officer – Roland Behee
- Chief People and Financial Officer – Eunjoo Greenhouse
- Chief Planning and Development Officer – Melissa Cauley

Learn more about the Executive Leadership Team at <https://www.communitytransit.org/ceo>.

# Strategic Goals and Priorities

## Community Transit 2025 Strategic Priorities, Goals, and Initiatives

VISION & MISSION	VISION: Travel made easy for all   MISSION: We help people get from where they are to where they want to be		
STRATEGIC THEMES	DELIVER EXCELLENT SERVICE   BUILD THE FUTURE		
STRATEGIC PRIORITIES	 <p><b>Attract &amp; retain customers</b></p> <p><i>We will listen to customers so they will see their needs reflected in our products and services.</i></p>	 <p><b>Strengthen employee experience</b></p> <p><i>Employees are engaged and feel heard, seen, safe, and valued.</i></p>	 <p><b>Prioritize Sustainability</b></p> <p><i>We will be environmentally, financially, and organizationally sustainable over time.</i></p>
GOALS	<ul style="list-style-type: none"> <li>Increase the number of average weekday customers to 18,000</li> <li>Increase the number of annual boardings to 10 million</li> </ul>	<ul style="list-style-type: none"> <li>Provide better tools and resources for employees</li> <li>Continue to develop a culture of belonging where everyone can bring their whole self to work</li> <li>Improve employee engagement by 6% and well-being by 7%</li> </ul>	<ul style="list-style-type: none"> <li>Achieve ZE program milestones to deploy a green fleet</li> <li>Strengthen financial stewardship</li> <li>Prioritize projects and resource allocation</li> </ul>
INITIATIVES	<ul style="list-style-type: none"> <li>Deliver and optimize bus network changes</li> <li>Enhance Voice of Customer and Customer Metrics</li> <li>Swift Gold Line Project decision</li> <li>Develop recommendations for microtransit expansion</li> <li>Accessibility Strategy Implementation</li> </ul>	<ul style="list-style-type: none"> <li>Implement One Drive and SharePoint</li> <li>Deliver Phase 2: Enterprise resource planning</li> <li>Identify and implement action items from DEI Assessment</li> <li>Improve work schedules for coach operators</li> </ul>	<ul style="list-style-type: none"> <li>Evaluation and decision on hydrogen production</li> <li>Zero emissions facility design and engineering</li> <li>Develop a practice to understand agency capacity to prioritize work</li> </ul>
CORE VALUES	Accountability   Initiative   Mutual Respect   Diversity, Equity & Inclusion   Integrity   Service-Focused   Teamwork		

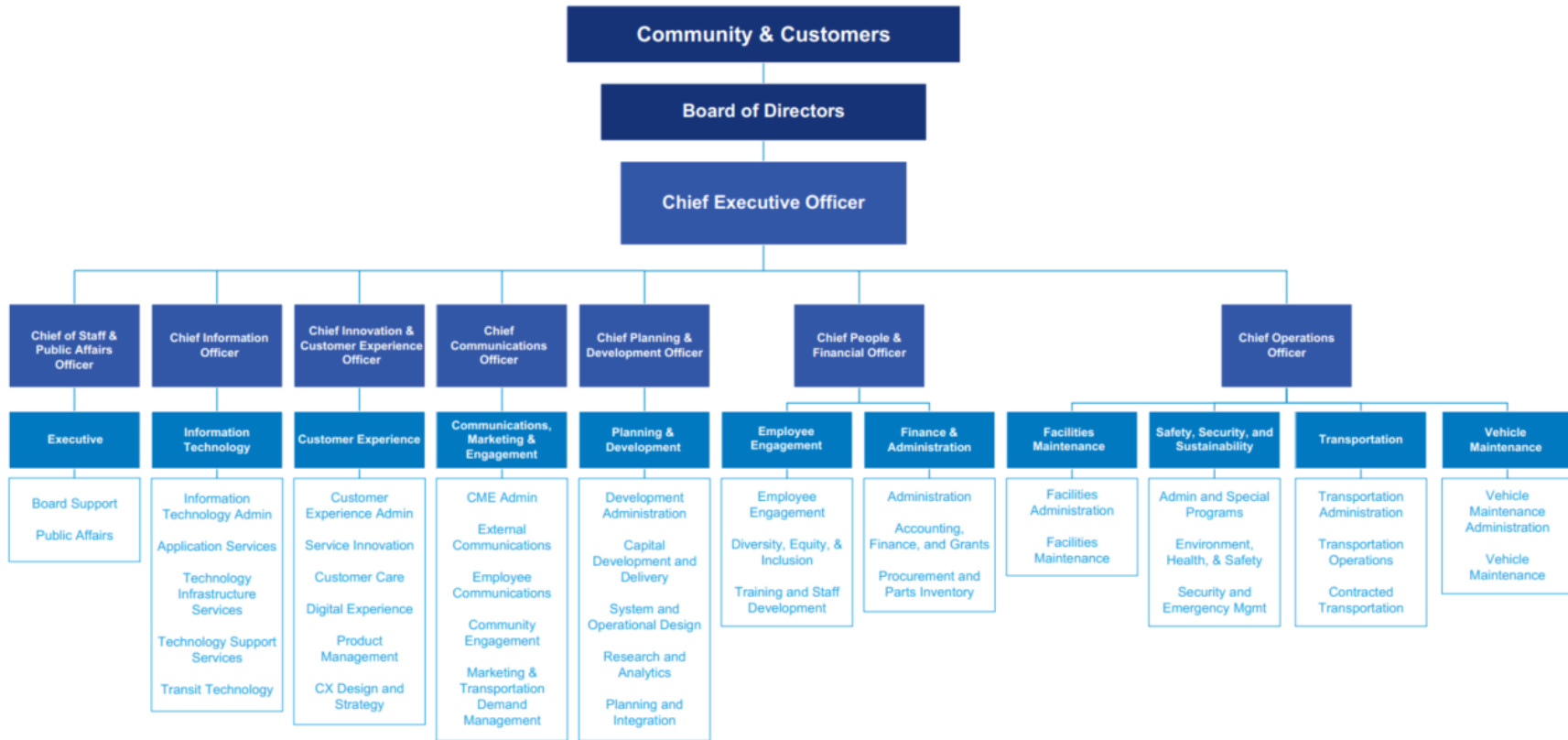
There are no changes in the agency strategic priorities from 2024 to 2025. Goals remain largely unchanged, with minor updates. The goals outlined in Attract and Retain Customers are now shown as totals instead of percentages; and there are slight language changes to goals in the other two sections.

Most changes fall under initiatives: these vary year to year as the agency makes progress on long term objectives. Much of 2024's work revolved around network restructures driven by Sound Transit's light rail project in Lynnwood, as well as updating long term plans, and exploring possibilities in innovative transit services and zero emissions technology. Initiatives in 2025 build on these efforts, with a focus on evaluating information, seeking opportunities for impactful change, and optimizing our service.

Additional information about the agency's plans for 2025 can be found throughout this document. Please see the CEO Budget Message, Service Plan, Capital Program, and Department budget sections.

# Department Overview

## Organizational Chart



This chart provides an overview of the leadership and department structure at Community Transit. Department-level organizational charts are included in each department’s budget discussion.

# Department Budget Summary

## Summary of 2025 Department Budgets

Department Budgets by Fund<sup>1</sup>

Department	(40) General Fund	(41) Replacement Reserve Fund	(42) Infrastructure Preservation	(43) Workers' Compensation Fund	(44) State Capital Projects Fund	(45) FTA Capital Projects Fund	(46) Local Capital Projects Fund	(48) Facilities and Technology Fund	(50) Bond Debt Service Fund	Total
Board of Directors	\$ 303,293									\$ 303,293
Executive Department	1,901,446									\$ 1,901,446
Communications, Marketing, and Engagement	8,201,204					275,050	20,000			\$ 8,496,254
Customer Experience	12,495,084		31,647		6,465,000		535,431			\$ 19,527,163
Employee Engagement	16,441,879			825,000			139,308	139,471		\$ 17,545,659
Finance and Administration	8,817,990		853,002	344,000		1,129,784	777,241	33,696,024	350	\$ 45,618,391
Insurance	3,842,215									\$ 3,842,215
Debt Service									1,429,500	\$ 1,429,500
Cost Pools	8,019,000		35,000			113,000	112,000	230,000		\$ 8,509,000
Information Technology	12,179,282		5,001,564				4,654,874	9,372,105		\$ 31,207,826
Planning and Development	5,713,758		9,524		1,169,461	48,093,284	8,004,904	8,607,134		\$ 71,598,065
Operations										
Operations Administration	438,872									\$ 438,872
Facilities Maintenance	9,880,620		210,000				395,000			\$ 10,485,620
Safety, Security, and Sustainability	10,469,633			3,235,834			509,000			\$ 14,214,467
Transportation	106,844,095									\$ 106,844,095
Vehicle Maintenance	28,133,456	5,287,785				65,696,743	4,016,872			\$ 103,134,857
Motorbus and DART Fuel	14,873,231									\$ 14,873,231
Interfund Transfers	30,806,402	198,523	805,635				138,000	4,257,905		\$ 36,206,465
<b>Totals by Fund</b>	<b>\$ 279,361,460</b>	<b>\$ 5,486,308</b>	<b>\$ 6,946,372</b>	<b>\$ 4,404,834</b>	<b>\$ 7,634,461</b>	<b>\$ 115,307,862</b>	<b>\$ 19,302,631</b>	<b>\$ 56,302,640</b>	<b>\$ 1,429,850</b>	<b>\$ 496,176,417</b>

Vehicle Maintenance and Finance and Administration share budgeting responsibility for Motorbus and DART fuel.

<sup>1</sup> Fund 47 has no 2025 budget and is not shown.

## Department Operating Budgets

The general fund (Fund 40) contains operating expenses. The department sections that follow contain discussions of cost increases and decreases in this fund, as well as information about how each groups' budget, work plans, goals, and accomplishments tie to Community Transit's strategic priorities.<sup>2</sup>

Department Budget General Fund Summary (Fund 40)<sup>3</sup>

Department	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Board of Directors	\$ 157,202	\$ 274,866	\$ 303,293	\$ 28,427	10%
Executive Department	1,610,798	1,823,930	1,901,446	77,516	4%
Communications, Marketing, and Engagement	5,275,128	7,769,179	8,201,204	432,025	6%
Customer Experience	5,451,862	10,728,904	12,495,084	1,766,180	16%
Employee Engagement	13,072,754	14,981,424	16,441,879	1,460,455	10%
Finance and Administration	7,009,812	8,110,855	8,817,990	707,135	9%
Insurance	2,499,289	3,330,356	3,842,215	511,859	15%
Cost Pools		14,650,816	8,019,000	(6,631,816)	-45%
Information Technology	8,880,963	11,047,176	12,179,282	1,132,106	10%
Planning and Development	4,558,990	5,199,446	5,713,758	514,312	10%
Operations					
Operations Administration			438,872	438,872	n/a
Facilities Maintenance	6,175,381	8,005,009	9,880,620	1,875,611	23%
Safety, Security, and Sustainability	6,158,994	8,189,678	10,469,633	2,279,955	28%
Transportation	79,982,775	99,525,902	106,844,095	7,318,193	7%
Vehicle Maintenance	19,972,531	24,409,832	28,133,456	3,723,624	15%
Motorbus and DART Fuel	10,942,663	13,518,928	14,873,231	1,354,303	10%
<b>Total Operating Expense - Fund 40</b>	<b>\$ 171,749,141</b>	<b>\$ 231,566,301</b>	<b>\$ 248,555,058</b>	<b>\$ (1,648,218)</b>	<b>-1%</b>

<sup>2</sup> Cost increases for employee benefits and participation in the state retirement plan are not within the control of individual departments and are not part of the department budget discussions. These cost factors are discussed under general expenses.

<sup>3</sup> This table does not include interfund transfers. Please see the previous table for interfund transfer data.

# Staffing by Department

Community Transit measures staff in Full-Time Equivalent (FTE) units. One FTE is equivalent to 2080 hours of paid employee time.

The Board of Directors approves new FTE with the budget. During the budget development process, department managers submit requests for new FTE to support their workplans. Requests are reviewed by the Executive Leadership Team and CEO before moving forward with the budget.

## Staffing by Department – 3-year Summary

Department	2023 Amended Budget	2024 Amended Budget	2025 Budget*	Change 2024 vs. 2025	
Board of Directors	1.5	1.5	1.5	0.0	-
Executive Department	6.0	6.0	6.0	0.0	-
Communications, Marketing, and Engagement	29.0	29.0	31.0	2.0	7%
Customer Experience	44.0	44.0	48.0	4.0	9%
Employee Engagement	58.0	61.0	67.0	6.0	10%
Finance and Administration	55.0	57.0	64.0	7.0	12%
Information Technology	42.0	45.0	49.0	4.0	9%
Planning and Development	41.0	42.0	42.0	0.0	-
Operations	630.0	694.0	785.0	91.0	13%
Operations Administration	0.0	0.0	2.0	2.0	-
Facilities Maintenance	29.0	33.0	40.0	7.0	21%
Safety, Security, and Sustainability	33.0	38.0	51.0	13.0	34%
Transportation	456.0	511.0	567.0	56.0	11%
Vehicle Maintenance	112.0	112.0	125.0	13.0	12%
<b>Total FTE</b>	<b>906.5</b>	<b>979.5</b>	<b>1,093.5</b>	<b>114.0</b>	<b>12%</b>

The agency’s FTE count has been increasing over the past several years to support service changes and growth in the capital program.

Changes in department FTE counts may include new positions, reorganizations, and position transfers. A reorganization occurs when an entire workgroup is moved from one department to another. Throughout this document, historical statistics and expenses for reorganized workgroups have been moved to the new department to facilitate year-over-year comparisons. Individual positions transferred from one department or budget center to another are not considered reorganizations, and their historical statistics and expenses typically remain with the former department.



The CEO has authority to approve additional positions during the budget year if they can be funded within the budget (as approved or amended by the Board of Directors).

The next table shows FTE positions added in 2024, after budget approval, and new FTEs included in the 2025 budget.

New FTE by Department and Position

Department	Job Title	New FTE	
		2024	2025
<b>Communications, Marketing, and Engagement</b>	Coordinator - Marketing		1
	Strategist - Marketing Programs CTR		1
<b>Customer Experience</b>	MicroTransit Specialist		1
	Sales & Distribution Specialist FT		1
	Senior DART Specialist		1
	Service Ambassador Lead		1
<b>Employee Engagement</b>	HR Business Partner	1	2
	HRIS Manager		
	Maintenance Instructor		1
	Support Specialist - Benefits & Leave Admin		1
	Technical Writer		1
<b>Facilities Maintenance</b>	Instructional Designer		1
	Facilities Maint Tech I		6
<b>Finance and Administration</b>	Facilities Project Manager		1
	Chief People and Financial Officer	1	
	Grant Accountant		1
	Journey Parts Person		3
	Program Manager - Procurement Parts		1
	Sr. Coordinator - Payroll		1
Sr. Specialist - Procurement SBE/DBE	1		
<b>Information Technology</b>	Analyst I - IT	1	2
	Project Manager III		1
	Records Analyst I		1
<b>Operations Administration</b>	Administrative Support Specialist		1
<b>Safety, Security, and Sustainability</b>	Administrative Support Specialist		1
	Transit Security Officer	4	12
<b>Transportation</b>	Coach Operator	13	56
	Project Manager		1
<b>Vehicle Maintenance</b>	Journey Body Person		1
	Journey Mechanic		10
	Project Assistant		1
	Vehicle Service Worker		1
<b>Total</b>		<b>20</b>	<b>114</b>

A combined 81% of new positions added in 2025 and midyear 2024 are in the Operations group, which includes coach operators, vehicle and facilities maintenance staff, transit security officers, and support staff for these groups.

Additional discussion of new positions can be found in the department sections that follow.

# Board of Directors

## Department Description

The Board of Directors is the governing body of Community Transit, establishing policy and legislative direction for the agency. These duties include approval of the agency’s annual budget and six-year Transit Development Plan. Working closely with the Chief Executive Officer (CEO), Board members represent the agency’s position to the public, in the legislature, and in the community. They are responsible for hiring, supervising, and evaluating the CEO. Board members abide by all state and local laws regarding Board member conduct and protocol, as well as the agency’s by-laws, resolutions, and procedures. The CEO and the agency’s legal counsel report to the Board of Directors.

The Board of Directors consists of 10 members, and five alternates. Of these, nine voting members, plus their alternates, are elected officials selected by the respective governing bodies of the county and component cities within Community Transit’s service area. The final member is a non-voting labor representative. See the Agency Overview, Governing Body section for more information.



For current board members, board alternates, and board meeting information, visit <https://www.communitytransit.org/board-of-directors>.

# Department Operating Budget

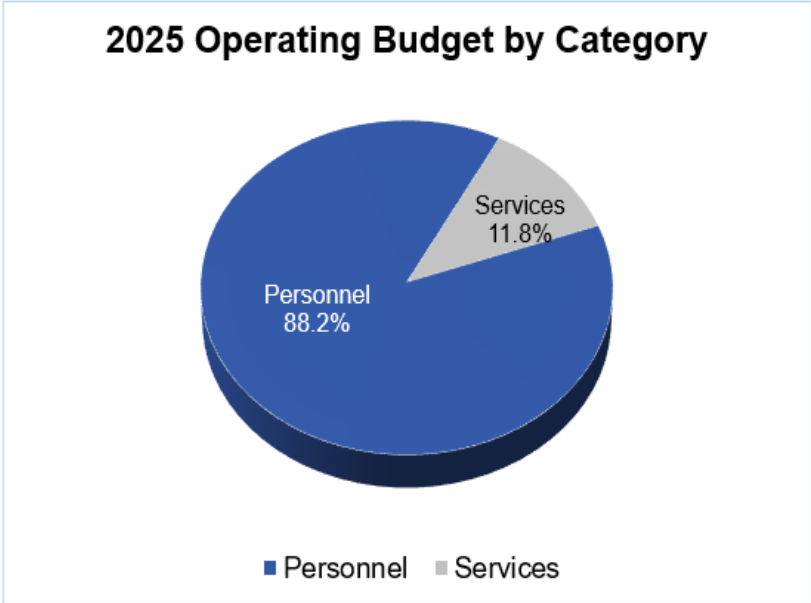
## Budget by Category

Expense Type	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Salaries and Wages	\$ 130,396	\$ 227,206	\$ 248,259	\$ 21,053	9%
Benefits	10,092	17,520	19,234	1,714	10%
<b>Personnel</b>	<b>140,488</b>	<b>244,726</b>	<b>267,493</b>	<b>22,767</b>	<b>9%</b>
Services	16,714	35,500	35,800	300	1%
Budget Offset Contra Account		(5,360)		5,360	-100%
<b>Operating Expenditures</b>	<b>\$ 157,202</b>	<b>\$ 274,866</b>	<b>\$ 303,293</b>	<b>\$ 28,427</b>	<b>10%</b>

### Budget Offset Contra Account

In 2024, all departments were assigned a negative budget adjustment as a tool to help Community Transit control its budget growth overall. The contra account reduced a department’s budget without cutting specific line items. This practice has not been repeated in the 2025 budget.

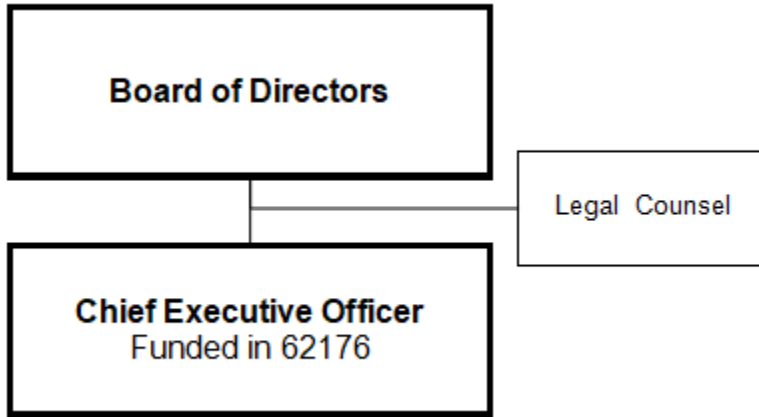
### Budget Discussion



The Board of Directors’ budget is managed by staff in the Executive Department. All expenses are in the general fund (fund 40).

This budget funds industry, legal affairs, and legislative conferences and travel for transit advocacy; stipends for eligible Board members; and expenses for the Board’s legal counsel.

## Staffing and Personnel Expense



Division	Budget Center	FTEs
Board of Directors	Board of Directors	1.5
<b>Department FTE Total</b>		<b>1.5</b>

## Employee Expense by Fund

Employee Expense by Fund	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Fund 40: General Fund	\$ 140,488	\$ 244,726	\$ 267,493	\$ 22,767	9%
Fund 42: Infrastructure Preservation				-	n/a
Fund 45: FTA Capital Projects Fund				-	n/a
Fund 46: Local Capital Projects Fund				-	n/a
Fund 48: Facilities and Technology Fund				-	n/a
<b>Total Employee Expense</b>	<b>\$ 140,488</b>	<b>\$ 244,726</b>	<b>\$ 267,493</b>	<b>\$ 22,767</b>	<b>9%</b>

The 9% increase in 2025 is primarily due to an increase in legal staff hours.

# Accomplishments and Goals

The Board provides ongoing support to the agency and aligns its accomplishments and goals to both the Board's priorities and the agency's priorities. The Board's priorities are consistent each year:

- Provide the best possible service to the customers and the communities we serve through education on Community Transit and transit industry issues, using that knowledge to benefit the agency.
- Represent the agency in the community, promoting agency interests and policies, and on the Transportation Policy Board of the Puget Sound Regional Council.
- Develop and maintain relationships at the national, state, regional, and local levels, and support Community Transit staff and attendance at staff events.
- Abide by the performance standards as outlined in Community Transit's Board Bylaws.

## 2024 Accomplishments

Approved agency strategic plans and programs, including the following:

- Continued implementation of the 2024 & Beyond Bus network restructure to compliment the opening of the Sound Transit Lynnwood link extension.
- Buildout of the Swift network with the launch of Swift Orange Line, Blue Line expansion, and engagement with the community for the future Gold Line.
- 2024-2029 Transit Development Plan.
- Investments in employees and customers including electronic signage, Swift station retrofits, the customer survey program, and bus navigation system.
- Enhanced Safety and Security including the opening of the Security Operations Center and expansion of the Transit Security Officer program.
- Continued progress on the Zero Emissions program including completion of a transition plan, activation of the bus side-by-side pilot, and facility upgrades to support the program.
- Supported sustainability by purchasing low emissions vehicles for the vanpool program including hybrid vans and electric vehicles.
- Expanded the Innovative Services program with pilot programs in Arlington, Darrington, and Lake Stevens.



- Continued modernization and expansion of the operating base with the opening of the Hardeson Campus Service & Operations building, expansion of the Vehicle Maintenance building, and opening of the new Ride Store at Lynnwood City Center station.
- Represented the agency and Snohomish County riders on the Transportation Policy Board of the Puget Sound Regional Council.
- Developed and maintained relationships with the community and employees.
- Revised the agency Bylaws and performed in accordance with the agency Bylaws.

## 2025 Goals

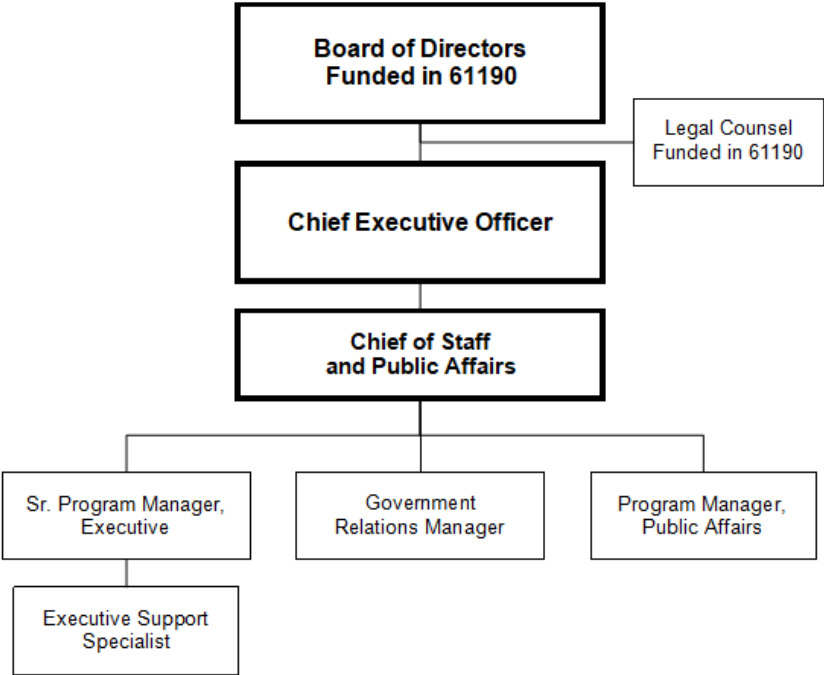
Support and approve agency plans and programs, including but not limited to the following:

- Continued investment in service to implement the 2024 & Beyond network.
- Expand the Swift network by advancing the extension of Swift Green Line and project scoping for Swift Gold Line.
- Enhance Safety and Security for employees and customers including expanding the Transit Security Officer program and installing driver door barriers on coaches.
- Zero Emissions decisions/milestones—first battery electric bus order will be placed in early 2025, putting to use learnings from 2024 pilots, and evaluate facility design options to incorporate electric bus charging stations as well as options for future hydrogen fuel delivery and production.
- Enhancement of the customer and employee experiences.
- Learn from the Innovative Services microtransit pilots and develop an agency Innovative Services strategy.
- Increased emphasis on bus stop improvements and amenities.
- Continued modernization and expansion with the Hardeson Campus Vehicle Maintenance Offices and Parts Department.
- Prioritize Sustainability by supporting the agency Sustainability Action Plan.
- Emphasis on better understanding the customer (public engagement, surveys, marketing efforts, Community Transit’s data program).
- Represent the agency and Snohomish County riders on the Transportation Policy Board of the Puget Sound Regional Council.
- Participate in regional forums and partnerships to support multi-agency alignment.
- Develop and maintain relationships with the community and employees.
- Abide by the agency bylaws.

# Executive

## Department Description

The Executive Department supports the mission of Community Transit by providing oversight for the administrative affairs of the agency, advocating for the agency to legislative and community leaders and the public, and developing and implementing policies and procedures to ensure



compliance with state and federal laws and regulations.

The Public Affairs budget supports the agency’s mission by strengthening the image and position of the agency with key stakeholders and the public, securing local, state, and federal funding and legislation, providing education about the use of agency services, and sharing timely and relevant information with employees.

Division	Description
Executive	Assists employees and the public, and supports the CEO, Executive Leadership Team, and Board of Directors. Ensures compliance with state and federal laws, including the Open Public Meetings Act and the Public Records Act. Leads the agency, manages the budget, and develops agencywide strategies.
Public Affairs	Enhances the agency’s funding and regulatory environment and promotes its achievements and priorities. Builds relationships with business leaders, community figures, and elected officials to maintain a positive agency reputation.

