



# **FY2017 PSTA Operating Budget**

PSTA Planning Committee

June 15, 2016

Pinellas Suncoast Transit Authority

St. Petersburg, Florida

## Outline

- FY2016 Projections – Path Forward Objectives Accomplished.
- FY2017 Initiatives based on Path Forward/Benchmarking
- Ad Valorem Tax Rate Use – Increase Service





## FY 2016 Forecast Summary

No.	Line Item	FY 2016 Projected Over / Under
1	Revenues (Under)	(\$1,760,582)
2	Expenses (Under)	\$2,528,503
3	Total FY 2016 Projected Surplus	\$767,921
4	Surplus Transferred to Reserves	\$767,921
5	Budgeted Transfer to Reserves	\$2,628,446
6	<b>Total Transfer to Reserves</b>	<b>\$3,396,367</b>

**FY 2016 Will Be PSTA's 5<sup>th</sup> Straight Year of Substantial Savings**

# Path Forward Initiatives

- PSTA must be both the most environmentally sustainable as well as financially sustainable.

May 2015 Path Forward Strategic Plan Goals	Success
Customer Satisfaction Surveys	 
Strategic Marketing Plan	 
Expand Bus Cleaning Staff	 
Staff Training & Development	 
Board Governance Training	 
Develop Succession Plan	 
Hire a Federal Affairs Team	 
Continue Principals of Community Bus Plan	 
Redirect Resources from Low Performing Routes to High Performing Routes	 
Identify Cost Savings to Reduce Expenditures below FY2015 Budget Levels	 

## Path Forward Focus Area: Outreach

- New Employees:
  - Planning: Community Outreach
  - Marketing: Media Coordinator



Reduced Funding for Schedule Printing Allows for:

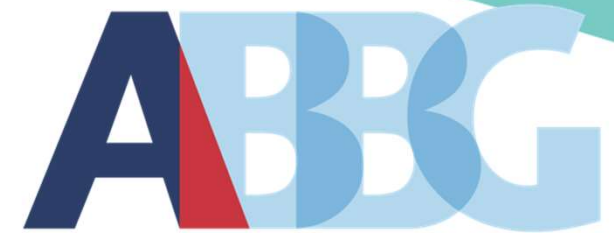
- Improved website
- Marketing Campaigns for Specific Routes
- More targeted branding/community outreach

## FY2017 – Draft Budget

Initiatives Based on Benchmarking Data:

### PSTA Strengths

- Cost Efficiency
- Cost Effectiveness
- Labor Productivity
- Fare Revenue Per Mile



### PSTA Focus Areas

- Employee Training
- Capital Investment
- Service Frequency

**FY2017 Recommended Budget Addresses Focus Areas & Capitalizes on Strengths**

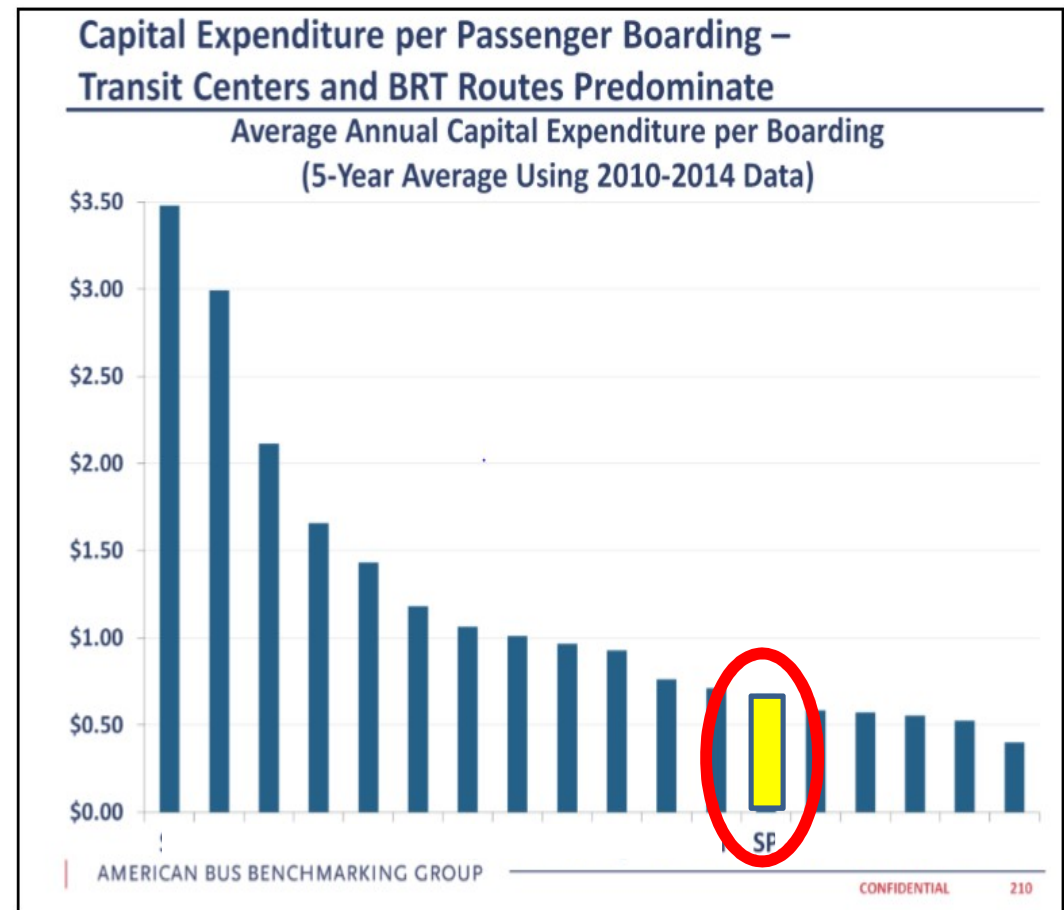
## Focus Area: Employee Training

- \$200,000 dedicated to Employee Training representing an increase of 26% over last fiscal year
- New Exciting Programs:
  - PSTA University
  - Leadership PSTA
- Ranked 17<sup>th</sup> (of 19) in Benchmarking Group for Training Hours Per Employee
- Significant Investment in Maintenance Training Past 2 Years



