



## PSTA Strategic Workshop Outcomes

PSTA Board Meeting  
February 25, 2015

### February 18 Workshop Follow-Up

- 20+ Board Requested Info Items
- Calendar of Decisions Next Month
- Next Month:
  - Forecasts/Assumptions for Budget Preparation
  - Route Performance Monitoring System
- This Month:
  - STP Replacement Bus Capital Funding
  - Capital Funding Use & Reserve History



## Board Requested Information

1. "We need to better understand lack of funds for bus replacements. Why do we need \$8M from Federal STP Funds?"
2. "Brad said not only have we have not used reserve funds to balance our budget but we've increased our reserves. Has our conversion of federal capital funds to operating assistance reduced our bus funding and boosted our reserves?"

WHY DO WE NEED BUS  
REPLACEMENTS FUNDS?

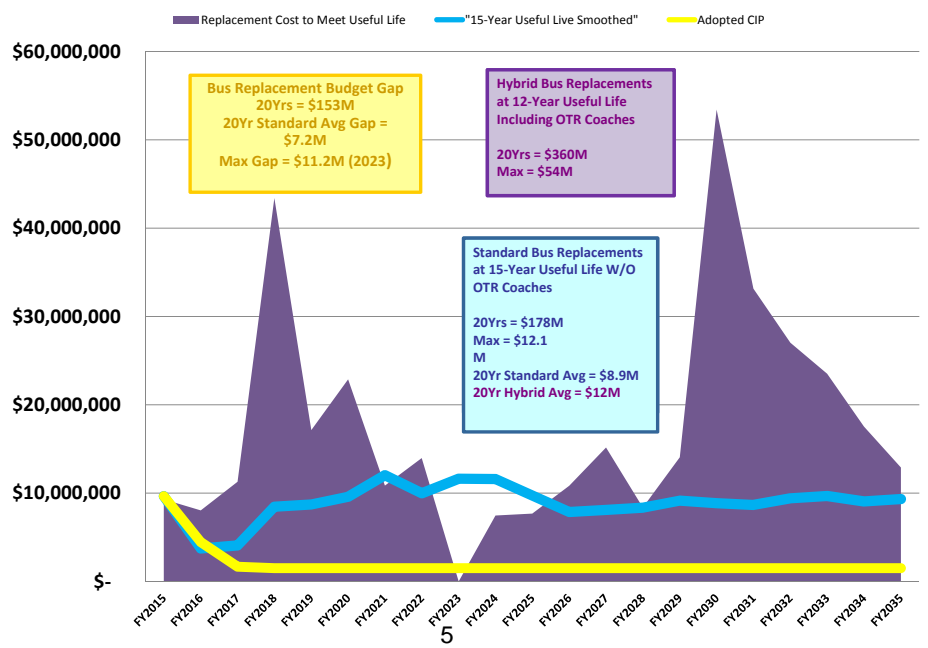
## PSTA Buses Replaced and Funding Source

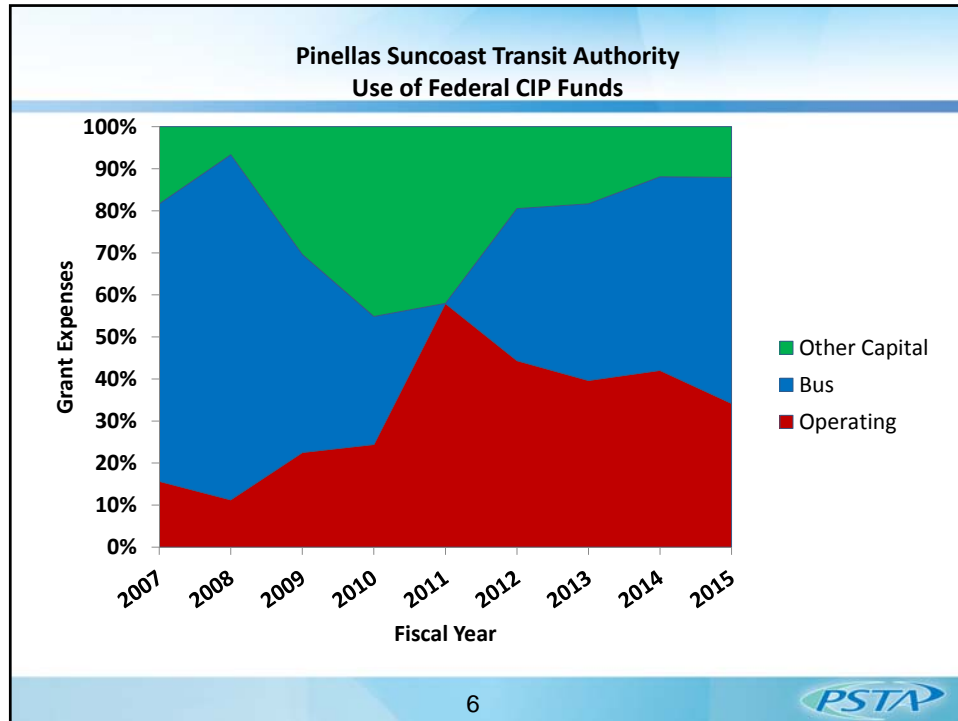
Type (Buses)	FY05	FY06	FY07	FY08	FY09	FY10	FY11
Discretionary Funds		36			2	14	
Federal Formula	21	12	21	27	10		
Local/State Funds							
<b>Total Buses</b>	<b>21</b>	<b>48</b>	<b>21</b>	<b>27</b>	<b>12</b>	<b>14</b>	<b>0</b>

Type (Buses)	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Discretionary Funds	8	4					
Federal Formula	8	6	8	11	9	6	4
Local/ State Funds							
<b>Total Buses</b>	<b>16</b>	<b>10</b>	<b>8</b>	<b>11</b>	<b>9</b>	<b>6</b>	<b>4</b>



### Long-Term PSTA Bus Fleet Management Plan





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## WHAT IS THE STATUS OF PSTA RESERVES?