# Department Operating Budget (Fund 40)

## Budget by Division

Division	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Executive	1,121,417	1,202,598	1,265,910	63,312	5%
Public Affairs	489,381	621,332	635,536	14,204	2%
<b>Executive</b>	<b>1,610,798</b>	<b>1,823,930</b>	<b>1,901,446</b>	<b>77,516</b>	<b>4%</b>

## Budget by Category

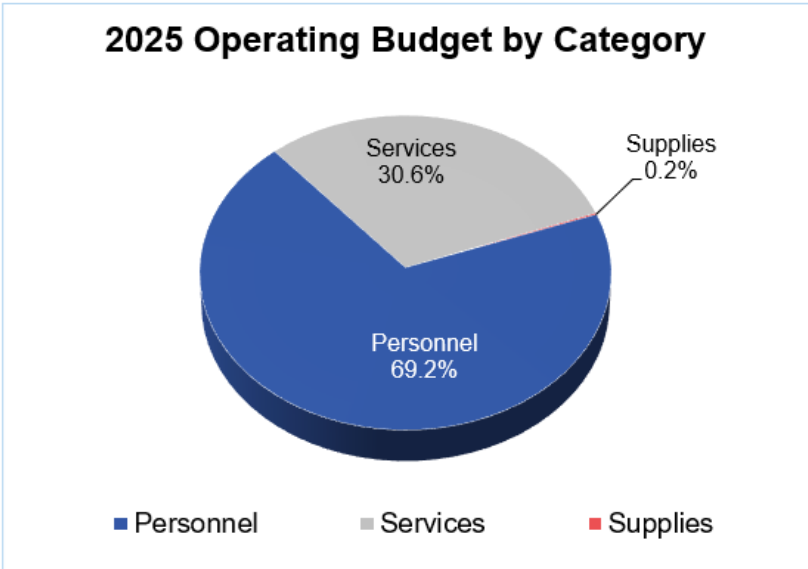
Expense Type	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Salaries and Wages	\$ 934,626	\$ 1,025,822	\$ 1,010,605	\$ (15,217)	-1%
Benefits	289,878	308,128	306,106	(2,022)	-1%
<b>Personnel</b>	<b>1,224,504</b>	<b>1,333,950</b>	<b>1,316,711</b>	<b>(17,239)</b>	<b>-1%</b>
Services	385,215	523,160	581,735	58,575	11%
Supplies	1,078	3,000	3,000	-	0%
Budget Offset Contra Account		(36,180)		36,180	-100%
<b>Operating Expenditures</b>	<b>\$ 1,610,798</b>	<b>\$ 1,823,930</b>	<b>\$ 1,901,446</b>	<b>\$ 77,516</b>	<b>4%</b>

## Budget Offset Contra Account

In 2024, all departments were assigned a negative budget adjustment as a tool to help Community Transit control its budget growth overall. The contra account reduced a departments budget without cutting specific line items. This practice has not been repeated in the 2025 budget.

## Budget Discussion

The two main cost factors for this category are agency dues and memberships to organizations including the American Public Transportation Association (APTA), Puget Sound Regional Council (PSRC), and Washington State Transit Association (WSTA) and community





sponsorships organized by the Public Affairs and Government Relations team. The 2025 increase is mainly due to an increase in professional services. The supplies budget includes nonstandard office supplies and minor equipment.

## Staffing and Personnel Expense

Division	Budget Center	FTEs
Executive	Executive	4.0
Public Affairs	Public Affairs	2.0
<b>Department FTE Total</b>		<b>6.0</b>

There are no new FTEs included in the 2025 budget for this department.

### Employee Expense by Fund

Employee Expense by Fund	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Fund 40: General Fund	\$ 1,224,504	\$ 1,333,950	\$ 1,316,711	\$ (17,239)	-1%
Fund 42: Infrastructure Preservation				-	n/a
Fund 45: FTA Capital Projects Fund				-	n/a
Fund 46: Local Capital Projects Fund				-	n/a
Fund 48: Facilities and Technology Fund				-	n/a
<b>Total Employee Expense</b>	<b>\$ 1,224,504</b>	<b>\$ 1,333,950</b>	<b>\$ 1,316,711</b>	<b>\$ (17,239)</b>	<b>-1%</b>

All employee expense in 2025 is budgeted to the operating budget in the general fund. There are no significant changes to employee expense in the 2025 budget.

## Budget Oversight

This department provides budget oversight for the Board of Directors and does not have authority over any capital projects for 2025. Executive staff may support capital projects as needed.

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2024 accomplishments and 2025 goals are provided below.

### 2024 Accomplishments

- Actively supported the agency’s participation in the Washington State Transit Insurance Pool (WSTIP), Washington State Transit Association (WSTA), American Public Transportation Association (APTA), Conference of Minority Transportation Officials (COMTO), the Washington State Transportation Demand Management Executive Board, Economic Alliance of Snohomish County (EASC), WTS Puget Sound, Snohomish County

Committee for Improved Transportation (SCCIT), Snohomish County Transportation Coalition (SnoTrac), and the Everett Station District Alliance.

- Launched ZIP on-demand service in three new communities; Arlington, Darrington, and Lake Stevens.
- Worked collaboratively with the Regional Mobility Partnership, consisting of executive leadership of Puget Sound transit agencies, the Washington State Ferries, Puget Sound Regional Council (PSRC), and the Seattle Department of Transportation, on issues of regional importance and integration.
- Guided major initiatives including:
  - 2024 Bus Network Restructure preparation and implementation.
  - Zero Emissions pilot and strategy.
  - Remodel and expansion of operating and administrative facilities.
  - Expansion of the Swift Network with the launch of Swift Orange Line.
- Implemented the Safety & Security Strategic Plan including the opening of the Security Operations Center and launch of the coach operator bus door barrier project.
- Achieved successful results in recruitment efforts for coach operators and mechanics reaching full capacity for coach operators ahead of the September 2024 Service Change.
- Completed renovation of the Hardeson Campus Service and Operations Building and expanded Vehicle Maintenance Facilities.
- Supported the Board of Directors in their activities including 12 monthly meetings and quarterly workshops in accordance with laws and regulations.
- Administered the Snohomish County PTBA Board of Directors Composition and Selection meeting in January 2024.
- Received and responded to approximately 150 public disclosure requests as of 9/4/24.
- Developed the 2024 State Legislative agenda in collaboration with staff across the agency.
- Received congressional directed spending awards from congressional delegation for ZE transition, Swift Gold Line, and the Swift Green Line terminus.
- Partnered closely with transit agency partners to create an effective transit network, including close collaboration with Sound Transit on their Link light rail delivery.
- Strengthened local and business partnerships by serving on the Board of Trustees for Economic Alliance of Snohomish County and as a board member and meeting host for the Snohomish County Committee for Improved Transportation (SCCIT), and participated in regional forums including jurisdictional councils, county economic task forces, and the Puget Sound Regional Council.

## 2025 Goals

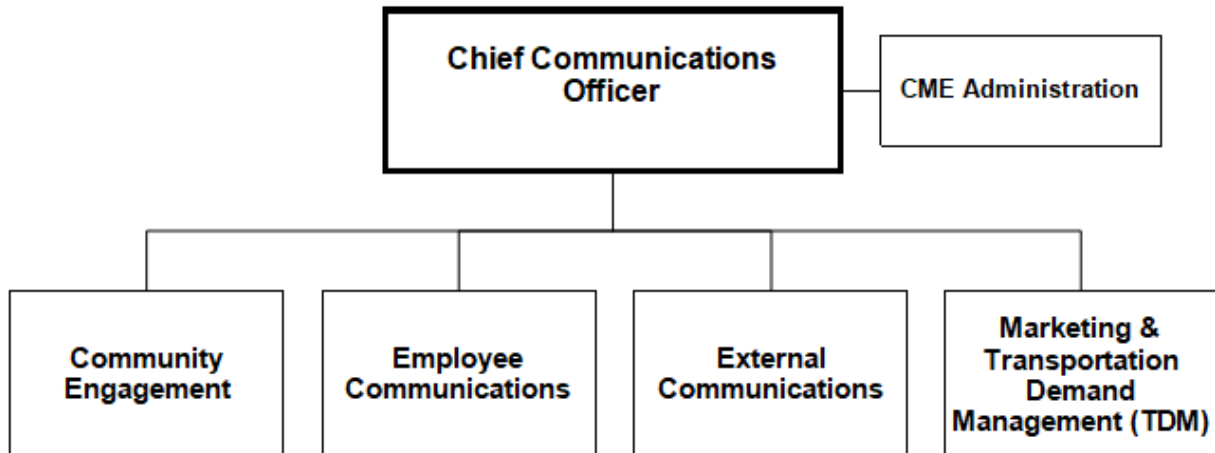
- Increase external engagement to promote initiatives (Zero Emissions, Sustainability, Bus Rapid Transit, Innovative Services).
- Maximize partnerships, policy, and funding opportunities to advance agency priorities.

- Advance major initiatives and programs:
  - 2024 Bus Network Restructure implementation.
  - Bus Rapid Transit expansion and including Swift Gold Line planning.
  - Zero Emissions Program development and implementation.
  - 2025 Legislative Agenda and the development of state and federal grants strategy for agency initiatives.
  - Adopting six-year Transit Development Plan.
  - Remodel and expansion of operating facilities including the Hardeson Campus Vehicle Maintenance Offices and Parts Department.
  - Safety and Security programs to enhance rider and employee safety.
  - Innovative Services program pilots and development of a strategy for expansion to additional communities.
- Continue engagement with PTBA regional jurisdictions and partners on network improvements, Swift network planning and construction, and other key initiatives.
- Manage Board activities and provide support to Board members, including meeting preparation, adherence to open public meeting regulations, and assisting with travel and research.
- Manage the agency's public disclosure process in accordance with all applicable laws and regulations.
- Maintain and develop regional relationships and continue a strategic approach in growing the sponsorship program in alignment with the agency's mission and planning efforts.

# Communications, Marketing, and Engagement

## Department Description

The Communications, Marketing, and Engagement budget supports the agency’s mission by creating strategic messaging and materials, providing marketing and outreach for agency projects and initiatives, building relationships with communities, and engaging with customers to gather input on key projects and achieve our strategic themes of delivering excellent service and building the future. The department supports all three agency strategic priorities, with a special emphasis on attracting and retaining customers through marketing, communications, and engagement efforts and strengthening the employee experience through internal communications.



Division	Description
Communications, Marketing, and Engagement (CME) Administration	Provides leadership, oversight, and administrative support for the department.
Community Engagement	Builds relationships with, engages with, informs, and gathers input from the community on service planning and long-term Community Transit projects and initiatives. Seeks to reach current and potential riders from the diverse communities we serve so that they can see their needs reflected in agency plans and services.

Division	Description
Employee Communications	Develops, manages and executes internal communication strategies that keep employees informed, engaged and aligned with the agency’s strategic priorities through various channels. Partners with internal business owners to provide strategic communication plans on agencywide initiatives.
External Communications	Advises executive leadership and other key internal project leaders on crisis situations and other communications activities to further the agency’s mission and enhance its reputation. Communicates with riders, news media, social media followers, industry influencers, and the general public.
Marketing & Transportation Demand Management	Strategizes, produces, and executes multimedia marketing campaigns and programs focused on awareness, perception, use of our services, and recruitment of key operational staff. Administers programs to help reduce single-occupancy trips, including the agency’s participation in Washington’s Commute Trip Reduction (CTR) program.

## Department Operating Budget (Fund 40)

### Budget by Division

Division	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
CME Admin	207,880	394,667	403,540	8,873	2%
External Communications	881,035	735,770	631,380	(104,390)	-14%
Employee Communications	146	339,555	421,048	81,493	24%
Community Engagement	1,545	487,585	906,250	418,665	86%
Marketing & TDM	4,184,521	5,811,602	5,838,986	27,384	0%
<b>Communications, Marketing, and Engagement</b>	<b>5,275,128</b>	<b>7,769,179</b>	<b>8,201,204</b>	<b>432,025</b>	<b>6%</b>

This department was reorganized after the original 2023 budget was prepared.

- Employee Communications and Community Engagement were formed from External Communications. Historical costs for those divisions are shown under External Communications (formerly Agency Communications).
- The Marketing & TDM division was transferred from the Customer Experience department. Historical costs for those programs have been reallocated and are included in the charts and tables in this section.

## Budget by Category

Expense Type	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Salaries and Wages	\$ 2,386,611	\$ 3,246,810	\$ 3,380,957	\$ 134,147	4%
Benefits	921,011	1,181,126	1,223,595	42,469	4%
<b>Personnel</b>	<b>3,307,621</b>	<b>4,427,936</b>	<b>4,604,552</b>	<b>176,616</b>	<b>4%</b>
Services	1,906,604	3,366,693	3,451,652	84,959	3%
Supplies	60,903	132,000	145,000	13,000	10%
Budget Offset Contra Account		(157,450)		157,450	-100%
<b>Operating Expenditures</b>	<b>\$ 5,275,128</b>	<b>\$ 7,769,179</b>	<b>\$ 8,201,204</b>	<b>\$ 432,025</b>	<b>6%</b>

### Budget Offset Contra Account

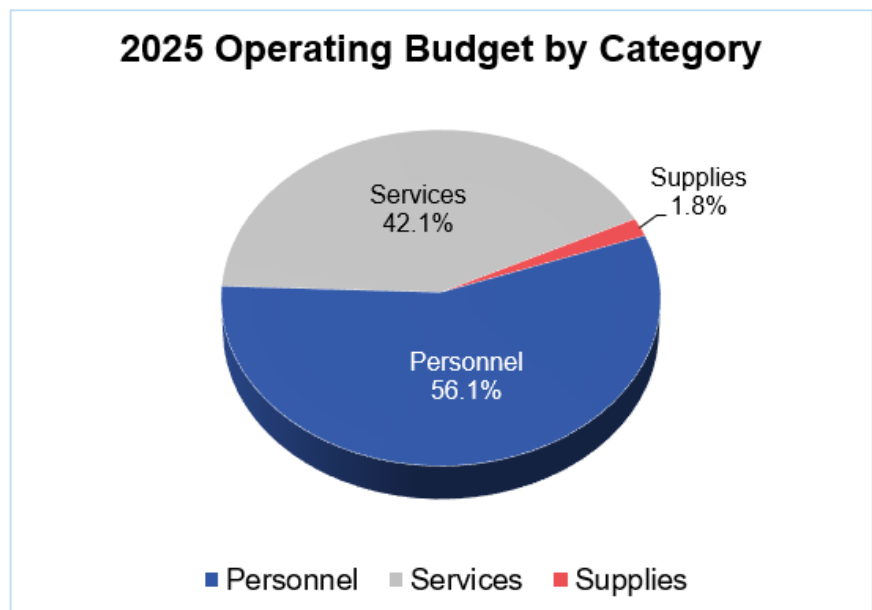
In 2024, all departments were assigned negative budget adjustments as a tool to help Community Transit control its budget growth overall. The contra account reduced each department's budget without cutting specific line items. This practice has not been repeated in the 2025 budget.

### Services

The services budget for this department supports agency objectives and goals, and therefore varies from year to year. The increase in this category starting in 2024 supports exceptional changes taking place at the agency, including major service network changes, expansion of the Swift BRT network, zero emissions bus pilot, safety and security awareness, rider alert promotions, recruitment efforts, and increased community engagement activities.

At \$1.8 million, advertising is the largest expense in the services category; this represents about 52.9% of the category total and reflects a decrease of about 21.5% as compared to the 2024 budget. This decrease represents the

conclusion or winding down of several campaigns unique to 2024, including the spring opening of Swift Orange Line, and the fall network restructure. The remainder of the services budget funds community engagement programs, research, and a variety of miscellaneous services.



In 2025, advertising and engagement programs will help keep riders and community members informed about bus network changes as Sound Transit’s 2 Line extends from the eastside of King County to Lynnwood, Interstate 5 undergoes a significant multiyear repair project, and engagement and research efforts gather input on Swift Gold Line station locations and other future changes from the diverse communities in Community Transit’s service area.

## Supplies

Postage for marketing and engagement materials comprises 75% of the supply category. The remainder of the budget funds promotional items, photo and video equipment, nonstandard office supplies, and other miscellaneous items.

## Staffing and Personnel Expense

Division	Budget Center	FTEs
CME Admin	CME Admin	2.0
External Communications	External Communications	5.0
Employee Communications	Employee Communications	2.0
Community Engagement	Community Engagement	2.0
Marketing & TDM	Marketing	20.0
<b>Department FTE Total</b>		<b>31.0</b>

There are two new FTEs budgeted for 2025, both in the Marketing & TDM division: a grant-funded Marketing Strategist to support the Commute Trip Reduction (CTR) Program, and a Marketing Coordinator to support overall agency and program growth.

### Employee Expense by Fund

Employee Expense by Fund	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Fund 40: General Fund	\$ 3,307,621	\$ 4,427,936	\$ 4,604,552	\$ 176,616	4%
Fund 42: Infrastructure Preservation				-	n/a
Fund 45: FTA Capital Projects Fund	193,691	320,050	275,050	(45,000)	-14%
Fund 46: Local Capital Projects Fund				-	n/a
Fund 48: Facilities and Technology Fund				-	n/a
<b>Total Employee Expense</b>	<b>\$ 3,501,312</b>	<b>\$ 4,747,986</b>	<b>\$ 4,879,602</b>	<b>\$ 131,616</b>	<b>3%</b>

Approximately 5.6% of employee expense in 2025 is budgeted to capital funds in support of the agency’s capital program.

## Capital Project Budget Oversight

This department does not have budget authority over any capital projects for 2025, however staff support agency capital projects as needed.

# Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2024 accomplishments and 2025 goals are provided below.

## 2024 Accomplishments

- Informed our riders and communities about the March 30 and Sept. 14 service changes through a variety of print, digital, in-person, and advertising channels.
- Garnered significant news coverage of Community Transit’s purchase of the first hydrogen fuel cell-powered bus in the Puget Sound region.
- Increased social media followers by 15% on Facebook, 52% on LinkedIn, and 95% on Instagram over 2023 numbers.
- Increased new subscribers to digital Rider Alerts by 10% in the month leading up to the September 2024 service change, and by 20% over 2023 numbers.
- Increased active users by 10% on Interact, the employee communications app.
- Nearly doubled the target goal for attendees to the Swift Orange Line Block Party community celebration in March.
- Educated, engaged, and recognized employees for their work on the March 30 Swift Orange Line opening and September 14 service change through various internal channels.
- Launched a coordinated jurisdictional and community engagement initiative for Swift Gold Line.
- Supported the agency’s hiring goals for coach operators, journey mechanics, and transit security officers through recruitment marketing efforts.
- Received national recognition and awards for campaign and creative work.
- Launched the Youth Marketing Program targeted to middle and high school students to provide them with transit riding skills.
- Partnered with Rick Steves on a video series to promote Community Transit ridership in local communities and connections to other transit services.





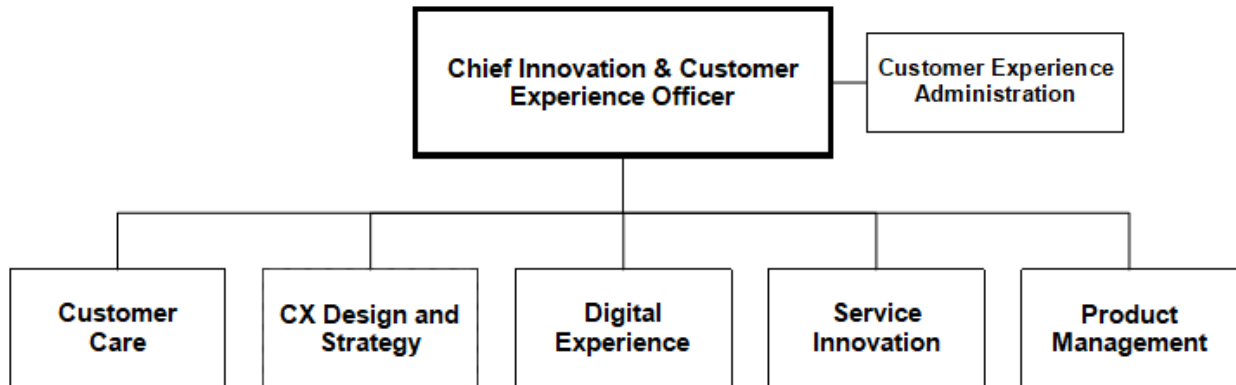
## 2025 Goals

- Implement a successful, multi-channel communications and community engagement approach to inform the board's decision on a locally preferred alternative alignment for Swift Gold Line.
- Support the launch of new Zip pilot programs in Arlington, Darrington, and Lake Stevens.
- Support recruitment of coach operators, mechanics, and security personnel to meet service targets through regional advertising campaigns.
- Implement a new underlying platform for Interact, the employee communications app, with enhanced functionality and a seamless transition for employees.
- Support the internal and external rollout of the agency's first Sustainability Action Plan.
- Conduct a countywide brand awareness survey to better understand rider and non-rider sentiment toward Community Transit.
- Support the agency's decisions around expansion of the zero emissions bus fleet program.
- Promote the increase in bus service frequency, connections to light rail, and overall ridership and use of Community Transit services through targeted advertising campaigns.

# Customer Experience

## Department Description

The Customer Experience department budget supports all three agency strategic priorities, with a special emphasis on attracting and retaining customers through thoughtful attention to how riders and community members interact with, and benefit from, agency services. Department staff work cross functionally to identify needs and create transportation experiences that people want to use and tell their friends and family about.



Division	Description
Customer Care	<p>Provides customer service to our community in person, on our bus service, and at the Ride Store. Customer Care also provides customer service over different channels of communication, such as phone and email. Distributes and shares rider information with our community members.</p> <p>The Customer Care team provides the friendly face of Community Transit while helping customers with their questions about ORCA, fares, trip planning, real-time bus finding, how to ride, lost and found, and many other transit-oriented questions. The team also takes customers complaints and compliments. All the information is shared with internal departments for use in their work. Engages with customers onboard buses and at Swift BRT stations and encourages fare payment and safe ridership. Provides staffing for outreach events, fairs and festivals, and customer engagement throughout our service area including during inclement weather or other events that disrupt our service.</p>

Division	Description
Customer Experience Administration	Oversees and supports the Customer Experience Department as a whole. This division provides guidance and strategy, ensures budgets are met, finds ways to improve employee experience, and ensures employees within the department have what they need to do their jobs successfully.
Customer Experience (CX) Design Strategy	<p>Collaborates across the agency to measure, improve, and strategically plan for the customer’s experience. Gathers customer insights, trends, and unmet needs to define an overarching strategic roadmap for customer experience.</p> <p>This division also holds expertise on ADA regulations and the needs of the disability community which are used to improve accessibility to the agency’s services and overall experience.</p>
Digital Experience	Defines and executes a digital strategy for the company website and digital tools, while keeping the site up to date for customers. Combines data analytics with direct customer feedback to inform the design of new features to enhance the digital customer experience.
Service Innovation	Pilots new services that both integrate with, and provide alternatives to bus, Bus Rapid Transit (BRT), commuter rail, and light rail, with the goal of increasing overall transit ridership and attracting new customers to transit. Works directly with communities to understand local needs, get feedback and input on ideas, and develop go-to market planning with continual learning.
Product Management	<p>Collaborates cross-functionally to manage the entire lifecycle of services and products and end-to-end customer experience. Leverages customer voice and allies with key stakeholders to help define and prioritize future roadmaps and improvements.</p> <p>Operates the Vanpool Program: provides personalized customer service, manages maintenance scheduling, and promotes ridership.</p>

# Department Operating Budget (Fund 40)

## Budget by Division

Division	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Customer Experience Admin	548,112	434,386	413,731	(20,655)	-5%
Service Innovation	1,723,265	5,740,001	6,046,287	306,286	5%
Customer Care	2,074,369	3,165,744	3,449,391	283,647	9%
Digital Experience	147,198	7,340	512,090	504,750	6877%
Product Management	958,917	1,057,131	1,761,653	704,522	67%
CX Design and Strategy		324,302	311,932	(12,370)	-4%
<b>Customer Experience</b>	<b>5,451,862</b>	<b>10,728,904</b>	<b>12,495,084</b>	<b>1,766,180</b>	<b>16%</b>

Growth in this department's budget is discussed in more detail in the Budget by category section below. At a high level, changes by division are as follows:

- The Service Innovation program is expanding, with three new microtransit pilot areas in operation during 2025.
- The Customer Care division is growing to support service expansion. The 2025 budget includes funding for two additional customer focused positions.
- In 2023 and 2024, most of the Digital Experience group's expenses were related to capital projects, which were expensed to capital funds and not included above. In 2025, some of these expenses are shifting to the operating budget as capital project work winds down.
- The Product Management budget is increasing to support the expansion of the vanpool program as well as new work to evolve microtransit and DART contract support. The 2025 budget includes two new positions in this division.

# Budget by Category

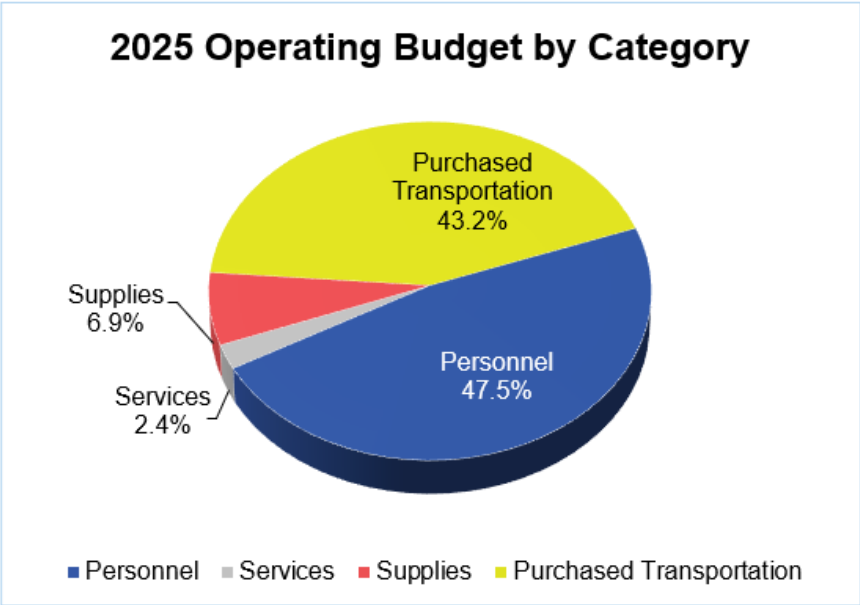
Expense Type	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Salaries and Wages	\$ 2,363,749	\$ 3,449,960	\$ 4,195,004	\$ 745,044	22%
Benefits	956,438	1,497,514	1,743,641	246,127	16%
<b>Personnel</b>	<b>3,320,187</b>	<b>4,947,474</b>	<b>5,938,644</b>	<b>991,170</b>	<b>20%</b>
Services	465,521	310,610	294,290	(16,320)	-5%
Supplies	582,317	594,600	862,150	267,550	45%
Purchased Transportation	1,083,836	5,100,000	5,400,000	300,000	6%
Budget Offset Contra Account		(223,780)		223,780	-100%
<b>Operating Expenditures</b>	<b>\$ 5,451,862</b>	<b>\$ 10,728,904</b>	<b>\$ 12,495,084</b>	<b>\$ 1,766,180</b>	<b>16%</b>

## Budget Offset Contra Account

In 2024, all departments were assigned negative budget adjustments as a tool to help Community Transit control its budget growth overall. The contra account reduced each department’s budget without cutting specific line items. This practice has not been repeated in the 2025 budget.

## Purchased Transportation

Community Transit has budgeted \$5.4 million in 2025 for operations of innovative service (microtransit) projects in Snohomish County. This program explores new transit options designed to suit the unique needs of local communities. The first such program, the Zip Alderwood Shuttle in



Lynnwood, moved to operational status in late 2023 following the conclusion of a successful year-long pilot program. New microtransit service pilots will begin in Arlington, Darrington, and Lake Stevens in 2025. Additional areas will be identified based on learnings from the pilot areas and the creation of formal service standards. Communities may be chosen based on population density, equity, access to current transit services, and other criteria. Learn more about the innovative services program online at

<https://www.communitytransit.org/about/programs/innovative-services>.