## Focus Area: Capital Investment

- New Investment: 10% Increase in Bus & Facility Maintenance Investment
  - Better Transfer Center Upkeep
  - Older Buses/15-Year Cycle/Hybrid Batteries

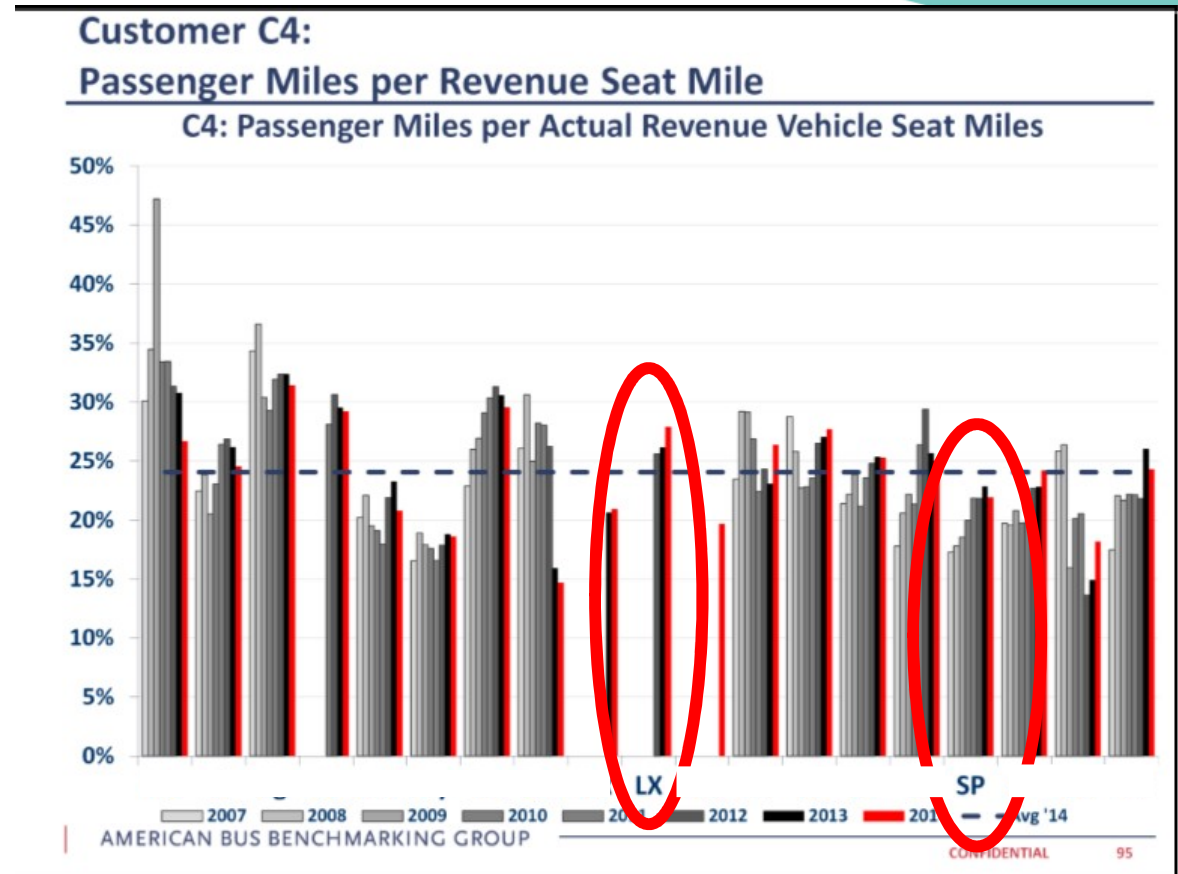


- HART investing \$10M in FY2017 Budget in Non-Vehicle Capital due to Outside STP & County funding.



## Focus Area: Service Frequency

- Community Bus Plan: Frequency & Span drives Ridership.
- Ranked 13<sup>th</sup> (of 19) in Percent of Seats Filled
- Sustainable Capital Plan Allows Ad Valorem Rate Adjustment for Increased Service.



# FY 2017 Budget Summary

Source:	FY 2016 Adopted Budget	FY 2016 Forecast	FY 2017 Proposed Budget
Revenues	\$67,875,291	\$66,114,709	\$69,478,902
Expenses	\$65,246,845	\$62,718,342	\$69,400,407
<b>Surplus/ (Deficit)</b>	<b>\$2,628,446</b>	<b>\$3,396,367</b>	<b>\$78,495</b>

**FY2017 Budget Without Ad Valorem  
Adjustment Balanced. Adjustment can provide  
Increased Service.**

## FY 16 Forecast to FY 17 Budget Expense Key Variances

- Wages & Benefits +\$3.5 Million
- Insurance (decreased recoveries) +\$.8 Million
- Diesel Fuel (to \$1.75 per gallon) +\$.5 Million
- Supplies Increased (bus parts) +\$.5 Million
- DART (new contract) +\$.6 Million
- Other Misc. Combined +\$.8 Million

## Summary

- FY2017 Budget Looks Strong
- Targeted Cost Reduction & Investment based on:
  - Path Forward Strategic Plan
  - Focus Areas Identified from Benchmarking.
- With Sustainable Bus Purchases, Ad Valorem Adjustment can be used for Increased Service to Customers.