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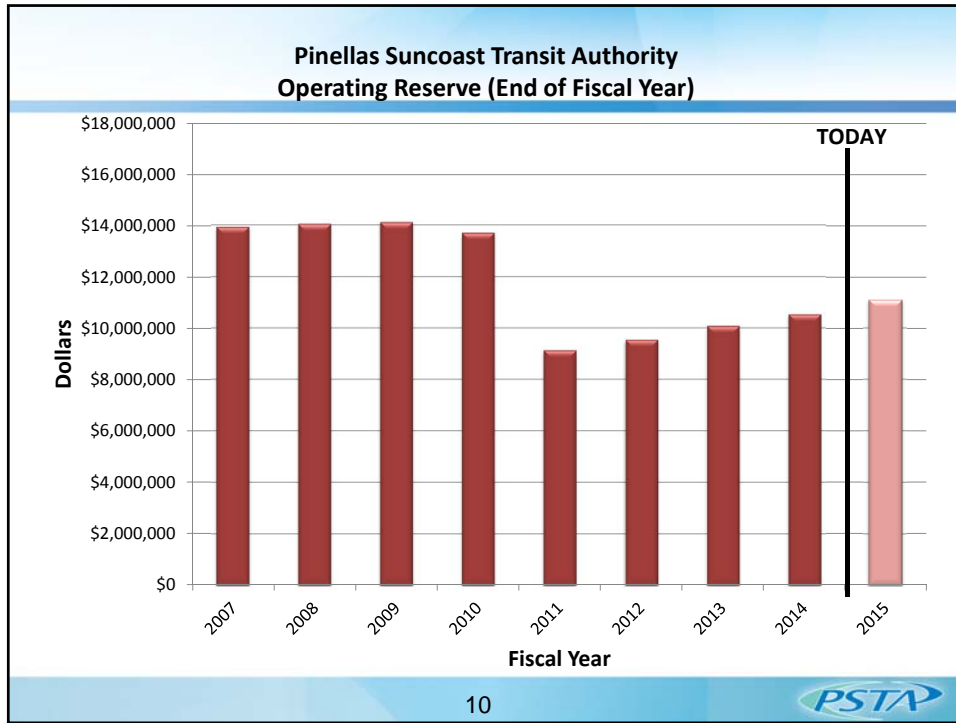


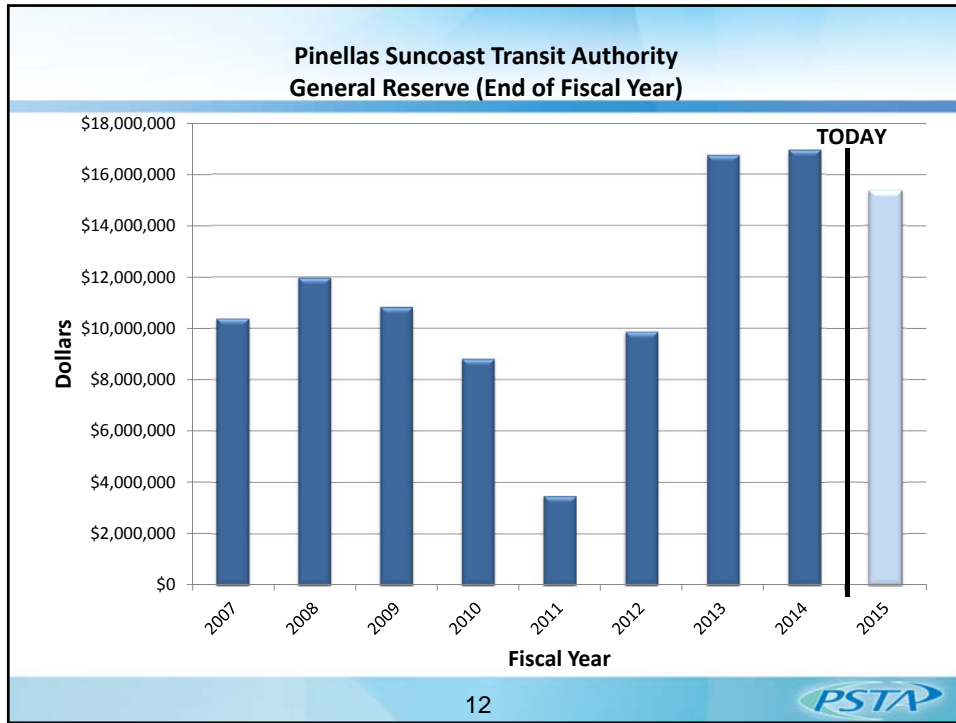
## Balanced Budgets Increase Net Income

Year	Total Revenues	- Expenditures	=Surplus (Deficit)	General Reserve	Vehicle Miles
2012	\$62,303,099	\$54,548,340	\$7,754,759	\$9,891,303	8.9M
2013	\$61,767,884	\$57,685,129	\$4,082,755	\$16,776,781	9.1M
2014	\$62,744,915	\$60,915,464	\$1,829,451	\$16,972,411	9.2M

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## Summary

- PSTA has been financially sound with a trend of increasing its net position for the last 3 years.
- Staff is working now to cut costs to increase reserve balances in 2015.
- PSTA has not drawn on its operating reserves and has grown the general reserve prudently to provide stability.
- Federal Policy Changes Will Likely Require New Revenue Sources to Replace Buses.
  - Federal STP Funds
  - Local Funds