## Services

The services budget makes up 2.4% of the department operating budget. This budget funds temporary staffing, vanpool driver training, ridership promotions, professional services, and consulting for efforts such as innovative services area studies and website support, and other miscellaneous expenses.

## Supplies

The most significant expense in the supplies budget is motor fuel for the agency vanpool program. In 2025, the fuel budget is increasing by about 31.3% to \$840,000; this is equivalent to 97.4% of the total supplies category. The increase reflects both an increase in program participation and a change in driving habits, as many drivers shift from remote or hybrid schedules and consume more fuel. The vanpool program uses fuel cards from the state contract which allows vanpool drivers to purchase fuel from any local source that accepts the fuel card. Fuel for innovative service microtransit programs is included in the purchased transportation category.

The rest of the supplies budget funds nonstandard office supplies and minor equipment for the department.

## Staffing and Personnel Expense

Division	Budget Center	FTEs
Customer Experience Admin	Customer Experience Admin	2.0
Service Innovation	Service Innovation Admin	3.0
Customer Care	Sales and Distribution	8.0
Customer Care	Service Ambassadors	15.0
Customer Care	Customer Care	8.0
Digital Experience	Digital Experience	4.0
Product Management	Vanpool Program	2.0
Product Management	Product Management	4.0
CX Design and Strategy	CX Design and Strategy	2.0
<b>Department FTE Total</b>		<b>48.0</b>

The 2024 budget adds four FTEs, bringing the department total to 48 FTE. The new positions support service growth and include: two specialists in Product Management to support Zip microtransit operations and DART services, one Sales and Distribution specialist to support increased operating hours at the Ride Store in Lynnwood, and an additional Service Ambassador Lead to provide leadership to frontline employees assisting customers in the field.

## Employee Expense by Fund

Employee Expense by Fund	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Fund 40: General Fund	\$ 3,320,187	\$ 4,947,474	\$ 5,938,644	\$ 991,170	20%
Fund 42: Infrastructure Preservation				-	n/a
Fund 45: FTA Capital Projects Fund				-	n/a
Fund 46: Local Capital Projects Fund	462,592	788,368	351,850	(436,518)	-55%
Fund 48: Facilities and Technology Fund				-	n/a
<b>Total Employee Expense</b>	<b>\$ 3,782,779</b>	<b>\$ 5,735,842</b>	<b>\$ 6,290,495</b>	<b>\$ 554,653</b>	<b>10%</b>

Approximately 5.6% of employee expense in 2025 is budgeted to capital funds in support of the agency's capital program. This is a decrease from 13.7% in 2024, and a reflects a shift from capital project work to operational work in the Digital Experience department.

## Budget Oversight

This department has budget authority over all or part of the following capital projects. Please see the Capital Program section for more information.

Fund	Project
42	(2307) Corp Website Continuous Delivery
44	(2416) 2024 Vanpool Vehicles
44	(2509) 2025 Vanpool Vehicles
46	(1921) Digital Strategy

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2024 accomplishments and 2025 goals are provided below.

### 2024 Accomplishments

- Started customer pilot of electric vehicles in the Vanpool fleet.
- Streamlined Vanpool customer data and billing process.
- Launched microtransit service pilots in Arlington, Darrington, and Lake Stevens.
- Moved the Ride Store back to Lynnwood City Center Station from Ash Way Park & Ride in time for the launch of the 1 Line extension.
- Completed hiring and training of all Service Ambassador positions to support the launch of Swift Orange Line.
- Added Saturday hours to support customers at the Ride Store as well as on phones.
- Supported customers by consulting on 2024 Network Changes to design a customer focused discovery of the change and experience on the network.

- Delivered a monthly Customer Experience dashboard monitoring reasons for contact, top complaint types, and stories of delightful experiences along with pain points.
- Hired an Accessibility Strategist who became certified as an ADA Coordinator and has consulted internally to improve accessibility.
- Enhanced website features and functionality to support service change, providing customers with robust online tools to help them plan new trips and information for schedule changes and Link Shuttles (bus bridge).

## 2025 Goals

- Add additional staff to the Ride Store team to support opening the store and phone lines on Sunday.
- Lead the creation and implementation of a transition plan which documents a prioritized collection of projects needed to improve the experience for people that have disabilities across all customer touchpoints.
- Share the voice of the customer across the agency through a variety of methods to ensure each division has the information needed to keep the customers' needs at the heart of their work.
- Implement online chat and chatbot functionality in parallel with a new phone system.
- Continue accessibility improvements to web content and have it completed by April 2026.
- Analyze results of Tesla pilot in Vanpool and make recommendation for next steps.
- Operate microtransit service pilots in Arlington, Darrington, and Lake Stevens and begin evaluation process to determine if they transition to regular service in 2026.
- Launch a Community Van service pilot (city location TBD).



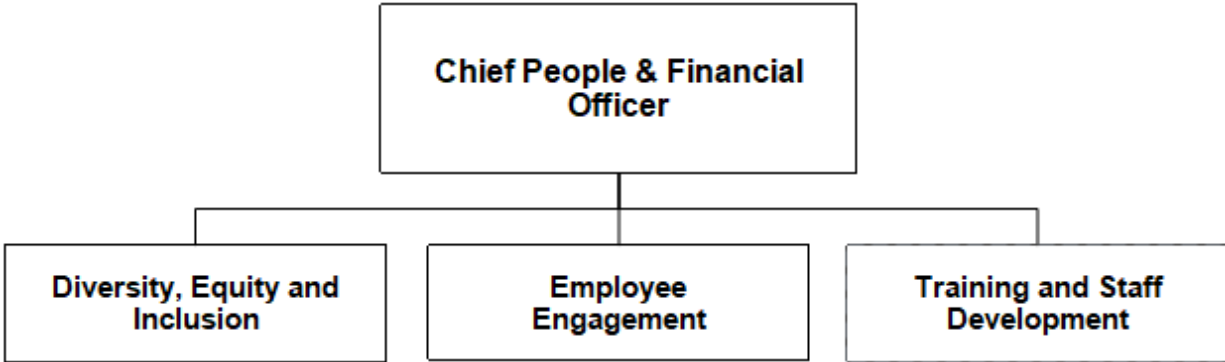


# Employee Engagement

## Department Description

The Employee Engagement Department’s work is essential to developing and maintaining a workforce that is engaged, diverse, skilled, and aligned with the agency’s vision and core values. The department accomplishes this in collaboration with and by providing support to every employee and department in the agency.

At a high level, the department is responsible for workforce planning and recruitment; implementing Diversity, Equity and Inclusion initiatives, policies and programs; managing employee and labor relations within agency policies, collective bargaining, and State and Federal law and regulations; compliance for Drug and Alcohol and Equal Employment Opportunity (EEO) programs; performance management, training and development of employees; organizational effectiveness and change management; and compensation, and benefits programs.



Division	Description
Diversity, Equity, and Inclusion (DEI)	Serves as a consultant to ensure we align our policies, practices, and resources so everyone has genuine opportunities to fully participate and thrive.
Employee Engagement	Supports and serves as internal consultants for the full employee lifecycle by overseeing and optimizing each phase of an employee’s journey within the agency to ensure their success, engagement, and growth. Addresses workplace issues, grievances and disputes. Manages policy enforcement, Drug and Alcohol, and EEO compliance.
Training and Staff Development	Operates the agency’s in-house training programs for coach operators and mechanics. Provides opportunities for employees to grow in their career through internal training and development offerings. Supports agency initiatives through change management, leadership development, and teamwork.

# Department Operating Budget (Fund 40)

## Budget by Division

Division	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Employee Engagement	5,026,708	5,665,242	6,639,329	974,087	17%
Diversity, Equity, & Inclusion	466,429	429,735	438,780	9,045	2%
Training and Staff Development	7,579,617	8,886,447	9,363,769	477,322	5%
<b>Employee Engagement</b>	<b>13,072,754</b>	<b>14,981,424</b>	<b>16,441,879</b>	<b>1,460,455</b>	<b>10%</b>

The Employee Engagement department budget is increasing to support overall agency growth. More detailed budget discussion follows.

## Budget by Category

Expense Type	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Salaries and Wages	\$ 7,015,949	\$ 8,583,572	\$ 9,010,680	\$ 427,108	5%
Benefits	3,106,652	3,264,086	3,764,404	500,318	15%
<b>Personnel</b>	<b>10,122,601</b>	<b>11,847,658</b>	<b>12,775,084</b>	<b>927,426</b>	<b>8%</b>
Services	2,801,080	3,334,956	3,566,230	231,274	7%
Supplies	114,104	56,960	60,565	3,605	6%
Intergovernmental Services	34,969	30,000	40,000	10,000	33%
Budget Offset Contra Account		(288,150)		288,150	-100%
<b>Operating Expenditures</b>	<b>\$ 13,072,754</b>	<b>\$ 14,981,424</b>	<b>\$ 16,441,879</b>	<b>\$ 1,460,455</b>	<b>10%</b>

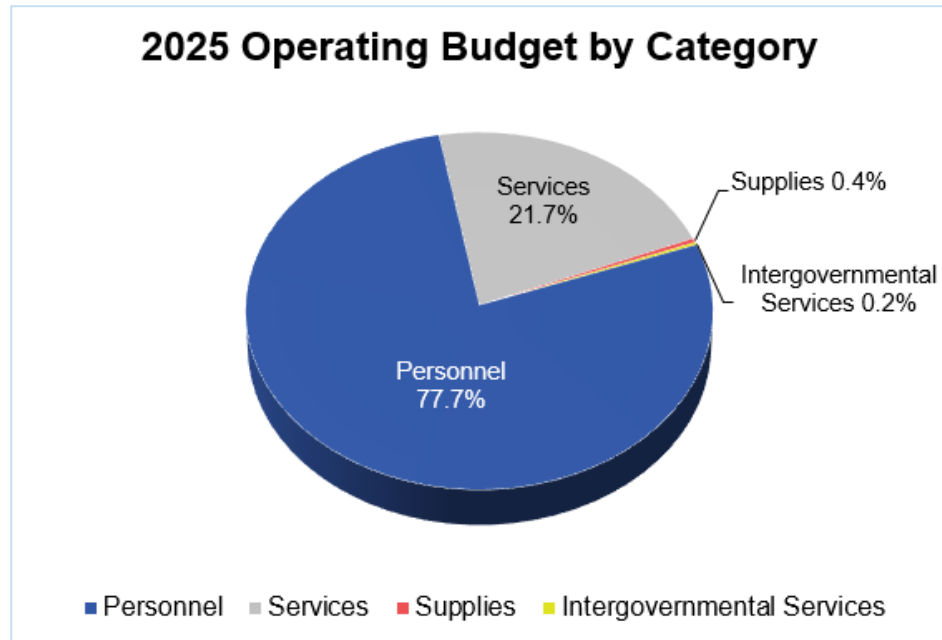
## Budget Offset Contra Account

In 2024, all departments were assigned negative budget adjustments as a tool to help Community Transit control its budget growth overall. The contra account reduced each department’s budget without cutting specific line items. This practice has not been repeated in the 2025 budget

## Services, Supplies, and Intergovernmental Services

Budget increases in 2025 reflect the need for additional services and staff to support recruitment, training, and development of the agency’s growing workforce.

The services budget in the Employee Engagement department funds enterprise programs such as recruitment services and support, staff development and training, the employee wellness program, legal support, temporary services, and consulting fees.



The supplies budget primarily funds training materials and equipment, and the intergovernmental services budget funds transit passes for staff.

## Staffing and Personnel Expense

Division	Budget Center	FTEs
Employee Engagement	Employee Engagement	29.0
Diversity Equity and Inclusion	Diversity Equity and Inclusion	2.0
Training and Staff Development	Coach Operator Instruction	19.0
Training and Staff Development	Maintenance and Transportation Instruction	7.0
Training and Staff Development	Corporatwide Training	4.0
Training and Staff Development	Training Administration	4.0
Training and Staff Development	Organizational Development	2.0
<b>Department FTE Total</b>		<b>67.0</b>

Three positions were added to this department in 2024, after the original 2024 budget was approved: two existing positions moved from other departments to Training, and one new position was added: a Human Resources Information Systems (HRIS) Manager to guide and implement improvements to critical human resources information systems.

The 2025 budget adds an additional six positions: three positions each in the Employee Engagement and Training divisions. These positions include:

- One support specialist to help manage the employee benefit and leave programs
- Two human resources business partners
- One additional maintenance instructor
- One instructional designer
- One term-limited technical writer



These positions will help to develop and provide in-house training for maintenance staff and drivers on new equipment and routes, create capacity to partner with agency leadership in Employee Relations matters, and manage certain benefits programs in-house which were previously managed by a third party, as well as supporting overall agency growth in other departments.

#### Employee Expense by Fund

Employee Expense by Fund	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Fund 40: General Fund	\$ 10,122,601	\$ 11,847,658	\$ 12,775,084	\$ 927,426	8%
Fund 42: Infrastructure Preservation				-	n/a
Fund 45: FTA Capital Projects Fund				-	n/a
Fund 46: Local Capital Projects Fund			139,308	139,308	n/a
Fund 48: Facilities and Technology Fund			139,471	139,471	n/a
<b>Total Employee Expense</b>	<b>\$ 10,122,601</b>	<b>\$ 11,847,658</b>	<b>\$ 13,053,864</b>	<b>\$ 1,206,206</b>	<b>10%</b>

Approximately 2.1% of employee expense in 2025 is budgeted to capital funds in support of the agency's capital program.

### Capital Project Budget Oversight

This department does not have budget authority over any capital projects for 2025. Staff support capital projects as needed.

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2024 accomplishments and 2025 goals are provided below.

### 2024 Accomplishments

- Implemented a Performance Management System that aligns with agency and department strategic priorities, measures success in results and demonstration of core values.
- Executed process improvements in recruitment that resulted in successfully meeting operational staffing needs despite a challenging recruitment climate) which enabled service increases for our customers.
- Established and launched an Employee Resource Group (Women & Transit) to foster a supportive and inclusive community to serve as a platform for networking, professional development, and creating a sense of belonging.
- Collaborated with 2024 service planning to ensure the largest service change initiative in agency history is successfully staffed with trained and skilled operations staff.
- Defined the required skills and competencies to perform the essential functions of a Transit Security Officer (TSO) and collaborated with Safety, Security and Sustainability to establish the TSO program.
- Completed process improvements and updated documentation for the benefits program.
- Conducted a baseline assessment for the Diversity, Equity and Inclusion program and shared the results with employees.

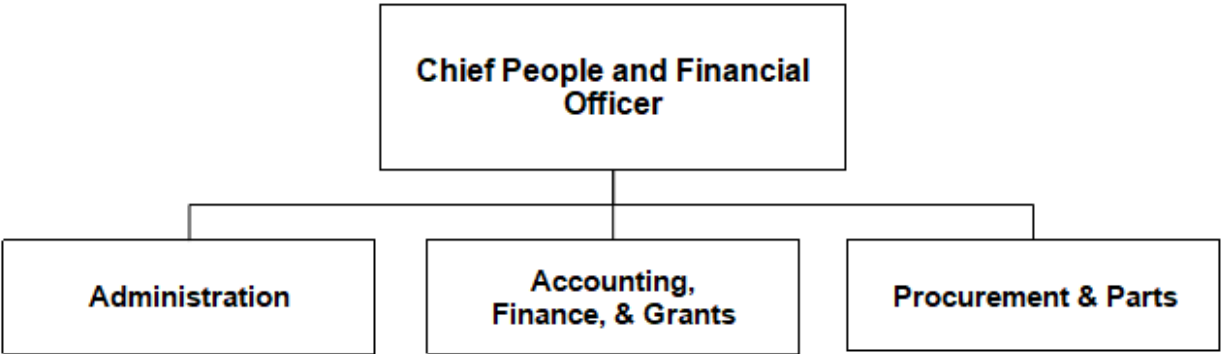
### 2025 Goals

- Negotiate four collective bargaining agreements successfully.
- Implement targeted selection behavioral interviewing with a capability model in recruitment of employees.
- Train managers and hiring panels in DEI inclusive hiring workshops and practices.
- Enhance the new employee experience and implement a probationary employee policy and procedure toolkit.
- Transition to in-house FMLA management from the third party administrator.
- Train managers on leadership accountabilities that include providing a tool kit and skill development.
- Incorporate change management and organizational effectiveness in workforce planning, process improvement, project implementations, and agency initiatives.
- Develop and communicate an employee engagement dashboard.
- Develop, in collaboration with other departments, a seamless transition plan for contracted to directly operated transition.

# Finance and Administration

## Department Description

The Finance and Administration Department’s focus is on service excellence to our employees, vendors, stakeholders, and our transit customers. Department employees work in an environment subject to recurring regulatory review by local, state, and federal agencies, including the Federal Transit Administration (FTA) and the Office of the Washington State Auditor (SAO). As a result, the department often places a strong emphasis on compliance, internal controls, and guidelines that help the agency excel at the highest level of effectiveness. With the continued growth of the agency, it is critical for the department to pursue continuous improvement in their work to support increasing volume while containing the cost of service.



Division	Description
Administration	Provides general support to the department such as data entry, document preparation, scheduling, and serves as point of contact for visitors. Acts as the executive liaison for the Board’s Finance, Performance, and Oversight Committee and oversees the agency-wide reception, mail, courier, and distribution services.
Accounting, Finance and Grants	Handles financial reporting, payroll, accounts payable and receivable, treasury services, asset management, accounting, budgeting, financial analysis, investment, and debt services. Manages the agency’s grant portfolio and strategies to secure funding for major projects. Prepares quarterly financial reports, the annual budget, and three audited reports: the Annual Comprehensive Financial Report, the Schedule of Expenditures of Federal Awards, and the Federal Transit Administration National Transit Database report.

Division	Description
Procurement & Parts Inventory	Manages strategic and tactical procurement to ensure the best value for taxpayer funds, promoting competition, quality purchases, small business participation, and compliance with complex regulations. Handles the purchase, stocking, and maintenance of inventory to keep the agency's vehicle fleet—buses, vanpool vans, and other service vehicles—safe, timely, and cost-effective.

## Department Operating Budget (Fund 40)

### Budget by Division

Division	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Administration	757,173	1,238,165	1,115,874	(122,291)	-10%
Accounting, Finance, and Grants	3,789,184	4,354,011	4,727,133	373,122	9%
Procurement and Parts Inventory	2,463,455	2,518,679	2,974,983	456,304	18%
<b>Finance and Administration</b>	<b>7,009,812</b>	<b>8,110,855</b>	<b>8,817,990</b>	<b>707,135</b>	<b>9%</b>

### Budget by Category

Expense Type	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Salaries and Wages	\$ 4,599,982	\$ 5,291,757	\$ 5,640,032	\$ 348,275	7%
Benefits	1,650,782	2,088,038	2,169,398	81,360	4%
<b>Personnel</b>	<b>6,250,763</b>	<b>7,379,795</b>	<b>7,809,430</b>	<b>429,635</b>	<b>6%</b>
Services	643,517	774,545	841,304	66,759	9%
Supplies	90,604	98,850	132,756	33,906	34%
Intergovernmental Services	24,928	12,100	34,500	22,400	185%
Budget Offset Contra Account		(154,435)		154,435	-100%
<b>Operating Expenditures</b>	<b>\$ 7,009,812</b>	<b>\$ 8,110,855</b>	<b>\$ 8,817,990</b>	<b>\$ 707,135</b>	<b>9%</b>

### Budget Offset Contra Account

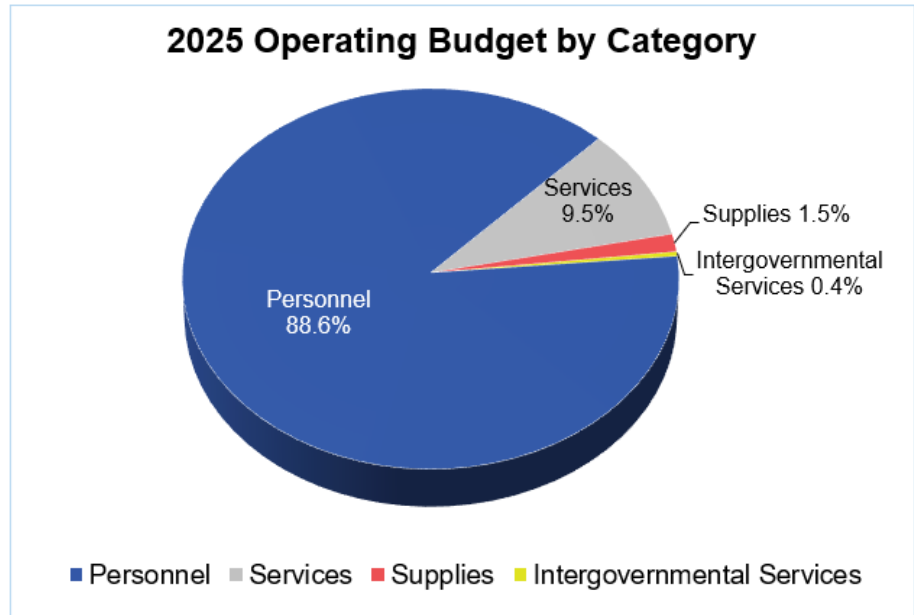
In 2024, all departments were assigned a negative budget adjustment as a tool to help Community Transit control its budget growth overall. The contra account reduced a departments budget without cutting specific line items. This practice has not been repeated in the 2025 budget.

## Services, Supplies, and Intergovernmental Services

The largest expense in the services category is armored car service for fare collections. Armored car costs are budgeted to be about 37% higher than in 2024 to account for contract rate increases and additional pick-up locations for Swift lines. The other significant expenses in this category are professional services and audit services. The remainder of the services budget funds bank fees, printing, various dues and memberships, and other miscellaneous items.

The intergovernmental services budget covers vehicle title and license fees for coaches, vanpool, DART, and support vehicles, as well as

taxes on advertising revenue. Expenses in this category vary from year to year based on the number of new vehicles purchased and the amount of advertising revenue generated. Supplies include agency-wide expenses for office supplies, printer paper, stationery, and postage. The slight (1.5%) increase in this category reflects the need for additional parts inventory equipment. Although the agency’s workforce is growing, sustainability and technology efforts have stabilized corporate office supplies.



## Staffing and Personnel Expense

Division	Budget Center	FTEs
Administration	Administration	6.0
Accounting, Finance, and Grants	Grants	5.0
Accounting, Finance, and Grants	Finance and Accounting	27.0
Procurement & Parts	Procurement	12.0
Procurement & Parts	Parts Inventory	14.0
<b>Department FTE Total</b>		<b>64.0</b>

One position was added to this department in 2024, after the original 2024 budget was approved: Chief People and Financial Officer. This role integrates the Employee Engagement and Finance & Administration departments under a unified reporting structure.



The 2025 budget adds an additional six permanent and two term limited positions: These positions include:

- Sr. Coordinator- Payroll
- Sr. Specialist – Procurement SBE/DBE
- Three Journey Parts Persons
- Program Manager – Procurement Parts
- Accountant/Payroll Term Limited to end December 2025
- Grant Accountant Term Limited to end December 2027



These positions will assist with payroll, procurement, and parts operations due to staff growth. They include term-limited roles for payroll reconciliation, backup support, and grant funding accounting to manage increased grant applications.

#### Employee Expense by Fund

Employee Expense by Fund	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Fund 40: General Fund	\$ 6,250,763	\$ 7,379,795	\$ 7,809,430	\$ 429,635	6%
Fund 42: Infrastructure Preservation		119,086	153,002	33,916	28%
Fund 45: FTA Capital Projects Fund	704,583	849,512	1,129,784	280,272	33%
Fund 46: Local Capital Projects Fund				-	n/a
Fund 48: Facilities and Technology Fund	62,553	234,517	246,024	11,507	5%
<b>Total Employee Expense</b>	<b>\$ 7,017,899</b>	<b>\$ 8,582,910</b>	<b>\$ 9,338,240</b>	<b>\$ 755,330</b>	<b>9%</b>

In 2025, 16% of employee expense budget is allocated to capital funds to support the agency's capital program.

### Budget Oversight

The Finance and Administration department provides budget oversight and support for the entire agency, and manages the following non-departmental budget centers:

Budget Center
64165 Workers' Compensation
64168 Salary Pool
64169 Insurance
64181 Depreciation and Amortization
64182 Debt Service
64183 Interfund Transfers
64184 Professional Services Pool
64185 Department Equipment Cost Pool

## Capital Project Budget Oversight

This department has budget authority over all or part of the following capital projects. Projects starting with 99 are contingencies for the Capital Program. Please see the Capital Program section for more information.

Fund	Project
42	(9990) Contingency -- Infrastructure Preservation
42	(9991) Contingency -- IT Infrastructure
46	(2402) Financial & Human Capital Mgmt Systems Replacement Feasibility
46	(9996) Local Projects Contingency
46	(MINCAP) Minor Capital
48	(9992) Contingency -- Facilities & Technology
48	(9993) Facilities Master Plan Contingency Reserve
48	(9994) Zero Emissions Projects Contingency
48	(2524) Project Control Consulting

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2024 accomplishments and 2025 goals are provided below.

### 2024 Accomplishments

- Completed the annual audit and financial reports with no findings for the 29th consecutive year.
- Successfully completed Federal Transit Administration’s National Transit Database reporting; received a clean opinion.
- Developed a balanced budget for 2025 that supports the agency’s strategic priorities.
- Implemented process improvements to align budgeting, capital project requests, and requests for new staff positions.
- Implemented a new long-range financial planning tool to better inform decision-making for multiple options.
- Moved to a monthly accounting close cycle from quarterly to provide more timely financial data to decision makers.
- Ensured regulatory procurement compliance while supporting financial stewardship of public

funds and supported key initiatives such as the Zero Emissions project, Swift Orange Line construction, and contracted bus services.

- Met and exceeded the Disadvantaged Business Enterprise utilization goals on FTA-funded projects. The goal is 4.4% race neutral, with a higher score considered better. Community Transit scored 12.1% for the period Oct. 1, 2021 to Sept. 30, 2023.
- Implemented electronic timesheets to all planned employee groups.
- Secured \$40M of grant funding to support our operations, Swift network expansion, and Zero Emissions project.
- Began visual management across the department to capture and implement employee improvement ideas.
- First Washington agency to implement full conversion to biofuel for bus operations with procurement of R-99 to replace diesel. R-99 is produced from natural hydrocarbons and is not a fossil fuel. Use of R-99 results in elimination of Emission of Greenhouse Gases and increases life of bus engine, while extending tax dollars due to lower cost.

## 2025 Goals

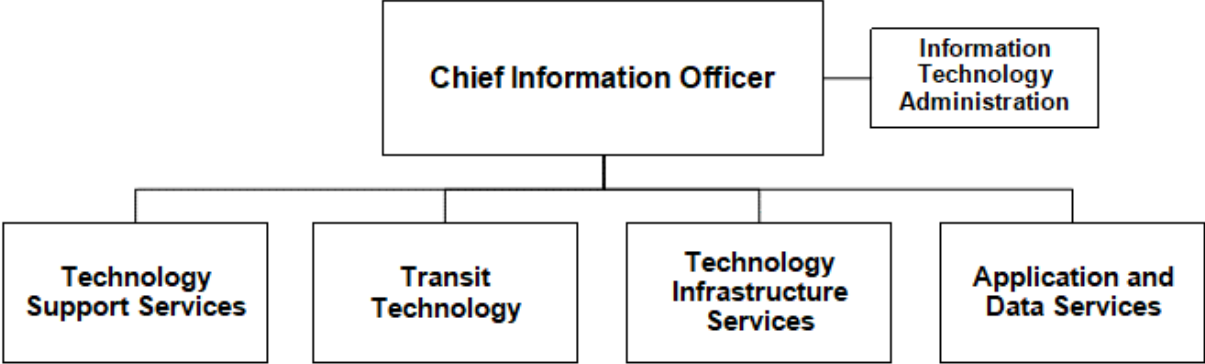
- Produce 2024 Annual Comprehensive Financial Report and National Transit Database report. Complete required Federal Transit Administration National Transit Database reporting with a clean opinion.
- Deploy the Project Control Program.
- Support the Zero Emissions project with grant applications and procurement support.
- Increase small business participation in procurement.
- Develop and deploy improvements to the Accounts Payable and Travel Expense reimbursement systems to drive discipline and efficiency.
- Complete the feasibility study for improving or replacing the enterprise financial and human capital management systems and begin implementation.
- Continue refining the budget process to build discipline and accountability while making the process more efficient. Develop a balanced budget for 2026 that supports the agency's operational and strategic priorities.



# Information Technology

## Department Description

The Information Technology budget supports the agency’s vision and mission by providing the necessary technology, data, and support to staff and customers to make travel easy for everyone. Innovation, sustainability, and deploying a green fleet are strategic priorities for Community Transit, and the Information Technology Department’s 2025 budget fully supports these goals. This budget allocates funds for customer-facing innovations such as a virtual ORCA fare payment card, project support for the Zero Emissions program, enhanced business intelligence options which allow for continuous improvement in operational efficiency, and important enhancements for our customers and to our service planning capabilities.



Division	Description
Information Technology Administration	Provides strategy and oversight for the agency’s current and long-term technology needs, and leadership and administrative support for the department. Establishes policies and standards to maintain the confidentiality, integrity, and availability of the IT systems and data.
Application and Data Services	Provides operational services and support of the agency’s application and data assets, including vital enterprise and transit-oriented information systems such as parts inventory, vehicle maintenance, dispatch, and scheduling (of routes, crew, and vehicles).
Technology Infrastructure Services	Manages and supports network, server, and storage infrastructure for the agency. Responsible for agencywide digital security, datacenter operations. Develops and implements disaster recovery strategies as well as standards for technology infrastructure.

Division	Description
Technology Support Services	Operates and manages Community Transit's network operations center and service desk. Provides technology-related operational support for both intelligent transportation systems and Community Transit employees.
Transit Technology	Collaborates with internal and external stakeholders on technology related projects and programs. Leads project portfolio and records management. Manages or supports technology-related programs and projects, including the Zero Emissions program. Engages with regional partners on fare collections technology and future shared technology initiatives.

## Department Operating Budget (Fund 40)

### Budget by Division

Division	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Information Technology Admin	317,402	433,125	454,432	21,307	5%
Application Services	2,598,436	3,105,663	3,400,182	294,519	9%
Technology Infrastructure Svs	1,679,357	1,908,242	2,192,064	283,822	15%
Technology Support Services	3,352,157	3,812,909	4,100,201	287,292	8%
Transit Technology	933,610	1,787,237	2,032,403	245,166	14%
<b>Information Technology</b>	<b>8,880,963</b>	<b>11,047,176</b>	<b>12,179,282</b>	<b>1,132,106</b>	<b>10%</b>

### Budget by Category

Expense Type	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Salaries and Wages	\$ 3,101,616	\$ 3,359,543	\$ 3,600,455	\$ 240,912	7%
Benefits	1,106,909	1,201,218	1,266,910	65,692	5%
<b>Personnel</b>	<b>4,208,524</b>	<b>4,560,761</b>	<b>4,867,365</b>	<b>306,604</b>	<b>7%</b>
Services	4,391,318	5,559,084	6,011,379	452,295	8%
Supplies	222,634	291,515	378,460	86,945	30%
Intergovernmental Services	58,486	849,831	922,078	72,247	9%
Budget Offset Contra Account		(214,015)		214,015	-100%
<b>Operating Expenditures</b>	<b>\$ 8,880,963</b>	<b>\$ 11,047,176</b>	<b>\$ 12,179,282</b>	<b>\$ 1,132,106</b>	<b>10%</b>

## Budget Offset Contra Account

In 2024, all departments were assigned negative budget adjustments as a tool to help Community Transit control its budget growth overall. The contra account reduced each department's budget without cutting specific line items. This practice has not been repeated in the 2025 budget

## Intergovernmental Services

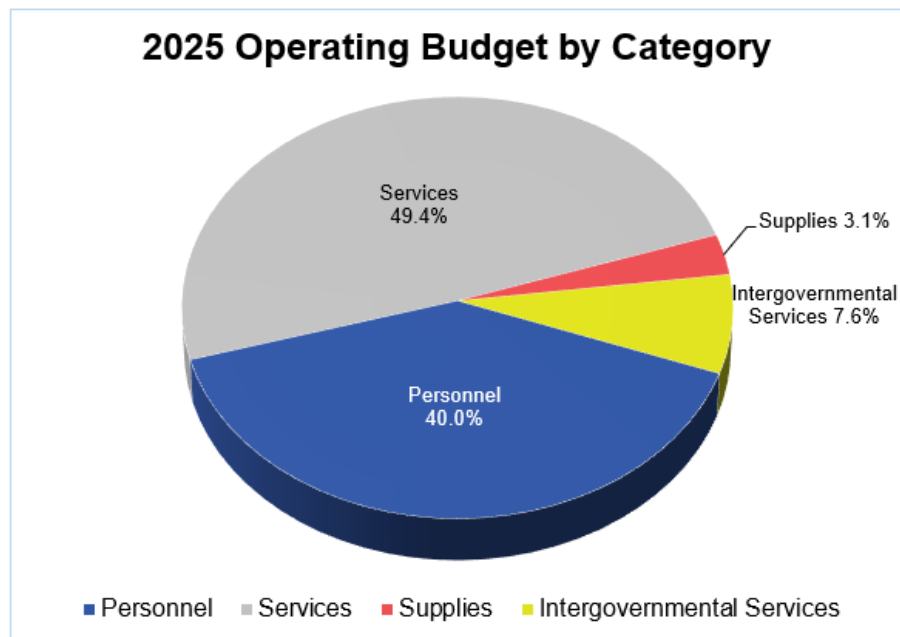
About 98% of the 2025 intergovernmental services budget is for Community Transit's share of maintenance fees for next generation ORCA, Puget Sound's regional public transit fare pass system. Sound Transit manages system maintenance and collects fees from other participating transit providers.

During initial implementation, such fees were charged to the capital program. Starting in 2024, the program moved from project to operational status, which accounts for the large increase in this category as compared to the 2023 budget. Learn more about ORCA online at:

<https://info.myorca.com/>.

## Services

Software leases are the largest expense in this category, at about 46.3% of the services budget. Most software at the agency is cloud based and is leased. This includes software for the trip planner on the agency website, and the software used to prepare this budget document. The budget increases in 2025 to support licenses for new FTEs and new software needs.



Contract maintenance services comprise about 28.7% of the services budget. This includes maintenance and support for critical systems such as server hardware, the agency storage area network (SAN), and dispatch and operational software used to manage and coordinate service.

Telephone and data services for the agency are the last large services expense at 13.9% of the category. This includes data for ticket vending machines, bike lockers, and technology onboard coaches.

The remainder of the category funds professional services and consulting; rental expense for printers, copiers, web and data hosting, and other miscellaneous expenses.

## Supplies

The supplies budget funds laptops, desktop computers, monitors, headsets, vehicle mounts, cameras, and other technology hardware for staff throughout the agency. The budget varies from year to year, based on the need to replace aging equipment or purchase additional items.

## Staffing and Personnel Expense

Division	Budget Center	FTEs
Information Technology Admin	Information Technology Admin	2.0
Application Services	Application Services	9.0
Technology Infrastructure Svs	Technology Infrastructure Svs	6.0
Technology Support Services	Technology Support Services	16.0
Transit Technology	Zero Emmissions Program	4.0
Transit Technology	Regional Technology Program	2.0
Transit Technology	ITS Program	2.0
Transit Technology	Enterprise Program Office	8.0
<b>Department FTE Total</b>		<b>49.0</b>

There were two position changes in the Information Technology department in mid-2024: one position moved to the training division in the Employee Engagement department, and one project manager was added to coordinate upgrades and potential replacement of agency enterprise systems.

The 2025 budget includes four new FTEs to support agency growth:

- Two analysts in the Technology Support Services division
- One project manager and one records analyst in the Transit Technology division

## Employee Expense by Fund

Employee Expense by Fund	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Fund 40: General Fund	\$ 4,208,524	\$ 4,560,761	\$ 4,867,365	\$ 306,604	7%
Fund 42: Infrastructure Preservation	165,575	363,920	517,891	153,971	42%
Fund 45: FTA Capital Projects Fund				-	n/a
Fund 46: Local Capital Projects Fund	625,193	839,152	984,351	145,199	17%
Fund 48: Facilities and Technology Fund	1,098,122	1,616,429	1,704,672	88,243	5%
<b>Total Employee Expense</b>	<b>\$ 6,097,415</b>	<b>\$ 7,380,262</b>	<b>\$ 8,074,279</b>	<b>\$ 694,017</b>	<b>9%</b>

Approximately 39.7% of employee expense in 2025 is budgeted to capital funds in support of the agency's capital program.

## Capital Project Budget Oversight

This department has budget authority over all or part of the following capital projects. Please see the Capital Program section for more information.

<b>Fund</b>	<b>Project</b>
42	(2321) End User Hardware (2023-24)
42	(2405) Telephone System Replacement
42	(2406) IVR System Lifecycle Replacement
42	(2417) CAD Central Sys/Dispatch Software/Hardware Replacement
42	(2514) Digital Signage Lifecycle Replacement
42	(2223) Performance Mgmt System Replacement
42	(2425) Video Management Security Software
42	(2501) Financial System Replacement
42	(2312) PeopleSoft HCM/Payroll Upgrade
42	(2407) Corporate Website Continuous Delivery (2024)
42	(2412) PeopleSoft Financials Upgrade
46	(1923) Base Map Implementation
46	(2228) Telephone System Replacement Feasibility
46	(2516) MS 365 Phased Implementation
46	(2302) Transit Info Program Research
46	(2401) Coach Turn-By-Turn
46	(2423) PICS Automated Alerts Delays
46	(2520) Swiftly Software Implementation
46	(2214) Electronic Timesheet System Implementation
46	(2424) PS HCM Upgrade
46	(2511) Safety Management Information System
46	(1502) IT Corporate Security Upgrade
46	(2101) Disaster Recovery As A Service
46	(1904) IT Service Management System
46	(2517) Trapeze Perpetual Licenses
48	(2318) Zero Emissions Fleet Pilot Project
48	(2414) 2024 ZE Program Development
48	(2415) ZE Utility Infrastructure
48	(1803) Next Generation ORCA
48	(2224) Audio/Visual Needs FMP Projects
48	(2225) Audio Visual Needs – Feasibility Studies
48	(2203) JPA Upgrade



## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2024 accomplishments and 2025 goals are provided below.

### 2024 Accomplishments

- Implemented transit technology infrastructure and customer facing technologies for Swift Orange Line, including new digital signage, next generation fare collection systems, and digital kiosks.
- Deployed IT infrastructure and end user technologies in support of facilities projects at new Hardeson Campus Service Operations (HCSO) Building, renovated Maintenance Shop at HCSO, new Kasch Park Security Operations Center, and new Lynnwood City Center Ride Store.
- Implemented key elements of the agency Zero Emissions program, including launching of Battery Electric Bus (BEB) and Fuel Cell Electric Bus (FCEB) side-by-side pilot, installation of BEB charging and hydrogen storage, and implementation of fleet transition plan.
- Implemented new applications supporting employee time recording and leave management, employee feedback and performance management, BEB scheduling, and data visualization.
- Re-engineered foundational technologies enabling a virtualized agency data warehouse, refreshed virtual desktop infrastructure environment, and transitioned from legacy telephony to an enterprise collaboration platform.
- Upgraded key applications supporting transit planning, maintenance management, and equipment and operator scheduling.
- Collaborated with regional ORCA consortium, implementation of ORCA fare collection on DART paratransit coaches, and collective implementation of the virtual ORCA card for Android platforms.
- Initiated long-term projects supporting safety and security, enterprise resource planning, and collaboration and information management.

### 2025 Goals

- Modernize technology solutions to provide an enhanced, more resilient, safer, and easier customer experience.
- Provide a set of improved modern productivity tools, resources, and platforms for employees.
- Create scalable platforms for employees and customers to improve access to resources and information, and enhance collaboration.
- Develop technology strategy to support agency goals and initiatives for 2026-2028.
- Design the Zero Emissions information technology/operational technology product roadmap and supporting infrastructure by end of year.
- Improve IT's ability to visualize, prioritize, resource, and deliver technology initiatives.
- Sustain and improve IT operations.

# Planning and Development

## Department Description

Planning and Development Department staff support all aspects of the agency’s strategic priorities, mission, and vision by leading the development and implementation of excellent service, coordinating with regional partners, and building the future. The department’s budget and work program focus on three primary areas:

- Providing seamless access and connectivity throughout our service area by designing high quality fixed-route transit—including the Swift Bus Rapid Transit network—that is frequent, fast, reliable, and well-integrated with all regional mobility options
- Modernizing and expanding Community Transit’s base facilities to support growth, a Zero Emissions future, and a high-level employee experience by advancing all phases of the Facilities Master Plan project.
- Innovating to improve products and services that make travel easy and safe for all by capturing the customer voice, developing a robust data analytics portal, and engaging internal and external stakeholders in long-range planning to guide the future direction of Community Transit.



Division	Description
Planning and Development Administration	Provides executive management direction to the department and its division managers. Supports the CEO with specific emphasis on matters of planning, research, and regional coordination.
Capital Development and Delivery	Evaluates, prioritizes, and manages capital projects. Responsible for the development and delivery of the Swift Bus Rapid Transit network and the expansion of and improvements to the agency’s base facilities, park & ride facilities, and transit centers. Works with other agencies and jurisdictions on infrastructure projects.

Division	Description
System Planning & Operational Design	Develops transit route schedules, analyzes, forecasts service performance, and assures efficient use of the agency's service assets. Coordinates the design of agency service plans with other jurisdictions, transit authorities, and large regional employment and education sites. Leads improvements to operational design elements that focus on the attractiveness of our bus stops and that increase bus speed and reliability.
Research and Analytics	Leverages research and data to provide insights and key performance indicators across the agency that help improve customer experience, employee experience, and the overall efficiency and effectiveness of agency services. Responsible for the development and maintenance of the Research Roadmap, the agency's data warehouse, the agency's data reporting platform, and the agency's spatial database.
Planning and Integration	Collaborates with a diverse range of stakeholders, including regional transit agencies, local jurisdictions, and private developers, to ensure that Community Transit's goals and operations are integrated into broader transportation planning initiatives. Through the development of the Long Range Plan and Transit Development Plan, the group establishes the agency's strategic direction, shaping its future growth and service offerings.

## Department Operating Budget (Fund 40)

### Budget by Division

Division	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Development Administration	379,084	457,059	400,551	(56,508)	-12%
Capital Development and Delivery	214,526	163,593	158,150	(5,443)	-3%
System and Operational Design	1,817,401	1,516,129	1,585,330	69,201	5%
Research and Analytics	1,304,452	1,994,132	2,369,762	375,630	19%
Planning and Integration	843,526	1,068,533	1,199,965	131,432	12%
<b>Planning and Development</b>	<b>4,558,990</b>	<b>5,199,446</b>	<b>5,713,758</b>	<b>514,312</b>	<b>10%</b>

## Budget by Category

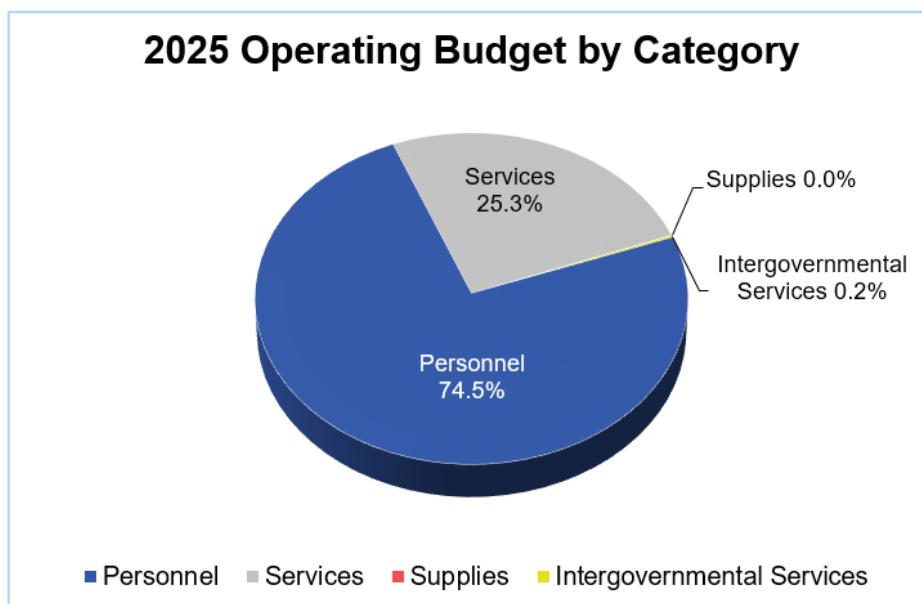
Expense Type	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Salaries and Wages	\$ 2,612,712	\$ 3,123,505	\$ 3,145,389	\$ 21,884	1%
Benefits	825,103	1,110,573	1,109,170	(1,403)	0%
<b>Personnel</b>	<b>3,437,815</b>	<b>4,234,078</b>	<b>4,254,558</b>	<b>20,480</b>	<b>0%</b>
Services	1,108,759	1,055,693	1,445,850	390,157	37%
Supplies	1,415	5,000	2,350	(2,650)	-53%
Intergovernmental Services	11,000	11,000	11,000	-	0%
Budget Offset Contra Account		(106,325)		106,325	-100%
<b>Operating Expenditures</b>	<b>\$ 4,558,990</b>	<b>\$ 5,199,446</b>	<b>\$ 5,713,758</b>	<b>\$ 514,312</b>	<b>10%</b>

### Budget Offset Contra Account

In 2024, all departments were assigned negative budget adjustments as a tool to help Community Transit control its budget growth overall. The contra account reduced each department's budget without cutting specific line items. This practice has not been repeated in the 2025 budget.

### Budget Discussion

The largest expense in the services category is professional services (over \$1.4 million of the total 2025 budget). The remainder of the services budget funds park & ride lease agreements, and a variety of miscellaneous expenses.



Supplies in this department consist of non-standard office supplies, while the Intergovernmental Services category funds Community Transit's participation in the Snohomish County Transportation Coalition (SNOTRAC).

## Staffing and Personnel Expense

Division	Budget Center	FTEs
Development Administration	Development Administration	3.0
Capital Development and Delivery	Bus Rapid Transit Program	3.0
Capital Development and Delivery	Capital Development and Construction Management	10.0
System Planning & Operational Design	Speed & Reliability Program	2.0
System Planning & Operational Design	Planning	8.0
Research and Analytics	Research and Analytics	11.0
Planning & Integration	Planning & Integration	5.0
<b>Department FTE Total</b>		<b>42.0</b>

There are no additional FTEs budgeted for this department in 2025.

### Employee Expense by Fund

Employee Expense by Fund	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Fund 40: General Fund	\$ 3,437,815	\$ 4,234,078	\$ 4,254,558	\$ 20,480	0%
Fund 42: Infrastructure Preservation				-	n/a
Fund 45: FTA Capital Projects Fund	747,038	690,009	660,647	(29,362)	-4%
Fund 46: Local Capital Projects Fund	122,851	609,452	117,794	(491,658)	-81%
Fund 48: Facilities and Technology Fund	1,106,766	1,761,551	2,066,237	304,686	17%
<b>Total Employee Expense</b>	<b>\$ 5,414,470</b>	<b>\$ 7,295,090</b>	<b>\$ 7,099,236</b>	<b>\$ (195,854)</b>	<b>-3%</b>

Approximately 40% of employee expenses in 2025 is budgeted to capital funds in support of the agency's capital program.

The distribution of staff time among funds varies from year to year as project needs change.

# Capital Project Budget Oversight

This department has budget authority over all or part of the following capital projects. Please see the Capital Program section for more information.

Fund	Project
42	(2202) Lake Stevens TC Refresh
44	(2261) Swift Blue Line Construction
44	(2262) Swift Blue Line Program
45	(2250) Swift Orange Line Corridor & Terminals
45	(2252) Swift Orange Line OFI
45	(2253) Swift Orange Line Program
45	(2314) Swift Gold Design/Engineering
45	(1850) Swift Orange Line
45	(2421) UW Bothell Transit Center
45	(2525) FMP 3B – HCVM Office and Parts Dept Renovation
46	(2317) Speed and Reliability
46	(2109) Swift Blue Line Expansion Design & Engineering
46	(2254) Swift Orange Line Incidentals
46	(2263) Swift Gold Line Scoping
46	(2315) Swift Green Expansion Design
46	(2316) Swift Program Projects
46	(2522) Park & Ride / Comfort Station Feasibility
48	(2002) FMP 2 – HCSO Renovation
48	(2011) FMP 3A – HCVM Maintenance Shop Renovation and Expansion
48	(2017) FMP 5 – Vehicle Storage and Training Facility
48	(2419) FMP 7 – ZE Improvements Hardeson Campus
48	(2420) FMP 8 – ZE Improvements Kasch Park Campus
48	(2208) Bus Stop Program

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2024 accomplishments and 2025 goals are provided below.

### 2024 Accomplishments

- Prepared and launched 2024 and Beyond Network restructure starting with the March and September service changes.
- Developed equity driven phasing plan for the remaining implementation of the 2024 and Beyond Network restructure.
- Led or supported integration with Lynnwood Link extension via development of a bus bridge response plan, facilitate multiple operational test runs, etc.
- Defined processes for stop improvement prioritization and siting to kick-off bus stop program capital project cycle and support agency application for the Federal Transit Administration 2027-2028 Call for Projects by the Puget Sound Regional Council (PSRC).
- Supported a comprehensive audit of the Collective Bargaining Agreement (CBA) and Employee Manpower and Scheduling Procedures in preparation of part II of the Scheduling Audit.
- Launched study to confirm feasibility of battery electric buses on the Swift Network.
- Developed processes that allowed transition from a Sunday to Saturday service change launch to align with start date of regional partners.
- Held several working sessions with Public Transportation Benefit Area (PTBA) members to become better integrated into their development review and capital improvement processes for purposes of initiating the Speed and Reliability Program.
- Developed detailed five-year forecast of service levels and associated vehicle and staffing requirements per Long Range Transportation Plan to support data driven decision-making of required operator recruitment and related budget expenses.
- Led or co-led review and commentary on several external partner capital projects, such as design of Cathcart Park & Ride and Everett Link Station design, to ensure they were transit-supportive.
- Completed upgrade to Hastus 2024.
- Worked collaboratively to support a host of internal and external agency initiatives, such as Revive I-5 planning, Swift Gold Line scoping, Zero Emissions transition, and Sustainability Action Plan tasks.
- Completed Facilities Master Plan Project 2 – the Hardeson Campus Service & Operations building.
- Completed Facilities Master Plan Project 3A – the Hardeson Campus Vehicle Maintenance shop expansion.
- Completed Facilities Master Plan Project 6 – the new Ride Store, supporting the Lynnwood Link Extension and the revised 2024 and Beyond Network
- Completed the Swift Green Line Extension station siting study and embedded our team with the City of Bothell on the Bothell Way NE Multimodal Improvements Project.
- Completed Swift Orange Line for revenue service.

- Completed the Swift Blue Line Extension for revenue service as well as modifications to support greater speed and reliability along Swift Blue Line. Work underway to complete the installation of retrofits to existing Swift stations to align the wayfinding and fare payment systems across the BRT (Bus Rapid Transit) network as well as bring upgrades to lighting and security improvements.
- Deployed the agency’s primary reporting platform that brings accurate self-serve reporting to Community Transit employees.
- Developed and initiated the agency’s spatial data infrastructure strategy to allow for improved analysis, reporting, and software application integration of spatial data.
- Expanded Community Transit’s new customer panel, called the “Community Voice” and conducted four surveys:
  - 1) Trip Planning.
  - 2) Effective Messaging.
  - 3) Factors that are Important to Customer Satisfaction.
  - 4) Perceptions of the Network Restructure.
- Oversaw the completion of eight research studies from the Research Roadmap, including three fully in-house customer experience surveys for Zip, DART, and Vanpool.
- Launched the *Customer Survey Program*, which will provide reliable, annual measures for each Community Transit service and will integrate the customer voice into teams around the agency.
- Transit Integration Lynwood Link launch.
- Bus Bridging (Link Shuttle).



## 2025 Goals

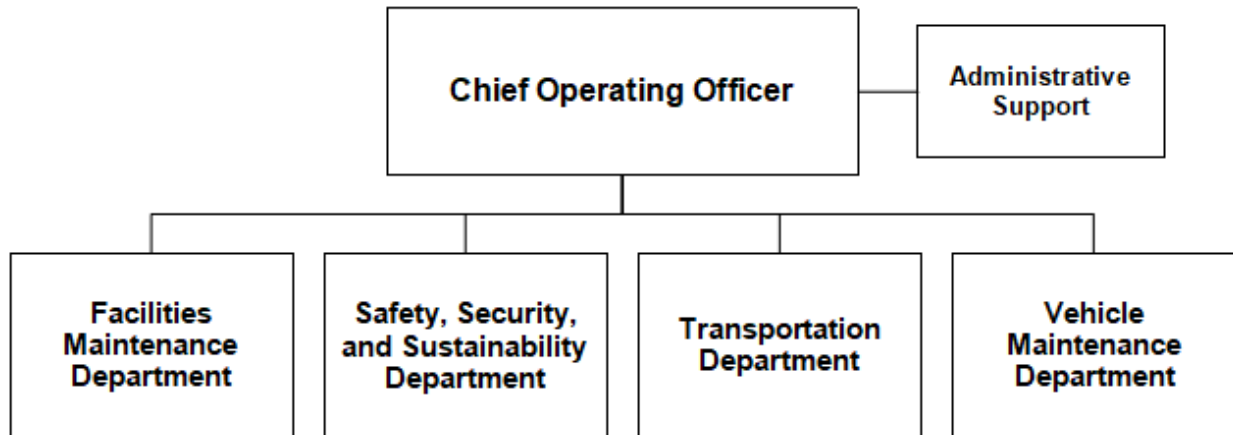
- Increase average weekday customers to 18,000.
- Increase number of annual boardings to 10 million.
- Improve Employee Engagement Survey Score from 2023.
- Attract and retain employees.
- Enhanced emphasis of DEI in Planning and Development Programs and Projects.
- Begin integration of Sustainability Action Plan tactics within planning and development processes.
- Integration of microtransit into System Planning.



# Operations Administration

## Department Description

Operations Administration provides leadership and oversight to the operations group, which consists of four departments: Facilities Maintenance, Safety, Security and Sustainability, Transportation, and Vehicle Maintenance. In prior years, this function was housed in the Transportation department in the Transportation Administration division.



## Department Operating Budget (Fund 40)

### Budget by Category

Expense Type	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Salaries and Wages			\$ 338,172	\$ 338,172	n/a
Benefits			97,200	97,200	n/a
<b>Personnel</b>			<b>435,372</b>	<b>435,372</b>	<b>n/a</b>
Services			3,500	3,500	n/a
<b>Operating Expenditures</b>			<b>\$ 438,872</b>	<b>\$ 438,872</b>	<b>n/a</b>

Historical costs for this division are located under the Transportation Department, in the Transportation Administration division.

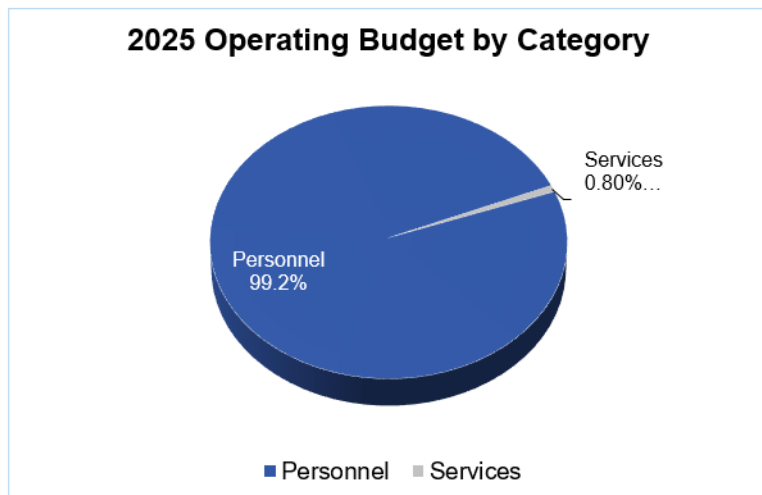
### Budget Discussion

Personnel costs is the largest expense in this department. Expenses budgeted in services and supplies include office/meetings supplies, and travel for [Roadeo](#) competitions.

### Staffing and Personnel Expense

This department includes two FTE: the Chief Operating Officer (previously budgeted in the Transportation department), and a new Administrative Support Specialist.

All employee expense in 2025 is budgeted to the operating budget in the general fund.



Division	Budget Center	FTEs
Operations Administration	Operations Administration	2.0
	<b>Department FTE Total</b>	<b>2.0</b>

## Capital Project Budget Oversight

This department does not have budget authority over any capital projects for 2025. Staff support agency capital projects as needed.

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2024 accomplishments and 2025 goals are provided below.

### 2024 Accomplishments

Operations Administration is a brand-new department. 2024 accomplishments are listed under the Transportation Department section.

### 2025 Goals

- Ensure alignment and collaboration between Operations departments and with the Agency in attracting and retaining customers, improving the employee experience, and ensuring long-term sustainability.
- Provide direction and oversight to operation of expanded bus operations in the buildout of the 2024 and Beyond Network.
- Provide executive sponsorship of the agency's work to enhance the safety and security of employees and customers.
- Provide direction and oversight to the transition of contracted bus service to in-house operations.
- Provide executive sponsorship for the agency's Zero Emissions Fleet Transition program.
- Provide direction and oversight to implementation of the agency's Sustainability Action Plan.

# Facilities Maintenance

## Department Description

Community Transit’s Mission is to “help people get from where they are to where they want to be.” The Facilities Maintenance Department supports the Mission by providing safe, well-

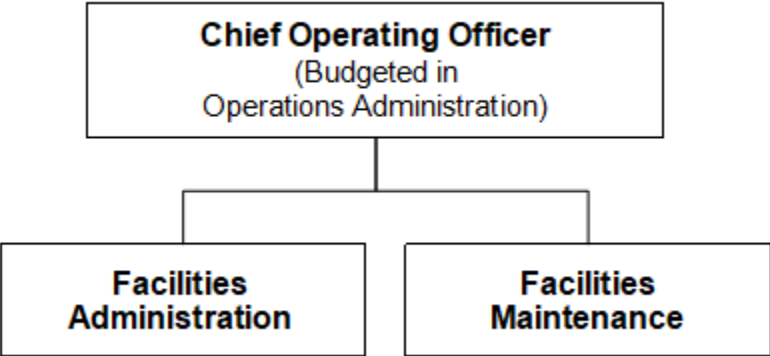


maintained facilities, including operations buildings, park & ride lots, and transit centers.

Staff continue to work toward improving our customers’ impressions of and experiences with Community Transit.

The Facilities Maintenance Department includes two divisions: Facilities Administration and Facilities Maintenance. The Facilities Maintenance Division executes all Community Transit facility needs. The Facilities

Administration Division provides general management and direction of the department.



Division	Description
Facilities Administration	Provides leadership and administrative support for the department and capital projects. Collaborates with other departments to continuously improve how we build and maintain our facilities.
Facilities Maintenance	Maintains Community Transit assets such as property, buildings, major equipment, park & ride lots, bus shelters, and bus stops.

# Department Operating Budget (Fund 40)

## Budget by Division

In late 2024, the Maintenance Department was reorganized into two departments: Facilities Maintenance and Vehicle Maintenance. As part of this reorganization, Facilities was split into two divisions. In this document, historical costs for the full department are shown in the Facilities Maintenance division.

Division	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Facilities Administration			817,688	817,688	N/A
Facilities Maintenance	6,175,381	8,005,009	9,062,932	1,057,923	13%
<b>Facilities Maintenance</b>	<b>6,175,381</b>	<b>8,005,009</b>	<b>9,880,620</b>	<b>1,875,611</b>	<b>23%</b>

## Budget by Category

Expense Type	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Salaries and Wages	\$ 2,173,936	\$ 3,000,850	\$ 3,431,885	\$ 431,035	14%
Benefits	962,726	1,299,794	1,483,235	183,441	14%
<b>Personnel</b>	<b>3,136,662</b>	<b>4,300,644</b>	<b>4,915,120</b>	<b>614,476</b>	<b>14%</b>
Services	2,538,066	3,184,500	4,209,500	1,025,000	32%
Supplies	458,067	613,000	683,500	70,500	12%
Intergovernmental Services	42,586	74,700	72,500	(2,200)	-3%
Budget Offset Contra Account		(167,835)		167,835	-100%
<b>Operating Expenditures</b>	<b>\$ 6,175,381</b>	<b>\$ 8,005,009</b>	<b>\$ 9,880,620</b>	<b>\$ 1,875,611</b>	<b>23%</b>

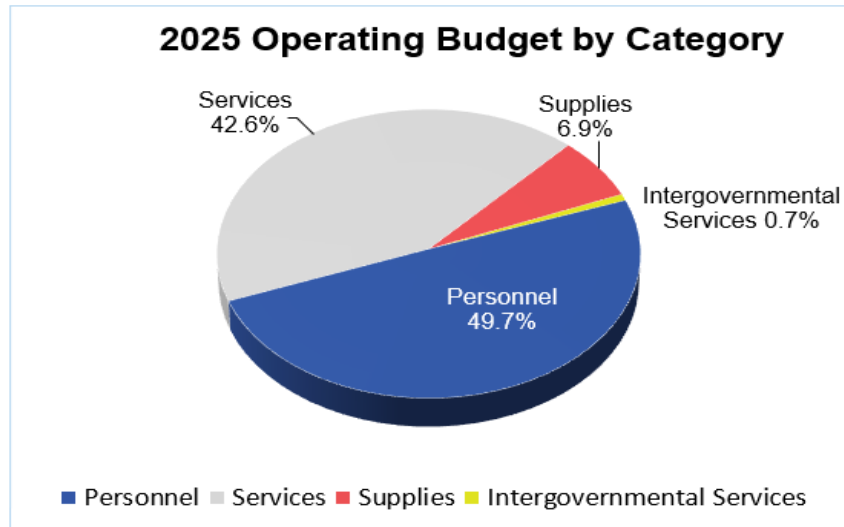
## Budget Offset Contra Account

In 2024, all departments were assigned negative budget adjustments as a tool to help Community Transit control its budget growth overall. The contra account reduced each department’s budget without cutting specific line items. This practice has not been repeated in the 2025 budget.

## Services

Contract maintenance services make up about 73% of this budget. Community Transit contracts for specialized services such as elevator and emergency system monitoring and repair, building janitorial services, lighting and inspections at park & rides, hazardous waste disposal, and vehicle interior cleaning and disinfecting. Costs for many of these services are increasing in 2025, partly due to economic factors and partly due to an increase in service hours.

About 20% of the budget funds utilities for the agency (water and sewer, electricity, garbage, and natural gas).



## Supplies

Facilities Maintenance supplies represent 6.9% of the overall budget. The most significant supplies are: Swift Bus Rapid Transit (BRT) replacement parts, janitorial supplies, Swift BRT ticket vending machine supplies, hardware supplies, HVAC filters and parts, landscaping supplies, building and shelters maintenance supplies.

## Intergovernmental Services

The intergovernmental services budget funds a variety of taxes, fees, dues, and assessments related to Community Transit’s owned and leased facilities.

## Staffing and Personnel Expense

Division	Budget Center	FTEs
Facilities Administration	Facilities Administration	5.0
Facilities Maintenance	Facilities Maintenance	35.0
<b>Department FTE Total</b>		<b>40.0</b>

The 2025 budget adds six Facilities Maintenance Technicians. In 2024 the volume of workorders grew by 20%. These employees will support the new growth for 2025. Facilities Maintenance Administration adds a Facilities Project Manager in 2025 to help manage the work increase and ongoing projects and NTD analysis and reporting for the department.

## Employee Expense by Fund

Employee Expense by Fund	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Fund 40: General Fund	\$ 3,136,662	\$ 4,300,644	\$ 4,915,120	\$ 614,476	14%
Fund 42: Infrastructure Preservation				-	n/a
Fund 45: FTA Capital Projects Fund				-	n/a
Fund 46: Local Capital Projects Fund				-	n/a
Fund 48: Facilities and Technology Fund				-	n/a
<b>Total Employee Expense</b>	<b>\$ 3,136,662</b>	<b>\$ 4,300,644</b>	<b>\$ 4,915,120</b>	<b>\$ 614,476</b>	<b>14%</b>

All employee expense in 2025 is budgeted to the operating budget in the general fund.

## Budget Oversight

This department has budget authority over all or part of the following capital projects. Please see the Capital Program section for more information.

Fund	Project
42	(2507) HCKP Unleaded Pumps and Diesel Transfer Pump
46	(2506) Mobile Fall Arrest Evaluate/Purchase

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2024 accomplishments and 2025 goals are provided below.

### 2024 Accomplishments

- Supported successful opening of Hardeson Campus Service & Operations building.
- Supported successful opening of Hardeson Campus Vehicle Maintenance building.
- Supported successful opening of the new Ride Store.
- Increased facilities maintenance scope of work to include upgraded/expanded facilities with increased capacity, equipment, and technology.
- Supported final commissioning of stations and technology for Swift Orange Line and Swift Blue Line Expansion.



- Implemented changes to more than 1,000 bus stops in support of the March and September service changes, connecting bus service to Link light rail.
- Increased maintenance on local route shelters to provide customers with clean, safe bus facilities.
- Implemented swing shift for 24-hour 5 day a week Facilities coverage to better support agency needs.
- Supported Zero Emissions program with installation of charging station for battery electric bus.
- Supported agency efforts to develop a Sustainability Action Plan.
- Worked with Sustainability on efforts that support House Bill 1257 (Clean Building Act).

## 2025 Goals

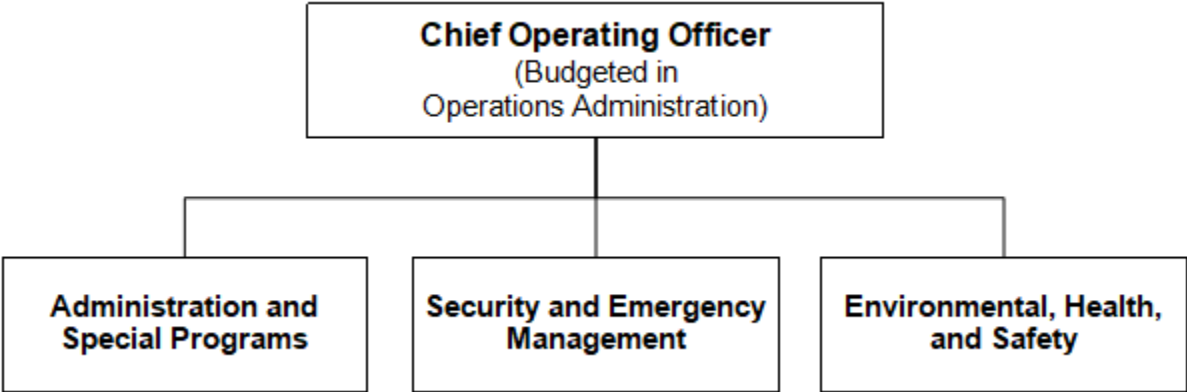
- Provide safe, clean, and reliable facilities for customers and staff.
- Support the Zero Emissions program to ensure facility support of fleet transition.
- Implement strategies from the Sustainability Action Plan.
- Support House Bill 1257 (Clean Building Act).
- Partner with Capital Development to provide enhanced Bus Stop Program with upgraded and expanded customer amenities.
- Continue to improve maintenance and cleaning of bus stops and shelters.
- Develop employee advancement pathways for skilled trades positions and leadership development.



# Safety, Security, and Sustainability

## Department Description

The Safety, Security, and Sustainability Department provides oversight for agencywide programs in the areas of safety, security, emergency management, motor vehicle accident management, claims management, environmental compliance, workers' compensation, and sustainability. Department duties are performed in an environment that is subject to recurring regulatory and nonregulatory reviews by local, state, and federal agencies.



## Division Summaries

Division	Description
Administration & Special Programs	Provides strategy and leadership for the agency’s safety, security, and sustainability plans. Oversees and manages the agency safety plan, safe driving and vehicle use policies, the accident review committee, environmental compliance, and the sustainability action plan. The Senior Director acts as the Chief Safety Officer per FTA requirements.
Environment, Health & Safety	Oversees agency safety programs, accident prevention program, safety management system, and workers' compensation claims.
Security & Emergency Management	Manages physical security, including access control and video systems. Develops and oversees security and emergency management plans. Oversees the Transit Security Officer program and manages a contract with the Snohomish County Sheriff's Office for law enforcement services.

# Department Operating Budget (Fund 40)

## Budget by Division

Division	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Admin and Special Programs	473,409	469,487	673,826	204,339	44%
Environment, Health, & Safety	904,514	1,000,553	1,113,136	112,583	11%
Security and Emergency Mgmt	4,781,071	6,719,638	8,682,670	1,963,032	29%
<b>Safety, Security, and Sustainability</b>	<b>6,158,994</b>	<b>8,189,678</b>	<b>10,469,633</b>	<b>2,279,955</b>	<b>28%</b>

## Budget by Category

Expense Type	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Salaries and Wages	\$ 2,109,534	\$ 3,182,386	\$ 3,854,142	\$ 671,756	21%
Benefits	788,434	1,319,841	1,685,594	365,753	28%
<b>Personnel</b>	<b>2,897,967</b>	<b>4,502,227</b>	<b>5,539,736</b>	<b>1,037,509</b>	<b>23%</b>
Services	174,893	228,876	372,182	143,306	63%
Supplies	176,549	151,150	169,950	18,800	12%
Intergovernmental Services	2,909,584	3,477,270	4,387,765	910,495	26%
Budget Offset Contra Account		(169,845)		169,845	-100%
<b>Operating Expenditures</b>	<b>\$ 6,158,994</b>	<b>\$ 8,189,678</b>	<b>\$ 10,469,633</b>	<b>\$ 2,279,955</b>	<b>28%</b>

## Budget Offset Contra Account

In 2024, all departments were assigned negative budget adjustments as a tool to help Community Transit control its budget growth overall. The contra account reduced each department’s budget without cutting specific line items. This practice has not been repeated in the 2025 budget.

## Services and Supplies

Professional services are the largest expense in the services category, representing about 72% of the budget. Most of the increase in 2025 is for consulting pool assistance and safety & sustainability consulting. The remainder of the budget funds a variety of necessary business services. These include contract maintenance on agency security systems, required environmental sampling, hazardous waste disposal services, and National Safety Council accident reviews.

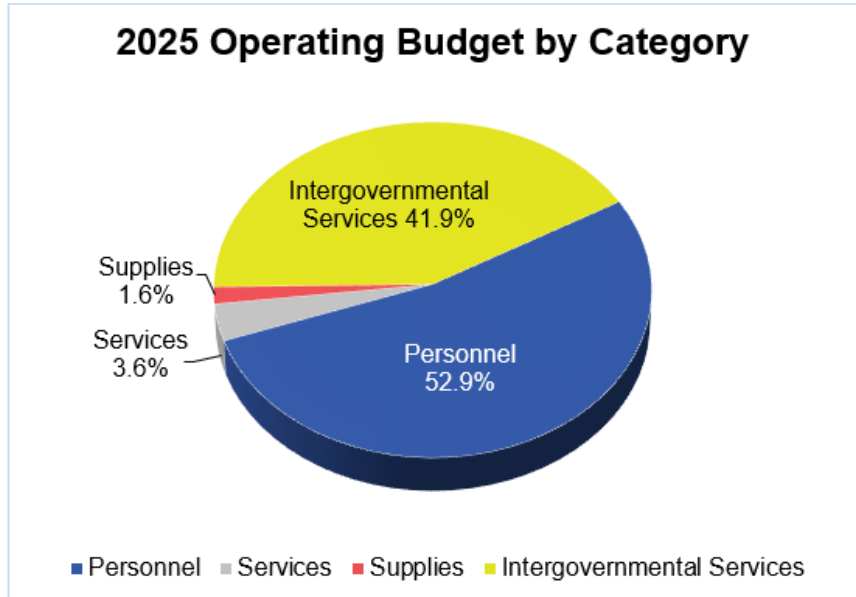
The supplies budget includes safety and security equipment for the full agency, including first aid kits, industrial hygiene supplies, ergonomic equipment, and equipment and parts for the physical security system. This budget varies from year to year.

The 2025 budget includes equipment to support the Community Emergency Response Team (CERT) program, and to support overall operational growth at the agency.

## Intergovernmental Services

The contract with the Snohomish County Sheriff's Office for transit police services is the largest line item in the intergovernmental services category. The department is budgeting the contract at \$4.0 million to align with expected service levels and County staffing forecasts.

As a partner with Snohomish County and the Sheriff's Department, this budget also includes just over \$371,000 for social worker services to help people who use Community Transit services and may also be experiencing homelessness, addiction, or mental illness. Together, those two items comprise more than 99% of the budget in this category. The remainder of the funds are for required license and permit fees.



## Staffing and Personnel Expense

Division	Budget Center	FTEs
Admin and Special Programs	Administration and Special Programs	3.0
Environmental, Health, and Safety	Environmental, Health, and Safety	7.0
Security and Emergency Management	Security and Emergency Management	41.0
<b>Department FTE Total</b>		<b>51.0</b>

In 2024, four new Transit Security Officers were added after the original budget was approved. The 2025 budget adds an additional 13 new positions:

- One Administrative Support Specialist
- 12 Transit Security Officers

### Employee Expense by Fund

Employee Expense by Fund	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Fund 40: General Fund	\$ 2,897,967	\$ 4,502,227	\$ 5,539,736	\$ 1,037,509	23%
Fund 42: Infrastructure Preservation				-	n/a
Fund 45: FTA Capital Projects Fund				-	n/a
Fund 46: Local Capital Projects Fund				-	n/a
Fund 48: Facilities and Technology Fund				-	n/a
<b>Total Employee Expense</b>	<b>\$ 2,897,967</b>	<b>\$ 4,502,227</b>	<b>\$ 5,539,736</b>	<b>\$ 1,037,509</b>	<b>23%</b>

All staff in this department are funded in the general fund. Staff may support capital projects as needed.

## Capital Project Budget Oversight

This department has budget authority over all or part of the following capital projects. Please see the Capital Program section for more information.

Fund	Project
46	(2510) KP-A Horizontal Lifeline
46	(2512) HC Bus Wash Dryer Feasibility
46	(MINCAP) Minor Capital

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2024 accomplishments and 2025 goals are provided below.

### 2024 Accomplishments

- Launched Sustainability as its own division and established the Sustainability Squad and Sustainability Corner employee groups.
- Drafted an Agency Sustainability Action Plan (SAP) and socialized the sustainability program across the agency.
- Activated the new Security Operations Center (SOC).
- Implemented composting at all CT events.
- Produced the first annual report for workers compensation and safety.
- Expanded the Transit Security Officer program.
- Piloted AI training for the agency while fulfilling our legal training requirements.
- Finalized Rules of Conduct and implemented. Feedback to date has been positive.
- Finalized the Agency Safety Plan and updated the Safety Committee charter to reflect new requirements.

### 2025 Goals

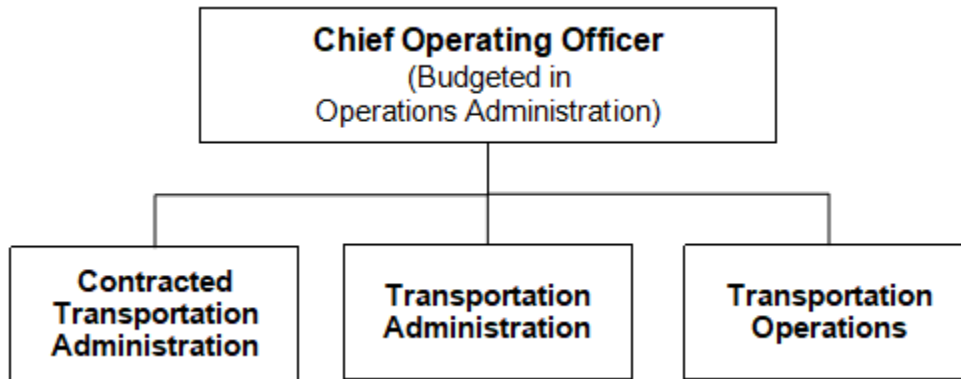
- Adopt the Sustainability Action Plan (SAP) as an agency.
- Initiate the re-imagined safety committee format.
- Continually improve the TSO program to support customer and employee safety and security by re-evaluating the recruiting process and enacting a Train-the-Trainer program.
- Implement a Safety Management information System (SMiS).
- Establish and report divisional KPIs on a regular cadence.
- Continue implementation of the Security Enhancement Strategic Plan.
- Expand Security Operations Center 24/7.
- Develop a safety hazard mitigation program and safety promotion program.
- Update and socialize the Accident Prevention Program. This includes the confined space program, electrical safety, fall protection, and incident investigation programs.
- Update Vehicle Use Policy.

# Transportation

## Department Description

Community Transit’s Mission is to “help people get from where they are to where they want to be.” The Transportation Department supports the Mission by delivering reliable, safe, courteous service to Community Transit customers. The Transportation Department budget reflects the resources needed to support the service plan, which includes upcoming service expansions, service reliability, and customer experience.

The Transportation Department manages and supervises all Community Transit directly operated bus services, and contracted services including bus, paratransit service, and microtransit service operations.



Division	Description
Contracted Transportation Administration	Responsible for development, administration, and oversight of Community Transit’s major transportation contracts including intercounty commuter bus service, paratransit service, microtransit service, and Sound Transit ST Express bus service. Facilitates travel training for customers.
Transportation Administration	Provides oversight and operational support to several work teams within the department and agency.
Transportation Operations Vehicle Control	Responsible for operations management, scheduling, and dispatching, monitoring and enforcement of policies and procedures, resolution of service problems and emergencies, and obtaining video recordings from coaches as requested.
Transportation Operations Vehicle Operations	Responsible for delivering reliable, safe, courteous service to Community Transit customers by following published routes and schedules

# Department Operating Budget (Fund 40)

## Budget by Division

Division	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Transportation Administration	1,271,274	1,470,584	1,406,417	(64,167)	-4%
Transportation Operations	49,229,311	60,573,664	67,786,277	7,212,613	12%
Contracted Transportation	29,482,189	37,481,654	37,654,900	173,246	0%
<b>Transportation</b>	<b>79,982,775</b>	<b>99,525,902</b>	<b>106,847,595</b>	<b>7,321,693</b>	<b>7%</b>

In 2025, the budget for the Chief Operations Officer moves from Transportation Administration to the new Operations Department. Growth in the overall budget is due to increased service.

## Budget by Category

Expense Type	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Salaries and Wages	\$ 36,014,589	\$ 44,686,400	\$ 49,100,360	\$ 4,413,960	10%
Benefits	14,889,953	19,085,260	20,494,738	1,409,478	7%
<b>Personnel</b>	<b>50,904,542</b>	<b>63,771,660</b>	<b>69,595,098</b>	<b>5,823,438</b>	<b>9%</b>
Services	93,565	122,835	116,765	(6,070)	-5%
Supplies	6,864	30,120	38,500	8,380	28%
Purchased Transportation	28,977,804	36,915,027	37,093,732	178,705	0%
Budget Offset Contra Account		(1,313,740)		1,313,740	-100%
<b>Operating Expenditures</b>	<b>\$ 79,982,775</b>	<b>\$ 99,525,902</b>	<b>\$ 106,844,095</b>	<b>\$ 7,318,193</b>	<b>7%</b>

## Budget Offset Contra Account

In 2024, all departments were assigned negative budget adjustments as a tool to help Community Transit control its budget growth overall. The contra account reduced each department’s budget without cutting specific line items. This practice has not been repeated in the 2025 budget

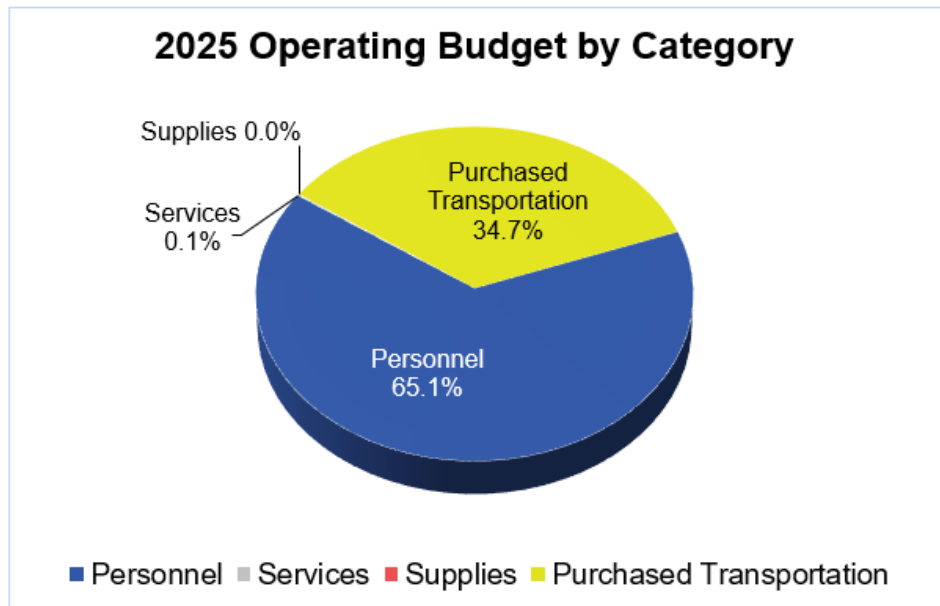
## Budget Discussion

After personnel costs, purchased transportation is the largest expense in this department.

Community Transit contracts commuter and express services, as well as paratransit and microtransit services. Due to changes in our commuter services, the purchased transportation budget is slightly decreasing (less than 1%) from 2024.

Expenses budgeted in services and

supplies include nonstandard small equipment and office supplies, professional services for travel training services, and travel for operators to represent Community Transit in the [regional](#) and [national Rodeo](#) competitions.



## Staffing and Personnel Expense

Division	Budget Center	FTEs
Transportation Administration	Transportation Administration	9.0
Transportation Operations	Vehicle Control	59.0
Transportation Operations	Vehicle Operations	496.0
Contracted Transportation	Contract Transportation Admin	3.0
<b>Department FTE Total</b>		<b>567.0</b>

In 2024, after the original 2024 budget was approved, 13 Coach Operator positions were added to this department to support service expansion. The 2025 budget adds 46 additional Coach Operator FTEs to support increased service hours, and one Project Manager.

All employee expense in 2025 is budgeted to the operating budget in the general fund.

## Capital Project Budget Oversight

This department does not have budget authority over any capital projects for 2025. Staff support agency capital projects as needed.



# Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2024 accomplishments and 2025 goals are provided below.

## 2024 Accomplishments

- Implemented the 2024 March service change and Swift Orange Line launch while maintaining service standards for on-time performance and service completion.
- Implemented the 2024 September service change and network restructure while maintaining service standards for on-time performance and service completion.
- Partnered with Employee Engagement and Training to ensure successful recruitment and retention of staff.
- Developed Link Shuttle/bus bridge plan in preparation for Sound Transit Link light rail.
- Improved procedures for responding to Coach Operator Assaults and Biohazard incidents, in collaboration with ATU.
- Implemented new commuter bus contract.
- Increased employee engagement activities onsite and in the field.
- Moved into upgraded and expanded Hardeson Campus Service & Operations building.
- Improved paratransit service performance with focused oversight of contractor and increased contractor staffing.
- Developed and implemented an intergovernmental agreement with Sound Transit for paratransit services within the light rail corridor.



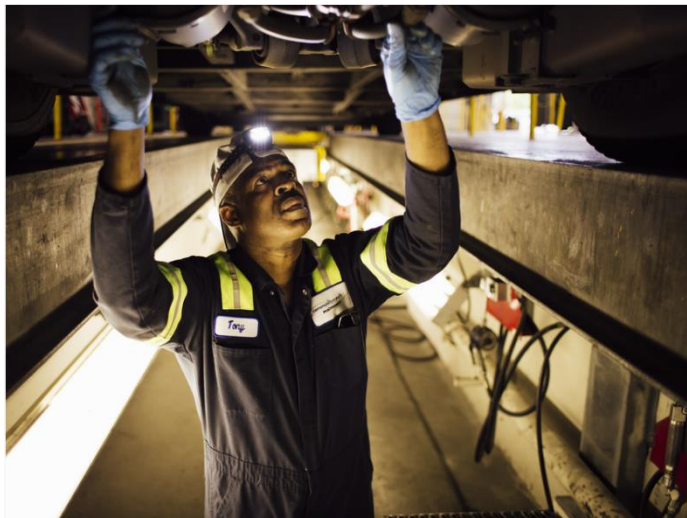
## 2025 Goals

- Implement the 2025 March and September service changes successfully while maintaining service standards for on-time performance and service completion.
- Support operation of Zip Alderwood Shuttle and new Zip microtransit pilot projects in Lake Stevens, Arlington, and Darrington.
- Study paratransit customer satisfaction and collaborate with cross-functional team for improved service delivery. Increase collaboration with paratransit partners at Metro and Sound Transit
- Provide travel training to individuals, groups, and schools specific to Link light rail.
- Improve employee and customer safety in the field through multi department collaboration, coordinating presence, engagement, and education.
- Improve the event report process for incident reporting and data collection.
- Increase employee engagement activities onsite and in the field.
- Implement the transition of contracted bus services to in-house operations.
- Support the Zero Emissions program to facilitate fleet transition.
- Revise and update Standard Operating Procedures.

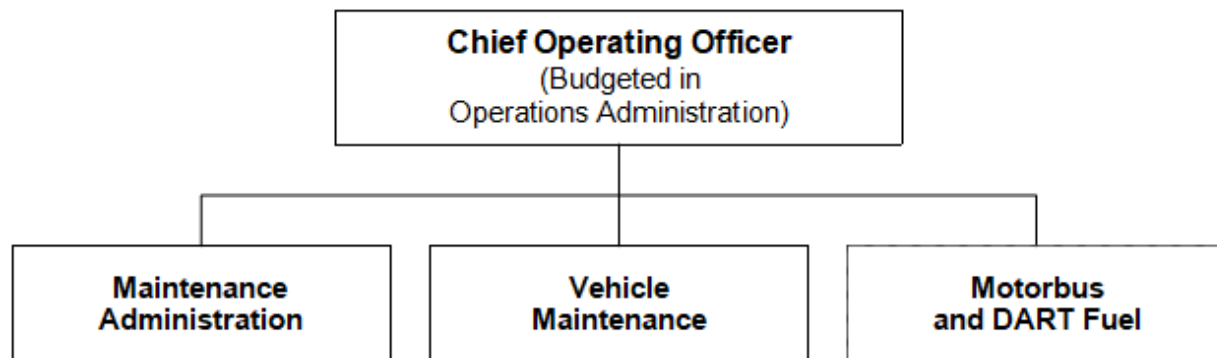
# Vehicle Maintenance

## Department Description

Community Transit’s bus fleet is the agency’s most significant capital investment, and the



Vehicle Maintenance Department works to ensure this investment is well managed. The department develops specifications for and orders our bus fleet. Once buses are in service, employees repair, clean, and provide corrective and preventive maintenance to ensure that the agency operates safe and reliable equipment for the entire life of our investment. Staff in this department also maintain our Vanpool fleet and an administrative support fleet to the same high standards.



Division	Description
Vehicle Maintenance Administration	Provides general management and guidance for the department, major project and vehicle purchase management, and administrative support.
Vehicle Maintenance	Performs preventive and corrective maintenance on all vehicles, including bodywork and painting for all Community Transit vans, buses, and service vehicles. Oversees maintenance performed by the contracted services provider; provides oil and special coach parts for the agency’s contracted commuter coach service.

## Department Operating Budget (Fund 40)

### Budget by Division

Division	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Vehicle Maintenance Administration	517,331	573,977	735,618	161,641	28%
Vehicle Maintenance	19,455,201	23,835,855	27,397,838	3,561,983	15%
<b>Vehicle Maintenance</b>	<b>19,972,531</b>	<b>24,409,832</b>	<b>28,133,456</b>	<b>3,723,624</b>	<b>15%</b>

Cost increases are discussed in detail below. At a high level, department costs are increasing to support service growth.

### Budget by Category

Expense Type	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Salaries and Wages	\$ 9,172,710	\$ 11,546,259	\$ 12,321,780	\$ 775,521	7%
Benefits	4,082,887	5,209,608	5,558,313	348,705	7%
<b>Personnel</b>	<b>13,255,597</b>	<b>16,755,867</b>	<b>17,880,093</b>	<b>1,124,226</b>	<b>7%</b>
Services	734,824	798,670	683,900	(114,770)	-14%
Supplies	5,982,110	7,368,180	9,569,463	2,201,283	30%
Budget Offset Contra Account		(512,885)		512,885	-100%
<b>Operating Expenditures</b>	<b>\$ 19,972,531</b>	<b>\$ 24,409,832</b>	<b>\$ 28,133,456</b>	<b>\$ 3,723,624</b>	<b>15%</b>

### Budget Offset Contra Account

In 2024, all departments were assigned negative budget adjustments as a tool to help Community Transit control its budget growth overall. The contra account reduced each department's budget without cutting specific line items. This practice has not been repeated in the 2025 budget.

## Services

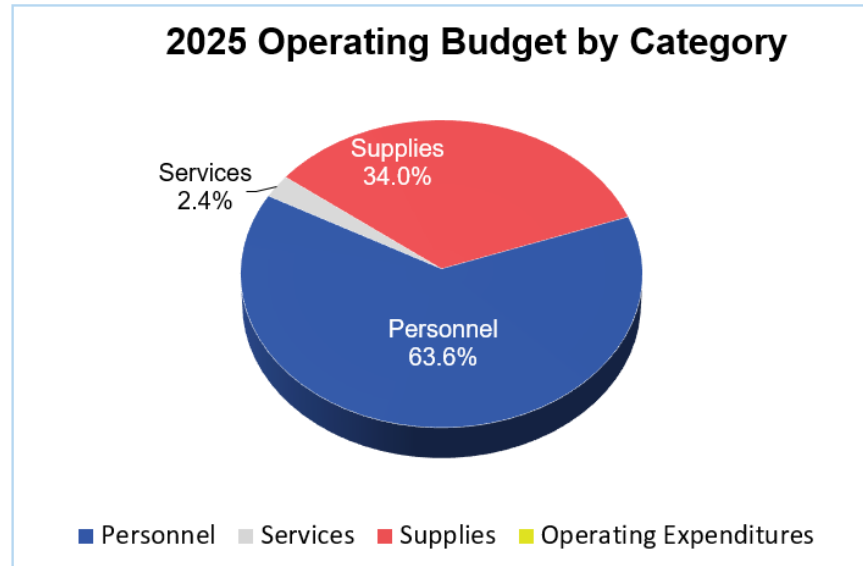
The services category accounts to just 2.4% of the 2025 budget. It includes items like towing services and contract maintenance services.

## Supplies

The supply category includes motor fuel for support vehicles, oil and lubricants, parts and tires, as well as general maintenance supplies. Diesel fuel for coaches is budgeted separately - this is discussed in the Expenses section.

At over \$6.7 million, parts make up most of the 2025 supply budget. This budget varies from year

to year, based on the number of new vehicles expected for delivery, and the maintenance schedule for existing vehicles.



## Staffing and Personnel Expense

Division	Budget Center	FTEs
Maintenance Administration	Maintenance Administration	4.0
Vehicle Maintenance	General Repair Shop	95.0
Vehicle Maintenance	Maintenance Support	13.0
Vehicle Maintenance	Body Shop	6.0
Vehicle Maintenance	Automotive Maintenance	7.0
<b>Department FTE Total</b>		<b>125.0</b>

The 2025 budget adds the following FTEs. These employees will support the new projects and volume of work including future developments:

- One journey Body Person to sustain the Transit Coach Driver Doors Project
- One Vehicle Service Worker
- 10 Journey Mechanics
- One Project Assistant

## Employee Expense by Fund

Employee Expense by Fund	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Fund 40: General Fund	\$ 13,255,597	\$ 16,755,867	\$ 17,880,093	\$ 1,124,226	7%
Fund 42: Infrastructure Preservation				-	n/a
Fund 45: FTA Capital Projects Fund	90,455	95,684	98,935	3,251	3%
Fund 46: Local Capital Projects Fund				-	n/a
Fund 48: Facilities and Technology Fund				-	n/a
<b>Total Employee Expense</b>	<b>\$ 13,346,052</b>	<b>\$ 16,851,551</b>	<b>\$ 17,979,028</b>	<b>\$ 1,127,477</b>	<b>7%</b>

Less than 1% of employee expense in 2025 is budgeted to capital funds in support of the agency's capital program.

## Budget Oversight

The Vehicle Maintenance department, with assistance from Finance staff, provides budget oversight for the agency's diesel fuel budget. The diesel fuel budget is discussed in the Expenses section.

Division	2023 Actuals	2024 Amended Budget	2025 Budget	2025 Budget Over/Under 2024 Budget	% 2025 Budget Over/Under 2024 Budget
Directly Operated Fuel	6,551,802	8,743,385	9,782,588	1,039,203	12%
Commuter Purchased Trans Fuel	3,579,483	3,750,013	3,957,524	207,511	6%
DART Purchased Trans Fuel	811,379	1,025,530	1,133,119	107,589	10%
<b>Motorbus and DART Fuel</b>	<b>10,942,663</b>	<b>13,518,928</b>	<b>14,873,231</b>	<b>1,354,303</b>	<b>10%</b>

This department has budget authority over all or part of the following capital projects. Please see the Capital Program section for more information.

Fund	Project
41	(2319) 2023 DART Vehicles
41	(2418) 2025 DART Vehicles
45	(2408) ZE Coaches/Infrastructure - 60'
45	(2409) ZE Coaches/Infrastructure - 40'
46	(2226) BRT Coach Operator Barriers
46	(2503) Transit Coach Driver Doors

## Accomplishments and Goals

Departments develop their workplans in support of agency strategic goals and priorities. A selection of 2024 accomplishments and 2025 goals are provided below.

### 2024 Accomplishments

- Analyzed trends and looked for opportunities to refine maintenance practices for a reliable and cost-effective fleet.
- Took ownership of upgraded and expanded Hardeson Campus Vehicle Maintenance building.
- Studied and implemented MERV-13 filters for the DART Paratransit fleet.
- Worked with Employee Engagement and Training to ensure the department has sufficient staff with the correct knowledge.
- Received and prepared 15 Swift BRT replacement coaches for service.
- Completed 10 mid-life engine & transmission overhauls.
- Supported the corporate Transit Asset Management plan by purchasing vehicles in accordance with the replacement schedule.
- Implemented conversion to R99 clean diesel fuel for all diesel bus operations.
- Worked with the Zero Emissions program team to support procurements, transition plan development, and side-by-side pilot implementation. This includes receiving and preparing the Gillig Battery Electric Coach and New Flyer Hydrogen Fuel Cell Coach for service.
- Supported agency efforts to develop a Sustainability Action Plan.



### 2025 Goals

- Provide program management for the transition of contracted bus services to in-house operations.
- Procure and install coach operator compartment barrier doors on all buses to improve security for coach operators.
- Research additional ways to make transit vehicles safer and more reliable for our customers.
- Achieve Preventative Maintenance targets.
- Purchase, prepare, and maintain fleet per the Transit Asset Management (TAM) plan.
- Support the Zero Emissions program to facilitate fleet transition.
- Implement strategies from the Sustainability Action Plan.
- Develop employee advancement pathways for skilled trades positions and leadership development.

# Supplemental Data

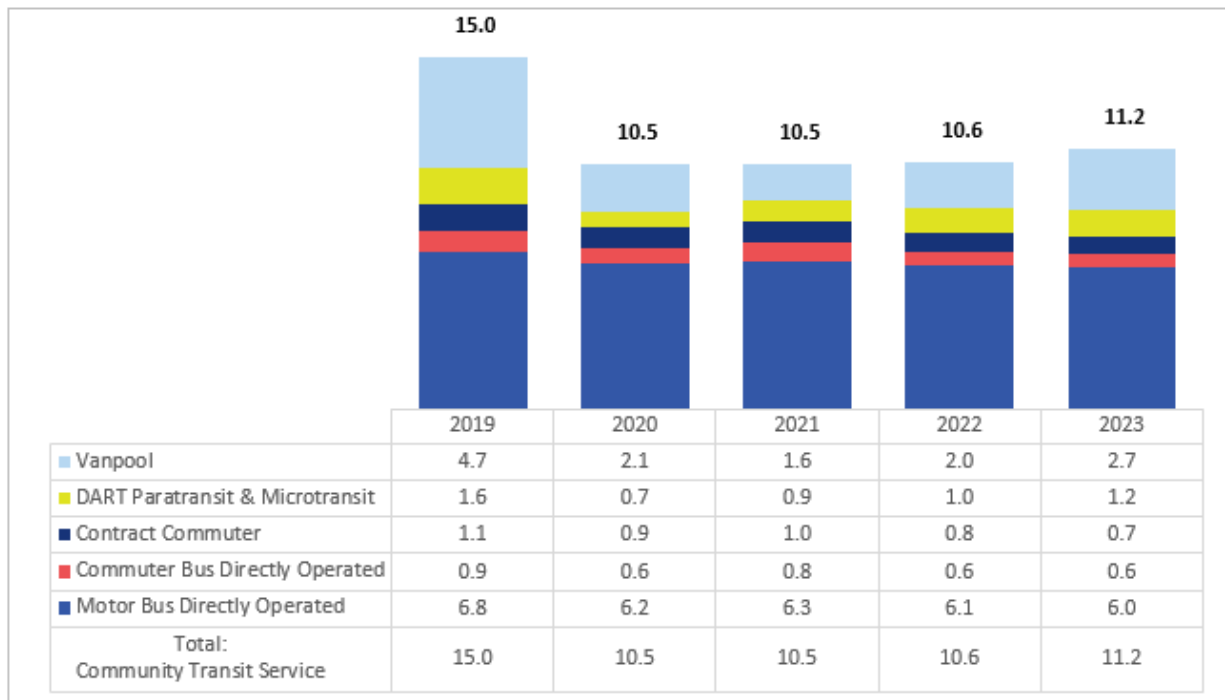
## Agency Statistical and Supplemental Data

Community Transit reports statistical and operating data to the Federal Transit Administration through the National Transit Database. Data for Community Transit and other transit providers is available at <https://www.transit.dot.gov/ntd>.

A selection of data is included below, from the year ending December 31, 2023. At the time this document was drafted, that was the last full year of available data.

### Service Miles

Community Transit Service Miles (in millions): 5 Year History



Per the National Transit Database, service miles (or vehicle revenue miles) exclude miles traveled while leaving and returning to the garage or bus yard, training operators, or conducting maintenance testing.

The COVID-19 pandemic and network changes have influenced miles travelled over the past several years.

Vanpool service miles have fluctuated due to changes in how commuters work in the post-pandemic environment. Remote and hybrid work schedules have meant fewer miles driven over the past several years, however, the demand for vanpools is beginning to grow as more companies shift towards hybrid or in-person work schedules.

# Capital Assets – Revenue Vehicles

Active Revenue Vehicles: 5 Year History

<b>Year</b>	<b>Motor Bus Directly Operated</b>	<b>Commuter Bus Directly Operated</b>	<b>Contract Commuter</b>	<b>DART Paratransit</b>	<b>Vanpool</b>	<b>Total: Community Transit Service</b>
2019	127	91	85	51	477	831
2020	151	70	85	52	461	819
2021	151	57	85	52	362	707
2022	197	58	84	52	339	730
2023	189	58	76	49	331	703

Community Transit’s inventory of motor buses is increasing to support service plan increases.

Microtransit service vehicles belong to the contractor providing the service.





# Service Data

Service Statistical Data: 5-Year Comparison<sup>1</sup>

	2019	2020	2021	2022	2023
<b>Motor Bus Directly Operated</b>					
Average Weekly Ridership	134,599	85,498	76,928	89,868	108,836
Passengers per Hour	14.42	10.16	9.08	11.23	13.80
Fare Revenue per Passenge	\$ 1.28	\$ 0.95	\$ 0.92	\$ 0.95	\$ 0.86
Cost per Passenger	\$ 12.91	\$ 20.00	\$ 19.95	\$ 22.26	\$ 20.53
Cost per Mile	\$ 13.37	\$ 14.32	\$ 12.64	\$ 17.01	\$ 19.28
Farebox Return	9.9%	4.7%	4.6%	4.3%	4.2%
<b>Commuter Bus Directly Operated</b>					
Average Weekly Ridership	23,634	6,951	4,752	4,975	6,411
Passengers per Hour	26.05	11.88	6.99	9.01	12.71
Fare Revenue per Passenge	\$ 3.53	\$ 3.78	\$ 3.37	\$ 3.68	\$ 2.59
Cost per Passenger	\$ 13.01	\$ 33.56	\$ 49.02	\$ 48.19	\$ 34.21
Cost per Mile	\$ 18.23	\$ 19.03	\$ 15.37	\$ 19.39	\$ 19.94
Farebox Return	27.1%	11.3%	6.9%	7.6%	7.6%
<b>Contract Commuter Service</b>					
Average Weekly Ridership	35,591	9,587	6,042	8,987	12,352
Passengers per Hour	35.38	13.73	8.73	14.76	20.47
Fare Revenue per Passenge	\$ 3.42	\$ 4.12	\$ 4.12	\$ 4.01	\$ 2.76
Cost per Passenger	\$ 6.39	\$ 22.54	\$ 34.83	\$ 23.59	\$ 16.97
Cost per Mile	\$ 10.66	\$ 12.33	\$ 11.41	\$ 13.45	\$ 14.66
Farebox Return	53.5%	18.3%	11.8%	17.0%	16.3%
<b>Demand Response (Paratransit &amp; Microtransit)</b>					
Average Weekly Ridership	3,666	1,334	1,636	2,014	2,496
Passengers per Hour	2.24	1.91	1.67	1.84	1.80
Fare Revenue per Passenge	\$ 2.26	\$ 1.93	\$ 2.63	\$ 2.38	\$ 2.38
Cost per Passenger	\$ 47.08	\$ 143.06	\$ 95.61	\$ 79.96	\$ 69.54
Cost per Mile	\$ 5.68	\$ 14.60	\$ 9.27	\$ 8.15	\$ 7.68
Farebox Return	4.8%	1.4%	2.8%	3.0%	3.4%
<b>Vanpool</b>					
Average Weekly Ridership	15,842	5,808	4,382	5,408	7,328
Passengers per Hour	5.54	4.65	4.71	4.76	4.95
Fare Revenue per Passenge	\$ 3.78	\$ 5.00	\$ 7.83	\$ 5.00	\$ 4.59
Cost per Passenger	\$ 5.32	\$ 11.22	\$ 12.49	\$ 13.49	\$ 13.20
Cost per Mile	\$ 0.93	\$ 1.64	\$ 1.80	\$ 1.90	\$ 1.90
Farebox Return	71.0%	44.6%	62.7%	37.0%	34.7%

Notes:

- Cost per passenger is not net of fare revenue.
- Revenue hours and miles are time and distance in active service.
- Information about future service plans is available in the Service Plan section.

<sup>1</sup> Source: FTA National Transit Data Base (NTD) Report.

## Fare Structure

Community Transit periodically reviews and updates its fare structure. Notable changes include a shift from zone-based fare structures in October 2018 as part of a regional fare policy initiative. In 2019, Community Transit adopted a low-income bus fare available to those who qualify for an [ORCA LIFT Card](#). The COVID-19 pandemic brought a temporary suspension of fare collections (not reflected in the tables below). The agency suspended fare collection effective March 20, 2020, and resumed on Swift routes effective June 1, 2020, and on all routes effective July 1, 2020.

In 2022, Community Transit and other regional transit providers eliminated fares for youth 18 and under in support of the Move Ahead Washington transportation package approved by the Washington State Legislature in March 2022. This change took effect September 1, 2022.

At the end of 2023, Community Transit started offering a new service: Microtransit. The fares for Microtransit service are the same as for Local service.

After the September 2024 service change shifted commuter routes to local express service, the commuter service fare was retired.

### Fare Structure: 5-year History

Year	Local Service			Commuter			DART
	Regular	Youth	Senior/Disabled	Regular	Youth	Senior/Disabled	Paratransit Fares
2019	2.50	1.75	1.25	4.25	3.00	2.00	2.50

Year	Local Service & Microtransit			Commuter			DART	
	Regular	Youth	ORCA LIFT & Senior/Disabled	Regular	Youth	ORCA LIFT & Senior/Disabled	Paratransit	Youth
2020-Aug 2022	2.50	1.75	1.25	4.25	3.00	2.00	2.50	
Sep-Dec 2022	2.50	Free	1.25	4.25	Free	2.00	2.50	Free
Jan-Sep 2023	2.50	Free	1.25	4.25	Free	2.00	2.50	Free
Sep-Dec 2023	2.50	Free	1.25	4.25	Free	2.00	2.50	Free
Jan-Aug 2024	2.50	Free	1.25	4.25	Free	2.00	2.50	Free
Sep-Dec 2024	2.50	Free	1.25				2.50	Free

Revenue from fares is discussed in the Revenues section of this document.

Learn more about current fares and passes at: <https://www.communitytransit.org/fares-and-passes>.

# Key Performance Indicators

Key performance indicators help evaluate how effectively and efficiently the agency performs over time. Community Transit developed a series of key performance indicators in 2004. The Board of Directors originally adopted performance indicators in two categories: Customer Satisfaction/Ridership Growth and Good Stewards of Public Funds.

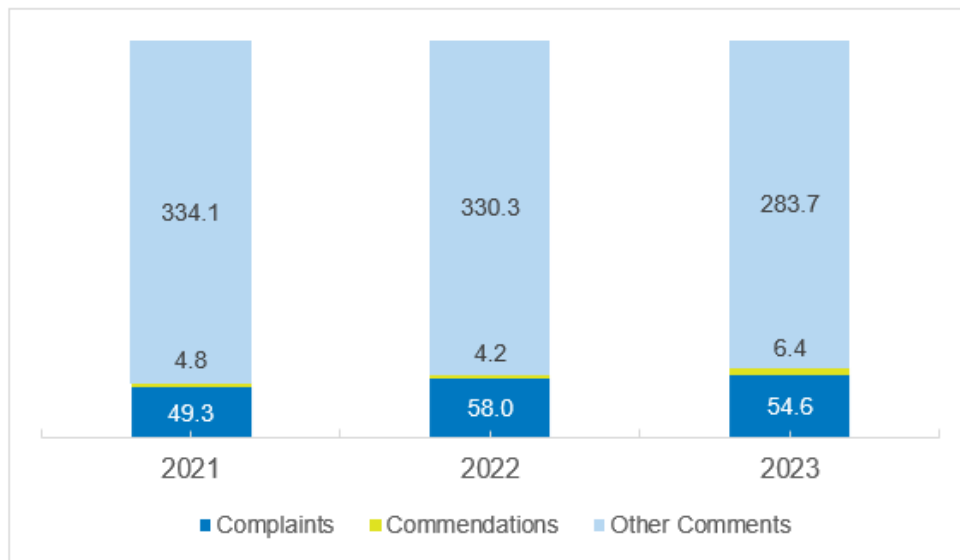
A selection of key performance indicator information is included below, showing data through the year ending December 31, 2023. The agency closely monitors performance data throughout the year.

Note: Charts exclude Sound Transit service since Community Transit operates that service on a contract basis.

## Customer Satisfaction and Ridership Growth

### Customer Comments

Total Customer Comments per 100,000 Boardings

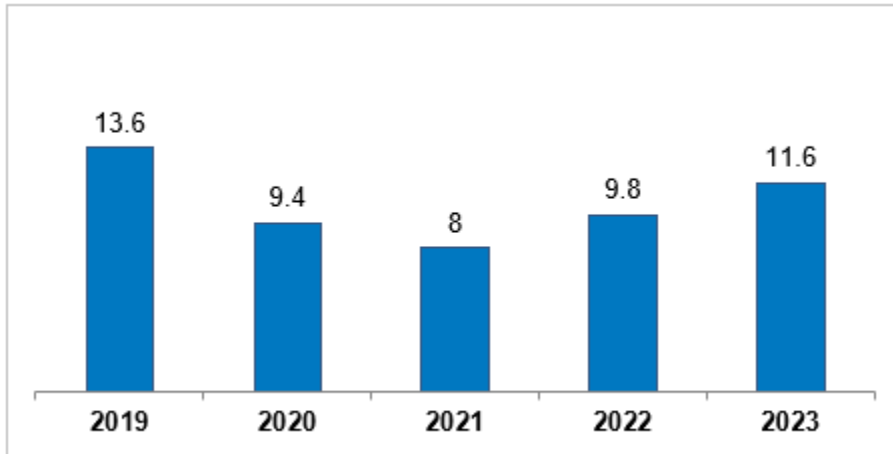


Customer comments are an indicator of customer interest in, concern about, and satisfaction with Community Transit Services. They include commendations for our coach operators and other employees, complaints, requests for additional service, suggestions for changes in existing service, requests for bus stops to be added or removed, and the like. The most common customer complaints include scheduling concerns, frequency of stops, and behavior of other riders on a bus.

## Boardings Per Revenue Hour

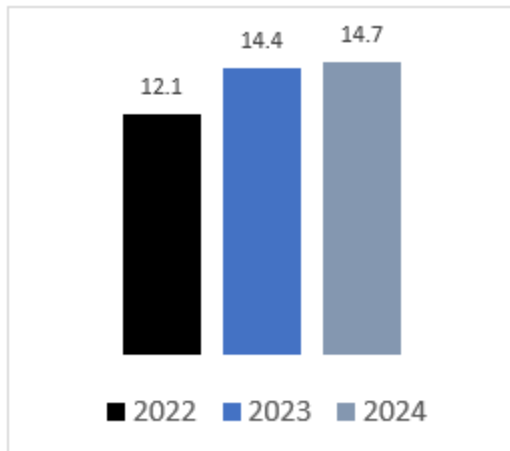
Boardings per revenue hour measures use of the service Community Transit operates. This is a ratio of passenger boardings across all modes (bus, commuter bus, demand response, and vanpool) divided by the number of revenue hours operated in all modes.

Annual Boardings Per Revenue Hour: 5-Year History



System ridership was significantly impacted by the COVID-19 pandemic and reached a low point in 2021. In 2023, the ridership across all modes showed recovery with 11.6 million boardings, an increase of 18% compared to 2022 and 23% compared to 2020.

Average Monthly Boardings Per Revenue Hour: January through August



As of August 2024, system boardings continue to grow towards pre-pandemic levels. The year-to-date average (January through August) for 2024 is just under 14.7 boardings per revenue hour, an increase of 0.3 over the 2022 average for the same period. The increase from 2022 to 2023 represents a shift towards hybrid or in-person work schedules for many community members who worked remotely from 2020 through 2022.

## Good Stewards of Public Funds

Cost performance indicators are influenced by factors such as changes in the number of revenue hours (service hours) the agency operates, changes in fare revenue, and changes in the cost of operating the services provided.

### Recent Changes Impacting Cost Performance

In 2019, Community Transit operated 818,000 revenue hours across all modes. In 2020, Community Transit deferred service increases and reduced service across all modes in response to the COVID-19 pandemic. In 2023, Community Transit operated over 75% of the 2019 total revenue hours.

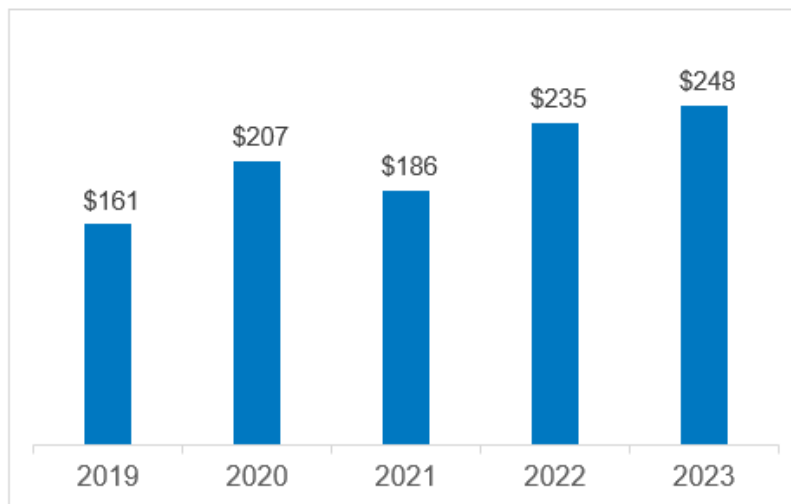
In 2021, Community Transit, along with other transit agencies in the region, instituted a fare reduction policy for customers who met a low-income threshold. In September 2022, Community Transit instituted a free fare for youth policy, also in conjunction with other regional transit agencies.

In September 2024, commuter route fares were discontinued as the September 2024 service change shifted commuter routes to local express service.

### Cost per Revenue Hour

Cost per Revenue Hour measures the cost of operations for one revenue hour of service. This systemwide performance measure indicates efficiency of the unit cost of operations and is affected by changes in operating expense and the number of revenue hours operated.

Cost Per Revenue Hour: 5-year History



Decreases in revenue hours during the COVID-19 pandemic were not proportional with cost decreases and caused the cost per revenue hour to spike in 2020.

In 2021, revenue hours increased slightly, while operating expenses decreased by about 9%. This decrease was primarily due to a reduction in total pension expense that occurred when

the agency's state-sponsored pension plan became fully funded. In 2022, and continuing into 2023, costs have increased largely due to inflation.

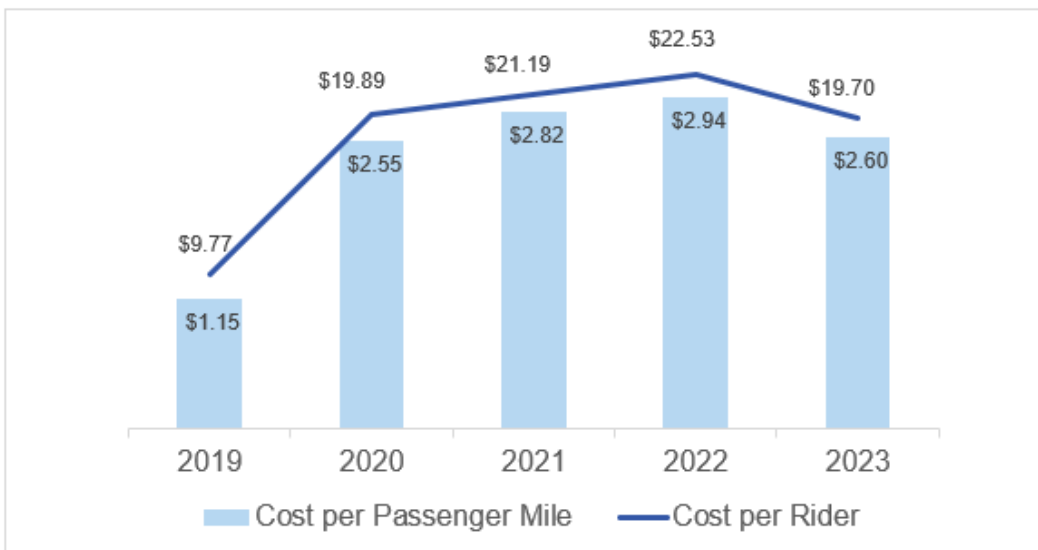
Revenue hours are planned to increase steadily from 2024 through 2029. Please see the 2024-2029 Transit Development Plan for detailed service projections, available online at <https://www.communitytransit.org/transit-development-plan>.

## Cost Per Rider and Per Passenger Mile

Cost per rider measures the net cost after fare payment for delivery of one passenger trip. This statistic reflects the average cost across all service modes—local bus, commuter bus, demand response, and vanpool. It can be an indicator of cost efficiency but must be reviewed with consideration for policy decisions to offer low-cost, no-cost, or other fare options.

Cost per passenger mile measures the cost of operations to carry one passenger for one mile. Factors that increase the cost per passenger mile include fewer miles to absorb operating expense and increased operating expense.

Cost per Rider and per Passenger Mile: 5-Year History



### Cost per Rider

In 2021, a low-income fare program offering reduced fares (1/2 of the full fare) was implemented for riders who qualified for the program. In 2022, a program offering free fares for youth was adopted. The youth free fare, and work-from-home options which many businesses now offer have contributed to lower fare revenue.

In 2023 the cost per rider decreased about 87% from previous year costs due to increased ridership.

### Cost per Passenger Mile

In 2023 the cost per passenger mile decreased about 88% from previous year costs. This change results from increases in route schedule efficiency.

# Reference

## Planning Cycle and Annual Budget Process

Community Transit’s fiscal year is the calendar year – January 1 to December 31. Budget development consists of a multiphase process beginning in the spring and ending in December when the Board of Directors adopts the budget for the upcoming fiscal year.

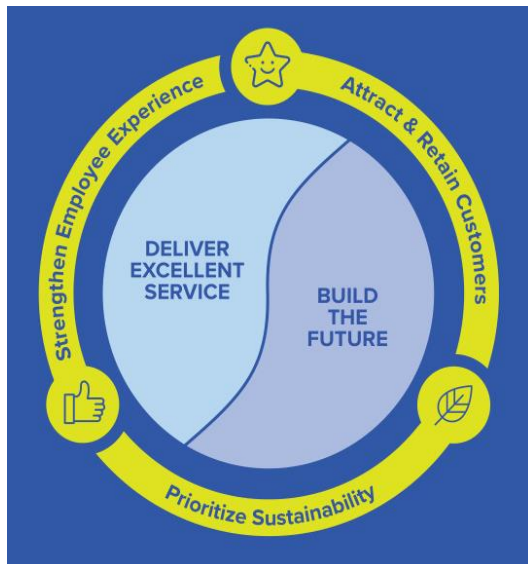
## Strategic Planning Process

Community Transit leadership seeks to adopt Mission and Vision statements that reflect the region’s transportation needs and changing customer expectations. These statements are refreshed as needed by the Executive Leadership Team to stay ahead of new developments and needs of our community and customers.



The current Vision and Mission statements were finalized in 2019. These were thoughtfully developed over the course of two years, starting with a series of executive retreats, and later involving middle management in the process. These were finalized and communicated to all Community Transit employees. Agency strategic priorities were then developed to add action to the Mission, Vision and Core Values, and to guide the long range planning process.

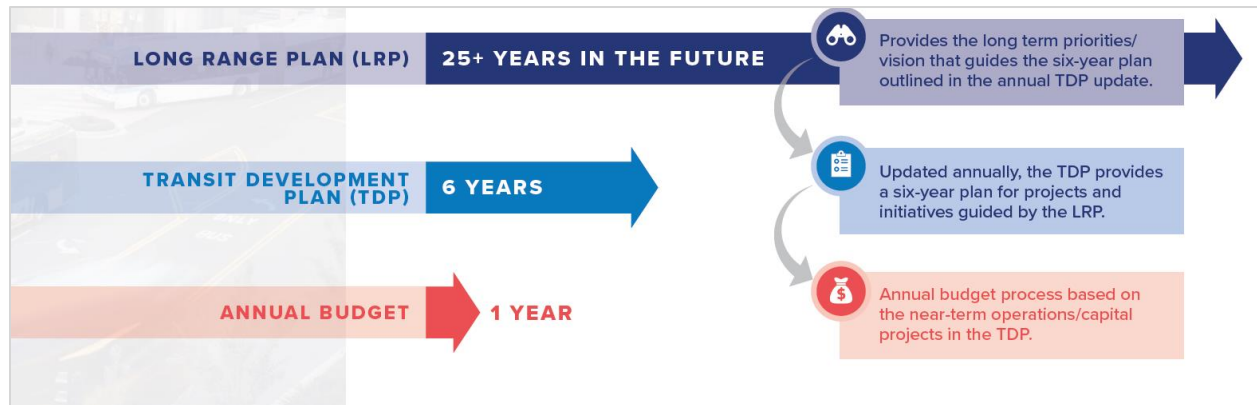
Strategic Priorities and Themes



Community Transit’s strategic priorities for 2024 through 2025 are focused on delivering excellent service and continuing to build the future. Strategic priorities, goals and initiatives are reviewed annually by leadership and adapted with the agency’s strategy map. For more information on the 2025 strategic priorities, please see the Agency Overview section.

# Community Transit's 25-Year Planning Framework

## 25-Year Planning Framework



## Long Range Plans (LRP)

Long range plans help define Community Transit's role over 25+ years. Plans are developed using data from a wide variety of sources, including community feedback, and regional, environmental, and economic factors. Learn more about Community Transit's current long-range plan at <https://www.communitytransit.org/long-range-plan>

## Transit Development Plan (TDP)

Pursuant to RCW 36.57A.060, Community Transit's Strategic Planning staff develops its annual Transit Development Plan (TDP). Yearly updates to this plan provide a refreshed six-year forecast of agency financials, service levels, and capital projects. The TDP represents an important forum for developing strategic goals and helps set the tone for many agency work programs. The TDP is adopted by resolution of the Board of Directors, preceding the development and adoption of Community Transit's annual budget. The Washington State Department of Transportation requires transit agencies to submit an updated plan approved via a public process in late summer each year.

The TDP is updated each year with new economic assumptions and provides parameters for the annual budget, including revenue and service growth estimates, along with cash outflows for operations and capital requirements. It also works with the budget to set reserve policy and ensures fiscal sustainability to support future growth and expansion. Annual updates provide a refreshed six-year forecast of agency financials, service levels, and capital projects, as well as a roadmap for the delivery of Community Transit's service plan. Planning and Development and Finance staff work cooperatively to translate the TDP assumptions into budget detail.

The TDP also serves as an important communication tool to internal staff, community partners, and citizens. The most current board adopted TDP document can be found at:

<https://www.communitytransit.org/transit-development-plan>.



## Annual Budget Development

Community Transit's Board of Directors adopts its annual budget in December preceding the start of a new fiscal year. Board Resolution No. 22-98 specifies the timeline for presentation of the budget to the Board and requires that the budget presented be balanced. RCW 36.57.040(1) requires transportation authorities "to prepare, adopt, carry out, and amend a general comprehensive plan for public transportation service."

The annual budget fully funds that year's operating expenses and operating revenues; capital development; and reserves needed for preservation of capital assets, workers' compensation, replacement of vehicles, and funding for future facilities and technologies requirements. Staff develop the budget based on agencywide strategies, plans, and departmental programs and objectives. The Board monitors the annual budget and agency financial activities through review of financial reports including monthly expenditures listings, quarterly financial reports, and the annual comprehensive financial report.

It is management's responsibility to present a preliminary budget that strikes the right balance between any competing interests at Community Transit, and between anticipated resources and planned expenditures.

### The Board of Directors' Role

The Board of Directors adopts the annual budget. The Board of Directors then monitors the annual budget through quarterly financial reports, monthly review of expenditure listings, and authorization of all expenditures exceeding \$150,000. The Board Finance, Performance, and Oversight Committee receives a monthly fund status report for review and discussion with staff.

Budgetary control is maintained at varying levels. Operating expenses are monitored by department heads who are assigned responsibility for controlling their budgeted appropriations. Emphasis is placed on the total appropriation for the department, and for the divisions within each department. Budget overruns at the agency or fund level must be authorized by the Board of Directors; at lower levels they are the responsibility of the CEO.

### Department Budget Process and Activities

At the start of Community Transit's fiscal year, which runs from January to December, Finance staff create a calendar to outline the upcoming budget cycle and begin compiling data to inform budget targets. Projections for service hours, provided by the Planning and Development staff, inform staffing and other departmental costs that are influenced by service or revenue hour volumes.

Department budget preparation typically begins in mid-May with a four-week period allocated for completing these budgets. In June, budget staff offer hands-on support to agency budget preparers who may need technical assistance with creating and entering their departmental budgets.

During the early summer, Finance staff estimate the budgeted revenues for the upcoming year while departments finalize their budgets. Additionally, the Finance team prepares budgets for workers' compensation, debt service, insurance, benefits, cost pools, and interfund transfers,

which cover capital projects and nonoperating expenses.

## Department Operating Budget, Capital Project & FTE Reviews

In early July, the finance department and executive review team meet with each department to review their operating budget needs. During these meetings, each department's operating budget, capital project requests, and FTE (Full-Time Equivalent) requests are assessed as a package, with approval considerations based on agency needs, funding availability, and capacity.

The finance department sets targets for department operating budgets, which are discussed during these review meetings. Executive review team then provides preliminary recommendations for operating budgets, capital projects, and FTE approvals for the upcoming year. Departments with budgets that are not aligned with targets receive additional support and follow-up meetings to help managers meet their budget goals. The entire process comes to conclusion in early August.

## CEO and Executive Review

Following the department reviews, finance staff analyze the budget submissions to ensure they are accurate and complete. This analysis aligns with the preliminary recommendations made by the executive budget review team in early July. The review focuses on ensuring that the budget meets strategic priorities, implements the service plan, projects and reserves outlined in the TDP, and adheres to pre-determined targets for expenses and cash flows. Multiple rounds of review may be necessary to meet these targets.

The executive budget review team then makes recommendations to the CEO, who approves the budget in mid-August. This approved budget is subsequently submitted to the Board of Directors. In October, Finance and Administrative staff prepare reports and presentation materials for the Board of Directors.

## Presentation to the Board of Directors and Review Process

In October, Community Transit's Chief of People & Financial Officer, along with the Finance staff, presents an overview of the proposed budget to the Board of Directors. Initially, this budget is shared with the Finance, Performance, and Oversight Committee members before being introduced to the full Board during the October Board workshop.

By late October or before the workshop, the Board receives a comprehensive document detailing the proposed budget. This document includes materials such as the CEO's Message, Executive Summary, and department-specific information. Board members review the proposal and are invited to submit questions to the Budget Manager or the Chief of People & Financial Officer, typically by mid-November. Once the Board accepts the preliminary budget book, the proposed budget book will be published on Community Transit's website for public viewing.

In November, during the Board meeting, a public hearing is held to allow feedback from the community. This session also provides Board members with an opportunity to address any additional questions and consider any new information that may arise.

Agency staff then respond to the Board members' inquiries and provide a detailed document by

a predetermined date in the third week of November, before the Thanksgiving holiday. The Board of Directors votes on the budget resolution during the December Board meeting. If the budget cannot be adopted in December, a special meeting must be held before December 31st to ensure its approval for Community Transit.

## Budget Amendments

Budget amendments are a tool to make changes to the budget if unanticipated events, such as economic and other changes, occur that warrant changes to Community Transit's Board-adopted budget. Often, one or more amendments are processed in advance of the annual budget process. These amendments usually include elements such as off-cycle project requests or adjustments to the service plan. A final year-end amendment may be processed near the close of the fiscal year. This amendment often includes additional updates to the revenue budget and/or adjustments needed to existing project budgets.

The budget manager compiles items for budget amendments and prepares a Board resolution and associated attachments. The Board of Directors reviews and approves budget amendments. This process occurs at regular Board of Directors meetings, which are public meetings held on the first Thursday of each month.

## Publication

Finalized budget documents are published online following Board adoption. Community Transit uses the budget document to share information with members of the community and others who desire information about how Community Transit spends its resources.

Links to Community Transit's recently adopted budgets and other financial information can be viewed at: <https://www.communitytransit.org/budget>.

## Budget Calendar

	Initial budget trainings open to all budget preparers	Late April
	Budget instructions & schedule presented to Executive Leaders & Managers	Early May
	Budget system released to Department Budget preparers	Mid-May
	Budget workshops held	Early June
	Department Operating, Capital and FTE budgets due	Late June
	Department budget reviews with Executive Budget Review Team and Budget Team	Late July – Early August
	Executive Budget Review Team and Budget Team presents proposed budget for CEO approval	Mid-August
	Analysis and report preparation occur	Late August-October
	Budget preview presented to the Board	First Thursday in October on an as-needed basis
	Budget presented to the Finance, Performance, and Oversight Committee	Third Thursday in October
	Budget presented to Board of Directors at quarterly workshop	Fourth Thursday in October
	Public hearing on the budget occurs	First Thursday in November
	Board adopts budget	First Thursday in December

# Funds List

Community Transit uses a single enterprise fund to account for its operations and prepares its financial statements on the accrual basis of accounting according to generally accepted accounting principles.

For budget purposes, as well as for tracking reserves and capital projects, the agency breaks this enterprise fund into multiple funds in its financial system. These budgetary funds include a general operating fund, funds to cover debt service and the workers’ compensation program, and multiple capital project funds. Several of these funds contain reserves. All of Community Transit’s funds are appropriated.

## Management Funds

Number and Name	Type	Purpose
40 General Fund	Operating	Direct operating costs are paid from this fund.
41 Replacement Reserve	Capital	Vehicles  This fund reserves a portion of Community Transit’s local revenues, mainly sales tax revenue, for replacing buses, vanpool vans, paratransit vehicles, and support vehicles and for accumulating the local match when federal grant funds are used for vehicle replacements.
42 Infrastructure Preservation and IT Preservation	Capital	Existing Infrastructure and Technology Systems and Equipment  Similar to the Replacement Reserve, this fund reserves a portion of Community Transit’s local revenues, mainly sales tax revenue, to accumulate funds for the repair and replacement of aging facilities and technology infrastructure. The fund contains new projects as well as projects carried over from year to year.
43 Workers’ Compensation Fund	Operating	Workers’ Compensation  This fund is used to pay worker’s compensation claims. State law requires that all self-insured entities keep a certain minimum in reserve to pay current and future claims.
44 State Capital Projects	Capital	State Grant Funded Projects  This fund includes capital projects paid for, in part, by state grants which usually require Community Transit to contribute a partial match. The fund contains new projects as well as projects carried over from year to year.

<b>Number and Name</b>	<b>Type</b>	<b>Purpose</b>
45 FTA Capital Projects	Capital	<p>Federal Grant Funded Projects</p> <p>This fund includes capital projects paid for, in part, by Federal Transit Administration (FTA) grants that require Community Transit to contribute a partial match. This fund may also include state and local grants or contributions associated with federal funding. The fund contains new projects as well as projects carried over from year to year.</p>
46 Local Capital Projects	Capital	<p>Locally Funded Capital Projects</p> <p>This fund includes capital projects paid for with locally generated funds. The fund contains new projects as well as projects carried over from year to year. No federal grants are included in this fund, but it may include state and local grants and contributions. This is the fund where minor capital expenditures (those under \$100,000, or "MINCAP) are budgeted.</p>
47 Bond Capital Projects Fund	Capital	<p>Bond Projects</p> <p>This fund includes capital projects paid for by bond proceeds or proceeds from other forms of public debt, which Community Transit may issue in future years.</p>
48 Facility and Technology Expansion Reserve	Capital	<p>Expansion Infrastructure</p> <p>This fund sets aside a reserve for future facility and technology expansion projects. This fund includes capital projects paid for with locally generated funds. No federal grants are included in this fund, but it may include state and local grants and contributions. This fund may contain new projects as well as projects carried over from prior years.</p>
50 Bond Debt Service Fund	Debt Service	<p>Bond Payments</p> <p>This fund provides for the annual principal and interest payments on outstanding bonds.</p>

# Financial Policies

Community Transit’s financial policies are designed to provide a strategic and comprehensive framework for financial resource management. They provide guidelines for decision-making on how financial resources shall be utilized to fulfill the mission of the agency, meet obligations, and protect the public interest.

Community Transit’s management is responsible for establishing and maintaining an internal control system designed to ensure that its assets are protected from loss, theft, or misuse; and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) and in accordance with methods prescribed by the State Auditor under the authority of Washington State Law. Community Transit places emphasis on internal financial controls designed to provide reasonable, but not absolute, assurance that these objectives are met.

## Basis of Accounting and Financial Reporting

Community Transit’s fiscal year and budget period is January 1 through December 31.

The accounting policies of Community Transit conform to generally accepted accounting principles applicable to governmental units. Community Transit applies all applicable Governmental Accounting Standards Board (GASB) pronouncements.

Community Transit is a stand-alone enterprise fund, and our financial statements report information using the accrual basis of accounting, a method similar to those used by private-sector businesses. Under this method, revenues are recorded when earned, and expenses are recorded as soon as they result in liabilities for benefits received.

Operating revenues and expenses generally result from providing transportation services. Community Transit’s primary operating revenues include passenger fares (charges to customers for transportation services), reimbursements from Sound Transit for providing regional express bus service, and revenues earned from advertisements posted on buses. All other revenues are reported as nonoperating in the financial statements. The budgetary treatment of sales tax, grant revenues, investment income, and various other sources of revenue differ from GAAP treatment, in that they are called operating revenues if they are budgeted for in the general fund.

Operating expenses consist of service directly operated and service provided under contract, vehicle and facility maintenance, administrative expenses, and depreciation and amortization of capital assets. For budgetary reporting, expenditures in the capital program are considered nonoperating, even if they are not capitalized for financial reporting.

Community Transit’s accounting records are maintained in accordance with methods prescribed by the State Auditor under the authority of Washington State law. Preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

## Budgeting

The Board of Directors adopts both short-term and long-range plans that define the financial and service goals for the agency. A six-year Transit Development Plan (TDP) is updated each year and provides parameters, including revenue and service growth assumptions, for the annual budget. Based on TDP goals, staff develop an agency business plan and departmental programs and objectives which are used to prepare the agency's budget. Business planning is completed as a pre-budget activity. Staff coordinate to plan work activities on an agencywide level for the next year. The executive team makes final decisions regarding the business planning process.

After review and public comment, the Board of Directors adopts the annual budget in December of the preceding fiscal year.

Community Transit staff is committed to presenting a balanced budget with sustainable service level to the Board. A "balanced budget" is one in which revenues exceed expenditures, all reserves are fully funded, and Community Transit's volume adjusted operating costs grow at a rate that is less than the cap set in the TDP.

Most operating revenues and expenditures are budgeted on the accrual basis. Significant differences include sales tax revenue, depreciation and amortization, compensated absences payable, actuarial accrual of future workers' compensation losses, post-employment benefits, and other revenues. Investment income is budgeted without accounting for changes in fair value. Debt service is budgeted on a cash basis.

Capital projects are budgeted on a project basis. Projects are budgeted in their entirety when approved, regardless of anticipated expenditure dates. Each year thereafter, the remaining unexpended portion of each project, as well as related grant reimbursements, is re-budgeted.

Community Transit encumbers expenditures for management information. Encumbrances do not constitute a legal reduction of appropriations and are not reported on the financial statements.

The annual budget fully funds that year's operating expenses and operating revenues; capital development; and reserves needed for preservation of capital assets, workers' compensation, replacement of vehicles, and funding for future facilities and technologies requirements. The Board monitors the annual budget and agency financial activities through review of financial reports including monthly expenditure listings, quarterly financial reports, and the annual comprehensive financial report.

## Calculating Reserve Balances

Community Transit defines fund balance as modified working capital, in essence, cash and cash equivalents plus accrued revenues and less accrued expenses. A reserve is defined as a portion (or all) of the fund balance that is legally or managerially designated for a specific purpose or purposes.

Community Transit maintains reserves in multiple funds. These reserves are designated for operations, vehicle replacement, facility and technology preservation and expansion, workers' compensation claims, and debt service payments.



The unassigned fund balance in the general fund provides capacity for sustainability and expansion, as outlined annually in the Transit Development Plan. These funds are accessible for additional service, new initiatives, and projects after fully funding the current operating budget, capital obligations, and required reserves.

The following table describes how the designated reserves are calculated:

Reserve Type	Description
Debt Service	Community Transit's bond resolution requires that the agency set aside a portion of its sales tax revenue to meet bond debt service requirements during the year.
Facility and Technology Expansion	Amounts are designated for specific facility, service, or technology expansion projects. May include budgeted projects as well as future projects.
Infrastructure Preservation	Funding set aside for facility and technology preservation projects. A one-year need is estimated at 1.5% of the total replacement cost of all facility and technology assets, excluding vehicles. The reserve balance target is equal to the estimate for the current year and three subsequent years.
Operating	Three months' capacity for operating expenses, exclusive of Sound Transit service, and a \$5.5 million fuel reserve to cover unbudgeted increases.
Vehicle Replacement	This calculation includes the anticipated lifespan of each vehicle, the forecast replacement cost at end-of-life, and the planned local funding share of that replacement cost. Targets for local funding share are: 20% for bus, and 100% for vanpool and DART paratransit and support vehicles.
Workers' Compensation	Set at a minimum level of \$5.3 million with increases annually to cover estimated future claims at a 90% confidence level, as calculated by Community Transit's actuary.

## Cash and Short-Term Investments

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments purchased with a remaining maturity of three months or less. Community Transit's investment policies are governed by regulations established for public funds by Washington State law. Investments are reported at fair value except for investments in the Washington State Local Government Investment Pool (LGIP) which is reported at amortized cost. Changes in fair value are included as revenue in the financial statements but are not considered for budgeting purposes.

## Capital Assets and Depreciation

Assets with a useful life in excess of one year are capitalized if the individual cost is at least \$5,000. Capital assets are recorded at historical cost. Donated assets are measured at acquisition value. Replacements which improve or extend the lives of property are capitalized. Repairs and maintenance are expensed as incurred.

Community Transit participates with the Washington State Department of Transportation (WSDOT) in the construction of passenger park & ride facilities within the transit service area.

Community Transit contributes funds to provide the local match required under the terms of federal construction grants. The State of Washington retains park & ride facility ownership, but Community Transit's contribution allows us to use these facilities. The rights are valued at the amount of the contribution made and are reported under capital assets as site improvements.

Depreciation is computed using the straight-line method (without salvage values) over the estimated useful life of the asset.

Newly acquired assets are assigned useful lives as follows:

- Land—not depreciated
- Work in Progress—not depreciated
- Intangible Property, Easements—not depreciated
- Buildings—5 to 30 years
- Site Improvements—5 to 30 years
- Buses—12 to 15 years
- Other Vehicles—5 to 8 years
- Machinery and Equipment—3 to 10 years
- Computer Equipment—3 to 7 years
- Intangible Property—3 to 10 years

## Compensated Absences

Policies for the accrual and use of compensated absences vary depending on whether an employee is represented by a labor contract or is subject to the personnel policy. All employees are covered in three plans: paid time off, major sick leave, and Washington State sick leave. Paid time off is payable upon an employee's termination. Major sick leave and Washington State sick leave is payable at 25% of the hours accrued or 50% if retiring. The portion of both sick leave plans payable at termination represents the vested portion of major sick leave earned and is subject to accrual.

## Controlling Noncapitalized Assets

A noncapitalized asset is defined as any item with a value of at least \$300 and less than \$5,000, that meets specific criteria, and is vulnerable to theft, loss, or misuse. These items are referred to as "small and attractive items" per Resolution No. 01-02 and are tracked and verified annually. The policy applies to any regular, temporary, or contract employee who purchases, stores, uses, accounts for, or is in any way responsible for a noncapitalized asset.

## Delegating Purchasing and Other Authorities

This policy applies to any employee who has been delegated the authority to make certain financial, contractual, or regulatory transactions on Community Transit's behalf. The policy identifies and authorizes certain employees to make purchases on behalf of Community Transit and enter into contracts on the agency's behalf. The different authority levels are updated and maintained regularly as organizational structure, job titles, and business needs evolve.

The policy also contains guidelines for:

- Approving invoices for payment.

- Authorizing release of payments.
- Authorizing budget transfers.
- Authorizing the release of surplus property.
- Delegating authority for the annual USDOL OSHA 300 report.

## Investing Community Transit's Funds

Community Transit's portfolio complies with conditions set forth in its investment policy. This policy applies to all financial assets belonging to Community Transit except that bond proceeds are governed first by any associated bond financing documents. These funds are accounted for in Community Transit's Annual Comprehensive Financial Report. The policy contains the following topics:

- Affirming Community Transit's key investment principles.
- Managing Community Transit's investment program.
- Selecting financial institutions and brokers/dealers.
- Evaluating investment decisions.
- Developing Community Transit's investment strategy.
- Investing in authorized securities.
- Appendices include: the approved securities list, portfolio maximum percentages, and duties of the investment team.

Community Transit measures and reports investments at fair value using the valuation input hierarchy established by generally accepted accounting principles as follows:

- Level 1: Quoted prices in active markets for identical assets.
- Level 2: Quoted market prices for similar assets or other observable inputs.
- Level 3: Unobservable inputs for an asset.

Community Transit's investment policy clearly states that safety and liquidity take precedence over return on investment. Allowable investments are limited to:

- U.S. Treasury obligations.
- U.S. government agency obligations and U.S. government-sponsored enterprises.
- Banker's acceptances.
- Commercial paper.
- Certificates of deposit.
- Repurchase agreements.
- Bonds of Washington State and any local government in Washington State.
- General obligation bonds of a state other than Washington State.
- Washington State Local Government Investment Pool (LGIP).

**Interest Rate Risk:** Community Transit's investment guidelines and policies state that safety of funds is the number one priority in all investment decisions. Maturities are generally limited to five years, and the weighted average maturity of the portfolio may not exceed three years. All investments held are therefore considered to have a low interest rate risk.

**Credit Risk:** Community Transit's credit risk is indirectly controlled via the kind of investment instruments allowed by the investment policy. The policy includes only one direct, credit-risk

requirement. The requirement applies to bonds of any state and any local government in Washington State in which the rating must be one of the three highest credit ratings of a nationally organized rating agency. The risk ranges from minimal to none, based on the investment instruments Community Transit holds.

**Custodial Credit Risk:** According to Community Transit's investment policy, all security transactions are settled on a delivery versus payment basis. This means that payment is made simultaneously with the receipt of the securities to the safekeeping bank. Therefore, custodial credit risk for Community Transit's investments is minimal.

## Maintenance Parts Inventory

Vehicle maintenance parts are held for consumption and valued at cost using the weighted average method. The costs of maintenance parts are recorded as an expense when consumed rather than when purchased.

## Managing Agency Payment Cards

This policy applies to agency employees who perform one or more of the following functions associated with agency payment cards:

- Manage the policy or audit procedures.
- Review and approve expenditures or issue payments for purchases made using agency payment cards.
- Authorize other employees to perform any activity associated with the program.
- Serve as a card user or card custodian.

The policy covers the following information:

- Managing the agency payment card program.
- Setting payment card limits.
- Managing employee access to payment cards.
- Using payment cards.
- Monitoring and paying for purchases made using payment cards.
- Responding to misuse of a payment card.
- Appendices detail responsibilities of employees who participate in or manage the program.

## Managing Community Transit's Business Travel Program

This policy applies to any person authorized to travel on behalf of Community Transit and to employees who make or authorize travel arrangements or prepare travel budgets. The policy is authorized by Resolution No. 2-08 and is modeled after the Washington State Office of Financial Management State Administrative and Accounting Manual, Chapter 10. The policy covers the following topics:

- Managing the Agency Travel Program.
- Making Travel Arrangements.
- Purchasing Transportation for Business Travel.
- Purchasing Lodging for Business Travel.
- Using Per Diems While Traveling on Agency Business.

- Administering Travel Advances.
- Paying, Reconciling, and Reimbursing Travel Expenses.
- Travel Program Tip Guidelines.
- Combining Business and Personal Travel.
- Changing, Transferring, or Cancelling Travel Arrangements.
- Requesting Exceptions to the Agency Travel Program.
- Documenting Agency Travel.
- Purchasing Meals for Agency Activities.
- Determining When Travel Time is Compensable.
- Appendices include the following: approval authority matrix, lists of duties, and various detailed guidelines for compensation.

## Managing Community Transit's Fixed-Route Free Ride Fare Media

Free Ride Fare Media includes paper tickets, flash passes, and ORCA cards.

This policy applies to all employees who issue, use, and manage Community Transit's free ride fare media. The policy establishes the program and outlines employee responsibilities for managing the program and reporting data.

## Pensions

Information about the fiduciary net position of all state-sponsored pension plans and additions to or deductions from the fiduciary net position of those plans has been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. This information was used to measure net liability, deferred outflows of resources, deferred inflows of resources, and expenses related to pensions. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

## Procurement Policy

Resolution No. 01-17 authorizes the Chief Executive Officer to establish and maintain an agencywide procurement program of policies and procedures in compliance with federal, state and local laws.

Contracts that exceed \$150,000, at the time of award in total, if a single-term contract (e.g., construction); or in any contract year, if a multi-year contract including option years, shall be awarded by the Board of Directors, unless listed in Section 4 – Exemptions. All other contracts or change orders shall be awarded by the Chief Executive Office, subject to Board approved budgets.

## Restricted Assets

Funds are classified as restricted assets when their use is subject to constraints that are either: 1) externally imposed by creditors, grants, contributors or laws or regulations of other governments, or 2) imposed by law through constitutional provisions or enabling legislation.

## Small and Disadvantaged Business Enterprise Program

Community Transit has established a Small and Disadvantaged Business Enterprise (SBE/DBE) program in accordance with regulations of the US Department of Transportation, Code of Federal Regulations (CFR) Title 49 Part 26 (49 CFR Part 26). Community Transit has received federal financial assistance from the Department of Transportation/Federal Transit Administration (DOT/FTA), and as a condition of receiving this assistance, Community Transit has signed an assurance that it will comply with 49 CFR Part 26.

It is the policy of Community Transit to ensure that SBE/DBEs, as defined in 49 CFR Part 26, have equal opportunity to receive and participate in DOT/FTA-assisted contracts.

## Unearned Revenue

Revenues received in advance are recorded as unearned revenue on the Statement of Net Position.

## Using Staff and Personal Vehicles to Conduct Agency Business

This policy applies to any person who uses a personal vehicle, or a Community Transit staff vehicle, to conduct agency business. The policy covers the following information:

- Determining driver qualification.
- Monitoring driving status, and monitoring and scheduling staff vehicles.
- Driving a staff vehicle on behalf of Community Transit.
- Assigning staff vehicles for long-term use.
- Using personally owned vehicles to conduct agency business.
- Administering the policy.



# Glossary: Terms and Acronyms

Term or Acronym	Definition
Account	A record of an activity that describes the nature of an expenditure or revenue. Examples: fees for services, salaries, supplies, or equipment.
Accrual Basis of Accounting	Accounting method where transactions are recognized when they occur, regardless of the timing of associated cash receipts and disbursements.
ACFR	The Annual Comprehensive Financial Report. This report provides audited financial information for past years, as well as key performance indicators, comparative financial information, and economic data.
Actual	Earned revenue or incurred expense during the stated fiscal year.
ADA	Americans with Disabilities Act (ADA)
ADA Paratransit	The Americans with Disabilities Act mandates that comparable transportation service be offered to individuals with disabilities who are unable to use fixed-route transportation systems. At Community Transit, this service is called DART.

<b>Term or Acronym</b>	<b>Definition</b>
Amortization	The process of paying off a loan or debt by making scheduled payments, usually with interest included. Also, an accounting technique used to periodically lower the book value of an intangible asset over a set period of time.
Annual Budget	A financial and operating plan that establishes a budget for a single fiscal year only.
Appropriation	An authorization made by the Board of Directors that allows for the expenditure of agency resources during a given fiscal year.
ARPA	American Rescue Plan Act, which President Biden signed on March 11, 2021, includes \$30.5 billion in federal funding to support the nation's public transportation system as they continue to respond to the COVID-19 pandemic.
Asset	Resources or items of value that are owned by an entity.
Audit	An independent review of an organization's financial accounts.
Balanced Budget	A budget in which operating revenues exceed operating expenditures, all reserves are fully funded, and capital expenditures sustainably meet the plan defined in the six-year Transit Development Plan.
BARS	Budget, Accounting, and Reporting System—the required financial reporting system for government entities in Washington State.
Biennial Budget	A financial and operating plan that establishes a budget for a two-year period.
Bond	A type of security that is sold by firms or governments as a means to borrow money at specified interest rates.
BRT	Bus Rapid Transit—a system using buses which aims to combine the capacity and speed of light rail or metro with the flexibility, lower cost, and simplicity of a bus system, and can be described as a "surface subway".
Budget	A plan for revenues and expenditures, according to a set of strategic decisions made by agency leadership, which is approved by the Board of Directors annually. The budget funds initiatives and controls expenditures within boundaries.
Budget Calendar	A schedule of key dates that Community Transit follows in the preparation, review, and adoption of its annual budget.
Budget Center	A unit within the organization used for tracking actual expenditures and comparing them to an approved budget to ensure managerial control.
Budget Resolution	The official legal document approved by the Board of Directors that authorizes the expenditure of resources.



<b>Term or Acronym</b>	<b>Definition</b>
Budget Status Report	A report that compares budgeted expenditures with actual expenditures and encumbrances, usually reported by department and budget center as a means of monitoring the actual financial results against the annual approved budget.
Business Planning Process	Annual process that is completed as a pre-budget activity. The purpose is for staff in each department to communicate with agency staff in other departments to plan those work activities that should be completed on an agencywide level for the next budget year.
Capital	Property that is expected to generate value or provide a service over a long period of time and forms the productive base of an organization.
CARES Act	The Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act.
CBDO	Commuter Bus Directly Operated service.
CFR	The Code of Federal Regulations (CFR) is the codification of the general and permanent rules published in the Federal Register by the departments and agencies of the federal government. It is divided into 50 titles that represent broad areas subject to federal regulation.
Chart Field	A term used to describe the fields that segregate and categorize a transaction. At Community Transit these include funds, budget centers, accounts, and projects.
Chart of Accounts	A list of account numbers and their descriptions.
Consumer Price Index (CPI)	A measure of the average change over time in the prices paid by urban consumers for goods and services.
Contingency	A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.
Contra account	A budget offset account that reduces the budgeted value of a related account without cutting specific line items when netted together. This is a tool to help Community Transit control costs and forecast actual spending.
CPA	Certified Public Accountant.
CRRSAA	Coronavirus Response and Relief Supplemental Appropriations Act was signed into law on December 27, 2020. This included funds to support the transit industry during the COVID-19 public health emergency.
CTR	Commute Trip Reduction is a Washington State law that requires certain employers to develop programs to encourage their employees to use commuting alternatives instead of driving alone.
DART	Dial-a-Ride Transportation, a demand response service also known as paratransit, ADA paratransit.

<b>Term or Acronym</b>	<b>Definition</b>
Debt Service	Payment of principal and interest to Community Transit's bondholders.
DEI	Diversity, Equity, and Inclusion.
Department	A major unit of the agency.
Depreciation	A decrease in the value of an asset, typically due to wear and tear. For example, a vehicle depreciates over time as it is driven.
Division	A sub-unit of a department.
Encumbrance	The commitment of some portion of a budget to purchase an item or service. At Community Transit, an encumbrance is recorded when a purchase order is generated.
Enterprise Fund	A self-supporting government fund that sells something to the public for a fee. For example, Community Transit charges a small fare to transit riders.
Expense	The economic costs a business or government incurs through its operations to earn revenue or provide a service.
Express Routes	Routes that have limited stops that run between key residential areas and major transit hubs to provide faster travel times. Typically operating during weekday morning and evening peak travel times, often in peak direction only.
Fiscal Year	A twelve-month period to which the annual approved operating budget applies; also, the segment of time in which an entity measures its financial results.
Fixed Assets	Items of value which are purchased for long-term use and are not likely to be converted quickly into cash, such as land, buildings, and equipment.
Fixed-Route Service	Services provided on a repetitive, fixed schedule basis along a specific route with vehicles stopping to pick up and deliver passengers to specific locations; each fixed-route trip serves the same origins and destinations, unlike demand response and vanpool services.
FTA	Federal Transit Administration—the federal agency responsible for transit programs and funding.
FTE	Full Time Equivalent—a measure of staffing in terms of full-time hours worked during the year. At Community Transit, one FTE is equivalent to 2080 hours of paid employee time.

<b>Term or Acronym</b>	<b>Definition</b>
Fund	An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities. Community Transit uses multiple funds for budgeting and management purposes, but activity is combined into a single enterprise fund for the Annual Comprehensive Financial Report.
Fund Balance	Modified working capital: in essence, cash and cash equivalents plus accrued revenues and less accrued expenses.
GAAP	Generally Accepted Accounting Principles—used by industry and governments as standards for accounting and reporting financial activity. GAAP adherence assures all state and local governments’ reports contain the same type of financial statements and disclosure, based on the same measurement and classification criteria.
GASB	Governmental Accounting Standards Board—the entity that determines GAAP for government entities.
GFOA	The purpose of the Government Finance Officers Association is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and practices and promoting them through education, training, and leadership.
Interfund Transfer	A payment made from one fund in a government entity to another for goods or services rendered or to provide funding for another allowable public purpose.
Intergovernmental Services	Purchases made from other governments for specialized services typically performed by those governments.
Investment	An asset or item acquired with the goal of generating income or appreciation.
KPI	Key performance indicator—a measure showing progress made in achieving goals indicated in the agency’s strategic plan.
LGIP	Local Government Investment Pool – an investment portfolio operated by the Washington State Treasurer’s office.
Liability	The future sacrifices of economic benefits that the entity is obliged to make to other entities as a result of past transactions or other past events, the settlement of which may result in the transfer or use of assets, provision of services, or other economic benefits in the future.

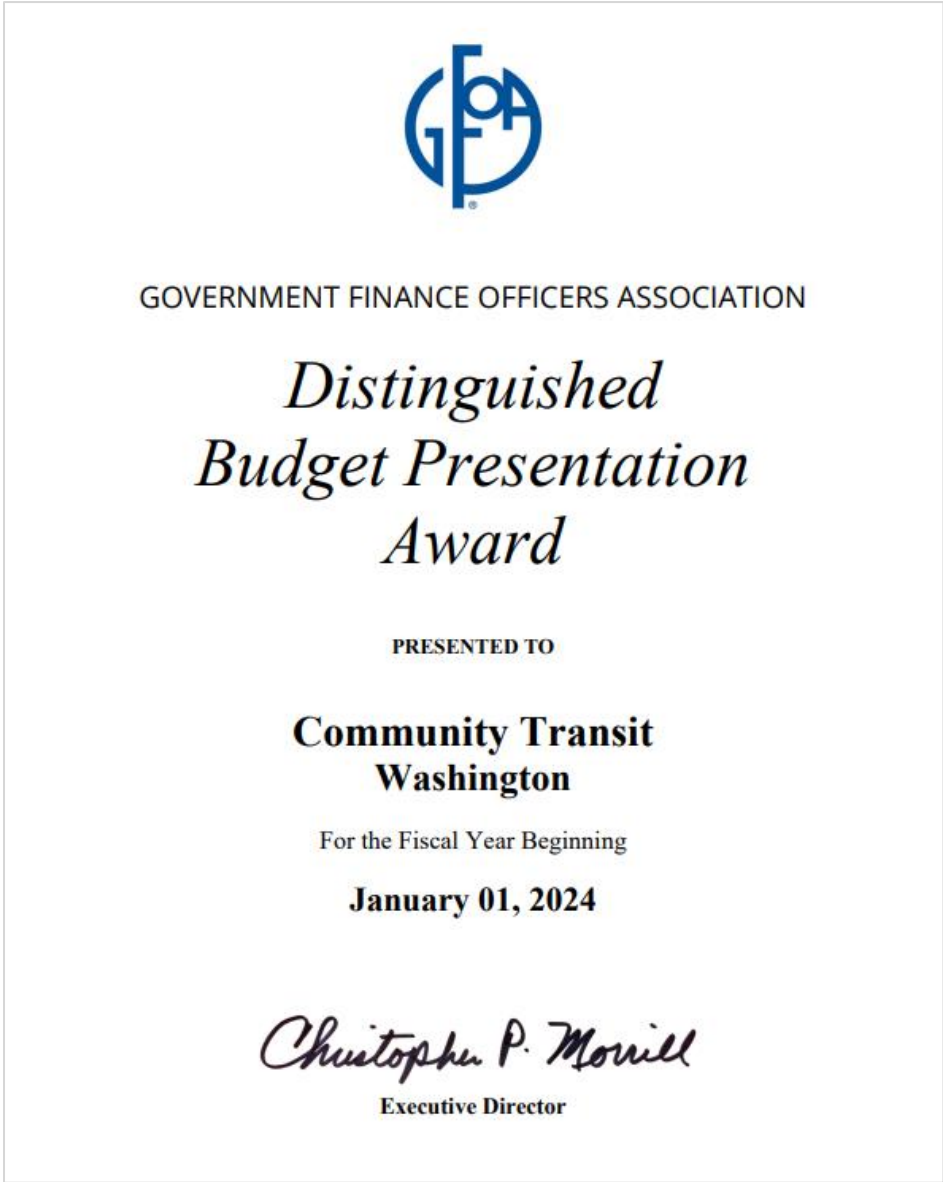
<b>Term or Acronym</b>	<b>Definition</b>
LRP	Long Range Plan. The Long Range Plan, which is 20 years in duration, is a planning framework that provides performance guidelines, coordinates future transit services with population and business growth, coordinates with regional partners, and ensures the economic viability of the agency's long-term operating and capital plans.
LSTGO Bond	Limited Sales Tax General Obligation Bond—bonds that pledge the full faith and credit of a sales tax-funded government agency for payment.
MBDO	Motor Bus Directly Operated service.
Microtransit	A demand response shared service that offers customers the option to book a ride on-demand within a defined service area.
Nonoperating Expenses	Cost or charges that do not arise from the principal operations of the agency's business. An example is interest expense.
Nonoperating Revenue	Revenues that do not result from the principal operations of the agency's business. Examples include interest income and capital grants.
NTD	The National Transit Database was established by Congress to be the Nation's primary source for information and statistics on all public transportation modes of the United States.
OFI	Owner Furnished Items—items provided by the agency to a contractor in connection with the contractor's performance of work.
Operating Budget	The primary means by which most of the acquisition, spending, and service delivery activities of a government are controlled.
Operating Expense	Expenses that support the operating budget, such as the government entity's acquisition, spending, and service delivery activities.
ORCA	One Regional Card for All. A smart-card system for public transit in the Puget Sound region of Washington State. <a href="https://info.myorca.com/">https://info.myorca.com/</a>
Paratransit	(see ADA Paratransit or DART)
Performance Measure	A numerical expression documenting some aspect of the output or outcomes of an activity, service, process, or program.
PERS	Public Employees Retirement System—retirement benefits provided by the State of Washington, in which Community Transit employees may participate.
PID	Public information display.
Project	A temporary endeavor to create a unique product, service, or result, which has a defined beginning and end time as well as a defined scope and resources.
PTBA	Public Transportation Benefit Area.
RCW	Revised Code of Washington—the laws of the State of Washington.

<b>Term or Acronym</b>	<b>Definition</b>
Reserve	A portion of fund equity that is legally or managerially restricted for a specific purpose.
Revenue	Income received by Community Transit to conduct services that support the mission of the organization. Income may be in the form of sales tax, passenger fares, grants, interest earnings, and other sources.
Revenue Hour	One revenue hour is the basic unit of operation as defined in the FTA National Transit Database Report. Revenue hours include all the time that buses operate on a route including layover; revenue hours do not include the time it takes a bus to get to the starting point of a route or to return to base at the end of a route.
SBE/DBE	Community Transit's Small and Disadvantaged Business Enterprise program promotes and encourages small business participation, which include small, minority, and women owned businesses in its procurement opportunities.
Service Hour	Includes the Revenue hours plus the time it takes a bus to get to the starting point of a route or to return to base at the end of a route. See Revenue Hour definition above.
SGR (also, SOGR)	State of Good Repair. SGR is a condition in which assets are fit for the purpose for which they were intended. A capital asset is said to be in a state of good repair if it is in a condition sufficient for the asset to operate at a full level of performance.
Strategic Plan	A long-range statement of direction for an organization, which identifies vision, mission, goals, and strategies, as well as measures which will show progress made in achieving goals.
TDM	Transportation Demand Management—the application of strategies and policies to increase the efficiency of transportation systems, that reduce travel demand, or to redistribute this demand in space or in time.
TDP	Transit Development Plan—a six-year blueprint for developing the agency's long-range transit system. It identifies transit service needs, prioritizes improvements, and determines the resources required for implementing modified or new service.
Vanpool	A transportation service that allows groups of people to share the ride similar to a carpool, but on a larger scale with concurrent savings in fuel and vehicle operating costs.
WAC	Washington Administrative Code—administrative rules of the State of Washington, which are designed to help the public comply with state laws, processes, and other requirements.
Working Capital	The money available to an agency to meet current, short-term obligations. Sometimes referred to as liquid assets.

Term or Acronym	Definition
WSDOT	Washington State Department of Transportation—the department that oversees Washington State’s multimodal transportation system and ensures that people and goods move safely and efficiently. In particular, this agency builds, maintains, and operates the state highway system and the state ferry system.
WSTIP	Washington State Transit Insurance Pool—the insurance pool consists of twenty-five Washington State public transit agencies, who combine their resources in order to provide and purchase insurance coverage, manage claims and litigation, and receive risk management assistance and training.
ZE	Zero emissions. Zero Emissions vehicles are battery electric vehicles and hydrogen fuel cell electric vehicles.
Zip	Zip is a microtransit service that offers customers the option to book a ride on-demand within a defined service area.

# Distinguished Budget Presentation Award

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Community Transit for its Annual Budget for the fiscal year beginning 2024.



In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

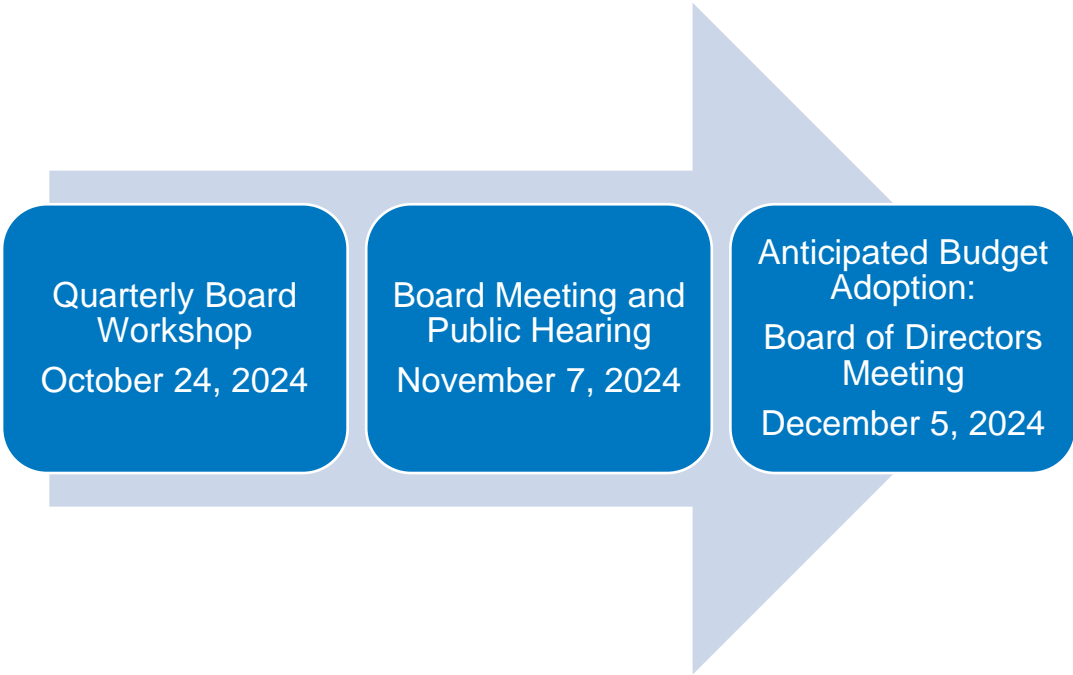
# Board Resolution

## Approving the 2025 Budget

This resolution is not available in the proposed version of the budget document.

### Board Meeting Schedule – 2025 Budget

The budget will be discussed at the Board meetings below. These meetings are open to the public. Learn how to attend a Board meeting at <https://www.communitytransit.org/how-to-attend-a-meeting>.





This page left blank intentionally.

This page left blank intentionally.

This page left blank intentionally.

# OUR ► VISION

**Travel made easy for all.**

## ► MISSION

**We help people get from where they are to where they want to be.**

## ► CORE VALUES

### **Accountability**

We hold ourselves and each other accountable and we encourage and support each other when needed.

### **Diversity, Equity & Inclusion**

We align our policies, practices and resources so everyone has genuine opportunities to fully participate and thrive.

### **Initiative**

We consistently look for opportunities to go beyond the status quo and are committed to ongoing learning and development.

### **Integrity**

We believe in always doing the right thing for the right reasons and being honest with each other so that we may continue to build and maintain trust.

### **Mutual Respect**

We respect, value and celebrate each other and our customers as unique individuals with equal worth.

### **Service-Focused**

All that we do is in service to our community, our customers and each other.

### **Teamwork**

We believe in the power of collaboration to harness the true potential of our collective team.